

**THE ROLE OF ADVERTISING IN BRAND PREFERENCE
WITH
SPECIAL REFERENCE TO
WAI WAI AND MAYOS NOODLES.**

Submitted By:

Umesh Chaulagain

T. U. Regd.: 7-1-999-0082-96

Makawanpur Multiple Campus

Hetauda, Makwanpur

A Thesis Submitted To:

Office of the Dean

Faculty of Management

Tribhuvan University

Kirtipur, Kathmandu

Nepal

***in partial fulfillment of the requirement for the
Master of Business Studies (MBS)***

2009

RECOMMENDATION

**This is to certify that the Thesis:
Submitted By
Umesh Chaulagain**

Entitled
**“THE ROLE OF ADVERTISING IN “BRAND
PREFERENCE”**
WITH
**(SPECIAL REGERENCE TO INSTANT NOODLES WAI WAI AND
MAYOS”)**

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

.....
Mr. Yam Silwal
Thesis Supervisor

VIVA-VOCE SHEET

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

Umesh Chaulagain

intitled

**“THE ROLE OF ADVERTISING IN
“BRAND PREFERENCE”**

WITH

**(SPECIAL REGERENCE TO INSTANT NOODLES
WAI WAI AND MAYOS”)**

and found the thesis to be the original work of the student written according to the prescribed format. We recommended the thesis to be accepted as partial fulfillment of the requirement for Master of Business Studies (M.B.S)

Viva- Voce Committee

Chairperson:

Member:.....

Member:.....

Member:.....

Member:.....

Date:

DECLARATION

Here by declare that the work reported in this thesis entitled "THE ROLE OF ADVERTISING IN BRAND PREFERENCE (WITH SPECIAL REFERENCE TO WAI WAI AND MAYOS Noodles)." submitted to Office of the Dean, Faculty of Management, Tribhuvan University. It is my original work done in the form of partial fulfillment of the requirement for the Master's Degree in Business Study (M.B.S.) under the supervision of Mr. Yam Silwal Lecturer of Makawanpur Multiple Campus, Hetauda.

.....

Umesh Chaulagain

Makawanpur Multiple Campus

T.U. Regd. No. 7-1- 999-0082-96

Date:.....

ACKNOWLEDGEMENT

This thesis has been prepared for the Masters of Business Studies Program undertaken by Tribhuvan University of Nepal.

Throughout my study period. I received generous support and thoughtful advices from Mr. Yam Silwal, thesis supervisor of Makawanpur Multiple Campus. I feel greatly indebted to him for his persistent supervision, advice and directions.

My acknowledgement equally goes to Mr. Yadab raj Giri, Campus Chief, Mr. Bijay krishna Shrestha, Lecture, Mr. Jayaram Devkota, Lecture, Mr Udhav Sapkota, Lecture and staffs of Makawanpur Multiple Campus for their kindly support and contribution.

I am thankful to my father Mr. Kamal Prasad Chaulagain, mother Mrs. Kamala Chaulagain, brothers Mr. Bhishan chaulagain, Mr. Ajay Chaulagain and sister Ajita chaulagain and my daughter Unmesha for their motivation and help.

At last but not least, I am thankful to my wife Mrs. Roshani Lamichhane for her continious support and motivation to complete this research.

Finally, My most sincere thankfulness is to all of my friends and the respondents who, at the cost of their time and work, patiently filled up the questionnaire.

.....
Umesh Chaulagain
Hetauda-7, Makawanpur
Date:

LIST OF TABLES

Table No.	Title	Page No.
4.1	No of Respondents Who Consume Noodles.....	34
4.2	Consumers' Preference for Noodles.....	35
4.3	Consumers' Preference to Wai Wai Noodles.	35
4.4	Consumers' Preference to Mayos Noodles	36
4.5	Method of Consumption of Instant Noodles.....	37
4.6	Frequency of Noodles Consumption.....	38
4.7	Consumer's alternative way if Favorite Brand is not Available in the Market	39
4.8	Reason for Brands Switching	40
4.9	Reason for Brand Preference	41
4.10	Information of noodles through various Media.....	42
4.11	The Advertising Recall by Consumers	43
4.12	Do Consumers think Advertising is helpful rather than any Other Promotional Tools to increase the sale of noodles?..	44
4.13	Consumers' Behaviour, after Seeing Advertising	45
4.14	Most effective promotional techniques.....	46
4.15	Essence of Effective Advertising on Brand Choice of Instant Noodles to Sex	47
4.16	Role of advertising in preferring Brand of Instant noodles according to Age Group.....	48
4.17	Promotional strategy rated by the sales executive.....	49
4.18	Preference for Advertisement Media.....	49
4.19	Types of problems the company facing while making effective business.....	50
4.20	Rating of the effective aspects in the advertisement of company's product.....	51
4.21	Advertising Agencies Media Facilities	51
4.22	Preferred media by Advertiser	52
4.23	Handling of Advertisement	52
4.24	Popular Advertisement	53
4.25	Role of advertising agencies in Customers brand preference decision.....	53
4.26	Easier to work with Advertiser	53
4.27	Reason for choice	54

LIST OF FIGURES

Figure No.	Title	Page No.
4.1	Consumers' Preference for Noodles.....	35
4.2	Consumers' Preference to Wai Wai Noodles.	36
4.3	Consumers' Preference to Mayos Noodles	37
4.4	Method of Consumption of Instant Noodles.....	38
4.5	Consumer's alternative way if Favorite Brand is not Available in the Market	40
4.6	Reason for Brands Switching	41
4.7	Reason for Brand Preference	42
4.8	Information of noodles through various Media.....	43
4.9	The Advertising Recall by Consumers	44
4.10	Do Consumers think Advertising is helpful rather than any Other Promotional Tools to increase the sale of noodles?.....	45
4.11	Consumers' Behaviour, after Seeing Advertising	46
4.12	Most effective promotional techniques.....	47

Table of Contents

Page No.

Recommendation	
Viva-Voce Sheet	
Declaration	
Acknowledgement	
List of Table	
List of Figure	
CHAPTER -I INTRODUCTION.....	1-7
1.1 Background of the study.....	1
1.2 Focus of the study.....	3
1.2.1 Introduction of Fast foods (Nepal) Pvt. Ltd.....	4
1.2.2 Introduction of Nepal Thai foods Pvt. Ltd.....	4
1.2.3. Introduction of Himalayan Snacks and Noodles Pvt .Ltd.	4
1.3 Introduction of Hetauda.....	5
1.4 Statement of the Problem	5
1.5 Objectives of the Study.....	6
1.6 Importance of the Study	6
1.7 Limitation of the Study.....	6
1.8 Fundamental Causes Behind for Selecting Hetauda Municipality...	7
1.9 Organization of the Study	7
CHAPTER – II THE REVIEW OF LITERATURE	9-22
2.1 Concept of Advertising	9
2.2 History of Advertising.....	10
2.3. Development of Advertising in Nepal:.....	12
2.4 Function of Advertising.....	12
2.5 Classification of Advertising.....	13
2.5.1 Classification by Geographic Area.....	13
2.5.2 Classification by Target Audience.....	14
2.5.3 Classification by Function or Purpose.....	15
2.5.4 Classification by Medium.....	15
2.6 Objectives of Advertising.....	15
2.7 Marketing and Advertising.....	16
2.8 Advertising and other Promotional Tools.....	16

2.8.1 Advertising and Salesmanship.....	16
2.8.2 Advertising and Sales Promotion.....	17
2.8.3 Advertising and Publicity	17
2.9 Advertising and Brand Preference.....	17
2.10 consumer behaviour and preference on Brand.....	19
2.11 Brand Preference and Purchase decision.....	20
2.12 Brand Switching	21
2.13 Brand Loyalty on Consumer Products.....	21
2.13 Review of Related Studies	22
CHAPTER- III RESEARCH METHODOLOGY.....	31-33
3.1 Introduction	31
3.2 Research Design	31
3.3 Sources of data	32
3.4 Population	32
3.5 Sampling Procedure	32
3.6 Data processing and analysis	33
3.7 Data Presentation.	33
CHAPTER –IV DATA PRESENTATION, ANALYSIS AND	
MAJOR FINDINGS.....	34-56
CHAPTER- V SUMMARY, CONCLUSION AND	
RECOMMENDATIONS.....	57-59
5.1 Summary	57
5.2 Conclusion	58
5.4 Recommendations	58
Bibliography	
Dissertations	
APPENDIXES	
Appendix- I	
Appendix - II	
Appendix- III	

CHAPTER-I

INTRODUCTION

1.1 Background of the Study

Advertising is the method of communication, which is one of the most important aspects of human behavior. It is the main tool of informing, convening, influencing and persuading to the targeted segmented and plays significant role on brand loyalty of the consumers' products. The advertisers need comprehension of psychology. The effective advertising needs to be familiar with certain effects that lead to certain response.

Advertising is the key tool for a product, service and ideas are presented and promoted in the market. Advertising consists of non personal presentation of products or services through paid media a like radio, television , newspaper, magazines etc. it involves the decision regarding the size of advertising budget, message for advertising media, selection etc.

“Advertising is any paid form of non personal presentation and promotion of ideas goods or services by an identified sponsor.” (Kotler, 1994:627).

This definition emphasis to communicate the information consists with products, services and ideas for the purpose of presenting and promoting them, which is designed by the related expert from the side of owner and paid some charges instead of using various media which is non-personal.

“Advertising consists of all the activities involved in presenting of a group a non-personal, oral or visual openly sponsored message regarding a product, service or idea” [William, 6th Ed:414].

“Advertising is any paid from of non personal presentation of goods, services or ideas to a group; such presentation being openly espoused by the advertiser.” (Sontakki and Despande; part III:4).

Consumer is the king in business. The success or failure of any business owes to firm's marketing strategies. Consumer's response to goods is in response to the stimuli generated by a company through advertng. In this way a company can create good and effective stimuli through advertng. A consumer may impress buyers by advertng and motivate him to purchase goods.

Advertng is the cornerstone of the company's policy. Advertising can be

understood as from of communication which aims at bringing about some change in the behaviour of target audience particularly the potential buyers towards the product or service advertised. Generally, theoretical model seeks to identify a step-wise behaviour progression of non buyers towards buying action. This is the progression from awareness to comprehension. From conviction to desire and finding actual purchase of the product concerned which can be presented in the diagram to answer, now advertising cover from potential to an actual action.

It is opened to question this model represents what actually happens in real life for one thing actual purchase occurs a result of many factors and advertising is only one of them. Sometimes advertising can do its job and bring the customer to the retail outlets, but if the distribution plan of the company is uneven and retail doesn't have stocks of the products purchase may not result. Simply advertising stimulates the potentials buyers to go to the store to buy actual advertised products. In general, advertising is done in expatiation of tangible gains such as favorable attitudes better image of the firm and increased sales. The techniques of advertising depending upon the situation however, it is the matter of decision of the marketing manager to blend all promotional tools advertising personal selling, publicity and sales promotion to arrive at a right mix. Each of the promotional tools have got unique characteristics and complementary.

It is true that sometimes the effect of advertising can not be measured directly in terms of sales. Therefore, advertising objective could be started in terms of communication goals, such as awareness of the product or favorability of attitude towards it. This assumption relates to sales started in terms of communication, measurement against such goals can always be possible.

The history of advertising in Nepal is recent one, but even in this short span of time, it has remarkable grown up where the first news-paper of the country was started on 1958 B.S. Jestha. Prior to this only the medium of advertising was word of the month, now different daily, twice weekly, weekly fortnightly, monthly, quarterly, four monthly, half-yearly, yearly and others so many periodicals have given significant contribution for its brightness to the coming future as well as to the present.

The establishment of radio Nepal Service starting from 3 hours to the present condition where, the advertisement broadest in the mid of prime news. This indicates the importance of advertising in modern marketing process.

This is only one high turn out mass media in our country. NTV and FM Radio are also playing important role in this field. In fact, some other media

are also during their job according to the expectation. Among them the FM program which was introduced on Poush 15, 2052 B.S. is become much more popular in the Hetauda Municipality.

Every brand has a certain image in the market, every brand is known for its own feature and quality. So, the consumers, according to their faith or trust on quality prefer one brand to others. If they think a brand is good in terms of quality or price or social status or any other, they develop a positive attitude towards that brand and make repeat purchase of the same. When this happens, i.e., known as brand loyalty. To find out brand loyalty frequently purchasing action of a product class must be required. Brand loyalty is a great asset of company which is not expressed in numerical form of the balance sheet. It is completely unseen but gives result of full enjoyment.

Researcher has wanted to find out the role of advertising in brand choice of low involvement consumer products. This study focuses on the following issues: Are their brand choice completely, partially or not impressed through advertisement? Does it play supportive role in brand choice decisions? Do other promotional tools have more weight in brand choice decision than advertising?

1.2 Noodles in Nepal

Nepal is a developing country. The socio-economic transition, which Nepal experienced during the second half of the twentieth century, has introduced new foods habits in the Nepalese society. Even the rate of urbanization in Nepal is slow but it is continuous process everywhere. To address the people's demand, Noodles company brings the technology and started to produce Noodles. The development of the tourism industry after 2007 B.S. has also contributed to the widening of the taste of Nepalese people. One of different popular taste has entered in Nepal was "Instant Noodles" at that time.

National Trading Ltd. manufactures noodles in 2032 B.S. by importing necessary machines and equipments. It is introduced in different taste in fact noodles were never a Nepalese foods neither had heard about it then (twenty five years ago). Gandaki noodles Pvt. Ltd. the pioneer in the instant noodles. It was registered in 2033 B.S. by the authorities as a noodles manufacturing company. Those days a few traders used to bring stick (Sinko) noodle from Siliguri and sell in the Pokhara.

The market response was encouraging and motivating shree Krishna Acharya one of the founder director of Gandaki noodles and few of his friends to the undertake the production of home made noodles. Their venture

was promising and Acharya began contemplating a manufacturing plant for large-scale production from Japan and introduced the first ever-Nepalese noodle "RARA" in 2039 B.S. during the same period "Maggie" was launched in the Nepalese market.

1.2.1 Introduction of Fast foods (Nepal) Pvt. Ltd.

The fast food (Nepal) Pvt. Ltd. was established in 2049-11-19 B.S. and in 2052-03-22 B.S., it started to produce "WaiWai." This factory is located at ward no. seven Dumkauli, the Dibya puri VDC. of Nawalparasi district. A part from of this it spreads in ward no. four and five at the same VDC. It is located beside "Mahendra Highway". Chaudhary Group Nepal or Ganga Udyog Gram is covering 24-11-3.5 Bigha land has in Dibyapuri VDC. It's machine was imported from Singapore, Indonesia and India and It has got 13,250 mt. Capacity annually. Now, there are 239 personnel working in permanent and contract basis further more it has produced Wai Wai, Mama, 1 Minute, Mimi and Big Mimi noodles etc.

1.2.2 Introduction of Nepal Thai foods Pvt. Ltd.

The Thai food is Located in Soambhu Bhaisepati in Lalitpur district. It is covering 5-7 -3-2 Ropani of land and it was established in 2041 -04-16 B.S. and in 2042 -04-08 B.S. It started to produce instant noodle "Wai Wai" It is technology is imported from Thailand. It has got 1550 m.t. production capacity annually. Its machine was imported from Singapore, Indonesia and India. There are 169 personnel working on the basis of two shifts. Now, it is working export purpose. It is exported to India, Bhutan, and Bangladesh.

Chaudhari Groups headquarter is located in Sanepa height , Lalitpur and managing director of this group in Mr Binod Kumar Chaudhary . Fast food Nepal Pvt Ltd and Nepal Thai foods both belong to Chaudhary Group.

1.2.3. Introduction of Himalayan Snacks and Noodles Pvt . Ltd.

Himalayan snack and Noodles Pvt. Ltd. (HSNPL) is established at Banepa , Kavrepalanchok-30 km east of Hetauda Municipality and it spread over 4 areas of land. Instant noodles are produced here under technical collaboration with Thailand's number one noodle manufacture, Thai president food plc' . The plant is furnished with state -of – the – art Japanese machinery from Fuji and packing machine from Tokiwa, Japan. At present the production capacity is 17,994.5 metric ton per year. As an expansion plan, a second production plant has been installed in the year 2008 at Kamharia VDC, Rupandehi district-11 Km west from Bhairahawa City.

In a short period of time, the company has been able to achieve a leading market share in Nepal. After five years in the market the company has been successful in increasing its market share to approximately 44% of the total noodle industry of Nepal. The company is No 1 in 75gm and also 50gm segment. The company provides direct employment to 323 people and indirectly to 1000 more. Company has produced Mayos, Lekali, Ru-chee, Hurray, Lai barilai, Jhilke, Shaka Laka Boom, J-mee Dohari and Humpty Dumpty noodles etc.

The company started export operations (Mayos Instant noodles) to India in October 2001. The exported market so far Sikkim, North Bengal, Assam, Meghalaya, Mizoram, Punjab, Hariyana, Uttranchal, Delhi, U.P. Ladakh and Bhutan. The results so far are very satisfactory and the company will be exporting to southern and western parts of India as well as middle-east.

1.3 Introduction of Hetauda Municipality

Hetauda Municipality lies in the central part of the Country. Hetauda Industrial Development Zone is also lies inside this municipality which is one of the main industrial zone of Nepal. Because of the geographical condition it is one of the beautiful and green city of our country. The Population density is increasing day by day due to the migration from the different part of the country.

1.4 Statement of the Problem

The instant Noodles Wai Wai and Mayos companies have practiced to focus the advertising because of its effectiveness. Advertising plays a pivotal role in the promotional efforts by familiarizing, awaking, informing and influencing the consumes to buy the products and helps them about the buying decision. In unimaginable, while analyzing the history of Nepal advertising it has not been able to encompass the magnitude it generally does. The pattern and method being used are ordinary in nature.

This instant noodle (WAI WAI AND MAYOS) COMPANY NEEDS to make proper strategies, understanding and evaluation it's consumer's behaviour. By the collection and analysis of this, behavior helps to acquire the most of the required information's of consumer loyalty for the company. This research prepare intends to explore the following basic agendas. The discussion under these agendas suggests that instant noodles (Wai Wai and Mayos) manufacturer to improve the consumer's benefits and further development of Instant noodles (Wai Wai and Mayos).

Do consumers choose specific brand because of advertising?

Do consumers give more weight to advertising rather than any other promotional tools while making product selection decision?

1.5 Objectives of the Study

The overall objectives of the study are to identify and evaluate the impact of advertising on brand preference. The specific objectives are as follows.

To analyze the effectiveness of advertising on brand selection.

To examine the buying habit regarding the noodles and behavior of the consumer.

To find out the best advertising media for noodles company.

1.6 Importance of the Study

Advertising makes wide spread distribution possible. Although a marketing manager may prefer to use personal selling, it can be expensive and mass selling can be cheaper. It is not as pin pointed as personal selling but, it can reach large number of potential customers at the same time. In fact, today most promotion blends contain both personal selling and mass selling.

"Advertising's job might be to build brand preference as well as help purchasers to confirm their decision." (The Economic Survey, 1994-95:34). Sometimes the advertising may be able to describe that our product is different from current and potential competitors. Advertising could be made useful assistance and create an image about product in consumers perception which has direct effect on brand choice.

In the Nepalese market competitive advertising tries to develop selective demand for a specific brand rather than a product category. Competitive advertising is a successful tool in brand choice of consumer products.

This study shall contribute to generate a data as to what extent advertisement helps in brand choice exist in the Nepalese consumer market while purchasing consumer product (i.e. noodles).

1.7 Limitation of the study

This study has been undertaken in partial fulfillment of the requirement for Master of Business Studies. (M.B.S.). So this study aims at finding out brand choice on Instant noodles (Wai Wai and Mayos) in Hetauda Municipality.

This study is completely based on consumer's response, reaction attitude and perception related to the Instant noodles. Hence, this study may or may not show the total national figure due to certain boundaries and limitations.

The field survey is confined to the Hetauda Municipality.

This study is limited only to the Instant noodles (i.e. Wai Wai and Mayos).

This study is based on noodles consumption in Hetauda Municipality.

The study is based on the primary data as well as Secondary Data.

1.8 Fundamental Causes Behind for Selecting Hetauda Municipality

By the preliminary survey, the market of Wai Wai and Mayos instant noodles in Hetauda Municipality is found good. The population density is increasing day by day so the market is growing rapidly. It is one of the remarkable city in terms of infrastructure and accessibility. Different people of different level and groups are living here so the study will be more effective to know about the advertising effect on brand preference. So this place has chosen for survey as a study.

1.9 Organization of the Study

This study has been divided into five chapters. The title of each those chapters are follows.

(a) Introduction

This chapter deals with some concepts of advertising and brand choice. This chapter gives a brief picture of what is going to be studied, why the study is important and what the study is going to seek.

(b) Review of Literature

The Review of Literature deals with some related matters of the study. This chapter discusses about the theoretical concepts of advertising. In this concepts of advertising the matter presented in the definition of advertising, the historical background, various advertising media available in Nepal and present advertising situation.

(c) Research Methodology

The Chapter Three is related to research methodology. This Research Methodology, it employed in present study. It describes about how the study being prepared to fulfill the need and objectives of the study.

(d) Data Presentation, Analysis and Major findings

The fourth chapter in the Data Presentation, Analysis and Major findings deals with the issued identified in the introduction. What has been analyzed, how it has been analyzed, and what has been found are the concerns of this chapter. Major Findings are derived from the study, suggestions regarding, the Role of Advertising in Brand Preference will also be made in this chapter.

(e) Summary, Conclusion, and Recommendation

The fifth, chapter provides, Summary, conclusion and recommendations. In the summary the present study is discussed briefly.

At the end of the study bibliography, appendix are added up to give the report a final touch.

CHAPTER – II

THE REVIEW OF LITERATURE

This Chapter provides some conceptual theory of advertising and review of related topics. This Chapter provides different information about advertisement from various articles and journals.

2.1 Concept of Advertising

Advertising can be defined as mass paid communication (presentation and promotion) of goods, services and ideas by and identified sponsor. It is paid communication because the advertising appears in the recognized media such as newspaper, magazines, radio, television, cinema film, outdoors hoarding and posters, direct mail and transit.

Advertising basically encompasses communication paid space or time, presentation and promotion of products, persuasion and promotion of the consumer in a communication process. There is a source of message the medium through which the message travels to the receiver.

"Advertising is a form of mass communication where their source is in direct contact with the receiver and the receiver is always a group or more precisely an aggregation rather than another individual." [Alexander, 1982:9]

Advertising is defined as a form of mass communication where as such message is distributed by marketers through different sources by sourcing and acquired by the consumers. It is referred as non-personal presentation because non-personal Medias are used to convey the message and basically Medias of mass communication are only two viz. publication and electronic transmitter the radio and television.

"Advertising consists of all the activities involved in presenting to a group, a non personal oral or visual, openly sponsored message regarding a product, service or idea. This message is called an advertisement is disseminated through one or more media and is paid for by the identified sponsor." [Stanton, 1978, 448]

Advertising includes those activities by which visual or oral message are addressed to the public for the purpose of information them influencing them either to buy merchandise or services or to act or be included favorable towards ideas institutions and featured." [Ahuja, 1988:1]

The above all definitions tried to carry some fundamental about advertising which can be presented as non-personal communication, targeted to the consumers which is paid influenced and person towards products message is delivered in the form of visually via identified as well as controlled by him.

Marketing is indeed an ancient art; it has been practiced in one form or the other since the days of Adam and Eve. Its emergence as a management discipline, however, is of relatively recent origin. Moreover, within this relatively short period, it has gained a great deal of importance and stature. In fact, today most management thinkers and practitioners the world over regard marketing as the most important of all management functions in any business.

2.2 History of Advertising

Advertising has the longest history. We can found, it is started with human civilization. Though one fails to answer the question as to the exact age of advertising, it can be said that advertising began the moment the man discovered the art of communication, historical documents and archeological researchers have confirmed the entity of advertising in the ancient times.

Advertising by 'word' of mouth is probably the earliest form of advertising because oral skills were developed will before reading and writing did advertising was given the commercial status the day man entered into the process of exchanges. [New encyclopedia, 1979:103]

The Chinese invented paper and Europe built it first. Movable type paper mill was invented by John's Guttenberg in 1275. It made possible new advertising media and first forms of mass advertising including printed posters, handbills and newspaper advertisements. In London in about 1472 the first printed advertisement in English tacked on church doors, announced a prayer book for sale. The first newspaper advertisement, which appeared on the back of the London, newspaper in 1650 offered a reward for the return of 12 stolen houses. Later advertisement appeared for coffee, chocolate, tea real estate and medicines as well as 'personal advertisements. The advertising was directed to a limited number of people who were customers of coffee houses where the news papers were read.

Another major technological break through was the invention of photography in the late 1880s. Before this time products is printed advertising could be illustrated only by drawing photography added credibility to advertisement because it showed products as they are rather than as visualized by an artists.

During the 16th century news papers were the largest among the prints, and these news papers were in the form of news letters. The first news letter was started in 1622 in England. Latter half of the 16th century whiteness news papers in the form of news books and the by the middle of the 17th century there are special advertising periodicals. By 1675, news paper published excellent news books. By the end of the 17th century news peppers were well established in England undertaking advertising on a regular basis. (Sontakki, 1st Ed, 1989).

During the 19th century, it was marked by a new friend of brand advertising; magazines both weeklies, and monthlies started catching the imaginations of the people by popularizing the brands. This is the period that welcomed window and counter displays, exhibitions and trade fairs (Ibid: 28-29).

When advertising entered in the 20 century their there are so many miracle happened then before on Oct 29 1929 the stock market crashed, the great depression began and advertising expenditure were drastically reduced. However, perhaps, due to depression false and misleading advertising continue to thrive. At the same time several best selling books exposed advertising as an unscrupuloter of consumers, giving role to the consumers moment and resulting in future government regulation. Because of consumer sales resistance during the depressing and the budget cutting attitude of management, advertising turned to research to regain its credibility and effectiveness.

At the time of broadcasting, advertising had added another significant mile stone in the field of advertng. A major powerful new advertising medium, Radio Started on Nov. 2, 1920 in Pittsburgh, Pennsylvania national advertisers used Radio extensively because they could reach large captive audience that turned into popular programs in fact it was their advertising agencies that produced the first radio because the primary means of mass communication.

In the year 1945, at the end of the Second World War, the use of the television advertising grew rapidly. In 1955 color television was born and today television is second largest advertising medium in terms of total money spent by advertisers.

In the year 1970s a new kind of advertising strategy formulated, where the competitors strengths become as important as the advertisers. This was called the positioning era. Acknowledge the importance of product features and image. They consisted that what was really important and how the products ranked against the competition in the consumer's mind.

A brief look at the history of advertising shows the development of modern advertising. It shows that advertising reflects the world we have in just as advances in technology are changing our lives so we will the actions and attitudes of special interest. It has become a veritable boom to the world of business a noon of public relation loon of public service.

2.3. Development of Advertising in Nepal:

Nepalese society has known advertising and its usefulness to the business. They knew that even a superior product can not be sold if the advertiser fails to speak about it. In the early stage, the needs and wants were very limited and the product was also very limited.

The history of development of advertising in Nepal starts from early Malla period. With the passage of time, consumption habit changed and society entered into the Malla period between 936-1825 B.S. At this period people came to know about the product to the people. The King at that period was very liberal. King was interested to understand the needs, wants, desires, plan and pleasure of the people. The announcer pre-claimed about the product to the people. They also demonstrate the product at cultural show festivals and Jatras etc. Even during the Rana period , public announcer went through the streets announcing the opening and closing of gambling period during the Laxmi Pooja and other occasions.

The first newspaper of the country was published on Jestha 1958 B.S Prior to this, only verbal advertising prevailed. At present many different dailies weeklies, fortnightlys, monthlies and other periodicals have given significant contribution to the present marketing environments. Similarly advertising activities development effectively with the established of commercial service of Radio Nepal, Private FMs as well as all television channels which are broad Nepal.

2.4 Function of Advertising

The basic function of advertising is to create a positive psychological image about the product. However, it's another function is to bring something deliberately to the notice of some one else. Generally advertising has to perform different functions, categorized as marketing communication and education functions as well as economic and social functions which are described in brief as follows:

Communication Function

Advertising, by its objective, communicate some message to the group of

people. In the present content, the communication of information is still one of the basic functions and objectives of advertising. Such as advertising used primarily for communication are advertisements in telephone directories, newspapers, classified ads, and legal notices published by various organizations and government bodies.

Economic Function

Advertising makes people aware of products services and ideas to promote sales and there by commerce. In the same way it provides consumers, knowledge about new products or prices and gives industrial buyers important evidence or information about available products and services. Advertising greatly reduces the cost of distribution and means of personal selling. This leads to lower costs and higher profits. It accelerates the success of good products.

Marketing Function

To increase their sales and profits, companies develop marketing strategy. The marketing strategy is determined by the particular way companies combine and use various marketing elements. The marketing includes a variety of options known as the four “P” and generally categorized under the heading of product, price, place and promotion.

Education Function

As an education function, it speeds the new and untried and in so doing, accelerates technological advances in industry and hastens the realization of a fuller life for all. It helps reduce accidents and waste of natural resources and contributes to build a better understanding and appreciation.

Social Function

Advertising is one of the modern society's most visible aspect. It is one of the majority forces that have helped to improve the standard of living in the country and around the world by publishing he material, social and cultural opportunities of a society.

2.5 Classification of Advertising

To understand what advertising is, it is classify and there-by learn some basic terminology.

2.5.1 Classification by Geographic Area

There are four classifications of advertising based on geography.

Regional Advertising

Many products are sold in only one area or region of the country. The region might cover several states but not the entire nation. Advertising of such kinds we found in India and USA.

Local Advertising

Many advertisers such as department stores, automobile dealers and restaurants have customers in only one city or local trading area. For these, local advertising media is selected like FM radio because of limited coverage.

National Advertising

Advertising aimed at customers in various regions of the country is called national advertising and its sponsors are called national advertiser. The majority of advertising we see on prime time network television is national advertising.

International Advertising

International advertising is advertising direct at foreign markets for example: Coca-cola, Pepsi, Philips, LG, Konica etc.

2.5.2 Classification by Target Audiences

There are many classifications of target audiences. The two major are consumers and business.

Consumer Advertising

Most television, radio, newspaper and magazine also are for consumers. They are sponsored by the manufacturer of the product or the dealer who sells the product. They are usually divested at the ultimate consumer of the product or at the person who will buy product for someone else. For example, a magazine advertisement for Coca-cola may be aimed at both the purchaser and consumer. A commercial for the baby food (like erelac) on television is aimed at the purchaser not the consumer of the product.

Business Advertising

Business advertising is often said to be invisible because, unless you actively involved in some business, you are likely to see it. Business advertising on the other hand tends to be concentrated in specialized business publication or professional journals. In direct mail pieces mailed to business establishment

or trade shows like TRADE EXHIBITION is good example of business advertising. In the same way, industrial advertising is aimed at individuals in business that buys or influence the purchase of industrial goods.

2.5.3 Classification by Function or Purpose

Product versus Non-product Advertising

Product advertising is intended to sell product or services. An advertisement of close-up Tooth paste and nursing home is designed to sell their product and service where as ads of arts and charities are known as non-product advertising.

Direct Action versus Indirect Action Advertising

Some advertisements are intended to bring about immediate action and some are that attempt to build the image of a product of familiarity with the name and package are seeking an indirect action. Their objectives are to influence readers, viewers and listeners to purchase a specific brand.

Commercial versus Non-Commercial Advertising

A non-commercial advertisement is sponsored by or for a charitable institution, civic group or religious or political organization.

2.5.4 Classification by Medium.

Advertising can be classified on the basis of the medium used to transmit the message. An advertising medium is any paid means used to present an advertisement to its target audience. The principle media used in advertising are newspapers, magazines radio, television, direct mail etc.

2.6 Objectives of Advertising

Basically the objectives of advertising are influencing, persuading, building image of product as well as company reminding for repurchase and communicating information related about products and company even though for easy to understand we can trace out the objectives of advertising as follows:

1. To announce a new product or service
2. To solicit the customer
3. To boost-up a the sales
4. To announce a price change
5. To expand the market to new buyers
6. To make a special offer [Pradhan, 2049:40]
7. To announce modification
8. To announce a new brand

2.7 Marketing and Advertising

Marketing is most important part of the Business. In a broad sense, Marketing is any exchange activity intended to satisfy human wants. In a business sense, marketing is a system of business action designed to plan , price, promote and distribute wants satisfying products, service and ideas to markets. In order to achieve organizational objectives. In its simplest terms, marketing is the process companies use to satisfy their customers needs and make a profit.

In 1985 the board of directors of the America marketing Association adopted an new definition of marketing reflecting the wide-ranging activities. "Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas and services to create exchanges that satisfy individual and organizational objectives." AMA Board [Courtland L. Bovee/William, Arens, 1986: 120]

Advertising has been called mass or non-personal selling. As we discussed earlier, it is the tool marketers can use to inform, persuade, and reminded customers about their products or service. To be successful, through advertising depends on the adequate performance of the other marketing activities.

2.8 Advertising and other Promotional Tools

There are many tools of marketing which help to increase the sales of goods or services. All these tools are called promotional tools. The characteristics of all these tools are that they are under taken to increase the sales of goods and services. These tools are distinguished from one another by the method they used to attain the goal. The main difference between advertising and other promotional tools is that advertising is controllable to a large extent and reaches a large extent and reaches a diverse group of audience at a same time.

2.8.1 Advertising and Salesmanship

The basic distinction between advertising and salesmanship can be started as follows "when a persuasive communication is directed towards a single individual it is an act of salesmanship. When it is directed towards large group of individual it is called advertising"[Ibid]. Advertisements are presented to a group of people whom the advertiser does not know as individuals, whereas a salesman spends much of his time deciding which people he should see for individual approach.

2.8.2 Advertising and Sales Promotion

Advertising is usually addressed to large group of people but the distinction can be made as follows: "Sales promotion is the temporary offer of a material reward to customers or sales prospects whereas advertising is the communication of information." [Kenneth and Long Man, 1971]

From this definition it is apparent that advertising may well be the medium through which a sales promotion offer is made. The distinction is also bringing out an important fact about advertising. An advertisement by definition transmits a persuasive message, but the persuasive elements are not necessarily the ads itself. When sales promotion offered is the subject of an advertisement the promotion is the persuasive element and advertisement is an information channel.

2.8.3 Advertising and Publicity

Publicity is an effort to make available certain information to the public. It is the sum total of those activities that are directed to the follows of information to the knowledge of public. Perhaps, the association of teacher of marketing and advertising America once gives the best definition. According to the terminology, "Publicity is any form of non personal presentation of goods, services or ideas to a group, such presentation may be or may not be sponsored only by the one responsible for it and it may or may not be paid for." In this sense, advertising only a type of publicity.

The term "publicity" is more comprehensive than the word advertising itself. Therefore it can be said that all advertising is publicity but all publicity is not advertising.

2.9 Advertising and Brand Preference

The word advertising is derived from the two Latin words "ad" means "towards" and "verto" means "turn". So the meaning of advertising is to turn people's attention to the specific thing. Other words advertising are to draw attention of people to certain goods or services. Most advertising is to stimulate people to buy a particular branded product offered for sale by a particular seller. Despite some widely held misconceptions, advertising along works no miracles. It is an important element in modern marketing process, but it can produce consistently.

"Advertising is the form of communication intended to promote the sale of a product or service to influence a particular cause to gain political support to

advance a particular cause or to elicit some other response desired by the advertiser." [New Encyclopedia, 1979:104]

Most of the advertising campaigns are designed to influence consumer to buy a particular brand. "A name, term, sign, symbol or design or a combination of them, which is intended to identify the goods or services to one seller or group of sellers and to differentiate them from those of competitors." In the past, the goods were produced and then consumers were to select from the available stock or range of products. It happens in many underdeveloped countries even today. The marketer's concentration to the target groups needs want and preference to deliver the desired satisfaction, beyond this the main task of the company is to generate consumer satisfaction and long-run consumers and societal well being. The consumers' likes preference; attitude, opinions etc. have been respected in the production programmes of producers.

Every producer has to take in the account these individual requirements of consumers, while producing the goods and services and advertising the same for successful selling. It's wrong to say advertising as the end of selling. Advertising never sells itself however; advertising has the super power to create positive response and can sell any thing. The audiences, predispositions, their attitudes, beliefs, motives, and value are largely determined by the media the consumers select the advertisement they see the messages that they accept and the product they buy. In stead of forcing a response.

The modern marketing accepts consumers as the king because he has the purchasing power and no force on the earth would camped him to buy a particular product or service. There are dozens and more than dozens of brands of a specific product class. He has full freedom to spend on the products or services according to his choice. Every consumer wishes and tries to preserve his sovereignty. A producer or a marketer succeeds when he wins the favour of the consumers by providing what they want. This consumer's sovereignty has two significant implications.

1. Once, he decides to spend on a particular product or services he has again full freedom to choose from the available products or services in the market. Buying a product is one thing and buying the best is another. Buying the best depends on his ability to select the best among the wide range of varieties to get maximum satisfaction from reasonable price. Advertising does the job of enhancing consumers' ability by providing varieties of required information.

2. He has the fundamental freedom to spend or not to spend his disposable income on goods and services these are available in the market place. No one

can force the individual in the society to spend now or postpone the purchase to future date. Advertising provides detailed and up to date information, regarding the various products available in the market so that the consumer would decide to buy wisely and intelligently. Advertising as a mass media help the consumer in preserving and promoting their sovereignty in the following forms.

At first it informs the consumer about all product and services available for sale as to when they are available under what condition? at what price ? And soon.

Secondly, it explains the feature relative merits of each product or service so that he can have comparative account for making wise selection.

Thirdly, It provides good deal of information regarding products or services whether a person is interested to buy or not. This useful knowledge enlightens him as to what a product is? How it differs from others in the line? What is does for him? At what cost? It speaks not only the existing products but also the products when will be produced in near future. It makes him well-informed member of a society. This knowledge is available without payment. He plays, of course if he buys the product or service. For instance, while introducing for the first time, say a instant noodles, soft drink, the purpose's simply to educate.

Fourthly it acts as a "guide" of consumer today. The consumers are really at sea because the present markets are flooded with too many verities of products. There are many products with wide range which are trying to meet the variable needs of consumers. It is pertinent to note that consumers needs differ in terms of quality, quantity, price and time factors.

It is the advertising which solves his problem of coming to the conclusion. It is so because; advertising makes him more needs conscious and directs him to the point of most accurate decision of selection in best way optimally.

2.10 Consumer Behavior and Preference on Brand

Most of the consumers intend to use same brand or product if they become satisfied with previous. If people want to buy certain product they always make mind for specific brand. Consumer perception of various products and their preference for brands within a product category would also intuitively seem to be related to consumer behavior. Since perception and preferences are likely to be rather complex presenting them in several dimensions should improve understanding of their relationship to consumer behavior. Although the analytical procedures involved here are quite complex, a managerial

interpretation of the results often proves useful.

Marketers need for finding out favorable or unfavorable attitudes of customers about their product or services and try to change the attitude to be compatible with product and determine what the consumers' attitude are to change the products (Stanton,1994: 302)

Attitude in the buying process plays the major role because consumers evaluate alternative brands being emotional towards specific object of ideas. (Kotler- 2000:207)

2.11 Brand preference and Purchase Intension

The consumer arrived at attitudes towards the various brand through and attitude evaluation procedure. In the evaluation stage, the consumer forms preference among the brand, however two factors can intervene between the purchase intension and the purchase decision. The first factor is the attitudes of another. The extent to which another person's attitude reduces one's preferred alternative depends on the two things:

1. The intensity of the other person's negative attitude toward the consumer's preferred alternative
2. The consumer motivation to comply with the other person's wishes. The more intense the other person's negativism and the closer the other person will adjust his or her purchase.

According to the Mason and Ezel, the stages of consume decision making process for the purchase shown in the hierarchy of effects model are awareness, knowledge, linking preference, conviction and purchase.

Awareness: The ability of the consumer to recall a brand name either with or without prompting.

Knowledge: The ability of the consumer to describe the importance attribute of a product or service.

Linkage: The attitude of the consumer towards a product or services.

Preference: The degree to which a consumer feels more positive about a product or services relative to other offering.

Conviction: The likelihood that the consumer will purchase the product or services.

Purchase: The acquisitions of a product or services. Preference and purchase intension are not completely reliable prediction of purchase behavior.

2.12 BRAND SWITCHING

Brand switching means consumer's habit of constantly shifting from one brand to other. In this sense, brand switching is opposite to brand loyalty. A brand loyal consumer is stuck with the specific brand or sets of brands. The buyer who is habitual to brand switching is loyal to no brand. Understanding why consumers are involved in brand switching behavior is very important for complete understanding of the brand loyalty behavior.

There are many causes of brand switching behavior. It is not usual to switch brands simply because of variety seeking. Some consumers switch brands because they are dissatisfied or bored with the same product. Where as, others switch brand because they are concerned with price rather than brand names.(Schiffmen and Kunuk 1999 pp 26)

Consumers having been loyal to a brand for a long time may switch to other brand because of being dissatisfied or being bored with the brand, he has been using for the long time.

Similarly, if the consumers are more prices sensitive, then even a slight discount on the products of competitive brand may make him move towards those brands that offer cheaper products. However, the research on the brand switching reveals that brand switching is not very risky as it is tough. In other words, brand switching is not very much threatening to the manufacturers. A recent study on consumer purchase habits reported that brands with larger market shares have proportionately larger group of loyal buyers.

Thus, it follows that some interpersonal factors such as dissatisfaction, price consciousness and aspiration for testing new brands causes brand switching. Similarly, external factors such as price, deals coupons, free samples etc. cause brand switching. However, the researches show that such brand switching cannot be converted into brand loyalty. The consumers do not keep in sticking up to the brand that they are switching.(Schiffmen and Kunuk 1999 pp26)

2.13 Brand Loyalty

If consumers think a brand is good in comparison with others available brands in terms of fulfillment needs, wants, and other prejudices, then they develop positive attitudes toward a brand and purchase them. If this action is repeatedly happened with a specific brand that is known brand loyalty. To find out the brand loyalty frequently purchasing action of a product class must be required brand loyalty is a great asset of a company which is not

expressed in numerical form of the balance sheet(kumar,2001:33)

Brand Loyalty should be made on continuous basis. Most of consumers showing brand loyalty indicate toward hidden assets of the manufacturers or sellers. They should have knowledge of these valuable assets. It will give them effective guideline for developing successful marketing strategy(Panta, 1998:124).

The Nepalese consumer market is rapidly growing competition in being tough and together with his growth. Understand about brand loyalty is very important for the achievement of competitive strength.

2.14 Review of Related Studies

This study is not the first study about advertising some similarly studies about advertising had been conducted . The major important studies are:

A) A thesis titled “A study of brand preference in noodles” carried out by *Mr. Dinesh Khanal in 2003 has addressed the following major objectives:*

- To examine the buying habit regarding the noodles and behavior of the consumer.
- To find out the effective adverting media of noodles and their impact on the consumer.
- To suggest measure for promotional tools. of the noodles product.
- To find out the products’ attributes and pricing factor of noodles.

Major findings of the study are:

- The most preferred brand is Wai Wai, Mayos as second, JoJo is least preferred, Rumpum and RaRa are moderately preferred.
- Most of the noodles consumers are found to be in the age group of 15-30 years and most of them preferred the brand Mayos. Respondents below 15 years and above 30 years preferred Wai Wai.
- It has been found that the highly familiar media is T.V and Radio with the age group of below 30 years old of consumer and

those consumers who are above 30 years are familiar with hoarding board and newspapers.

- 40% of respondents are found in high effectiveness of advertising media upon consumption of noodles.
- It has been found that if their favorite brand is not available in the market 55.33% consumers will buy the second preferred brand.
- The brand Wai Wai has been found in first rank, Mayos second, Rumpum third, Rara fourth, JoJo fifth and other brands in sixth rank in preference.
- It is clearly found that the brand Rara is cheap, Rumpum reasonable, WaiWai expensive irrespective to price.
- Large number of respondents shows the brand-switching tendency in attractive gift/prize program, which is offered

B) Prakash Bhandary, (2003), conducted a research entitled "A study on The Impact of Advertising on Consumers' Attitude" (with specially reference to Wai Wai noodle at Lalitpur sub-metropolitan city) with the following objectives:

- i) To evaluate other role of advertising in changing the consumer's attitude towards Wai Wai noodle.
- ii) To calculate the consumer market of Wai Wai noodle in the Lalitpur Sub-metropolitan city.
- iii) To obtain the consumer's attitude of Wai Wai noodle with others.
- iv) To up lift the consumer's positive attitude towards Wai Wai instant noodle

Major Findings of the Study

- i) The advertisement is an important of getting knowledge about the noodles. Advertising is considered as the first source of information.

ii) The Wai Wai noodle is preferred most of consumers due to its quality, packaging and other aspects.

iii) Most of consumers used three packets of noodles in a day in family group; it means people are fascinated with quick made noodles.

iv) Frequency Modulation (FM) is the best information coverage to the consumers about the noodles.

v) Advertising of Wai Wai noodle is found better satisfied than others noodles.

vi) Advertising believably is found satisfactory of various brands of noodles.

vii) Most of noodles price is high.

viii) Packaging save products, so, it must be better and packaging of Wai Wai noodle is comparatively good than other.

ix) The quality (taste, performance) of Wai Wai is very good than other noodles.

x) The most of consumers preferred the gift sand coupons of promotional techniques.

xi) The satisfaction of Wai Wai noodle is very good.

C) Binay Kumar Thakur, (2001), conducted a research entitled "The Role of advertising in brand loyalty" (with special reference to soft drink) with the following objectives:

i) To analyze the effectiveness of advertising on brand loyalty of consumer product.

ii) To evaluate the role of advertising for brand loyalty in Nepalese market.

iii) Do consumers give more importance to advertising rather than any other promotional tools while making selection decision ?

Major Findings of the Study

- i) Both Coca-cola and Pepsi-cola realize the essence of advertising in the present situation.
- ii) Advertising is the main source of information about particular brand as well as most sensitive subject in the country in the course of promotion.
- iii) Advertising plays an important role in changing brand of soft drink.
- iv) Soft drink holds the second position in consumption after tea among the drinks in Nepalese market.
- v) Brand awareness of the Nepalese consumers is found to be high.
- vi) Majority of Nepalese consumers are found brand loyal.
- vii) Consumers involvement in purchasing of soft drink, mostly self.
- viii) Most of consumers brand choices decisions about mentioned products are depend on themselves.
- ix) Most of the consumers have given first preference to the taste of the product while the quality of the product is considered second important factor in case of soft drink.
- x) Most of the consumers' first choice as soft drink is coke than other.
- xi) Pepsi holds the second position among consumers in Nepalese market.
- xii) Most of the consumers like entertaining advertisement than other types of advertisement.
- xiii) Most of the consumers have shown satisfactory level of reaction about advertisement believability.
- xiv) It is found that advertisement has a great contribution for purchase of soft drink.
- xv) Most of the consumers prefer the advertisement of coke and Pepsi.

- xvi) Consumers' first reasons of brand switching are taste and quality of the product.
- xvii) Repeating an advertisement more frequently than the competitor affects brand loyalty.
- xviii) Consumers' second reason of brand switching is advertising.
- xix) Advertising plays an important role in brand loyalty behaviour of consumers in case of soft drink.
- xx) Role of variables are independent with age, sex and family size while selecting soft drink.
- xxi) The role of advertising is changing brand habit is found effective.
- xxii) The taste and quality of the product are the major considerable factors for brand loyalty.
- xxiii) The effective advertising in time is regarded as the best tool for brand loyalty.
- xxiv) The role of advertising is regarded important for brand loyalty in the course of soft drink.

D) Rajendra Krishna Shrestha, (1997), conducted a research entitled "The role of advertising in brand choice and product positioning." (With special reference to soft drink and Instant noodles" with the following objectives:

- i) To analyze the effectiveness of advertising on brand of consumer product.
- ii) To evaluate the role of advertising in brand choice and product positioning from the consumer perspective
- iii) Do consumers give more importance to advertisement making selection decision?

Major Findings of the Study

- i) Advertising has been established as an important promotional

tool both in high involvement and low involvement goods. Advertising importance to consumers' goods is comparatively weightier than industrial goods.

ii) Consumers get knowledge about products through different media of advertising. Advertising is considered as the primary source of information.

iii) The instant noodles and soft drink advertisements are found mostly, appealing to the consumers about financial persuasion.

iv) Advertising believability is found satisfactory.

v) The role of advertising in course of changing brand is important, but not ultimate.

vi) Television is the mostly favorite medium for advertisement and radio stands in second position. At the same time FM broadcasting is also becoming popular in the Hetauda Municipality among young generation.

vii) The advertisement which presents the products as better quality and advertisement which is entertaining in style is liked.

viii) The major reasons of brand switching are the taste of the product.

ix) The unavailability of most preferred brand is the first reasons of switching alternative brand.

x) Consideration to different variables while purchasing is not significantly different due to the age, sex and family size.

E) Laxmi Prasad Baral, (1996), conducted a research entitled "Comparative study on the communication effects of advertising and brand preference." (A case study on instant noodles: The Yum Yum and the RARA) with the following objectives:

i) To understand advertising and brand preference.

ii) Which is the popular media for advertising?

iii) What are their strengths and weakness while advertising of

instant noodles?

Major Findings of the Study

- i) Instant noodles are in different product life cycle and they require different media and techniques of advertising in different stage.
- ii) There is high degree of association between brand preference and advertisement qualities.
- iii) The advertisements are still traditional and ordinary in nature and style.
- iv) It is necessary that advertising should be more attractive informative and enjoyable both readers as well as listeners.
- v) Advertising should be constructed for the long term impression by making more moral and social responsibility.
- vi) While selecting advertising media the marketers should clearly analyze the objectives of advertisement.
- vii) The message and media should be unique and distinctive, according to the requirements of the target market.

F)A Research titled "A study on Brand Preference on instant noodles" carried out by Ms. Tara Adhikari Phuyal in 2006 has addressed the following major objectives:

- To identify the profiles of customers of specific brand
- To examine the product attributes sought in the motorcycle brand.
- To assess the customers' perception on brand preference

Major Finding and Conclusion of the study

- According to the presentation and analysis of Chapter IV these findings can be drawn:
- Most of the consumers are consuming Noodles frequently and from more than 3 years

- The massive consumption of Noodles purpose is snacks and the place to consume is restaurant .
- The most preferred brand is Wai-Wai, Mayos as second, Marry is least preferred, Sakalaka Boom and 2pm are moderate preferred.
- Most of the noodles. consumers are found in the age group of 15-30 yrs old and most of them preferred the brand Mayos Rest consumers are found to be below 15 yrs and above 30 yrs old who preferred in this segment.
- The reason for noodles consumption has been found easy to consume.
- It has been found that the highly familiar media is T.V and Radio with the age group of below 30 yrs old of consumer and those consumers who are above 30 yrs are familiar with hoarding board and newspapers.
- Large number of consumer opined that the T.V is the nest media for noodles advertisement which is 48.33%
- 40.00% of respondents are found in high effectiveness of advertising media upon consumption of noodles
- Most impressive advertisement has been found that these brands Mayos and Wai Wai equally but the Mayos is most impressive with the age group of below30 yrs old and the brand Wai Wai is impressive with the age group of above 15 yrs old consumers.
- It has been found that the sales turnover of noodles is dependent upon their extensive advertisement. Even to survive and sustain in the market, advertisement is necessary.
- It has been found that if favorite brand is not available in the market 53.33% consumers will buy the second preferred brand.
- Most of the respondents seek the brand Mayos as an alternative one if their favorite brand is unavailable.
- The brand Wai Wai has been found in 1 rank, Mayos 2rank, Sakalaka Boom 3 rank, 2pm 4 rank, Marry 5 rank and other brand in their preference.

- Moderate degree of price sensitivity has been found in brand preference. According to the above analysis of consumer's suggestions about noodles improvement that the large % of respondents have suggested to improve the quality of noodles.
- Large number of respondents shows the brand switching tendency in attractive gift/prize program.
- By above analysis it can be said that bumper prize is the most effective promotional factor in noodles. promotion.

G) A dissertation titled "Marketing of Instant Noodles in Narayangarh" carried out by Mrs. Sahanshila Shrestha in 2002 has addressed the following major objectives:

- To generate the consumer profile of instant noodles.
- To generate the consumer's perception of the quality, taste and other relevant aspects of instant noodles.
- To analyze the sales and market share of instant noodles.

Major findings of the study are:

The buyers of instant noodles constitute population with variation in terms of correlates such as age, sex, education and family income. In addition, majority of the buyers consume instant noodles, they being the instant and easy item for consumption.

- The consumers are aware of the various brands of instant noodles in the market and they were found to be easily going for the substitute brands upon the unavailability of their favorite brands in the market.
- The well-known brands of the noodles were found to have relatively greater market share than the others.

CHAPTER-III

Research Methodology

3.1 Introduction

Industrial activities are gradually increasing in Nepal. Marketing in Nepal is developing fast and entering into an era of cutthroat competition. This process of growth is much accelerated by the government's growing emphasis on privatization and free market economy due to the effect of globalization and liberalization worldwide.

In the context of Nepalese market, this study is carried out mainly to find out Role of advertising in brand preference. Beside this basic objective, this study has also aimed to identify the factors associated with brand preference. Studying brand preference is very much necessary to keep pace with the increasing competition in the market. In the competitive modern business world, research on consumer brand preference is considered the most essential activity to be conducted on to become a successful marketer.

It is understood that research works are to be much more effective, accurate, useful, and need scientific methods. Hence, this study also employs scientific methods of research. The research methodology employed in the present study is based on primary data as descended below.

Research Methodology is an art of scientific inquiry. In other words, it is systematic product of knowledge. Research Methodology is away to solve the problems “Market research specifies the information required to address there issue, designs the method of collecting information, manages and implements and data collection process, analyze the results and communicate the findings and their implications” (Marketing News, 1987:1).

In it we study In this chapter efforts have been made to present and explain the specific research design fro the sake of attaining the research objectives. It includes research design, nature of data gathering procedure, population and sample and data processing procedures.

3.2 Research Design

A plan of study or blue print for study that presents a series of guide posts to enable the researcher to progress in the right direction in order to achieve the goal is called a research design or strategy. (Joshi. 2001:12)

The objective of this study is to examine the role of advertising in brand choice with special reference to instant noodles (wai wai and Mayos). This is an

exploratory study and it is based on survey research design. The data and information collected for the survey of noodles consumers, manufacturer and advertising agency are managed. Tabulated analyzed and interpreted according to the need of this study for the attainment of the stated objectives.

3.3 Sources of data

Data were mainly collected from the primary sources. Secondary data sources have been also utilized. The primary data have been collected from instant noodles consumers, Sales Executive and advertising agency of Kathmandu Valley. For secondary data magazines, newspaper, published and unpublished reports were utilized. Primary data were collected through questionnaire.

3.4 Population

The population of the study area are the noodle's consumer of Hetauda Municipality. Sales executives of both brands who represent the manufacturer and advertising agency of Kathmandu Vally. These three components (consumers, manufacturer and advertising agency) are the fundamental bases for collecting data.

3.5 Sampling Procedure

It is almost impossible to include the total population in this study. So out of total population only 100 consumers of Hetauda Municipality, sales executive of both brand and 10 advertising agency of Kathmandu Valley are surveyed. Even though the sample size is very small in the comparison of the total population, sufficient efforts have been made to make the representative of the whole population.

To make the research more effective 100 respondents are divided as follows.

S. No	Category of Respondent	No of Respondents
	<u>Age wise</u>	
1	Below 20	30
2	20-30	26
3	30-40	22
4	More than 40	<u>22</u>
	Total	100
	<u>Sex wise</u>	
1	Male	56
2	Female	<u>44</u>

Total	100
-------	-----

S. No	Categories of Respondent	No of Respondents
<u>Profession wise</u>		
1	Business man	20
2	Job holder	24
3	Self employed professional	24
4	Student	<u>32</u>
	Total	100
<u>Marital status wise</u>		
	Married	60
	Unmarried	<u>40</u>
	Total	100

The formal questionnaire has attached in the appendix column.

3.6 Data Processing and Analysis:

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

The same responses of the collected questionnaires were put into one place under the respective headings and the total response were counted.

Necessary adjustments have been made for attaining the objective of the study.

3.7 Data Presentation.

The collected information related with objective of the researcher are systematically analyzed.

In order to accomplish the objective of the study various graphs, simple bar diagrams, including pie-chart, some statistical tools, such as percentage have been applied for the purpose of analysis.

The result of analysis has been properly tabulation compared analyzed and interpreted.

CHAPTER –IV

DATA PRESENTATION AND ANALYSIS

This chapter incorporates the data and information collected from the ultimate consumers that are presented and analyzed for the attainment of the stated objectives of the study. The survey includes the responses of 100 individuals consumers of noodles, sales executives of both brands and 10 advertising agency. The analysis and the interpretation of what is found from the study has been explained at the end of the chapter.

The data and information collected from the consumers are presented, interpreted and analyzed according to the research questions formulated for the study. Research questions formulated for the study have been responded by the means of the very analysis and interpretation. Therefore, each research question is reviewed first before the collation of the data for the interpretation and analysis.

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

After collection of data the requires information was classified and tabulated and presented in the form of various table, graph , pie-charts according to the needs and objective.

Presentation and Analysis of Consumers view

4.1 No of respondents who consume noodles.

Table No.: 4.1

No of respondents who consume noodles.

S.No.	Option	No of respondents
1	Yes	100
2	No	0

From the above table, it is found that 100% respondents consume noodles. It is because the questionnaire is distributed if they consume any brand of the noodle.

4.2 Consumers' Preference for Noodles

The question was asked to the respondents to know about their noodles' preferences. Respondents were provided with six alternatives product to choose

any one from among the total alternative.

Table No. 4.2
Consumers' Preference for Noodles

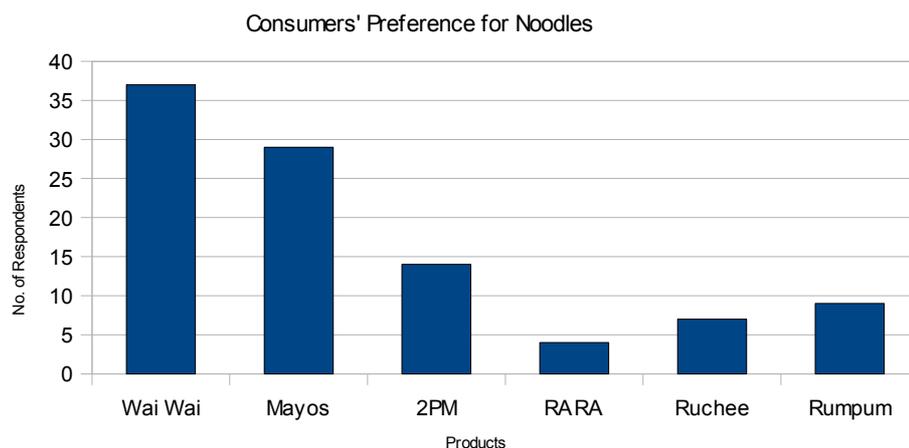
S.No.	Products	No. of Respondents	Percentage
1	Wai Wai	37	37.00%
2	Mayos	29	29.00%
3	2PM	14	14.00%
4	RARA	4	4.00%
5	Ruchee	7	7.00%
6	Rumpum	9	9.00%
	Total	100	100.00%

(Source: Primary Data)

The table shows that 37% of the total respondents preferred Wai Wai noodles and Mayos has second position with 29 %, 2 pm has third position with 14%.Rumpum has 9%,Ruchee has 7% and Rara noodles has 2.5% popular brand.

It can be seen in bar diagram below.

Figure:4.1



4.3 Consumers Preference to Wai Wai Noodles

In the table below, the consumers' priority to Wai Wai noodle have been presented.

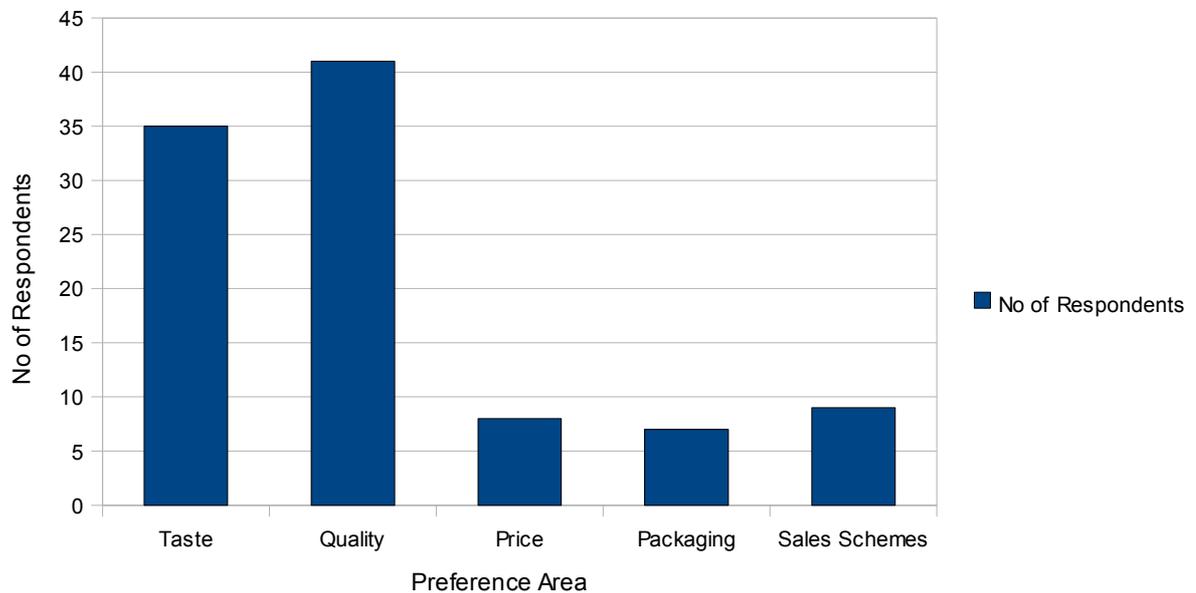
Table: 4.3
Consumers' Preference to Wai Wai Noodle

Preference area	No of Respondents	percentage
Taste	35	35.00%
Quality	41	41.00%
Price	8	8.00%
Packaging	7	7.00%
Sales Schemes	9	8.00%%
Total	100	100.00%

(Source: Primary Data)

According to survey, the most respondents to quality of Wai Wai as 41 respondents, taste for 35 respondents, price for 8 respondents, packaging for 7 respondents, and sales schemes aspects has covered as the 9 respondents of total respondents.

Figure: 4.2



Above bar chart clearly shows that Wai Wai noodle is become popular due to quality after then taste, sales schemes, Price and packaging respectively.

4.4 Consumers' Preference to Mayos Noodles

In the table below, the consumers' priority to Mayos noodles have been presented.

Table 4.4

Consumers' priority to Mayos noodles

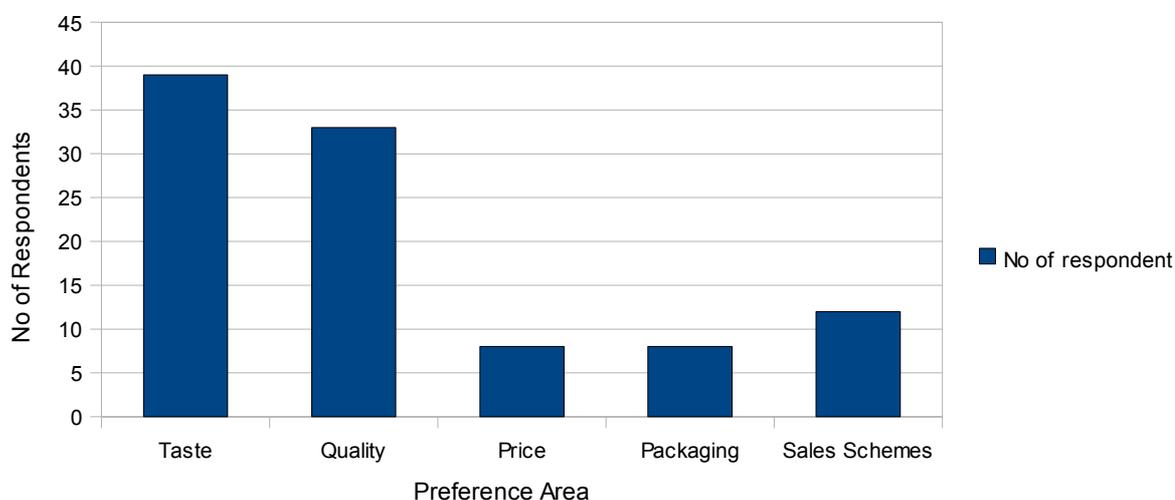
Preference area	No of respondent	percentage
Taste	39	39.00%
Quality	33	33.00%
Price	8	8.00%
Packaging	8	8.00%
Sales Schemes	12	12.00%
Total	100	100.00%

(Source: Primary data)

According to survey, the most of respondents priority to taste of Mayos as 39 quality for 33 respondents, price for 8 respondents, packaging for 8 respondents and sales schemes for 12 respondents.

It can be shown in bar chart.

Figure:4.3



The bar chart clearly shows that Mayos noodle is become popular due to its taste, Quality, sales schemes and price and packaging respectively.

4.5 Method of Consumption of Instant Noodles

Noodles are popular products to eat and it is easy to prepare and tasty also. It can consumed different way like; without boiling, with boiling and mixing with vegetable, meal eggs etc. The method of noodles consuming have been presented in the following table.

Table 4.5
Method of Consumption of Instant Noodles

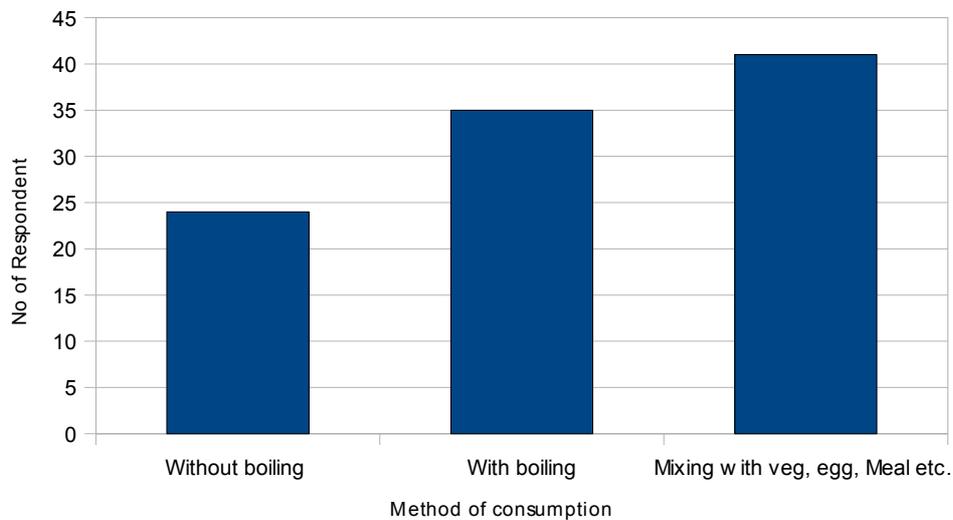
Method	No of respondent	percentage
Without boiling	24	24.00%
With boiling	35	35.00%
Mixing with veg, egg, Meat etc.	41	41.00%
Total	100	100.00%

(Source: Primary data)

According to field survey, various type of respondents among them, 24 respondents have consumed without boiling, 35 respondents with boiling and 41 respondents has consumed mixing with vegetable eggs, meats etc.

It can be shown in the bar diagram.

Figure No: 4.4



Most of the people like noodles to have eat with mixing vegetables, eggs and meat. Moderate consume with boiling and lower no. without boiling.

4.6 Frequency of Noodles Consumption

In this part, all the respondents have been divided into four categories on the basis of their profession: businessman, jobholder, self employed professional and students. Table No. 4.6 shows the detailed analyzes of frequency of consumption noodles in relation to profession.

Table no 4.6

Frequency of Noodles Consumption on the Basis of Profession

Frequency	Profession								Total
	Business man		Job holder		Self employed professional		Student		
	Res. No	%	Res. No	%	Res. No	%	Res. No	%	
One Packet	2	10	3	12.5	3	12.5	7	21.88	15
Two Packet	3	15	4	16.67	4	16.67	6	18.75	17
Three Packet	4	20	5	20.83	5	20.83	6	18.75	20
Four Packets	4	20	4	16.67	5	20.83	5	15.63	18
More than four packets	7	35	8	33.33	7	29.17	8	25	30
Total	20	100	24	100	24	100	32	100	100

(Source: Primary data)

Above table shows frequency of consumption noodles on basis of profession. In the case of respondents businessman 10% have consumed one packet per week, 15% respondents consumed two packets per week, 20% respondents three packet, 20% respondent four packets and 35% respondents have consumed more than four packets noodles per week.

In the case of respondents job holder 12.5% have consumed one packet per week, 16.67% respondents have consumed two packets, 20.83% respondents have consumed three packets, 16.67% respondents have consumed four packets and 33.33% respondents have consumed more than four packets noodles per week.

In the case of respondents self employed professional 12.5% have consumed one packet noodle per week, 16.67% respondents have consumed two packets, 20.83% respondents have consumed three packets 20.83% respondents have consumed four packets and 29.17% respondents have consumed more than four packet noodles per week.

In the case of respondents students 21.88% have consumed one packets noodles per week, 18.75 % respondents have consumed two packets, 18.75 % respondents have consumed three packets, 15.63 % respondents have consumed four packets and 25 % respondents have consumed more than four packets noodles per week.

In the cases most of respondents have consumed more than four packets noodles per week.

4.7 Consumers' Alternative way if their Favorite Brand is not Available in the

Market

Table 4.7

Consumers' Alternative way if their Favorite Brand is not Available in the Market

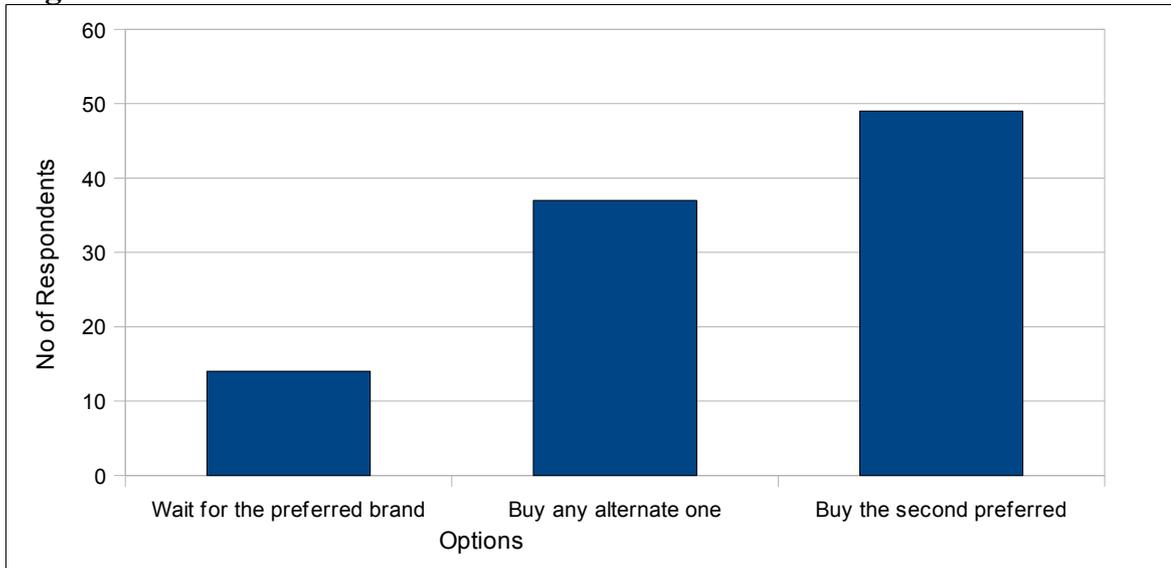
S.No.	Options	No. of Respondents	% of Respondents
1	Wait for the preferred brand	14	14.00%
2	Buy any alternate one	37	37.00%
3	Buy the second preferred	49	49.00%
		100	100.00%

Source: Primary Data

Table 4.7 presents the consumers' alternative way if their favorite brand is not available in the market. It has clearly shown that 49% consumers will buy the second preferred brand, 37% will buy any alternate one and 14% will wait for the preferred brand in case of unavailability of their favorite brand.

It can be seen in the bar diagram below.

Figure 4.5



4.8 Reason for Brands Switching

Not necessary people will always stick to their current preferred brand. Their taste and preference might change with time. Respondents have been asked to provide the reason if they ever have to switch to other brand.

Table no. 4.8

Reason for brands switching

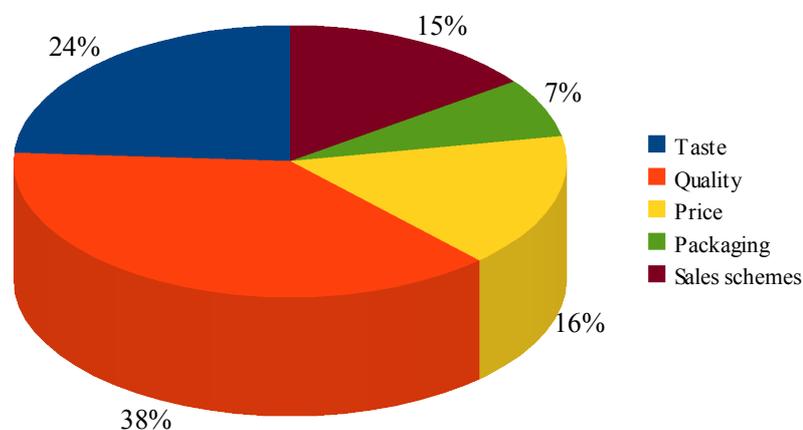
S.No.	Preference	No of Respondents	Percentage
1	Taste	24	24.00%
2	Quality	38	38.00%
3	Price	16	16.00%
4	Packaging	7	7.00%
5	Sales schemes	15	15.00%
	Total	100	100.00%

(Source: Primary data)

The above table shows that 38% respondents switch to other brand with a quality to know brand. Taste is another reason that people leave the current brand represent 24% of the total respondents, 16% of respondents move on because of the price and 7% of the respondents move on because of the packaging also. The remaining 15% have sales schemes to switch to other brands and they stick to what they have. So finally it is a desire quality of new brand that makes them to switch to another brand.

It can be shown in pie chart.

Figure: 4.6



This Pie chart clearly shows that the main reason of the brand switching is due to quality, after then taste, price, sales schemes and Packaging respectively. Quality and taste are the considerable factor for noodles manufacturer. So the attention must pay towards quality and taste.

4.9 Reason for Brand preference

Table 4.9

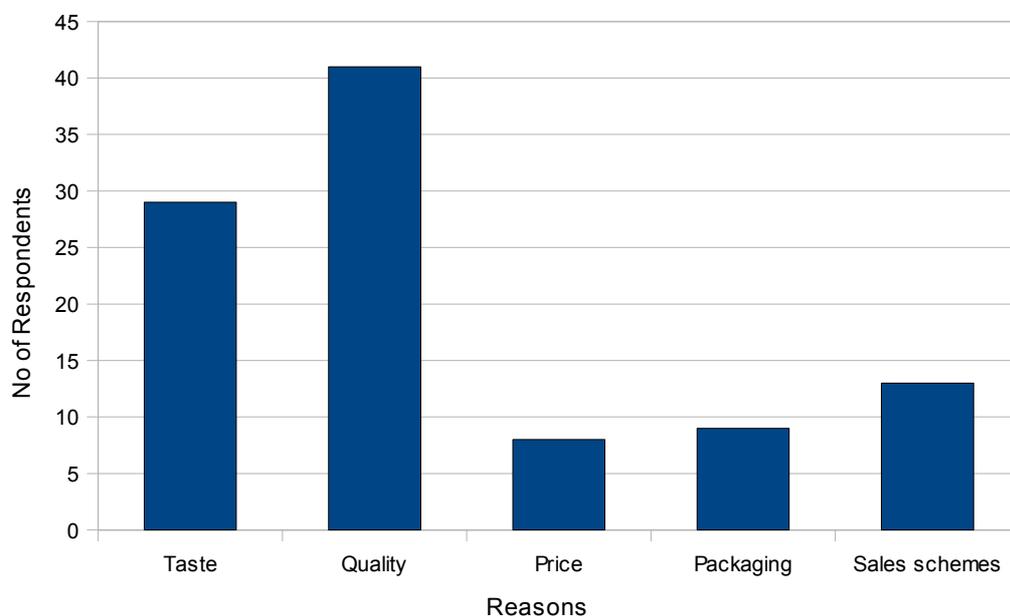
Reason for Brand preference

S.No.	Reasons	No of Respondents	Percentage
1	Taste	29	29.00%
2	Quality	41	41.00%
3	Price	8	8.00%
4	Packaging	9	9.00%
5	Sales schemes	13	13.00%
	Total	100	100.00%

(Source: Primary data)

According to consumers' survey, the most of respondents preferred quality for brand choice, 29 respondents for taste, 9 respondents for packaging and 8 respondents for price. 13 respondents for sales scheme. So, it has been found that most people preferred quality.

Figure:4.7
Reason for Brand preference



It means quality is most brand choice of instant noodles but others aspects also be considered.

4.10 Information of noodles through various media

Table: 4.10

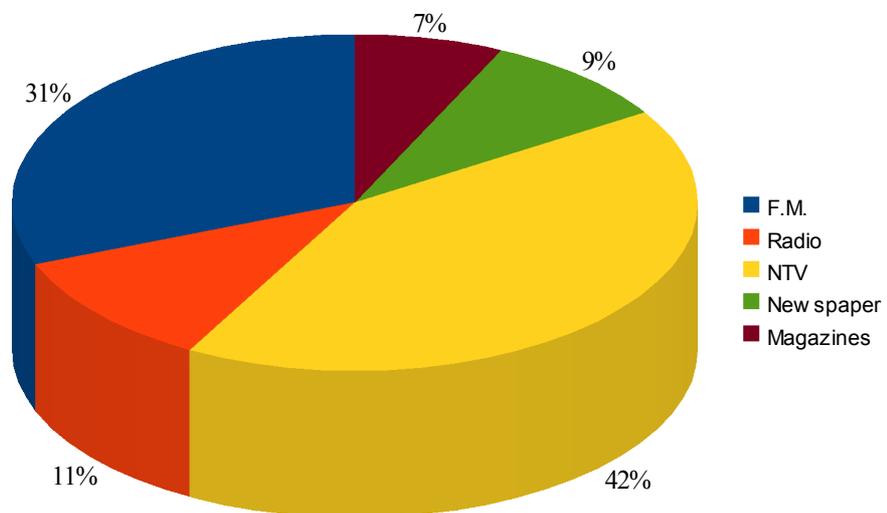
Information of noodles through various media

S.No.	Media	No. of Respondents	Percentage
1	F.M.	31	31.00%
2	Radio	11	11.00%
3	TV	42	42.00%
4	Newspaper	9	9.00%
5	Magazines	7	7.00%
6	Cinema		
7	Direct mail		
	Total	100	100.00%

(Source: Primary data)

According to survey, most of respondents got information of noodles through TV and gradually FM, Radio, Newspaper, and magazines have informed the information about the noodles. But consumers have not got information of noodles from both (cinema and direct mail). It can be shown under pie-chart.

Figure: 4.8



This pie-chart depicts that NTV is the most important source of information about the noodles as 42% of respondents, FM also 31%, Radio 11%, , Newspapers 9% Magazines 7% and cinema and direct mail are nil information about the noodles.

It denotes that NTV is more popular than other media but other Medias are also plays precious role for informing about noodles the consumers. So it could not be ignored.

4.11 Advertising Recall by Consumers

In order to identify the advertising recall by consumers are as below.

Table: 4.11

The advertising recall by consumers

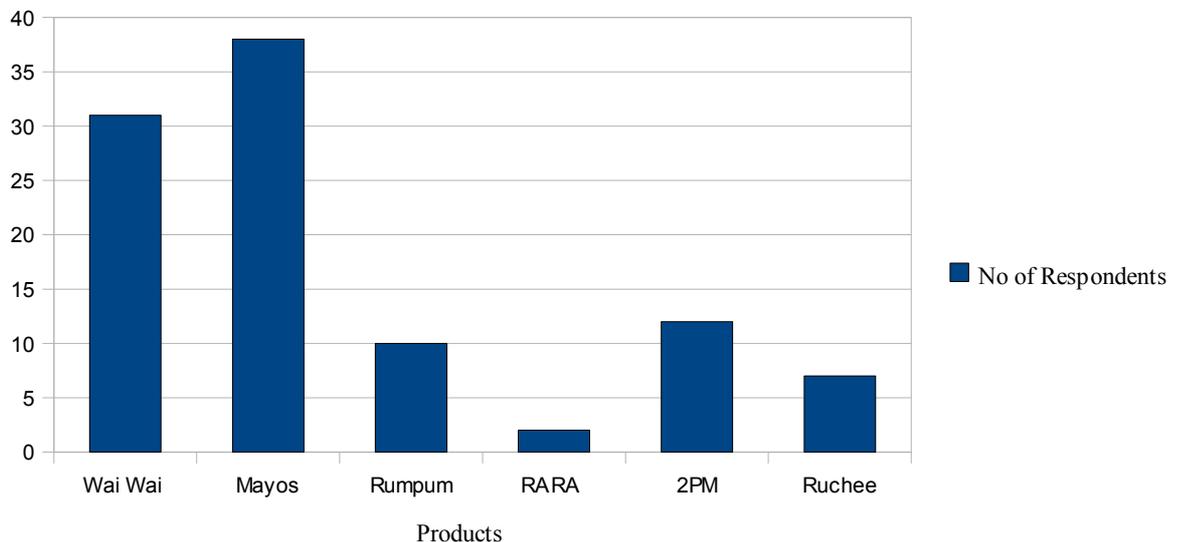
S.No.	Products	No of Respondents	Percentage
1	Wai Wai	31	31.00%
2	Mayos	38	38.00%
3	Rumpum	10	10.00%
4	RARA	2	2.00%
5	2PM	12	12.00%
6	Ruchee	7	7.00%
	Total	100	100.00%

(Source: Primary data)

Questionnaires are helped to identify the advertising recall by most of consumers as 38 respondents of the total respondents for Mayos noodles advertising, gradually Wai Wai with 31 respondents, 10 respondents for Rumpum, 12 respondents for 2PM, 7 respondents for Ruchee and 2 respondents for RARA advertising recall of total respondents.

It can be shown through bar-diagram also.

Fig: 4.9



Above bar-diagram shows that Mayos noodles advertising is most recall advertising among the various brand of noodles with 38% percentage and gradually Wai Wai, 2 PM, Rumpum, Ruchee and RARA . It means advertising of Mayos noodles is most recall advertising where as Wai Wai also covers nearly to Mayos noodles. So the company much more to advertising effectiveness of Mayos noodle.

4.12 Do Consumers' think Advertising is helpful rather than any Other Promotional Tools to increase the sale of noodles?

In the table below consumers have been presented the important of advertising than any other promotional tools.

Table: 4.12

Do Consumers' think Advertising is helpful rather than any Other Promotional Tools to increase the sale of noodles?

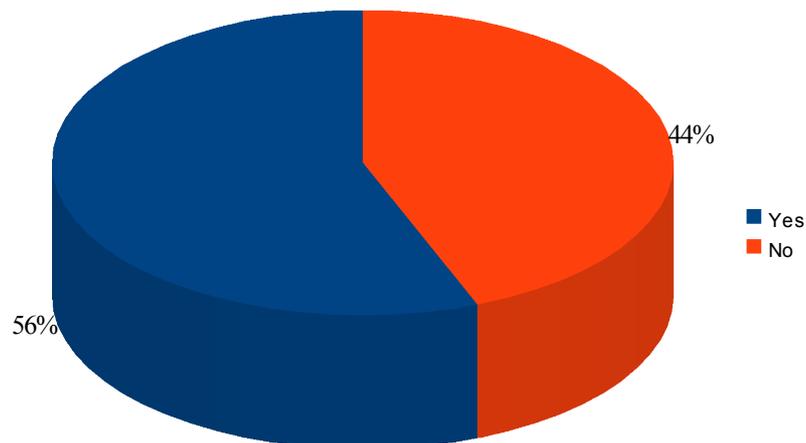
S.No.	Options	No of Respondents	Percentage
1	Yes	56	56.00%
2	No	44	44.00%
	Total	100	100.00%

(Source: Primary data)

Questionnaires are helped to identify the consumers give more importance to advertising rather than any other promotional tools while making brand selection decision. Most of consumers are as 56 respondents of the total respondents for yes option of advertising and 44 respondents are no option of advertising.

It can be shown through pie-chart

Figure No: 4.10



According to the pie-chart, between yes no options the most of consumers give more importance to advertising rather than any other promotional tools with 56% yes option and 44% no option.

It means that most of respondents suggested to give more importance to advertising rather than any other promotional tools and few of the respondents against more importance to advertising than any other promotional tools while making brand selection decision.

Table 4.13
Consumers' Behaviour, after Seeing Advertising

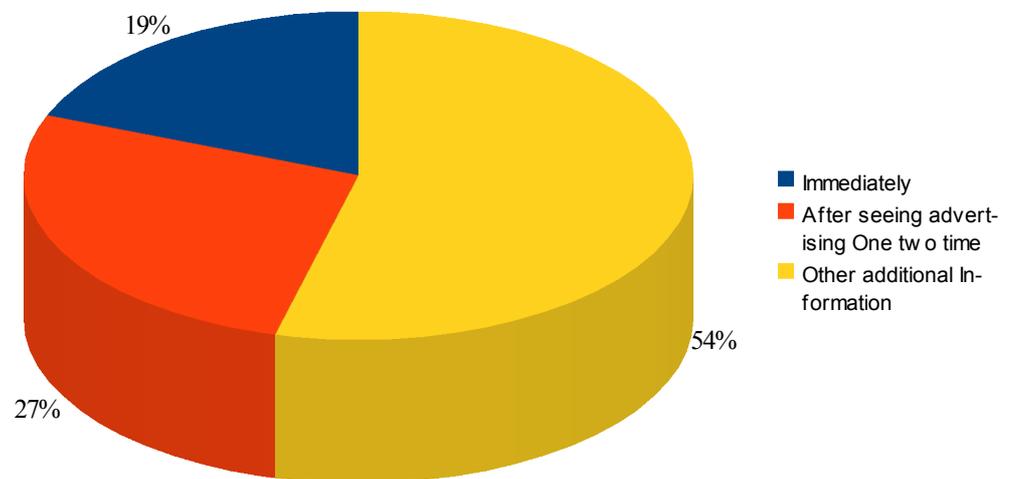
S.No.	Particular	No of Respondents	Percentage
1	Immediately	19	19.00%
2	After seeing advertising One two time	27	27.00%
3	Other additional Information	54	54.00%
	Total	100	100.00%

(Source: Primary data)

According to survey, the most of respondents' behaviour, after seeing advertising, to other additional information of instant noodles as 54 respondents, after seeing advertisement one of two times for 27 and immediately for 19 respondents have been presented.

It can be shown through pie-chart below also.

Figure: 4.11



According to pie-chart, among the various consumer behavior (after seeing advertising), immediately covered 19%, after seeing advertisement one of two time covered 27% and other additional information is covered 54%. It means that most of respondents behavior is other additional information but other behavior also be considered.

4.14 Most effective promotional techniques

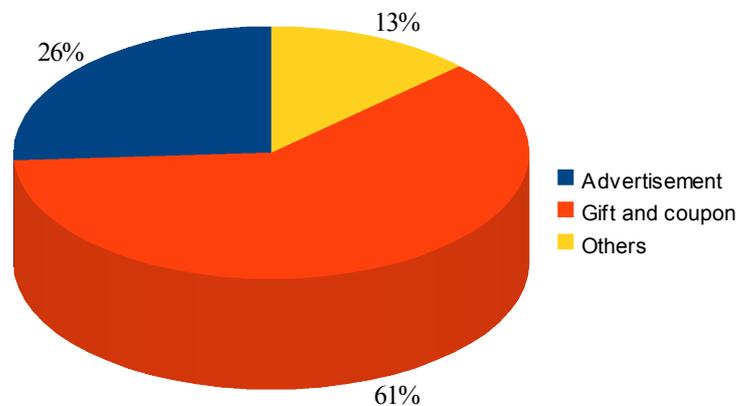
Table: 4.14
Most Effective Promotional Techniques

S.No.	Techniques	No. of Respondents	Percentage
1	Advertisement	26	26.00%
2	Gift and coupon	61	61.00%
3	Others	13	13.00%
	Total	100	100.00%

(Source: Primary data)

According to consumers' response, the most effective promotional technique is gift and coupons because 61 respondents preferred of the total respondents and gradually 26 respondents preferred advertisements, and 13 respondents for other promotional technique preferred. It can be shown through pie-chart also as below.

Figure: 4.12



According to pie-chart among the various promotional techniques, the advertisements covered 26 %, gift and coupons covered 61% and other technique is covered 13%. It means that most of respondents suggested to provision of gift and coupons on the noodles for effective promotional tool. But other promotional tools are also managed for betterment.

4.15 Essence of Effective Advertising on Brand Choice Instant Noodles to Sex

Table: 4.15

Essence of Effective Advertising on Brand Choice Instant Noodles to Sex

Advertisement	Male		Female	
	No of Res.	%	No of Res	%
Informative	23	41.07%	13	29.55%
Entertaining	16	28.57%	19	43.18%
Persuasive	4	7.14%	3	6.82%
Reminding the product	13	23.21%	9	20.45%
Total	56	100.00%	44	100.00%

(Source: Primary data)

Above table is related to the essence of effective advertising for instant noodles according to sex.. It is found that 23 respondents like the informative type of advertisement, 16 respondents like entertaining type of advertisement, 4 respondents like persuasive and 13 respondents like reminding the product type of advertisement in case of male respondents.

The same table indicates that 13 female respondents like the informative type of advertisement, 19 respondents like the entertaining type of advertisement, 3 respondents like persuasive type of advertisement, 9 respondents like reminding the product type of advertisement.

4.16 Role of advertising in preferring Brand of Instant noodles according to Age Group.

Table: 4.16

Role of Advertising in preferring brand of Instant noodles according to age group.

Advertisement Degree	Age								Total
	Below 20		20-30		30-40		More than 40		
	Res. No	%	Res. No	%	Res. No	%	Res. No	%	
Advertisement is fully responsible	12	40	11	42.31	7	31.82	6	27.27	36
Advertisement is responsible to some extent	9	30	7	26.92	6	27.27	9	40.91	31
I don't know	4	13.33	2	7.69	2	9.09	0		8
Advertisement played not much role	3	10	4	15.38	4	18.18	4	18.18	15
Advertisement played no role at all	2	6.67	2	7.69	3	13.64	3	13.64	10

(Source: Primary data)

Above the table shows the role of advertising in preferring brand of instant noodles according to age group. In the case of respondents below than 20 years age group 40% believe the role of advertisement fully, 30% believe up to some extent, 13.33% have no response, 10% believe not so much and 6.67% don't believe in the role of advertisement in Preferring brand.

In case respondents 20 to 30 age group 42.31% believe fully the role of advertisement in courses of changing brand, 26.92% believe up to some extent, 7.69% have don't know about it, 15.38% believe no so much and 7.69 believe no role advertisement at all.

Among the respondents of 30 to 40 years age group 31.82% believe the role of advertisement as fully responsible, 27.27.% believe up to some extent, 9.09% have respondent, I don't know, 18.18% don't believe its role so much and 13.64 believe the role of advertisement in changing brand.

Likewise, among the respondents who are from more than 40 year age group 27.27% believe of advertisement fully, 40.91% believe up to some extent, no response for I don't know., 18.18% don't believe so much and 13.64% don't believe the role of advertisement in changing brand than any other promotional tools.

In all the cases most of respondents believe full and up to some extent in the role of advertisement for preferring brand of instant noodles. So the role of advertising is regarded important for brand choice in course of instant noodles.

SALES EXECUTIVE VIEW

4.17 Promotional strategy rated by the sales executive.

Table No. 4.17

S.No.	Options	Rated No.
1	Advertising	1
2	Sales Promotion	2
3	Personal selling	5
4	Public relation	3
5	Display	4

Source: Primary Data

Promotional Strategies are important in making and integrating promotional plan. The researcher found some view of sales executive. Firstly, he didn't want to rate the options, all of them have their one weight and plays the significant role for achieving marketing goal in this regards, he has fulfilled the questionnaire as per the requirement. He has given first priority to advertisement. He gave second

priority to sales promotion, third to the public relation, fourth to the display and fifth to the personal selling respectively.

4.18 Preference for Advertisement Media

Table 4.18

Preference for Advertisement Media

S.No	Advertising Media	Rated no.
1	Radio	2
2	FM	3
3	TV	1
4	Newspaper	4
5	Others	5

Above table shows that sales executive prefer TV advertisement most. After then Radio advertisement, FM, Newspaper and Others respectively.

4.19 Preferential rating of effectiveness of advertisement.

There are mainly four media (i.e. Radio, FM, TV, Newspaper and others) by which H.S.N and Fast Food (Nepal) Pvt. Ltd products are advertised. In the question, “how do you rate the effectiveness of your advertisement”. Both company are satisfied with TV advertisement, moderate with Radio, FM and Newspaper and dissatisfied with Others Advertising Media.

4.20. Attitude of executive concerning the advertisement affect on consumer brand Preference decision.

In the question of “to what extent have your advertisement effect on consumer brand preference decision”. The executive is highly satisfied with the statement that advertisement has been highly affecting consumer brand Preference decision.

4.21 Types of problems the company facing while making effective business.

Table No. 4.19

Types of problems the company facing while making effective business.

S.No.	Option	Rated No.
1	Small market	1
2	Lack of education and awareness	2
3	Lack of experience marketing executive and advertisement agency	3
4	High competition	4
5	Income status of consumer	5

Source: Primary Data

The above table indicates that the company is unable to making effective business by the problem of small market so he outline as first problem to small market. Second to the lack of education and awareness, third to the lack of experienced marketing executive and advertisement agency, fourth to the high competition and fifth to the income status of consumer.

4.22. Attitude of executive concerning the effectiveness of advertisement for the post purchase decision.

The executive has satisfied with advertisement for post purchase decision. It implies that advertisement for the post purchase decision is effective.

4.23. Rating of the effective aspects in the advertisement of company's product.

Table 4.20

Rating of the effective aspects in the advertisement of company's product.

S.No.	Option	Rated No.
1	Message	3
2	Visual	2
3	Music	5
4	Prize	1
5	Actors/Actress	4

Source: Primary Data

According to the above table, we can easily know that company is adopting consumer promotional policy such as prize policy by rating no 1. So the company lunched different types of prize policy in different times. Besides this the company has given second priority to Visual by rating no 2. Message, Actors/actress and music by rating 3, 4 and 5 respectively.

4.24. Rating of sales trend.

As per sales executives, the company's sales trend is increasing in present time. Various advertisement programs, launched by the company, have contributed to increase the sales of company. Advertisement has significant role in the company's sales performances.

VIEW OF ADVERTISING AGENCIES

4.25 Advertising agencies media Facilities

Table No. 4.21
Advertising Agencies Media Facilities

S.No	Advertising Media	No. of Advertising agencies	%
1	Radio	2	20.00%
2	TV	2	20.00%
3	Newspaper	2	20.00%
4	Others	4	40.00%
	Total	10	100.00%

Source: Primary Data

From the above table, it can be seen that out of 10 advertising agencies 2 or 20% provide advertisement facilities over radio. Similar and the number or percentage facilities are provided by the agencies on T.V. and newspaper and 4 or 40% agencies provided other facilities on other media.

4.26 Preferred media by Advertiser

Table No. 4.22
Preferred media by Advertiser

S.No	Advertising Media	Preference	%
1	Radio	2	20.00%
2	TV	5	50.00%
3	Newspaper	1	10.00%
4	Others	2	20.00%
	Total	10	100.00%

Source: Primary Data

In the above table, it can be seen 50% of the advertiser prefer TV for advertisement, 20% prefer Radio and others for 20%. Only 10% advertiser prefer Newspaper for Advertisement.

4.27 Handling of Advertisement

Table No. 4.23
Handling of Advertisement

S.No	Description	No. of Advertising agencies	%
1	Waiwai	2	20.00%
2	Mayos	2	20.00%
3	Both	2	20.00%
4	None of them	4	40.00%
	Total	10	100.00%

Source: Primary Data

Out of 10 advertising agencies 4 or 40% are not handling the advertisement of neither H.S.N Company and Fast Food (Nepal) Pvt. Ltd (i.e. waiwai and mayos). Only 2 or 20% agencies are handling the advertisement either of Waiwai or Mayos. Only 2 or 20% agencies are handling the advertisement of both products.

4.28 Popular Advertisement

Table no 4.24
Popular Advertisement

S.No	Description	No. of Advertising agencies	%
1	Waiwai	4	40.00%
2	Mayos	5	50.00%
3	Both	1	10.00%
4	None of them		
	Total	10	100.00%

Source: Primary Data

Out of 10 advertising agencies 5 or 50% are saying Mayos advertisement is popular while 4 or 40% say that Waiwai advertisement are popular. But only 1 or 10% are saying advertisement of both products are popular among the consumers.

4.29 Role of advertising agencies in Customers brand preference decision

Table No.:4.25
Role of advertising agencies in Customers brand preference decision

S.No.	Options	No of Respondents	Percentage
1	Yes	7	70.00%
2	No	3	30.00%
	Total	10	100.00%

Most of the respondent are agree that they play the supportive role in customers brand preference decision. In a percent 70% of the advertising agency are agree and remaining 30% are not agree that they don't play supportive role for consumers brand preference decision.

4.30 Easier to Work with Advertiser

Table 4.26

Easier to Work with Advertiser

S.No	Description	No. of Advertising agencies	%
1	Waiwai	3	30.00%
2	Mayos	3	30.00%
3	Both	2	20.00%
4	None of them	2	20.00%
	Total	10	100.00%

Source: Primary Data

Out of 10 advertising agencies 2 or 20% are of the opinion that it is difficult to work with both of the advertises. 3 or 30% are saying that it is easy to work with waiwai and the same applies to Mayos. It is 2 or 20% of advertisement agencies who say that it is easy to work for both products.

4.31 Reason for Choice

Table No. 4.27

Reason for Choice

S.No	Description	No. of Advertising agencies	%
1	Volume of Work	3	30.00%
2	Seeing the problem in same level	2	20.00%
3	More freedom in advertisement	5	50.00%
	Total	10	100.00%

Source: Primary Data

From the above Table it can be said that 5 or 50% of advertising agencies select the advertisers due to more freedom in advertisement work. 3 or 30% and 2 or 20% are said that they select due to volume of work and seeing the problem in

some level.

5.2 Major Findings of the Study

After analyzing the data collected from the respondents, some of the findings have been drawn as follows:

1. More people live in Hetauda consume noodles.
2. Most of the noodles consumer remember waiwai, mayos, 2pm, RumPum, Ruchee and RARA.
3. The Wai Wai noodle is preferred most among the six brands of different noodles and Mayos noodle is second preferred brand.
4. The Wai Wai noodle users like it most due to its quality.
5. The Mayos noodle users like it most due to its taste.
6. Most of respondents want to use noodles mixing with vegetables, eggs, meat etc.
5. Noodles have a good market and basically customer of different profession consume noodles more than four packets in a week.
6. If favorite brand is not available, consumers' decision goes to for second preferred brand.
7. Most of consumers want brand switching due to its quality but taste, price and packaging are also causes of brand switching.
8. Most of consumers prefer brand due to quality and taste.
9. The most of information has got by consumers about the noodles through TV and other media also help to know about the noodles.
12. The most of consumers recall the advertising is Mayos and WaiWai..
13. Most of the consumers are agree that advertising is helped rather than any other promotional tools to increase the sales of noodles.
14. Consumers buy noodles after getting others additional information, Few consumers only buy noodles immediately.
13. Gift and coupons are more effective promotional techniques for noodles.
14. For Male consumers , informative advertisement is effective but entertaining

advertisement is effective for female.

15. Role of advertising in preferring brand is fully responsible in all of the age group. People more than age of 40 think advertisement is not fully responsible but it is responsible to some extent.

16. Both noodles manufacturers are agree that advertising is the best promotional strategy.

17. Advertisement through TV is most preferred by manufacturer.

18. Manufacturers are highly satisfied with TV advertisement.

19. Manufacturers are highly satisfied that advertisement affect on consumer brand preference decision.

20. Small market is the problem that company is seeing in making effective business.

20. For the post purchase decision, advertisement plays the great vital role to motivate the consumers.

21. The sales trend of both noodles are increasing.

22. Prize promotion policy is the more effective in the advertisement of noodles.

23. Most of the advertising agency have facilities of all of the advertising media.

24. Most of the advertising agency preferred TV advertisement.

25. Both companys are adopting integrated promotional strategy.

26. According to the advertising agency, Mayos advertisement are popular.

27. According to the advertising agency it is easy to work with both of the advertises.

28. Advertising agencies need more freedom in Advertisement work.

29. Advertisement has significant role in the company's sales performance.

Chapter V

Summary, Conclusion and Recommendations

5.1 Summary

Advertising is a method of communication, as a consequence, it is more important aspect of human behavior. The effective advertising needs to familiar with certain effects that lead to particular response, so the advertiser receive comprehension of psychology.

The big companies are now-a-days employing the most modern methods of advertising and sales promotion to boost the sales of their products. Through advertisement an interest in the buyer is created in four of the product. So, every manufacture wants and tries his best to make the consumers „choice. to the brand of his products. Consumers according to their faith of trust on quality prefer one brand to another's It fact, today a product to be sold successfully needs better promotion and presentation. Before laminating advertising campaign an advertiser should be careful in the analysis of his product, market trade channels and competitions. He must study the character of trade, the territory to be covered, the media available, the audience to be reached and the other sales force that are to be utilized in conjunction to the advertising. An effective advertisement results consumers to be brand loyal and at the same time, an important tools for developing a positive attitude towards particular brand.

The success and failure of any business depends on consumer's reaction to a firm's marketing mix or strategies. It is therefore, essential for the marketer to understand the consumer behavior for conduction their business long-term in today's changing and competitive business environment.

The noodles industries and its market are incrising rapidly in few decades. Due to the changed in social and economic structure, peoples habit is also been changed. Noodles industries have the possibilities of huge market and challenges of tough competition at a time.

It is found that Nepalese market has not reached its full potential growth although the essence of advertising is well recognized as an important promotional tool of persuasion to the mass. However, it is observed that there is a great scope for the advertisement in Nepal. When we compared advertising with other progressive countries Nepal is much logging behind in the field of constructive advertising. Therefore advertising should be developed as the foundation of business that a luxury. The manufactures must convince of its effectiveness in selling products in Nepalese market.

Nepalese consumer of instant noodles in Hetauda Municipality are considered of this study. The information and data required for conduction the study was entirely based on primary source. Primary information and data were gathered through

different type of consumers according to their age level education level occupation level and gender.

It is found that advertising is the main source of information and key tool to motivate and persuade consumers for brand preference. Advertising supports motivates and excites consumers to take good decision making process. If faith or belief on a particular brand is strong consumers will be loyal. They frequently purchase the some brand. It is life blood of modern marketing, especially in course of promotion. Being alone, advertising never does the expected job.

The study prevails that importance of promotion cannot be denied in today's world. Promotional activities and advertising plays a pivotal role in building brand preference in the market. To make advertising more effective, co-ordination and good integration among promotional variables are required. First time, purchase generally occurs because of advertising but to make consumers frequent purchasers the role of quality and taste hold upper position than advertising.

5.2 Conclusion

This study is focused the role of advertising in brand choice with specially reference to instant noodles (Wai Wai and Mayos). Advertising is an important for getting knowledge about the noodles. It has been established as on important promotional tools for consumer product. TV is the best information coverage to the consumers about the noodles. Most of consumers are favor of entertaining types of advertisement and they preferred the gift and coupons of the promotional techniques. Nepalese consumers give high importance to brand in consumers' product.

Most of consumers have used more than four packets of noodles in a week in family. WaiWai noodle is preferred due to its quality and Mayos is preferred dut to taste. It means, the satisfaction of Wai Wai and Mayos noodle are very good than other noodles.

H.S.N and Fast Food (Nepal) Pvt. Ltd are satisfied with TV advertisement. Instead of this TV has very high cost than other medias. Advertisement has significant role in the company's sale performance.

5.3 Recommendations

After researching the manifold aspects of the role of advertising in brand Preference with specially reference to instant noodles (Wai Wai and Mayos) in Hetauda Municipality. Some suggestions have been forwarded or recommended for the better management of their business are as follows:

1. The Wai Wai and Mayos noodles are preferred most by consumer rather then 2PM, Rumpum, Ruchee and RaRa noodles because of quality and taste so it must be maintained. The company should more conscious with their competitors and

having applied the suitable marketing strategies with time concern.

2. For noodle brands promotion, gift and coupon are more effective promotional tools so gift and coupon should be included as a part of promotional activities continuously.

3. More consumers want to purchase second preferred brand if the favorite brand is not available. So The company must be maintain effective and efficient distribution system to save the consumer from the rival brands.

4. The role of advertising in course of brand Preference is found to be quite effective, so to make the role more stronger, other marketing variables such as product, price, promotion and place should be forwarded soundly and coordinated integration among the as felt necessary.

5. Male Consumers want informative type of advertising, but female customers want entertaining type of advertising so company should be make both type of advertising techniques to address male and female customers.

6. Most of the companies are lunching prize scheme in the market. But most of the consumer of the noodles concern quality and test so the company should improve the quality and taste of their product.

7. The most effective advertising media is TV, so the company must prefer TV advertisement as a part of promotion strategy. Others advertising media such as Radio, FM and Newspapers also to be used.

8. Finding has provided that the advertising and promotional activities have always positive impact on both product and company. So the noodles manufactures should have to develop the fascinating advertising as well as effective promotional campaigns.

BIBLIOGRAPHY

BOOKS

Ahuja, B. N.(1988), Advertising, 3rd Edition, Bombay, Traporevala.

Alenander R.S,(1982), Industrial Marketing, 3rd Edition America.

Arens W.F.(1986), Courtland, L. & Bovee, Advertising, 2nd Edition, U.S.A., Home wood Irwin.

Gupta, S.C.(2000), Fundamental of Statistics, 5th Edition New Delhi: Himalaya Publishing House.

Kenneth, A.Longman(1971), Advertising, 2nd Edition, Harcourt Bruce Yovanovich.

Kotler, Philip (1994), Marketing Management, 8Edition, New Delhi: Prentice-Hall of India Pvt.. Ltd.

Koirala, K.D.(1995), Marketing Decisions, 4Edition, M.K. Publishers and Distributors.

Leon G. Schiffman and Kanuk L.L. (2000), Consumer Behaviour 6th Edition, New Delhi: Prentice-Hall of India, Pvt. Ltd.

New Encyclopedia Britaina (1979), Macropedia 15th Edition, Chicago, U.S.A.

Robert W.Chestnut and Jacob Jacoby (1982), Brand Loyalty Management and Management, Hold-Saunders International Education.

Sontakki and Despande, Marketing Salesmanship and Advertising, Part III.

Sontakki, C.N. (1999), Advertising, second revised and Enlarged Edition, New Delhi: Kalyani Publishers.

Stanton, William J., Fundamental of Marketing, 6Stanton, William J., Fundamental of Marketing, 6th Edition, New York: McGraw Hill.

JOURNALS, REPORTS, ARTICLES AND GOVERNMENTS

PUBLICATIONS:

American Marketing Association (AMA), (1995).

Chaudhary Group, (2059), Annual Export report of Wai Wai noodle, Sanepa Lalitpur.

Company Profile, Himalayan Snack and noodles (p) Ltd., Narayan Chaur, Naxal, Kathmandu.

Population census-2058.

Pradhan, Dhan (2059), "Nepal ma Bigyapan Byabasaya" AAAN Smarica.

Report on Noodles, Ministry of Commerce, 1967.

Schiffaman and Kanuk (1985), "Decaling Brand Loyalty, More Fiction than Fact", Marketing News.

DISSERTATIONS

Baral, Laxmi Prasad (1996), "Comparative Study on the Communication Effects of Advertising and Brand Preference." A Dissertation submitted to Faculty of Management T.U.

Bhandari, Prakash (2003), "In Impact of Advertising on Consumers Attitude." [with specially reference to Wai Wai noodle at Lalitpur sub-metropolitan city, [A dissertation submitted to Faculty of management, T.U.].

Rana, Keshar Singh (2005), "A study of Brand Preference on Beer." [A dissertation submitted to Faculty of management, T.U.].

Sharma, Sunita (2003), "Impact of Nepal Television Advertising an Audience." [A dissertation submitted to Faculty of Management, T.U.].

Sheretha, Rajendra Krishna (1997), "The role of advertising in brand choice and product positioning "with special reference to soft drink and instant noodles, [A dissertation submitted to the Faculty of Management, T.U.].

Thakur, Binaya Kumar (2001), "The Role of Advertising in Brand Loyalty" [A dissertation submitted to Faculty of management, T.U.].

Thapa, Shivaji (1990), "Advertising through Radio Impact on Consumer behaviour." [A dissertation submitted to Faculty of Management T.U.] .

Phuyal Madan Prasad (2006) "Nepal television Advertisement and it's effectiveness on consumer behavior" with special reference to Himalayan Snack and Noodles Co. (Dissertation submitted to Shanker Dev Campus T.U.)

Adhikari Tara (2006) "A study on brand preference of instant noodle" (A dissertation submitted to Shankar Dev Campus T.U.)

Appendix-I
Questionnaire For Consumer

Dear respondent,

I am Umesh Chaulagain, student of Makawanpur Multiple Campus at Management faculty. I am conducting a Study on "THE ROLE OF ADVERTISING IN BRAND PREFERENCE", WITH SPECIAL REFERENCE TO INSTANT NOODLES (Wai Wai and Mayos in Hetauda Municipality). Please provide the necessary information to the best of your knowledge. The information will be kept strictly confidential.

Name:

Profession:

Age:

Sex: Male/Female

1. Do you consume any noodles?

Yes:

No:

2. Which noodles do you prefer most ?

Wai Wai

Mayos

Rum Pum

Ruchee

2 PM

RaRa

3. If you buy 'Wai Wai' noodles, what is your preference?

Taste

Quality

Price

Packaging

Sales Schemes

4. If you buy 'Mayos' noodles, what is your preference?

Taste

Quality

Price

Packaging

Sales Schemes

5. How do you consume instant noodles?

Without boiled

Boiled

Mixing with vegetable, meat, egg etc.

6. How many packets do consume in your family at a week?

One packet

Two packets

Three packets

Four packets

More than four packets

7. What do you do, if your choice brand is not available?

Wait for the preferred brand

Buy any alternative brand

Buy second preferred

8. What is the reason for switching another brand?

Taste

Quality

Price

Packaging

Sales schemes

9. What is the best thing you like about your prefer brand?

Taste Quality Price
Packaging Sales schemes

10. How do you know about the noodles?

- a) Through F.M. b) Through Radio Nepal
c) Through Nepal Television d) Through Newspapers
e) Through Magazines f) Through Cinema
h) Through Direct Mail

11. Which advertising can you recall the most?

- WaiWai Mayos Rum Pum
RaRa Ruchee 2 PM

12. Do you think that advertising is helpful to increase the sale of instant noodles?

- Yes No

13. After seeing advertisement when do you buy instant noodles?

- a) Immediately b) After seeing advertisement one of
two time
c) After additional information

14. Which type of promotional techniques for noodles is more effective?

- a) Advertisement b) Gift and coupon
c) Others

15. What is the essence of effectiveness advertising an brand choice instant noodles?

- a) Informative b) Entertaining
c) Persuasive d) reminding the product

16. What do you think the role of advertising in preferring brand?

- Advertisement is fully responsible
Advertisement is responsible to some extent
I don't know
Advertisement played not much role
Advertisement played no role at all

Thank for your cooperation and valuable time.

Appendix-II
Questionnaire For Sales Executive

My name is Umesh Chaulagain. I am a student of MBS in Makwanpur Multiple Campus. I am conducting a survey on “The Role of Advertising in brand preference with special reference to Instants Noodles Wai Wai and Mayos”. I will be very grateful if you could fill this questionnaire.

1. Which of the following policies do you think best?
(Please give 1 to the most preference 2 for the second most preference and so on)

- (a) Advertisement (b) Sales promotion
(c) Personal Selling (d) Public relation
(e) Display

2. Which media do you prefer for Advertisement?

- (a) Radio (b) F.M.
(c) Television (d) Newspaper
(e) Others

3. How do you rate the effectiveness of your advertisement?

Media	1	2	3	4	5
Radio	Highly Satisfied	Satisfied	Moderate	Dis satisfied	Highly dis Satisfied
TV	Highly Satisfied	Satisfied	Moderate	Dis satisfied	Highly dis Satisfied
FM	Highly Satisfied	Satisfied	Moderate	Dis satisfied	Highly dis Satisfied
Newspaper	Highly Satisfied	Satisfied	Moderate	Dis satisfied	Highly dis Satisfied
Others	Highly Satisfied	Satisfied	Moderate	Dis satisfied	Highly dis Satisfied

4. To what extent have your advertisement affect on consumer brand preference decision?

- (a) Highly satisfied (b) Satisfied Moderate
(c) Dissatisfied (d) Highly Dissatisfied
(ci)

5. What type of problem does your organization see in making effective business?

(Please give 1 for most preference and 2 for second most preference and so on)

- (a) Small market
- (b) Lack of education and awareness
- (c) Lack of experience marketing executive and advertisement agency
- (d) high competition
- (e) Income status of consumer

6. How do you rate the Role of Advertisement for post purchase decision?

- (a) Highly satisfied
- (b) Satisfied Moderate
- (c) Dissatisfied
- (d) Highly Dissatisfied

7. Which aspect is more effective in the advertisement of your product? Please give 1 to the most.

- (a) Message
- (b) Visual
- (c) Music
- (d) Prize
- (e) Actress/Actors

8. How do you rate your sales trend?

- (a) Increasing
- (b) Moderate
- (c) Decreasing

Thank for your cooperation and valuable time.

Thank for your cooperation and valuable time.