

CHAPTER- I

INTRODUCTION

1.1 Background of The Study

Marketing is the process of meeting customer's needs probability. It is the bridge between procedures and customers. It involves flow of goods and services from producers to customers. American Marketing Association defines; "Marketing is the process of planning and executing the conception, Price, Promotion and distribution of ideas goods and services to create exchange that satisfy individual and organizational goals", Bennet (1995).

Philip Kotler and Gray Armstorng (1997) have been stated "Marketing is a social and managerial process by which individuals and groups obtain what the need and want through creating, offering and exchanging products value with others."

In fact, consumers are sovereignty of any business. Thus, marketing is a key to attract and retain customers. Marketing begins with identifying needs and wants of customers and end with satisfying the customers wants efficiently than competitors. Therefore, marketing has a great importance in survival and smooth operation of an organization because no business can flourishes without marketing. It plays a vital role to promote the sales and revenue of the organization. The use and importance of marketing in all sorts of the organization is increasing day by day. To outperform the competitors and to

win the business, marketers need an effective marketing program. It is signaling that coming near future, the trade is being a single home around the world. The legal provision towards the business is making homogeneous in the country wise and all over the world i.e. Customer protection act, Individual property and right act, Certificate of origin and Standardization and so on. To create fair competitive market, subsidies and quotas provided by the Government will be totally eliminated within certain years. All the governments handled business will be privatized and all the trade boundaries will be liberalized which makes free movement of product as well as resources and technology. To eliminate all trade barriers and to monitor the world trade, umbrella organization has established almost 10 years ago name World Trade Organization (WTO), which is very democratic, participative and fair.

Due to globalization of the business the world has become narrow. If the companies marketing plans are better, company can easily set access to the market of the other part of the world and can achieve their goals. So, company should know his market situation in targeted area. If the company is unknown on his market situation that means they are blindly adoption the strategies in the market. So, those companies are failure for their goals.

In this modern marketing area, every marketer should understand the consumer's satisfaction. Companies adopt many marketing policies and strategies to increase the sales, but only few companies win the target. So, company always should aware to know his market situation I.e. his promotional activities are effective? Is his distribution channel is good? Is consumers are satisfied with his product (like price, quality, packaging and

sent)? Why the individual brand is leading in the market? These are the main question. Many definitions have defined of marketing indifferent ways keeping in view of the objectives of the firms producing goods and services. Marketing is a total system of business activities designed to plan; price, promotion and distribution want satisfying products to target markets to achieve organizational objectives. Marketing is a process that is associated with flow of goods and services from the owners to the customers in a smooth and lubricated way.

Now a day, consumers view towards any product is difference then the previous time, they give first priority to test and quality, they mention not where the product is produce and where from imported. Consumer may easily more one product to another if they meet their priority. So companies especially manufacture are employing their several tactic and tools to make attention about their product and attract them.

Furthermore, advertising, personal selling, publicity, public relation, sales promotion and trade fairs etc. are the technique, commonly used by all companies. In modern marketing promotion is most necessary. A good product, an accretive price and an accessible distribution must be supported by an effective promotion to satisfy customer needs. It boosts up to customer to make acquaintance about new product of trial it. These tools / techniques inform the people in day to day life. It can change sales activities. The main aim of manufacturing is to increase sales, increase market share and improvement of market position. Market position constitutes overall view of consumers relation towards a particular product, price, packaging,

advertising, delivery extra benefits and markets share occupied by the product.

Advertisement, buying, sales promotion are the considerable factor to increase market size, which is the goal of all companies. Without advertisement, a company cannot increase their sales at the desired levels. So, advertisement becomes one of the most important parts of the business. An advertising goal is a specific communication task and achievement level to be accomplished with a specific audience in a specific period of time. Spending amount in advertising and incremental sales has a positive relationship. Therefore, every company spends significant amount of money in advertising and naturally sales will be increased as well as market position will be well.

Nepalese markets have been extended with changing business environment process. Consumers are very sensitive in Nepal, their needs; wants and preference have been changed over the year. Consumers awareness has gone up out. Consumers don't accept any products very easily. Markets have to work hard to get consumers favor in the market.

There is increasing entry of new products in the market that is backed up by aggressive advertisement and sales promotion scheme. The trend is more evident in cosmetic category especially in shampoos and creams. As shampoo has been involving as one of the most preferred hair caring in Nepalese market, it has been selected for the study. To access the market position of shampoo industry, Vatika brand of shampoo marketed by Dabur

Nepal has been chosen for this study. Therefore, some preliminary information about the selected firm is described below.

Dabur Vatika Shampoo

During the hunting era, people of Nepal were not conscious for hair and beauty. Then gradually, with other developments people change their habit and they become conscious about their hair and beauty. In the early stage, generally, people used Rittha, Pina, Amala and Sikakai etc. Still in the remote areas people have been using same thing towards their hair. Changing with world, Nepalese also become conscious with beauty and health. Then they started to use soap and shampoo to wash hair. When there was not any Nepalese shampoo, people used Chinese and Indian shampoos. After sometimes, various companies were established for the production of shampoo. Among them Dabur Nepal Pvt. Ltd. is fully dedicated to the people, who are very conscious to their beauty and healthy hair.

Vatika is the shampoo that conditions from deep within, while gently cleansing and nursing your hair, created by the Vatika experts with a perfect balance of natural ingredients like Heena, Green Almonds and Sikakai. A like chemicals shampoo that are harsh, vatika is a mild on your hair. Living it soft, silky and radiant, with the gentle and caring touch of nature.

1.2 Statement of the problem

Today's marketing of course face the tough decision. But today's market place is enormously more complex. Domestic markets, at one time safe from foreign invaders, are now the happy hunting grounds of giant global corporation as well as global niche specialist. Major strides in technology have considerably shortened time and distance. New products are launched at an astonishing pace and are available worldwide in a short time. New

distribution channels and formats keep appearing. Competitors are everywhere and hungry.

In the midst of these changes, busy consumers keep changing their ways. To save time, they are shopping with catalogues, the telephone, in the computer. Because of tough competition, many companies establish and disappear from the market. Those companies can establish which are strong from every aspect like finance, management, productions etc. Therefore, to stable in the market, the company should know owns position and has to be updated. Developments in transportation, communication, political awareness etc. has made the world of global village. Today, one can use any product in alternative of the other. Customers are not compelled to buy particular product rather they are free to choose anything they think best.

Keeping all things in mind, the basic problem of this study is to measure the market position of shampoo in Kathmandu valley. Basically, the study will search the answers of following.

- a. How the shampoos are promoted, what is the promotion position of shampoo?
- b. What is the marketing position of Vatika shampoo in relation to other competing brands?
- c. What is the opinion of consumers on: quality, scent prices, labeling and packaging of Vatika brand in relation to its competing brands?
- d. What is the existing marketing strategy of Vatika Shampoo?
- e. What is the consumer's view of advertising of Vatika and other brands?

1.3 Objective of the Study

The basic objective of the study is to identify the market position of Dabur Vatika Shampoo in relation to other competing brands. The specific objectives of the study in connection with the foregoing problems are as follows:

- a. To compare the marketing position of Dabur Vatika Shampoo in relation to other competing brands.
- b. To explore the opinion of consumers on the following dimensions; quality, pricing, labeling and packaging.
- c. To analyze the existing marketing strategy of Dabur Vatika Shampoo.
- d. To examine advertising position of Dabur Vatika Shampoo in comparison to other brands.
- e. To indent the relationship between socio economic variable of respondent.

1.4 Research Question

- a. Is there relation between sex and brand choice of shampoo?
- b. Is there relation between age and brand choice of shampoo?
- c. Is there relation between profession and brand choice of shampoo?
- d. Is there relation between education and brand choice of shampoo?
- e. Is there relation between income and brand choice of shampoo?

1.5 Significance of the Study

This new world is also characterized by an amazingly rich information environment. Consumers will be able to access objectives information on competing brands. Including cost, prices, features and quality without

relying on individual manufacturers or retailers. In many cases, they will be able to specify the prices they are willing to pay and wait for the most eager sellers to respond. The result is a dramatic shift of economic power from sellers to buyers.

Proper information is the major materials of any management to formulate policies, strategy and decision-making. Marketing management is also not exception of it. The significance and importance of this study can be, firstly the manufacturing and markets of Kathmandu valley will be highly benefited by this study. They can use the findings of the study as the guideline for making marketing strategies for their products so that they can achieve success. Another study will help to know the market position of their products. Thus, manufacturers and marketers can decide the advertising policy, selling policy, consumer response to the price and option about their product. Further, this study will be helpful to keep alert the manufacturer and marketers from their competitors and also the study can be helpful to marketers for planning marketing mix. Finally, the research may be valuable reference to the scholars and researchers, who are interested in conducting further research on market position.

1.6 Limitation of the Study

There are several limitations, which can weaken the objectives of this study. Some of the limitations are as follows:

- a. This study is totally based on the views and responses received from consumers of Kathmandu Valley only. The findings of the study may not be representing as whole.

- b. Sample size is very small in comparison to the population only few respondents are selected for participation.
- c. Only few part of market has covered by this study, like: Selling, Advertising, Pricing and Branding.
- d. Judgmental sampling method is selected for this study.
- e. Limited variables are concerned for this study.

1.7 Organization of the Study

This research work is divided into five chapters as:

- a. Introduction: This chapter provides general introduction of marketing, introduction of the study unit, statement of the problem, objectives of the study and limitation of the study also concerned with this chapter.
- b. Review of Literature: This chapter provides information of different issues of marketing, which is related with topic by different books, journal, report and research.
- c. Research Methodology: This chapter is concerned with research methodologies that have been followed in the collection.
- d. Data Presentation and Analysis: In this chapter collected data are tabulated and presented by using table, graph and chart.
- e. Summary, Conclusion and Recommendations: This chapter is concerned with summary, conclusions and recommendations.

CHAPTER- II

REVIEW OF LITERATURE

2.1 Introduction

This chapter reviews the concepts concerning the subject matter that are written on text book on one hand. On the other hand, this chapter reviews the previous studies, which are related to the subject matter of this study. So, a brief review of articles that are published in magazine, newspapers etc. are also done. So, this chapter basically contains following section.

- a. Conceptual Review
- b. Review of Related Studies
- c. Review of Journal and Articles
- d. Review of Previous Related Thesis

2.2 Company Profile

For over a century, Dabur has had its root in Ayurveda the ancient Indian science of life. This knowledge has resulted in a range of herbal, health and beauty care and Ayurvedic specialties, a range that generations have used in India and abroad.

Nepal, being situated in the Himalayan ranges, is an abundant source of natural herb and spices, used in various Ayurvedic formulations in which Dabur has gained extensive knowledge and expertise.

With liberalization policy adopted by both Indian and Nepal, the later has become a place for immediate investment to Indian entrepreneurs.

Considering the geographical advantage of Nepal, Dabur entered into Joint Venture with a majority share, thereby establishing Dabur Nepal Pvt. Ltd. in 1989.

Dabur Nepal has marked its presence with some very significant achievements and today commands a market leadership status. The story success is based on dedication to nature, corporate and process hygiene, dynamic leadership and commitments to their partner and stakeholders. Dabur Nepal has decade relationship between commercial and the ecological progress. A relationship that had born fruit by creating an interface for the betterment of human life capitalizing on nature's abundant resources, alternatively giving it back in equal measures for prosperity. Amid of wave of change brought about by the liberalization of investment policy of Nepal in the early 90's the Joint Venture with Dabur India Limited - a company with 100 years so expertise in Ayurvedic based personal care, health care and food products, has been a catalyst for the country's infrastructural growth, economic independency and global recognition.

The company is the first of its kind in the country to harness ecological resources and manufacture commercially viable and value added top of the line products locally to be sold at prevalent rates for domestic use and export to Bangladesh and other neighboring countries. The company has set up " Plant for Life" a 90 million green house project has spurred a steady supply of rare, endangered medicinal herb sapling in a state of the art green house equipped with modern climatic controls. The most privileged assets of DNPL is the highly involved team of personal who work with cutting edge technology and ensure stringent quality control measures to meet highest

international income for the local people have resulted in improved socio-economic conditions. Besides it has earned several accolades including the Highest Exporter Award from the Ministry of Commerce, NICCI Award for excellence and CIP Award for outstanding contribution to the country.

The new Dabur identity modernizes the 100-years old equity of the Dabur brand by subtly transforming the tree. While it retains the essence of the banyan tree, it now projects the contemporary image, in consonance with today's lifestyle. The tree, a symbol of nature, is indelibly regarded as a provider of shelter, food and protection. On a metaphysical plane, the tree is regarded as sacred, trustworthy and a symbol of fertility. The new Dabur identity retains these enduring and valuable attributes, while it adds a fresh, healthy and holistic dimension to the tree. In the new identity lock-up, distinct elements collaborate to tell a story, even as they work independently to achieve the delineated objectives. The new identity appropriates nature as well the wellspring for Dabur. It conveys Dabur's heritage, commitment and stability through the form and colors of the tree; its branches and leaves. It also conveys that the brand stands for wellness across age groups.

Dabur's association with nature is evident in the simple yet unique logo. The Dabur font has been created as an echo of the earlier font to preserve its distinctive and established identity. Yet it had moved on to a more contemporary style. The tip of the "D" emulates the apex of 1 leaf thus infusing the alphabet with a form and flow that discreetly suggests the effect of a leaf. The defined yet gentle curve of the "D" forms an arc of trust, caring and support.

Through its form of colors, the new logo identity combines freshness and stability. It expresses a brand that is positive, proactive and progressive. The burst of leaves and their colors symbolize growth, rejuvenation and inner strength. The form and color of the trunk convey growth youthfulness and stability. Thus, the logo identity lock up presents Dabur as a stable yet involving, contemporary, vibrant and active brand cherishing nature as the sources of all its endeavors along with an abiding commitment to the wellness of consumers across age groups.

2.3 Market and Marketing

Market: Generally, market is a geographical area where buyers and sellers meet in terms of purchase and sale of goods and services. Thus, a market has a group of buyers and sellers who meet and negotiate about selling and buying of products and the buyers and sellers transfer ownership of product, services, securities etc. According to the definition of American Marketing Association (2002) "A market is the aggregate demand of the potential buyers for products/services.

Philip Kotler and Gray Armstrong (1997) defined, "A market is a set of actual and potential buyers of a product."

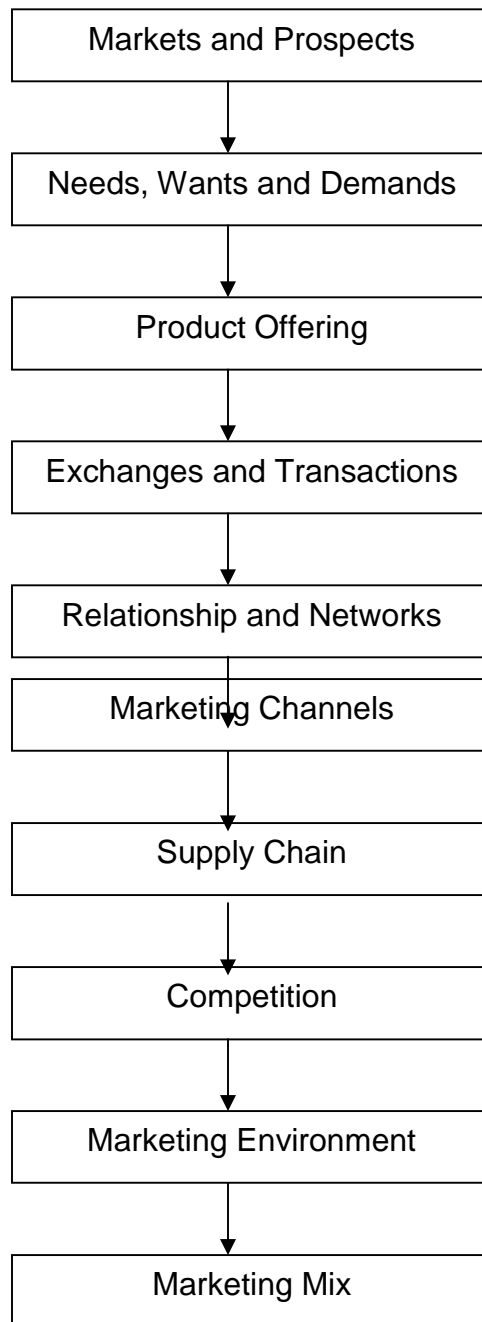
Actually, market is a place where buyers and sellers meet and negotiate the terms of purchase and sale of product. W.J Stanton defines (1981)," A market may be defined as a place where buyers and sellers meet and transfer of ownership occur". Market means collections of buyers and sellers who transact or exchange a product or product classes. E.J. Mc Carthy and W.D.Perreault (1987) defined, "A market is a group of sellers and buyers

who are willing to exchange goods and services for something of value". Thus market consists of the process of supply and demand facilitating on exchange process between sellers and buyers.

Marketing: Traditionally, marketing means only buying and selling of goods and services. But in fact, marketing is planning and organizing according to the consumers need with right delivery, right products, right pricing, right advertising, right promotion etc. Marketing is also a social activity which people obtain what they need. Various scholars have defined marketing in different ways. According to Philip Kotler (2000)," Marketing is a societal process by which individual and groups obtain what they need and want through creating, offering and freely exchanging products, services of value with others". In the word of American Marketing Association (2002), "Marketing is also a bridge between manufacturer and consumer to the flow of goods and services". Peter D. Bennet (1995), "Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives".

Marketing is a system of business activities. It is a social process that directs on economy's flow of goods and services from producers to consumers. Marketing is defined as (1977) by the committee on definition of the American Marketing Association," Marketing is the performance of business activities directed towards an incident to the flow of goods and services from producer to consumer or user". Thus marketing designed to bring about exchange with target consumer for the purpose of mutual gain.

Figure 2.1: The Core Concept of Marketing



(Philip Kotler, "Marketing Management" The Millennium Edition)

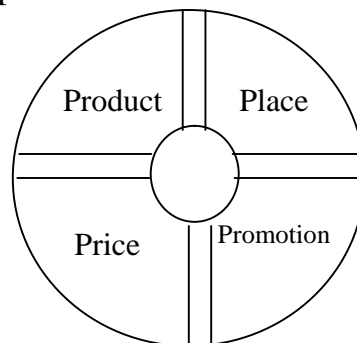
2.4 Marketing Mix

Marketing mix is the set of marketing variables that the firms blend to achieve the marketing goal in the target market. It is a controllable variable, which the company puts together to satisfy his target market. Thus, marketing is a tool the organization uses to pursue its marketing goal and to satisfy to consumers. The terms of marketing mix describes the result of management's efforts to creativity combine interrelated and interdependent marketing activities.

Marketing mix is one of the key concepts in modern marketing theory. It includes four elements i.e. product, price, promotion and distribution. The four ingredients in the marketing mix are interrelated. It is system concept, because all decisions in one element usually affect others. The marketing mix consists of everything the organization can do to influence the demand for it's product in target market. E.J.Mc Carthy(1987) popularized the concept of marketing elements/ mix called 4ps- Product, Price, Place and Promotion.

A firm should offer different marketing mix for different market system or environment of the target market. It should change with the changes in the environment and consumer's preference.

Figure 2.2: Marketing Mix



Source: E.J. Mc Carthy "Basic Of Marketing" 9th Edition. 1988

The 4ps are essential ingredients that should be carried out together in a creative way, so knowledge-marketing programs of the four major ingredients of marketing mix or the four P's Product Mix, Price mix, Place Mix and Promotion Mix.

2.4.1 Product

An identifiable form of tangible and attributes, including quality, price, brand trademark, packaging, color and seller's services, as well as reputation is known as product. It must be transferable and payable. So a product may be a person, event, good, place, service, idea or technology. Consumers are purchasing need satisfaction in the form of the benefit they expect to receive from the product. In the words of W.J. Stanton (1981), "A product is a set of tangible and intangible attributes, including packaging, color, price, manufacturer's prestige, and retailer's services, which the buyer may accept as offering, want satisfaction."

On the globalization perspective, products which are easily marketed in domestic markets may not be marketed in international markets. More specifically, products, which are easily marketed in the US market, may not be marketed in Asian or Nepalese markets. In order to match products to the international markets, the marketer needs to spend a lot of time, effort and money in planning and development of products in a systematic manner.

2.4.1.1 Types of Product

Product has broadly been classified into two sections: consumer's goods and Industrial goods.

- a. **Consumer Goods:** The consumer goods are the products for the final consumption. They are the products intend to be used by ultimate household user for non-business purpose. The consumer goods are

Classified into four categories: convenience goods, shopping goods, specialty goods and unsought goods.

Classification of consumers Goods

-) Convenience Goods
-) Shopping Goods
-) Specialty Goods
-) Unsought Goods

Convenience Goods: Convenience goods are use product that consumer needs but isn't willing to spend much time , it includes cheap cost and habitual products. Convenience goods are goods that the customer usually purchases frequently immediately, and with minimum efforts.” It includes tobacco shops, shampoo, newspapers, toothpaste etc.

Shopping Goods: The shopping goods are expensive, rarely use and cannot consumer's feeling is worth the time and effort to compare with competing product.

Specialty Goods: The specialty goods are rarely purchase and extremely expensive product that the consumer becomes so sensitive before purchasing the goods. In these the consumer will make a special importance to the consumers. Specialty products are processed with one or more unique characteristics.

Unsought Goods: Unsought goods are products those potential consumers don't yet want or know they can buy. Intact consumers probably want buy these products if they see them. Unsought goods are new products, which are known to consumer through advertisement, because many people unknown to new products such as computer and video telephone etc.

Industrial Goods: Industrial goods are products intended to be sold primarily for uses in producing other products, are based on a business goal and Objectives. According to Philip Kotler, the industrial goods are classified into three groups. They are as follows:

-) Material and Parts
-) Capital Items
-) Supply and Business Services

Material and Parts: Material and parts are goods that enter the manufacture's product completely. It includes raw materials and manufacturers parts.

Capital Items: Capital items are long lasting goods that facilitate developing or managing the finished product. It includes installation and equipment.

Supply and Business Services: supply and business services are short lasting goods and services that facilitate developing or managing the finished product.

2.4.1.2 Product positioning

Product positioning is the consumer's concept of the product characteristics relatively to their concept of competitive brands. It is creating a product image through advertising and sales promotion, which consumers will view in a certain manner relative to competitive brands. Product positioning is the strategic decision and act of designing the firm's image so that they occupy a distinct competitive product position in a consumer's minds. In the words of Philip Kotler (1990), "Product positioning is the act of designing the company's image and value offer so that the segments customers understand and appreciate what the company stands for in relation to its competitors".

Product positioning can be based on a combination of product characteristics, prices, quality, technology, services, competition, uses, benefits, category etc. Therefore, a company needs to develop a product positioning strategy. It needs to be described to customers how the company differs from current and potential competitors. John H. Holmes, (1973), "A product position is the image that the product projects in relation to competitive products and to other product and to other products marked by the company in questions.

2.4.1.3 Product Branding

Branding is a brand of a product. Today's market is flourished with many products of the same kind therefore the importance of branding is increasing with the increasing number of product because a brand product contributes differences to customers. Branding is an important part-marketing program because it should be carefully selected. A strong brand should have brevity,

distinctiveness, adaptable to new product; reflect product attributes, reverent, product positioning, capable to new product image, values, benefits of product etc. The definition of committee on American Marketing Association (2000), “A brand is a name, terms, sign, symbol, or design or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors”.

Brands are of great importance to their owners. They contribute to identity the company’s marketing program and contribute to the consumer to recognize the firm’s products and advertising. According to Graven Hill and Woodruff, there are several term associated with branding such as brands name, brand marks, trademarks and trade names Thus, branding is the practice of giving a specified name to a product or group of finding and fixing the means of identification.

2.4.1.4 Product Packaging

Packaging means wrapping of goods before they are transported, stored and delivered to a consumer. Today’s markets are experiencing packing revolution. It constitutes an important part of the product because an attractive, convenient, economic, reusable, environment-friendly, protection, identification, promotion, differentiation etc. W.J. Stanton, (1981), “Packaging may be defined as the general group of activities in product planning that involves designing and producing the container or wrapper for a product”.

R.S.N. Pillai and Bagawathi (1999), "Packaging has been defined as an activity which is considered with protection, economy, convenience and

promotional consideration”. Product features and attractiveness of products are called packaging, which consists of all the activities of designing and producing the wrapper for the product.

2.4.1.5 Product Labeling

The label is a part of the packaging. Labeling also is important dimension related to packaging for both promotional and informational reasons and legal perspectives. Its functions are identification of product or brand, product description which includes, who made it, where it was made, when it was made, what it contains, how to use it and promotion and attractiveness of product. Product labeling can be a tag attached to a product that carries information about the product.

The producer gives necessary information to the consumer through the label. The act of attaching or tagging the label is known as labeling. Label may be small slip or a printed statement. According to Philip Kotler (1990), "Labeling is a part of packaging and consists of printed information that describes the product appearing on or with the package".

In the context of Nepal's Law, according to consumers protection Act 2054, section '9', things to be indicated on the label of the consumable goods.

a. According to the section '9' a producer should indicate the following things on the label of consumable goods.

) Time period for better use, if any product is much better to be used before particular time duration.

) Maximum retail price including all taxes.

-) Process of consumable goods before consume effect be consumed after safe process.
 -) Warning for the commodities that are harmful to health as given this product is injurious to health.
- b. If anyone imports not having indicated instructions on the package of the product according to section '9' and sub rules number '1' of the act, the importer should indicate all of the given things on the label before selling.

According to section '18' part 'ka' up to 2 year jail or up to Rs. 3000 or both will be levied if someone does an action against section '9'. Sub section '1' of the act (Consumers Protection Act, 2054).

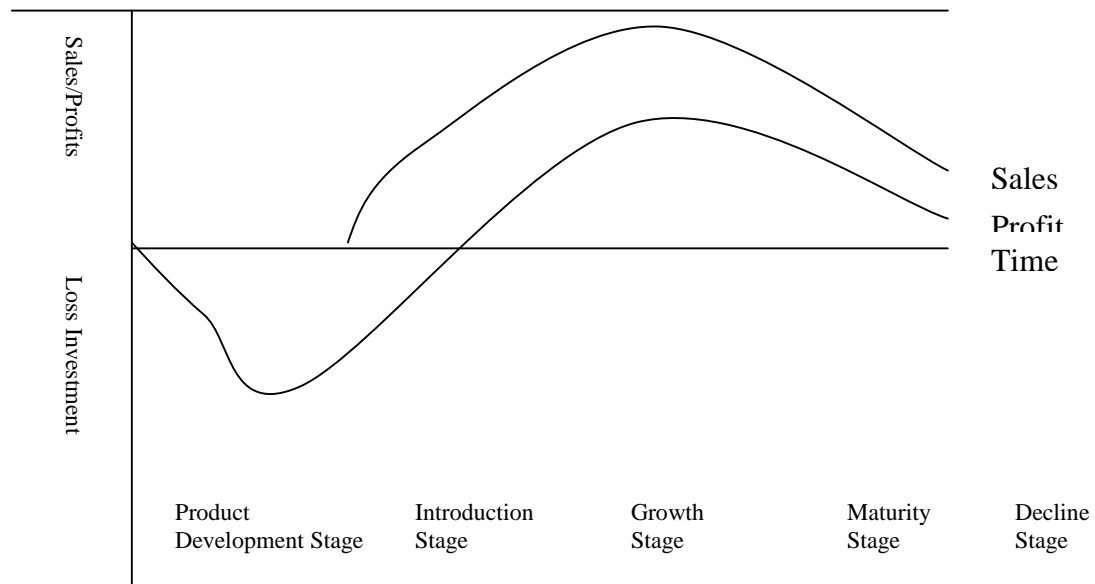
2.4.1.6 Product Life Cycle

Products, like human beings, have length of life. This has been described as life cycle in human beings and when applied to products it is called product life cycle. Like people, products go through a life cycle because at first they grow in sales and then decline. A product life cycle consists of the aggregate comprising a generic product category. Philip Kotler defines the concept of the product life cycle is to assert four things.

-) Product has a limited life.
-) Product sales pass through distinct stage, each posing different challenges, opportunities and problem to the seller.
-) Profits rise and at different stage of the product life cycle.
-) Products require different marketing, financial, manufacturing and purchasing in each stage of their life cycle.

Generally, product life cycle can be divided in four stages but Kotler divides in five stage product development, introduction, growth, maturity and decline.

Figure 2.3: Product Life Cycle



(Concept of Philip Kotler. Millennium Edition Pg.304)

Product Development Phase: This stage begins when the company finds and develops a new product idea. During product development stage, sales are zero and company's investment costs add up.

Introduction stage: This is the stage at which the new product is launched in the market. The marketing objective is to create product awareness and induce trial among consumers. This is a period of slow sales growth competition and slightly lower prices. The marketing objective is to increase market share and the company's sales increase rapidly.

Maturity Stage: This is the period of a slowdown, stable profit, middle majority customers, intense competition and minimum prices in sales growth because the product has to achieve stabilize profits and defend market share of decline because of increased competition.

Decline Stage: This is the last and most crucial stage. In this period, the sales are declining, declining profits, laggard customers, declining competition and increased process. The marketing objective is to survive and make some profit and eventually withdraw from the market.

Thus, marketers should carefully and properly manage the product life cycle, introduction, modification and termination of products.

2.4.1.7 Product Mix and Line Strategies

Product Mix Strategies: Marketing is concerned with satisfaction of buyer's needs and wants. In order to meet buyer's needs and wants, an organization has to develop, modify, change and maintain an effective product mix. Product mix strategy involves decisions regarding product width, product length, and product depth and product consistency.

- i. Product Width:** Product width refers to the number of product lines the organization handles. Modification of the product width will involve an addition of a new line.
- ii. Product Length:** Product length refers to the total number of product items that the organization handles. Modification of the product line is possible by adding or deleting a new product item.
- iii. Product Depth:** Product depth refers to the number of product versions (designs, styles, brands) the organization handles under a

product line. Product depth can be modified by simply adding or deleting a product version under any of the product lines.

- iv. Product Consistency:** Product consistency refers to the closeness of various product lines in the term of the consistency factors, such as end uses, production process, technology and distribution networks. Production consistency can be enhanced by adopting one or more common factors by the various product lines.

Product Line Strategies: Product line strategies are formulated and implemented through an analysis of sales and profits of each product item in the product line. The sales and profit analysis involve an analysis of the sales and profit contribution of each product item in the total product line profit. The line manager evaluates the current sales and profit growth rates and future growth potentials to take strategic decision on the product line. The product line strategy involves four basic decisions line length, line modification, line featuring and line pruning.

Product Line Length: Product line length decision involves decision on line expansion, line contraction and trading up and down.

i. Product line expansion:

Product line expansion is a major activity of most of the ongoing business organization. Line expansion involves addition of product items or product versions on the current product lines. Product lines expansion is mainly targeted at making a profit out of production and/or marketing of a new product item.

a. Line Strategy: Product line strategy is implemented in relation to price lining policy of the organization. It is also known as the trading up and price

range for its various product items in a product line. Line strategy is practiced in three ways:

Stretching downward, stretching upward and stretching both ways.

b. Line Filling: Line filling involves introducing a new product item to plug a gap in the current product line. Such a strategy is normally adopted by organizations who want to be a full line manufacture.

ii. Product Line Contraction or Pruning: Product line contraction or pruning is highly essential to maintain an optimum line length. Optimum line length can only give the organization maximum sales and profits. Product line is reduced by dropping the production and marketing of product items. When product items lose money it is naturally dropped from the product liner. But sometimes profitable product items are also pruned from the product line because it does not fit into the organization's product mix.

iii. Product Line Modernization: Product line modernization is an essential and regular process in every organization. Every organization needs to update its product lines in terms of new technology, market demand and competitive pressures. Product line modernization involves redressing the current product line through adoption of a new technology and production process, re-designing the product to modify its styles and packaging and launching a new advertising theme to promote the products.

iv. Product Line Featuring: Product line featuring involves introducing a low-priced or a high priced product item to attract a specific group of consumers. Low-priced items are introduced to attract large number of buyers to the organization's products. Line featuring is mostly a cosmetic strategy as the goal is to attract specific consumer groups rather achieve actual sales.

2.4.2 Pricing

Generally, price is what customers pay for in terms of what they get. It is the exchange value of goods or services in terms of money and other item of value what is exchanged. It has various name i.e. rent, commission, fee, salary and wages, taxes etc. Kotler and Armstrong (1997) define, "Price is the amount of money charges for the values consumer's exchange for the benefits of having or using the product or service".

The pricing decisions on policies in marketing program implementation are in the area of selecting pricing objectives and adopting a method of price determination. Price mix includes activities such as analysis of competitors' price, formulation of pricing objectives, setting the price, determining terms and conditions of sales, discounts and commission etc.

Pricing Policy and Strategies:

Pricing is the most important element of marketing mix that requires that marketer to achieve both target market and marketing objectives. Pricing policy and strategies are the guidelines and used to effectively guide pricing decisions to match target market condition. There are a wide range of pricing policies and strategies available that is classified into various categories. They are as follows:

I. Geographical Pricing Policies and Strategies

Geographical pricing involves the company in deciding how to price its products to different customers in different location and countries. The distance between the sellers and the buyer is considered in geographic pricing. The geographical pricing entails reduction for transportation cost or

other costs associated with the physical distance. The buyers and sellers or a seller must consider for freight costs entailed in shipping the product to the buyers. The following are five geographical pricing strategies for this hypothetical (Philip Kotler and Gray Armstrong, 1997).

- a. **F.O.B. Pricing:** F.O.B. Pricing is used for transportation term, which means, "Free On Board" some vehicle at some place. In the F.O.B. pricing the buyer will have to pay the cost of transit and F.O.B. destination. It is used with the place named after the location of the seller's factory or warehouse, as in F.O.B.
- b. **Uniform Delivered Pricing:** The uniform delivered pricing is the exact opposite of F. O.B. pricing. This type of pricing results in a fixed average cost of transportation, some price is charged from all customers irrespective of location. "A uniform delivered pricing is the delivered price which is quoted to all buyers, regardless of their location on." In this strategy, the company includes the same price plus freight to all customers regardless of their location.
- c. **Zone Delivered Pricing:** Zone delivered pricing is regional pricing that is adjusted for major geographic zones as the transportation cost increases. The zone pricing includes average transportation costs for delivery to various zones, "Zone pricing means making an average freight charge to all buyers within specific geographic areas" (E.J. McCarthy and W.D. Perreault, 1987).
- d. **Freight Absorption Pricing:** Freight Absorption pricing means absorption freight cost so that a firm's delivered price meets the nearest competitors. The freight absorption pricing in a certain all or part of the actual freight charge in order to get the business.

- e. **Base-Point Pricing:** Base point pricing is a geographical pricing that includes the pricing at the factory plus freight charges from the base point nearest the buyer. "In the base point pricing, the seller selects some city as a basing point and charges all customers the freight cost from that city to the customer location regardless of the city from which the goods are actually shipped.

II. Discount and Allowances Pricing Policies and Strategies

Discount and allowances mean a deduction from the base or list price. The deduction may be in the form of a reduced price or some other concession such as free merchandise. Most of the companies follow the discount and allowances.

Pricing strategies to reward customers for certain response for early payment volume, and off-season buying following are several discounts and allowances.

- a. **Quantity Discount Pricing:** It is a price reduction to those buyers who buy a large volume. It provides incentive to the customer to order more from some seller. There are discounts offered to encourage customers to buy in larger amounts.
- b. **Functional or Trade Discounts Pricing:** a function or trade discount is a price reduction given to channel members, retailers and wholesalers for the job they are going to do.
- c. **Cash Discount Pricing:** Cash Discount is reduction in the price to encourage buyers to pay their bills quickly within a specified period of time.

- d. Seasonal Discount Pricing:** It is a price reduction to buyers who buy goods or services that are out of season.
- e. Forward Dating:** Forward dating is a reduction both seasonal and cash discounts.
- f. Promotional Allowances Pricing:** There are price reductions granted by a sell in payment for promotional services performed by buyers.
- g. Trade - Allowances Pricing:** It is a service reductions granted for turning in an old item when buying a new one.

III. Discriminatory Pricing Policies and Strategies:

The discriminatory pricing is charged in several forms which are customer's segment pricing, product, location pricing and time pricing. In this strategy companies often charge different prices on the basis of their basic prices to accommodate for different in customer, product and location and so on.

IV. Product - Mix Pricing Policy and Strategy:

This policy and strategy is used when a product is part of the product mix. Philip Kotler defines as, " Price setting logic must be modified when the product is part of a product mix." In this case the firm searches for a set of prices that maximizes profit on the total mix. Pricing becomes difficult when the various products have demand and cost interrelationship is subject degrees of competition. The following are distinguishing six situation involving product mix pricing.

- a. Product - Line Pricing:** Price relationship is established for product items in a product line. The product items are interrelated when there is demand and cost interrelation between products. Companies normally develop product line rather than single products.

- b. Optional Feature Pricing:** Separate price is charged for optimal features offered. Many companies use optional product pricing - offering to sell optional, or accessory products along with their main products.
- c. Captive - Product Pricing:** Companies that make products which must be used along with a main product use captive or ancillary product pricing, such as razor blades, camera film and computer software.
- d. Two - Part Pricing:** The price is in two-part-fixed charged plus variable usage charge. The service firms often engage in two-part pricing, consisting of a fixed fee plus and variable usage fee.
- e. By - Product Pricing:** Scraps of the manufactures are known as by product. It may be useful because by income earned on the by - products will make it easier for the company to change a lower price on its main products.
- f. Product Bundling Pricing:** Sellers often bundle their products and features as a set price. Some companies might offer an option package at less than the cost of buying all the option separately. It can promote the sales of products consumers might not otherwise buy, but the combined price must be low enough to get them buy the bundle.
- g. Penetration Pricing Policy and Strategy:** A penetration price is a part of price deduction in the price of competing brands and designed to penetrate a market and produce a large unit sales volume. They try to sell in the whole market at one low price. In this strategy, many companies rather than setting a high initial price to skim small but profitable market segments other companies set a low initial price in order to penetrate the market quickly and deeply.
- h. Psychological Pricing Policy and Strategy:** Psychological pricing strategies encourage emotional buying which influence customer to

perceive the price favorably. It is based on customer price perception so as to have special appeal in certain target markets. Many customers use price of the product as an indicator or judging of quality. It is reference prices that buyers carry in their minds and refer to when they look at a given product. It has limitation to use in the market i.e. odd-even pricing, customary pricing, prestige or image price etc.

- i. Promotional Pricing Strategy:** In promotional pricing strategy, the companies temporarily price their products below list price and sometimes even below cost. "Promotional pricing strategies are often a zero-sum game. If they work, competitors copy them and they lose their effectiveness. If they do not work, they waste company's money that could have been put into longer impact marketing tools, such as building up product, quality and services or strengthening product image through advertising." Many companies follow several promotional pricing strategy such as lose leader pricing, special event pricing, cash rebates, low interest financing longer payment terms, warranties and services contracts etc.

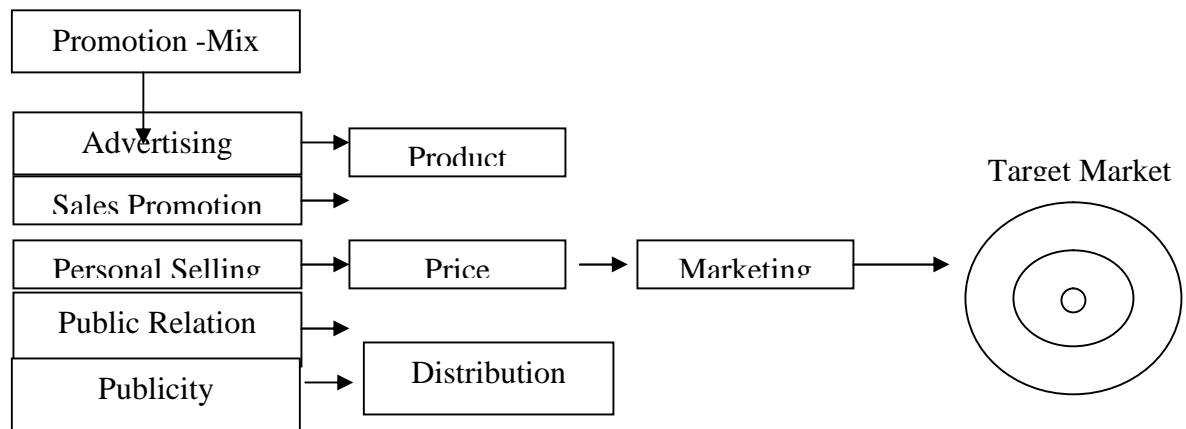
2.4.3 Promotion

Promotion is the major component of marketing program, which is concerned with products to the awareness of the consumers. It performs the major role of communicating to the buyer. Promotion can also be viewed as the management of the customer buying process of pre-purchase, purchase and post purchase. "Promotion is the communication mechanism of marketing. It involves the exchanges of information between buyers and

sellers. It informs and persuades consumers to respond the product or service being offered. "

The promotion refers to the activities to push forward or to advance in idea, in such a way to gain its approval and acceptance. Basically, promotion is an attempt to influence feelings, attitudes and behaviors of people. G. R. Agrawal (2057), "Promotion consists of activities that facilitate exchanges with target customers through persuade communication to stimulate demand". Thus, promotion stands for the various activities the company undertakes to communicate its product merits and to persuade target customer to buy them. It is to influence and encourage buyers to accept or adopt goods, services and idea or knowledge. It includes advertising, sales promotion, personal selling, public relation and publicity to popularize the use of the product in the target market.

Figure 2.4: Relation to Promotion - mix to Marketing Mix



Advertising: Advertising is the impersonal method of communicating message to prospective buyers. Thus, it is the main form of mass selling in any paid of non personal presentation of ideas, goods or services by an identified sponsor. It involves transmitting standard message to a large

number of potential receiver's. It includes print media such as newspapers, magazines, journals, pamphlet, directories and catalogs. Visual media such as outdoor poster, hoarding board, mobiles, bus poster, direct mail, novelties, audio-radio and other public broadcasting system etc. and audio-visual such as TV video and computers etc

According to W.J. Stanton (1981) as, "Advertising consists of all activities, involved in presenting to a group a non personal, oral, or visual, openly sponsored message regarding a product, service or idea."

Sales Promotion:

Sales promotion is demand stimulating activity designed to supplement advertising and facilitate personal selling. It is paid for by the sponsor and frequently involves a temporary incentive to a dealer and consumer to encourage a purchase. The main purpose of sales promotion is to stimulate consumer or dealers' promotion such as samples, coupons; cash refund offers, price off, premiums, prizes, patronage rewards, free trails, warranties, tie-in promotion, cross-promotion, point-of-purchase displays and demonstration, advertising allowances, quantity discounts, gifts and cash discounts etc.

The American Marketing association defines as, "These marketing activities, other than personal selling, advertising and publicity that stimulate consumer purchasing and dealer effectiveness, such as displays, show and expositions, demonstration and various non current selling efforts not in the ordinary routine."

Personal Selling:

Personal selling consists of executive sales through sales persons. It involves a two way or face-to-face and the phone communication process between the seller and buyer. Personal selling is the personal communication information to persuade somebody to buy something. It is the direct presentation of a product to a prospective customer by a representative of the organization selling it. It takes face-to-face or over the phone and it may be directed to middleman or a final consumer. It consists of individual, personal communication, in contrast to the mass, impersonal communication of advertising, sales promotion and other personal tools.

Public Relation:

Public relation encourages a wide variety of communication efforts to contribute to generally favorable attributes and options towards an organization and its products. They are a broad set of communication activities, which are used to create and maintain favorable relationships with customers, government officials, press and society. It is achieved through effective personal relationships, presentation of a good corporate image, social responsiveness and charity work.

Public relation is good relation with the company's various publics by obtaining favorable publicity building up a good corporate image and handling or heading off unfavorable rumors, stories and events.

Publicity:

Publicity is non-personal communication in news, story form regarding an organization or its product that is transmitted to a mass media at no charge. The important differentiating characteristics of publicity is that it always

involves a third person, such as a newspaper reporter, or editor, who has the ultimate power to determine the nature of the message. It includes magazine, newspaper and radio and TV news stories, about new retail stories, new product, or personal changes in an organization. An organization does not pay for the publicity and it should never be viewed free communication. "Publicity is communication in any news story form about the organization and its product that is transmitted through the mass media. It is achieved through the publications of the future articles, a captioned photograph and press conferences (Koirala, 2057).

2.4.4 Distribution

Generally, distribution is concerned with the activities involved in transforming good from producer to customers and consumers. It makes goods available from one place to another place. " Distribution is concerned with the carious activities necessary to transfer goods from the producer to consumer or user. It includes not only physical activities, such as the movement and storage of goods, but also the legal promotion and financial activities involved in the transfer or ownership" (Stanton, Etzel and Walker, 1994).

It is the delivery of products of the right time and right place. The distribution mix is the combination of decision relating to marketing channels, warehouses facility, inventory management, location and transportation etc. After the products are produced, producers must distribute or supply these products to the target market; in most of the case products

follow several methods: middlemen or channels of distribution and physical distribution through distributed goods and services to the consumption point.

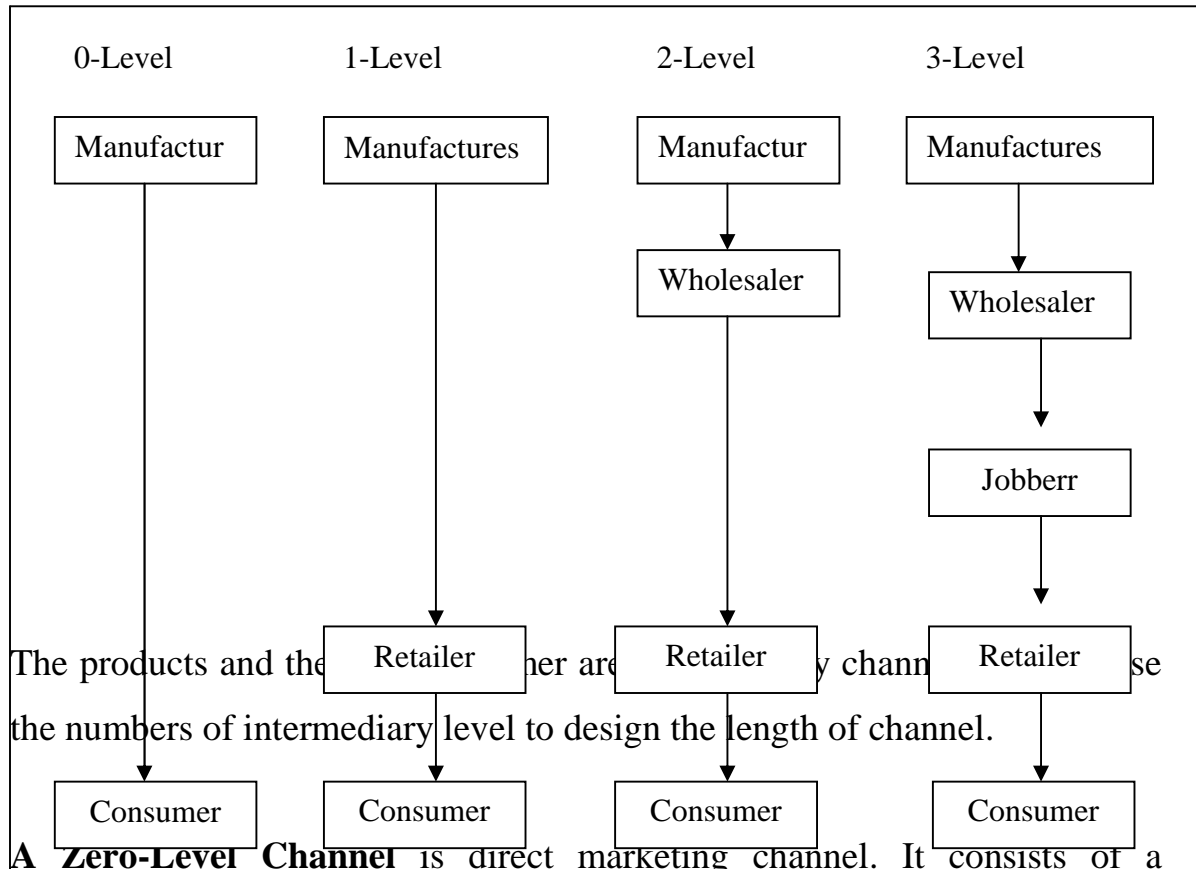
Distribution deals with two aspects of movement marketing or distribution channels and physical distribution.

2.4.4.1 Channel of Distrubution

Actually, marketing channels are the distribution networks. Products follow to the market through the distribution networks. Thus, marketing channels is a path traced in the direct or indirect transfer of ownership to a product or moves from a producer to ultimate consumer. "Distribution channels are set of interdependent organization involved in the process of making a product or services available for use or consumption by the consumer or industrial user" (Philip Kotler and Armstrong, 1997).

It is traveled by the ownership of product or they move from point of original to point of final consumption. It consists of the set of people and firms involved in the transfer of little to a product or the product moves from the final customer for the product in its present as well as any middlemen such as retailer and wholesaler" (Stanton, 1981).

Figure 2.5: Structure of Consumers Marketing Channels



manufacturer selling directly to the final customers such as door-to-door sales, home parties, mail order, Tele marketing, TV selling.

A One-Level Channel contains one selling intermediary such as retailer.

Two-Level Channel contains two intermediaries; such as in consumer market a wholesaler and retailer.

A Three-Level Channel contains three intermediaries such as wholesaler, jobber and retailer.

In the consumers market, generally, three most are wholesaler and retailer.

In the consumer market is commonly used the following channel structure.

Manufacturer - Wholesaler - Retailer channel, because most of the consumer products are being used or consumed by many different individuals/people.

Manufacturer: Manufacturer means organizer or producer who produces of goods or services. The organization that identifies a consumer's need and problems, a service on product from raw materials, parts or worker to satisfy that need.

Wholesaler: A wholesaler is a firm whose main functions are providing wholesaling activities. It includes all activities involved in selling goods and services to their buying for retails as business use. Wholesaling is concerned with the activities of those person or establishment which sell to retailers and other merchants or industrial, institutional and commercial users, but who do not sell in large amounts to final consumers.

Wholesalers may perform certain function for both their supplier and wholesaler's own customer. Thus, wholesalers purchase goods in large number of quantities from producers and resale them to retailers, industrial, institutional and commercial user in small lots.

Retailer: A Retailer is a business enterprise that sells primarily to household consumers for non-business use. It includes all activities directly related to the sale of good or services to the ultimate consumer for personal, non-business uses. Thus, retailing is selling products to ultimate consumer for their personal or household use. Retailing is all the activities involved in

selling goods or services directly to final consumers for their personal, non-business use.

Retailing covers all the activities involved in the sale of products to final consumers. Thus, the retailer buys a product from wholesaler or producer and sale in small quantities to the ultimate consumer.

2.4.4.2 Physical Distribution

Physical distribution is a component of distribution mix. It is concerned with the management of physical flow of goods from the point of suppliers to the points of purchasers. "Physical distribution involves planning, implementing and controlling the physical flow of goods that consists of all the activities concerned with moving the right amount of the right products to the right place at the right time.

The physical distribution comprises five major activities such as transportation, warehousing, inventory management, material handling and order processing.

a. Transportation:

Transportation is delivered products from the place of production to the place of consumption points. It contributes place utility to the product. The choice of carriers affects customers' satisfaction. In shopping goods to its warehouse, dealers and customers, the company can choose five transportation modes i.e. rail, water, truck, pipeline and air.

Transportation is the marketing function of moving goods and it involves time and place utility. Transportation is the element of the physical

distribution system that links, geographically separated markets and facilities. Management must decide the form of transportation to use and the particular carriers.

b. Warehousing:

Warehousing is marketing activities that concern storage the products. It contributes time utility by providing products as and when demanded warehousing decision needed to service customer demand.

Warehousing design and operation of facilities for storing and moving goods, is an important physical distribution function, warehousing provides time utility by enabling firm to compensate for dissimilar production creates a greater stock of goods than can be sold immediately or companies may stock the goods in the surplus goods in the warehouse until customer's are ready to buy.

c. Inventory Management

Inventory management regulates product supply in right quantity, right time and right size. Inventory levels also affect customer's satisfaction and they add quantity utility to the product. Marketers would like their companies to carry enough stock to fill all customer orders right away. However, it costs too much for a company to carry that much inventory. "Inventory decisions involve knowing when to order and hoe much to order when to order, the company balances the risk of running out of stock against the costs of carrying too much".

Inventory decisions are concerned with balancing the costs of carrying inventory, ordering products from suppliers and controlling other inventory costs to achieve a designed level of consumer satisfaction.

d. Material Handling:

Material handling is called the handling of goods; it is activity that is important in inventory, warehousing and transportation. It is important in efficient warehouses operation as well as transportation from points of production to points of consumption. Production and technique should be increased to the usable capacity of a warehouse, which helps reducing the number of time and goods, by material handling. "Material handling is an equipment of physical handle products. Proper equipment can minimize losses from breakage, spoilage and theft efficiency equipment can reduce handling costs as well as the time required for handling.

e. Order Processing:

Order processing is the first stage in a physical distribution system of the receipt and transmission of sales order information. It constitutes the communication linkage that stimulates a physical distribution system into action. It regards to all activities involved in collecting, checking and transmitting sales order information. "Order processing is a part of the physical distribution that should include provision for billing, granting of past-due account.

2.5 Review of Related Studies

2.5.1 Review of Journal and Articles

Review on a case study of Sunsilk's strategy for cashing in on how women feel about their hair (The Boss, 2007 15 Dec), the main findings of these studies are the success of Sunsilk is based on understanding women and their problem and advertising these through new, highly effective products. The other factor of success is to gain real consumers insights to launch products that consumers actually want, supported by insightful advertising that talks to consumers in their own language globally. Continuous study, listening carefully to consumers, observing how they live, how they behave and feel, what products they used and what hair issues they have are other important factors of Sunsilk brand to get position in market. In conclusion, to understand customer's feelings, to provide quality product, with effective promotion and reasonable price are the key factors to hold the position in market.

2.5.2 Review of Thesis

Kayastha Umesh (2005) in his study on "**Brand Loyalty on Consumer Product**" had conducted on a panel of 300 consumers of kathmandu valley. Survey method was used for this study. The survey was conducted on the household purchase, purchased of low involvement good such as soap, shampoo, toothpaste, mineral water and hair oil. Kayastha has focused on three variables mainly sex variable, age variable and income variable. Based on it he has studied five consuming product of low involvement good. Among these five products researchers has reviewed on shampoo, which is related to these study. These following findings are found on studies.

- a. Male and female are found to have equally loyal. There are no differences in brand loyalty between male and female.

- b. Most of respondent are found to have undividedly loyal in case of shampoo. This study indicates that, they are brand conscious.
- c. Greater percentage of respondent group was found to have undividedly brand loyal.
- d. Advertising campaign is found to be the dominant factor for brand switching.

Silwal B. Yam (2005) in his study in **Current Market Position of Toothpaste in Nepal** was conducted on a panel of 300 consumers, 100 retailers and 6 distributors. The findings of this study are as follows:

- a. Market position of consumer product promotional tools play vital role. Basically, he has focused in electric media.
- b. Consumers are not loyal for any particular brand. So, consumers are not clear about quality and ingredients of the product, which is good for them.
- c. Product is extra ordinary than other brand or something different. This can be done by effective advertising.

Pokharel Ramesh (2006) in his studies **The Role of Television advertising and its impact on consumer behavior** was conducted on a panel of 200 real consumers. The main objectives of this study are to find out present situation of advertising of NTV to the type of consumer preferred by consumer and to examine the perception of different group of people. Therefore, the researcher has viewed only the related topic on advertising. The findings of this study are as follows:

- a. Most people of level watch television and they try to get more information of advertisement.

- b. Repetition of advertisement attracts the attention of consumer.
- c. Advertisement influences the consumer to buy product.
- d. People of different age group and education level prefer different type of advertisement like entertaining, good wording etc. So, while making advertising things all things should be kept in the mind.

R.K. Shrestha in his study "**The role of advertising in brand choice and product positioning: in reference to soft drink and instant noodles**" was conducted by in 1997 T.U. The basic objectives of the study were:

- a. To analyze the effectiveness of advertising on brand choice of consumer product and
- b. To evaluate the role of advertisement in product positioning from the consumer perspectives.

The study was conducted by primary database and the data were collected from survey research design with the help of structured questionnaire. For the study was taken mainly the consumer's age of 17-40 years. The main findings of the study are as follows:

- a. Advertisement is the important promotional tools and major factor in soft drink. And instant noodle business and consumer's perception on it also found well.
- b. Verities of brand and product of soft drinks and noodles are available in the market with different price.
- c. TV advertising is most popular media and FM is also becoming popular.
- d. Advertisements are the means of sales promotions and consumers get knowledge about marketers through it.

L.P Baral in his study “**A comparative study on the communication effects of advertising and brand preferences: A Case study of instant noodles YUM YUM**”. Carried out in 1966 T.U. focused on the relation between the advertising and brand performance. Main objectives of the study were:

- a. To examine the effectiveness of advertising of the Rara and Yumyum noodles.
- b. To examine the popular media of advertising in case of instant noodles.
- c. To know the strengths and weakness of advertisement of instant noodles.

The study was based on primary data collected from survey research design with help of structured questionnaire. The main findings of the day are as follows:

- a. Rara instant noodle is not more significant in regard of quality advertisement than yumyum.
- b. A large number of consumers of are informed by various advertisements about the brands of noodles.
- c. The advertising expenditure of yumyum instant noodles is decreasing but the sales volume is increasing every year where as the advertising expenditure and the volume of sale is almost constant of Rara instant noodles.

CHAPTER- III

RESEARCH METHODOLOGY

3.1 INTRODUCTION

Research methodology is the main body of the study; it is the way to solve about research problem systematically. Therefore, research methodology is the research method on use through the entire study. In other words, research methodology is the process of arriving at the solution of problem through planned and systematic dealing with collection, analysis and interpretation of the fact and figures.

In the context of marketing “Marketing is the principle revenue generating activity while, other is revenue consuming. Marketing research mainly deals with production and distribution problems, marketing institutions, marketing policies and practices. It is better established than production research part because of not closely interwoven with technology. It covers the issues like production planning development, pricing, promotion and distribution” (Joshi).

3.2 Research Design

The research design adopted for this study is descriptive based on survey study. This study mainly aims to find out market position shampoo in Kathmandu valley. Therefore, the survey research design is adopted for the study. The data information collected from the survey are rearranged, tabulated, analyzed and interpreted according to the need of the study for attaining the stated objectives.

This study is an exploratory study. This study mainly aims to find out market position shampoo in Kathmandu valley. Therefore, the survey research design is adopted for the study. To fulfill this purpose, related information from different aspects is collected through the structured questionnaire.

3.3 Nature and Sources of Data

The researchers use types of sources of data collection.

- a. Primary Data
- b. Secondary Data

The primary data are those which are collected fresh and for the first time, and thus happen to be original in the character. The secondary data on the other hand are those which have already been collected by someone else, passed through the statistical process. For this study, most of the data in this study are primary in nature. Some secondary data has been also used for the purpose of the study. These primary data required for the study are collected from consumers of valley.

3.4 Population and Sampling

All consumers of related products in Kathmandu valley are population of the study. It has almost impossible to include the whole population in the study. Therefore, out of this population, only 125 consumer and 25 retailers' samples are taken for this study. The purposive technique is applied as sampling method.

3.5 Method and process of Data Collection

Structured questionnaire is used to collect the primary data from the respondents. Personal interview is conducted with the respondents with help of the questionnaire.

All consumers of related products in Kathmandu valley are population of the study. This is self-administrative interview. It has not possible to include the whole population in the study. Therefore, out of this population, 200 consumer and 50 retailers' samples are taken for this study but 50 consumers and 15 retailers were incomplete answer and 25 consumer and 10 retailers are not awareness of the shampoo product. So for research, only 125 consumer and 25 retailer's samples are taken for study. The purposive sampling technique is applied as sampling method.

The obtained data are presented in various tables, diagrams and charts with supporting interpretations. Data are tabulated according to the nature of data.

3.6 Data Analysis

The collected data are categorized, tabulated, processed and analyzed using different methods of analysis especially descriptive analysis like absolute frequency.

1. Simple Percentage Analysis: This method is very simple method. In this method, all of the frequencies have changed into percentage. Then, describes all of the respondents on the basis of percentage.

$$\text{Percentage} X \frac{\text{No.ofFrequency}}{\text{Total No.of Re spondents}}$$

2. Arithmetic Mean: It is the sum of all the observations divided by the number of observations. In such a case, all the items are equally important. As arithmetic mean is most common and popular tools for data analysis, here in this study, arithmetic mean is used. It is computed by using following formula:

$$\text{Mean } (\bar{X}) = \frac{X}{n}$$

Where, X = Sum of all the variables

n = Variables involved

3. Standard Deviation: The standard deviation is the best tool to study fluctuation in any data. It is usually denoted by the letter sigma (σ). Karl Pearson suggested it as a widely used measure of dispersion and is defined as the positive square root of their arithmetic mean of square of the deviation of the given observations from their arithmetic mean of a set of value. Greater the magnitude of standard deviation, higher will be the fluctuation and vice versa. It can be computed by using following formula;

$$\text{S. D.}(\sigma) = \sqrt{\frac{1}{n} \sum (X - \bar{X})^2}$$

CHAPTER –IV

DATA PRESENTATION AND ANALYSIS

The previous chapter incorporated introduction of study, review of literature and research methodology employed in the study respectively. This chapter incorporates data presentation and analysis. The data and information collected from the respondents are presented, interpreted and analyzed according to response of respondents on the field survey. The entire question were distributed and collected by the researcher herself. Every questionnaire was thoroughly checked after the collection of all the questionnaires distributed.

4.1 Current Shampoo Customer and Market Scenario

With rapid growth of population, the demand of basic needs human being, like food, shelter and cloths are increasing day by day. At the same time, urbanization living standard of people is in increasing trend. Due this the demand of other need like cosmetic goods, luxurious goods; home appliance goods etc. are increasing in one hand the shampoo market is increasing in Kathmandu valley. The consumers of Kathmandu valley are conscious on their beauties. More ever the advertisement has been playing crucial role to increased market position of shampoo.

Due to the awareness in urban people, the people of Kathmandu valley use other brands of shampoos as compared to herbs, soaps, etc. to wash their hair.

4.2 Market Position Study

To conduct the study in Kathmandu valley, researcher developed two types separate questioner for consumer's behaviors survey and retail survey.

The responses collected from 29 male consumers and 96 female consumers, total 125 real consumers and 25 shopkeepers. Researcher has always tried to reach more accuracy. Questionnaires were distributed on the basis of sex, age, income level, education and profession. That can represent the population for purposive samples.

Collected responses are converted in several tabular forms and analyzed in different aspects, which the study needs.

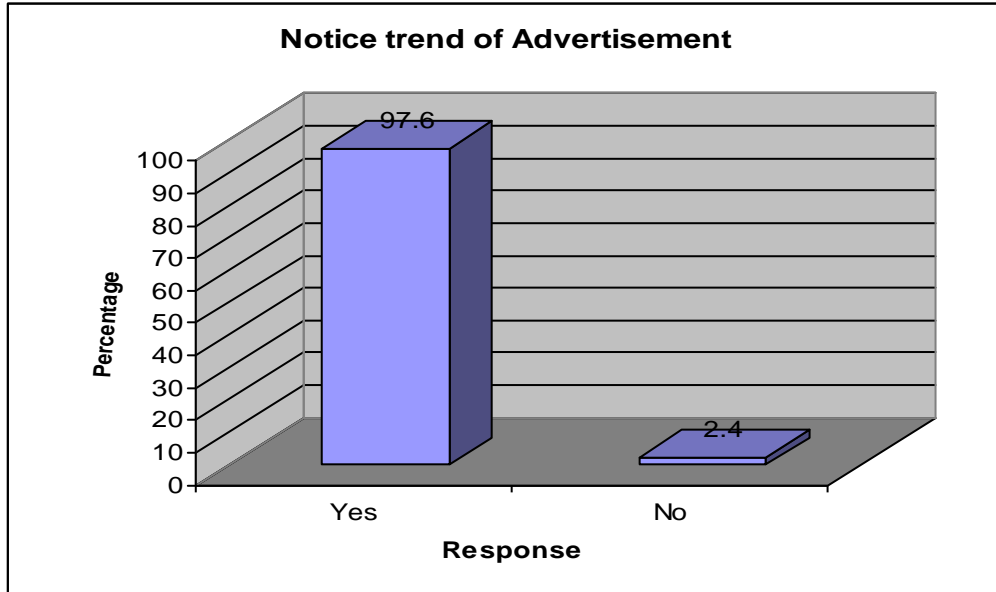
In this study, researcher has taken less number of male respondents than female respondents who are more conscious to use shampoo than male. So, researcher has given priority to the female respondents.

Table 4.1: Notice Trend of Advertisement

Response	Frequency	Percent
Yes	122	97.6
No	3	2.40
Total	125	100.0

Source: Field Survey, 2010

Figure 4.1



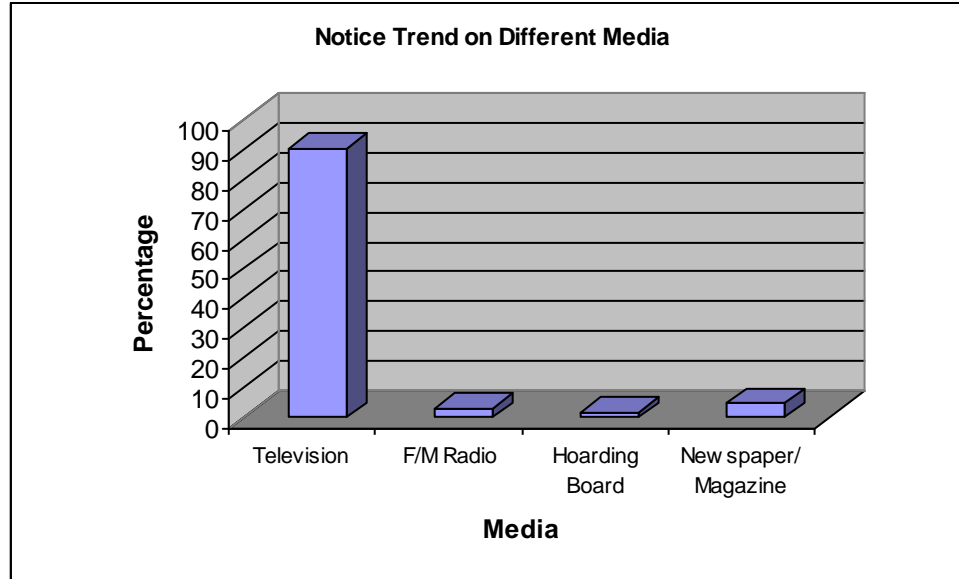
The above table and chart 4.1 show that 97.6% respondent notice advertisement on different media. That means almost all respondent are familiar with shampoo advertisement. Only 2.4% respondent isolate from advertisement, which is very few.

Table 4.2: notice Trend on different media

Media	Frequency	Percent
Television	113	90.4
F/M Radio	4	3.2
Hoarding Board	2	1.6
Newspaper/ Magazine	6	4.8
Total	125	100.0

Source: Field Survey, 2010

Figure 4.2



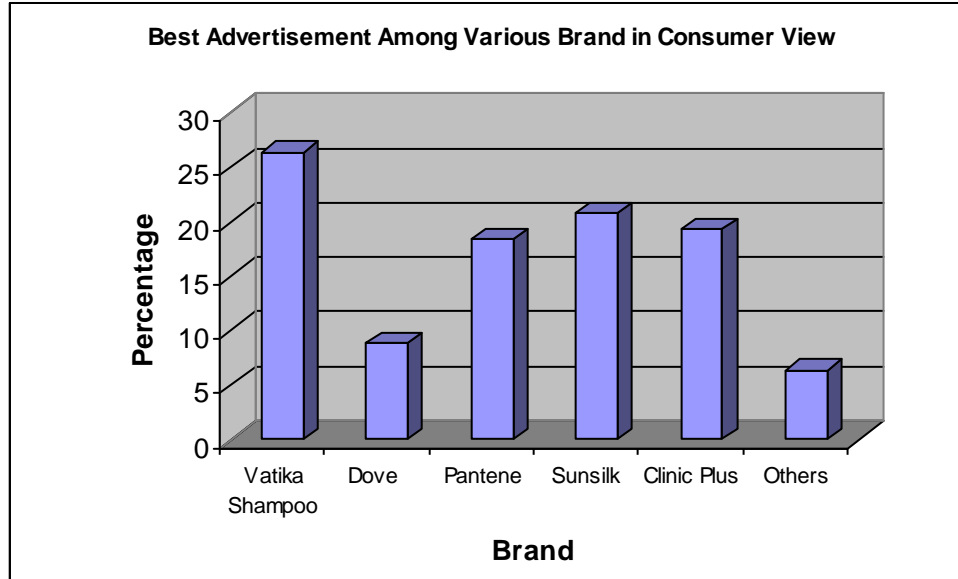
The above table and charts 4.2 show that 90.4% respondent notice advertisement on television. 4.8% respondent notice on newspaper and 3.2% respondent notice on FM/ radio and 1.6% respondent notice on hoarding board.

Table 4.3: Best Advertisement among Various Brands in Consumer View

Brand	Frequency	Percentage
Vatika Shampoo	33	26.4
Dove	11	8.8
Pantene	23	18.4
Sunsilk	26	20.8
Clinic Plus	24	19.3
Others	8	6.4
Total	125	100.0

Source: Field Survey, 2010

Figure 4.3



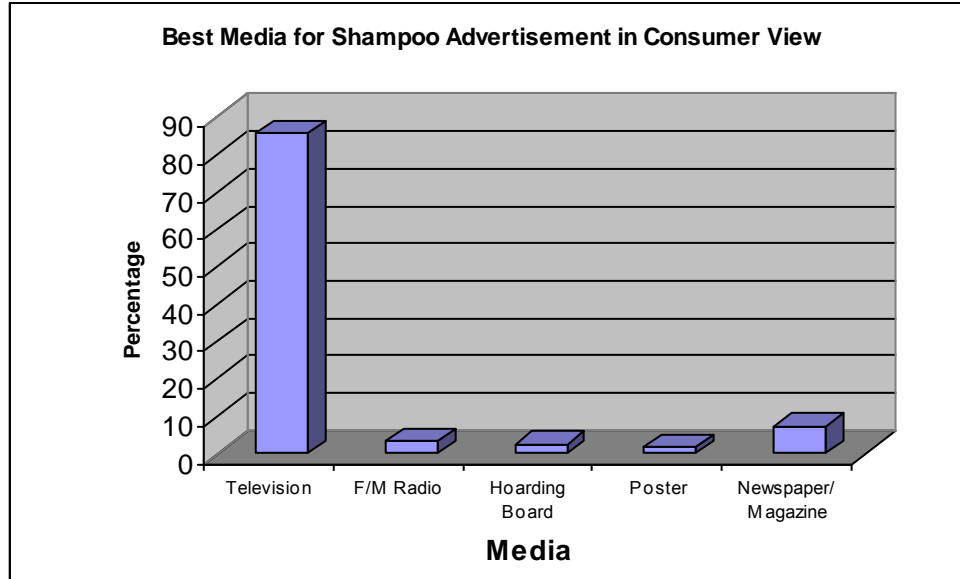
The above table and chart 4.3 show that 26.4% respondent preferred the advertisement of Dabur Vatika shampoo. 20.8% respondent prefers the advertisement of Sunsilk shampoo. 19.3% respondent prefers the advertisement of clinic plus shampoo. 18.4% respondent prefers the advertisement of Pantene shampoo 8.8% respondent prefer Dove shampoo. 8.8% respondent prefers Dove shampoo. Remaining 6.4% prefer others.

Table 4.4: Best Media for Shampoo Advertisement in Consumer View

Media	Frequency	Percent
Television	107	85.6
F/M Radio	4	3.2
Hoarding Board	3	2.4
Poster	2	1.6
Newspaper/ Magazine	9	7.2
Total	125	100.00

Source: Field Survey, 2010

Figure 4.4



The above table and charts 4.4 show that 85.6% respondent prefer television media for shampoo advertisement. 7.2% respondents prefer newspapers/magazine. 3.2% respondent prefers fm radio and 2.4% respondent prefer hoarding board and 16% respondent prefer poster. This analysis shows that television is the best media for shampoo advertisement.

Table 4.5 : Use of Specific Brand of shampoo by consumer

Option	Frequency	Percent
Specific Brand	85	68.0
Any Brand	35	28.0
Don't Use	5	4.0
Total	125	100.0

Source: Field Survey, 2010

Figure 4.5



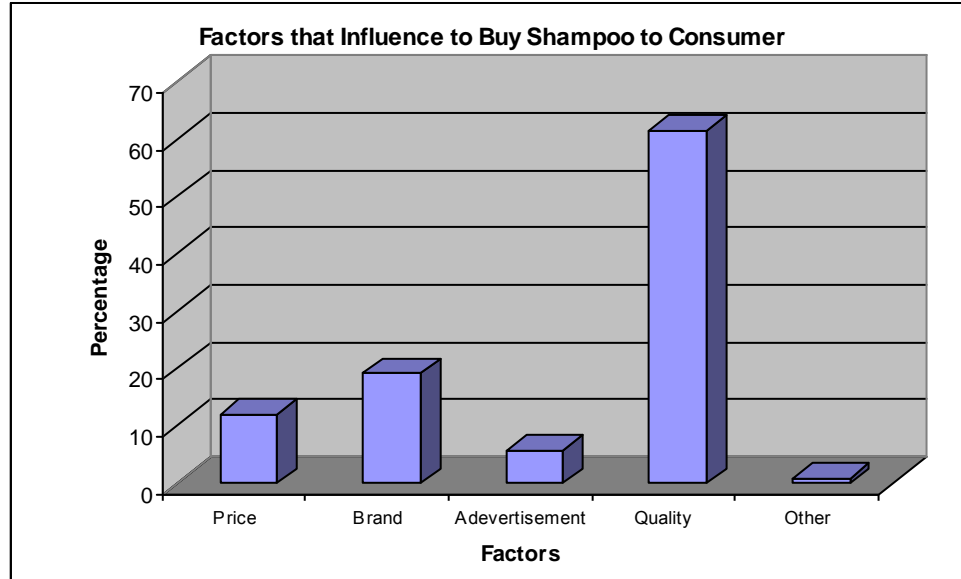
The above table and chart 4.5 shows that 68% respondent use specific brand of shampoo. 28% respondents use any available brand, 4% respondent do not use any brand of shampoo. That means most of consumers are brand loyal.

Table 4.6 Factors that Influence to Buy Shampoo to Consumer

Factors	Frequency	Percent
Price	15	12
Brand	24	19.2
Advertisement	7	5.6
Quality	77	61.6
Other	1	0.8
Total	125	100.0

Source: Field Survey, 2010

Figure 4.6



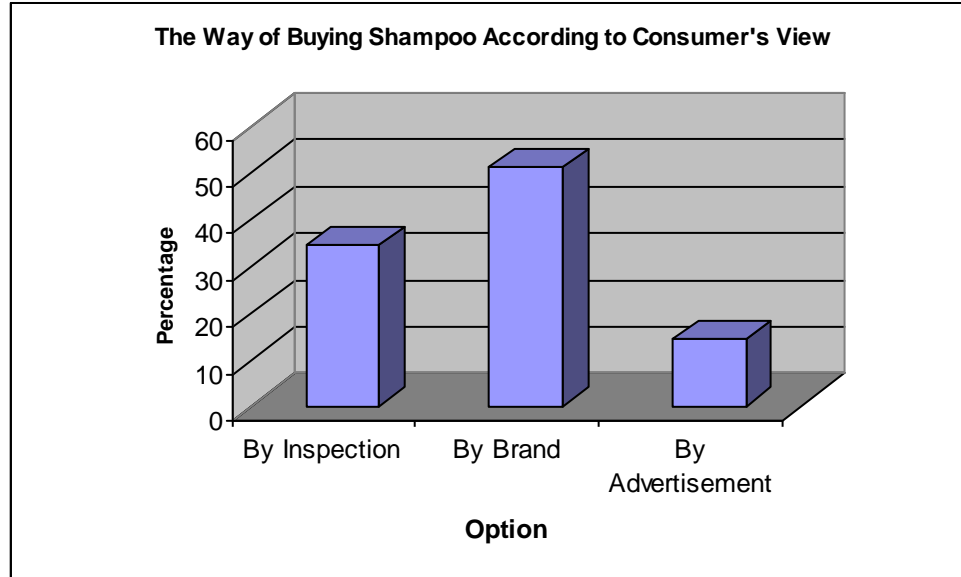
The above table and charts 4.6 show that 61.6% customer consider quality while buying shampoo. 19.2% customer consider brand. 12% customer considers price. 5.6% customer respondent influence by advertisement. This means quality is the main factor, which influence to buy the products.

Table 4.7: The Way of Buying Shampoo According to Consumer's View

Option	Frequency	Percent
By Inspection	43	34.4
By Brand	64	51.2
By Advertisement	18	14.4
Total	125	100.0

Source: Field Survey, 2010

Figure 4.7



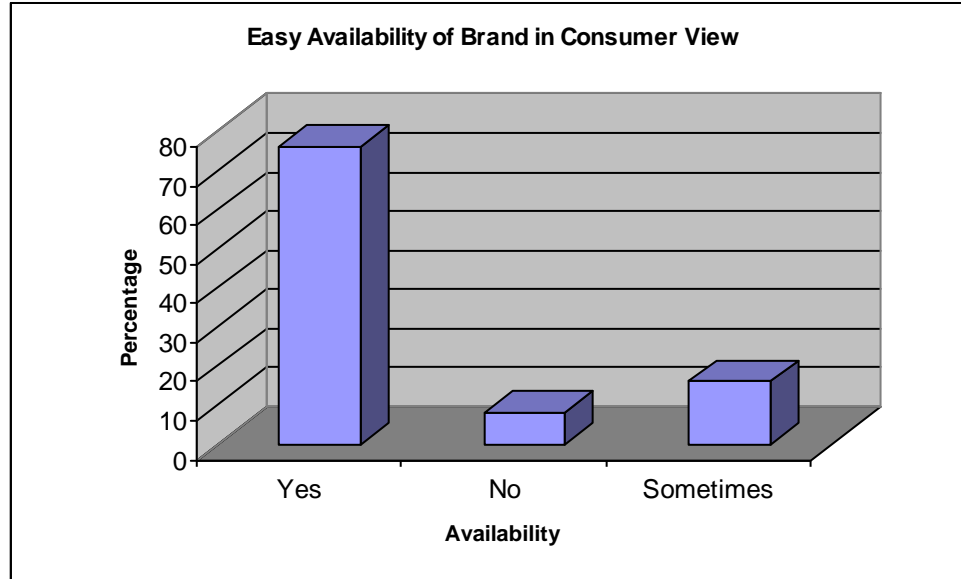
The above table and chart 4.7 show that 51.2% respondent buy the shampoo because of brand. 34.4% respondent buys the shampoo by inspection. And 14.4% respondent buys due to advertisement. This means most of the consumers are branding conscious.

Table 4.8: Easy Availability of Brand in Consumer View

Availability	Frequency	Percent
Yes	95	76.0
No	10	8.0
Sometimes	20	16.0
Total	125	100.0

Source: Field Survey, 2010

Figure 4.8



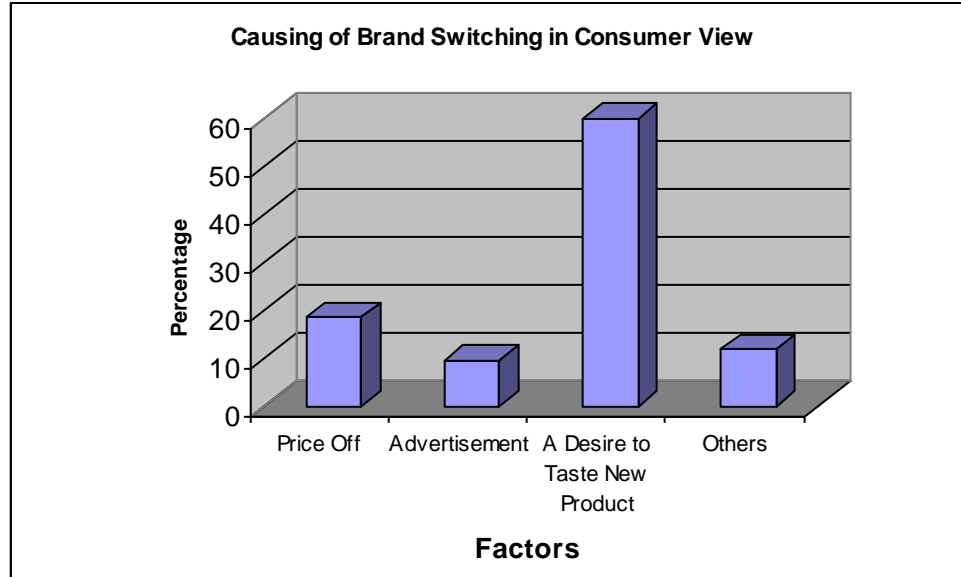
The above table and Charts 4.8 show that 76% respondent get their brand on time, 16% respondents do not get sometime. 8% respondents do not get their desire brand on time.

Table 4.9: Causing of Brand Switching in Consumer View

Factors	Frequency	Percent
Price Off	23	18.4
Advertisement	12	9.6
A Desire to Taste New Product	75	60.0
Others	15	12.0
Total	25	100.0

Source: Field Survey, 2010

Figure 4.9



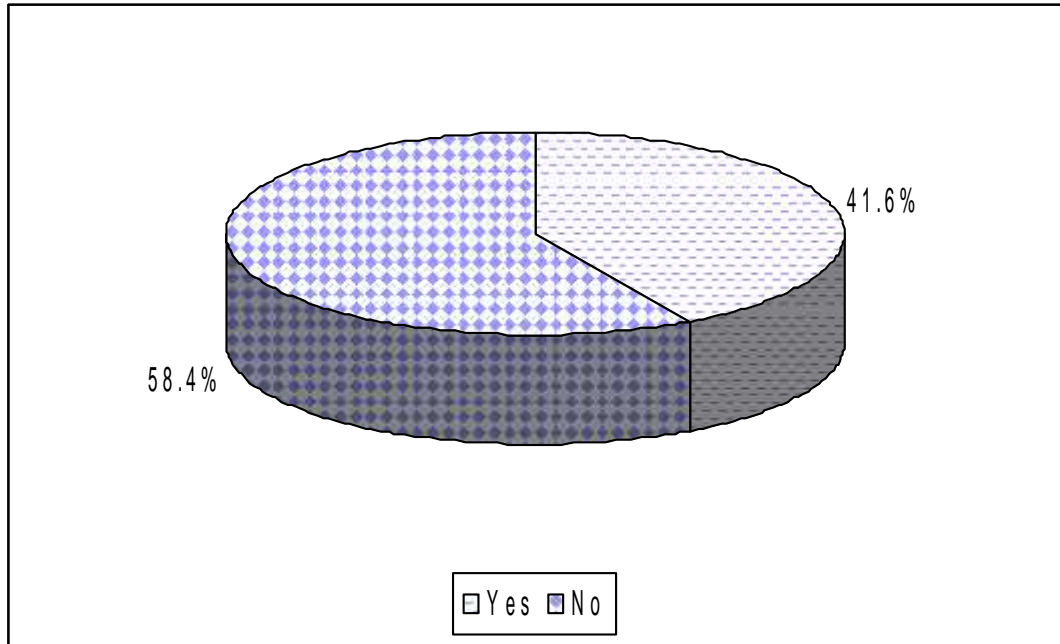
The above table and chart 4.9 show that 60% respondent switch the brand desire of testing new product. 18.4% switch the brand due to price off. 12% respondent switch by others factors such as attractiveness, availability, packaging etc. 9.6% respondent switch due to advertisement.

Table 4.10 Brand Switching Trend when Consumer are Offered

Options	frequency	Percent
Yes	52	41.6
No	73	58.4
Total	125	100.0

Source: Field Survey, 2010

Figure 4.10 Brand Switching Trend when Consumer are Offered



The above analysis shows that 58.4% respondent do not switch the brand if they offered by the competitive brand, means they are brand loyal. 41.6% respondent switch the brand when they offered by the competitive brand, means they are not brand loyal.

4.2.1 Sex and Brand Choice of Shampoo

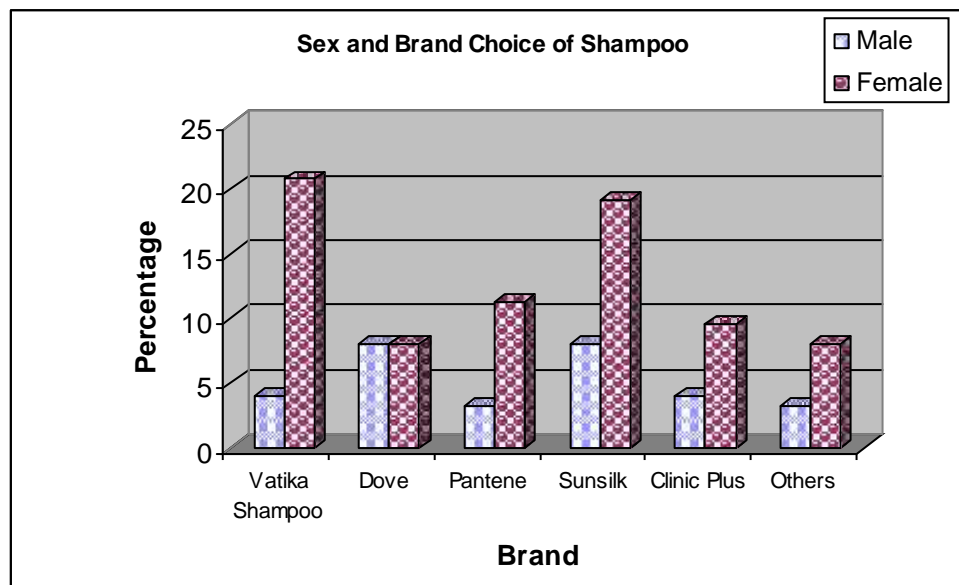
The number of respondent for this study is 125. According to response researcher has tabularized the data. Which is present in the following table. Different sex has different choice. Depending upon that researcher has tried to analyze the data. Table 11 analyzes the percentage of respondent of different brand.

Table 4.11: Sex and Brand Choice of Shampoo

Brand	Sex				Total	
	Male	%	Female	%		%
Vatika Shampoo	5	4.0	26	20.8	31	24.8
Dove	1	8.0	10	8.0	9	8.8
Pantene	4	3.2	14	11.2	18	14.4
Sunsilk	10	8.0	24	19.2	35	27.2
Clinic Plus	5	4.0	12	9.6	18	13.6
Others	4	3.2	10	8.0	14	11.2
Total	29	23.8	96	76.8	125	100.0

Source: Field Survey, 2010

Figure 4.11



The above table and charts 4.11 presents that 27.2% respondent buy the brand sunsilk, 24.8% respondents buy vatika shampoo. 14.4% respondents buy pantene, 13.6 respondents buy clinic plus, 8.8% respondents by dove shampoo in remaining 11.2% buy other shampoo like fructis, head and

shoulders, rejoice, etc. In terms of sex 76.8% female respondents and 23.2% male respondents buy shampoo. 20.8% female respondents choose Dabur Vatika Shampoo, 19.2% choose sunsilk shampoo, 11.2% respondents choose pantene shampoo, 9.6% respondents choose clinic plus shampoo and remaining 8% choose the brand dove and other brand of shampoo.

4.2.2 Age and Brand Choice

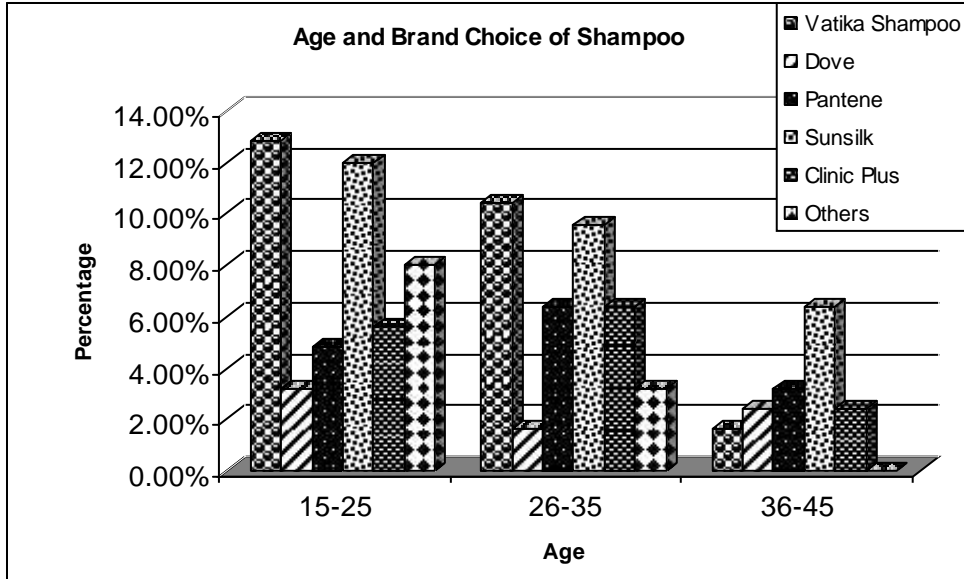
People age is one of the factors that affect their choice. The choice of young people may not preferred by the aging people. Respondent of different age group were asked to name the brand of product. The researcher has categorized the respondent in three groups. They are the age group of (15-25), the age group of (26-35) and the age group of (36-45).

Table 4.12: Age and Brand Choice of Shampoo

Brand	Age						Total	
	15-25		26-35		36-45			
Vatika Shampoo	16	12.8%	13	10.4%	2	1.6%	31	24.8%
Dove	4	3.2%	2	1.6%	3	2.4%	9	7.2%
Pantene	6	4.8%	8	6.4%	4	3.2%	18	14.4%
Sunsilk	15	12.0%	12	9.6%	8	6.4%	35	28.0%
Clinic Plus	7	5.6%	8	6.4%	3	2.4%	18	14.4%
Others	10	8.0%	4	3.2%	0	0%	14	11.2%
Total	58	46.4%	47	37.6%	20	16.0%	125	100.0%

Source: Field Survey, 2010

Figure 4.12



The above table and charts 4.12 show that the age groups of (15-25) respondent uses more shampoo, which is 46.4%. Like wise the age group of (26-35) is 37.6% and age group of (36-45) is 16%. In terms of brand choice 12.8% respondent who are in the age group (15-25) choose the brand Dabur Vatika and 12% respondent choose the brand Sunsilk Shampoo. 8% respondent chooses the Dove Shampoo. Additionally, 10.4 % respondents who are in age group (26-35) choose the brand Vatika, 9.6% choose the brand Sunsilk, 6.4% respondent chooses the brand Clinic Plus and Pantene respectively. Remaining 1.6% and 3.2% respondent choose the brand Dove and other brand respectively. 6.4% respondent who is in the age group (36-45) chooses the brand Sunsilk Shampoo. 3.2% respondent chooses the brand Pantene Shampoo, 2.4% choose the Clinic Plus and Dove Shampoo and 1.6% respondent choose the brand Dabur Vatika Shampoo.

4.2.3 Profession and Brand Choice of Shampoo

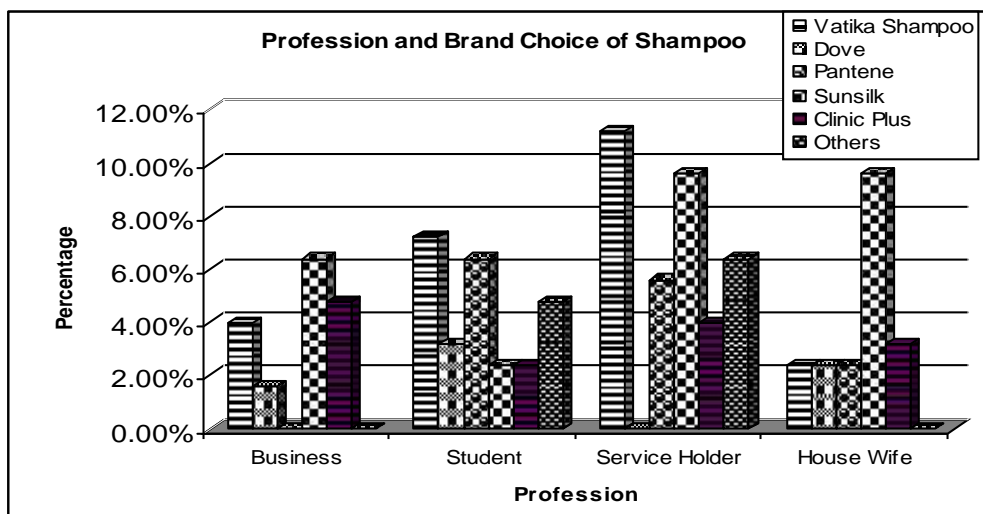
Profession can be the one factor to choose the brand. Different professions of people have different choice. Therefore, researchers have collected data from professional. According to their response data has been analyzed. Table 4.13 shows percentage analysis.

Table 4.13: Profession and Brand Choice of Shampoo

Brand	Profession								Total	
	Business		Student		Service Holder		House Wife			
Vatika Shampoo	5	4.0%	9	7.2%	14	11.2%	3	2.4%	31	24.8%
Dove	2	1.6%	4	3.2%	0	0.0%	3	2.4%	9	7.2%
Pantene	0	0.0%	8	6.4%	7	5.6%	3	2.4%	18	14.4%
Sunsilk	8	6.4%	3	2.4%	12	9.6%	12	9.6%	35	28.0%
Clinic Plus	6	4.8%	3	2.4%	5	4.0%	4	3.2%	18	14.4%
Others	0	0.0%	6	4.8%	8	6.4%	0	0.0%	14	11.2%
Total	21	16.8%	33	26.4%	46	36.8%	25	20.0%	125	100.0%

Source: Field Survey, 2010

Figure 4.13



The above table and chart 4.13 show that 36.8% service holders use different brand of Shampoo. 26.4% student, 20% housewives, 16.8% business holders buy the different brand of Shampoo. In terms of brand, 11.2% service holders buy Dabur Vatika Shampoo, 9.6% buy Sunsilk Shampoo, 6.4% buy other brand, 5.6% buy Pantene Shampoo, 4% buy Clinic Plus Shampoo, 7.2% students buy Dabur Vatika Shampoo, 3.2% buy Dove Shampoo, 6.4% buy Pantene Shampoo, 2.4% buy Clinic Plus and Sunsilk Shampoo and 4.8% buy other brand of Shampoo, 9.6% housewives buy the brand Sunsilk, 3.2% buy the brand Clinic Plus and 2.4% buy the brand Vatika, Dove and Pantene. 6.4% business holders Sunsilk, 4.8% buy the brand Clinic Plus, 4% buy Vatika Shampoo and 1.6% buys the brand Dove. This means service holder respondent has chosen the brand Vatika and Sunsilk, Student has chosen Vatika and Pantene Shampoo. Housewife has chosen Sunsilk Shampoo and Business holder has chosen Sunsilk Shampoo.

4.2.4 Education and Brand Choice of Shampoo

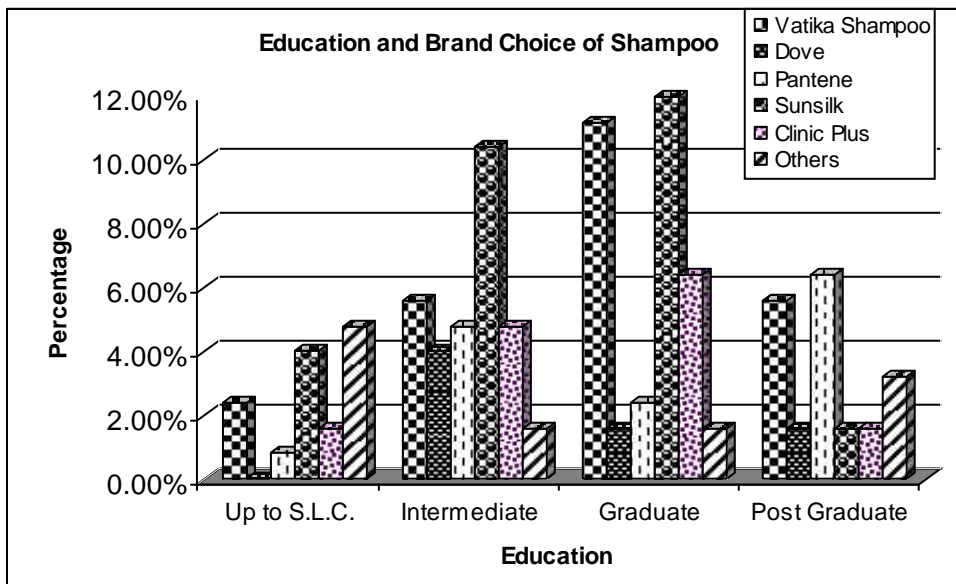
Education level is considering the factor. Different level of people buy different brand of product. Keeping this in mind, the researcher has tried to analyze the brand choice according to education level. The table 4.14 shows percentage analysis.

Table 4.14: Education and Brand Choice of Shampoo

Brand	Education								Total	
	Up to S.L.C.		Intermediate		Graduate		Post Graduate			
Vatika Shampoo	3	2.4%	7	5.6%	14	11.2%	7	5.6%	31	24.8%
Dove	0	0.0%	5	4.0%	2	1.6%	2	1.6%	9	7.2%
Pantene	1	0.8%	6	4.8%	3	2.4%	8	6.4%	18	14.4%
Sunsilk	5	4.0%	13	10.4%	15	12.0%	2	1.6%	35	28.0%
Clinic Plus	2	1.6%	6	4.8%	8	6.4%	2	1.6%	18	14.4%
Others	6	4.8%	2	1.6%	2	1.6%	4	3.2%	14	11.2%
Total	17	13.6%	39	31.2%	44	35.2%	25	20.0%	125	100.0%

Source: Field Survey, 2010

Figure 4.14



The above table and charts 4.14 show that 35.2% respondents are graduate, 31.2% respondents are intermediate, 20% respondents are post graduate and

13.6% up to S.L.C. In terms of brand choice, 11.2% graduate respondent have chosen the Vatika Shampoo, 12% have chosen Sunsilk. 6.4% have chosen Clinic Plus Shampoo. 10.4% intermediate respondent has chosen Sunsilk Shampoo. 6.4% post graduate respondent has chosen the brand Pantene.

4.2.5 Income and Brand Choice of Shampoo

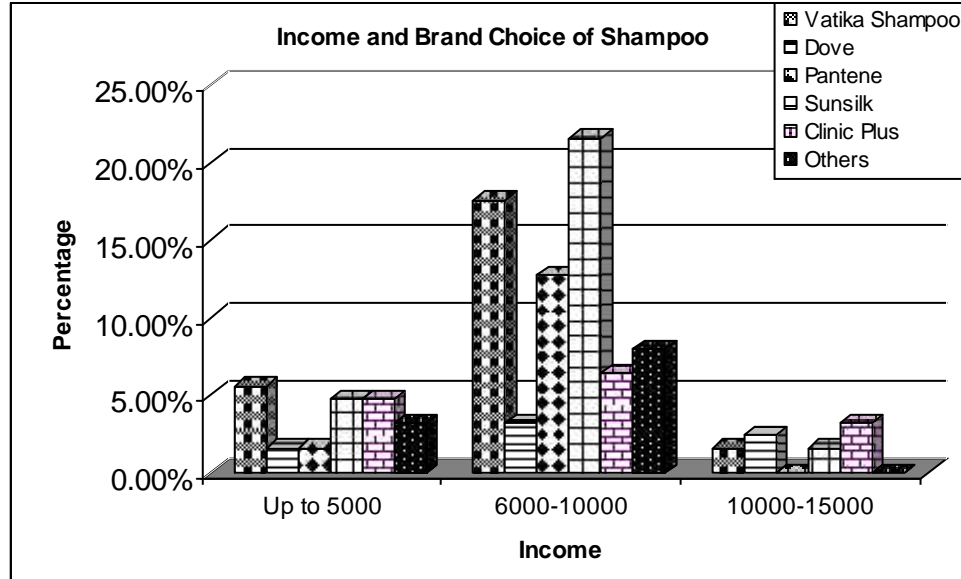
Income is considered as the major factors that affect the consumer choice. Different income levels of people have different buying habit. Therefore, the researcher has collected data from different income group of people. The table 4.15 shows the percentage analysis.

Table 4.15: Income and Brand Choice of Shampoo

Brand	Income						Total	
	Up to 5000		6000-10000		10000-15000			
Vatika Shampoo	7	5.6%	22	17.6%	2	1.6%	31	24.8%
Dove	2	1.6%	4	3.2%	3	2.4%	9	7.2%
Pantene	2	1.6%	16	12.8%	0	0.0%	18	14.4%
Sunsilk	6	4.8%	27	21.6%	2	1.6%	35	28.0%
Clinic Plus	6	4.8%	8	6.4%	4	3.2%	18	14.4%
Others	4	3.2%	10	8.0%	0	0.0%	14	11.2%
Total	27	21.6%	87	69.6%	11	8.8%	125	100.0%

Source : Field Survey, 2010

Figure 4.15



The above table and charts 4.15 shows those 69.6% respondents are in the income group of (6000-10000). 21.6% respondents are in the income group of (0-5000) and 8.8% respondents are in the income group of (10000-15000). In terms of brand, the respondents who are in (6000-10000) have chosen Sunsilk Shampoo which is 21.6% like wise 17.6% respondent has chosen Vatika Shampoo. 12.8% respondent has chosen Pantene Shampoo, whereas, 4.8% respondents who are in the income group of (0-5000) have chosen the brand Sunsilk and Clinic Plus. Additionally, 3.2% respondents who are in the income group of (10000-15000) have chosen the brand Clinic Plus.

4.3 Consumer Behavior Regarding Dabur Vatika Shampoo

The researcher has tried to study the consumer behavior specially on Dabur Vatika Shampoo. Which Dabur Vatika Shampoo preferred by customer, how do they compare the price of Dabur to others, what they do if Dabur Vatika

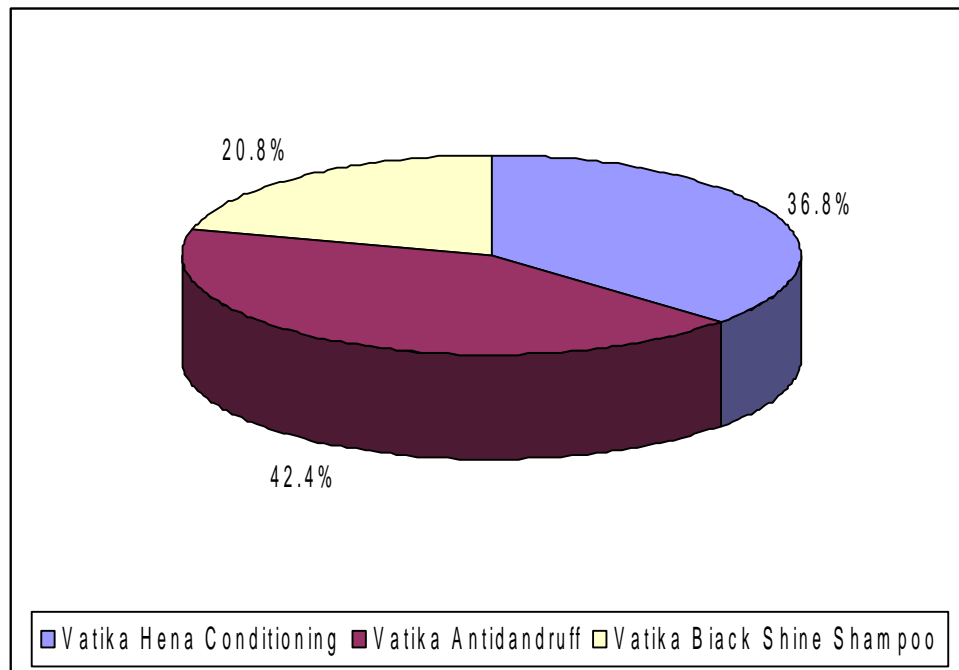
Shampoo is not available, are they loyal or not towards the brand Dabur?
etc.

Table 4.16: Dabur Vatika Shampoo Prefer by Consumer

Option	Frequency	Percent
Vatika Hena Conditioning	46	36.8
Vatika Antidandruff	53	42.4
Vatika Black Shine Shampoo	26	20.8
Total	125	100.0

Source : Field Survey, 2010

Figure 4.16: Vatika Shampoo Prefer by Consumer



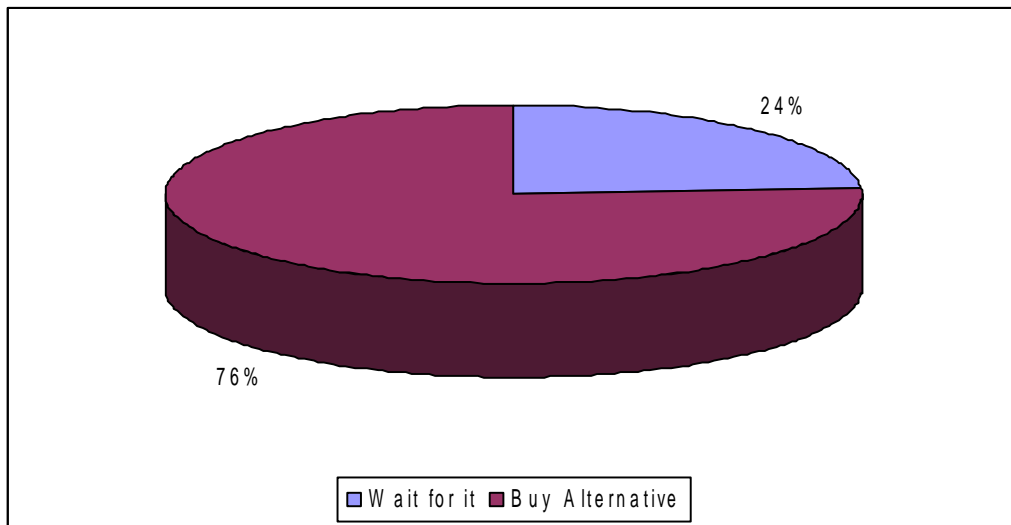
The figure and charts 4.16 show that 42.4% consumer use Vatika Anti-Dandruff Shampoo, 36.8% consumers prefer Vatika Heena Conditioning Shampo and 20.8% consumer prefer Vatika Black Shine Shampoo. This means most of the consumers prefer Vatika Anti-Dandruff Shampoo.

Table 4.17 : Consumer view when Dabur Vatika Shampoo is not available

Option	Frequency	Percent
Wait for it	30	24.0
Buy Alternative	95	76.0
Total	125	100.0

Source : Field Svrvey. 2010

Figure 4.17 : Consumer view when Dabur Vatika Shampoo is not available



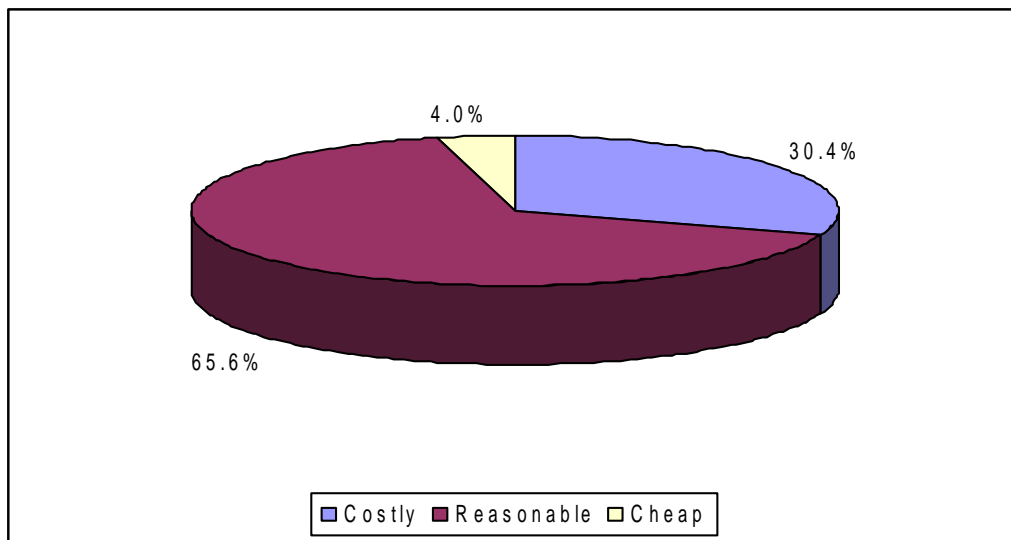
The above table and charts 4.17 shows that 76% respondent buy alternative brand when Vatika Shampoo is not available and 24% respondent wait for Vatika Shampoo. This means most of the respondents are not loyal in Vatika Shampoo.

Table 4.18: Price of D.V.S. in Comparison to Others

Option	Frequency	Percent
Costly	38	30.4
Reasonable	82	65.6
Cheap	5	4.0
Total	125	100.0

Source : Field Survey, 2010

Figure 4.18: Price of D.V.S. in Comparison to Others



The above table and charts 4.18 shows that 65.6% respondents have said the price of Dabur Vatika Shampoo is reasonable. 30.4% respondents have said costly. 4% respondents have said cheap. So, this means price of Dabur Vatika Shampoo is reasonable in comparison to others.

4.4 Retail Sales/Shopkeeper Behavior

Shopkeepers are nearest mediator with consumer for any consumer goods. Their behavior and attitude towards a brand have significant effect on sales.

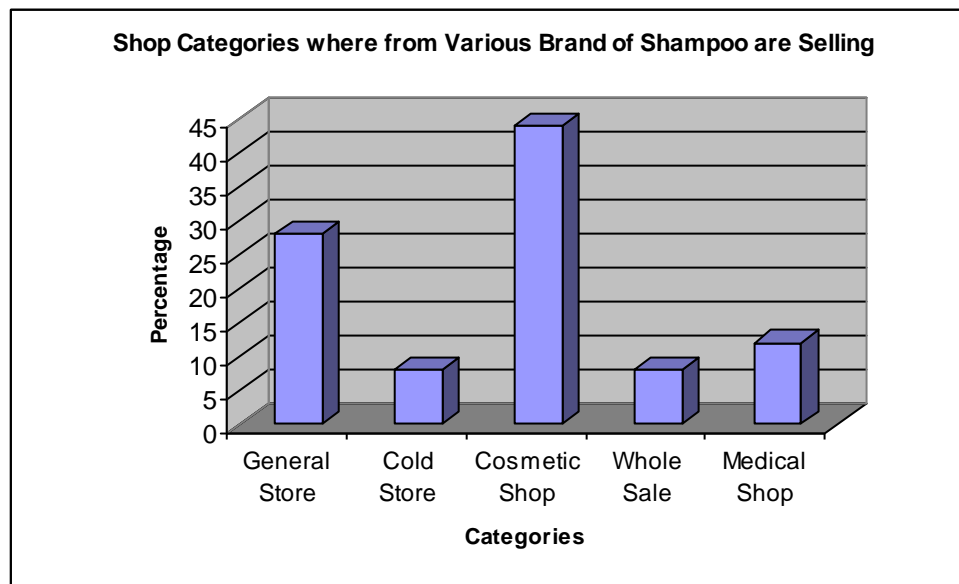
So, their preference toward a brand helps to determine sales of product. Here, researcher includes a study has developed 25 questionnaires for retail survey and gets response from respondent.

Table 4.19 : Shop Categories where from Various Brand of Shampoo are Selling

Categories	Frequency	Percent
General Store	7	28.0
Cold Store	2	8.0
Cosmetic Shop	11	44.0
Whole Sale	2	8.0
Medical Shop	3	12.0
Total	25	100.0

Source : Field Survey, 2010

Figure 4.19



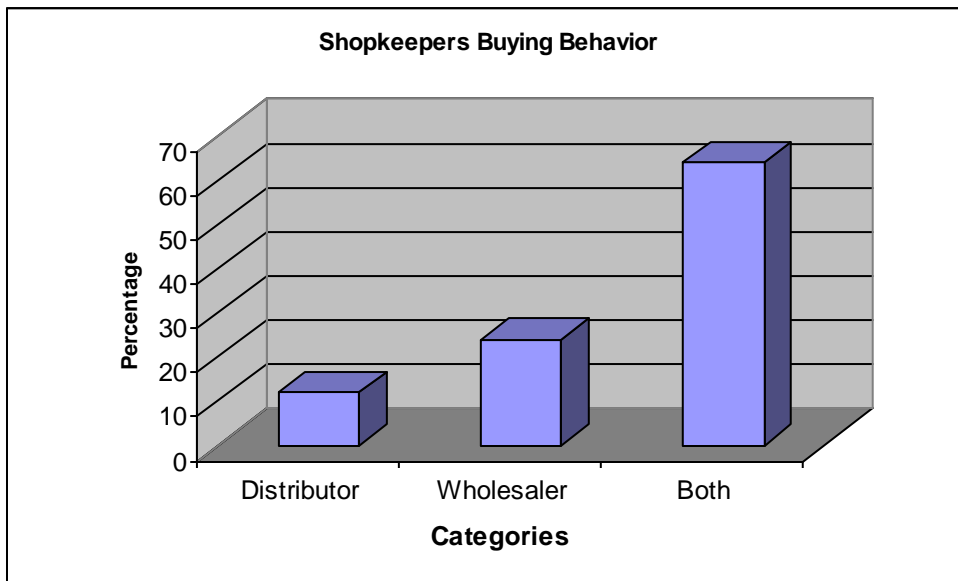
The above table and charts4.19 shows that 44% cosmetic shop, 28% general store (kirana pasal), 12% medical shop and 8% cold store and wholesale sell the shampoo. This shows that cosmetic shop is the highest shampoo seller.

Table 4.20: Shopkeepers Buying Behavior

Categories	Frequency	Percent
Distributor	3	12.0
Wholesaler	6	24.0
Both	16	64.0
Total	25	100.0

Source: Field Survey, 2010

Figure 4.20



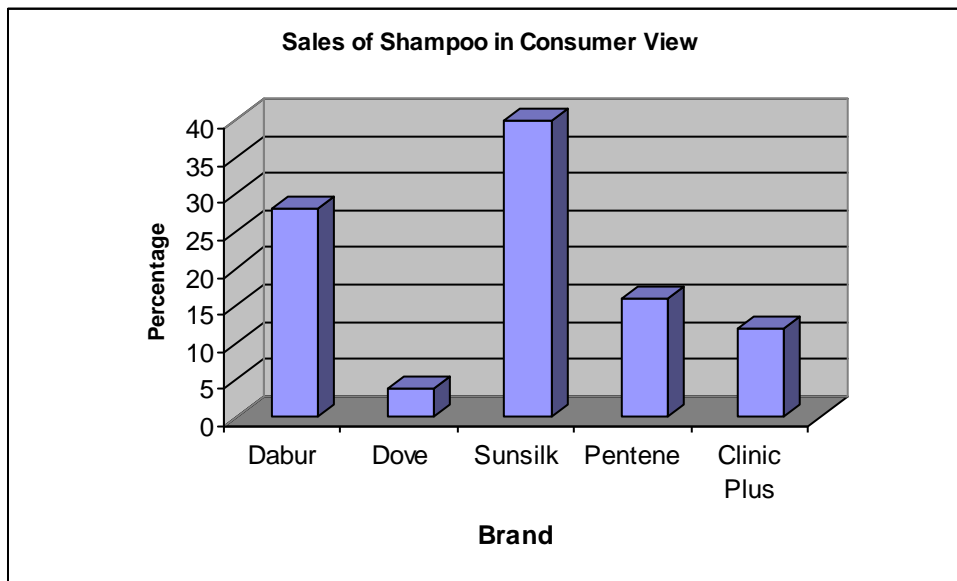
The above table and charts 4.20 shows that 64% retailer buy shampoo with both wholesaler and distributors, 24% buy from wholesaler and remaining 12% retailer buy from distributor.

Table 4.21: Sales of Shampoo in Consumer View

Brand	Frequency	Percent
Dabur	7	28.0
Dove	1	4.0
Sunsilk	10	40.0
Pentene	4	16.0
Clinic Plus	3	12.0
Total	25	100.0

Source: Field Survey, 2010

Figure 4.21



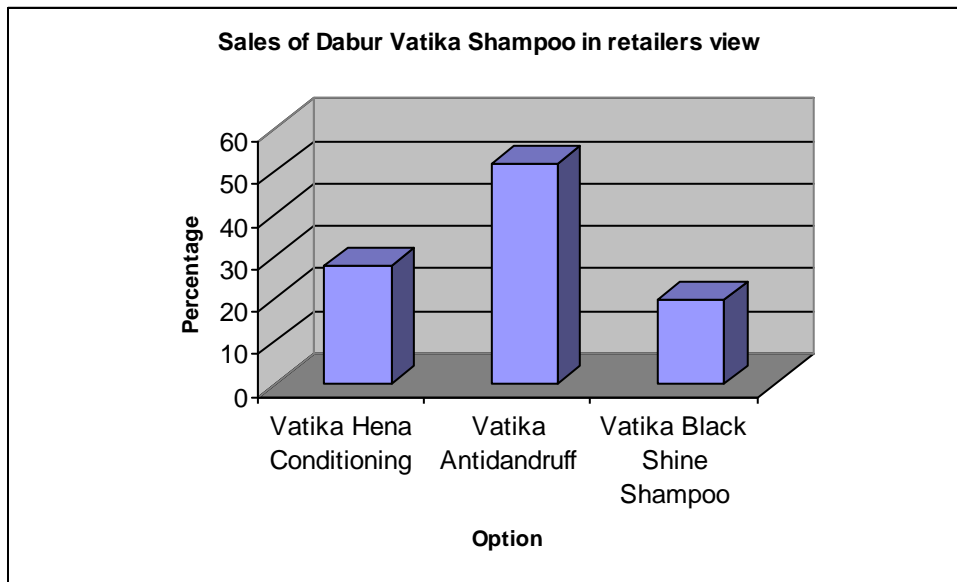
The above table and figures 4.21 shows that the brand Sunsilk and Dabur Vatika has more sales from the shop, 40% and 28% respectively. The brand Pantene and Clinic Plus have also sales. It seems that Sunsilk and Vatika has tough competition.

Table 4.22: Selling of Dabur Vatika Shampoo in retailers view

Option	Frequency	Percent
Vatika Hena Conditioning	7	28.0
Vatika Antidandruff	13	52.0
Vatika Black Shine Shampoo	5	20.0
Total	25	100.0

Source: Field Survey, 2010

Figure 4.22



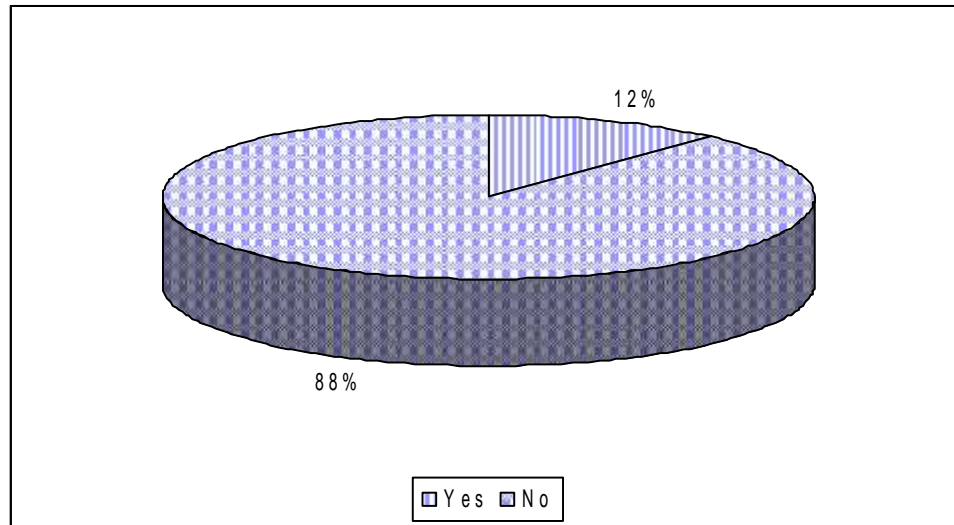
The above table and figures 4.22 show that Vatika Anti-Dandruff Shampoo has more sale than Heena Conditioning Shampoo and Vatika Black Shine Shampoo. Therefore, Vatika Anti-Dandruff Shampoo has more market share than other two Shampoo.

Table 4.23: Convincing Behavior of Shopkeepers

Option	Frequency	Percent
Yes	3	12.0
No	22	88.0
Total	25	100.0

Source: Field Survey, 2010

Figure 4.23: Convincing Behavior of Shopkeepers



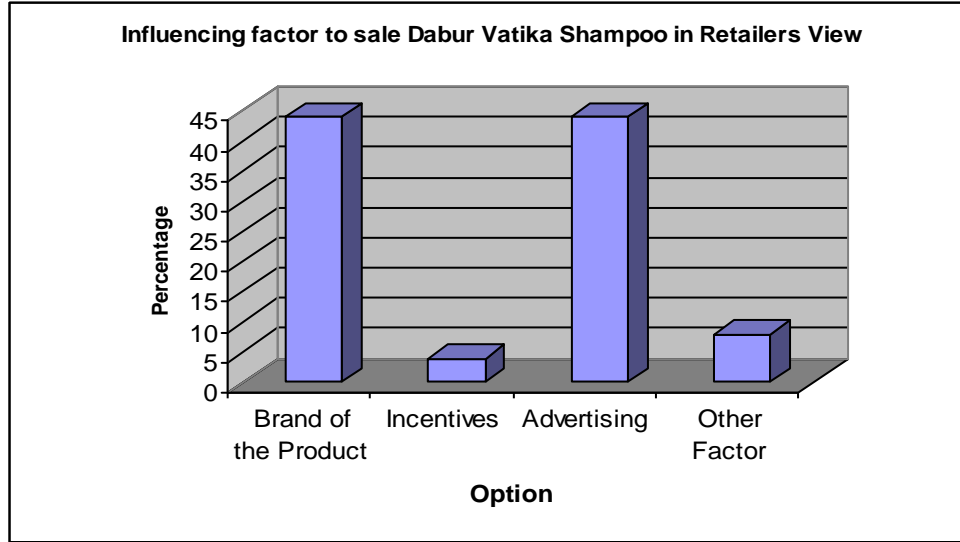
The above table and chart 4.23 show that 88% shopkeepers do not convince their consumer. They sale the brand that consumer ask. 12% shopkeepers convince the consumer when they don't ask specific brand.

Table 4.24: Influencing Factor to sale Dabur Vatika Shampoo in Retailers View

Option	Frequency	Percent
Brand of the Product	11	44.0
Incentives	1	4.0
Advertising	11	44.0
Other Factor	2	8.0
Total	25	100.0

Source: Field Survey, 2010

Figure 4.24



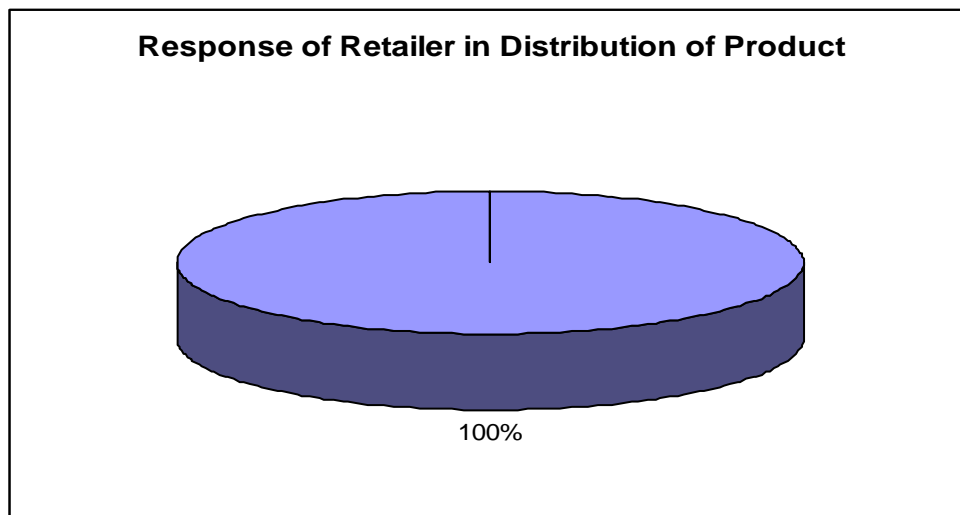
The above brand and figure 4.24 show that shopkeeper’s sale the Dabur Vatika Shampoo due to brand name and advertisement. Other factor and incentives also affect to sale the dabur vatika shampoo in retailers view.

Table 4.25: Response of Retailer in Distribution of Product

Response	Frequency	Percent
Yes	25	100.0

Source: Field Survey, 2010

Figure 4.25



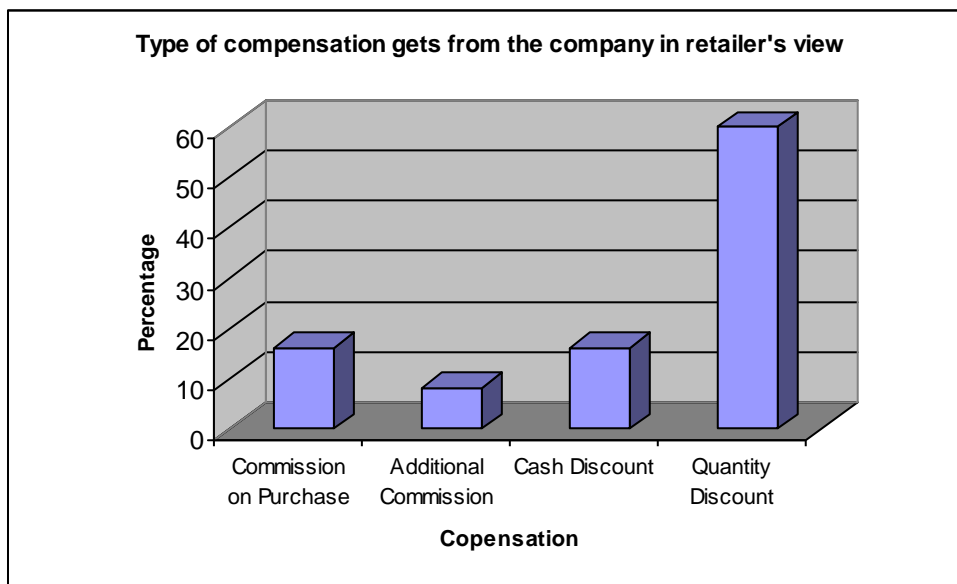
The above table and figure 4.25 show that all the shopkeepers are satisfied with company in supply of the product; this means the channel of distribution is good.

Table 4.26: Type of compensation got from the company in retailer's view

Compensation	Frequency	Percent
Commission on Purchase	4	16.0
Additional Commission	2	8.0
Cash Discount	4	16.0
Quantity Discount	15	60.0
Total	25	100.0

Source: Field Survey, 2010

Figure 4.26



The above table and figures 4.26 show that 60% of shop-keepers get Quantity discount when they buy the product of Dabur Vatika Shampoo.

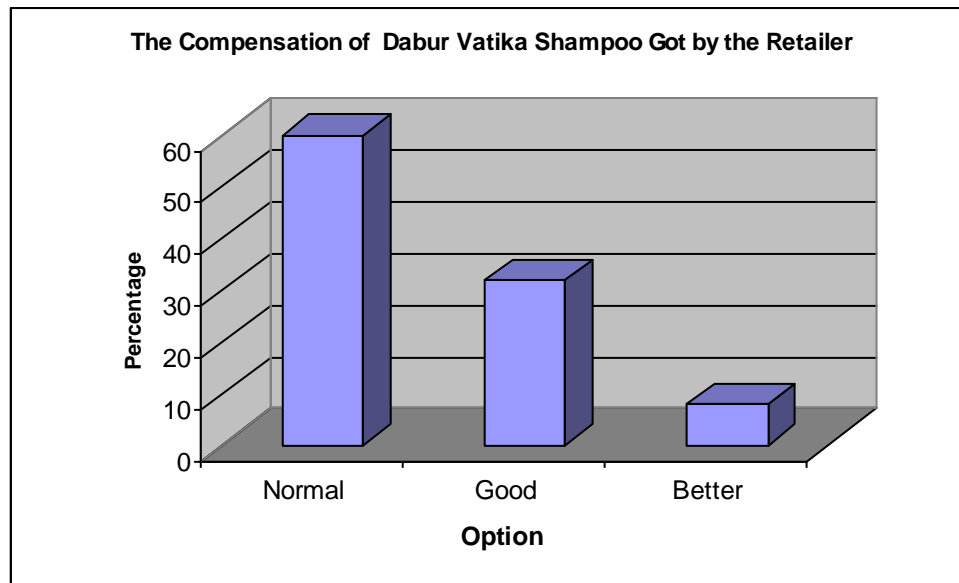
16% shop-keepers get commission purchase. 16% shopkeepers get cash discount. 8% shopkeepers get additional purchase. This shows that company is able to give the facilities according to shopkeeper's desire.

Table 4.27: The Compensation of Dabur Vatika Shampoo Got by the Retailer

Option	Frequency	Percent
Normal	15	60.0
Good	8	32.0
Better	2	8.0
Total	25	100.0

Source: Field Survey, 2010

Figure 4.27



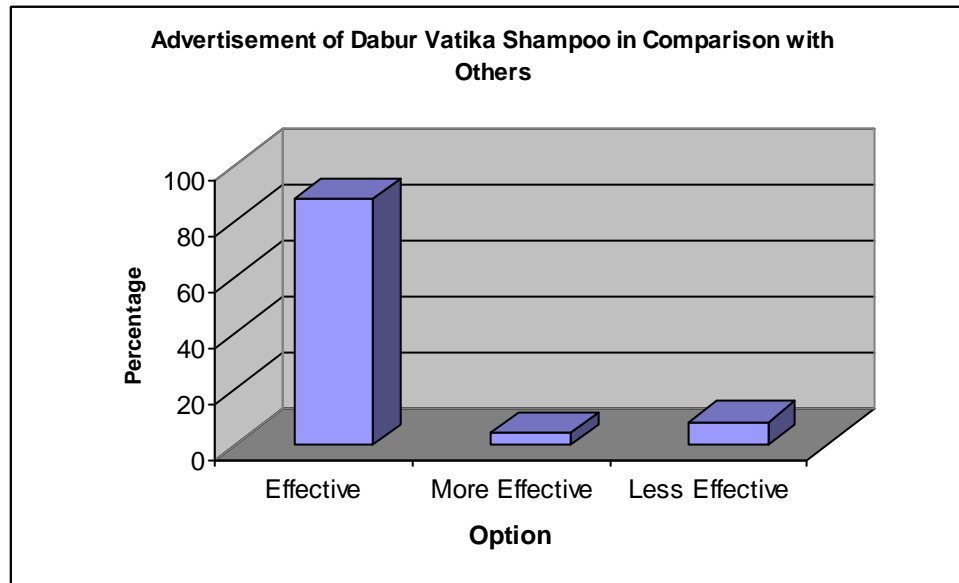
The above analysis shows that compensation of Dabur Vatika Shampoo is normal in comparison to others. 60% shopkeepers say normal. 32% shopkeepers say good and 8% say better.

Table 4.28: Advertisement of Dabur Vatika Shampoo in Comparison with Others

Option	Frequency	Percent
Effective	22	88.0
More Effective	1	4.0
Less Effective	2	8.0
Total	25	100.0

Source: Field Survey, 2010

Figure 4.28



The above table and charts 4.28 shows that the advertisement of Dabur Vatika Shampoo is effective. 88% respondents are satisfied with advertisement of Vatika Shampoo.

4.5 Major Findings of the study

On the basis of presentation and analysis of the field survey and subsequent analysis, the study has following outcomes.

- a. Most of the people have noticed advertisement.
- b. Television is the effective media vehicles for Shampoo advertisement.
- c. The advertisement of Dabur Vatika and Sunsilk is preferred by most of the consumer. Clinic Plus and Pantene are major competitor brand.
- d. Most of the customer use specific.
- e. Quality, Brand name and price are the considering factor while buying the product.
- f. Most of the consumer gets their desire brand on time.
- g. Customers do not leave the brand when they are offered by other competitive brand. But sometimes they may switch the brand to test new product. Price off also help the consumer to switch the brand.
- h. The choice of Shampoo does not depend on the sex. The choice of male and the choice of the female are different or can be same also. There is no relation between sex and brand choice.
- i. The choice of brand and the age of consumer have no relation. So, different age group of people can choose the same brand or different brand.
- j. Profession and the brand choice depend on each other. Profession can effect in choosing the brand. Profession and brand choice is related to each other.
- k. Income and the brand choice in each other. The choice of educated people and uneducated people is different. Education also is the

influencing factor to choose the brand. Education and brand choice is related with each other.

- l. Income and the brand choice in each other. Obviously the choice of high income group and the choice of low income group is different. High income group are brand loyal they don't compromise the quality of the product but low income group are not loyal. They consider price while buying product. Therefore, there is relation between income and brand choice.
- m. Dabur Vatika Antidandruff Shampoo has more market share than Vatika Hena Conditioning Shampoo and Vatika Black Shine Shampoo.
- n. Most of consumers of Dabur Vatika Shampoo are not loyal towards brand. If brands are not available they do not wait for it. Only few consumer wait for the brand.
- o. The price of Dabur Vatika Shampoo is reasonable in comparison to others.
- p. The sales of Shampoo are more in cosmetic shop. The cosmetic shop is a main Shampoo selling store.
- q. Most of the retailers buy the shampoo from both distributor and wholesaler.
- r. According to retailer the brand Sunsilk has the highest sale. Then Dabur Varika comes in second. Pantene and Clinic Plus are also the competitive brand.
- s. Shopkeepers do not convince the consumer. They sale the product according to consumer's wish.
- t. According to retailer, the Dabur Vatika Shampoo is used by consumer because of advertisement and brand of the product.

- u. All the shopkeepers are satisfied with company in distribution of product.
- v. The compensaton provided by company is normal.
- w. According to shopkeeper the advertisement of Dabur Vatika Shampoo is Effective.

CHAPTER -V

SUMMARY CONCLUSION AND RECOMMENDATIONS

5.1 Summary

Research on marketing is fruitful to marketer for each step of marketing activities, tough competition and responsibility towards society both controversial situations have to face a marketer in current environment. Marketing management or a marketer has to understand exactly whether the company stands up in the overall market position and what will for future to make further steps ahead.

Business begins and ends with the customer. A customer base is the most important assets in any business. If the goal of business is to maximize return by making the right offer to the right customer at the right time, then a more rigorous quantitative understanding of individual customer is needed.

The Nepali market is one of the most challenging. Nepal has a very young population with diverse needs and there green-field opportunities in many consumer goods categories. The market challenges lie in meeting these needs where marketers are small, income low infrastructure poor and in the face of strong competition.

Nepali consumers come in many shapes and sizes with various needs. The sophisticated young lady in Kathmandu with exposure to good quality global, brands has personal care needs very different from those of women. In Terai or Mountains, who may never have tried shampoo before? Even in

the smaller towns the skin care and beauty needs of consumer are quite evolved. The range and sophistication of needs in so small market is indeed astonishing and marketers must have products to serve these consumer needs profitably.

Shampoo market is increasing. In the context of Nepal Consumers, they have interest to use the shampoo of the various brands. Now, so many brands of shampoo are in the market some of competitive brands are Sunsilk, Dabur Vatika, Clinic Plus, Dove, Pantene etc.

Multinational companies has been expending large amount of money in advertisement from the different local, national and international Medias. So, brands are getting popular and familiar among the consumers. Nepalese consumers are in price-seeking behaviors. They want quality goods in affordable price. This study has been shown brand switching trend. A desire to test new products and price off are the factors that influence to switch the brand.

Moreover, to hold the market position promotion, distribution, quality and the brand are the measure factor. Company should consider these entire factors will lunch product.

5.2 Conclusion

As world be expected in a developing country like Nepal, consumer trend to indulge in price-seeking behavior rather than value seeking behavior. This

means that products need to be priced affordably and pack size and price points play an important role.

This research was conducted to find out the market position of Shampoo and where the brand Vatika to stand. Consumers, sellers are the main sources of data for study. Questionnaire were distributed and collected. All the responses were analyzed by percentile method and chi-square on tabular form and figures.

The study indicates that overall shampoo market is increasing therefore expenditure on sales and advertising campaigns can expand market. This study shows that Sunsilk and Dabur Vatika are major competitors. This has almost similar sales volume and consumer. Other brands like Clinic Plus, Pantene, Dove etc. are also getting good position in market.

5.3 Recommendations

Achieving and holding up sound market position is the priority of any organizations. The hair and beauty industry is exciting and competitive industry. Young generations are more conscious and careful on their beauty therefore shampoo is necessary to maintain quality of hair. Beauties and personal tidiness is the personality of the people, through that people could get better opportunity so that people are more excited to be smart using various personal cares of various brands available in the market.

Globalization and liberalization has made the world a very narrow village. We can get worked branded product in small town also.

Therefore, quality as well as reasonable price is dominant factor to achieve market position.

On the basis of above study, some suggestions are occurred which may be applicable for concerned.

- a. Attractive sales promotion tools can easily increase sake of shampoo. Quality and price also play vital role in the selling of shampoo.
- b. If they are offered by the competitive brand they switch to the other brand, they still not loyal towards brand and the company has to make clear about quality and content of product, which is extra ordinary from the other brand or something different.
- c. Advertisement an electronic media is more effective, so the design and story of advertisement have to make typical or something extra as possible.
- d. Cosmetic shop is the main store for shampoo selling. Retailer may be able to push sell shampoo if they are benefited. Therefore, company can offered to the retailer to increase sales of the product.
- e. More service holder consumer use Dabur Vatika Shampoo, Sunsilk Shampoo has the highest market share, Dabur Vatika comes in second. Clinic Plus has also good market sale. Mainly Sunsilk, Clinic Plus are the major competitor of the Vatika Shampoo.
- f. Education, income status, social status is also dominant factor to select the brand. Keeping in views all these factor company should distribute the product indifferent market segment.

BIBLIOGRAPHY

a. Books:

- Agrawal, Govinda Ram (2057), Marketing Management in Nepal, Kathmandu, M.K. publisher and Distributors.
- Besnet, D. Peter (1995), Dictionary of Marketing Terms, USA, AMA Chicago.
- Bagawathi and Pillai, R.S.N. (1999), Modern marketing Principles and Practices, 2nd Edition.
- Consumer Protection Act (2054), Section 9, Ministry of Supply, Harihar Bhawan Kathmandu.
- Homes, H. John, (1973), Profitable Product Positioning, MSV Business Topics, Spring.
- Kotler, Phlip. (2000), Marketing Management, New Delhi, Millenium Edition, Prentice Hall of India.
- Kotler, Phlip and Armstrong Gray, (1997), Principle of marketing , 6th Edition, New York, Mc Graw Hill, International Book and Company.
- Kotler, Phlip,(1990), Marketing Management, USA, Prentice Hall, Eaglewood cliffs NJ.
- Koirala, K.D. (2057), Marketing Management, Kathmandu, M.K. publisher and Distributors.
- Mc Carthy,E.J. and Perreault, W.D. (1987), Basic Marketing 9th Edition, New Delhi, Universal Book Stall.
- Pride, W.M and Ferrell, O.C. (1989), Marketing Concept and Strategies, 6th Edition, Boston, Houghton Mifflin, ICC.
- Stanton, Willam J. (1981), Fundamental of Marketing, 6th Edition, New York, Mc Graw Hill, International Book and Company.

Stanton, W.J., Etzel, M.J. and Walker B.J. (1994), Fundamental of Marketing, 10th Edition, New York, McGraw Hill, International Edition.

Scott, J.D., Warshow, M.R. and Jaglor J.R. (1985), introduction to Marketing Management, USA, IRWIN Homewood Illinois.

Shrestha, K.N. and Manandhar, K.D., (2000), Statistics and Quantitative Techniques for Management, Third Edition, Kathmandu, Valley Publishers.

Wolff, Howard K. and pant, Prem R., (2000), A Handbook for social science research and Thesis writing, 2nd Edition, Kathmandu, Buddha Academic Enterprises Pvt.Ltd.

b. Dissertations:

Baral, L.P. (1966), A comparative study on the Communication effects of advertising and Brand preferences, An Unpublished Master's Thesis submitted to central Department of Management, T.U., Kathmandu.

Basnyat, N.B. (1985), A study on Market Potentiality of Gandaki Noodles in kathmandu valley, An Unpublished Master's. Thesis Submitted to Shankar Dev Campus, Kathmandu.

Kayastha, Umesh, (2005), Brand Loyalty on Consumer product, An unpublished Master's Thesis submitted to Central Department of Management, T.U., Kathmandu.

Pokharal Ramesh (2006), The Role of Television Advertising and its impact on Consumer Behaviour, An unpublished Master's Thesis submitted to Central Department of Management, T.U., Kathmandu.

Shrestha, R.K., (1997), The Role of Advertising in Brand Choice and Product Positioning, An unpublished Master's Thesis submitted to Central Department of Management, T.u., kathmandu.

Silwal B. Yam (2005), Current Market Position of Tooth Paste in Nepal, An unpublished Master's Thesis submitted to Central Department of Management, T.U., Kathmandu.

Shrestha, R.K. (1997), The role of Advertising in Brand Choice and product positioning, An unpublished Master's Thesis submitted to Central Department of Management, T.U., Kathmandu.

Timilsina, Jagat (1999), A study on Buyer's Behaviour of Indian Gorkhas and Local people, An unpublished Master's Thesis Submitted to Central Department of Management, T.U., Kathmandu.

APPENDIX

Calculation of mean and standard deviation of respondents

Respondents	X	$(X - \bar{X})^2$
Male	29	1122.25
Female	96	1122.25
Total	125	2244.50

$$\bar{X} = \frac{\sum X}{n} = \frac{125}{2} = 62.5$$

$$S.D.(u) = \sqrt{\frac{1}{n} \sum (X - \bar{X})^2}$$

$$= \sqrt{\frac{1}{2} \times 2244.50}$$

$$= \sqrt{1122.25}$$

$$= 33.50\%$$

APPENDIX-1

Questionnaire for Costumer Behavior Survey

Dear respondents,

I am a student of MBS from Tribhuvan university and going to conduct a survey for partial fulfillment of master's level thesis. So, I request you to take a few minutes time to fill questionnaire, I assure you that all you responses will be kept confidentially and will be used only for my study.

Name :(Optional)

Sex : Female/ Male

Age :

Profession :

Education :

Address :

Monthly Income ;

- 1) Where do you usually buy shampoo?
 - a. Whole sale []
 - b. General shop []
 - c. Cosmetic shop []
 - d. Medical shop []
 - e. Cold store []
- 2) Have you notice the advertisement of different brands of shampoo?
 - a. Yes []
 - b. []
- 3) If yes, in which media have you notice?
 - a. Television []
 - b. FM/radio []
 - c. Hoarding []
 - d. Board []
 - e. Banner []
 - f. Pamphlet []
 - g. Newspaper/ Magazines []
- 4) Among the various brand advertisement which one is the best?
 - a. Vatika Shampoo []
 - b. Dove []
 - c. Pantene []
 - d. Sunsilk []
 - e. Clinic Plus []
 - f. Other []

- 5) In your opinion which is the best media vehicle for the shampoo advertisement?
- a. Television [] b. FM/radio [] c. Hoarding Board []
d. Banner [] e. Pamphlet [] f. Poster []
g. Newspaper/ Magazines []
- 6) Which is the following brand of shampoo do you usually buy?
- a. Vatika Shampoo [] b. Dove [] c. Pantene []
d. Sunsilk [] e. Clinic Plus [] f. Other []
- 7) Does your family use specific brand or any available brand?
- a. Specific brand [] b. Any brand [] c. Don't use []
- 8) If yes, what factors influence you to buy the shampoo?
- a. Price [] b. Brand Name [] c. Packaging []
d. Advertisement [] e. Quality [] f. Other []
- 9) How do you buy a shampoo?
- a. By inspection [] b. By brand [] c. By advertisement []
- 10) Which Dabur Shampoo do you refer? (If you use Dabur Vatika Shampoo)
- a. Vatika Henna conditioning [] b. Vatika Antidandruff Shampoo []
c. Vatika Blackshine Shampoo []
- 11) Do you get the brand which you want?
- a. Yes [] b. No [] c. Sometimes []
- 12) What do you do if Dabur Vatika Shampoo is unavailable?
- a. [] Wait for it b. [] Buy alternative

- 13) Which of the following factors makes you leave your favorite brand?
(The brand you wanted to buy and switch to another alternative?)
- a. Price off [] b. Advertisement Campaign []
c. A desire test new product [] d. Others []
- 14) If other competitive brands offer special deals like coupons, lucky draws, surprise gift, discount etc, would switch to them?
- a. Yes [] b. No []
- 15) How id the price of Dabur Vatika Shampoo in comparison to others?
- a. Costly [] b. Reasonable [] c. Cheap []
- 16) What do you prefer to wash your hair?
- a) Shampoo [] b) Pina [] c) Soap []
d) Herbs []
- 17) Which brand of shampoo would you like to use?
- a) Dabur Vatika [] b) Sunsilk c) Dove
d) Pantene [] e) Clinik Plus f) Others
- 18) Do you switch over brand because of change in your profession?
- a) Yes [] b) No []
- 19) What do you suggest to do for Dabur Vatika Shampoo?
.....

APPENDIX-II

Questionnaire for Retail Sales Survey

Dear respondents,

I am a student of MBS from Tribhuvan University and going to conduct a survey for partial fulfillment of master's level thesis. So, i request you to take a few minutes time to fill questionnaire, I assure you that all you responses will be kept confidentially and will be used only for my study.

Name of the store :

Area location :

Initial Investment :.....

1) For how many years you have been running this business?

.....

2) In which category does your shop exist?

a. General store [] b. Cold store [] c. Cosmetic shop []

d. Whole sale [] e. Medical shop []

3) Which brand are you stocking in your shop for sale?

a. Vatika Shampoo [] b. Dove [] c. Pantene []

d. Sunsilk [] e. Clinic Plus [] f. Other []

4) From where do you buy shampoo?

a. Distributor b) Wholesaler [] c) Both []

5) Which shampoo do you sale more? (Please rank in order of importance being top priority and 5 being last priority) ?

a) Dabur Vatika shampoo [] b) Dove shampoo []

c) Sunsilk [] d) Pantene shampoo []

e) Other []

- 6) Which vatika shampoo do you sale more?
a) Vatika Henna conditioning [] b) Vatika Antidandruff shampoo []
c) Vatika Black shine shampoo []
- 7) Do you convince to the consumer to buy Dabur Vatika Shampoo?
a) Yes [] b) No []
- 8) Which factor affect you to sale the D.V.S.?
a) Brand of the Product [] b) Incentive []
c) Advertisement [] d) Other Factors []
- 9) Are you really happy to sale D.V.S.?
a) Yes [] b) No []
- 10) Which type of compensation do you get from the company?
a) Commission on purchase [] b) Additional Commission []
c) Cash Discount [] d) Quantity Discount []