

CHAPTER –1

1.1 INTRODUCTION

Nepal is situated in the center part of Asia, on the lap of great Himalayas on area of 147181sq.km.the length about 885km Mechi to Mahakali in the west. But the width differs from 144km in the east and 241 km in the west. It is a land locked country and has no outlet to the sea. China is to the north and India is to the west, south and east

The total population of Nepal is 25million .out of which about $\frac{1}{2}$ and $\frac{1}{2}$ male and female. More than 80% people are involved in agriculture where as 20% people are engaged in non-agriculture sectors.

Marketing plays a very significant role in accelerating the pace of organization to find out what the consumers needs, wants and interests. Besides it also helps to decide what products need to be made. Marketing has been developing together with development of human civilization. If we trace three –four hundred years back to history for human civilization we found marketing of that time. By modern standard was relatively uncultured. They did not read mechanism or tools or techniques of marketing as used today. But today all situations have changed the needs and wants have changed. Human aspiration for excellent and better status has given birth to thousand of units of different types of industry to fulfill that aspiration. These changed in turn not only interested. Different Sophisticated tool and techniques and effective strategies for successful marketing but also made the marketing a most competitive field :(Kotler 1997).

Successful businessmen are those who supply what consumers are ready to purchase as well as ability to purchase. For this reason marketers today performed many research and development to study consumer behavior so as to recognize why and how individuals make the consumers decision. It

means that consumer's behaviour is the main element which plays major role in buying decision system. With the study of consumers purchase behaviour on the basis of brand loyalty of cold drinks we can easily analyze. Why do the consumers demand that product? So the consumer's satisfaction is back bone of modern business. In the sense of modern marketing consumer is the king. In purchasing decision of different product in the basis of brand loyalty. So it is obvious that a producing organization manufacturer must determine the attitudes, needs and wants of their customer first and then bring products in the market accordingly Philip Kotler's marketing is typically seen as the task of creating promotion, delivering goods and services to consumers and business infact, marketing people are involved in marketing type of entitles , goods , devices experiences events persons, place, properties , organizations information and ideas , another definition by pro futrell; marketing is a total system of business activities designed to plan price/ promote and distribute want satisfying product services and ideas to target markets in order to achieve organization objectives. Hence above definition of marketing suggests that it consists of some activities consisting of study of consumer needs, product price promotion to facilitate exchange and brands satisfying individual as well as organization objectives with in social and marketing environment prevailing today

The consumer gets the product he/ she wants and the manufacturer gets profit with satisfaction. This highlights the importance of product is the whole process of marketing. Product is always an important element of marketing mix. It is more than goods and services ideas, experience events, places, personality and organization that can be offered to a market to satisfy a want or need.

Lalitpur is our research area, it is also one of the major cities of Nepal, most of tourist comes from various countries to visit in Lalitpur and they demand cold drinks during the time of their staying here. Being the most populated district it may prove to be the most suitable area for the purpose of

our research. Since most of modern hotels restaurants and bakeries are found in Lalitpur. As such the survey deled in the process of our research reveal the characteristics of the colds drinks available in the markets. At the same time results derived by the research are appreciable to whole country. This study includes almost all the brands of colds drinks (i.e. Lemon Fanta, Coke, Fanta, Sprite, Miranda, Pepsi, Frooti) etc. among the industries that produce cold drinks bottlers Nepal is in direct competition with Pepsi products. Coca –Cola almost covers 68% of the market share. Besides these two brands, their are some other brands of cod drinks like Frooti, Real, Rio, pretty selling cold drinks market In Lalitpur. Thus although study of cold drinks is important and the many studies about consumers purchase behavior with reference to other goods (e.g. wai wai, yum yum, suit mobile TV are made by business study with reference to cold drinks has not been made yet in this title in Lalitpur.”Marketing trends of cold drinks in Lalitpur:

So I chose this title for the study of cold drinks to get the useful information and data in addition it is help to the thesis writer marketing author and other research for their study related with cold drinks. Mainly our study forces in the products of Coke and Pepsi.

1.2 FOCUS OF THE STUDY

The research tries to find out current situation o cold drinks market within Lalitpur. Usually, cold drinks are non –alcoholic drinks. These are available in different size, packages bottles, cans, as well as various tastes flavor.

The demand of cold drinks depend upon various factors such as advertisement, fashion price incomes tastes etc generally, demand of cold drinks in Nepal goes comparatively high in the hot summer season. Likewise

it role with regard to satisfying consume and marketing at reasonable price as service has its own importance.

In this 21st century every marketer should understand about consumers taste fashion their needs and wants no business run without these factors, as the focus of this study is marketing trends of cold drinks: a temporal aspect of consumer behavior the manufacturer or marketers of the country will be highly benefited by this study. They may use finding of this study as the guideline for marketing strategies for marketing of their products so that to turn in their favor.

This study will examine the present marketing strategies of cold drinks in Lalitpur and try to find out the marketing variable affecting the cold drinks the research also focus on the role played by attitude image and marketing trends of cold drinks.

1.3 STATEMENT OF THE PROBLEM

There are different brands of cold drinks in market like as Coke, Pepsi Miranda, Fanta, 7up etc. All products are made for the satisfaction of some needs and are used or consumed by the customers in different ways and in various occasions.

The uses of cold drinks are increasing in Nepal as in other country. Due to that density population has been creating hot and the other is that different types of each related cold drinks day by day, which can easily attract the consumer. On the other hand we can see different brand of cold drinks in market just as Pepsi, Coke, Miranda, Fanta, Sprite etc. Competition are increasing day by day and many new companies are emerging to fulfill the demand, however, the new brands they are not in the stage to compete with

Coca-Cola and Pepsi products. Advertisement is the most essential for companies to increase sales and to know about their consumer's choice, taste and preference. For regular sales and distribution of cold drinks we must know about which is the best advertising media. Which advertising media can be more effective? The cold drinks are also one of the heavily advertised products. It takes large amount on the promotion of cold drinks, yet very few companies are found to measure the effects of their advertisement. This study would concentrate around the problems as stated in the following points.

- a. How sales promotion schemes are affecting of sales and the demand o f cold drinks?
- b. What is the consumer's perception and consumption behavior of cold drinks in Lalitpur?
- c. What are the usage trends of cold drinks?
- d. What type of distribution network does exist in the study area for marketing of cold drinks?
- e. What type of impact have the advertisement made on the sales of cold drinks in the study.
- f. What is the popular media of advertising for the cold drinks?

1.4 OBJECTIVES OF THE STUDY

The general objectives of the study are to analyze the marketing of cold drinks in Lalitpur.

The main objectives of the study are as follows.

- a. To evaluate the impact of advertisement and sales promotion schemes on sale of cold drinks in the study area.

- b. To find out the level of awareness of different brand their images and attitudes towards different brands.
- c. To examine the consumer's perception and behaviors in the purchase of cold drinks in Lalitpur.
- d. To evaluate the distribution network and marketing strategies of cold drinks companies in Lalitpur.
- e. To identify consumer profile and their preference of cold drinks in the study area.

1.5 IMPORTANCE OF STUDY.

Success of an industry depends on the function of successful marketing of its product. In era of big competition successful marketing of the product demands a through understand of consumers tastes, and choice and preference and loyalty, attitude, images of certain product and consumption behavior. Manufactures may use the finding received from the study the markets of cold drinks for better understand about their consumers and there by design a better marketing strategy.

1.6 LIMITATION OF THE STUDY

As every study has limitation, it is not exception it has also some limitations.

The study has been based on primary data collected through a questionnaire survey of limited 140 individuals and 70 retailers. The study has been prepared under the limited time regarded less of the limited time I have done very sincerely. This study has been strictly limited to Lalitpur and the finding from this study may not apply totally for the national character.

1.7 ORGANIZATION OF THE STUDY

This study has been organized into five chapters.

I. Introduction.

This first chapter includes the background of the study, statement of problem, objectives of study, importance of the study and limitations of the study.

II. Review of literature.

The second chapter includes the conceptual frame work , review of related findings , review of books of thesis, review of articles.

III. Research methodology.

The third chapters includes introduction of data plan , research design, population and samples, nature and sources of data data collection procedures, data processing and analysis.

IV. Presentation and analysis of data.

Fourth chapter includes the analysis of the study. Analysis as done as per describe in chapter there to analysis of data this chapter uses different charts , table and statistical and financial tools for better understanding of data and information and to reach towards accurate interpretations.

V. Summary, Conclusion and Recommendation.

The fifth chapters summarize the whole study moreover it draws conclusion and forwards the recommendation of the study. The bibliography and appendix are presented at the end of study report.

CHAPTER –2

REVIEW OF LITERATURE

Review of literature means reviewing research studies or other relevant propositions in past studies. This chapter provides insight into past studies and progress of similar field. All those studies related to this thesis works are categorized in two parts. Conceptual/ theoretical review of related studies. In conceptual review. It reviews the concepts concerning the subject matter that are written in related studies, magazines and concerned books by experts in related field, while in review of related studies, it reviews the previous studies, which are related to the subject matter of this study.

CONCEPTUAL REVIEW

2.1 MARKETING CONCEPT

In general term concept refers to the theory or philosophy, regarding this, the marketing concepts a philosophy of business . it is also an attitude and course of business thinking which emphasizes the success of organization through product, market production distribution and satisfying human needs. In order words marketing concept is a way of thinking activities. When this philosophy is adopted it affects not only the marketing under which they conduct their marketing activities. According willion Stanton has said that the marketing concept is a philosophy of business, which states that customers want satisfaction is the economic and social justification of company's existence. Consequently, all company activities in production, engineering and finance as well as in marketing must be devoted to first determine what the consumers

Want are and thus satisfying their wants while still making a reasonable profit.

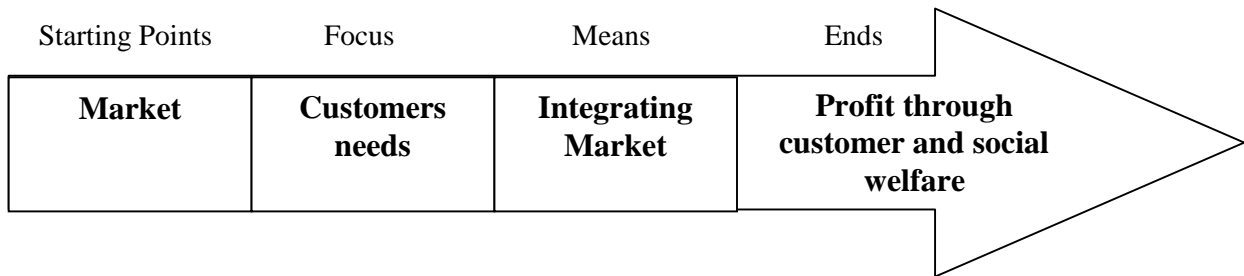


Figure: I

This concept was developed out of the awareness that marketing starts with the determination of consumer wants and ends with the satisfaction of those wants. The following five marketing concepts are developed over the year.

- a. The production concept.
- b. The product concept
- c. The selling concept
- d. The marketing concept
- e. The social concept

2.2 MARKETING

There are numerous alternative definitions of marketing frequently, the particular from reflects the preoccupations of individuals authors institute of marketing (UK): marketing is the management process which identifies anticipates and supplies customers requirement efficiently and

profitably. The marketing is process of planning and executing the concept pricing, promotion and distribution of goods, service and ideas to create exchange with targets group that satisfy customers and organizations objectives.

For a managerial definition: marketing has often been described as the art of seeking product, but people are surprised when they hear and the most important part of marketing is not selling” selling is only the tip of the marketing iceberg, Kotler 1997/8. now we can conclude that marketing is the overall activities are concerned to fulfill human needs and wants . it includes not only buying and selling activities, but also marketing , planning organization, distribution and controlling process. It ensures consumers satisfaction before and after selling the goods and services and it take the social responsibility too.

2.3 BASIC PRINCIPLES OF MARKETING CONCEPT.

The marketing concept holds those marketing activities, which should be directed towards determining and satisfying consumer need of target market to achieve organization goals. The marketing concept is based on target market, customers orientation integrated marketing and objective achievement.

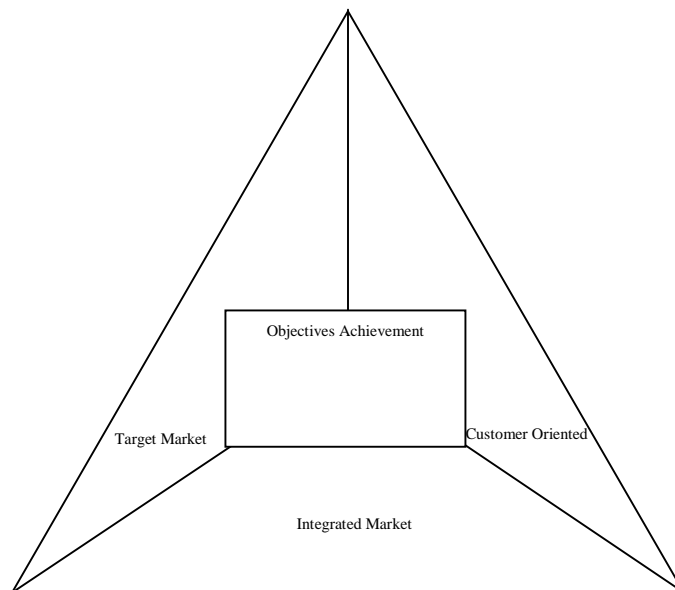


Figure: II, Basic principles of the Marketing Concept

i. Target market

Organization cannot operate with in one broad market and satisfy every need of the customers. Under the marketing concept a target market consisting of group of homogeneous customers is carefully slected for marketing purpose. A group of customers whose needs can be satisfied should be focused.

ii. Customer Orientation

Under the marketing concept all planning and operation should be customer oriented. All activities of the organization should be focused on determined and satisfying customer's needs should be defined from the customer's point of view under this concept marketing activities target at customers.

iii. Integrated marketing

Under the marketing concept all marketing activities are organizationally co-coordinated. To satisfy customer needs various marketing functions like product management, marketing research pricing, distribution advertising, public relation sales forces etc must work together under the integrated marketing concept.

2.4 MARKETING MIX

There is a number of aspect involved in marketing. A product some of them are controllable aspects and other are uncontrollable. The example of controllable aspects may be the features of the product such as its price, its selling through salesman or retailers, its advertisement through various means like television, newspaper, website and so on .in all these cases there are a number of alternatives available to choose. The firm always tries to choose a mix of alternative for decisions among the alternative why may yield the maximum returns for it. There are usually four main decisions areas. Product. Price. Promotion, place which constitute a mix of decisions. The same mix is earned as marketing mix according to willion j . Stanton

marketing mix is the terms used to describe the combinations of the four inputs, which constitute the care of company's marketing system. The product, the distribution system, the price structure and promotion activities.

According to Jerone Mc Cartly: marketing mix is that controllable variables which the company puts together to satisfy its target market. From the above definitions we may come to conclusion the marketing mix is the policies in the market. It is a set of product, price, promotion, and place. Which are used to attain firm objectives in target market? If one manages to achieve the right product at the right price with the appropriate promotion and in the right place, the marketing program will be effective and successful at present marketing mix has become an essential part of marketing management.

Components of the marketing mix are shown in the following figure

Product Mix	Place Mix	Price Mix	Promotion Mix
Quality	Channel	List price	Advertising (electronic media, newspapers, magazines, hoarding boards, cinema halls)
Design	Physical distribution	Pricing objectives	personal selling (door to door service)
Variety	Order Processing	Analysis of competitor's price	sales promotion
Features	Warehousing location	discount and commission	public relation
Branding or trademark	Material handling	sales terms	publicity
Packaging	Inventory		
Service	Transportation		
Durability			

Figure 3

2.4.1 PRODUCT

A product may be a good service or an idea. Product is one of the most important components of marketing mix. it is a set of tangible and intangible attributes includes packaging , color, price, manufacturers, prestige, retailers prestige and manufacturers prestige, manufacturers and retailers services.: product is anything that can be offered to a market foer attention , acquisition, use or consumption, and that might satisfy a want or need

The actual physical production of product is not a marketing activity, but researching consumers product wants, planning the product with development and production personnel to give the product the desired characteristics developing the package, and creating a brand name are a few activities and decision areas upon which markets focus in order to facilitate exchange. One of the main objectives of a firm is to produce such types of product which satisfy the human needs and wants . Product mix includes following components.

-) Product planning and development
-) Branding
-) Packaging
-) Standardizing and grading
-) Alteration.

2.4.2 PLACE (DISTRIBUTION) MIX

Another component of marketing mix is places or distribution mix is concerned with the activities that direct the flow of goods and services from manufacturer to consumer or users to satisfy their needs and wants by developing relations with many intermediaries. Channel members may or

may not direct handle the goods. Some many own them and transfer title, while others do neither. Some many provide return and repair services, while also strong and transport them. And other s many be primarily concerned with transmitting money and information. In other words, a number of things flow through a channel besides goods, in both ways. It creates time, place and possession utilities of product to satisfy consumer. Product must be available at the right time in place. in dealing with the place mix a marketing manager attempts to make product available. In the quantities desires, to as many customer as possible and to hold the total inventory transportation and storage costs as low as possible, marketing manager may become involved in such activities as selection and motivating inventory control procedures, and developing and managing transportation and storage systems. The general, place distribution ix includes following components

-) Channels of distribution
-) Distribution networks
-) Dealer promotion and motivation systems
-) Physical distribution or logistics management etc.

2.4.3 PRICE MIX

Price is the most important parts of marketing mix because the manufacturing of product, its distribution and promotion have no meaning unless the product is priced. No marketing job can be done properly without pricing. Consumers are interested in the prices of products because they are concerned with the value obtained in an exchange. In dealing with the price mix, a marketing manager is usually concerned with establishing pricing policies and determines products prices because price is often so important to many consumers. It is a critical part of marketing mix .it often is used as a competitive tool to gain an advantage. It is the variable that creates sales revenue/ consumers pay price to buy products for their satisfaction. It may

be fixed on the basis of cost, demand or competition it may involve discount, allowances, credit facilities. Generally price mix includes following components.

-) Formulation of pricing objectives
-) Setting the price
-) Analysis of competitors price
-) Determining terms and conditions of seller
-) Discounts and commissions etc

2.4.4 PROMOTION MIX

Promotion is an act of telling and selling. it is a highly variable component in the marketing. It is any marketing whose function is to perform or persuade actual or potential consumers about the merits of a product or services for the purpose of introduction a consumer either to continue or to start purchasing the firms product or services at a given price. The promotion mix is used for a variety of reasons for e.g. it might be used to improve a firm's image, to make consumers aware of a new brand or to educate consumers about product features. The major promotional methods include personal selling, mass selling, sales promotion. Personal selling involves direct face to face relationships between seller and potential customers, mass selling is designed communicate with large number of customers at the same time. advertising is the main form of mass selling, but it also involves publicity, sales promotion refers to specific activities that complement personal and mass selling such as point of promotion mix consists of the following components

-) Mixture of advertising
-) Personal selling
-) Publicity
-) Public relation

) After sales services etc

2.5 MARKETING ENVIRONMENT

Environment literally means the surrounds external objects influence or circumstance under which someone or something exists the environment of any organization that surrounds and affects it in the words environment is the aggregate of all external conditions and influences that affect the life and development of an organism. The organism in our case is no other than marketing, since the environment influences an organization and its marketing activities in many ways, its understanding are of crucial importance.

The marketing environment consists of external forces that directly or indirectly influence an organizations acquisition of inputs and generation of outputs. it consists of the forces and factors which affect the organizations ability to develop and maintain both the successful marketing activities and the relationship with its target customers.

There are two sets of factors; internal factors and external factors, which influences the marketing activities of an organization f. the internal factors are known as controllable factors. it can be modified or altered in accordance with the environment . The external factors are known as uncontrollable factors because such factors are largely beyond the control of the individual organization. Those factors are shown in the following figure.

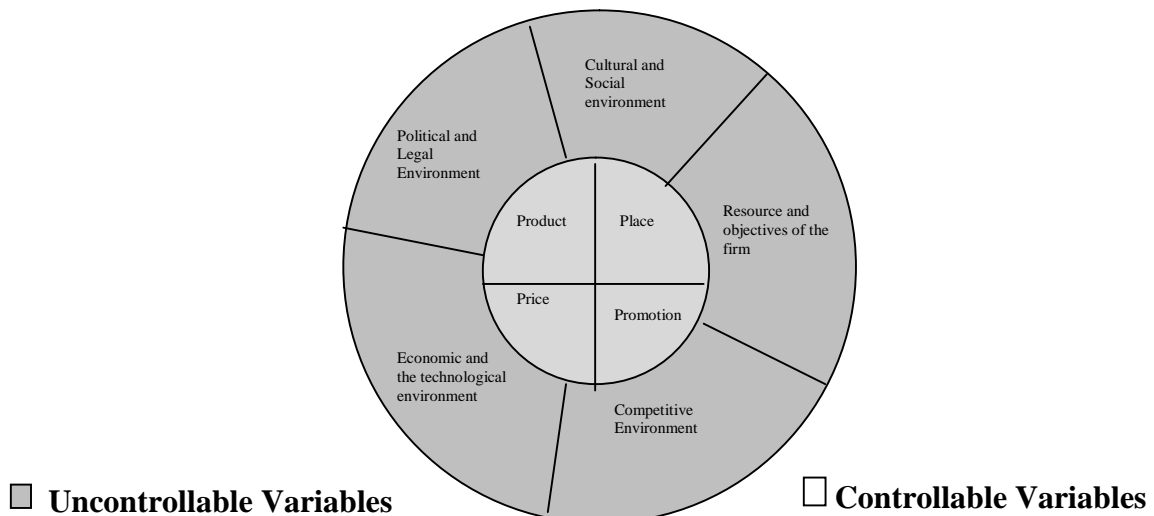


Figure 4

2.6 MARKETING ENVIRONMENT IN NEPAL

Nepalese marketing environment can be studied in the following way

1. Natural environment
2. Technological environment
3. Political environment
4. Socio-cultural environment
5. Demographic- environment
6. Economic environment

1. Natural Environment

Nepalese natural environment consists of topography, natural resources and natural beauties.

a. Natural Beauties

Natural beauties such as Himalayas, climate scenic beauties, etc are world famous and are attractions of tourism industry, access to such natural beauties and resources plays an indescribable role in the development of industries for marketable products in Nepal.

b. Topography.

Topography, Nepal can be divided into three main regions they are.

i. The Himalayan region.

This region is located in the north of the country and goes up to the southern border of the Tibetan plateau.

ii. The hilly region.

This region is situated just to the south of the Himalayan and north of the Terai. This region accounts for massive mountains, running from

east to west containing rolling hills and hillocks saddles and peaks m wide and narrow basic tars valleys etc.

iii. The Terai region

This region is the southern part of the country. The topography is important for marketing because it provides raw materials, energy water supply minerals oils, and forest resources.

2. Technological Environment

Technological environment consists of technical skills, systems and equipments. It has been gradually emerging in Nepalese marketing environment.

Still most of the Nepalese industries are adopting labour intensive technology the industries are based on traditional technology.

Recently, science and technology policy 2061 A.D is announced. The vision of the policy is to build the country as a developed, dynamic and prosperous state by use of raising the living standards though the appropriate development and use of science and technology definitely emerging technological changes affects Nepalese marketing.

3. Political Environment

The influence of political environment of Nepalese marketing is enormous. The political and legal forces decide promote and control the marketing activities of the country following are the political and legal forces affecting Nepalese marketing.

a. Political System

Constitutional monarchy had been declared as one of the basic features of Nepalese political system before 1990. Now, multiparty democracy has been accepted as on unchangeable features of the Nepalese political system by the constitution of kingdom of Nepal.

b. Political Insitution

Political institutions of Nepal consist of legislature (parliament) executive and judiciary. They also influence Nepalese marketing. The formulation and adoption of law is the major task of the parliament. the implementation and regulations of laws are the major tasks of the government. The judiciary interprets the laws. All these political institutions activities affect Nepalese marketing.

4. Socio-Cultural Environment

Social cultural environment forces are very powerful in Nepal they affect the Nepalese marketing. Nepal is a multiethnic and multilingual Hindu kingdom. People belonging to different ethnic groups' line in Nepal. Similarly, people belonging to various ethnic groups speak different languages and they also belong to different religions. All these affect the Nepalese marketing.

A. Social forces

In Nepal, social forces combine the following components.

i. Social class

Generally an individual can be categorized in one of the three informal social class structures such as high class, middle class, low class. They are based on such attributes as income occupation education and type of dwelling. the demand of products varies as per social class.

ii. Family

As a social force, family plays an important role in influencing Nepalese marketing. Family functions directly in consumption of the product. Family operates as an economic unit earning and spending money. We can find joint family system in Nepal; nowadays nuclear families are emerging in the Nepalese society.

iii. Cultural Forces.

Most of Nepalese consumers are guided by culture. It influences the choice of food, clothing, housing etc.

iv. Religion

People belong to different religions line in Nepal. The main religions are, Hinduism, Buddhism, Islam, Kirat, Jainism etc,

B. Language

People of Nepal speak different languages in different religions and communities. Nepali is the language of the nation under the constitution of the country but there are more than three dozen languages, some of the major language is Nepali, Newari, Maithli, Bhojpuri, Tamang, etc,

5. Demographic Environment

Nepalese demography environment analysis combines several components such as size, growth and distribution of population, age mix, urbanization and migration.

a) Size growth and distribution of population

According to latest population census 2001, the total population of Nepal is 23151423 and population growth rate was 2.25 percent per annum. The total number of male is 11563921 and female 11587502 on the basis of sex, female cover 50.05% and male 49.95% of the total population. Distribution of population is made on the basis of geographic regions –Terai regions has the highest member of people accounting about 48.43% of total population followed by 44.28% in the hills and only 7.29% in mountain regions.

b) Age mix of population

Age mix is that factor which shows dependent and active population in the in the total population. According to 2001 census

shows that economically active population (15-59) covers 54.15% of total population whereas 27.24% belongs to 5-14 age group 0-4 and 60+ above age covers 18.61%

6. Economic Environment

Nepalese economic environment is composed of all economic surrounding that affect Nepalese marketing. The Nepalese economic environment consists of income distribution structure of economy, economic health, foreign trade and regional groups.

a) Income distribution

There is an unequal income distribution in Nepal. It is estimated that about 42% of total population still live below the poverty. In term of income, Nepal is a least developed country with a per capita income of us \$244. This affects the purchasing, power of potential customers.

b) Economic health

Nepalese marketing activities are also affected by economic health. i.e. general economic conditions . These economic changes in economic conditions affect the forces of supply and demand, buying power willingness to buy consumer expenditure levels etc. country's inflation rate is growing and normal consumers' purchasing power is declining.

2.7 MARKETING SEGMENTATION

Markets consist of buyers of products and services and they differ from one another in one more respects. These difference show themselves in buyer wants, resources, areas in which they live, buying attitude and buying practices. We can use any one or more of these differences as a basis for segmenting a market.

Marketing segmentation involves dividing the market into a number of distinct Segments according to some specific criteria, which reflect different purchasing wants and needs.

According to William m. Pride and O.C ferell: market segmentation is the process of dividing a total market into market groups consisting of people who have relatively similar product needs. The purpose is to design a marketing mix that more precisely matches the need of individual in selected segments.

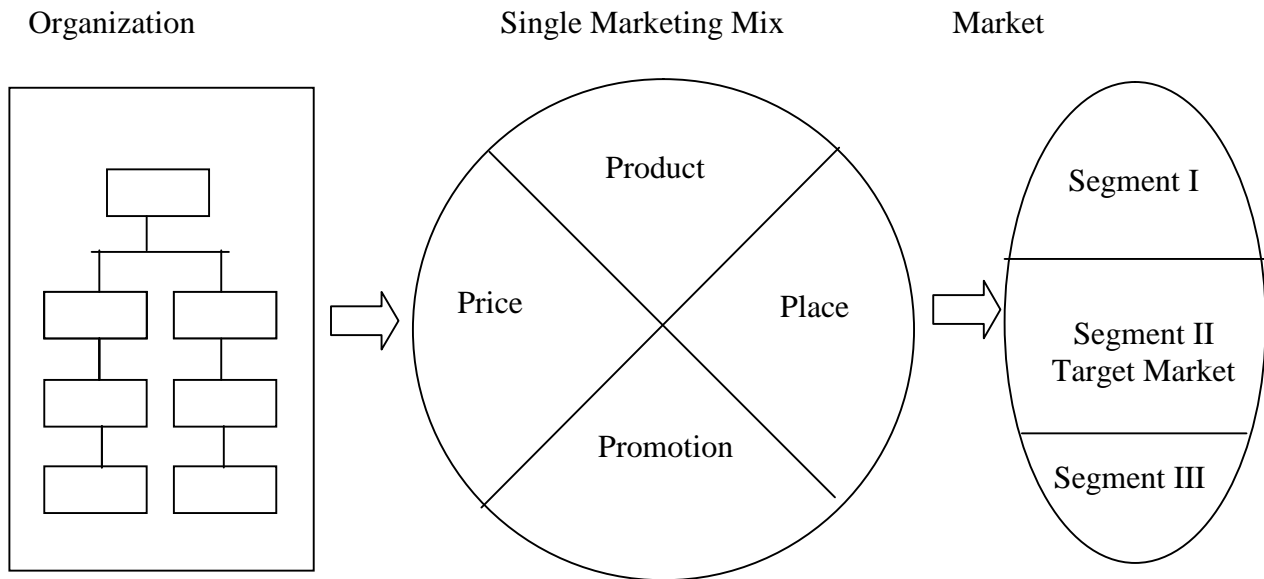


Figure 5, Marketing Segmentation Approach

2.8 MARKETING MANAGEMENT

Marketing management involves servable activities, including environment scanning, market opportunity analysis, marketing strategy programming and implementation and control.

a) Organization Mission

The mission of an organization defines the organizations basic purpose and what the organization wants to accomplish.

b) Environment Scanning

Environment scanning is information collection and interpretations concerning outside forces, events and relationships as they affect or may affect the future of the organization. It helps identifying market opportunities and threats and provides guidelines for the design of marketing strategy. Environment analysis concentrates on the macro environment – the economic government technological, social and natural environment.

Environment forces are changes emanating from the environment with the potential of impacting organizations market opportunities and strategies

Building adaptive strategies require an understanding of both the natural and the rate of change, and extremely few environment forces are easy to predict, so management should consciously be aware environmental forces.

c) Market Opportunity Analysis

MoA is the step-by-step process of defining describing and estimating the size and characteristics of each product- market of interest to a company as well as the way and the extent to which each produce market is served by completion. It can be used to investigate a potential market opportunity or better understand a market already served. a precise description of the size and characteristics of a target market can show how a firms marketing approach can be improved.

Knowledge of markets and competitors is essential in designing and managing marketing strategy.

d) Marketing Strategy

Marketing strategy is the set guidelines and policies used for effectively matching marketing programs with target market opportunities in order to achieve organization objectives. Marketing cannot fulfill its managerial role unless customers' needs and wants

are understood and satisfied. The development of an overall marketing strategy helps ensure the mutually beneficial exchange occurrence it is oriented towards the long run, comprised of fundamental decision (not day to day adjustment) and developed with an eye to competition as well as markets, developing marketing strategy includes which customers to target and how to position products relative to competitors in the minds of existing and potential customers.

Developing marketing programs involves identifying alternative combinations of marketing variables and then judging how well these combinations match the market opportunity. The core of such matching is forecasting potential customers' response to the mix of marketing variables. Then the program with the greatest potential is implemented.

e) Target Market Selection

A target market may consist of all end-users or more sub-groups in a product market. Decisions about target market is one of management's most important tasks.

An organization's mission and objective guide target market selection so target market decision must be properly positioned within this larger context and their strategic implications assessed. Once selected, the target market provides the focus for setting marketing objectives and designing the marketing programs.

f) Implementation and control of marketing strategy

Marketing implementation is the execution of marketing practices consistent with marketing programs and strategies. Good marketing strategies too often fail due to poor marketing implementation. Poor implementation can also make it difficult to judge whether or not a marketing strategy is itself appropriate, for this reason, if performance is poor, it is usually best to first consider making adjustments in marketing implementation. Marketing

implementation brings us to the lowest level of marketing, the actual day-to-day execution of marketing tactics and practices. The finest marketing strategies will fail unless the implementation link that makes the contact with customers is strong.

Marketing control is the setting of standards and the monitoring of marketing performance to keep performance in line with objectives.

The purpose of evaluation and control is to bring the results of the firms marketing efforts as close as possible to its marketing objectives. Control accounts for a large portion of the marketing managers daily activities in most companies, whereas planning is more demanding during the early stages of a new business venture. Control determines whether modifications are needed in marketing strategies.

2.9 INTERNATIONAL MARKETING

International marketing is the performance of business activities designed to plan, price, promote, and direct the flow of a company's goods and services to consumers or users in more than one nation for a profit. The only difference between the definition of domestic marketing and international marketing is that in the latter case marketing activities take place in more than one country: accounts for the complexity and diversity found in international marketing operations. Marketing concepts, processes, and principles are universally applicable and the marketer's task is the same whether doing business in Dimebos, Texas or Darres Salaam, Tanzania. A business's goal is to make profit by promoting, pricing and distributing products for which there is a market (Cateira and Graham .2002:8).

The answer lies not with different concepts of marketing but with the environment within which marketing plans must be implemented. The uniqueness of foreign marketing comes from the range of unfamiliar problems and the variety of strategy necessary to cope with different levels of uncertainty encountered in foreign markets (Cateira and Graham 2002:8)

Competition legal restraints government controls weather fickle consumers and any number of other uncontrollable elements can and frequently do , affect the profitable outcome of goods , sound marketing plans , generally speaking the marketing cannot or influences their uncontrollable elements , but instead must adjust or adapt to them I a manner consistent with a successful outcome what makes marketing interesting is the challenge of molding the controllable element of the marketing decisions with in the framework of the uncontrollable elements of the marketing place (competition politics , laws consumer behavior , level of technology , and so forth) in such a way that marketing objectives are achieved . Even though marketing principles and concepts are universally applicable, the environment with in which the marketer must implement marketing plans can change dramatically from country to country or region to region. The difficulties created by different environment are the international marketers primary concern (cateora and graham .2002; 8)

2.10 THE INTERNATIONAL MARKETING RISK

The major task of international marketer is to analyze and interpret the international marketing environment, which can affect the marketing program of a firm in domestic marketing the marketer has to analyze only two levels of environment, while in international marketing the marketer has to analyze at least four levels of environment (shrestha 2003;6)

The international marketers task is more complicated than that of the domestic marketers because the international marketer must deal at least two levels of uncontrollable uncertainty instead of one. Uncertainty is created by the uncontrollable elements of all business environments, but each foreign country in which a company operates adds its own unique set of uncontrollable factors (cateora and graham .2002:8).

Levels of environment in domestic marketing

- a) Domestic controllable**
 - i. Business location

- ii. Financial position
- iii. Organization manpower and their working skill
- iv. R and D activities
- v. Company image in the market

b) Domestic uncontrollable

- i. Economic environment
- ii. Socio- cultural environment
- iii. Political – legal environment
- iv. Demographic environment
- v. Competitive environment
- vi. Technological environment
- vii. Natural environment

c) Levels of environment in in marketing

- i. Domestic controllable
- ii. Domestic uncontrollable

d) Foreign uncontrollable, which includes

- i. Economic environment

- ii. Socio- cultural environment
- iii. Political –legal environment
- iv. Demographic environment
- v. Competition environment
- vi. Technological environment
- vii. Natural environment

e) International environment

- i. Inter regional forces. Including regional co-operation groups and their regulations
- ii. International organization including IMF UNCTAD etc , world bank.

2.11 MARKETING RESEARCH

Marketing research assumes great importance in the context of competitive export marketing, in the modern days, export marketing is not mere trading it is something more than trading, the success in the competitive export markets depends on aggressive strategies and systematic plan, it is necessary to have positive dynamic marketing through a proper plan, any marketing plan can be formulated only with help of facts. Market research supplies these facts. Marketing research strictly depends on reliable information.

Information is the key component in developing successful marketing strategies and avoiding major marketing blunders, information needs large from the general data required to assess market opportunities to specific

market information for decision about product promotion, distribution, price. Sometimes the information can be bought from trusted research vendors or supplied by internal marketing research staff. But- sometimes even the highest- level executives have to get their shoes dirty” by putting in the miles and talking to key customers and or directly observing the market place in action. an enterprise broadens its scope of operations to include international markets , the need for current, accurate information s magnified , indeed , some researches maintain that entry into a fast developing ,. New to the firm foreign market is one of the moat daunting and ambiguous strategic decisions an executive can face, a marketer must find the most accurate and reliable data possible with the limits imposed by time, cost and the present state of the art, the measure of a competent research is twofold: 1 the ability to utilize the most sophisticated and adequate techniques and methods available within these limits, and 2 the effective communication of insights to the decision makers in the firm. The latter often requires involving senior executives directly in the research process itself.

Therefore, the exporter must conduct market research for collecting these facts through required information. It is necessary to eliminate hit or mass: approach to export. The role of market research is like the use of radar. It makes the exports know his problem, it warns him of peril and it shows the route by which to bypass difficulties, market research serves businessmen. Exporters from the costly failure of trail –and error method any expenditure on market research is a sort of investment.

Marketing research is traditionally defined as the systematic gathering recording and analyzing of data to provide information useful in marketing decision-making. While the research processes and methods are basically the same whether applied in Columbus, Ohio or Columbus, Srilanka int; marketing research involves two additional complications, first information must be communicated across cultural boundaries, that is executive in Chicago must be able to: translate: their research questions into terms that

consumers in Guangzhou, china can understand, then the Chinese answers must be put into terms (I.e. reports and data summaries) that American managers can comprehend . Fortunately, there are often internal staff and research communication tasks (cateora and graham, 1999'192)

2.12 MARKETING INFORMATION SYSTEM

Marketing information system is the mechanism for providing decision making information and data methods for the regular and planned collection analysis and presentation of information for use in marketing decision MKIS is provides a continuous flow of information about prices advertising sales, competition and distribution. it is the major tool for scanning and monitoring the external environment the external forces of marketing . MKIS is collects vital information from various sources, analyze and synthesize them and supply to the marketing decisions makers (koirala 2002.4)

Prof Kotler (2005) defines the Marketing Information System as: a marketing information system consists of people, equipment and procedure to gather, sort analyze evaluate and distribute needed, timely and accurate information to marketing decision makers (p.123)

Pro KD koirala (2002) beautifully highlights the above definition characteristic as follows 'mkis consists of people working for the organization as managers supervisors, salespersons and intermediaries who provide vital information about the market and environment.

The system is based on communication equipment and computers that helps in the collection, classification analysis and dissemination of information the system is designed to provide essential, reliable and prompt information feed back to marketing decisions makers.

Marketing information has become very important in the current marketing decision process due to the following factors.

-) Expansion of geographical market coverage from local to national to international markets.
-) Extension of marketing goals from understanding and satisfying customers needs to want creation and delivery which requiring a variety of information on product positions, effectiveness of promotional tools produce differentiation etc.
-) Research works on floriculture also highlights on the ready market in Kathmandu. It states that the demand in the valley has never been fully met due to inconsistency in the problem of floriculture produce. It has recommended production of flower to consumer on a regular basis throughout the year.

2.13 DEFINITION OF PERCEPTION

2.13.1. Perception

Consumer behavior is based on perception of what reality is not reality itself. Perception influences how the motivated consumer actually acts, perception are the selecting, organizing and interpreting information input by an individual to produce meaning. Perception influences consumers behaviour because it gives meaning to market stimuli. Marketers must understand how the consumers perceive their marketing mix in a positive way.

2.13.2. Perceived Quality

Consumer usually judges the quality of a product or services on the basis of variety of information cues that they associate with the product. Some of these cues are intrinsic to the product or services and other are extrinsic. Either singly or in composite, such cues provides the basis for perceptions of product and service quality.

Cues that are intrinsic concern physical characteristics of the product itself, such as size. Colour. Flavor or aroma judge product quality for e.g. the perceived quality of laundry detergents is affected by color cues.

Similarly Coke and Pepsi both are offered in same colour signifying the completion they have with each other.

2.14 ATTITUDES AND BELIEFS

Attitude

Attitudes reflect likes and dislikes of consumers. An attitude is a person judgment towards some object, people event in a consistently favorable or unfavorable way, personal experiences, environment and situations mould the attitude. They are learned have consistency and are either favorable or unfavorable about objects.

Attitudes influences consumer's behavior, generally. It is easy to change products than it is to change consumers attitudes marketers should fit product to existing attitudes

Belief

A belief is a descriptive thought that a consumer holds about something. It can be based on knowledge, opinion or faith; beliefs make up product and brand images

Functions of attitude

Attitudes serve four major functions for the individual

1. The adjustment function
2. The ego defensive function
3. The value –expressive function
4. The knowledge function

Ultimately, these functions serve peoples need to protect and enhance the image they hold of themselves. in more general terms, these functions are the motivational bases , which shape and reinforces positives attitudes towards goal objects perceived as punishing or treating. These situations are diagramed. the functions themselves can help us to understand why people hold the attitudes they do toward psychological objects.

a) Adjustment functions

The adjustment meaning director's people towards pleasurable or rewarding objects and away from unpleasant, undesirable ones. It serves that utilitarian concept of maximizing reward and minimizing punishment. Thus the attitudes of consumers depend to a large degree on their perception of what is needed satisfying and what is punishing. Because consumers perceive product, services. And stores as providing need satisfying or unsatisfying experiences, we should expect their attitudes toward these objects to vary in relation to the experience that have occurred.

b) Ego-defensive

Attitudes formed to protect the ego or self-image from threats help fulfill the ego. Defensive function, actually, many outward expressions of such attitudes reflect the opposite of what he person perceives him to be for e.g. a consumer who has made a poor purchase decision as being correct at the time or being the result or poor advice from another person. Such ego defensive attitudes help us to protect our self-image and often we are unaware of them.

c) Value Expressive Functions

Whereas ego-defensive attitudes are formed to protect a person's self-image, value expressive attitudes enable the expression of person's centrally held values. Therefore, consumers adopt certain attitudes in an

effort to translate their values into something more tangible and easily expressed. Thus, a conservative person might develop an unfavorable attitude toward bright clothing and instead be attracted toward dark, pinstriped suits.

Marketers should develop an understanding of what values consumers wish to express about themselves, and they should design products and promotional campaigns to allow these self-expressions. Not all products lend themselves to this form of market segmentation; however, those with the greatest potential for “value expressive” segmentation are ones with high social visibility. Cross-pens, Saks Fifth Avenue clothes, Ferrari automobiles, and Bang & Olufsen stereo systems are some of the examples.

d) Knowledge Function

Humans have a need for a structured and orderly world, and therefore, they seek consistency, stability, definition, and understanding. Out of this need develop attitudes toward acquiring knowledge. In addition, the need to know tends to be specific. Therefore, an individual, who does not play golf, nor wish to learn the sport, is unlikely to seek knowledge or an understanding of the game, this will influence the amount of information search devoted to this topic. Thus, out of our need to know come attitudes about what we believe we need or do not need to understand.

In addition, attitudes enable consumers to simplify the complexity of the real world. That is, as was pointed out in the chapter on information processing, the real world is too complex for us to cope with so we develop mechanisms to simplify situations. We saw that this involves sensory thresholds and selective attention, and it also involves attitudes. Attitudes allow us to categorize or group objects as a way of knowing about them. Thus, when a new object is experienced we attempt to categorize it into a group, which we know something about. In this

way the object can share the reactions we have for others objects in same category. This is efficient because we do not have to spend much effort reacting to each new object as a completely unique situation. Consequentially, we often find consumers reacting in similar ways toads for “going out of business” sales, “limited time” offers, “American made” goods, etc. of course, there is a some risk in error in not looking at the unique aspect or new information about objects, but for better or words our attitudes have influenced how we feel and react to new examples of these situations.

2.15 IMAGE

Since our research is concerned with the images of the cold drinks, it is very relevant to make some assessment as to the: identifying the target audience (as it is called in the languages of marketing) for this purpose we are going to present some analysis of images as the review of literature in the concern field of study as follows

2.16 IMAGE ANALYSIS

Image is the set of beliefs, ideas impressions and persons holds as to an object i.e. a product in the marketing sense, peoples attitudes and actions towards an object are highly conditioned by that objects images.

2.17 POSITIONING STRATEGY

In general senses positioning is the combination of product channel of distribution, price and promotion strategies a firm uses to position itself its key competitors in meeting the needs and wants of the market target.

Product positioning refers to the consumer’s perception of a products attributes use, quality and advantages relative to competing products. it usually means that an overt decisions is being made to concentrate only one certain products . the position can be central to customers perception and choice decisions, further since all elements of the marketing program can

potentially affect the position . it is usually necessary to use a positioning strategy as a focus for the development of the marketing program. A clear positioning strategy can ensure that the elements of the marketing program are consistent and supportive.

2.18 SERVICE PRODUCT MARKETING STRATEGIES

Just like manufacturing companies, goods, services organizations use marketing strategies to position themselves strongly in chosen target markets. The traditional 4ps marketing mix work will for manufacturing companies, bur additional elements require attention is services business. For services business it needs to manage additional three mixes to achieve desired goal. it means they need to manage and integrate 7ps as service product marketing strategies . They are discussed below.

2.19 TRENDS

Trends is a direction or sequence of events that has some momentum and durability, generally , a trend is last for two to five years markets can find many opportunity by identifying trends. The trends of smoking habits in teenager help the growth of the tobacco industry. The trend of buying mobile phones is helping Nepal telecom to expand its transactions Generally the trends can be seen mainly in fashionable items like in dress electronic beauty products etc it helps manufactures and marketers to design the product and services according to the emerging trends. Mega trends are large changes in social. Economic, political and technological forces of environment. They are slow to form and once in place, they influences us for some time between seven to ten years of longer, mega trends have long lasting influence in marketing.

Product do not sell themselves and marketing program that ensure that same of product as intended should include a program that will guarantee the sell if product. This objectives i.e. that is in hand. How consumers behave as to the consumption pattern of the product (i.e. cold drinks in our case) must

be studied. In fact the image of the product can we derived from the study of the usage pattern of the product itself.

For this purpose the researcher himself through observation and interviews did the study of consumer behavior. In many cases and conclusions were drawn from the answers received through questionnaires distributed to retailers and consumers also. On the other hand if a changed to be made in taste, price, or quality as a whole of the product is felt, again the study on usage pattern of the product is needed. In our cases of the problem is very clear and lack if any previous research in the field hindered this detail review if literature and the findings as to the usages pattern will come to be implied within the image and consumer s behavior regarding the marketing trends of cold drinks in Lalitpur.

In fact, the images of the product as well as the attitude of consumer towards a certain product are often related to the trend of use as seen in the market. Since the usage trend of consumer is directly related to the understanding of consumer's behavior. It is obvious that a marketer or a manufacturer must have an idea or insight into why individual act in certain consumption related ways and with learning what internal and external environment factors influence impact them to act as they do. As such it can be stated that consumption trend or usage trend of a particular product depends upon this image and the attitude themselves as already has come into existence in the mind of the consumers as such this specific study as to usage trend itself doesn't give much sense unless it is related to image and attitude. As such, study of consumers usage trend is deeply rooted in the theories of consumers behavior and it encompasses both image and attitude to meet the needs of specific groups of consumers most marketers adopt a policy of market segmentation which calls for this division of their total potential markets into smaller, homogeneous segments for which they could design specific products and or promotional campaigns. At the same time they also use promotional techniques to vary the images of their products so

that they would be perceived as better fulfilling these specific needs of certain target segments. This process is called nowadays as positioning: other reasons for developing interest in consumer behavior regarding usage pattern of consumers include the rate of new product development, growth of the consumer movement, public policy concerns and environment concerns etc.

Hence, the marketing objectives should be to enable the consumer to link a specific image with specific brand name and such image will definitely lead to some specific trends of use of the product and the trend seen and found in the existing marketing conditions also lead back to the image and attitude also. This means usage trend can also give feedback to the marketers as to the strategic decisions making regarding the images and attitudes of consumers towards certain products.

2.20 REVIEW OF RELATED STUDIES

2.20.1 Shrestha, Shree Krishna, in 2009 conducted a study on marketing of fruits in Katmandu district with the following objectives.

1. To review the situation of product and consumption of fruits in Katmandu district.
2. To examine the demand for and supply of fruits in Katmandu district
3. To analysis the problems and prospects of fruits marketing in Katmandu district
4. to draw conclusions and recommended suggestions for the improvement of fruits marketing in the Katmandu district based on the findings of this study.

From this study, the following conclusions have been deduced fruits constitute an essential and important supplement to the human body. Due to the consciousness in health, the demand of fruits is increasing day by day. It helps to overcome the nutritional needs of Nepal's with their low income, as it is the rich sources of different vitamins and minerals. It shows that Nepal is an agriculture-based country as its economy is based on agriculture.

Fruits cultivation is part of agriculture. The production of fruits can contribute a great in national economy and people's health, but the production of fruits is not sufficient quantity as well as quality, similarly there are many more problems in the proper distribution, storage, production and quality aspects.

It also indicates that the government also needs to subsidize the agriculture sector and provide incentives to the farmers. Research in the field

of fruits needs to be intensified rapidly in order to stop imports and encourage exports.

The study has recommended that Nepal should begin commercial farming of fruits by farming groups among the farmers, instead of scattering small fruits farms, farmers should be encouraged to work as group in order to reduce the cost of production and marketing despite efforts from the government to improve the trade of fruits.

Nepalese products have not been able to compete with a majority of imports from India and other countries due to the price factor the government should hence redirect some of its research, extension and analytical programmes to support the ongoing institutional innovations such as group approach to marketing and contract farming in production. The government needs to play a catalytic role in promoting private, public, partnership in production and marketing.

Since production of fruits are highly seasonal, cold storage plays a very important role. The experience with the cold storage has not been good so far, there is a lack of analysis on what would make these units feasible in Nepal compared to for example those in the Indian border towns, which requires a separate study on the economics of investing in cold storage. The study shows that there is only one whole sale market of fruits in Kulushwor in Katmandu district. Lacked of fixed and managed market is problem for fruits marketing most of the consumer are facing the problem of fixed and managed market there are the fruits hawkers and fruits shelters on the side of the road but they are not reliable in terms of quality and pricing. When it rains the sellers are found moving from the market place, which is either on the road or without roof or any shade, besides, there is lack of unity in price due to which the consumers who do not bargain are cheated.

2.20.2 Shrestha/ Ratna Prasad in 1998 conducted the study on the Marketing of cold drinks in Narayanghat with the following objectives:-

1. To estimate sales of cold drinks in Narayanghat.
2. To examine the potential consumer in purchasing cold drinks
3. To identify, the purchase behavior of consumer who purchase cold drinks.
4. To estimate demand of cold drinks in Narayanghat
5. To find the relationship between the brand preference and advertising

On the basis of field survey and subsequent analysis the study has found followings

1. Most of the consumer of Narayanghat city are informed of cold drinks with brands
2. Consumers get knowledge about products (cold drinks) through different medias of advertising, advertising is considered as the primary sources of information
3. Television it the mostly favorite media for advertising and radio in second position. Similarly wall painting is also becoming popular in the Narayanghat city

The study has recommended that the manufactures of cold drinks, should try to fulfill consumers demand on cold drinks of their choice, for this, they should find the consumers purchase behavior on cold drinks with the help of better techniques of data collection. They should also collect correct and suitable information about cold drinks with its advantages and disadvantages from the consumers dealer distributors etc likewise the role of advantages

brand should be quite extent effective so to make the role more strong other marketing variables such as place product price promotion should be forwarded soundly and co-ordinate inter action among their as felt necessary.

2.20.3 Lamichhane, Hari: marketing of cold drinks in Katmandu 1998

The study had the following specific objectives

1. To find out whether the sales promotion doesn't impact on sales of cold drinks
2. To find out which media is suitable to advertise about the sales promotion
3. To estimate sales of cold drinks in Katmandu
4. To estimate demand of cold drinks in Katmandu
5. To identify the purchase behavior of consumers who purchase cold drinks

The study has concluded that advertising is considered as the primary sources of information. The advertising of Coke Pepsi and other branded cold drinks are found in Kathmandu

Coca Cola brand is more popular than those of other brand. Consumer gives more preference to the brand but less preference to quality and test. Television is the mostly favorite media for advertisement. The major reasons of brand switching are the taste of the product.

The study has recommended that advertising should be more believable and effective, so manufactures are suggested to advertise their product through television and other media most of consumers are found brand loyal.

If they do not get the desired brand, they use the alternative brand, so the marketers are suggested to give proper attention on their distribution system. It is suggested that the manufactures of cold drink should try to fulfill consumers demand on cold drinks of their choice.

CHAPTER –3

RESEARCH METHODOLOGY

3.1 INTRODUCTION

Research methodology is a systematic way to solve the research problems. It describes the methods, types of research method and process applied in the overall presentation of the studies this research design is based on scientific method and efforts have been made to present and explain the specific research design for the sake of attaining the research objectives. It includes research design, sources of data, population and sample data gathering procedure and data processing procedures

The objective of this study is to examine the marketing trend of cold drinks in Lalitpur. In this study, the necessary relevant data have been collected from the sample to consumers and retailers to achieve this objectives, the study follows a research methodology which has been followed by research design, population and sampling, nature and sources of data, data collection, data processing and data analysis technique.

3.2 RESEARCH DESIGN

The study is based on a survey research design. A limited scale survey has been conducted among the consumers and retailers of cold drinks in Lalitpur. The questionnaires have been administered in order to generate data and other information relating to the research questions adopted for this study.

3.3 POPULATION & SAMPLE

In this part, The population of this study, sample size sampling unit, sampling procedure and the product included in the study has been defined

- i. The population of the this study; it consists of all buyers and sellers of cold drinks i.e. potential consumers of cold drinks dealers (retailers) in Lalitpur
- ii. Sample size ; to collect the primary data 140 consumers, 50 retailers have been surveyed for this study.
- iii. Sampling unit; consumers, dealers of cold drinks are surveyed and observed in Lalitpur

Though the sample size is very small in comparison to the population, sufficient efforts have been made to make. The sample representative by including consumers from the different professions, age group, educational back ground and sex,

3.4 NATURE & SOURCES OF DATA

The data used in this study is primary data collected directly from the respondents. The primary data and information were collected through field survey, primary data is collected from different sources such as different sample respondents of the shopkeeper or producer and consumers were collected from the study area. The questionnaires were distribution to the consumers and retailers of Lalitpur.

3.5 DATA COLLECTION PROCEDURES

Two set of structured questionnaire was developed for the purpose of collecting data from the consumers as well as retailers. The questionnaires were distribution through personnel contacts in which the respondents were requested to fill up the questionnaire. The researcher personally visited to take interview of the retailers and consumers. Consumers were chosen from different social- economic back ground for interview. In the process of

collecting data the researcher was also in touch with the responsible officers of companies selling Coca- Cola, Pepsi, Frooti, and real products.

3.6 DATA PROCESSING AND ANALYSIS

After collection of primary data, coding, entry, tabulation, calculation and analysis were performed to fulfill the objectives of the study. The processed data have been presented in different graphs bar diagram, and percent, all the questionnaires were distribution and collected by the research himself. So there was no delay in collected of the questionnaires distribution to the consumers. Every questionnaire was thoroughly checked after collection.

CHAPTER –4

DATA PRESENTATION AND ANALYSIS

4.1 INTRODUCTION

The main objective of this research is to evaluate the impact of the advertisement and sales promotion schemes on sales of cold-drinks in the study area. And, also to identify the consumers' profile and to study the preference of cold drinks in the study area.

For this purpose, consumers are categorized in four different groups like different profession, age–group, educational background and sex. The data and information collected from the retailers and the consumers have been presented, analyzed and interpreted in this chapter for attaining the stated objectives of the study.

Table 1
The size of Sample and Responses

Respondents	Sample size	Questionnaires	% Question return
Retailers	70	70	100%
Consumers	140	70	100%
Total	210	210	

The source: Field Survey

As shown in table 1, 140 consumers and 70 retailers were interviewed by the researcher with the help of two different sets of structured questionnaires. Apart from the data collected through the questionnaire, some supplementary primary data provided by the distributors have been used in this study. The questionnaires used in this study are presented in the appendix.

RESPONDENTS' PROFILE: CONSUMERS

Table 2
Users of cold drink: age wise

Age	No. of respondent	Percentage
10-15	35	25%
15-25	41	29.28%
25-35	26	18.57%
Above 35	38	27.14%
Total	140	100.00%

The source: Field Survey

As shown in table 2, among the sample selected for the study, 25.% of consumer of cold drink lies in the 10 to 15 age groups, 29.28% lies in the age 15-25 age group, 18.57% lie in 25-35 age group and 27.14% lie in the above 35 age group. From this table it can be inferred that users of cold drink can be found across the different age group.

Table 3
Users of cold drink: sex wise

Sex	No. of respondent	Percentage
Male	68	48.57%
Female	72	51.43%
Total	140	100%

The source: Field Survey

As presented in table 3, the sample included 48.37% male consumers and 51.43% female consumers of cold drinks.

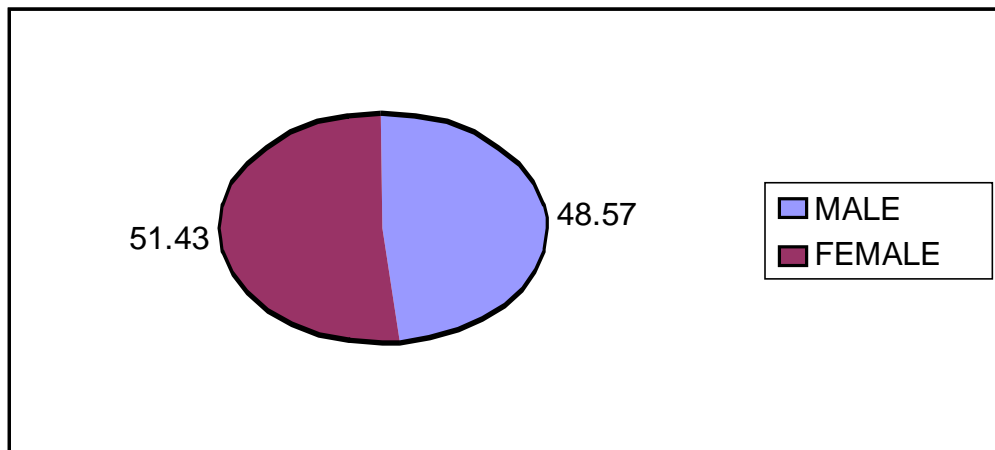


Table 4
Users of cold drink: Education wise

Education	No. of respondent	Percentage
Under S.L.C	42	30%
S.L.C passed	21	15%
Under graduate	32	22.86%
Graduate	45	31.14%
TOTAL	140	100%

The source: Field Survey

Table 4 presents the education profile of the respondents. Out of 140 respondents surveyed, 31.14% are graduates, 21.86% are under graduates, 15% are S.L.C pass, and 30% are under S.L.C .

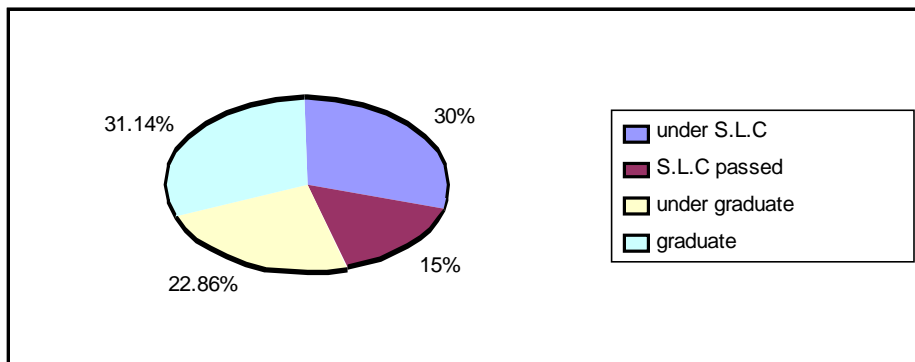
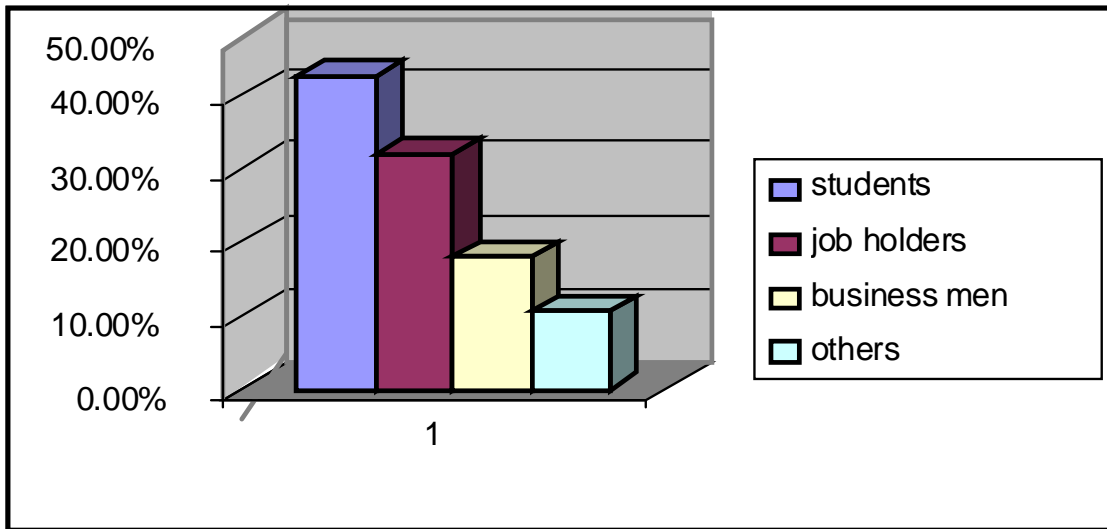


Table 5
Users of cold drinks: Occupation wise

Occupation	No. of respondent	Percentage
Students	58	41.43%
Job holders	47	33.57%
Business men	23	16.43%
Others	12	10.67%
Total	140	100.00%

The source: Field Survey

As shown in table 5, according to the occupation background 41.43% are the students, 33.57% are jobholders, 16.43% are businessmen and 8.57% from other occupations.



4.2 RETAILER SURVEY

Table 6
Level of competition for different brands of cold drinks

Options	No. of respondent	Percentage
High competition	30	42.85%
moderate competition	35	50.00%
low competition	5	7.14%
no competition	0	0.00%
Total	70	100%

The source: Field Survey

As table no 6 shows that 42.67 % retailers opine that there is high competition between different brands of cold drinks while 50% remark that there is only moderate competition between different brands of cold drinks and 7.14% retailers opine that there is low competition among different brands of cold drinks.

Table 7
Level of age group to buy cold drinks

Options	No. of respondent	Percentage
10-15	18	25.71%
15-25	40	57.14%
25-40	6	7.14%
40and above	6	7.14%
Total	70	100%

The source: Field Survey

Table no 7 presents that 57.14 % of age between 15-25 buy cold drinks, 25.71 % of age between 10-15 purchase cold drinks, and 7.14 % of 40 and above age buy cold drinks while 7.14 % of age between 25-40 buys cold drinks. It shows that age between 15-25 has been high level of age group to buy cold drinks.

Table 8
Different professions of consumer buy cold drinks

Options	No. of respondent	Percentage
School Student	12	17.14%
College Student	32	45.72%
Job holders	12	17.14%
Workers	7	10%
Labors	7	10
Total	70	100.00%

The source: Field Survey

Table 9
Sales promotion scheme for the retailers

Options	No. of respondent	Percentage
Yes	54	77.14%
No	16	22.86%
Total	70	100.00%

The source: Field Survey

As shown in the table 9, 77.14% of the retailers opined that the company provide them sales promotion schemes, while 22.86% of the respondents said that the company does not provide them with any scheme.

Table 10
Type of promotion scheme provided by the company

Options	No. of respondent	Percentage
Cash discount	15	21.43%
Discount of one bottle or more in one crate	35	50.00%
Refrigerators	16	22.85%
Reward for selling cold drinks	0	0.00%
Other reward	4	5.72%
Total	70	100.00%

The source: Field Survey

As presented in the table 10, 50% of the retailers receive discount in cold drink as a promotion scheme, 22.85% of them have received fridge, and 21.43% receive cash discount. The cold drink companies do not provide any prizes to the retailers as a promotion scheme.

Table 11
Competition between different brands

Options	No. of respondent	Percentage
Yes	70	100%
No	0	0%
Total	70	100.00%

The source: Field Survey

As presented in the table 11, the retailers opined that 100% competition in different brands.

Table 12
Brand preference to sell

Brand	No. of respondent	Percentage
Coke	45	64.29%
Pepsi	5	7.14%
Sprite	0	0%
Fanta	15	21.43%
Mirinda	5	7.14%
total	70	100%

The source: Field Survey

As presented in the table 12, 64.29% of the retailers are found to prefer to sell Coke because of its high demand in the market. While 21.43% of the retailers prefer to sell Fanta, 7.14% of them prefer to sell Pepsi and 7.14% of the retailer prefers to sell the mirinda brands of cold drinks

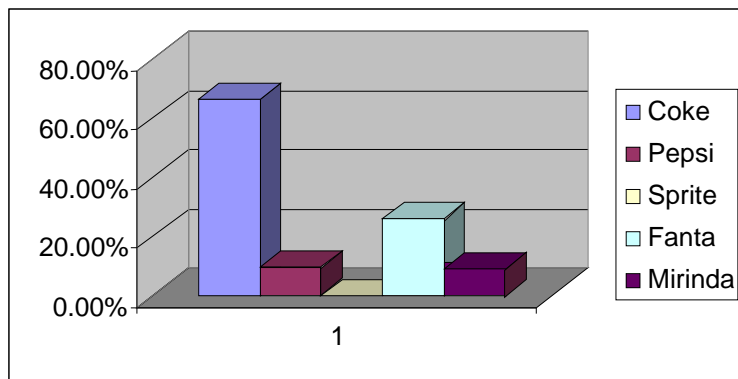


Table 13
Reasons for preference to sell the brand

Reason	No. of respondent	Percentage
Company provide with cash prize	0	0.00%
Company provide new scheme	8	11.43%
I believe in the brand	10	14.28%
People like the brand	52	74.29%
Total	70	100.00%

The source: Field Survey

As shown in the table 13, 74.29% of the retailers prefer to sell Coke mainly because the consumers like the drink. While 14.28% of the retailers like to sell Coke because they believe in the brand and 11.43% of the retailer prefer to sell the branded drink because the company provides them sales schemes.

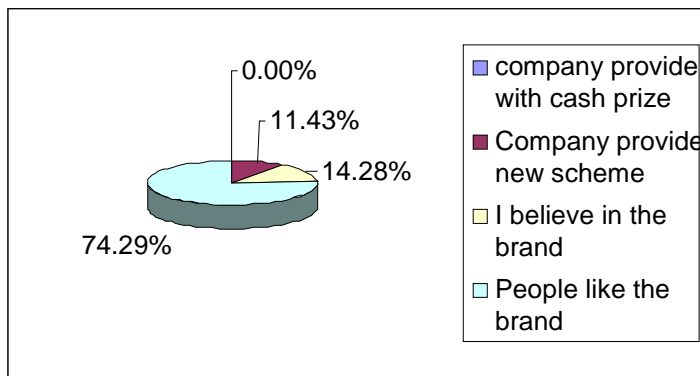


Table 14
Effect of advertising on sales of cold drinks

options	No. of respondent	Percentage
Effective	46	65.71%
Very effective	20	28.57%
Moderately effective	3	4.28%
Not effective	1	1.43%
total	70	100.00%

The source: Field Survey

The table 14 reveals that the retailers have high faith on advertising effect on sales, 65.71% of the responded that the advertisement is fully responsible for the sales of the brand. While 28.57% of the retailers opined, that it is partly responsible for the sales of brand, 4.28% of the retailers opined that it is not responsible and only 1.44% of the retailers responded that only advertisement is not responsible at all for sales. However the above mentioned table has proved that most of the retailers feel that the advertisement is responsible for the sales of the brand.

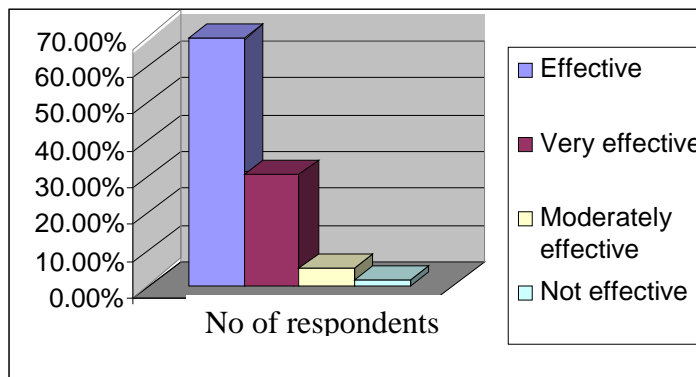


Table 15
Factor for increase in sales of cold drinks

Option	No. of respondent	Percentage
more Advertisement	10	14.29%
More price rewards	20	28.57%
Emphasis on quality	40	57.14%
Change in taste	0	0%
total	70	100%

The source: Field Survey

According to the table 15, 57.14% of retailers claim that the quality should be better to increase the sales, 28.57% of the retailers suggest that reward effect the sales, and 14.29% of the retailers opined that the advertisement should be increased. From the above table it may be inferred that quality and sales schemes are essential to increase in sales of cold drink.

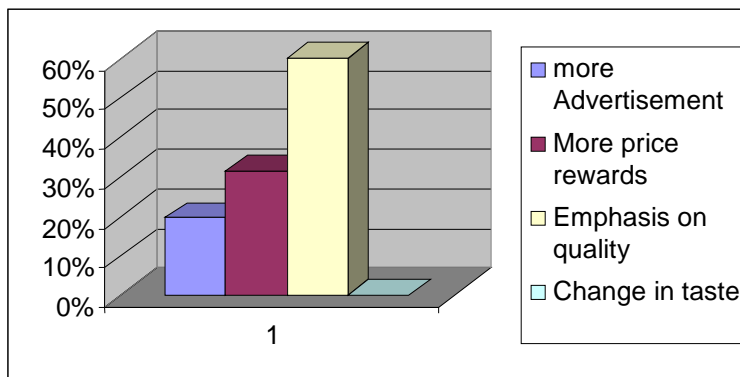


Table 16
Quantity of purchase of cold drink at a time

Option	No. of respondent	Percentage
1 crate	5	7.14%
2 crates	15	21.43%
More than 3 crates	20	28.57%
More than 5 crates	26	37.14%
More than 10 crates	4	5.72%
Total	70	100%

The source: Field Survey

The survey reveals (table 16) that out of 70 retailers, 5.72% of the retailers indicated that they purchase more than 10 crates at a time. While 37.14% have responded that they purchase more than 5 crates at a time, 28.57% of the retailers purchase more than 3 crates at a time, 21.43% of them purchase 2 crates, and only 7.14% purchase of cold drink in Lalitpur is mostly between 5 to 10 crates at a time.

Table 17
Effectiveness of the distribution

Option	No. of respondent	Percentage
fully satisfied	20	28.5700%
Satisfied	40	57.14.00%
unsatisfied	7	10%
fully unsatisfied	3	4.29%
Total	60	100.00%

The source: Field Survey

As presented in the table 17, 28.57% of the respondents seemed to be fully satisfied with the current distribution, 57.14% of the retailers have been found just satisfied, while 10% retailers are seemed to be unsatisfied, and 4.29% have been found fully unsatisfied. The analysis indicates that the retailers in general are satisfied from the performance of the distributors of cold drink in Lalitpur.

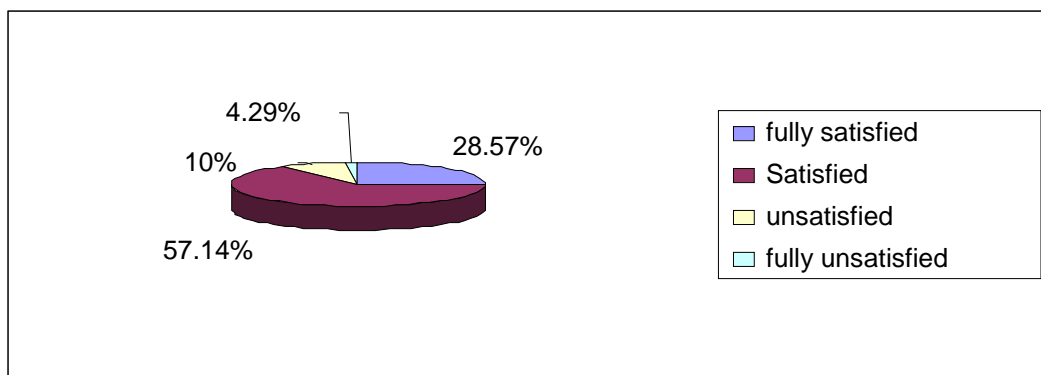


Table 18
Retailer reaction in distribution of different brands

Option	Coke	%	Pepsi	%	Frooti	%	Real	%
Very good	40	57.14	6	8.57	15	21.42	5	7.14
Good	25	35.716	35	50	30	42.85	10	14.29
satisfactory	5	7.14	20	28.57	25	35.71	50	71.43
Not satisfactory	0	0	9	12.86	0	0	5	7.14
total	70	100	70	10	70	100	70	100

The source: Field Survey

Table 18 shows that 57.14% of the retailers felt that the Coca-Cola company's distribution channel has been very good, while for Pepsi only 8.57% of the retailer opined that the company's distribution channel has been very good. This indicates that the retailers have higher level of satisfaction with Coca-Colas distribution than that of distribution process of Pepsi. Similarly, 21.42% of the respondents have indicated distribution of Frooti has been very good and 42.85 % of than have noticed just good for its distribution.

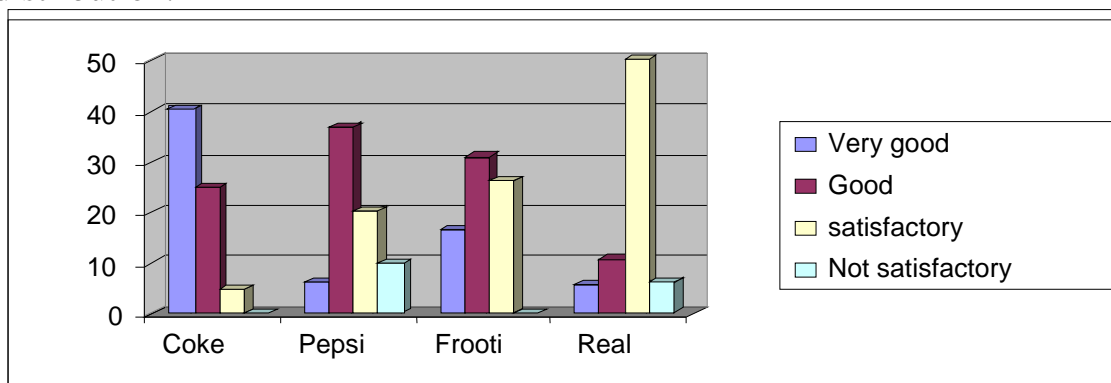


Table 19
Most Selling Brand

Band	No.of respondent	Percentage
Coke	45	64.29%
Pepsi	5	7.1400%
Sprite	-	0.00%
Fanta	20	28.57%
Mirinda	-	0.00%
Lemon Fanta	-	0.00%
total	70	100.00%

The source: Field Survey

As shown in the table 19, Coke has topped the position by indicating that 64.29% sell Coke brand among the other brand as compared to Fanta (28.57%) and Pepsi (7.14.0%).

Table 20
Size of bottles sold most

Size (ml/liter)	No.of respondent	Percentage
200ml	0	0%
250ml	60	85.71%
500ml	4	5.71%
1 liter	2	2.86%
1.5 liter	4	5.72%
Total	60	100%

The source: Field Survey

As shown in table 20, 85.71% of the retailers indicated that they sell 250 ml. bottle as the highest sales while 500 ml bottle is 5.71 % only and 1 liter is 2.86% and 1.5 liter is 5.72%. It shows that 250 ml bottle is most demanded by customers.

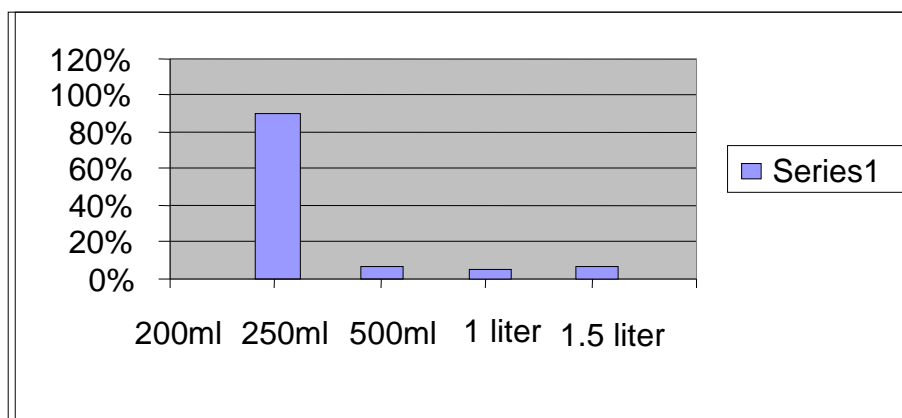


Table 21
Type of packaging preferred for selling: bottle vs. can

Options	No. of respondent	Percentage
Can	4	6.67%
Bottle	56	93.33%
Total	60	100%

The source: Field Survey

As shown in table 21, 93.33% of the retailers opined that it has been easy for them to sell cold drink in bottles. Only 6.67% of the retailers have indicated that it has been easy for them to sell cold drinks in cans. The above table reveals that bottled drinks have been popular to sell.

Table 22
Frequency of company salesman's visit to the shop

Option	Coke	%	Pepsi	%	Frooti	%	Real	%
Daily	28	42.86	10	14.28	8	11.43	5	7.15
Once a week	16	22.86	15	21.43	40	57.14	25	35.75
Twice a week	16	22.86	15	21.43	8	11.43	10	14.28
Other	8	11.42	30	42.86	14	20	30	42.86
total	70	100	70	100	70	100	70	100

The source: Field Survey

The table 22 reveals that the Coca-Cola and Pepsi salesman visit about half of the retail outlets on a daily basis. The shop visit by the company salesmen for Frooti and Real has been found to be mostly once a week. This indicates that the Coca-Cola and Pepsi have more aggressive marketing strategy in Kathmandu than that of Frooti and Real.

Table 23
Period of Business conducted

Year	No. of Retailer	Percentage
0-5	57.14	40.00%
5-10	27.14	19.00%
10-15	11.14	8.00%
15 above	4.29	3.00%
Total	60	100.00%

The source: Field Survey

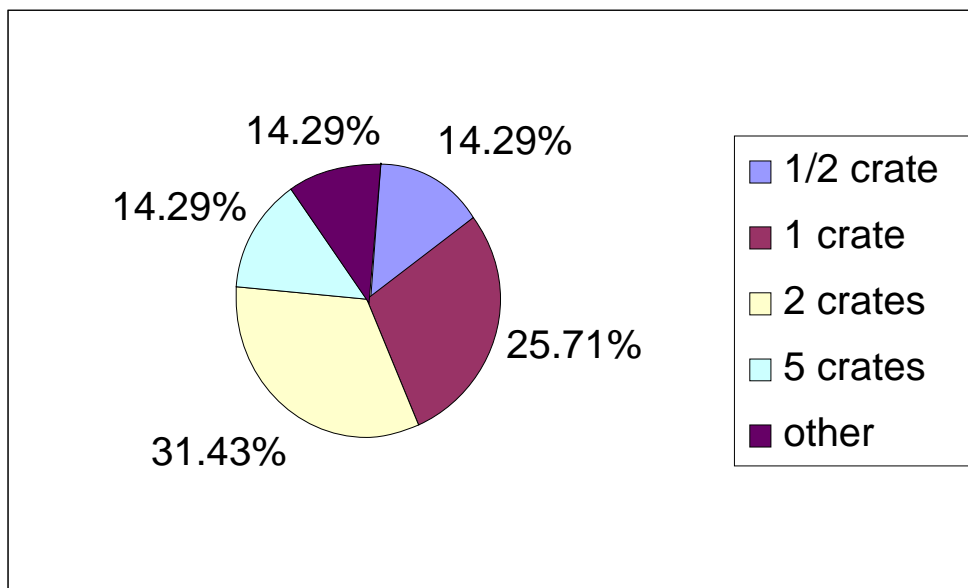
As shown in table 23, among the 70 retailers surveyed, 40% of retailers have been running their business for the last five years. 19% of retailers for the last 5 to 10 years, 8% of retailer for the last 10 to 15 years and 3% have been running their business for the last 15 years.

Table 24
Retail sales of cold drink per day

Crates	No.of respondent	Percentage
½ crates	10	14.29%
1 crates	18	25.75%
2 crates	22	31.43%
5 crates	10	14.29%
Other	10	14.29%
Total	70	100.00%

The source: Field Survey

The total respondents of 70 retailers, 31.43% have indicated that they sell 2 crates of cold drink in a day, 25.71% have responded that they sell 1 crate per day, 14% shows that they sell ½ crate per day, while 14.29% have responded that they sell 5 crates per day and only the 14.29% of the responded that they sell less than half crates in a day. From the above table it may be inferred that the retail sales per store in generally between one to two crates of cold drink in a day.



4.3 CONSUMER SURVEY

Table 25
User Cold Drink Use Pattern and their Favorite Brand

Brand	No. of respondent	Percentage
Coke	90	64.29%
Fanta	28	20%
Sprite	10	7.14%
Pepsi	7	5%
Frooti	3	2.25%
Lemon Fanta	1	0.71%
Real	1	1.33%
Total	140	100%

The source: Field Survey

The survey included question to know the attitude of consumers to cold drink of different brands and whether they consume only one type of brand or more than one. The result of survey is shown in table23

Among the 140 respondents' survey in Lalitpur.64.29% of the consumer are found to consume Coke, where as 20% of respondent consumed Fanta, 7.14% consume Sprite, 5% consume Pepsi, 2.15% consumed Frooti and 0.71% consumed Lemon Fanta and Real respectively.

From the above table it proves that the choice of Coke is far ahead than other cold drink, while Fanta takes the second position. From the analysis it shows that the Coca-Cola products (Coke, Fanta, Sprite and lemon Fanta) have a combine market share of more than 91.43% percent of cold drink in the Lalitpur.

Table 26
Attitude towards cold drink and their Images

Options	No. of respondent	Percentage
Before lunch	6	4.28%
After lunch	10	7.15%
Tiffin time (day)	104	74.29%
Evening	18	12.86%
Before dinner	1	0.71%
After dinner	1	0.71%

The source: Field Survey

As presented in table 26, the preferred time of taking cold drink is the Tiffin time. Where 74.29% of respondents consume cold drinks, while 7.15% respondents are found to take cold drink after lunch, 12.86% take in the evening time, 4.28% take before lunch and 0.71% takes cold drink before dinner and after dinner respectively.

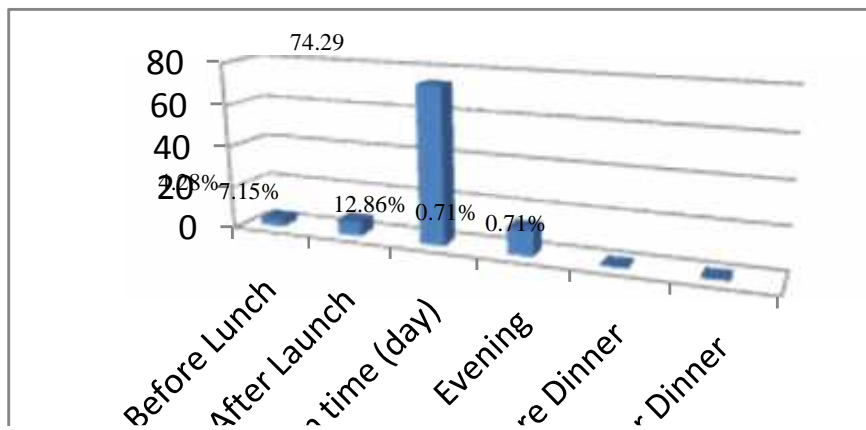


Table 27
Reasons for having cold drinks (Image and Attitude)

Options	No. of respondent	Percentage
For Fun	20	14.29%
For Freshness	42	30.00%
For Fashion	14	10.00%
Quenching the thirst	63	45%
For sales promotion	1	0.71%
Total	140	100.00%

The source: Field Survey

As shown in the table 27, 45% of respondents opine that the best reason for having cold drink is quenching the thirst. While 30% of respondents are found to consume cold drink for freshness, 14.29% respondent for the fun, 10% of respondents for fashion and 0.71% respondents concludes for sales promotion.

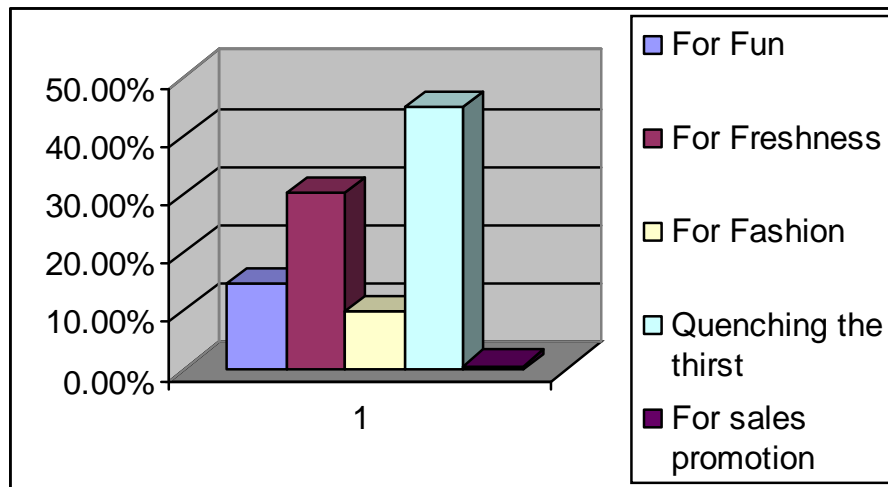


Table 28
Attributing Factors that influence consumer to have cold drink

Attributing factors	No. of respondent	Percentage
Availability	7	5.00%
advertisement	9	6.43%
Sales promotion scheme	1	0.71%
Price	2	1.43%
Quality	71	50.71%
Taste	50	35.71%
Total	140	100.00%

The source: Field Survey

In table 28, different attributing factors influencing consumption of cold drinks have been taken by consumer's choice. Consumers have ranked the quality of the cold drink as the most important attributing factor followed by quality similarly taste is also influence factor to have cold drinks

This indicates that consumers give higher preference to the quality, taste and advertisement in the choice of cold drink, moderate level preference to availability, sales promotion scheme and price factors is given lower preference.

Table 29
Suitable place for having cold drink (Image)

Options	No. of respondent	Percentage
At home	50	35.71%
Restaurant	77	55%
Retail store	5	3.57%
Cold store	5	3.57%
Bakery	5	2.15%
Total	140	100%

The source: Field Survey

As shown in the tables 29 that the most suitable place for having cold drink is restaurant 55% of respondents are found to consume cold drink. While 35.71% of respondents consume cold drink at home, 3.57% of respondent consume in retail store and cold store, and only 2.15% of respondents consume in bakery.

Table 30
Size (ml or liter) of cold drink most preferred

Size	No. of respondent	Percentage
200ml	12	8.57%
250ml	102	72.86%
500ml	1	0.71%
1000ml	8	5.7200%
1500ml	11	7.8500%
2000ml	6	4.29%
Total	140	100.00%

The source: Field Survey

As shown in the table 30, the most preferred size is the 250 ml. Bottles (72.86%), followed by 200ml bottle (8.57%), 1500ml. Bottle (7.85%), 1000ml bottle (5.72%), while the 500ml. bottle is the least preferred one.

Table 31
The most effective advertising media

Media	No. of respondent	Percentage
T.V	90	64.28%
Radio	18	12.87%
Newspaper	20	14.2%
Sign board	8	5.71%
Wall painting	4	2.86%
Total	140	100.00%

The source: Field Survey

Consumers' perception of the most effective media is presented in table 31. The table indicates that consumers feel that the T.V is the most effective media (60.67%) followed by Newspaper (15.33%), radio (13.33%) sign board (6.67%) and wall paintings (4%). The survey shows that even though the exposure of cold drink advertisements through radio is found to be low, yet consumers feel that it is an effective medium for advertisement of cold drink after the T.V.

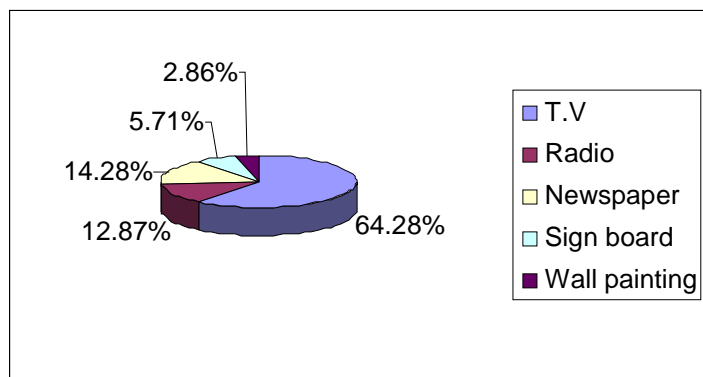


Table 32
Recall of any advertisement of cold drink

Option	No. of respondent	Percentage
Yes	140	100%
No	0	0%
Total	140	100%

The source: Field Survey

From the above table, 100% of respondents are found to recall the advertisement of cold drink. This indicates that cold drink advertisements have not only the higher level of exposure but also a very high recall value.

Table 33
Brand advertising most recalled

Brand	No. of respondent	Percentage
Coke	80	57.14%
Pepsi	30	21.43%
Sprite	14	10.0%
Fanta	6	4.29%
Mirinda	1	0.71%
Lemon Fanta	-	0.0%
Frooti	7	5%
Real	2	1.43%
Total	140	100%

The source: Field Survey

As shown in the table 33, 57.14% of respondents remember advertisement of Coke, 21.43% remember advertisement of Pepsi, 10.% remember advertisements of Sprite, 5% remember advertisements of Frooti, 4.29% remember advertisement of Fanta, 1.43% remember advertisement of Real and 0% remembers advertisements of Mirinda. From the above analysis, it can be inferred that Coke advertisements have been very effective with a very high recall value.

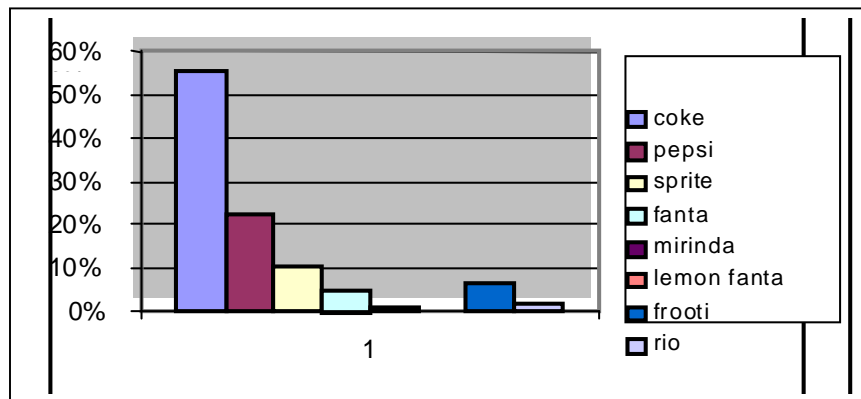


Table 34
Buying behavior after exposure to advertisement

Option	No. of respondent	Percent
Yes	5	3.57%
No	135	96.43%
Total	140	100%

The source: Field Survey

Table 34 shows that the advertisements have very little impact on buying behavior of customers, the study has shown that 3.57% of respondents are found to buy cold drink when they need, while 96.43% respondent found that they buy cold drink without consulting any advertisements.

Table 35
Buying effects by the Advertisement

Option	No. of respondent	Percentage
Yes	130	92.86%
No	10	7.14%
Total	140	100%

The source: Field Survey

As shown in the table 35, 92.86% consumers replied that they were fully influenced by the advertisement while 7.14% consumers replied that they were not influenced by the advertisement.

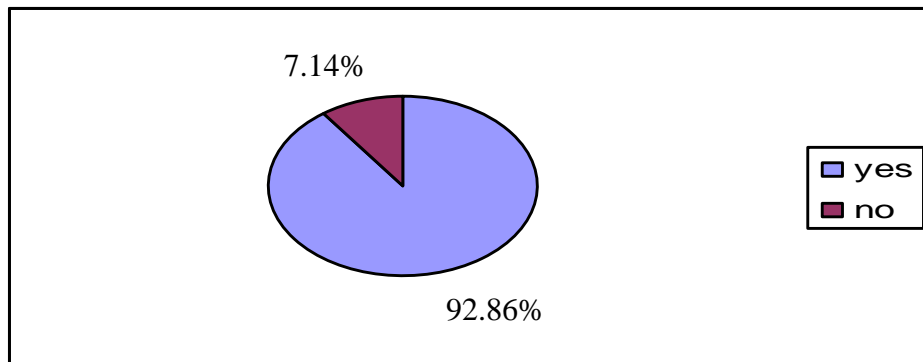


Table 36
Reasons for changing brand

Reason	No. of respondent	Percentage
Not Available	51	36.43%
Because of price hike	15	10.71%
Because of the schemes	5	3.57%
To find new taste	69	49.28%
total	140	100%

The source: Field Survey

As presented in the table 36, consumers are found often trying for other brands too the study has shown that 47.33% respondents change their brand is to find new taste. While 36.43% respondents change their brand when their most preferred brand is not available. Another 10.71% of respondents change their brand because of price factor, 3.57% of respondents change their brand when competing brand provides different sales schemes. Thus it concludes that a large number of respondents change their brand to find the new taste.

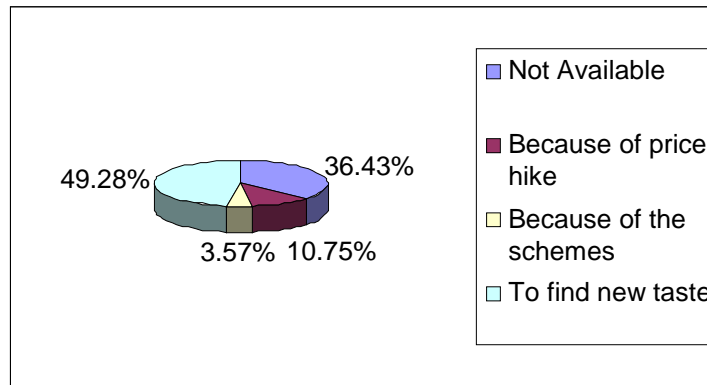


Table 37
Participation in the process of buying soft drink

Options	No. of respondent	Percentage
Myself	100	71.43%
Family member	33	23.5700%
Friends	6	4.28%
Others	1	0.71%
Total	140	100%

The source: Field Survey

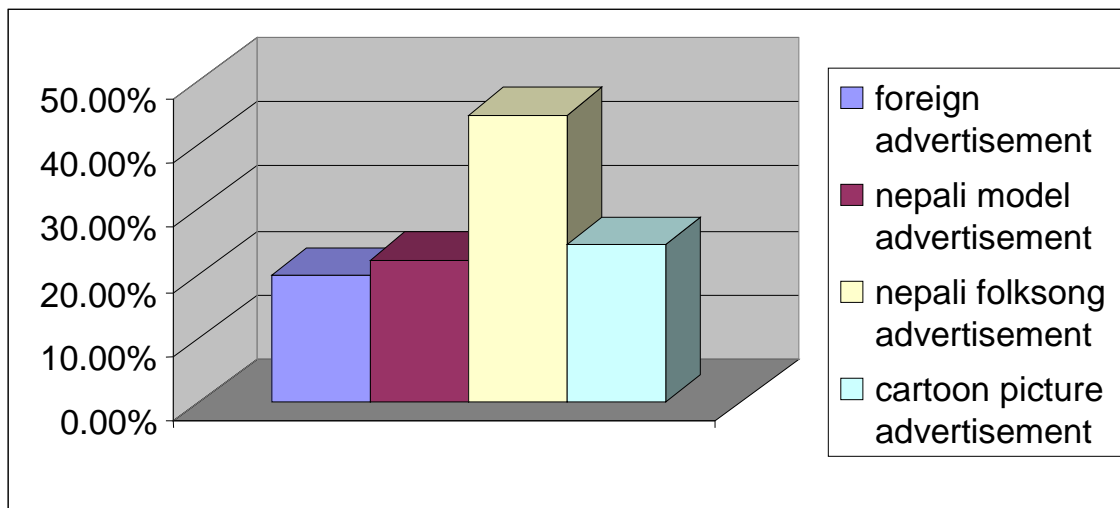
As presented in table 37, 71.43% of consumers purchase cold drink for themselves, 23.57% if consumers' purchase through their family members, 4.28% purchased through their friends and while 0.71% purchase through other people.

Table 38
Effectiveness of Advertisement on respondents

Options	No. of respondent	percentage
Foreign advertisement	24	17.14%
Nepali model advertisement	28	20.00%
Nepali folksong advertisement	60	42.86%
Cartoon picture advertisement	28	20.00%
Total	140	100.00%

The source: Field Survey

Table 38 shows that 42.86% of the respondents were impressed by the advertisements based on the Nepalese folksong, while 20.00% of respondents were influenced by cartoon picture advertisement, 20% of the respondents were is the opinion that they were impressed by advertisement with Nepali model, and 17.14% indicated that they were influenced by foreign advertisements. From the analysis, it may be inferred that the cold drink users primarily favored folk-song based advertisements while there are sufficient number of respondents who were impressed by other forms of advertisements.



4.4 MAJOR FINDINGS

- ❖ The study showed that availability of Coca Cola products (Coke, Fanta, and Sprite) are usually higher than the Pepsi products. Frooti is also found to be very strong in terms of availability in the retail shops of the study area. While Real is slowly catching up the market.
- ❖ The TV is the most popular media in the Lalitpur city , while the magazines holds the second position, and exposure through radio is found to be very low.
- ❖ Consumers give more preference to quality and taste but moderate level of preference has been given to availability, advertisement and price.
- ❖ Another major finding has been the consumption pattern of colds, in this context table no 19 indicate that more than 64.29% of total sales of cold drinks have been captured by Coke. It indicates that consumers prefer the Coke than to other cold drinks.
- ❖ The next major finding is that about 85.741% of the retailers indicated that they sell 250ml bottle as the highest sales it shows that 250ml bottle size is most demanded by customers.
- ❖ The next major finding is regarding the image of cold drinks on the basis of the time, place, and reasons to drink. From the table no 26 the most preferred time of taking cold drinks is the Tiffin time. This table shows that more than 74.29% prefer to have cold drinks at day time. From the table no.27, 45% of respondents opine that the best reason for having cold drinks is quenching the thirst. As show in the table no 29 the most suitable place for having cold drinks on restaurant, 77% of respondent are found to consume cold drinks at restaurant.

- ❖ Another study shows that Coca Cola and Pepsi salesmen visit to shop on the daily basis. The shop visit by the company salesmen of Frooti and Real has been found to be mostly once a week. It indicates that the Coca Cola and Pepsi have more aggressive marketing strategy in Lalitpur than that of Frooti and Real.
- ❖ The study reveals that out of 70 respondents about 45.72% of college students preferred cold drinks most, while 16.67% school student and job holders respectively preferred to buy cold drinks and 10% workers and labors class preferred to buy cold drinks. It indicated that college students have taken more cold drinks.
- ❖ The study showed that 28.57% of their retailers seemed to be fully satisfied with the current distribution channel .57.14% of the retailers have been found just satisfied, while 11% retailers are seemed to be unsatisfied and 4.29% have been that found fully unsatisfied . it shows that the retailer in average are satisfied from with the performance of the distribution of cold drinks in Lalitpur.
- ❖ The next major finding is that Coke has been the number one choice of consumer. From the table no 25, it indicated that the choice of Coke is a far ahead than other cold drinks, from the analysis it shows that the Coca Cola –Coke products have a combine market share more than 90% of cold drinks in the Lalitpur city.
- ❖ Another major finding is that Coca Cola and Pepsi companies seem to take more social responsibility than other cold drinks. It contributes to nation in many ways like as organizing different sports tournament, giving scholarship to different school and campus. It indicated that the Coke and Pepsi companies more interested to take social responsibility.

- ❖ The study shows that most of the respondents like advertisement based on the Nepalese folksongs while only 20%if respondents like advertisement based on disco music, 20% like advertisement with mode and 17.33 like foreign advertisement from the analysis it may be conclude that the cold drink users primary like folk song based advertisement while there are sufficient number of respondent who like other forms of advertisements.

CHAPTER –5

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 SUMMARY

Nepal is developing country with an agricultural economy. In recent years, the country's efforts to expand into manufacturing industries and other technological sectors have achieved much progress nowadays. Many companies are developing rapidly in Nepal. The number of industries in different areas has been increasing in the country. All these have created a tough competition in the Nepalese market. the reasons of increasing cold drinks in Nepal , as in other countries, is that the density of population has been causing warming of the environment and the other is that different types of advertisement have been published by the company day to day which helps in easy studies regarding cold drinks as well as other consumption in Nepal.

Population density has been creating hot climate which in turn has increased the demand for cold drinks. The variety of cold drinks brands sold in the Nepalese market has also increased in the recent years. The modern bottled cold drink was first introduced in Nepal in 1976 when Coca Cola was established; followed by Pepsi in 1986, since then several industries have been established in Nepal to meet the ever –increasing demand of soft drinks. Carbonated drinks made without any alcohol are called cold drinks. They are also known as Coke, Soda, pop etc. Hot chocolate, teas & coffee etc are usually excluded from this classification. Thus, the cold drinks market has become very competitive in Nepal and it is essential for every company to set up effective marketing mechanisms to exploit the market potentials.

In this context, an attempt is made to study the marketing trends of cold drinks in Lalitpur: **A Case Study of Lalitpur City**. The study has been conducted through a survey of consumer and retailers, all together 140 consumers, and 70 retailers. The necessary data were collected through questionnaire method.

In this context, this study has also made an attempt to find out that most of consumers are attracted with the advertisement media and brand preference of cold drinks, The following advertisement medias are found in Lalitpur city like , NTV, KTV, ABC news, painting, radio and hoarding board etc.

In this study an attempt is made to find out the level of awareness of different brands, their image and attitudes towards different brands, to evaluate the impact of advertisement and sales promotion schemes on sale of cold drink in the study area. It also aims to measure and examine the consumers' perception and behaviours in the purchase of cold drinks in Lalitpur. It also aims to evaluate the distribution network and marketing strategies of cold drinks companies in Lalitpur and to indentify consumer profile and their preference of cold drinks in the study area.

5.2 CONCLUSIONS

From above study, we have reached to the following conclusion:

- ❖ The most popular advertisement media is television and magazines holds the second position, and exposure through radio is found to be very low.
- ❖ Consumers give more preference to quality and taste but moderate level of preference has been seen to availability, advertisement and price.
- ❖ Presented in table 36, consumers are found often trying for other brands too the study has shown that 49.28% respondents change their brand is to find new taste. While 36.43% respondents change their brand when their most preferred brand is not available. Another 10.71% of respondents change their brand because of price factor, 3.57% of respondents change their brand when competing brand provides different sales schemes. Thus it concludes that a large number of respondents change their brand to find the new taste.
- ❖ Consumers get knowledge about products through different media of advertisement. Advertising is considered as the primary source of information.
- ❖ The Coke is at the top most position among the brands. The two-third of the retailers expressed their opinion that the Coke has been the most-selling brand, followed by Fanta and Pepsi. In the study, most of the retailers opined that 250 ml. Bottle has the highest sales, and that it is easy to sell cold drink in bottles rather than in cans.

- ❖ The Coca-Cola and Pepsi salesmen visit about half of the retail outlets on a daily basis. The shop visit by the company salesmen for Frooti and Real is found to be mostly once a week. This indicates that the Coca-Cola and Pepsi have more aggressive marketing strategy in Lalitpur than the Frooti and Real.
- ❖ All respondents were asked to indicate if they could recall the advertisement of cold drink. In this case, more than 50% of respondents indicated that they could recall the advertisement of Coke. From the above analysis, it can be inferred that Coke advertisements has been very effective with a very high recall value.
- ❖ More than 90% market is captured by Coca-Cola product (Fanta, Lemon Fanta, Sprite) among these products Coke has been the number one choice of consumer.
- ❖ On the basis of the time, the most preferred time of taking cold drinks is the Tiffin time or lunch time. On the basis of the reasons, the best reason for having cold drinks is quenching the thirst. And on the basis of the place, the most suitable place for having cold drinks is in the restaurant area.

5.3 RECOMMENDATIONS

On the basis of the above study, following recommendations are being made:

- ❖ It is suggested that the manufactures of cold drinks should try to fulfill consumer's demand on cold drinks of their choice. For this, they should try to find out the consumers' purchase behaviour on cold drinks with help of reliable **Marketing Information System** and should also collect correct and suitable information about cold drinks with its advantages and disadvantages from the consumers, dealers and distributors.
- ❖ The advertisement plays a very vital role in the choice of cold drink brands. Most of consumers are found of brand conscious, even though their loyalty is not strong and long-lasting. If they don't get the desired brand, they move to another brand. In this case, the brand loyalty is broken by the unavailability of the product. So the marketers are suggested to give proper attention on their distribution system.
- ❖ About 90% combined share market are occupied by Coca-Cola Company because of their best and aggressive marketing strategies. It is suggested that the other manufacturers of cold drinks to study and follow up their respective marketing strategies in Lalitpur.
- ❖ The most popular advertisement media are TV, magazines etc. These media should be fully utilized. The recall value of Fanta, Real, Mirinda advertisement was very low and these advertisements need corrections. The study showed that although consumers buy cold drinks when their needs arise, advertisements play a very strong role in the choice of cold drink brand. Since cold drink users primarily like

folk song based advertisements. Companies should present more advertisements based on popular Nepalese folk songs.

- ❖ Sales are increasing in different ways. Sales promotion schemes are one of them. It might be used to improve a firm's image, to make consumers aware of a new brand or to educate consumers about product features. That's why schemes are very important to increase sales volume of the company. Most of the retailers and consumers are found to expect many sales schemes like cash prizes, item prizes and cash discount etc. So, the manufacturer should focus on sales promotion schemes to increase better sales of company.

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DISSERTATIONS

1. Shrestha, Shree Krishna, in 2009 conducted a study on "**Marketing of Fruits in Kathmandu District**", Patan Multiple Campus (MBS Thesis)
2. Shrestha, Preeti, in 2007 conducted a study on "**Marketing pattern of Cold drinks in Kathmandu Valley**", Public Youth Campus (MBS Thesis)
3. Lamichhane, Hari, "**Marketing of Cold drinks in Kathmandu**" (1998), Prithvi Narayan Campus, Pokhara (MBA Thesis)

Appendix -I
QUESTIONNAIRES FOR RETAILERS

I am Bikash Maharjan, student of an M.B.S at Patan Multiple Campus, Faculty of Management. I am researcher and writing a thesis entitled: **A STUDY ON MARKETING TRENDS OF COLD DRINKS IN LALITPUR**, for the partial fulfillment of the requirement of master degree in business studies. So, I would humbly request you to co-operate me in filling up this questionnaire to get more information about cold drinks.

Name.....

Age.....

Sex.....

Profession.....

Marital status.....

Education.....

Jointly family.....

Single family.....

Monthly income.....

Permanent address...

Temporary address....

Thank you

1. How long it has been that you have been running the shop?
 - a) Recently
 - b) less than one year

- c) Up to two years d) 3 to 5 years
e) For more than 5 year f) for more than 10 years or above
2. Which brands of cold drinks do you sell?
a) Coke b) Mirinda
c) Pepsi d) Lemon Fanta
e) Sprite f) Frooti
g) Fanta h) Rio
i) 7'up j) All of the above
3. What professions of customers buy cold drinks in your stores?
a) School Students b) College students
c) Job holder d) workers
e) Labors f) others
4. What age of customers does come to your shop for cold drinks?
a) 10-15 b)15-25
c) 25-40 d) 40 and above
5. How many crates of cold drinks at a time do you normally buy?
a) 1 to 5 crates b) 5 to 10 crates
c) 10 to 20 crates d) More than 20 crates
6. Which brand you normally sell more?
a)Coke b) Mirinda
c) Pepsi d) Fanta
e) Sprite f) Lemon Fanta
7. How many crates of cold drinks do you sell in one day?
a) Less than one b) one to two
c) two to five d) More than five
e) More if any f.).....

8. Which cold drinks (bottles) do you sell more?
- | | |
|--------------|--------------|
| a) Coke | b) Pepsi |
| i. 200ml | i. 200ml |
| ii. 250ml | ii. 250ml |
| iii.500ml | iii.500ml |
| iv.1 liter | iv. 1 liter |
| v. 1.5 liter | v. 1.5 liter |
9. Which of the following does customers prefer to buy?
- | | |
|--------------------------|-----------------------|
| a) Cold drinks in bottle | b) Cold drinks in can |
|--------------------------|-----------------------|
10. Which size of the above mentioned cold drinks is easy to sell?
- | | |
|------------|------------|
| a) 200 ml | b) 250 ml |
| c) 500 ml | d) 1000 ml |
| e) 1500 ml | f) 2000ml |
11. How many times in a day does a distributing agent visit to you for supply?
- | | | | |
|-----------|-------|-------------|--------------|
| a) Coke: | daily | once a week | twice a week |
| b) Pepsi: | daily | once a week | twice a week |
| c) Frooti | daily | once a week | twice a week |
| d) Rio: | daily | once a week | twice a week |
12. Mention the level of satisfaction you have with the service of distributors:
- | | |
|--------------------|----------------------|
| a) Fully satisfied | b) Satisfied |
| c) Unsatisfied | d) Fully unsatisfied |
13. What reasons do you think for more selling of the specific brand?
- | | |
|----------------|------------|
| a) Brand name | b) taste |
| c) Thirst | d) quality |
| e) Refreshment | e) fashion |
14. How does advertisement affect the selling of cold drinks?
- | | |
|--------------|-------------------|
| a) Effective | b) very effective |
|--------------|-------------------|

c) Moderately effective d) not effective

15. Does the company provide you sales schemes for the distribution of cold drinks?

a) Yes b) No

16. Your rating as to the distribution media of the following brands:

	i. very good	good	satisfactory	not satisfactory
b) Coke	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
c) Pepsi	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
d) Frooti	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
e) Rio	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
f) Mirinda	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

17. Does the company replace new bottles for the damaged one?

a) Yes b) No

18. On which brand of cold drinks do you give more emphasis to sell?

a) Coke b) Pepsi
c) Frooti d) Rio
e) Mirinda

19. Which one of the following should be done to boost up the selling of cold drinks?

a) More advertisement
b) More prizes rewards for consumers through promotional scheme.
c) Emphasis on quality
d) Change in taste

20. Do you give up selling old brands, if you are provided with new and more attractive scheme by other brands?

a) Yes b) No

21. What is the reason for it?

a) Because the company provide with cash reward
b) Because the company provide new schemes

- c) Because I believe in brand
- d) Because people like the brand more.

22. To what extent do you find competition for different brands of cold drinks?

- a) High competition
- b) moderate competition
- c) Low competition
- d) no competition

23. Which of the following schemes does the company offer you?

- a) Cash discount
- b) Discount of one bottle or more in one crate.
- c) Refrigerator as reward for selling cold drinks.
- d) Other reward.

24. Which media do you prefer most for promotion?

- a) Print
- b) Electronic

25. Is there any competition between different brands of cold drinks?

- a) Yes
- b) No

Respondents

Name :

Age :

Sex :

Name of Shop:

Place:

Education:

- a) S.L.C.
- b) Below S.L.C.
- c) Under-graduation
- d) Graduation

APPENDIX–II
QUESTIONNAIRE FOR CONSUMERS

1. Do you like taking cold drinks?
 - a) Yes
 - b) No

2. When do you generally prefer for it?
 - a) Before Lunch
 - b) After Lunch
 - c) Tiffin Time
 - d) Evening Time
 - e) Before Dinner
 - f) After Dinner

3. Why do you take cold drinks?
 - a) To quench thirst
 - b) for fun
 - b) For freshness
 - c) Because of fashion
 - e) Because of sales promotion

4. Why do you particularly go for particular brand?
 - a) Taste
 - b) Flavor
 - c) Price
 - d) Quality

5. Which one of the following attributing factor make you buy cold drinks?
 - a) Availability
 - b) Advertisement
 - c) Sales promotion scheme
 - d) Price
 - e) Quality
 - e) Taste

6. Usually where do you prefer to have cold drinks?
 - a) Retail-Store
 - b) Cold- Store
 - c) Restaurant
 - d) Bakery
 - e) At home

7. What size of bottle do you prefer to have?
- | | |
|------------|------------|
| a) 200 ml | b) 250 ml |
| c) 500 ml | d) 1000 ml |
| e) 1500 ml | f) 2000ml |
8. Do you change brand? If you do what are the reasons?
- ◆ Because of non availability of my brand.
 - ◆ Because price hike of my brand.
 - ◆ Because of the schemes.
 - ◆ Because of change in taste.
9. When you think of cold drinks, which brand in particular comes into your mind?
- | | |
|----------------|-----------|
| a) Coke | b) Pepsi |
| c) Fanta | d) Sprite |
| e) Lemon Fanta | f) Real |
| g) Fruity | |
10. How many bottles of cold drink normally do you take?
- | | |
|----------------------|-------------------------------|
| a) One bottle a day | b) more than one bottle a day |
| c) One bottle a week | d) twice a week. |
11. Generally who buys the cold drinks for you?
- | | |
|------------|------------------|
| a) Myself | b) Family member |
| c) Friends | d) others |
12. What is the brand name of the cold drinks you like the most?
- | | | |
|----------|------------|----------------|
| a) Coke | b) Pepsi | c) Sprite |
| d) Fanta | e) Mirinda | f) Lemon Fanta |
| g) Real | h) Fruity | |

13. What is the brand name of the cold drinks you like the most?

- a) Coke
- b) Pepsi
- c) Sprite
- d) Fanta
- e) Mirinda
- f) Lemon Fanta
- g) Real
- h) Fruity

14. Which brand of cold drink you recall instantly?

- a) Coke
- b) Pepsi
- c) Sprite
- d) Fanta
- e) Mirinda
- f) Lemon Fanta
- g) Real
- f) Fruity

15. Does advertisement affect the purchasing of cold drinks?

- a) Yes
- b) No

16. Does really advertisement help in changing your brand?

- a) Yes
- b) No

17. How do you get information about the cold drinks?

- a) Radio
- b) Friends
- c) Television
- d) Retailer or Trade fair
- e) News paper and magazines
- f) Poster/pamphlets

18. Which form of advertisement do you think is more effective for proper distribution?

- a) T.V.
- b) Radio
- c) News paper
- d) Sign board
- e) Wall painting

19. Which form of advertisement does impress you?

- a) Foreign advertisement
- b) Nepali model advertisement
- c) Nepali folk song advertisement
- d) Cartoon picture advertisement

20. Which Local T.V. Channel do you watch seeking information for cold drinks?

- a) N.T.V.
- b) Image Channel
- c) Channel Nepal
- d) Kantipur
- e) Nepal 1

21. To which of the following media do you usually spend your time for information?

- a) T.V.
- b) Magazines
- c) Radio
- d) News paper
- e) F.M.

22. I drink pepsi because of

- a) Brand name
- b) taste
- c) Thirst
- d) quality
- e) Refreshment
- e) fashion

23. I drink coke because of

- a) Brand name
- b) taste
- c) Thirst
- d) quality
- e) Refreshment
- e) fashion

24. I drink Real because of

- a) Brand name
- b) taste
- c) Thirst
- d) quality
- e) Refreshment
- e) fashion

25. I drink fruity because of

- a) Brand name
- b) taste
- c) Thirst
- d) quality
- e) Refreshment
- e) fashion

26. Which of the following features you think should have cold drinks?

- a) Reasonable price
- b) Reputed company
- c) Good test
- d) Incentives
- e) Hygienic
- f) Packaging

Respondents

Name :

Age :

Sex :

Education:

- a) S.L.C.
- b) Below S.L.C.
- c) Under-graduation
- d) Graduation

Profession:

Student

Service holder

Commerce others

APPENDIX-III
Sales of Cold Drinks in Lalitpur (2005-2009)

Year	Products			
	Coke (Crate)	Pepsi (Crate)	Frooti (Peti)	Real (Peti)
2005	2450000	1250000	17000	21000
2006	3020000	2450000	19500	25000
2007	3450000	2870000	22000	30450
2008	4010000	3750000	23750	37250
2009	4670000	4020000	25850	40800

Source: Business Age, published in 2009 January