# 1. <u>INTRODUCTION</u>

#### 1.1 Background

Nepal is a small country sandwiched between two giant nations, India and China. Nepal has a nearly population of 23.2 million and 13 million of them are below the group of 30 years. Its economy is predominantly based on agriculture. As a land-locked country situated at a distance of about 700 miles from the nearest sea-port, Nepal has to face many problems and difficulties on based economy with a slow pace of industrialization.

According to 1991 census, about 81.33% of the population of Nepal is engaged in agriculture. The agricultural sector contributed to about 42.4% of GDP in 1993/94. Nepal is one at the poorest country in the world with annual per capita income growth rate of only 3.4%. During 1965 to 1995, the growth in per capita income was even less at 0.8% per annum, while the population growth rate was more than 2.3%. It shows economic performance during the past has not been very encouraging.<sup>2</sup>

The industrial sector is expected to grow and contribute to the GDP and the per capita income of the people in the 21<sup>st</sup> century. Several industries catering to the home market and export market have been established in Nepal. The Nepalese market is also becoming complex day by day. Competition in every sector is increasing rapidly. In this situation, companies especially manufacturing companies find the situation very tough to sell their product in the market smoothly. So, businessmen are using various tools and techniques to sell their products.

The research area selected for this study is Front of Himal Iron and Steel PVT. LTD., Parwanipur and around, which is one of the Industrial centers of Nepal. Parwanipur is situated in Parsa district of Narayani zone. It is also the fastest growing VDC of Parsa district. It lies on the highway of Birgunj to Pathlaiya.

Parwanipur is a Industrial center of Parsa and Bara district and many people come to this area with business point of view. Many industries are situated in Parwanipur VDC including Dabur Nepal. This

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<sup>&</sup>lt;sup>1</sup> International Programmed on the Elimination of Child Labour (IPEC, 1995, P. 3)

<sup>&</sup>lt;sup>2</sup> National Planning Commission, 1995, P.N 2

Company manufactures the Real juice cold drinks and is direct competition with Bottlers Nepal and Pepsi Cola products. Bottlers Nepal and Pepsi Cola companies the former has captured more than 70% market share of aerated cold drink both in the national market. Though the intense competition between two cola giants with consolidated market share of 90% of total branded soft drink have created a strong entry barrier to potential entrants. Beside these two giants, there are some other brands like Frooti, Rio, Juicy and Real selling in the cold drink market in parwanipur.

# 1.2 Focus of the Study

The present study tries to focus on the marketing of cold drinks in Parwanipur VDC. Generally cold drink stands for alcohol-less drink. Cold drinks are sold in bottles, plastic, containers or cans. Most people in Nepal, contrary to the people of developed countries, perceive cold drink as a drink to be used in the hot season only. That's why demand of cold drink in Nepal goes comparatively high in the hot summer season. Parwanipur is situated in Terai, which has a very hot climate.

Marketing is true sense helps to increase effective demand for a product through the reeducation of distribution cost and also help to explore markets for new products. The role of marketing with regard to dissemination of information is very important for consumer as well as producers to buy and produce goods. It helps in bringing markets competitive this increasing efficiency of resources use. Likewise, its role with regard to satisfying consumers and making inputs available at reasonable price as services has its own importance. Therefore, the impact of marketing is deep and far reaching. A national development programmed that concentrates only on production will be less effective than a programmed that recognizes the contribution of marketing.

This study will examine the present marketing strategies of cold drinks in Parwanipur and try to find out the marketing variables affecting the cold drinks.

#### 1.3 Statement of the Problem

The stiff competition in the marketing of cold drink has forced the markets to adopt a variety of marketing tools and techniques in the market place. Different types of an advertisement are used by the manufacturers in a variety of media. From competition of new established companies, industries are developing rapidly. This development in the industrial sector has provided varieties of different type of product, different brands of even a single product, to the Nepalese consumers. Nepalese consumers are provided with different brands and they are quite free to choose the one they think the best. We can see different brand of cold drinks in market just as Pepsi, Coke, Mirinda, Fanta, Sprite, 7'up, Slice, Lemon Fanta etc. The competition is very tough in the cold drink market. Demands of cold drinks are increasing day by day and many new companies are emerging to fulfill the demand. However, the new brands they are not in the stage to compete with Coca-cola and Pepsi products.

Cold drinks are one of the heavily advertised products. Large amount of money is spent on the promotion of cold drinks. Yet very few companies are found to measure the effects of their advertisements. It is essential for companies to know about their consumers, their choice and preferences. For regular sales and distribution of cold drinks we must know about 'which is the best advertising media'. Which advertising media can be more effective? Therefore, the problems encompassed by this study are as follows:

- 1. What is the consumers' perception and consumption behavior of cold drinks in Parwanipur?
- 2. What type of distribution network exists in the study area for marketing of cold drinks?
- 3. What marketing strategies are adopted by the marketers of cold drinks in the study area?
- 4. What type of impacts have the advertisements made on the dales of cold drinks in study area?
- 5. What are the effects of sales promotion schemes on sales of cold drinks in the study area?

# 1.4 Objectives of the Study

The present study purports to examine the marketing of cold drinks in Parwanipur.

The specific objectives of the study are as following:

- 1. To examine the consumers' perception and behavior in the purchase of cold drink in Parwanipur.
- 2. To evaluate the distribution network and marketing strategies of cold drink companies in Parwanipur.

- 3. To evaluate the impact of advertisement and sales promotion schemes on sales of cold drinks in the study area.
- 4. To identify consumers profile and their preference of cold drink in the study area.
- 5. To measure the effect of sales promotion schemes on the sales of cold drinks in study area.

# 1.5 Importance of the study

Success of an industry is the function of successful marketing of its products. In an area of cutthroat competition, successful marketing of the products demands a through understanding of consumers' taste, choice, preference, loyalty and consumption behavior. The findings from this study may be used by manufacturers and marketers of cold drinks to better understand their consumers and thereby design a better marketing strategy for the study area.

# 1.6 Limitations of the Study

This study has been strictly limited to Parwanipur and the findings from this study do not reflect a national character. The study has been predominantly based on primary information collected through a questionnaire survey of limited number of individuals and retailers. Therefore, the findings of this study are affected to some extent by the small size of the sample.

# 1.7 Organization of the study

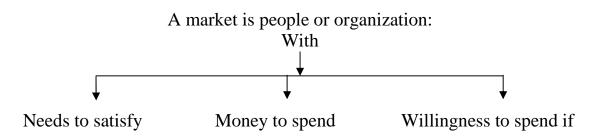
The study has been organized into five chapters. The introduction chapter deals on the background of the study, statement of the problem, objectives of the study, importance of the study, and limitations of the study. The second chapter provides review of literature. Research methodology utilized for the study has been incorporated in the third chapter. The fourth chapter presents the data analysis and interpretation. The last chapter presents the summary, conclusions and recommendations of the study. The bibliography and appendices are presented at the end of the study report.

# 2. <u>REIVIEW OF LITRATURE</u>

#### 2.1 The Market

There are many usage of the term in economic theory, in business in general, and in marketing in particular. A market may be defined as a place where buyer and sellers meet, product or services are offered for sales, and transfers of ownership occur. A market may also be defined as the demand made by a certain group of potential buyers for a product or service. "Market is defined as people or organizations with wants, to satisfy, many to spend and the willingness to spend it. Thus, in the market demand for any given product or services, there are three factors to consider. People or organization with wants their purchasing power, and their buying behavior."

Figure-1



"A market consists of all the potential customers sharing a particular need or want who might be willing and able to engage in exchange to satisfy that need or want." A market represents the aggregate demand of the buyers and potential buyers for a product or services over a specific period of time." Market is a group of individual or organization who may want the good or service being offered for sale and who meet these three additional criteria:

- a) Members of a market must have the purchasing power to be able to buy the product being offered.
- b) Market members must be willing to spend their money or exchange other resources to obtain the product.
- c) Market members must have the authority to make such expenditures."

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W.J Stanton, Fundaments of Marketing, Prentice Hall, P. 31

<sup>&</sup>lt;sup>4</sup> Philip Kotler, Marketing Management, Prentice Hall, Ninth edition p. 13

<sup>&</sup>lt;sup>5</sup> Victor p. Buell, Marketing Management p. 18

<sup>&</sup>lt;sup>6</sup> Zikmund & D' Amico, Marketing p. 84

### 2.2 Marketing

"Marketing consists of all business activities involved in the flow of goods and services from the point of initial production unit they are in the hands of the ultimate consumer. Thus, agricultural marketing is a process by which the producer and buyer of agricultural goods are brought together."

"The marketing process establishes forward linkages for agricultural activities, that is, it provides economic rewards for the production process. It includes not only storage and transportation activities of the middlemen but also encompasses all activities linking the consumer and the producer."

"Marketing is the process of planning and executing the conception, pricing, promotion, and distribution of goods, services, and ideas to create exchanges with target groups that satisfy customer and organizational objectives."

A marketing programmer plays a crucial role in the physical distribution of any product. Therefore each and every firm should have marketing system for channel the product to the market to satisfy customer needs and wants. Sometimes they have to face the marketing problems of capturing the market and creating goodwill.

A more modem definition in tune with greatly expanded productive capacity might emphasize the adaptation of production facilities to the market. Specifically marketing might be defined as the response of businessmen to consumer demand through adjustments in production capabilities. Adjusting production, accounting, finance and marketing in the light of the changing needs of consumers who are affluent enough to have varied buying choices.

"Marketing is concerned with designing an efficient and fair system which will direct an economy's flow of goods and service from producers to consumers and accomplish the objective of the society." <sup>10</sup>

<sup>9</sup> Philip Kotler, Op. Cit (8<sup>th</sup> ed.), p.13

<sup>&</sup>lt;sup>7</sup> Macmillan Dictionary of Modern Economic, Fourth Edition p. 117

<sup>&</sup>lt;sup>8</sup> Ibid. p. 117

<sup>&</sup>lt;sup>10</sup> E. Jerome McCarthy, Basic Marketing, Fifth Edition p. 18

"Marketing is a social and managerial process by which individuals and group obtain what they need and want through creating, offering and exchanging products of value with others." Marketing can be defined in a simple manner as the activities done by the company to deliver the product from the place of production to the place of consumption. It means that marketing is the process of the transfer of ownership of the product in exchange of something of value.

Different authorities define marketing in different ways. "Marketing is the exchange taking place between consuming groups on the one hand and supplying groups on the other." "Marketing is concerned with regular the level, timing and character of demand for one more products of an organization." "Marketing is human activity directed at satisfying needs and wants through exchange process." "Marketing is the anticipation, stimulation, facilitation, regulation and satisfaction of consumer and publics demand for products, services, organization, people, place and ideas through the exchange process." According to Stanton "Marketing is defined as total system of business activities designed to plan, price, promote and distribute want satisfying goods and service to present and potential customers."

In light of above definitions, it can be concluded that marketing is a process of delivering goods and services produced to satisfy the needs of consumers to the consumers in an effective way so that the objectives of the produces are fulfilled. Marketing thus satisfies objectives of the producers by making it possible to sell their products on the market in one hand and on the other hand helps consumer to get the maximum of satisfaction by providing goods and services for their consumption.

In the modern marketing era every marketers should understand the consumer needs. Successful marketing understand consumer taste, quality and choice. If there is no satisfaction of consumer that product doesn't give good result. For consumer satisfaction, the product that is available easily and everywhere customer attract in that product easily.

<sup>12</sup> Wroe Alderson, Marketing Behavior and Executive Action, Home wood, Richard D. Irwin, 1957, p. 42

<sup>11</sup> Kotler, Op. Cit. p.9

Philip Kotler, "The Tasks of Marketing Management", Journal of Marketing, vol. 37 Oct.1973, p. 42

<sup>&</sup>lt;sup>14</sup> Kotler, Op. Cit. (4<sup>th</sup> ed.) p. 19

<sup>&</sup>lt;sup>15</sup> Joel R. Evans & Barry Berman, Marketing, p. 7

# 2.3 Marketing System

A system is a set of units with relationships among them. Marketing is a total system of business activities designed to plan, price, promote and distribute want-satisfying product to target market to achieve organizational objectives.

"The concept of marketing system is given by the system approach to marketing based upon the work of Bertlanfy." The term 'marketing system' consists of two separate words "marketing" and "system". Marketing is a human activity directly at satisfying needs and wants through exchange processes. On the other, the term "system" means regularly interacting group of activities forming a unified whole. In other words, system means systematic or regular flow of any thing directly at fulfilling basic goals.

"Marketing system deals with the smooth functioning of the marketing activities for the fulfillment of the consumer needs and wants. If a marketer fails to do so, then one must know that there is something wrong with the marketing organization. And, in this situation no marketer can work successfully. So, the marketing manager must be able to analyze the marketing system in a systematic manner."<sup>17</sup>

# 2.4 Marketing Environment

"Environment is an outside organization but potentially relevant to the firm's market and marketing activities. It consists of the factors that affect the firm's ability to develop and maintain both the successful transactions and the relationships with its target customers." The marketing environment consists of external forces that directly or indirectly influence on organization's acquisition of inputs and generation of outputs. Examples of inputs include skilled personnel, financial resources, raw materials and information. The marketing environment as consisting of six categories of forces: political, legal, regulatory, societal, economic and competitive and technological." Marketing activities and control. In this sense, marketing environment lays upon limits or constraints on the firm's marketing activities, such as, marketing information system, marketing planning system, implementation system,

<sup>17</sup> Shyam K. Shrestha, Marketing Strategy and Management, p. 7

<sup>16</sup> K.D. Koirala, M.K. publishers, 1992, p. 11

<sup>&</sup>lt;sup>18</sup> Terry, George R, Principles of Management, Bombay: Taraporevala publishing,1997, p. 56 <sup>19</sup> Pride & Ferrell "Marketing Concepts and Strategies, 6<sup>th</sup> Ed. P. 41

Control system, production activities, pricing, promotion, placing etc. The effect of marketing environment can't be measured in terms of goal achievements. That's why; investing a huge amount of time, money, energy etc. has become a new life style of almost all marketing enterprises. The key to marketing success lies more now than ever, on knowing: what a firm is; what it is in the competitive environment; and who its competitors are."<sup>20</sup>

"The company's decision in directly affected by the marketing mix and the marketing mix decision are affected by the marketing environment. Therefore, while deciding marketing mix, a comprehensive study and analysis on marketing environment must be made to make the decision more effective and suitable marketing environment includes forces such as, economic, socio-cultural, demographic, competitive, technological, political & legal natural etc."<sup>21</sup>

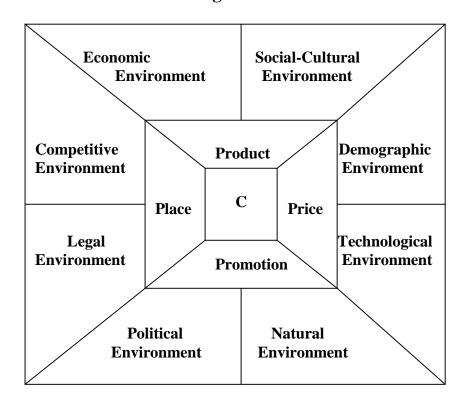


Figure-2

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P.R. Varadarajan, (eds.) Business of Marketing in India, Jaico Publishing House, 1995,

Shrestha, Op. Cit. p. 16

The importance of marketing environment to the management has been increasing these days than even before, because there are several opportunities and threats or challenges within the marketing environment which should be forecasted and rightly analyzed by the marketing manager to enjoy the opportunities. A successful marketer is one who can appropriately analyze these forces. A successful marketer can acquire several opportunities through these forces and successful run his business.

# 2.5 Role of Marketing in Industrialization

Industrialization is the impetus of overall development of country. Today industrialization is considered as synonymous to development. The countries, which are industrialized, are developed too and vice versa. Many countries which we say the most developed countries like U.K., U.S.A., Japan, china etc have been fully industrialized and the countries which are under developed or developing are also stepping gradually ahead toward that direction. All Nepal, a developing country, too is not exception to this phenomenon of the world.

Marketing plays a very significant role in accelerating the pace of industrialization, which in turn, aims at making the economy developed and strong. In this connection, it is significant to note that marketing is the most important multiplier of economic development. The development of marketing makes possible economic integration and the fullest utilization of assets and productive capacity an economy already possesses. It mobilizes latent economic energy and finally contributes to the greatest needs: that for the rapid development of entrepreneurs and managers.<sup>22</sup>

Marketing plays important role in the process of industrialization. The process of industrialization, the proceeds of industrial activity are passed on to the society through the process of marketing. Hence, the success or failure of business largely hinges upon the art and science of marketing, which is composed of explorative knowledge, tact, and talent of veteran practitioners. In the global market, the multinational companies like Sony, Hitachi, Toshiba, Philips, Proctor and Gamble, Johnson and Nicholsom, and many others have been permeating throughout the world with the help of modern marketing practices and

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<sup>&</sup>lt;sup>22</sup> Kelley, Egene J and Lazar William, Managerial Marketing, Richard D. Irwin INC, 1972 p. 616

methods. So are Tata the Birla, the Bajaj India, and STC, Thai Food (RaRa noodles), Bottlers Nepal and panchakanya Iron in Nepal. Marketing in this sense has made the producers as well as the customers more conscious toward comparative service, values, safety, satisfaction and convenience.

#### 2.6 The Marketing Mix

The marketing mix is one of the most fundamental concepts associated with the marketing process. It is well understand by most modern marketers and is systematically applied in many industries especially those that deal with physical products. Yet it is easy to assume that, because most managers have heard about it and / or use it, there is no need to mention it again a book on marketing.

The sad truth is that quite often the precise role and scope of the concept and its underlying principles are not fully appreciated by those who tack about it or use it. It is regarded by many managers as no more than a theoretical model that helps in understanding the breath of activities encompassed by the marketing task. In many situation it is considered as no more that an aid to highlighting the fact that 'marketing' is a much broader concept that just 'selling' and 'prompting'.

A brief review of the main principles surrounding the marketing mix can help to clarify its true role in the development and execution of an effective marketing effort.

"The marketing mix is the set of marketing variables which the organization blends to achieve the marketing goal in a defined target market. The marketing mix consists of everything the organization can do influence the demand for its product in the target market."<sup>23</sup>

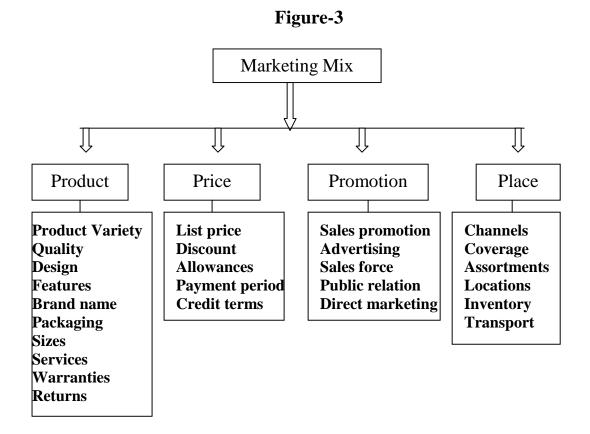
As stated earlier the marketing mix represents as assemblage of tasks and subtasks which ultimately will help to satisfy the customer's requirements in such a way as to enable the firm to attain its objectives in an optimum fashion. The subtle part of the concept is that different companies in the same business may opt to develop different 'mixes'. In fact it is this difference that may provide one company with a competitive advantage over its competitors.

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<sup>&</sup>lt;sup>23</sup> McCarthy, Op. Cit.

"The concept of the marketing mix essentially premises that the decision making executive must analyze certain market forces and certain elements of marketing if the executive is ultimately to determine a sound "mix" of marketing elements which promises to be effective and profitable." The 'four Ps model" of the marketing mix has probably gained acceptance because of its elegance rather than its validity in all situations. Regrettably, what has been gained in simplicity has been sacrificed in universal appropriateness. It is easy to find examples of marketing programmers, which do not outset that this model is not of universal validity.

The theory underlying the four Ps is that, if one manager to achieve the right product at the right price with the appropriate promotion, and in the right place, the marketing programmed will be effective and successful. However, one must bear in mind that each of the four Ps can be broken down into a number of subcomponents. "Marketing Mix is the set of marketing tools that the firm uses to pursue its marketing objectives in the target market."<sup>25</sup>

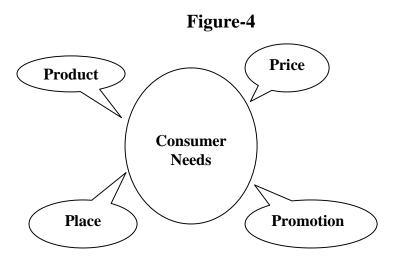


Neil H. Borden and Martin V. Marsall, Advertising Management, Irwin, Homewood, III. 1959, p. 23

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<sup>&</sup>lt;sup>25</sup> Kotler, Op. Cit. p. 92

"Marketing Mix is one of the key concepts in modern marketing. It refers the set of variables that the business uses to satisfy consumer needs." Marketing mix may be considered as consisting of four Psproduct, price, promotion and place." <sup>27</sup>



Variable of Marketing Mix

#### 2.6.1 Product

Product is one of the most important parts of the marketing mix. Without product we cannot sell or buy the things. The product area is concerned with developing the right "product" for the target market. This product may involve a physical product and / or some combination of services. The crux of the matter in the product area is to develop something, which will satisfy some costumer's needs.

Most of the text will be concerned with tangible products, but the principles in most cases also apply to services. It is important to keep this in mind. Since the service side of our economy is growing. It is also important to see the product concept as including and selling tangible products. Too many production-oriented people fall into this trap and neglect important opportunities for satisfying needs in other ways. Automobile manufactures and dealers.

"A product is anything that can be offered to a market to satisfy a want or need. Products that are marketed include physical goods, services, persons, place, organizations and ideas."<sup>28</sup>

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<sup>&</sup>lt;sup>26</sup> Govinda Ram Agrawal 'Marketing for Small Business' p. 15

<sup>&</sup>lt;sup>27</sup> I bid.

<sup>&</sup>lt;sup>28</sup> Kotler, Op. Cit. p. 430

"The product offered by an organization is what the business (or no business) entity is all about. While we tend to think of product as objects we can see and touch the term product may be used in referring to intangible services and ideas as well. So product is a market's offering as perceived by the market." "Product mix includes decisions on product line and mix, product quality, variety, design features, branding, packaging, labeling etc. It also includes important activities such as product planning and development."

#### 2.6.2 Place

A product is not much good to a customer if it is not available when and where he wants it. We must consider where, when and by whom the goods and services are to be offered for sale.

Goods and services do not flow from products to consumers automatically. They move through channels of distribution where a great deal of marketing work is done. Channel members may or may not handle the goods. Some may own them and transfer title, while others do neither. Some may provide return and repair services, while also storing and transporting them. And others may be primarily concerned with transmitting money and information. In the other words, a number of things besides goods, flow through a channel both ways.

"Place or distribution mix includes design of the distribution channels, distribution networks, dealer, promotion and motivation systems, and physical distribution of the product." Any sequence of marketing institution, from product to final user or consumer, including any number of middlemen is called a channel of distribution. Marketing managers must work in and through such channels and so our study of place will be very important to marketing strategy planning.

"Even though marketing intermediaries are primarily a non controllable environmental factor, a marketing executive has considerable latitude when working with them. Management's responsibility is:

<sup>&</sup>lt;sup>29</sup> Buell, Op. Cit. p. 23

<sup>30</sup> Koirala, Op. Cit. p. 14

<sup>&</sup>lt;sup>31</sup> Ibid. p. 15

- 1. To select and manage the trade channels through which the products will reach the right market at the right time and
- 2. To develop a distribution system for physically handling and transporting the products through these channels."<sup>32</sup>

#### 2.6.3 Promotion

Promotion, one of the four major variables with which the marketing manager works, is communicating information between seller and buyer with a view to changing attitudes and behavior. The marketing manager's job is to tell target customers that the right product is available at the right place at the right price.

"Promotion is the ingredient used to inform and persuade the market regarding a company's product. Advertising personal selling and sales promotion are the major promotional activities."<sup>33</sup>

The major promotional methods include personal selling, mass selling and sales promotion. Personal selling involves direct face-to-face relationships between sellers and potential customers. Mass selling is designed to communicate with large numbers of customers at the same time. Advertising is the main form of mass selling, but it also involves publicity. Sales promotion refers to specific activities that complement personal and mass selling such as point of purchase displays booklets, leaflets and direct mailing.

"Companies face the task of distributing the total promotion budget over the five promotional tools advertising, sales promotion, public relations and publicity, sales force and direct marketing. Within the same industry, companies can differ considerably in how they allocate their promotional budget. It is possible to achieve a given sales level with varying promotional mixes."

"It is the variable that communicates to the consumer about other variable of marketing mix for their need satisfaction. It consists of advertising, publicity, personal selling and sales promotion."<sup>35</sup>

35 Agrawal, Op. Cit. p. 16

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<sup>&</sup>lt;sup>32</sup> "technological Antecedents of the Modern Marketing Mix", Journal of Macro Marketing, spring p. 17

W.J Stanton & Futrell, Fundamentals of Marketing p. 56

<sup>34</sup> Kotler, Op. Cit. p. 622

#### 2.6.4 Price

Price is also one of the major parts of the marketing mix. While the marketing manager is developing the right product and promotion, he also must decide on the right price. One of that will round out his marketing mix and make it as attractive as possible. In setting the price, he must consider the nature of competition in his target market as well as the existing practices on markups, discounts and terms of sale. He also must consider legal restrictions affecting prices.

"Price mix includes such as analysis of competitors' prices, formulation of pricing objectives, setting the price, determining terms and conditions of sales, discounts and commission etc." "In pricing, management must determine the right base price for its products. It must then decide on strategies concerning discounts, freight payments, and many other price related variables." 37

"In economic theory, we learn that price, value and utility are related concepts. Utility is the attribute of on item that makes it capable of satisfying human wants. Value is the quantitative measure of the worth of a product to attract other products in exchange. Price is value expressed in terms of dollars and cents, or any other monetary medium of exchange. In pricing we must consider more than the physical product alone. A seller usually is pricing a combination of the physical product and several services and want-satisfying benefits. Price is the value placed on goods and services. Price is the amount of and/or product that are needed to acquire some combination of another product and its accompanying services."

"It is the variable that creates sales revenue. Consumers pay price to buy products for their need satisfaction. It may be fixed on the basis of cost, demand or competition. It may involve discounts, allowances, credit facilities etc. Price has become the second most important variable of marketing mix because of inflationary pressures in recent years." <sup>39</sup>

Koirala, Op. Cit. p. 15

<sup>37</sup> Stanton, Op. Cit. p. 56

<sup>&</sup>lt;sup>38</sup> Ibid. p. 260

<sup>&</sup>lt;sup>39</sup> Agrawal, Op. Cit. p. 16

# 2.7 Marketing Strategy

Marketing strategy is both unique and commonplace. That might sound like a contradiction of terms but it is not. The term "Strategy" is widely used to describe a seemingly endless number of marketing activities. Today, everything in marketing seems to be "Strategic." There is strategic pricing, strategic market entry, strategic advertising and may be even strategic strategy. The glut, of competition has focused more attention on performing traditional marketing actions strategically with an eye towards beating the completion. In that sense, marketing strategy is commonplace. In recent years it seems to have been appended to nearly every marketing action.

Marketing strategy is also unique. There is not be one unified definition upon which marketers agree. Marketing strategy is a commonly used term, but no one is really sure what it means. "A strategic sector is one in which you can obtain a competitive advantage and exploit strategic sectors are the key to strategy because each sector's frame of reference is competition. The largest competitor in an industry can be unprofitable if the individual strategic sectors are dominated by smaller competitors."<sup>40</sup> Boyd and Larreche (1978) had found in the history of marketing strategy that tremendous confusion over just what strategy is. The term "Strategy" as used in marketing, has been applied to at least three types of issues, each at a different level of aggregation.

At the macro level, there are marketing strategies, which focus, on manipulations of the marketing mix variables-product, price, place and promotion. According to that definition, setting a strategy for a product consists of selecting a price for a product, designing an advertising campaign, and then deciding on a plan of distribution. Finally, there are product market entry strategies, which include strategies that look at specific marketing decisions. Strategies that call for a firm to built marker share, harvest profit (and share) or defend share from competitors. Another widely used definition of strategy in marketing emphasizes the broader perspective of strategy in management. That definition views strategic market planning as a four-step process.

- Defining the business I)
- Setting a mission II)

<sup>40</sup> Subhash Jain, The Evolution of Strategic Marketing. P. 81

- III) Selecting functional plans for marketing, production and other areas and
- Budgeting for those plans (A bell and Hamond 1979). In that IV) sense, marketing strategy is more akin to corporate strategy."<sup>41</sup>

Strategic marketing is a major component of the strategic planning. Its main objective is to establish the product/market scope of a business. Strategic and marketing is the method that concentrates on the market to serve, the competition to be tackled and the timing of market entry/exit and related moves. Formally, strategic marketing deals with the following questions:

Where to complete?How to complete?When to complete?

"Strategic marketing helps to define the market in entering and competing. That may be either on entire market or one or more segments of the entire market. Strategic marketing provides inputs or techniques for solving customer need. That technique may be either an introduction of a new product or existing product with improvements. Similarly, strategic marketing tries to identify an appropriate time for entering to the market defined. The appropriate time to enter the market may be the first in the market or wait until primary demand is established."42

# 2.7.1 Product Strategy

In the very narrow sense, a product is a set of tangible physical attributes assembled in an identifiable form. Each product carries a commonly understood descriptive name, such as apples, steel or baseball bats. "A product is a set of tangible and intangible attributes, including packaging, colour, price, manufacturer's prestige, retailer's prestige and manufacturer's and retailer's service." <sup>43</sup> "Product is anything that can be offered to a market for attention, acquisition, use or consumption and that might satisfy a want or need. Products include more than just tangible goods. Broadly defined, product includes physical objects, service, persons, places, organizations, ideas or mixes of these entities."44

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41</sup> Steven P. Schnaars, Marketing Strategy, p. 18

<sup>&</sup>lt;sup>42</sup> Shrestha, Op. Cit. p. 176

<sup>43</sup> Stanton & Fatrell, Op. Cit. p. 190

<sup>44</sup> Kotler & Armostrong, Op. Cit. p. 238

A product is anything that is potentially valued by a target market for the benefits of satisfaction it provides (Craven, Hills and Woodruff). The general principle is that a firm must have a right product that can satisfy the needs and wants of the consumers. But a product can't satisfy their needs and over the time period, because of several reasons:

First, like living creatures a product also has a life during which a firm has to reformulate or modify or differentiate or standardize it to maintain its position in the market.

Second consumer demand goes on changing over the time period. As such, the same consumer may demand different products over the time period.

Finally the requirement of all consumers is not alike, different consumers may demand for different product attributes (such as quality, product service, branding, good packing, attractive colour and design prestige, problem, solution etc) at the same time.

"It clearly indicates that the product decision is not only on important decision in the marketing but also a most challenging task for the marketers. To succeed in the competitive markets the marketer must be able to study each and every aspects of the product including product life cycle, new product development, product mix and product line, product positioning, branding, packaging etc."<sup>45</sup>

"Product is what marketers offer to consumers. They include goods, service, ideas and any other things that can be exchanged by a supplier and a buyer or consumer. The term product concept refers to the marketing strategist's selection and blending of a product's primary characteristics and auxiliary dimensions into a basic idea or concept emphasizing a particular set of consumer benefits."

Product strategy is the core of strategic planning for the enterprise and it plays a pivotal role in shaping marketing strategy. Management's strategic decisions about the product to be offered are among the most important of those affecting the future of a company. No other strategic decision has such widespread impact, cutting across every functional area and affecting all level of an organization. This key strategic role should not come as a surprise since meeting people's needs and wants with goods

Shrestha, Op. Cit. p. 84

<sup>&</sup>lt;sup>46</sup> Zikmand & d' Amico, Marketing, p. 213

& services are what business is all about. A product strategy consists of:

- Deciding how to position a business unit's product offering (specific product, line or mix) to serve its target market.
- ) Setting strategic objectives for the product offering.
- ) Selecting a branding strategy.
- Developing and implementing a management strategy for new and existing products.<sup>47</sup>

# 2.7.2 Pricing strategy

Price is one of the four major elements that the marketing manager must consider while preparing the marketing program. Price is regarded as a backbone on which the success of the marketing program largely depends. No rational product policy, no product design and no marketing strategy can not be formulated without consideration of price, nor is price set in isolation of the total strategy. Since price decisions affect not only the firm's sales and profit but also determines its future prospects, they must be taken into account seriously.

In general, price is value or amount of money sacrificed to obtain a particular product or service. Price may also be defined as the exchange of something of value between parties involved in a transaction. In economic sense, price is value expressed in terms of rupees or dollars, or any other monetary medium of exchange.

Pricing on the other means the determination of proper value to a particular product or service. In broader sense, price setting involves the determination of some object that can be used to establish the value of the exchange to all parties involved in the transaction. Determining the values to base price is a strategic decision. Pricing as a strategic variable in marketing it should be based on systematic decision to assign a value to communication the seller's estimated worth of the offering.

Price strategy has many characteristics in common with a bomb! The consequences of pricing decision can be explosive and far-reaching and it may be difficult to alter a strategy once it has been implemented, particularly if the change calls for significant price increase. Price has many possible uses as a strategic instrument in corporate and marketing strategy.

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<sup>47</sup> David W. Cravens, Strategic Marketing, p. 237

We define a price strategy as: "Deciding how to position price with in the range of feasible prices; establishing whether price shall be used as an active or passive element in the marketing program; setting the specific objectives to be accomplished by price; and establishing policies and structure for guiding pricing decisions."

# 2.7.3 Distribution Strategy

Distribution is one of the major marketing functions. Without it's effective and efficient mgmt the whole marketing system may be failed. So that, clever marketing manager should have given due attention towards its better functioning. Simply speaking, distribution is the delivery of the products to the right time, place and consumer. Such as channel of distribution, transportation, warehousing and inventory control etc.

Most producer work with marketing intermediaries to bring their product to market, they try to forget a distribution channel. A producer should decide how many middlemen he should seek at each level of distribution. He will determine the numbers of retailers, wholesalers, agents and so on.

"Distribution may be defined as an operation or a series of operation which physically bring the goods manufactured or produced by any particular manufactures in to the hands of the final consumer or users." Distribution channels are major factors in the effectives development of the market share, internationally to maintain quality and ensure services, direct distribution is also undertaken by many manufactures, Also, the use of multiple channels will expand and include tale-marketing direct response marketing, mail-order and computer assisted buying." <sup>50</sup>

Distribution is concerned with the activities involved in transferring goods from producers to final buyers and users. It includes not only physical activities, such as transporting and storing goods, but also the legal promotional, and financial activities performed in the course of transferring ownership. Since a succession of enterprises is generally involved in the distribution process leading to the final sale to

<sup>48</sup> David W. Cravents, Op. Cit. p. 294

<sup>&</sup>lt;sup>49</sup> R.S. Daver, Modern Marketing Management, Bombay, Progressive Cor. (p) Ltd. P. 40

 $<sup>^{50}</sup>$  William Lazer, et. Al. Marketing 2000 and Beyond, Chicago, American Marketing Associaton, 1990, p. 164

the consumer or user, to understand distribution one must analyze both the different kind of marketing institutions and the marketing channels in which they operate.

The means of distribution have a very significant effect upon the prices of goods and a single means is not enough due to the geographical diversity. Where is single system this has led to the rise in the price of commodities on the one hand and the non-availability of them in time, on the other hand? These problems have pointed to the necessity of a new management in the means of distribution which specially considers the factors like the nature of the commodity, the behavior of the customers, effectiveness of time, education and social values.

The distribution channel moves goods from producers to consumers. It's overcomes time, place and possession gaps that separates goods and services from those who would use them. The different distribution channels are useful for receiving information, finding and communicating with perspective buyers, attempting to agree on price and the other terms that the transfer of ownership possession can happen.

In today is mass production economy; most producers do not sell their goods directly to the final users. Distribution channels are among the most complete business organization. "The channel and physical distribution programmer are developed to deliver right products at the right place at the right time at the lower cost."<sup>51</sup>

"Effective control of distribution costs can give an organization an advantage, if the organization can't control distribution costs profit will be impaired in the short run and survival may be threatened in the long run."<sup>52</sup>

Most producers do not sell their product directly to the final consumers that are why; they use a variety of intermediaries, Channels are the medium for taking the goods and services to ultimate buyers. These organization and agencies are grouped together in various combinations linking particular producing units through the channels of distribution.

<sup>52</sup> Ronald J. Lewis, "Strengthening Control of Physical distribution cost" Ibid. p. 316

Burr W. Hupp, "Inventory Policy is a Top Mgmt Responsibility" in Donald L. Buwrsox (ed) Reading in Physical Distribution Management, New York: Macmillan company, 1969 p.

"In today's economy most of the producer of goods and services do not sell their goods directly to the final users. Between them and the final users stands a host of marketing intermediaries performing in a variety of functions and bearing a variety of names. Some middlemen such as wholesalers and retailer buy, take title to, and re-sell the merchandise. They are called merchant middlemen other such as manufacturers and may negotiate on behalf of the producer but do not take title to the goods. They are agent middlemen.<sup>53</sup>

After the product has been produced, producers must distribute or supply these products to the target markets. In most of the cases, producers use several middlemen or channels of distribution to supply goods and service to the consumption point.

A channel of distribution shall be considered to comprise a set of institutions, which perform all of the activities utilized to move a product and its title from production to consumption (Bucklin). Channels of distribution is an organized network of agencies and institutions which in combination, perform all the activities required to link producers with users and, users with producers to accomplish the marketing task (Craven, Hills & Woodruff).

These intermediaries or channels of distribution tend to be used for several reasons:

- The number of sellers and buyers and the distance of product I) movement are relatively large;
- The frequency of purchase is high; II)
- The lot sizes needed by end users are small; III
- Markets are decentralized. IV)

#### CHANNEL STRUCTURE

There are three levels of marketing channels:

- Direct channels I)
- II) Indirect channels
- Mixed channels III)

<sup>&</sup>lt;sup>53</sup> Kotler, Op. Cit. p. 175

Under direct channel, producer himself distribution goods and services to the users. No intermediaries are used in this case. Under indirect channel, several intermediaries such as wholesalers, retailer's dealers, agents etc are used to supply goods and services from production point to the consumption point. Under mixed channel, producer uses direct as well as indirect channels at the same time for the purpose.

Here, intermediaries or middlemen can be divided into two categories:

- Merchant Middlemen; and a)
- b) Agents

Merchant middlemen purchase outright and actually take title to the goods. Merchant middlemen include wholesalers, retailers etc. Agent acts in an agency capacity on behalf of clients and do not take title to the goods which they deal. They usually charge certain commission in terms of percentage or lump sum.

#### PHYSICAL DISTRIBUTION

Physical distribution is concerned with the management of physical flow of goods from the points of suppliers to the points of purchasers. Cravens, Hills and woodruff define physical distribution management as the process of strategically managing the movement and storage of materials, parts and finished inventory from suppliers, between enterprise facilities and to customers.<sup>54</sup> "Stanton defines physical distribution as the activities concerned with the movement of the right amount of the right products to the right place of the right time."<sup>55</sup>

The main objective of physical distribution is getting the right product safely to the right places at the right time at the least possible cost. More specifically, the objectives of physical distribution are:

- a) To provide customer service
- b) To distribute goods more safely
- c) To minimize the total cost
- d) To supply goods to the right target market

<sup>&</sup>lt;sup>54</sup> Kotler, Op. Cit. p. 433

<sup>55</sup> Stanton, Op. Cit. p. 379

#### Function of physical distribution

A physical distribution system consists of a sell of interrelated functions with specific boundaries. The interrelated functions include the following element:

- a) Transportation
- b) Warehousing
- c) Inventory Management and control
- d) Other processing
- e) Material Handling

Transportation is the element of the physical distribution system that links geographically separated markets and facilities. There are five models of transportation:

- a) Rail transport
- b) Highway transport
- c) Water transport
- d) Pipe-line transport
- e) Air transport

Warehousing decision determines the number, size and location of storage facilities needed to service customer demand. Developing effective warehousing strategy includes the decisions regarding the following elements:

Location of warehouse
Determine the type of warehouse i.e., private or public warehouse.
Evaluate developments in warehousing.

Inventory decisions are concerned with balancing the costs of carrying inventory, ordering products from suppliers and controlling other inventory costs to achieve a desired level of consumer satisfaction. Inventory accumulation is expensive, yet availability is essential to having satisfied customers.

Ordering processing constitutes the communication linkage that stimulates a physical distribution system into action. In other words, order processing regards to all those activities involved in collection, checking and transmitting sales-order information. It is the handling of all paper work associated with the sale of goods and services offered by an organization.

Material handling, also called the physical handling of goods, is an activity that is important in inventory, warehousing and transportation. The characteristics of a product determine to a large extent how it will be handled.

# 2.7.4 Promotional Strategy

Promotional strategy is also one of the most important marketing strategies. There is various type of promotion. These include advertising, personal selling, sales promotion and various miscellaneous efforts. When management has a message to pass to target consumer's promotion is the proper vehicle.

"Like other marketing tools, both business and non business organizations use promotion. The state of Louisiana has been promoting family planning since 1965" "Promotion can be used to improve the image of police work as a career" 57

A company needs to make marketing decisions only in the areas of segmentation, product offering, pricing and distribution but also in the area of promotion. Promotion is "any marketing effort whose function is to inform or persuade actual or potential consumers about the merits of a (given) product or service for the purpose of inducing a consumer either to continue or to start purchasing the firm's product or service at some (given) price."<sup>58</sup>

Promotion is persuasive communication. It is a highly visible element in the marketing mix. It tells the target customers about product, price and place. It is also known as marketing communication. "Promotion is applied communication used by marketers to exchange persuasive messages and information between buyers and sellers."<sup>59</sup>

"Promotion represents the various communications to inform and persuade people that a firm directs towards its market target, channel organization and the public at large. These communications consists of

<sup>&</sup>lt;sup>56</sup> Adel I. EI-Ansry and Oscar E. Kramer, Jr, "Social Marketing: The Family Planning Experience" Journal of Marketing p. 37 (1973, July)

<sup>&</sup>lt;sup>57</sup> Richard W. Hansen, et. al., "An Application of Marketing Concepts in the Public Sector; A case study," 1974 Combined Proceeding American Marketing Association (Chicago: American Marketing Association) p. 252

<sup>&</sup>lt;sup>58</sup> Wroe Alderson and Paul E. Green, Planning and Problem Solving in marketing, Home wood, II. Richard D. Irwin, Inc., 1964, p. 270

<sup>&</sup>lt;sup>59</sup> Zikmund & d' Amico, Op. Cit. p. 473

advertising, personal selling and sales promotion activities. Increasingly, marketing management is finding it profitable to combine advertising, personal selling, packaging, point of purchase, direct mail, product sampling, publicity and public relations decisions into an integrated promotion strategy for communicating with buyers and other involved in marketing purchasing decision. Since each type of promotion has certain strengths and short comings, the strategy adopted should capitalize upon the advantages of every component in shaping a cost effective communications mix."60

There are various promotion methods.

#### Advertising:

"Unlike personal selling and some sales promotion and public advertising impersonal techniques, is an communication. Advertising is an impersonal promotion to groups that is paid for by an identified sponsor. It focuses upon group of persons, rather than upon individuals."61 "Advertising can be described as any paid from of non-personal communication by a sponsor."62 "Advertising includes any persuasive message carried by a mass medium and paid for by a sponsor who sings the message."63

#### Personal Selling:

"Personal selling can be a very intense means of promotion. Personal selling consists of person-to-person communication between sales persons and their prospects. Unlike advertising, it involves personal interaction between the source and the destination."64 "Personal selling refers to oral presentation to one or more customers in a face-to-face situation for stimulating demand for products and services or enhancing company image."65 "Personal selling is a person-to-person dialogue between buyer and seller where the purpose of the interaction, whether face-to-face or over the phone, is to persuade to buyer to accept a point of view or to convince the buyer to take a specific course of action."66

<sup>60</sup> David W. Cravens, Op. Cit. p. 319

<sup>&</sup>lt;sup>61</sup> Robin Peterson, Marketing A Contemporary Introduction, p. 439

<sup>&</sup>lt;sup>62</sup> Dholakia, Khurana, Bhandari and Jain, Marketing Management: Cases & Concepts. p. 353

 $<sup>^{63}</sup>$  Douglass Johnson, Advertising Today, Chicago III, Science Research Associates, 1978 p. 1 64 and 65 Ibid. p. 353

<sup>&</sup>lt;sup>66</sup> Zikmund & d' Amico, Op.Cit. p. 475

#### Sales Promotion:

"According to the American Marketing Association, sales promotion is," Those marketing activities, other than personal selling, advertising and publicity that stimulate consumer purchasing and dealer effectiveness, such as displays, shows and expositions, demonstrations and various no recurrent selling efforts not in the ordinary routine."67 Sales promotion activities are impersonal and usually nonrecurring and are directed to supplement the advertising and personal selling efforts. Examples of sales promotion are free product samples, trading stamps, store displays, premiums, coupons and trade shows. "Sales promotion can be defined as those promotional activities other than personal selling, advertising and publicity that are intended to stimulate buyer purchases or leader effectiveness in a specific time period."68

#### Publicity:

"Publicity is a means of promoting to the mass market. Publicity is similar to advertising, except that it is free, is found in the editorial portion of news media and pertains to newsworthy events, The most common types of publicity are news released (also called press releases), photographs and feature stories."69 "Publicity is similar to advertising except that it involves an unpaid and unsigned message, even though it may use the same mass media as advertising does."<sup>70</sup>

#### Public Relations:

"Marketers engage in public relations in order to develop a favorable image of their organizations and products in the eyes of the public, they direct this activity to parties other than target consumers. These 'others' include the public at large labour union, the press and environmentalist groups. Public relations activities include sponsoring floats in parades, lobbying and using promotion messages to persuade members of the public to take a desired position."

<sup>67</sup> Committee on Definitions, American Marketing Association, Marketing Definition; A Glossary of Marketing, 1960 p. 20

<sup>&</sup>lt;sup>68</sup> Zikmund & d' Amico, Op. Cit. p. 477

<sup>&</sup>lt;sup>69</sup> Rollie Tillman and C.A. Kirkpatrick, Promotion: Persuasive Communication in Marketing, Homewood, I II: Richard D. Irwin, Inc, 1968 p. 365

<sup>&</sup>lt;sup>70</sup> Zikmund & d' Amico, Op. Cit. p. 476

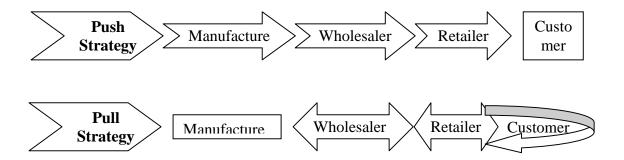
<sup>&</sup>lt;sup>71</sup> Robin Peterson, Marketing A Contemporary Introduction, p. 443

#### PROMOTION STRATEGIES

#### Push or pull Strategies:

In push strategy, the promotion program is directed at middlemen. The product is "pushed" through the channel. The channel members are persuaded to order, carry and promote product to customers. The manufacturer promotes to wholesaler, the wholesaler promotes to retailer, the retailer promotes to customer. Personal selling and trade promotion tools are emphasized in push strategy. This strategy is useful where brand loyalty is low and market share is to be protected. In pull strategy, the promotion program is directed at customers. The customer is persuaded to ask the product from the retailer, the retailers ask the product from the wholesalers and the wholesalers order the product from the manufactures. The product is 'pulled' through the channel to increase sales. Aggressive advertising and consumer promotion is emphasized in pull strategy. This strategy is useful where brand loyalty is high.

Figure-5



# <u>Interpersonal or mass communication strategy:</u>

The interpersonal communication strategy emphasizes personal selling as a tool for face-to-face promotion. The mass communication strategy emphasizes advertising, publicity and sales promotion.

#### 2.8 Review of Related Studies

# 2.8.1 Ratna Prasad Shrestha "Marketing of Cold Drinks in Narayangarh" (1998) 72

The study was undertaken in 1998 with the following objectives:

<sup>&</sup>lt;sup>72</sup> Ratna Prasad Shrestha, Marketing of Cold Drinks in Narayangarh, (1998) Unpublished Dissertation Submitted to Central Department of Management, Tribhuvan University.

- a) To examine the potential consumers in purchasing cold drinks.
- b) To identify the purchases behavior of consumers who purchase cold drinks.
- c) To estimate demand of cold drinks in Narayangarh.
- d) To identify the best choice of consumers on cold drinks on the basis of selecting brands advertising habitual testing, asking question & personal inspection.
- e) To find the relationship between the brand preference and advertising.
- f) To find out the popular media of advertising for the cold drinks, which can easily attract the potential consumers on each company, branded cold drink.
- g) To estimate sales of cold drinks in Narayangarh.

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

The study has recommended that advertising should be more believable and effective, so manufactures are suggested to advertise their product through television and other media. Most of consumer are found brand. So the marketers are suggested to give proper attention on their distribution system. It is suggested that the manufactures of cold drink, should try to fulfill consumer's demand on cold drinks of their choice.

# 2.8.2 Krishna Prasad Pathak, in 1998 conducted the study on "Coffee Marketing System in Nepal" with the following objectives: <sup>73</sup>

- a) To analyze the present phenomena, for the farmers engaged in coffee farming.
- b) To assess the existing coffee marketing system.
- c) To analyze the challenges, problems and profitability of farming, processing and marketing of coffee and professional standards.
- d) To recommend measure for improvement.

<sup>&</sup>lt;sup>73</sup> Krishna Prasad pathak, Coffee Marketing in Nepal, (1998), Unpublished Dissertation Submitted to Central Department of Management, Tribhuvan University.

From this study, the following conclusions have been deduced. Nepalese farmers are motivated to plant coffee for better yield and they need technical support and training for professional farming skills. There is no support to farmers. In put supply and sales security were very weak. Recently emerging community activities show better symptoms in this respect. Pricing to support formers was effective due to increased competition. Market promotion is weak and packing is the first place to start promotional campaign. Now push sales is the only measure and no promotions are done. Distribution system components are assembly transportation, processing and order processing. Through Nepalese domestic production covers only 22.9 percent of domestic market, Nepalese coffee is worth exporting and Nepalese consumers prefer instant coffee mainly imported from India. It shows that Nepal can develop coffee, as an important cash crop to generate exports, which should help in economic growth, employment generation and mitigating the ever-increasing unfavorable balance of trade, for this professional and institutional approach, is warranted for.

The study has recommended that select better seeds appropriate for Nepalese landscape and climate should be conducted. Interest rate 17% is not appropriate for farming and is very high. Enterprising farmers should be trained so as to make them the bridge between the ordinary farmers and technical experts. Wet pulping should be introduced and farmers should be facilitated to pulp, hull and grade the beans and green beans should be introduced in trade. There should be improved in packing of roasted coffee. Demonstration farms should be developed as the catalysts to incorporate rural people in modern business ethics. Professionalize should be encouraged in coffee marketing.

# 2.8.3 Shree Chandra, in 1998 conducted a study on "Sales Promotion and its Effect on Sales"

A case study of Beer Market of Nepal with the objectives of analyzing the sales promotion and its effect on sales especially in case of beer market of Nepal. Through the concept of sales promotion is relatively new in Nepal. There are lots of thinks to be researched and find out on the practice of sales promotion. The study had the following specific objectives:

31

<sup>&</sup>lt;sup>74</sup> Shree Cahandra Bhatta, Sales Promotion and Its Effects on Sales: A Case Study of Beer Market of Nepal, (1998), Unpublished Dissertation Submitted to Central Department of Management, Tribhuvan University.

- a) To find out whether the sales promotion does impact on sales of beer.
- b) To find out what mode of sales promotion is more acceptable by the Nepalese consumers.
- c) To find out what mode is more wisely used by the manufacturers as a sales promotion tools.
- d) To evaluate effectiveness of sales promotion activities in the sales of beer in Nepal.
- e) To find out which media is suitable to advertise about the sales promotion.
- f) To predict the sales of coming year if every factors would be the same.

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

The people who drink beers accept electronic media most. So far sales promotion purpose, the electronic media is very suitable. The sales promotion is very powerful tools which can easily boots the sales. The study has recommended that low-income group as well as low education group should be launched the beer. In advertising, the electronic media is very popular. So the heavy media coverage should be acquired. People like cash prizes so company should cut down the prize like motorcycles, fridge, TV etc. Findings proved that the sales promotion have positive impacts on the sales of the beers. But the companies launched the sales promotion programmers for only 3 months. It is strongly advised that sales promotion programmers should be launched at least for 6 months. At last, sales promotion is very important if the use would be in a proper way.

# 3. RESEARCH METHODOLOGY

#### 3.1 Introduction

The objective of this study is to examine the marketing of cold drinks in Parwanipur. In this study, the necessary relevant data have been collected from the sample consumers and retailers. To achieve this objective, the study follows a research methodology, which has been described as the following.

# 3.2 Research Design

This study is based on a survey research design. A limited scale survey has been conducted among the consumers and retailers of cold drink in Parwanipur. Two sets of questionnaire have been administered in order to generate data and other information relating to the research questions adopted for this study.

# 3.3 Population and Sample

As the total population of cold drink users of presently available brands is hard to find in number, the study takes the population as the total consumers of cold drinks in Parwanipur VDC. The study has included 150 consumers and 15 retailers of cold drinks based on study area. Though the sample size is very small in comparison to the total population, sufficient efforts have been made to make the sample representative by including consumers from the different professions, age group, educational backgrounds and sex.

#### 3.4 Nature and Sources of Data

This study is based mainly on primary data collected directly form the respondents. The respondents for this study are the consumers and the retailers of cold drink in parwanipur. Most information has been collected from the primary source through the questionnaires and oral conversation with concerned distributors and consumers. The questionnaires were distributed to the consumers and retailers of front of Himal Iron and Steel P.Ltd., Parwanipur and around for collecting necessary information.

**Table- 3.1** 

The Size of sample and Responses

Respondents	Sample Size	Questionnaires	% Question Return
Consumer	150	150	100
Retailers	15	15	100
Total	165	165	100

As shown in table 3.1, 150 consumers and 15 retailers were interviewed by the research with the help of two different sets of structured questionnaires. Apart from the data collected through the questionnaire, some supplementary primary data provided by the distributors have been used in this study. The questionnaires used in this study are presented in the appendix.

**Table- 3.2** 

Users of cold drinks: Age wise

Age	No. of Respondent	Percentage
10-15	37	24.67 %
15-25	43	28.67 %
25-35	42	28 %
Above than 35	28	18.67 %
Total	150	100 %

As shown in table 3.2, among the sample selected for the study, 24.67 % of consumer of cold drink lies in the age group of 10 to 15, 28.67 % lies in the age group of 15 to 25, 28% lies in the age group of 25 to 35 and 18.67 % lies in the age group of above than 35. From this table it can be inferred that of cold drink can be found across the different age group.

Table 3.3

Users of cold drink: Sex wise

Sex	No. of Respondent	Percentage
Male	96	64 %
Female	54	36 %
Total	150	100 %

As presented in table 3.3, the sample included 64 % male consumers and 36 % female consumers of cold drinks.

Table- 3.4
Users of cold drink: Education wise

Education	No. of Respondent	Percentage
Under S.L.C.	44	29.33 %
S. L. C. Passed	24	16 %
Under Graduate	35	23.33 %
Graduate	47	31.33 %
Total	150	100 %

Table 3.4 presents the education profile of the respondents. Out of 150 respondents surveyed, 31.33 % are graduates, 23.33 % are under graduates, 16 % are S.L.C. pass and 29.33 % are under S.L.C.

Users of cold drinks: Occupation wise

**Table- 3.5** 

Occupation	No. of Respondent	Percentage
Students	27	18 %
Job-Holders	59	39.33 %
Businessmen	48	32 %
Others	16	10.67 %
Total	150	100 %

As shown in table 3.5, according to the occupation background 18 % are the students, 39.33 % are job-holders, 32 % are the businessmen and 10.67 % from other occupations.

#### 3.5 Data Collection Procedures

Two set of structured questionnaire were developed for the purpose of collecting data from the consumers as well as retailers. The questionnaires were distributed through personal contact in which the respondents were requested to fill up the questionnaire. The researcher personally visited to take interview of the retailers and consumers. Consumers were chosen from different socioeconomic background for interview. In the process of collecting data the researcher was also in touch with the responsible officers of companies selling Coca-cola, Pepsi, Real and Rio products.

# 3.6 Data Processing and Analysis

The raw data collected through the questionnaire have been manually processed and presented in the form of tables. Once the data are arranged sequentially, simple statistical tools were used for analysis. The processed data have also been presented graph, bar diagram and pie chart. All the questionnaires were distributed and collected by the researcher herself. So there was no delay in collection of the questionnaires distributed to the consumers. Every questionnaire was thoroughly checked after the collection.

## 4. DATA PRESENTATION AND ANALYSIS

This chapter incorporates data presentation and analysis. The data and information collected from the consumers and retailers have been presented, analyzed and interpreted in this chapter for attaining the stated objectives of the study. This chapter first presents the consumer level survey and then the retailer level survey. After analysis and interpretation, the major findings of the study are included at the end of this chapter.

## **4.1 Consumer Survey**

Table 4.1

Cold drink Users and their Favorite Brand

Brand	No. of Respondent	Percentage
Coke	104	69.33 %
Fanta	9	6 %
Sprite	9	6 %
Pepsi	6	4 %
Real	17	11.33 %
Rio	2	1.33 %
Mirinda	3	2 %
	150	100

The survey included question to know the attitude of consumers to cold drink of different brands and whether they consume only one type of brand or more than one. The result of survey is shown in table 4.1.

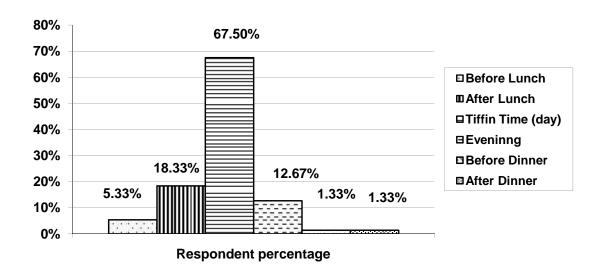
Among the 150 respondents survey in Parwanipur, 69.33 % of the consumer are found to consume Coke, where as 6 % of respondent consumed Fanta, 6 % consume Sprite, 4 % consume Pepsi, 11.33 % consumed Real, 1.33 % consume Rio and 2 % consumed Mirinda.

From the above table it proves that the choice of Coke is far ahead than other cold drink, while Real takes the second position. From the analysis it shows that the Coca-cola products (Coke, Fanta and Sprite) have a combined market share of more than 81 % of the parwanipur cold drink market.

Suitable time for taking cold drink

**Table- 4.2** 

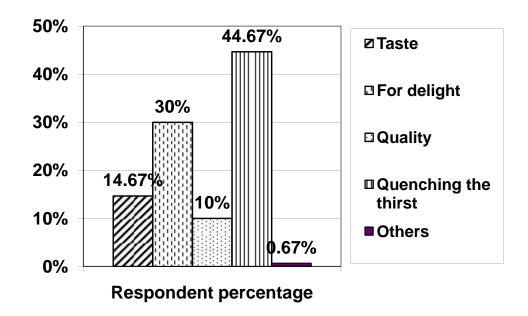
Options	No. of Respondent	Percentage
Before Lunch	8	5.33 %
After Lunch	11	18.33 %
Tiffin Time (day)	108	67.5 %
Evening	19	12.67 %
Before Dinner	2	1.33 %
After Dinner	2	1.33 %
Total	150	100 %



As presented in table 4.2, the most preferred time for taking cold drink is the Tiffin time when 67.5% of respondents consume cold drinks, while 18.33% respondents are found to take cold drink after lunch, 12.67% take in the evening time, 5.33% take before lunch and 1.33% take cold drink before dinner and after dinner respectively.

Table- 4.3
Reasons for having cold drinks

Option	No. of Respondent	Percentage
Taste	22	14.67 %
For delight	45	30 %
Quality	15	10 %
Quenching the thirst	67	44.67 %
Others	1	0.67 %
Total	150	100 %



As shown in table 4.3, 44.67% of respondents opine that the best reason for having cold drink is quenching the thirst, while 30% of respondents are found to consume cold drink for delight, 14.67% respondent for the taste, 10% of respondents for quality and 0.67% respondents concludes for other interests and hobby.

Table- 4.4

Factors that influence consumer to have cold drink

Factor rank	1	2	3	4	5	6	7	8	Total
Availability	9	17	30	28	35	19	7	5	150
Advertisement	10	11	24	21	31	30	14	9	150
Sales Scheme	1	2	6	22	21	44	50	4	150
Price	3	17	28	33	17	17	30	5	150
Quality	74	28	18	7	8	7	7	1	150
Taste	36	66	25	13	3	4	1	2	150
Brand	16	9	18	21	30	26	24	6	150
Other	1	_	1	5	5	2	16	120	150

In the table 4.4 different factors influencing consumption of cold drinks have been ranked according to consumer's choice. Consumers have ranked the quality of the cold drink as the most important factor (74 first rank and 28 second rank), followed by taste (36 first rank and 66 second rank). The brand is in the third position with 16 first ranking and 9 second rankings. Similarly advertisement is in the fourth position, availability is in the fifth position, price is in the sixth position and sales scheme and others are in the seventh position.

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

**Table- 4.5** 

Suitable place for having cold drink

Options	No. of Respondent	Percentage
Own house	48	32 %
Store and Restaurant	84	56 %
Picnic	7	4.67 %
Festival	6	4 %
Others	5	3.33 %
Total	150	100 %

As shown in table 4.5, the most suitable place for having cold drink is Store and Restaurant as 56% respondents are found to consume cold drink in Store and Restaurant, while 32% of respondents consume cold drink in their own house, 4.67% of respondent consume in picnics, festivals and others 4% and 3.33% respondents consume respectively.

**Table- 4.6** 

Size (ml or liter) of cold drink most preferred

Size	No. of Respondent	Percentage
200ml	4	2.66 %
250ml	106	70.67 %
500ml	12	8 %
1 Liter	9	6 %
1.5 Liter	19	12.67 %
Total	150	100 %

As shown in table 4.6, the most preferred size is the 250 ml. bottles 70.67%, followed by 1.5 liter bottle 12.67%, 500 ml. bottle 8%, 1 liter bottle 6%, while the 200 ml. bottle is the least preferred one.

**Table- 4.7** 

Media exposure of cold drink advertisement

Media		No. of Respondent						
	Coke	%	Pepsi	%	Real	%	Rio	%
Magazine	23	15.33	33	22	25	16.67	51	34
Radio	3	2	5	3.33	19	12.67	11	7.33
TV	124	82.67	112	74.67	106	70.67	88	58.67
Total	150	100	150	100	150	100	150	100

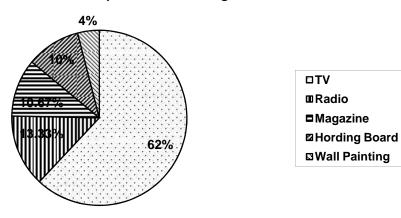
From the table 4.7, it has been found that the consumers have more exposure of cold drink advertisements through the television as this figure for Coke, Pepsi, Real and Rio are 82.67%, 74.67%, 70.67% and 58.67% respectively. The second most important exposure is provided by magazines, while exposure through radio is found to be very low.

The most effective advertising media

**Table- 4.8** 

Media	No. of Respondent	Percentage
TV	93	62%
Radio	20	13.33%
Magazine	16	10.67%
Hoarding Board	15	10%
Wall painting	6	4%
Total	150	100%

#### **Respondent Percentage**



Consumer's perception of the most effective media is presented in table 4.8. The table indicates that consumer feel that the TV is the most effective media (62%), followed by Radio (13.33%), Magazines (10.67%), Hoarding Board (10%) and Wall paintings (4%). The survey shows that even though the exposure of cold drink advertisements through radio is found to be low, yet consumers feel that it is an effective medium for advertisement of cold drink after the TV.

Table- 4.9

Recall of any advertisement of cold drink

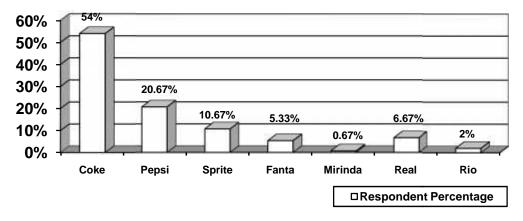
Option	No. of Respondent	Percentage
Yes	150	100%
No	0	0%
Total	150	100%

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

**Table- 4.10** 

Brand advertising most recalled

Brand	No. of Respondent	Percentage
Coke	81	54%
Pepsi	31	20.67%
Sprite	16	10.67%
Fanta	8	5.33%
Mirinda	1	0.67%
Real	10	6.67%
Rio	3	2%
Total	150	100%

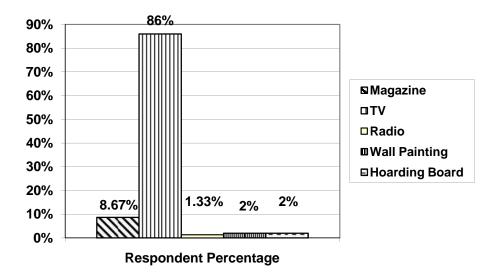


As shown in table 4.10, 54% of respondents remember advertisement of Coke, 20.67% remember advertisement of Pepsi, 10.67% remember advertisements of sprite, 6.67% remember advertisements of Real, 5.33% remember advertisements of Fanta, 2% remember advertisements of Rio and 0.67% remembers advertisements of Mirinda. From the above analysis, it can be inferred that Coke advertisements have been very effective with a very high recall value.

**Table- 4.11** 

Advertising media having most recall

Media	No. of Respondent	Percentage
Magazine	13	8.67%
TV	129	86%
Radio	2	1.33%
Wall Painting	3	2%
Hoarding Board	3	2%
Total	150	100%



As shown in above Table and Graph, it can be seen that 86% of respondents remember TV advertising, while 8.67% of respondent remember advertising in magazine, 2% of respondents remember advertising in Wall Painting and Hoarding Board and 1.33% of respondents remember advertising in radio. From the above survey it proves that TV is more attractive media and radio is the weakest media of advertisement for cold drink.

**Buying Action after Exposure to Advertisement** 

**Table-4.12** 

Option	No, of Respondent	Percentage
Recently	2	1.33%
After seeing one two times	12	8%
After additional information	22	14.67%
Not consulted	24	16%
When it need	90	60%
Total	150	100%

Table 4.12 shows that the advertisements have very little action effects as 60% of respondents are found to buy cold drink when they, need while 16% respondent found that they buy cold drink without consulting any advertisements. Only 1.33% of the respondents are found to buy cold drink immediately after exposure to an advertisement and additional 8% after a few exposures.

**Table- 4.13** 

**Influence by the Advertisement** 

Option	No. of Respondent	Percentage	
Yes	135	90%	
No	15	10%	
Total	150	100%	

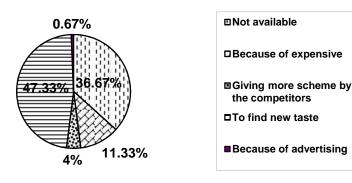
As shown in table 4.13, 90% consumers replied that they were fully influenced by the advertisement while 10% consumers replied that they were not influenced by the advertisement. From the analysis of table 4.12 and 4.13 it should be inferred that although consumers buy cold drink when the need arises, advertisements have played a very strong role in the choice of cold drink brand.

**Table- 4.14** 

Reasons for changing brand

Reason	No. of Respondent	Percentage
Not available	55	36.67%
Because of expensive	17	11.33%
Giving more scheme by the competitors	6	4%
To find new taste	71	47.33%
Because of advertising	1	0.67%
Total	150	100%

## **Respondent Percentage**



As presented in Table and pie-chart 4.14, consumers are found to often try other brands as 47.33% respondents change their brand to find new taste, while 36.67% respondents change their brand when their most preferred brand is not available, another 11.33% of respondents change their brand because of price factor, 4% of respondents change their brand when competing brand provides different sales schemes, and only 0.67% of respondents are found to change their brand due to advertisement. Thus it concludes that a large number of respondents change their brand to find the new taste.

**Table- 4.15** 

Participants in the process of buying soft drink

Options	No. of Respondent	Percentage
Self	99	66%
Family member	36	24%
Friends	12	8%
Others	3	2%
Total	150	100%

As presented in table 4.15, 66% of consumers purchase cold drink for themselves, 24% of consumers purchase through their family members, 8% purchase through their friends and 2% purchase through other people.

**Table-4.16** 

Frequency of purchase of cold drink

Options	No. of Respondent	Percentage
Once a day	24	16%
Twice a day	18	12%
Once a week	26	17.33%
Twice a week	42	28%
Other	40	26.67%
Total	150	100%

Table 4.16 shows the frequency of having cold drinks of the consumers, where 16% of consumers are found to have cold drink once a day, 12% of consumers have twice a day, 17.33% of consumers have once a week, 28% of consumers have twice a week and 26.67% of consumers have cold drinks whenever they like to have. From the table it can be inferred that the frequency of consumption of cold drink is quite high in Parwanipur.

**Table- 4.17** 

Reasons for having Cola-based cold drink (Coke/Pepsi)

Reasons	Coke		Pepsi	
	No. of	%	No. of	%
	Respondent		Respondent	
Because of Brand	25	16.67%	18	12%
Because of taste	51	34%	31	20.67%
It's available everywhere	8	5.33%	16	10.67%
For freshness	6	4%	6	4%
For quenching the thirst	32	21.33%	53	35.33%
For fashion	3	2%	2	1.33%
Because of quality	24	16%	14	9.33%
Others	1	0.67%	10	6.67%
Total	150	100%	150	100%

Table 4.17 presents the reasons for consuming cola based drink, particularly Coke and Pepsi. The analysis shows that 34% of respondents have coke because of its taste, 21.33% because of quenching the thirst, 16.67% for brand, 16% because of its quality, 5.33% for easy availability, 4% for its freshness and 2% and 1% for fashion and others reasons respectively.

Similarly, 35.33% of respondents have Pepsi for quenching the thirst, 20.67% have because of its taste, 12% because of its brand, 10.67% because it is available everywhere, 9.33% for its quality, 6.67% for other reasons, 4% and 1.33% for freshness and fashion respectively.

From the above survey, it can be concluded that taste stands the first reason for having coke followed by quenching the thirst, while in case Pepsi its thirst quenching attribute stands as the first reason followed by its taste.

Table- 4.18

Reasons for having fruit-based cold drink (Real/Rio)

Reasons	Real		Rio	
	No. of	%	No. of	%
	Respondent		Respondent	
Because of Brand	19	12.67%	9	6%
Because of taste	43	28.67%	84	56%
It's available everywhere	12	8%	9	6%
For freshness	18	12%	9	6%
For quenching the thirst	13	20%	20	13.33%
For fashion	2	1.33%	2	1.33%
Because of quality	8	5.33%	10	6.67%
Others	18	12%	7	4.67%
Total	150	100%	150	100%

Table 4.18 presents the respondent's reasons for having fruit-based cold drink, particularly, Real and Rio. The analysis shows that 28.67% of respondent consume Real because of its taste, 20% consume for quenching the thirst, 12.67% respondents consume because of brand, 12% consumes for freshness and other reasons, 8% respondents consume because it is available everywhere, 5.33% consume because of its quality and 1.33% consume for fashion.

Similarly, 56% of respondents consume Rio because of its taste, 13.33% of respondents consume for quenching the thirst, 6.67% of

respondent consume because of quality, 6% respondent for brand, availability and for freshness, 4.67% respondents consume for other reasons and 1.33% consume for fashion.

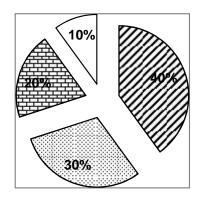
From the analysis it may be concluded that taste and the thirst quenching properties of both Real and Rio are the first and second most important reasons for consumption of these fruit-based drink.

Advertisement liked most by respondents

**Table- 4.19** 

Options	No. of Respondent	Percentage
Foreign advertisement	60	40%
Nepali model advertisement	45	30%
Nepali folksong advertisement	30	20%
Cartoon picture advertisement	15	10%
Total	150	100%

#### **Respondent Percentage**



☑Foreign adv. ☑Nepali model adv. ☑Nepali folksong adv. □Cartoon picture adv.

Table 4.19 shows that 40% of the respondents like advertisements based on the foreign advertisement, while 30% of respondents like Nepali model advertisement, 20% like advertisements with Nepali folksong and 10% like Cartoon picture advertisements. From the analysis it may be inferred that the cold drink users primarily like foreign based advertisements while there are sufficient number of respondents who like other forms of advertisements.

## **4.2 Retailer Survey**

**Table- 4.20** 

#### **Year in Business**

Year	No. of Retailer	Percentage
0-5	6	40%
5-10	4	26.67%
10-15	4	26.67%
Above 15	1	6.66%
Total	15	100%

As shown in table 4.20, among the 15 retailers surveyed 40% of retailers have been running their business for the last five years, 26.67% of retailers for the last 5 to 10 years and 10 to 15 years and 6.66% have been running their business for the last 15 years.

**Table- 4.21** 

### **Brand availability in the retail outlets**

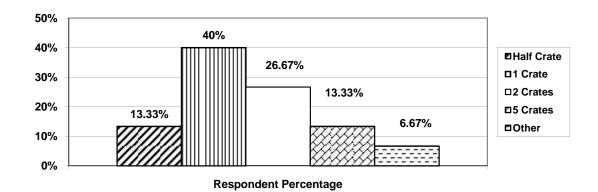
Brand	No. of Respondent	Percentage
Coke	58	15.89%
Pepsi	28	7.67%
Sprite	56	15.34%
Fanta	58	15.89%
Mirinda	21	5.76%
Dew	45	12.33%
Real	55	15.07%
Rio	36	9.86%
7'up	8	2.19%
Total	365	100%

Table 4.21 presents the brand availability in the retail outlets in the Parwanipur. The survey showed that availability of Coca-cola products (Coke, Fanta and Sprite) is generally higher than the Pepsi products (Pepsi, Mirinda and 7'up). Real is also found to be very strong in terms of availability in the retail store of the study area, while Rio is slowly catching up in the market.

**Table- 5.22** 

Retail sales of cold drink per day

Crates	No. of Respondent	Percentage
Half Crate	2	13.33%
1 Crate	6	40%
2 Crates	4	26.67%
5 Crates	2	13.33%
Other	1	6.67%
Total	15	100%



Out of 15 retailers 40% sells 1 crate of cold drink in a day, 26.67% sells 2 crates per day, 13.33% sells half crate and 5 crates in a day and 6.67% of the retailers sells less than half crate in a day. From the above table it may be inferred that the retail sales per store in generally between one to two crates of cold drink in a day.

**Table- 4.23** 

#### Brand that has more sales

Brand	No. of Respondent	Percentage
Coke	9	60%
Pepsi	2	13.33%
Sprite	-	-
Fanta	-	-
Mirinda	-	-
Real	4	26.67%
Total	15	100%

As shown in table 4.23, Coke is at the top position among the brands as 60% of the retailers opined it as the most-selling brand, followed by Real (26.67%) and Pepsi (13.33%).

**Table- 4.24** 

## **Size of bottles sold most**

Size	No. of Respondent	Percentage
200 ml	-	-
250 ml	14	93.33%
500 ml	1	6.67%
1 liter	-	-
1.5 liter	-	-
Total	15	100%

As shown in table 4.24, 93.33% of the retailers opined that 250 ml bottle has the highest sales.

**Table-4.25** 

Type of packaging preferred for selling; bottle vs. can

Option	No. of Respondent	Percentage
Can	-	-
Bottle	15	100%
Total	15	100%

As shown in table 4.25, 100% of the retailers opined that it is easy to sell cold drink in bottles. The above table proves that it is easy to sell the cold drink in bottles for the retailers.

**Table- 4.26** 

Frequency of company salesman's visit to the shop

Option	Coke	%	Pepsi	%	Real	%	Rio	%
Daily	7	46.67	2	13.33	8	53.33	1	6.66
Once a week	4	26.67	6	40	3	20	4	26.67
Twice a week	3	20	3	20	3	20	6	40
Other	1	6.66	4	26.67	1	6.67	4	26.67
Total	15	100	15	100	15	100	15	100

The table 4.26 reveals that, the Coca-cola and Real salesmen visit about half of the retail outlets on a daily basis. The shop visit by the company salesmen for Pepsi and Rio is found to be mostly once a week and twice a week respectively. This indicates that the Coca-cola and Real have more aggressive marketing strategy in Parwanipur than the Pepsi and Rio.

**Table- 4.27** 

Quantity of purchase of cold drink at a time

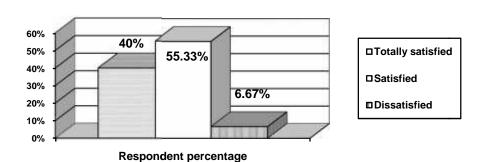
Option	No. of Respondent	Percentage
1 Crate	2	13.33%
2 Crates	3	20%
More than 3 Crates	5	33.33%
More than 5 Crates	4	26.67%
More than 10 Crates	1	6.67%
Total	15	100%

This survey reveals (table- 4.27) that out of 15 retailers, 6.67% of the retailers purchase more than 10 crates at any one time, while 33.33% are found to purchase more than 3 or more than 3 crates at a time, 26.67% of the retailers purchase more than 5 crates, 20% of them purchase 2 crates and only 13.33% purchase 1 crate at a time. This indicates that the retail purchase of cold drink in Parwanipur is mostly between 3 to 5 crates at a time.

**Table- 4.28** 

Satisfaction from the distribution

Option	No. of Respondent	Percentage
Totally satisfied	6	40%
Satisfied	8	53.33%
Dissatisfied	1	6.67%
Total	15	100%



As presented in table 4.28, 40% are totally satisfied by the current distribution, 5.33% of the retailers are satisfied and 6.67% retailers are dissatisfied. The analysis indicates that the retailers in general are satisfied from the performance of the distributors of cold drink in Parwanipur.

Table- 4.29

Retailer's reaction in distribution channel of different brands

Option	Coke	%	Pepsi	%	Real	%	Rio	%
Very good	6	40	2	13.33	5	33.33	2	13.33
Good	5	33.33	3	20	9	60	6	40
Not so bad	4	26.67	9	60	1	6.67	6	40
Bad	-	-	1	6.67	-	-	1	6.67
Total	15	100	15	100	15	100	15	100

Table 4.29 shows that 40% of the retailers feel that the Coca-Cola Company's distribution channel is very good, while for Pepsi only 13.33% of the retailers opined that the company's distribution channel is very good. This indicates that the retailers have higher level of satisfaction with Coca-cola's distribution than the distribution of Pepsi.

Similarly, retailers are satisfied with the distribution of Real as 93.33% felt the company's distribution as very good and good.6.67% retailers are found to be not as satisfied with the distribution of Rio as 40% of them opined the company's distribution channel as not so bad.

**Table- 4.30** 

**Brand preference to sell** 

Brand	No. of Respondent	Percentage
Coke	6	40%
Pepsi	3	20%
Sprite	-	-
7'up	-	-
Other	6	40%
Total	15	100%

As presented in table 4.30, 40% of the retailers are found to prefer to sell coke because of its high demand in the market, 20% of them prefer to sell Pepsi and 40% of the retailers prefer to sell the other brands of cold drinks.

**Table- 4.31** 

Reasons for preference to sell the brand

Reason	No. of Respondent	Percentage
Company gives scheme	2	13.33%
I believe in the brand	1	6.67%
That brand consumer like more	9	60%
Other reason	3	20%
Total	15	100%

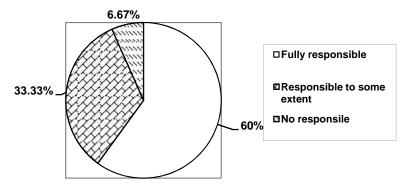
As shown in table 4.31, 60% of the retailers like to sell Coke mainly because the drink is liked by the consumers, while 6.67% of the retailers like to sell coke because they believe in the brand, 13.33% of the retailer prefer to sell the brand because the company provides them with sales schemes.

**Table- 4.32** 

Influence of advertising on sales

Option	No. of Respondent	Percentage
Fully responsible	9	60%
Responsible to some extent	5	33.33%
No responsible	1	6.67%
Total	15	100%

#### **Respondent Percentage**



The table 4.32 reveals that the retailers have high faith on advertising for its effect on sales as 60% of them opined that the advertisement is fully responsible for the sales of the brand, while 33.33% of the retailers opined as it is partly responsible for the sale of brand and 6.67% of the retailers declared that it is not responsible for sales. So the above table has proved that most of the retailers feel that the advertisement is responsible for the sales of the brand.

**Table- 4.33** 

Influence of advertising on sales

Option	No. of Respondent	Percentage
Coke	6	40%
Pepsi	3	20%
Sprite	4	26.67%
Fanta	2	13.33%
Total	15	100%

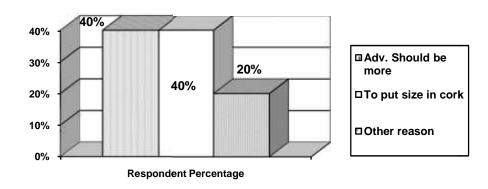
Table 4.33 shows that retailers have high faith in the coke advertisement as 40% of them feel that the advertisement of coke has

influenced its sales, while this figure for Pepsi is only 20%. Retailers feeling the influence of sprite advertisement on its sales are 26.67% and for Fanta it is 13.33%.

Table- 4.34

Factors for increase in sales of cold drinks

Option	No. of respondent	Percentage
Advertising should be more	6	40%
To put prize in cork	6	40%
Other reason	3	20%
Decrease in price	-	-
Total	15	100



According to the table 4.34, 40% of retailers claim that the advertisement and put prize in cork and 20% should be to increase the sales other reasons. From the above table it may be inferred that the advertisement and sales schemes are essential to increase in sales of cold drink.

Sales promotion schemes to induces sales

**Table- 4.35** 

Options	No. of Respondent	Percentage
Cash prizes	6	40%
Coupon prizes	2	13.33%
Item prizes	6	40%
Awards	1	6.67%
Others	-	-
Total	15	100%

As shown in table 4.35, 40% of the retailers said that cash prizes and item prizes also induces sales of cold drinks, while 13.33% of the

retailers found that the coupon prize is more effective on sales, 6.67% of them are in favor of award. This indicates that retailers of the study area in favor of cash prizes and item prizes.

**Table- 4.36** 

Sales promotion scheme for the retailers

Option	No. of Respondent	Percentage
Yes	12	80%
No	3	20%
Total	15	100%

As shown in table 4.36, 80% of the retailers opined that the company provides them with sales promotion scheme, while 20% of the respondents said that the company does not provide them with any scheme.

**Table-4.37** 

Type of promotion scheme provided by the company

Option	No. of Respondent	Percentage
Cash discount	3	20%
Cold drink discount	7	46.67%
Fridge	4	26.67%
Prizes	-	-
Other	1	6.66%
Total	15	100%

As presented in table 4.37, 46.67% of the retailers receive discount in cold drink as a promotion scheme, 26.67% of them have received fridge and 20% receive cash discount. The cold drink companies don't provide any prizes to the retailers as a promotion scheme.

**Table- 4.38** 

Attitude in changing the brand for receiving schemes from

competing brand

Option	No. of Respondent	Percentage
Yes	2	13.33%
No	13	86.67%
Total	15	100%

As presented in table 4.38, 86.67% of the retailers opined that even if a competing company provides more sales schemes they don't stop

selling the old brand, while 13.33% of them are found to be willing to stop selling the old brand if they receive better sales scheme.

## 4.3 Major finding of the study

From the above analysis, the following major findings have been drawn in this study:

- 1. In the study area, the choice of Coke is far ahead than other cold drink, while Real takes the second position. It shows that the Coca-Cola products (Coke, Sprite and Fanta) have a combined market share of more than 81% of the Parwanipur cold drink market.
- 2. The most preferred time for taking cold drink is the Tiffin time when 67.5% of respondents consume cold drinks, while 18.33% respondents are found to take cold drink after lunch, 12.67% take in the evening time, 5.33% take before lunch and 1.33% take cold drink before dinner and after dinner respectively.
- 3. The best reason for having cold drink is quenching the thirst 44.67% of respondent, while 30% of respondents are found to consume cold drink for delight, 14.67% respondent for the taste, 10% of respondents for quality and 0.67% respondents concludes for other interests and hobby.
- 4. Consumers are found to give higher preference to the quality, taste and brand name in the choice of cold drink, moderate level preference to availability, advertisement and price factors and lower preference to the sales scheme and other factors.
- 5. The most suitable place for having cold drink by consumers is Store/Restaurant (56%), followed by consumer's residence (32%), picnics (4.67%), festivals and other places (3.33%). The most preferred size is the 250 ml. bottles (70.67%), followed by 1.5 liter bottle (12.67%), 500 ml bottles (8%), 1 liter bottles (6%) while the 200 ml is the least preferred one.
- 6. It has been found that the consumers have more exposure of cold drink advertisements through the television as this figure for Coke, Pepsi, Real and Rio are 82.67%, 74.67%, 70.67% and 58.67% respectively. The second most important exposure is provided by magazines, while exposure through radio is found

to be very low. In term of consumer's perception of the most effective media, the TV is the cost effective media (62%) followed by (13.33%), magazines (10.67%), Hoarding board (10%) and wall painting (4%). The survey shows that even though the exposure of cold drink advertisements through radio is found to be low, yet consumers feel that it is an effective medium for advertisement of cold drink after the TV.

- 7. All respondents are found to recall the advertisement of cold drink. This indicates that cold drink advertisements have not only higher level of exposure but also a very high recall value. The study found that 54% of respondents remember advertisement of Coke, 20.67% remember advertisement of Pepsi, 10.67% remember advertisements of Sprite, 6.67% remember advertisements of Real, 5.33% remember advertisements of Fanta, 2% remember advertisement of Rio and 0.67% remembers advertisements of Mirinda. From the above analysis, it can be inferred that Coke advertisements have been very effective with a very high recall value.
- 8. The study also found that 86% of respondents remember TV advertising, while 8.67% of respondents remember advertising in magazine, 2% of respondents remember advertisement in wall painting and Hoarding Board and 1.33% respondents remember advertising in radio. From the above survey it proves that TV is more attractive media and radio is the weakest media of advertisement for cold drink.
- 9. The advertisements have very little action effects as 60% of respondents are found to buy cold drink when they need, while 16% respondent found that they buy cold drink without consulting any advertisements. Only 1.33% of the respondents are found to buy cold drink immediately after exposure to an advertisement and additional 8% after a few exposures. However, 90% consumers replied that they were fully influenced by the advertisement while 10% consumers replied that they were not influenced by the advertisement. From this, it should be inferred that although consumers buy cold drink when the need arises, advertisements have played a very strong role in the choice of cold drink brand.
- 10. Consumers are found to often try other brands as 47.33% respondents change their brand to find new taste, while 36.67%

respondents change their brand when their most preferred brand is not available, another 11.33% of respondents change their brand because of price factor, 4% of respondents change their brand when competing brand provides different sales schemes and only 0.67% of respondents are found to change their brand due to advertisement. Thus it concludes that a large number of respondents change their brand to find the new taste.

- 11. In the study area, 66% of consumers purchase cold drink for themselves, 24% of consumers purchase through their family members, 8% purchase through their friends and 2% purchase through other people. Similarly, 16% of consumers are found to have cold drink once a day, 12% of consumers have twice a day, 28% of consumers have cold drink twice a week, 17.33% of consumers have once a week and 26.67% of consumers have cold drinks whenever they like to have. From this, it can be inferred that the frequency of consumption of cold drink is quite high in Parwanipur.
- 12. In terms of the reasons for consuming cola based drink, particularly Coke and Pepsi, 34% of respondents have Coke because of its taste, 16% because of quality, 21.33% for quenching the thirst, 16.67% because of its brand name, 4% for its freshness, 2% have for fashion, 5.33% because it is available everywhere and 0.67% for other reasons. Similarly, 35.33% of respondents have Pepsi for quenching the thirst, 20.67% have because of its taste, 12% because of its brand name, 10.67% because it is available everywhere, 9.33% for its quality, 4% for freshness, 6.67% for other reasons and 1.33% have for fashion. From this study, it can be concluded that taste stands the first reason for having coke followed by quenching the thirst, while in case of Pepsi its thirst quenching attribute stands as the first reason followed by its taste.
- 13. In terms of the respondent's reasons for having the fruit-based cold drink, particularly, Real and Rio, 28.68% respondents consume Real because of its taste, 20% consume for quenching the thirst, 12.67% respondents consume because of brand, 12% consumes for freshness and other reasons, 8% respondents consume because it is available everywhere, 5.33% consume because of its quality and 1.33% consume for fashion. Similarly, 56% of respondents consume Rio because of its taste, 13.33% of respondents consume for quenching the thirst, 6.67%

of respondent consume because of quality, 6% respondent for brand, availability and for freshness, 4.67% respondents consume for other reasons and 1.33% consume for fashion. From this study, it may be concluded that taste and the thirst-quenching properties of both Real and Rio are the first and the second most important reasons for consumption of these fruit-based drink.

- 14. The study shows that 40% of the respondents like advertisements based on the foreign advertisement, while 30% of respondents like Nepali model advertisement, 20% like advertisements with Nepali folksong advertisement and 10% like Cartoon picture advertisements. From the analysis it may be inferred that the cold drink users primarily like foreign based advertisements while there are sufficient number of respondents who like other forms of advertisements.
- 15. Among the 15 retailers surveyed 40% of retailers have been running their business for the last five years, 26.67% of retailers for the last 5 to 10 years and 10 to 15 years and 6.67% have been running their business for the last 15 years.
- 16. The study showed that availability of Coca-cola products (Coke, Fanta and Sprite) is generally higher than the Pepsi products (Pepsi, Mirinda and 7'up). Real is also found to be very strong in terms of availability in the retail stores of the study area, while Rio is slowly catching up in the market.
- 17. Out of 15 retailers 40% sells 1 crates of cold drink in a day, 26.67% sells 2 crates per day, 13.33% sells half crates and 5 crates per day and 6.67% of the retailers sell less than half crate in a day. From this, it may be inferred that the retail sales per store in generally between one to two crates of cold drink in a day.
- 18. The Coke is at the top position among the brands as 60% of the retailers opined it as the most selling brand, followed by Real 26.67% and Pepsi 13.33%. In the study, 93.33% of the retailers opined that 250 ml bottle has the highest sales, and 100% of the retailers opined that it is easy to sell cold drink in bottles. This infers that it is easy to sell the cold drinks in bottles for the retailers.

- 19. The Coca-cola and Real salesmen visit about half of the retail outlets on a daily basis. The shop visit by the company salesmen for Pepsi and Rio is found to be mostly any day. This indicates that the Coca-cola and Real have more aggressive marketing strategy in Parwanipur than the Pepsi and Rio.
- 20. This study reveals that out of 15 retailers, 6.67% of the retailers purchase more than 10 crates at any one time, while 33.33% are found to purchase more than 3 crates at a time, 26.67% of the retailers purchase more than 5 crates at a time, 20% of them purchase 2 crates, and only 13.33% purchase 1 crate at a time. This indicates that the retail purchase of cold drink in Parwanipur is mostly between 3 to 5 crates at a time.
- 21. The study found that 40% of the retailers are totally satisfied with the current distribution, 53.33% of the retailers are satisfied, while 6.67% retailers are dissatisfied. The analysis indicates that the retailers that the retailers in general are satisfied from the performance of the distributors of cold drink in Parwanipur. About 40% of the retailers feel that the Coca-Cola Company's distribution channel is very good, while for Pepsi only 13.33% of the retailers opined that the company's distribution channel is very good. This indicates that the retailers have higher level of satisfaction with Coca-cola's distribution than the distribution of Pepsi. Similarly, retailers are satisfied with the distribution of Real as 93.33% felt the Company's distribution as very good and good. Retailers are found to be not-so-satisfied with the distribution of Rio as 40% of them opined the Company's distribution channel as not-sobad.
- 22. In the study, 40% of the retailers are found to prefer to sell Coke because of its high demand in the market, 20% of them prefer to sell Pepsi and 40% of the retailer prefers to sell the other brands of cold drinks. Similarly, 60% of the retailers like to sell Coke mainly because the drink is liked by the consumers, while 6.67% of the retailers like to sell Coke because they believe in the brand and 13.33% of the retailer prefers to sell the brand because the company provides them with sales schemes.
- 23. The study reveals that the retailers have high faith on advertising for its effect on sales as 60% of them opined that the advertisement is fully responsible for the sales of the brand,

- while 33.33% of the retailers opined as it is partly responsible for the sale of brand, 6.67% of the retailers declared that it is not responsible. So the study indicates that most of the retailers feel that the advertisement is responsible for the sales of the brand.
- 24. The study shows that retailers have high faith in the Coke advertisement as 40% of them feel that the advertisement of Coke has influenced its sales, while this figure for Pepsi is only 20% retailers feeling the influence of Fanta advertisement on its sales is 13.33% and for Sprite it is 26.67%. However, 40% of retailers claim that the advertisement and to put prize in cork to increase the sales, 20% of the retailers said the other reasons should be increased. From this, it may be inferred that the quality and sales schemes are essential to increase in sales of cold drink. In this study, 40% of the retailers said that cash prizes and item prize induces sales of cold drinks, while 13.33% of the retailers found that the coupon prize is more effective on sales and 6.67% of them are in favor of awards. This indicates that retailers of the study area are in favor of cash prizes.
- 25. In the study, 80% of the retailers opined that the company provides them with sales promotion schemes, while 20% of the respondents said that the company does not provide them with any scheme. It was found that 46.67% of the retailers receive discount in cold drink as a promotion scheme, 26.67% of them have received Fridge and 20% receive cash discount. The cold drink companies do not provide any prizes to the retailers as a promotion scheme.
- 26. In the study, 86.67% of the retailers opined that even if a competing company provides more sales schemes they don't stop selling the old brand, while 13.33% of them are found to be willing to stop selling the old brand if they receive better sales schemes. This indicates that more than four-fifth of the retailers is brand loyal.

# 5. <u>SUMMARY, CONCLUSIONS AND RECOMMENDATIONS</u>

## **5.1 Summary**

In the modern time industries are developing rapidly in Nepal. Every year new fields of industrial importance are being uncovered. Similarly the number of units at different types of industries is also increasing in the country. All these, have introduced a tough competition in the Nepalese market. Today, a product not only needs quality enhancement but also better promotion and presentation in the market. The product should be presented with right price, at suitable place, with good brand promotion, label and package. The product should be able to win the heart of consumers to be successful in the market.

Marketing plays a very significant role in accelerating the pace of industrialization, which, in turn, aims, of making the economy developed and strong. Indeed, marketing is the mist significant multiplier of economic development. The development of marketing makes possible economic integration and the perfect utilization of whatever assets and productive capacity that and economy has already possessed. It mobilizes latent economic energy and finally contributes to the greatest need; that for the rapid development at entrepreneurs and managers.

The rapid urbanization in Nepal has induced a culture of drinking cold drink by the people. Moreover, population density has been creating hot climate, which in turn, has increased the demand for cold drink. The variety of cold drink brands sold in the Nepalese market has also increased in recent years. The modern bottled cold drink was first introduced in Nepal in 1976 when Coca-cola was established, followed by Pepsi in 1986. Since then, several industries have been established in Nepal to meet the ever-increasing demand. Thus, the cold drink market has become very competitive in Nepal and it is essential for every company to set up effective marketing mechanisms to exploit market potential.

This study has been conducted with the objective of examining the marketing of cold drinks in Parwanipur. This study has been conducted to examine the consumer's perception and behavior in the purchase of cold drink in the study area and evaluate the distribution network and marketing strategies of cold drink companies. It aims to evaluate the

impact of advertisement and sales promotion schemes on sales of cold drinks and identify consumers profile and their preference of cold drink in the study area. It also aims to measure the effect of sales promotion schemes on the sales of cold drinks and identify consumers profile and their preference of cold drink. The study has been conducted through a survey of consumers and retailers. All together, 150 consumers and 15 retailers' opinions have been collected by administering questionnaires.

#### **5.2 Conclusions**

From the study the following conclusions have been drawn:

- 1. The Coca-cola products (Coke, Fanta and Sprite) have a combined market share of more than 81% of the Parwanipur cold drink market.
- 2. Consumers are generally found to consume cold drink during the Tiffin time. The best reason for having cold drink is "quenching the thirst" of respondent, while of respondents are found to consume cold drink "for delight", respondent "for the taste", of respondents "for quality" and respondents concludes for other "interests and hobby". Consumers are found to give higher preference to the quality, taste and brand name in the choice of drink. moderate level preference availability. cold to advertisement and price factors and lower preference to the sales scheme and other factors. The most common place for having cold drink by consumers is Store/ restaurant, followed by consumer's residence, picnics and festivals and other places. The most preferred size is the 250 ml bottles, followed by 1.5 liter bottle, 500 ml bottle, one liter bottle, while the 200 ml bottle is the least preferred one.
- 3. Consumers have more exposure of cold drink advertisements through the television. The second most important exposure is provided by magazines, while exposure through radio is found to be very low. In terms of consumer's perception of the most effective media, the TV is the most effective media, followed by magazine, Hoarding board, wall paintings and radio. Even though the exposure of cold drink advertisements through radio is found to be low, yet consumers feel that it is an effective medium for advertisement of cold drink after the TV.

- 4. All respondents are found to recall the advertisement of cold drink. This indicates that cold drink advertisements have not only higher level of exposure but also a very high recall value. The recall value of Coke advertisements was highest, followed by Pepsi, Sprite, Real, Fanta, Rio and Mirinda. A very large number of respondents remember TV advertising. The study showed that TV is more attractive media and radio is the weakest media of advertisement for cold drink.
- 5. The advertisements have very little action effects as a large number of respondents are found to buy cold drink when they need. The study however showed that although consumers buy cold drink when the need arises, advertisements have played a very strong role in the choice of cold drink brand.
- 6. Consumers are found to often try other brands as almost half of the respondents changed their brand to find new taste; more than one-third changed their brand when their most preferred brand was not available. Some consumers are found to change their brand because of price factor, or when competing brand provided different sales scheme and very few due to advertisement.
- 7. The frequency of consumption of cold drink is quite high in Parwanipur. Consumers who take cold drink daily are about more consumers generally purchase cold drink for themselves or through their family members.
- 8. The taste stands the first reason for having Coke followed by taste, while in case of Pepsi, its thirst-quenhing attribute stands as the first reason followed by its brand name and availability. The taste properties of both Real and Rio are the first and second most important reasons for consumption of this fruit-based drink.
- 9. Cold drink users primarily like foreign based advertisements while there are sufficient numbers of respondents who like other forms of advertisements.
- 10. The study showed that availability of Coca-Cola products (Coke, Fanta and Sprite) is generally higher than Pepsi products (Pepsi, Mirinda and 7'up). Real is also found to be very strong in terms of availability in the retail stores or the study area, while Rio is slowly catching up in the market.

- 11. The Coke is at the top position among the brands as two-third of the retailers opined it as the most-selling brand, followed by Fanta and Pepsi. In the study, most of the retailers opined that 250 ml bottle has the highest sales and that it is easy to sell cold drink in bottles.
- 12. The Coco-cola and Real salesmen visit about half of the retail outlets on a daily basis. The shop visit by the company salesmen for Pepsi and Rio is found to be mostly any day. This indicates that the Coca-cola and Real have more aggressive marketing strategy in Parwanipur than the Pepsi and Rio.
- 13. The study indicates that the retailers in general are satisfied from the performance of the distributors of cold drink in Parwanipur. About half of the retailers feel that the Coca-Cola Company's distribution channel is very good, while for Pepsi only 13.33% of the retailers opined that the company's distribution channel is very good. This indicates that the retailers have higher level of satisfaction with Coca-Cola's distribution than the distribution of Pepsi. Similarly, retailers are satisfied with the distribution of Real and Rio. The retailers are found to prefer to sell Coke because of its high demand in the market.
- 14. The study reveals that the retailers have high faith on advertising for its effect on sales. It also shows that retailers have high faith in the Coke advertisement as one-third of them feel that the advertisement of Coke has influenced its sales, while this figure for Pepsi is only 20%. However, 40% of retailers claim that the Prize and advertisement should be better to increase the sales, about one-third of the retailers want the prize in cork, and one-third of the retailers said the advertisement should be increased. From this, it may be inferred that the prize and advertisement are essential to increase the sales of cold drink. Retailers are found to prefer cash prizes to induce sales of cold drinks, followed by item prizes, coupon prizes and awards.
- 15. Half of retailers receive sales promotion schemes from the companies in the form of discount in cold drink, followed by free fridge and cash discount. The cold drink companies do not provide any prizes to the retailers as a promotion scheme. More than four-fifth of the retailers are brand loyal as more than of the retailers opined that even if a competing company provides more sales schemes they don't stop selling the cold brand.

#### **5.3 Recommendations**

Based on the conclusions derived from this study, the following recommendations have been suggested to the companies selling cold drink in Parwanipur.

- 1. Since Coca-Cola products (Coke, Fanta and Sprite) have a combined market share of more than 81% of the cold drink market and also has a very aggressive marketing strategy, it is necessary for other cold drink companies to review and revise their respective marketing strategies in Parwanipur.
- 2. Since consumers are found to give high weight age to "quenching the thirst" and "for delight", the advertisements of the cold drinks should be built around these two major attributes. As consumers are found to give higher preference to the taste, quality and brand name in the choice of cold drink, the advertisements should also be focused on these important aspects.
- 3. As consumers have more exposure of cold drink advertisements through the TV and magazines, these media should be extensively utilized.
- 4. The recall value of Fanta, Rio and Mirinda advertisements was very low and these advertisements need corrections. The study showed that although consumers buy cold drink when the need arises, advertisements have played a very strong role in the choice of cold drink brand.
- 5. Since brand switching is very common among the consumers mainly to new taste, or unavailability of the most preferred brand, companies should focus on a better availability of their brands. Pepsi products (Pepsi, Mirinda and 7'up) need to improve on its availability factor.
- 6. Since cold drink users primarily like Foreign based advertisements, companies should increase advertisements on Nepalese advertisements.
- 7. Pepsi and Rio have to improve their retail marketing strategies as the satisfaction level of retailers is found to be low.

8. The taste and sales schemes are essential to increase the sales of cold drink. Retailers are found to prefer cash prizes to induce sales of cold drinks, followed by item prizes, coupon prizes and awards. Companies should focus on these sales promotion schemes.

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## **APPENDIX-1**

# मार्केटिङ अफ कोल्ड ड्रिङ्कमा खुद्रा विकेताको लागि प्रश्नावली

म कुमार घिमिरे ठाकुर राम बहुमुखी क्याम्पसको छात्र हुँ । मैले "माकेटिङ अफ कोल्ड ड्रिङ्क इन परवानीपुर" विषयमा थेसिस लेख्दैछु । त्यसैले हजुरहरुले केही प्रश्नावली भरेर मेरो थेसिस कार्यमा सहयोग गरिदिन हुन अनुरोध गर्दछु । हजुरले लेख्नुभएको शब्दहरु मेरो थेसिसमा मात्र सीमित हुनेछन् ।

धन्यवाद

٩١	हजु	रले पसल चलाउनु	भएको कति वर्ष भयो	?
	• • • •		•••••	
२।	हजु	रले कुन कुन ब्राण्ड	इको चिसो पेय विक्री	गर्नु हुन्छ ?
	<b>क</b> )	कोक	व) पेप्सी	ग) स्प्राइट
	घ)	फ्यान्टा इ	<b>इ</b> ) मिरिन्डा	च) डिउ
	छ)	रियल	न) रियो	भः) सेभेन अप
३।	एक	दिनमा हजुरले क	ति केट चिसो पेय विव	म्री गर्नु हुन्छ ?
	क)	आधा केट	ख) १ केट	. ग) २ केट
	घ)	४ केट	ङ) अन्य भए उल	लेख गर्नुहोस्
४।	कुन	ब्राण्डको चिसो पे	य हजुरले बढी बिक्री	गर्नु हुन्छ ?
	<b>क</b> )	कोक	ख) पेप्सी	ग) स्प्राइट
	<b>घ</b> )	फ्यान्टा	ङ) मिरिन्डा	च) रियल

प्रा	उक्त ब्राण्ड बढा बिका हुनुका मु	ख्य कारण कहा ?
६।	हजुरको पसलमा कुन चाँहि बोत ?	ालको चिसो पेय बढी बिकी हुन्छ
	क) २०० मि.लि	ख) २५० मि.लि
	ग) ५०० मि.लि	घ) १ लि
	ङ) १.५ लि	
୬	हजुरको विचारमा कति मि.लि.	को बोतल बिकी गर्न सजिलोको
	साथै बढी बिकी हुन्छ जस्तो लाग	दछ, ?
		•••
८।	हजुरको पसलमा पेट बोतलको रि	चसो पेय बिकी हुन्छ की क्यानको
	क) क्यानको	ख) बोतलको
९।	हजुरको पसलमा कम्पनीको कति	समयमा आउने गर्दछन् ?
	क) कोक दिन्हुँ,	हप्तामा १ पटक,
	हप्तामा २ पटक,	अन्य
	ख) पेप्सी दिन्हुँ,	हतामा १ पटक,
	हप्तामा २ पटक,	अन्य
	ग) रियल दिन्हुँ,	हप्तामा १ पटक,
	हप्तामा २ पटक,	अन्य
	घ) रियो दिन्हुँ,	हप्तामा १ पटक,
	हप्तामा २ पटक,	अन्य
٩c	)। हजुरले एकपटकमा कति चिसो	पेय खरीद गर्नु हुन्छ ?

क) १ केट ख) २ केट ग) ३ केट
घ) ५ केट भन्दा माथि ङ) १० केट भन्दा माथि
११। हजुरको डिष्टिब्युटर्सको तत्काल सेवाबाट सन्तुष्टि हुनुहुन्छ ?
क) पूर्ण सन्तुष्ट छु ख) सन्तुष्ट छु
ग) असन्तुष्ट छु घ) पूर्ण असन्तुष्ट छु
सन्तुष्ट छ भने किन छ ?
सन्तुष्ट छैन भने किन छैन ?
१२। हजुरलाई कुन चाहिं ब्राण्डको वितरण माध्यम कस्तो लाग्छ ?
क) कोक धेरै राम्रो राम्रो ठीकै नराम्रो
ख) पेप्सी धेरै राम्रो राम्रो ठीकै नराम्रो
ग) रियल धेरै राम्रो राम्रो ठीकै नराम्रो
घ) रियो धेरै राम्रो राम्रो ठीकै नराम्रो
१३। हजुरले कुन चाहिं ब्राण्डको चिसो पेय बिकीमा बढी जोड दिनु
<b>हुन्छ</b> ?
क) कोक ख) पेप्सी ग) स्प्राइट
घ) फ्यान्टा ङ) मिरिन्डा च) अन्य
१४। उक्त ब्राण्ड बिकीमा बढी जोड दिनुको मुख्य कारण के हो?
क) कम्पनीले नगद उपहार दिएर
ख) कम्पनीले स्किम दिएर
ग) उक्त ब्राण्डप्रति विश्वास लागेर
घ) उक्त ब्राण्ड ग्राहकले बढी मन पराएर

१५। हजुरको विचारमा बढी चिसो पेय बिकी हुनुमा विज्ञापनले असर
पार्छ वा पार्दैन ?
क) धेरै पार्छ ख) ठिकै पार्छ
ग) पार्देन घ) एकदमै पार्देन
१६। यदि पार्छ भने हजुरलाई कुनचाहिं ब्राण्डको विज्ञापनले बढी असर
पारेको जस्तो लाग्दछ ?
क) कोक ख) पेप्सी ग) स्प्राइट
घ) फ्यान्टा ङ) मिरिन्डा च) अन्य
१७। चिसो पेयको बिकी बढाउन हजुरलाई के गर्नु पर्छ जस्तो लाग्दछ
?
क) धेरै विज्ञापन गर्नुपर्छ ख) मूल्य घटाउनु पर्छ
ग) बिर्कोमा पुरस्कार राख्नु पर्दछ
घ) गुणस्तर बढाउनु पर्छ ङ) स्वाद फेर्नु पर्छ
१८। बढी चिसो पेय बिकी गर्न हजुरलाई कस्तो किसिमको ब्यापार
प्रबर्द्धनमा अभिप्रेरित गरिनु पर्दछ ?
क) नगद उपहार ख) कुपन उपहार
ग) बस्तु उपहार घ) एवार्ड
ङ) अरु कुनै भए उल्लेख गुर्नहोस्
१९। हजुरलाई चिसो पेय खरीद गर्दा कम्पनीले स्किम दिन्छ कि दिदैन
?
क) दिन्छ ख) दिदैन

रण कम्पनाल हजुरलाइ कस्ता कि।समका प्रबद्धन स्किम उपलब्ध
गराएको छ ?
क) नगद छुट ख) चिसो पेय छुट
ग) फिज घ) उपहार
ङ) अन्य भए उल्लेख गर्नुहोस्
२१। माथि उल्लेखित प्रबर्द्धन स्किम मध्ये कुनचाहिं हजुरलाई राम्रो
लाग्छ ?
नाम उल्लेख गर्नुहोस्
२२। यदि कुनै चिसो पेय कम्पनीले धेरै स्किम दियो भने हजुरले
पुरानो ब्राण्ड बिकी गर्न छोड्नु हुन्छ ?
क) छोड्छु छोड्दिन
२३। के कम्पनी फुटेको बोतल प्याकछ भने अर्को उपलब्ध गरिदिन्छ
?
क) गर्छ ख) गर्दैन
२४। हजुरलाई कुनचाहिं कम्पनीले फुटेको बोतल प्याकका सट्टा नयाँ
बोतल प्याक दिन्छ ?
क) कोक ख) पेप्सी ग) रियल घ) रियो
२५। चिसो पेयको केही सुभावको अपेक्षा गर्दछु ।
क) कोका कोलाको निम्ति
ख) पेप्सी कोलाको निम्ति
ग) रियलको निम्ति
घ) रियोको निम्ति

Demographic:
मिति: । । नाम:
उमेर: लिङ्ग:
शिक्षा:
पसलको नाम:
APPENDIX-2
मार्केटिङ अफ कोल्ड ड्रिङ्कमा खुद्रा उपभोत्ताको लागि प्रश्नावली
म कुमार घिमिरे ठाकुर राम बहुमुखी क्याम्पसको छात्र हुँ । मैले "माकेटिङ अफ कोल्ड ड्रिङ्क इन परवानीपुर" विषयमा थेसिस लेख्दैछु । त्यसैले हजुरहरुले केही प्रश्नावली भरेर मेरो थेसिस कार्यमा सहयोग गरिदिन हुन अनुरोध गर्दछु । हजुरले लेख्नुभएको शब्दहरु मेरो थेसिसमा मात्र सीमित हुनेछन् ।
धन्यवाद
१। हजुरले चिसो पेय पिउनु भएको छ ?
क) छ ( ) ख) छैन ( )
२। कुन चाहिं चिसो पेय बढी मन पर्छ ?  क) पहिलो ( ) ख) दोस्रो ( ) ग) तेस्रो ( ) घ) चौथो ( )

१। कुनचाहिं समयमा हजुरले प्रायः गरी चिसो पेय पिउनु हुन्छ ?

क) खाना खानु भन्दा अगाडि ( )

	ख) खाना खानु मए पछि ()
	ग) दिउँसो खाजा खाने बेलामा ( )
	घ) साँभ ()
	ङ) रातिको खाना खानु भन्दा अगाडि ( )
	च) रातिको खाना खाइसके पछि ( )
२।	चिसो पेय खरीद गर्नु भन्दा अगाडि हजुरले तलका मध्ये कुन
	कुरालाई बढी प्राथमिकता दिनु हुन्छ । पहिलो प्राथमिकतालाई १
	अंक दिदै कमश: अन्तिमलाई ८ अंक दिनुहोस् ।
	क) उपलब्धता ( ) ख) विज्ञापन ( ) ग) विकी योजना ( )
	घ) मूल्य ( ) ङ) गुणस्तर ( ) च) स्वाद ( )
	छ) ब्राण्ड नाम ( ) ज) कुनै अन्य कारण ( )
३।	हजुरले प्राय: गरी कुन चाहिं ठाँउमा चिसो पेय पिउनु हुन्छ ?
	क) आफ्नै घरमा ( ) ख) रेष्टुरेन्ट वा पसलमा ( )
	ग) पिकनिकमा ( ) घ) भोज भतेरमा ( )
४।	हजुरलाई मन पर्ने चिसो पेयको ब्राण्ड के हो ?
	क) कोक ( ) ख) पेप्सी ( ) ग) स्प्राइट ( )
	घ) फ्यान्टा ( ) ङ) मिरिन्डा ( ) च) रियल ( )
ሂነ	कुन चाहिं बोतल (मि.लि. वा लि.) को चिसो बढी उपभोग गर्नु
	हुन्छ ?
	क) कोक ख) पेप्सी ग) रियल घ) रियो
	२००मि.लि.( ) ( )
	२५०मि.लि.( ) ( )

५००मि.लि.( ) ( )	( )	( )
9 लि. ( ) ( )	( )	( )
१.५ लि. ( ) ( )	( )	( )
६। हजुरलाई कुन चाहिं विज्ञापन मा	ध्यम प्रभावकारी ज	स्तो लाग्छ ?
क) टि.भि.( ) ख) रेडियो (	) ग) पत्रपति	का ()
घ) साइन बोर्ड ( ) ङ) वाल	पेन्टिङ्ग ( )	
७। हजुरलाई कुनै चिसो पेयको विज्ञा	ापनको सम्भना छ	?
क) छ ( ) ख)	( )	
८। हजुरलाई कुन चाहिं चिसो पेय	को सम्भना छ ?	
क) कोक ( ) ख) पेप्सी (	) ग) स्प्राइट	( )
घ) फ्यान्टा ( ) ङ) मिरिन्डा	( ) च) रियल	( )
छ) रियो ( )		
९। हजुरले सम्भनु भएको विज्ञापन	कुन माध्यमको थियं	ो ?
क) पत्रपत्रिका ( ) ख) टि.	.भि. ( ) ग	) रेहियो ( )
घ) वाल पेन्टिङ्ग ( ) ङ) स	ाईन बोर्ड ( )	
१०। हजुरले विज्ञापन हेर्नु भएप	छि कहिले चिसो	पेय खरिद गर्नु
हुन्छ ? क) तत्कालै ( ) ख) एक व	ा दुई पटक हेरेपिट	<b>§</b> ( )
ग) केहि थप सुचना प्राप्त भएप	छि ( )	
घ) कुनै मतलव नराखिकन ( )		
ङ) आवश्यकता महशुस गरेको	बेला ( )	
१९।विज्ञापनले चिसो खरीद गर्न प्रभा	व पार्छ कि पार्देन	?

क) पार्छ ( ) ख) पार्देन ( )	
१२। हजुरले वर्तमान ब्राण्ड रोज्नुको कारण के हो ?  क) पहिलो कारणख) दोश्रो कारण	
१३।कुन कारणले हजुरले आफ्नो ब्राण्ड फेर्नु हुन्छ ?  क) उपलब्ध नभएर ( ) ख) महँगो भएर ( )  ग) प्रतिस्पर्धीले स्किम दिएर ( )  घ) नयाँ स्वाद पाउनको लागि( ) ङ) विज्ञापनको कारण ( )	
<ul> <li>१४। प्राय: हजुरको लागि चिसो पेय कसले खरीद गर्नु हुन्छ ?</li> <li>क) आफै्ले ( ) ख) परिवारको कुनै सदस्यले ( )</li> <li>ग) साथीहरुले ( ) घ) अन्य कुनै भए उल्लेख गर्नुहोस</li> </ul>	••
9५। हजुरले सरदर कित चिसो पेय पिउनु हुन्छ ?  क) दिनमा १ पटक ( ) ख) दिनमा २ पटक ( )  ग) हप्तामा १ पटक( ) घ) हप्तामा २ पटक ( ) ङ) अन्य(	
9६। हजुर के कारणले कोकाकोला पिउनु हुन्छ ?  क) ब्राण्ड नाम राम्रो लागेर ( ) ख) स्वाद मिठो लागेर ( ग) जहाँ किहं उपलब्ध भएर ( ) घ) ताजापनको लागि ( ड) तिर्खा मेटाउन ( ) च) गुणस्तर राम्रो भएर ( ज) फेशनको लागि( ) छ) अन्य कारण भए उल्लेख गर्नुहोस्	)
१७ हजुर के कारणले पेप्सी पिउनु हुन्छ ?	\

ग) जहाँ कहिं उपलब्ध भएर ( ) घ) ताजापनको लागि ( )
ङ) तिर्खा मेटाउन ( ) च) गुणस्तर राम्रो भएर ( )
ज) फेशनको लागि() छ) अन्य कारण भए उल्लेख गर्नुहोस्
१८। हजुर के कारणले रियल पिउनु हुन्छ ?
क) ब्राण्ड नाम राम्रो लागेर ( ) ख) स्वाद मिठो लागेर ( )
ग) जहाँ कहिं उपलब्ध भएर ( ) घ) ताजापनको लागि ( )
ङ) तिर्खा मेटाउन ( ) च) गुणस्तर राम्रो भएर ( )
ज) फेशनको लागि() छ) अन्य कारण भए उल्लेख गर्नुहोस्
१९। हजुर के कारणले रियो पिउनु हुन्छ ?
क) ब्राण्ड नाम राम्रो लागेर ( ) ख) स्वाद मिठो लागेर ( )
ग) जहाँ कहिं उपलब्ध भएर ( ) घ) ताजापनको लागि ( )
ङ) तिर्खा मेटाउन ( ) च) गुणस्तर राम्रो भएर ( )
ज) फेशनको लागि() छ) अन्य कारण भए उल्लेख गर्नुहोस्
२०। हजुरलाई कस्तो किसिमको विज्ञापन मन पर्छ ?
क) विदेशी विज्ञापन ( ) ख) नेपाली मोडेल भएको ( )
ग) नेपाली लोकलयमा आधारित( ) घ) कार्टुन चित्र भएको ( )
२१। हजुरको कुनै सुभावको अपेक्षा गर्दछु ?
क) कोका कोलाको लागि
ख) पेप्सी कोलाको लागि
ग) रियलको लागि
घ) रियोको लागि

# **Demographics:**

	मिति:
नाम:	
उमेर:	लिङ्गः
शिक्षा:	
पेशा.	