## CHAPTER -I

## Introduction

### 1.1 Focus of the study

Promotion is the element in an organization's marketing mix that is to inform and persuade the market regarding the organization product service. In other words, basically promotion is an exercise in information, persuasion and communication. Thus Promotion is the communication mechanism of marketing. It involves the exchange of information between buyers and sellers. Its task is to inform and persuade consumers to respond to the products or services been offered.
"Having a great product is not enough. People must be made familiar with the products benefits" it is the function of informing and influencing the customers." Promotion is the ingredient used to inform and persuade the market regarding a company product."

Today market is growing so rapidly. A lot of new products are being introduced in the market day by day. Even a few decades back the situation was not like this. Market was limited to a few products only. Growth in the market means a plentiful supply of new costumers which business can attract without worrying of losing old ones. But now competition is increasingly becoming though. Market is becoming more sophisticated and the new marketing realities are emerging. In this situation manufacturing companies want to reach their target market to maximize their sales. So the producers are using various sales promotional tools and technique to generate their market share. Promotion component of the marketing mix is concerned with being products to the customers and persuading them to buy. "Promotion is applied communication used by marketers to exchange persuasive massage between buyers and sellers and its necessary and information to make customers and other public with which an organization interests aware of the existence of a product".

The concept of sales promotion/consumers is not new. It is a very popular marketing technique among the manufactures. This technique is being used by the manufactures since as early as 19th century. This technique, for the first time was used by John H. Patton of United States, a founder of the nation Cash Register Company. He thinks that if monetary advantages are given to the consumers, products: Sales can be increased. Many researches had been conducted by the expert's on sales promotion. They found that many consumers are attracted and encouraged if we can provide extra advantages for them along with products and services.

Sales promotion is very important to attract consumers towards the product is a highly competitive market. Business organizations in Nepal are using sales promotion as effective marketing tools, for example instant noodles, tea, beer, cold drinks, cigarettes, and so on etc.

Sales promotion is widely used and is a popular term in marketing. Different scholars have defined sales promotion differently. Sales promotion refers to short term incentives to stimulate demand. It is used to create stronger and quicker purchase response. It can be directed to consumers, middlemen and sales personnel. It supplements advertising and facilities personal selling. "Sales promotion consists to diverse collection of incentive tools. Mostly short term designed to stimulate quicker and/or greater purchase of particulars products/services by consumers or the trade." (Prof. PhilpKotler)

Promotion may be defined as "The co-ordination of all seller initiated efforts to set up channels of information and persuasion to facilitate the sales of a goods or service". The bulk of promotion is directed towards facilitating and enhancing specific products and brands. Thus, promotion is most often intended to be a supporting component in a marketing mix. This does not mean that it is any the less important than the products or any others marketing decisions areas. Rather promotion decisions must be integrated and must coordinate with the rest of the marketing mix. Particularly product / brand
decisions. So that it may effectively support on entire marketing mix strategy. The promotion mix consists of four basic elements-Advertising, Personal selling, Sales promotion and Public relation and publicity.

Consumer promotion is defined as those activities that supplements personal selling. Advertising and publicity, co-ordinates them and helps to make them more effective. It concludes relationship between manufacturer and his consumers intended to assist them in purchasing more intelligently and to maintain consumer satisfaction with his products there by stimulating further sales.

The aim of advertising publicity, personal selling and sales promotion is same to help achieve marketing objective, but the implementation methods and area are quite different.

## Advertisement:-

Advertising is any paid form of non-personal presentation and promotion of ideas, goods or services, by an identified sponsor. It includes the use of such media as magazines, newspaper, out door posters, direct mail novelties, radio, television, bus posters, catalogs directories programmed and circulars. It goals run the gamut form informing persuading or reminding an audience.

Advertisement includes any persuasive message carried by a mass medium and paid for by a sponsor who signs the message.

It consists of paid messages by he identified sponsors through nonpersonal channels on media. Advertising generally is a massage composed by the advertiser to persuade who ever receives it to accept an idea, by a product or take some other action desired.

## Personal Selling:-

Personal selling involves the face to face communication of information from sellers to a prospective buyer. Basically personal selling is a component element in the communication mix.
"Personal selling is the personal communication of information to persuade a prospective customer to buy something- a product service, idea on something else." Personal selling is a person to person dialogue between buyers and sellers where the purpose of the interaction, whether face to face or over the phone is to persuade the buyer to accept a point of view or to convince the buyer to take a specific course of action.

According to American marketing Association, "Personal selling is oral presentation is a conversation with one or more prospective purchases for the purpose of making sales". It is to a two ways form communication that has the number of advantages from the point of view of marketing organization".

## Publicity:-

"Publicity is a communication in news story from about the organization and its product that is transmitted through the mass media. It is achieved through the mass media publication of a feature article, a captioned photograph and press conferences." According to American marketing association "Publicity is non personal stimulation of demand for a product service or business unit by generating commercially a significant news about it is published media or obtaining favorable presentation of it on radio, T.V, on stage, unlike advertising this form of promotion is not paid by the sponsor." Publicity is similar to advertising except that is involves an unpaid and unsigned massage even through it may use the some mass media as advertisement does. An important distinguishingly characteristic of publicity is that it always involves a third party such as a newspaper reporter or editor, who has the ultimate power to determine the nature of the massage.

## Public relation:-

Another major sales promotion tools is public relation. Public relation with the company various publics by obtaining favorable, publicity, building up a good corporate image and handling or heading off unfavorable rumors, stories and events, is the word of S.K Shrestha. Public relation is the management function of an organization designed to elicit from one or more of public a general positive felling towards the organization and its products. Public relations are the effort of the company to be good citizen in all its markets.

Public relation is a broad set of communication activities used to create and maintain favorable relation with customers, government, officials press and society. It is achieved through effective personal relationship presentation of a good corporate image, social responsiveness and charity work. Public relation is an organization brand, overall communication efforts intended to influence various groups' activities towards that organization.

## Sales Promotion:-

Sales promotion can be identified as those promotional activities other than personal selling Advertisement and publicity that are intended to stimulate buyer purchase on leader effectiveness is a specific time period. Thus special offers of free goods, coupon deals display items for store use training program is store demonstration and trips to attractive sports for top sales people are examples of sales promotion. The definition of the American marketing Association offers the following definition of sales promotion. Sales promotion is a specific sense refers to those sales activities that supplement both personal selling and advertising and co-ordinate them and help to make them effective, such as display shows and exposition, demonstration and other non recurrent selling efforts nor is the ordinary routine. The main purpose of sales promotion is to stimulate consumers purchasing and dealer effectiveness. Thus sales promotions are directed at both the consumers and the dealers.

Consumer promotion methods include sample premiums contents, demonstrations, coupons, special displays, and temporary price reductions. Dealer's promotion includes advertising allowance, gifts and prizes and extra free products.

## Sales promotion has the following features:-

$\rightarrow$ It is short term.
$\rightarrow$ It provides incentives.
$\rightarrow$ It aims at quicker response.
$\rightarrow$ It is directed at target audience.

## Objectives of sales promotion:-

The basic objectives of sales promotion are to achieve faster and higher sales. The specific objectives vary with the target audience.
a) Objectives of consumer promotion:-

- Encourage greater purchase.
- Attract new consumers.
- Introduce new products.
b) Objectives for trade promotion:-
- Carry and push new items.
- Increase reseller's inventories.
- Attract new channel member.
- Offset competitive promotions.
- Better store displays.
c) Objectives for product promotion:-
- Motivate sales force product.
- Support new product.


## Methods of sales promotion tools or devices.

The method of sales promotion is two ways. One is method of consumer promotion and other is method of dealer promotion, Consumer promotion methods include sample, premiums, contents, demonstration, Coupons, special displays and temporary price reduction.

Dealer promotion method includes cash, discount, quantity discount display and advertising allowance gifts and prizes and extra free product. Sales promotion methods are different to the target consumer; the manufactures select various way of promotion manufacturers use the way of promotion according to the consumer demand and other factors. Generally the following ways/methods of consumer promotion are used.

- Free samples.
- Coupons.
- Rebates.
- Premium/Gifts.
- Price off.
- Contents/Prizes.
- Displays/Demonstration.

They are direct at consumer and consist of.

## Free Samples:-

Offer of a free amount of a product. They are effective to introduce a new product, especially for consumers packaged products.

## Coupons:-

A coupon is assurance provided by the manufacturers to the consumers which contains a promise from manufacturer that the prize is awarded if demanded. If any retail outlets by showing that coupon. Waiwai provided one lucky draw coupons are every packet for limit time. And saw as Mayos, lucky draw \& game Mayos super challengers.

## Rebates:

Money refund or rebates that provide price reduction after the purchase consumer main proof of purchase to manufacture to get rebates.

## Premiums:

They are free gifts or low cost offers for purchasing a particular product. Ruchee provide of premium to buying two packet get one free for the certain period.

## Price off:

Product is offered at a reduce price. It stimulates stimulated off season sales.

## Contest and prizes

They provide chance to win cash trips or products for purchase. Mayos provide game like mayos super challenge.

## Display and Demonstration:

Point of purchase display to attract consumer attention. They persuade consumers for impulse buying. Free ratio can also be given to the consumers. In this way the manufactures use suitable tools of sales promotion. The tools of promotion are not constraints but promoters can develop new and according to the needs and necessity of the manufactures.

### 1.2 Statement of the problems:

Thirty years back, there was only one market player in the Nepalese noodles market, Rara noodles and promotion advertisement was not felt necessary for noodles market that time.

But today, the situation has changed in the Nepalese noodles market. There is in ten bounds of noodles manufactured is the country at present. But among them only than (Rara, waiwai, Ruchee, Rumpum, Goal Moal, Mayos,

Fewa, Mama, Aaha, and, Preeti) Appeared to be popular among the consumers. And among those ten also, only few are getting good market. Like waiwai, mayos, Ruchee, Rumpum, at the starting of $20^{\text {th }}$ century competition in the Nepalese noodles market grow substantially older and new brand comes both started using different kinds of sales promotion method to capture the larger market share. Noodles industries felt the necessity of promotion to survive in the competitive market.

Manufacturers has to search for new methods of promotion to sell their products in the market. Advertising long can't do the Job. Other promotional method is essential for the good identity of products in the market. Hence to get the effective results from promotion all the promotional tools should be treated as part of promotional strategy and co- ordinate with each other. When many products are found in the market, consumes have many options to choose the brand and manufactures may find it difficult to sale their products. The manufacturers capturing the big market share has used different new technique of promotion. Only advertisement may not bend enough today, those manufacturers are spending huge amount of money on other tools of promotion like, sale promotion, public relation, events.

Publicity and personal selling along with advertising only are getting good market for their products even in our country.

In view of the foregoing discussions the problems encompassed by the present study are stated as follows:

1. Which sales promotion tools are appreciated by Nepalese consumers?
2. Whether sales promotion has an impact on the consumer buying behavior?
3. Which sales promotional tools are more widely used by producers of noodles market?
4. What media is more suitable to announce sales promotion?
5. How does sales promotional activities affect the sales of noodles in the Nepalese market?

### 1.3 Objective of the study

The concept of sales promotion is relatively new in Nepal. There are lots of things to be researched and find out on the practice of sales promotion.

## The following are the main objective of present Study:-

1. To assess the impact of sales promotion on the sales of noodles.
2. To find out which promotion tools and media are more acceptable to Nepalese consumers.
3. To evaluate the relationship between sales promotion package and consumer behavior.
4. To evaluate the effectiveness of sales promotional activities in the sales of noodles in Nepal.
5. To investigate the market possibilities of noodles.
6. To suggest re- commentate for the noodles marketing in Nepal.

### 1.4 Significance of the study:

Today market has become very competitive, whether, marketing are facing the problem of not getting target market share, over stocking and competition. Different types of products with a large number of alternative brands are available in the Nepalese market. In this situation sales promotion is one of the short term incentive tools which help to increase sales and achieve target. The focus of the study is to know the must effectiveness and result oriented promotional activities for coverage all levels and status consumers. The finding of this study may prove to be guideline for making strategies of successful marketing. Thus mostly helps producers and marketers to decide effective marketing strategies but also provide valuable guideline and references to the students and researchers who are interested in conducting further research on sales promotion.

### 1.5 Hypothesis:-

a) There is no significance different among frequency of eating over a period of time.
b) Consumers are brand loyal.
c) There is no significance different between promotional tools and sales.
d) There is no significance different between media selection and consumers habit.
e) There is no significance different between professional level and awareness on promotional tool of noodles.
f) There is no significance different between contents and consumer behavior.
g) There is no significance different between Age and awareness as promotional tools of noodles.

### 1.6 Limitation of the study:-

This research is conducted only study purpose. The research being a student has very limited time and resources. This study is confined only to Dhangadi Municipality so it may not be represent to all Nepalese noodles market. The sample size take for study is small in comparison to the population of the study.

### 1.7 Organization of the study:- <br> This study is divided into five chapters:-

a) The first chapter will be introductory chapter and it will include back ground of the study, statement of problem, objective of the study and importance of the study.
b) The second chapter will provide received of literate related with the subject of the study.
c) The third chapter of the study will include research design, population, sampling procedure, data collection procedure and data analysis procedure.
d) The fourth chapter of the study will provide the main body of the study, data presentation and analysis.
e) The fifth or last chapter will provide summary, conclusion and recommendation. An extensive bibliography appendix and questionnaire will include at the end.

## Chapter - II

## Review of Literature

Sales promotion refers to activities of non-recurrent nature. Sales promotion is used in order to re-enforce personnel selling and advertising (Stanton, Etzel and walker, 1994).

According to the American marketing Association, Sales promotion consist of those marketing activities, other then personal selling, advertising, public relation and publicity that stimulate consumer purchasing and dealers. Consumer promotion methods include sample, premium, content, demonstration, coupons, special displays and temporary price reduction. Dealer promotion includes cash discount, quantity discount, display and advertising allowances gift and prizes and extra free products.

Sales promotion is one of the most useful and result oriented technique in business. Different businessmen are applying various sorts of sales promotional tools. First of all, they research about target consumers, need demand, interests and habits, for this we make clear concept about consumer buying behavior. The structure of market includes different kinds of demand. For this many companies who produce consumer items establish advertising, sales promotion and consumer buying behavior research as separate departments. For clear about sales promotion and consumer buying behavior we can analyze various definitions about it.

Sales promotion consists of a diverse collection of incentive tools, mostly short term, designed to stimulate quicker and / or greater purchase of particular products/ services by consumers or the trade (Kotler 1999)

In fact sales promotion works as quick stimulators which stimulate the consumer on the trade to buy the particular products. The tools of sales promotion varies from the consumer to consumer and product to product. Some nature of sales promotion could not be used in all the product. Like wise same
tools of sales promotion might not be effective to all the consumers and markets.

Philip Kotler further describes "Companies use sales promotion tools to create a stronger and quicker response. Sales promotion can be used to dramaties product offer and to boost sagging sale. Sales promotion effects are usually short run brand preference". He has rightly quite that any promotion aims at getting quicker response. In real promotions are of very short run manufacturers use promotion if they want to change their sales with us very short time period.

Sales promotion is one of the most loosely used terms in the marketing vocabulary. We define sales promotion as marketing activities; other then personal selling advertising public relation and publicity that are intended to stimulate customer demand and improve the marketing performance of sellers.

In fact sales promotion and merchandizing activities are not those same things though both of them together from the bulk of below the line advertising. The more precise definition for sales promotion is that it comprises those activities additional to "above the line media advertising which support the sales representative and the distributors. It includes merchandizing or tactial advertising and consists of below the line effort to stimulate both selling in and selling out at the point of sales.

Merchandizing in fact in just a part of marketing. Which is often muddled with marketing and sales promotion. It is sometimes restricted to activities carried out by special merchanding staff known as Merchandires who visit stored and set up say, in store or sapling exercise or even arrange the more celebrate point of sale displays such as working models. We should use the term merchandising to the mean any special sales promotional scheme device or activities. So we find that sales promotion is along term operation while merchandizing the short in the arm, short term boost. (Frank Jeff king 1988).

Sales promotion is distinct from advertising and personal selling but all three activities once often interrelated. In fact a major promotion of sales
promotion is to serve as a bridge between advertising and personal selling to supplement and co-ordinates efforts in these two areas (Stanton, Etzel, Walker, 1994).

Recently sales promotion has been the fastest growing method of promotion, with much of money being shifted from advertising. These days much big company's total annual expenditure for sales promotion is estimated to parallel or even exceeds those for advertising.

Several factors in the marketing environment contribute to the surging popularity of sales promotion. (Stanton / Etzel / Walker, 1994).

- Short run orientation.
- Competitive pressure:- If Competitors are offering buyers price reduction, contest, or other incentive a firm may fell force to retaliate with its own sales promotions.

State of economy: - Rising price have made consumers more prices conscious. Thus sales promotion becomes more attractive to them.

- Low quality of retail selling:- Many retailers have switched to self service or used sales Clark who are inadequately trained. For these out lets. Sales promotion devices such as product displays and information book lets often are one the only effective promotional tools available at the pop.

Three broad objectives of sales promotion are as (Stonton/ Etzel, Walker, 1994)

- Stimulating and user demand.
- Improving the marketing performance of middleman and sales people.
- Supplementing and co-ordinating advertising and personal selling.

Move specific objectives of sales promoting are much like those for advertising and personal selling some of them are:-

- To gain trail for a new or improved product. E.g. in case of Mayos.
- To disrupt existing buying habits: - A coupon offering a large discount might cause of consumer to switch brands of a product.
- To attract new customers: - Financial institution has offered small appliances and other premium to encourage consumers to open account.
- To encourage greater use by existence customer: - Most of the air lines in the U.S.A. have: Frequent flier" Programs to encourage travelers to use their airlines more often.
- To combat a competitor's promotional activities.
- To increase impulse buying.
- To get greater retailer co-operation :- A sporting goods manufacturers get on additional shelf space by getting up excellent pop displays, training retailer's sales people and providing tole bag to be given away form purchases.
"Sales promotion is sometimes described as the bridge between advertising and sales". (Jefkins Frank, 1988). In real sales promotion have a method of making communication other then advertising and personal selling Though in marketing communication mix, all the elements like advertising, personal selling, publicity and sales promotion come together. But sales promotion activities are entirely different from these all.
C.B. Memoria and R.L. Joshi in his book "principles and practices of marketing in India". Describes the objectives of sales promotion as" Sales promotion serves as \& bridge between advertising and personal selling and it supplements and co-ordinates efforts in these to areas".(Memoria and Joshi, 1982).

In modern time, the importance of sales promotion has increased tremendously. Sales promotion device are often the only promotional materials available at the point of purchase. Advertising media reach the consumer at their homes, office or while in travel and they may soon be forgotten but sales promotional devices at the point of purchase remind or stimulate the consumer to make purchase promptly on the spot. Sales promotion refers to activities of a
non recurrent nature which is used to reinforce personal selling and advertising for stimulating consumer purchasing and dealer effectiveness. (Koirala, 1991). Sales promotion is usually directed to the two different points, one at consumer point and other at dealer's / retailer points . Sales promotion which is directed towards consumer is called consumer promotion. Where as the promotion which is done to the traders is called trade promotion. He again say's "(It is consumer promotion) often used to retaliate against a competitor's sales promotions or to reduce a seasonal decline in sales. Consumer promotions are either aimed at reaching the consumer at his home or place of business or in the store".

Don E. Schultz and William A Robinson have defended sales promotion as "Promotion as a direct inducement or incentive to the sales force, the distributions, or the consumers with the primary objectives of creating an immediate sale "(Schultz and Rabinson, 1987). In fact sales promotion have short term tool. It provides incentive. It gets quick response features.

After study these definition, sales promotion has the following features.
[a] It is short term: - The duration of sales promotion should be neither too short nor too long form lunching to close. Generally sales promotion lasts from seven days to three months. It could be seasonal as well. Advertising in generally long term.
[b] It provides incentives: - Sales promotion tools provide "deals" or incentives to the buyers. The size of incentive should be attractive. Benefit it terms of economy or money saving are directly reaped by the buyers. Advertising provides only the reasons for buying.
[c] It aims at quicker response: - Sales promotion aim to produce thicker results in terms of faster sales and higher sale volume. Existing costumers by the product, however, sales promotion and stabilize gradually at increased level.
[d] It is directed at target audience:- The target of sales promotion can be consumers, trade channels and sales personal sales promotion tools differ according to the target category (Agarawal 1999).

Royer A strang has given the reasons why the promotion is increasing or why more and more manufacturers' spending more on consumer promotion, written in his article. "Sales promotion fast growth, faculty management" as "Failure to analyze or effectively management promotion spending will prove damaging because promotion likely to remain an important elements in marketing strategy. The executive I interviewed cited a number of reasons, reflecting both internal and external factions. For the growth in the area" Pointing some of reasons he further describes.

## Internal Developments:-

$\checkmark$ Promotion has become more accepted.
$\checkmark$ More executives are better qualified.
$\checkmark$ The product manager looks for quick returns.
Actually what happens it some rebate is given, the people will pay their bill on time. This has been successfully used by our public enterprises like wise executives also convened with the effectiveness of the consumer's promotion.

## External Chances:

$\checkmark$ Brands have increased in numbers.
$\checkmark$ Competitors are becoming promotion minded.
$\checkmark$ Economic conditions have been troubling.
$\checkmark$ Trade pressure has growth. (Strang, Robert A., 1976)
"Wilkinson mason and Poksoy (1982) systematically compared the impact of varying levels of price reductions, display and promotion on the sales of four products is one store of a large supermarket chain. They established that price level and display level offered the strongest impact. Other studies on the price elasticity of various goods in the market (Howkins 1957 have found that
thieve is usually a significant but unpredictable effect on unit sales from a price promotion" (Magnus seipel. Carl, 1971).

In this way, the conclusions of the different researchers are varying. Looking in to the variation Kenneth H. Hardly draws the summary of his study, in this article "key success factors for manufacturers sales promotion in package goods". Published in Journal of marketing (Jully 1986) as "The only definite conclusion from most of the studies is that prices deals have some impact of sales in the short run but "No disturbing effect beyond its actual duration (Hardy, 1986). In his article Published in Harvard Business Review, Roger A. Strang says "Since the late 1961, expenditures in the united states on sales promotion have been greater then those on advertising and have been growing at a faster rate as well".
"In the short run, the Proliferation of monetary promotions crodes their capacity to rent market share, which explain why so many are unprofitable (Abraham and lodish, 1990 khan and Me Alister 1997). In the long run it is feared that sales promotions increase price sensitively and destroyed brand equity both with retailers and consumers (Mela, Gupta and lehmann, 1997) (Journal of marketing, 2000).

Most analytic and econometric models of sales promotions simply assume that monetary saving are the only benefit that motivates consumers to respond to sales promotion (Blattberg and Neslin, 1993).

They divide promotion is to short run and long run. In short run monetary promotion is effective and in long run non monetary promotional tools are effective to retailers and consumers.

Besides sales promotion, there are other various tools in promotion Mix.i.e, Advertising publicity, personal selling. To clear about sales promotion we most know about other promotional Mix tools because a sale Promotion is one of them. So there are some definition which makes clear bout relations and difference to them.

Parasar Koiralla descries the difference between sales promotion and adverting in his book "sales promotion in Nepal" as "sales promotion and advertising differ in terms of objectives as well as the frequency, duration and purpose of users. Advertising in forms, persuades and reminds the target market, where as sales promotion goes to encourage purchase by the brand loyal consumers and attracts new and competitions brand users.

For effective sales promotion are required creative talent, time and money, it becomes expensive with frequent operation, while excess sales promotion with respect to a branded product may hurt that products brand image. Advertising creates awareness in the market place and may be repeated several times to acquaint and remind the target market thus advertising is designed to create on image of or to carry a sales massage about a product or service to the consumer. While sales promotion is an activity used to generate and immediate sales of the product or service "(Koirala Parasar, 1991).

Sales promotion and advertisement are two distinct are of marketing every thought the both tools sometimes used for the same purpose. To get maximum return out of both, the use of sales promotion and advertising may or should lead different situation. In other words both sales promotion
and advertisement should be used according to the situation because some times advertisement may be more effective then the promotion like wise; these might be lot of situations when the promotion can not yield fruitful results. "Ingene and levy, 1982). We can say that both sales promotion and advertisement leads to maximum return by increase sales but differ in terms of objective as well as frequency, duration and purpose of uses.

Edward M. Mazze says in his book "personal selling" as the objectives of sales promotion and personal selling are deferent sales promotion is a supporting activity to influence consumer buying and to attract them, where as personal selling aims at selling and makes efforts to match selling with buying sales promotion uses the sales force for a highly selection form of
communication that is to educate the trade channels about product and to help in display and exhibition. Personal selling is used to build up buyer's preference conviction and action (Mazze 1990).

Sales promotion is occasional in nature which attracts the consumers to the point of purchase and encourages them to purchase more through incentive offers, where as sales personal visit the target market and educate them about the benefit and use of products and services as a promotion concentrate on a specific brand of a specific period of time. Sales people have never been involved with the retailers promotion needs or with building a solid business relationship between the company and retailers, nor are they prepared apparently to do so. "(Bud Rankel and H.W. Philips, 1986).

In conclusion we can say that personnel selling are more effective in the case of highly selective brands which can penetrated the market though opinion Leader, At the point of purchase a trained sales personnel can empress more customers than an amateur individual.

Parashar Koirala writes the differences between sales promotion and publicity in his book "Sales promotion in Nepal that publicity and sales promotion do not go together. A non controlled media is coincident with an event. It is an additional voluntary effort for sales promotion which can improve the image of a product or services to the people. So please them, a public relations officers tries to bridge the media of publicity. If it becomes paid promotion, the image of publicity is killed and will be an element of advertising. So publicity can be an element of promotion mix." In fact we can say publicity is non paid promotional tools. It expected to promote brands, products, persons, places, ideas activities and organizations.

There are many tools/mode of sales promotion available in market. But it is not necessary that the same tools is equally effective to all the products or the consumers many author have been described the term. PhilpKotler in his book "Marketing management" says "The main consumer promotion tools
include samples. Free trials, product warranties, tie -ins and point of purchase displays and demonstration (Kotler Philip, 1997)

## Philip Kotler describing individual tools as:-

## Sample:-

Samples are offer of a free amount or trial of a product to consumers. The samples might be delivered door to door, sent in the mail, picked up in a store, found attached to most expensive ways to introduce a new product.

## Coupons:-

Coupons are certificates entitling the bearer to started saving on the purchase of a specific product. Coupons can be mailed, enclosed in or on other product or in sorted in magazines and news paper ads.

## Cash refund offers (or rebates):-

Cash refund offer (or rebates) are like coupons except that the price reduction occurs after the purchase rather then at the retail shop. The consumers send the specified proofs of purchase to manufactures who in turn "refunds" part of the purchase price by mail. Cash refunds have been used for major products such as automobiles as well as for package goods.

Prizes:-
Prizes are offers of the chance to win cash trips or merchandize as a result of purchasing something.

## Patronage rewards:-

Patronage rewards are values is cash or in other forms that are proportional to one's patronage of a certain vender or group of vender most airlines offer frequent flyer plans providing points for miles traveled that can be turned in for free airlines trips.

## Free Trails:-

Free trails consist of inviting prospective purchasers to try the product without cost in hope that they will buy the product. Thus auto dealers encourage free test drives the stimulate purchase interest:

## Product Warranties:-

Product warranties are an important promotional tools specially or consumer become more quality sensitive when chrysher offered a five year car warranty then GM.s and ford's customers took notice they inferred that chryster's quality must be goods or else the company would is deep trouble.

## Tie in Promotion:-

Tie in promotion are becoming increasing popular. In a tie -in Promotion two or more brands or companies team up on coupons, refunds, and contents to increase their pulling power companies pull funds with the hope of broader exposure, while several sales forces push these promotions to retailers, giving them a better shot at extra display and ad. space.

Sales promotion consists of a combination of various tools with different objectives and implications and function differently in the mix. To match them with the stage of product life cycle, or the type of product and to the nature of products, requires full knowledge of each tool. Sales promotion is technical and creative in nature "Koirala Parashar, 1991). And further the describes important tools of sales promotion.

## Point Of Purchase Display:-

A wide variety of point of purchase materials, such as posters, banners, streamers, price cards, racks, sings displays and cartoons are placed at one or in retail stores. These materials are distributed to retailers through whole sellers the sales force, or by mail.

## Premiums:-

Premium is merchandise items provide free of cost or at reduced price as an incentive to the buyers of a specific product. Different kinds of premiums free mail is premium, continuity, coupon, premiums and free give ways are in practice.

## Sales Brochures:-

These are visual presentation of different products and services in the form of diagram, or literature. Like photographs product availability time, models, colours etc. distributed to the channels and consumers.

Samplings one of the oldest tools said to be oldere then even the marketing concept. It is trail to the consumer before a financial commitment of its purchase.

## Advertising Specialties:-

Specially advertising offers articles of merchandise and some typical gift, such as a pen, calendar, ashtray, T-shirt, key ring etc. to the customers. The promoter offers these tools with a variety of objectives in view e.g. branch opening promotion, new sales personnel, introduction trade show, Traffic development and activating passive clients.

Advertising specialties are not considered to be appropriate tools for most propaganda but can be used separately and as a supplement to other promotional tools and are popular selective market infiltration (Duelch, John A. 1985).

In this way the tools are discussed in a variety of ways. The objective of sales promotion has also been described by the different author in different ways but the most acceptable objectives has dealt by.

Consumer behaviour is defined as the behaviour that consumer displays in searching for, purchasing, using, evualating and disposing of products services and ideas that they except will satisfy their needs (suffman and Kanuk, 1989). The study of consumer behaviour is concerned not only with what consumer buy, but also why they buy it, when and where and how they buy it and how often they buy it.

## Review of Previous Research Work:-

(A) The researcher "Radio advertising and its impact on purchasing act in consumer goods". Was conducted by Mr. S.K Upadhyaya in 1981 has the following objectives.
a) To study the availability and comperative cost of different forms of advertising in Nepal.
b) To study the impact of the radio advertising on the consumer purchase behaviour.
c) To study the change in sales of firm due to the radio advertising the study is based on both primary and secondary data.

## Major Findings of the study:-

a) Both consumers and advertiser recognize the need of advertising medias in the present context of the Kathmandu valley market.
b) For promoting the products, advertising is the main method used by the producers.
c) All the advertising business is conducted by the senior personal but there is no separate section for condition advertising.
d) Of all the Advertising media available Nepal, the radio advertising is ranked top is the list.
e) Most of the consumers consider utility aspect while buying the products.
f) The major percentages of listeners listen to radio advertising. The percentages of regular listners are very few.
g) The effect of advertising is to the seen on new products then on old or existing product.
h) The effective forms of media to read the hearts of consumers are radio cinema and periodicals which ranked first, second and third respectively (S.K. Upadhyaya, 1981)
(B) A research on "Sales promotion and its effect on sales" was conducted by Mr. Shree Chandra; Bhatta in 1998 has the following objectives.
a) To find out whether the sales promotion does impact on sales.
b) To find out what mode of sales promotion is more acceptable by the Nepalese consumers.
c) To find out what mode is wisely use by the manufacturers as a sales promotion tools.
d) To evaluate effectiveness of sales promotional activities in the sales.
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.
(C) A research on "Advertising through Television : Impact on consumer behaviour" was conducted by Ram Bhakta Ghimire ,2000 and the study objectives are as follows:-
a) To identify the present situation of T.V advertising of NTV.
b) To show what kind of advertising they prefer.
c) To know how the different groups of people perceive the advertisement form T.V and their reaction about advertising.
d) The study is based on primary as well as secondary data.

## The major findings of the study:-

a) Mostly children, young age, and old age people prefer musical advertisement where as others prefer good wording advertisement.
b) Considering the education factor of people below SLC and uneducated people prefer good wording advertisement.
c) Considering the sex, female consumer prefer musical advertisement rather then advertisement with goods wording Vice Versa.
d) Most people give first preference to advertisements from TV followed by newspaper, radio, magazine, cinema respectively.
e) Many people watch the NTV advertisement.
f) Most of the people buy the products when they need and watch the advertisement.
g) Repetition of advertisement attracts people's attention.
h) People prefer to choose advertisement products. If the price and quality of both products are same.
i) Advertisement help to recall the brand or product name while buying.

## Chapter -III

## Research methodology

The fundamental objectives of this study are to analyze the impact of sales promotion tools on sales of noodles market. Promotion tools is an indispensable in modern marketing. In Nepal, the importance of promotional tools has increased with the development of marketing activities. Hence to grab the objectives, the study follows a research methodology, which is briefly describes as follows.

### 3.1 Research design

Present study is based on survey research design. This research examines the impact of sales promotion tools on sales of noodles market with specially reference to wai-wai \& Mayos in Dhangadhi Municipality. There for it is an exploratory study as well which helps to guide for the study in future.

A research design is the specification of method of procedure for acquiring the information needed to structure or to solve problems. The present study is exploratory in nature; the main aim of this study is to find out the sales promotion, perception price, quality and other reveling aspects of different types or noodles. The survey research design has been adopted for this study. The data and information collected from the survey are tabulated and analyzed acceding to the need of the study of the attaining the started.

### 3.2 Sources of data:

There are two types of data are used in this study.

### 3.2.1 Primary data:

In this study, primary sources are businessman, jobholders, Restaurant, and other peoples in the Dhangadhi Municipality through questionnaire as
interview. 200 respondents are taken from different words of the municipality with male \& female (Children, Young \& Old age).

### 3.2.2 Secondary Data:

The secondary data achieved by CG foods (Nepal) Pvt. Ltd. Dumkuli (Nawalparasi) \& Himalayan Snax \& noodles Pvt. Ltd. Ugratara Jungle Kavrapalanchok, Banepa C/O Kamhariya-6. Rupendehi Nepal.

### 3.3 The Population and Sampling:

In this part, the population of this study is sample size and unit; Sample procedure is the study has been defined.
i) The Population of the study.

It consists of all the consumer i.e. potential consumers in the Dhangadi municipality.
ii) Sample Size \& Unit:

Together the primary data 200 consumers has been surveyed for the study. Consumers are surveyed and observed in Dhangadi municipality mainly in ward no. $1,2,3,4,5,6$, etc.

| Ward No,1 | 20 |
| :---: | :---: |
| Ward No,2 | 20 |
| Ward No,3 | 50 |
| Ward No, 4 | 50 |
| Ward No,5 | 20 |
| Ward NO,6 | 20 |
| Others | 20 |
| Total | 200 |

### 3.4 Data Collection Procedure:

The primary data has collected through questionnaire along with interview. For this purpose, the different words of the Dhangadhi Municipality have stratified with respect to number of respondents.

The consumers have been selected for interview with random systematic sampling method. Only 200 samples consumers have been taken purposively from different wards of the municipality. As the number of consumers present at different wards of the municipality were found varying greatly purposive. Sampling method used to determine the size of the sample respondents. Purposive sampling method was used on the basis of unequal preposition, so as to make the sample representation of the population.

In this reports only $20 / 20$ respondents were taken from ward no $1,2,3$, $4,5,6$; other \& 50/50 respondents were taken from ward No. 3 and 4 of Dhangadi Municipality. After determining the sample size from each ward particular respondents were selected by using systematic random sampling method from each ward of study of the municipality.

Data used in this research study are mainly primarily consumers and the main sources of getting primary data as the table shows:-

Table 3.1
The Size of Sample and Responses:-

| Respondents | Sample <br> Size | Questionnaire | \% of Questionnaire and <br> return to it's response |
| :--- | :--- | :--- | :---: |
| Businessman | 100 | 100 | $50 \%$ |
| Job holders | 20 | 20 | $10 \%$ |
| Restaurants | 30 | 30 | $15 \%$ |
| Consumers | 30 | 30 | $15 \%$ |
| Others | 20 | 20 | $10 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

In the above table 200 consumers whom the questionnaire have been administrated are the main sources of required data. Questionnaire has been prepared to support the objectives of this study. The set is questionnaire used for the study has been presented in the Annexure 9. A number of questionnaires have also been asked as interview about the number of respondents and other related terms to the knowledgeable person.

### 3.5 Processing of Data:-

After collected the data, it is necessary to processing the data for analyzing the collected data has to be ordered and carefully processed then only it helps to bring out the viable output using statically tools.

### 3.5.1 Sorting:-

The dispensable data and irrelevant topic are removed. Sorting helps to data pertinent, consistent, and perfect for tabulating.

### 3.5.2 Coding:

In this thesis, there are used symbols, numbers, series, and signs as coding which helps to thesis easy to understand.

### 3.5.3 Classification:-

The scatter data are managed with consistent and grouping the data the data for easy to understand. It makes possible to generalize and tabulation.

### 3.6 Data analysis Technique:-

The data collection from the consumers through questionnaire is analyzed through the percentage and chi-square test and the sales data of noodles market have been analyzed using regression method.

### 3.6.1 Percentage:-

It is a technique to represent the total respective respondents. 200 respondents are presented as 100 percent. It is given by \%. It helps to compare the easy to data analysis (part and Chaudhary, 2053).

### 3.6.2 Chi- Square test:-

Chi-square test of goodness of fit is used for this study. Chi- square test is analyzing more then two populations. It is helpful test whether a preference of a certain product differ from state to state and region to region. It also enables to determine whether a group data described by the normal distribution does conform to the patterns.

### 3.6.3 Uses of Chi-Square test:-

Chi-square test is used to test whether more then two populations can be considered equal. Actually, chi- squares tests allows us to do a lot more then just test for the equality of several proportions. If populations are classified in to several categories with respect to two attributes (for example advertisements and brand performance): we can use a chi- square test to determine if the two attributes are independent of each other steps for the competition of chi-square ( $\mathrm{x}^{2}$ ) test (Gupta S.C. 1990).
a.) Complete the expected frequencies E1, E2------------En corresponding to the observed frequencies $\mathrm{O} 1, \mathrm{O} 2-------------\mathrm{On}$ under some theory of hypothesis.
b.) Complete the deviations (O-E) for each frequency and than square them to obtain (O-E) ${ }^{2}$.
c.) Divide the square of the deviations (O-E) ${ }^{2}$. by the corresponding expected frequency to obtain $\left[\frac{(O-E)^{2}}{E}\right]$
d.) Add the values obtain in step(iii) to cmpute $x^{2}=\sum\left[\frac{(O-E)^{2}}{E}\right]$
e.) Under the null hypothesis that the theory fits the data will, the above statistic follows $x^{2}$ distribution $\mathrm{U}=\mathrm{n}-1$ d.f.
f.) Look up the tabulated (critical) values of $x^{2}$ for (n-1) D.F. at certain level of significance, usually $5 \%$ of 1 percent from the table of "significance value of $x^{2}$ " given the table.

If calculated value of $c_{2}$ obtained in is less then the corresponding tabulated value obtained in step (iv) then it is said to be non- significant at the required level of significance, i.e. fluction of sampling in other words data don't provide us any evidence against the null hypothesis [given in step (v) which may therefore, be accepted at the required level of significance and may conclude that is good correspondence (fit) between theory and experiment.
g.) On the other hand if the calculated values of $x^{2}$ is greater then the tabulated value, it is said to be significant in other words the discrepancy between the observed and expected frequencies can not be attributed to chance and are is the situation can reject the null hypothesis, this we can conclude that the experiment does not support the theory.

### 3.6.4 Regression Analysis:

Regression is another popular tool is the statistic. This analysis is mathematical measure of the average relationship between two or more variables in term of original units of data. It also clearly indicates the cause and effect relationship between the variables. The variables corresponding to cause is taken as independent variables and the variables corresponding to effect is taken as dependent variables.

In our calculation, we denote x as expenses on sales promotion and y denotes as sales as per actual basis.

Our required equation $=(Y-\bar{Y})=$ byx $(X-\bar{X}) \&$

$$
=(X-\bar{X})=\operatorname{bxy}(Y-\bar{Y})
$$

## Chapter - IV

## PRESENTATION, TABULATION, INTERPRETATION AND ANALYSIS OF DATA

## (4.1) Presentation and Interpretation of data:-

This research is mainly of exploratory type so the researcher tried to give more accurate picture of the impact of sales promotion on actual sales. So two ways of collection and interpretation of data is considered and given in this study. First type is a survey the conducted in Dhangadi Municipality to explore what the consumer think about the promotional activities which have been doing by the noodles manufacturing companies and second type is of sales data of the noodles, promotional companies and its promotional activities impact on the sales of the noodles.

We first analyze, and interpret the survey data and response taken from the market place from the real consumer.

### 4.1.1 C onsumer's Profile:-

Only 200 questionnaires distributed for collection data the researcher taken response from the market place from the real consumer. All 200 questionnaires distributed in Dhangadi Municipality and cent percent questionnaire collected, the following tables given the details.

Table 4.1
Demographic Analysis

| Gender | No of respondent | Percentage |
| :---: | :---: | :---: |
| Male | 110 | $55 \%$ |
| Female | 90 | $45 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

As presented in table 4.1, the sample included $55 \%$ male consumer and $45 \%$ fmale consumer of eat noodles.


Table 4.2
Age level of consumer

| Age | No of respondent | Percentages |
| :--- | :--- | :--- |
| Below 15 | 90 | $45 \%$ |
| $15-35$ | 80 | $40 \%$ |
| $35-50$ | 20 | $10 \%$ |
| Above 50 | 10 | $5 \%$ |
| total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

As presented in table 4.2 among the sample selected for the study $45 \%$ of consumer of eats noodles lies in below 15 age group , $40 \%$ of consumer of eats noodles lies 15-35 age group, $10 \%$ of consumer lies $35-50 \& 5 \%$ of consumer of eats noodles lies above 50 age group. From this table it can be inferred that users of noodles can be found across the different age group.

Table 4.3
Professional level of consumers

| Level | No of respondents | Percentages |
| :---: | :---: | :---: |
| Business Man | 30 | $15 \%$ |
| Job holder | 60 | $30 \%$ |
| Others (children) | 110 | $55 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

Table 4.3 presents the professional profile of the respondents. Out of total respondents $15 \%$ are Business man, $30 \%$ are job holder, \& remaining $55 \%$ are other children and younger.


### 4.1.2 Consumers eating habits $\boldsymbol{\&}$ behavior:-

To know about the consumers habit the researcher start from very preliminary question like "Do you eats noodles?" To the very specific question like "Do you stick on only special brand of noodles?" The following series of table of tables presents the responses behaviors.

Table 4.4
Eating habits by age and sex

| Age | Male | Females | Total |
| :---: | :---: | :---: | :---: |
| Below 15 | 45 | 45 | 90 |
| $15-35$ | 40 | 40 | 80 |
| $35-50$ | 15 | 5 | 20 |
| Above 50 | 10 |  | 10 |
| Total | $\mathbf{1 1 0}$ | $\mathbf{9 0}$ | $\mathbf{2 0 0}$ |

Table 4.4 presents the eating habit by age and sex of the respondents. The shows, eating habit of below 15 age include 45 male and 45 females, 15-35 age includes 40 males and 40 females, 35-50 age include 15 males and 5 females and above 50 age include 10 males and no females. From the above table it proves that those female who have above 50years age are not habit of eating noodles.

## Table 4.5

Eating habit by professional level and sex

| Level | Male | Female | Total |
| :---: | :---: | :---: | :---: |
| Business Man | 15 | 15 | 30 |
| Job holder | 35 | 25 | 60 |
| Other | 60 | 50 | 110 |
| Total | $\mathbf{1 1 0}$ | $\mathbf{9 0}$ | $\mathbf{2 0 0}$ |

Table 4.5 presents the eating habits by professional level of the respondents. The table shows, eating habit of business man include 15 male and 15 females, job holder include 35 male and 25 female and other include 60 male and 50 females.

Table 4.6
Eating frequency

| Particular | No. of respondent | Percentages |
| :---: | :---: | :---: |
| Daily | 90 | $45 \%$ |
| Once a week | 60 | $30 \%$ |
| Occasionally | 30 | $15 \%$ |
| Rarely | 20 | $10 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

The table shows the frequency of eaten noodles of the respondents $45 \%$ of respondents eaten daily. $30 \%$ of respondents have of eating once a week, $15 \%$ of respondents eaten occasionally and $10 \%$ Kesondents enjoys occasionally eaten nearly.


## Chi-Square Test:-

Null Hypothesis:-
Ho: There is no significance different among frequency of eating over a period of time.

## Alternative Hypothesis:-

H1: There is significance difference among frequency of eating over a period of time.

The calculated value is 60 (Appendix 1)and the tabulated value is 7.815 since the calculated value is greater than tabulated value at 5\% significant level of 3 degree of freedom. So Ho is rejected and H1 is accepted.

So, we can say that there is significance difference among frequency of eating.

Table 4.7
Brand Performance

| Product | No. of Respondents | Percentage |
| :---: | :---: | :---: |
| Waiwai | 80 | $40 \%$ |
| Mayos | 60 | $30 \%$ |
| Others | 60 | $30 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

The above table shows that the brand performance of the individual $40 \%$ choose Waiwai, 30\% Mayos chose and $30 \%$ respondent choose other brands.


## Chi-Square test:

Null Hypothesis:-
H0: Consumers are brand loyal.
Alternative Hypothesis
H1: Consumer one not brand loyal.
The calculated value is 4.01 (Appendix 2) and the tabulated value is 5.991 since the calculated value is smaller then tabulated value at $5 \%$ significant level of two degree of freedom. So H 1 is rejecting \& $\mathrm{H}_{0}$ is accepted.

So, we can say that consumer is brand loyal.

### 4.1.3 Sales promotion of noodles:

To know consumers opinion and their think about promotional work that noodles company perform. The researcher has pick up the subject with very simple question such as do you know about promotional work that noodles manufacturers perform? The following is the table relating with promotional work.

## Table 4.8

Contribution of promotion (Age)

| Age | Yes | No | Total |
| :---: | :---: | :---: | :---: |
| Below 15 | 80 | 10 | 90 |
| $15-35$ | 70 | 10 | 80 |
| $35-50$ | 12 | 8 | 20 |
| Above-50 | 8 | 2 | 10 |
| Total | $\mathbf{1 7 0}$ | $\mathbf{3 0}$ | $\mathbf{2 0 0}$ |

Total above table presents is the contribution of promotional tools in age of total respondents. Among 90 respondents below 15 age, 80 respondent have contribute promotional tools and 10 respondent have no contribution in this way 70 respondents have contributes promotional tools and 10 respondents have no contribution, among 80 respondents of $15-35$ age, 12 respondent have
contribute promotional tools and 8 respondent have no contribute among 20 respondents of $35-50$ age, and 2 respondent have no contribute among 10 respondents of above-50.

The above table infers that two categories of age respondents (i) below 15(ii) 15-35 have most contribution promotional tools.

Table 4.9
Contribution of Promotion (Professional level)

| Level | Yes | No | Total |
| :--- | :--- | :--- | :--- |
| Business man | 20 | 10 | 30 |
| Jobholders | 50 | 10 | 60 |
| Others | 100 | 10 | 110 |
| Total | $\mathbf{1 7 0}$ | $\mathbf{3 0}$ | $\mathbf{2 0 0}$ |

The above table illustrates that contribution of promotional tool in promotional level of total respondents. Among 30 business man 20 respondents have contribute a promotional tools and 10 have no any contribution. In this way 50 Jobholders respondents have contribution and 10 have no any contribution. Among 60 respondents and among 110 other respondents 100 have contributed a promotional tool and 10 remains have no any contribute.

Table 4.10
Awareness of promotion tools (Age)

| Age | Yes | No | Total |
| :---: | :---: | :---: | :---: |
| Below 15 | 80 | 10 | 90 |
| $15-35$ | 70 | 10 | 80 |
| $35-50$ | 12 | 8 | 20 |
| Above-50 | 8 | 2 | 10 |
| Total | $\mathbf{1 7 0}$ | $\mathbf{3 0}$ | $\mathbf{2 0 0}$ |

By observing above table we can get the factual knowledge that awareness of promotional tools according to age level. Among 90 people below 15 respondents 80 have awareness promotional tools and 10 have no. In this way 80 respondents between $15-30$ age the 70 respondents have awareness of promotional tools and 10 have no. Similarly 20 respondents between 35-50 age the 12 have awareness of promotional tools and 8 have no. and above 50 ages among 10 respondents 8 have awareness of promotional tools and 11 have no value.

## Chi Square test:-

Null Hypothesis:-
Ho: There is no significance difference age and awareness on promotional of noodles.

Alternative hypothesis:-
H 1 : there is significance difference age and awareness on promotional tools of noodles.

The calculated value 11.458 (Appendix 3) and the tabulated value is 7.815 . Since the calculated value is greater then tabulated value at $5 \%$ level of significance. 2 degree of freedom. So Ho is rejected and H1 is accepted.

So wee can say that there is significance different between age and awareness on promotional tools of noodles.

## Table 4.11

Awareness of promotional tools (professional level)

| Level | Yes | No | Total |
| :--- | :--- | :--- | :--- |
| Business man | 25 | 5 | 30 |
| Jobholders | 45 | 15 | 60 |
| Others | 100 | 10 | 110 |
| Total | $\mathbf{1 7 0}$ | $\mathbf{3 0}$ | $\mathbf{2 0 0}$ |

Above table displays the fact that awareness of promotional tools in professional level of total respondents, among 30 businessman, 25 respondents have awareness of promotional tools in professional level, and 5 have net any contribution, in this way among 60 respondents 45 job holders have awareness of promotional tools in professional level and 15 have no any respondent and other 100 respondents have contribution in awareness of promotional tools in professional level and 10 have no any response among 110 respondents.

## Chi-Square test:- <br> Null Hypothesis:-

H0: there is no significance difference between professional level and awareness on promotional tools of noodles.

## Alternative hypothesis:-

H1:- There is significance different between professional levels and awareness on promotional tools noodles.

The calculate value is 7.783 (Appendix 4) and the tabulated value is 5.991. Since the calculated value is greater then tabulated value at $5 \%$ significance level of 2 degree of freedom. So

H1 is accepted.
So, we can say that there is no Significance deference between professional level and awareness promotional tools of noodles.

Table 4.12
Effect of promotional tools

| Particular | No. of respondents | Percentages |
| :--- | :--- | :--- |
| Cash | 80 | $40 \%$ |
| Item | 40 | $20 \%$ |
| Coupon | 20 | $10 \%$ |
| Game | 50 | $25 \%$ |
| Others | 10 | $5 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

The table shows the effect of promotional tools. Out of total respondents chose cash prizes $40 \%$ item $20 \%$, Coupon $10 \%$, game $25 \% \& 5 \%$ of respondents chose other promotional tools.



Table 4.13
Interest on Promotional Contests

| Particular | No. of respondents | Percentages |
| :--- | :---: | :---: |
| Very Much | 130 | $65 \%$ |
| Abit | 40 | $20 \%$ |
| Don't know | 20 | $10 \%$ |
| Don't like | 10 | $5 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

The above table shows the interest of respondents on promotional contents. Out of total respondents $65 \%$ of respondents like these contents very much, $20 \%$ like a bit $10 \%$ of respondents are difference of there contents and $5 \%$ of respondents are against of the contents.


| QVery much |
| :--- |
| QA bit |
| $\square D o n ' t ~ K n o w ~$ |
| QDon't like |

## Chi-Square Test:

Null Hypothesis:-
Ho: there is no significance different between contents and consumer behavior.
Alternative Hypothesis:-
H1: There is no significance difference between contents and consumer behavior.

The calculated value is 180 (Appendix 5) and the tabulated value is 7.815 . Since the calculated Value is greater then tabulated value at 5\% significant level of 2 degree of freedom. So Ho is rejected and H 1 is accepted.

So, we can say that there is significance difference between contents and consumer behavior i.e. Consumers are like sales promotional contents.

Table 4.14
(Participation in contests)

| Particular | No. of respondents | Percentages |
| :---: | :---: | :---: |
| Yes | 150 | $75 \%$ |
| NO | 50 | $25 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

The table depicts that $75 \%$ of respondents taking part in contests and $25 \%$ of respondents do not taking any parts in contests.


Table 4.15
Win Prizes

| Particular | No. of respondents | Percentages |
| :---: | :---: | :---: |
| Yes | $30 \%$ | $15 \%$ |
| NO | $170 \%$ | $85 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

Out of total participated respondents only $15 \%$ win prizes and $85 \%$ of respondents taking parts do not win any Prize.


| - Yes |
| :--- |
| $\square \mathrm{No}$ |

Table 4.16
(Promotion Encourages to consumer more)

| Particular | No. of respondents | Percentages |
| :---: | :---: | :---: |
| Yes | 140 | $70 \%$ |
| NO | 60 | $30 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

The above table shows that if promotional scheme should be change $70 \%$ of respondents are encouraged to consume noodles and $30 \%$ respondents are not affected by any scheme.


Table 4.17
(Brand Switching)

| Particular | No. of respondents | Percentages |
| :---: | :---: | :---: |
| Yes | 130 | $65 \%$ |
| No | 70 | $35 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

The above table shows that $65 \%$ of respondents switch their brands of they do not provide any promotion package. And $35 \%$ of respondents are brow loyal so they do not change their usual brand.
 $\square$ No

### 4.1.4 Media Graphic

To know which media is suitable to convey the massage of sales promotion, which media is more popular the researcher want to ask some question like "Do you observe/read the Hording boards, wall painting and Newspaper?" The following is the table relating with media.

Table 4.18
Opportunity to Observe Promotional Tools

| Particular | No of respondents | Percentage |
| :---: | :---: | :---: |
| Yes | 150 | $75 \%$ |
| No | 50 | $25 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

The above tables shows that $75 \%$ of respondents are observe promotional tools and $25 \%$ of respondents are not observe promotional tools.

## Opportunity to Observe Promotional Tools



Table 4.19
Media Choice

| Particular | No of respondents | Percentages |
| :---: | :---: | :---: |
| Hording board | 30 | $15 \%$ |
| Wall painting | 40 | $20 \%$ |
| Newspaper | 40 | $20 \%$ |
| Radio | 50 | $25 \%$ |
| T.V | 30 | $15 \%$ |
| All | 10 | $5 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |



O Hording board

- Wall painting
- News paper
$\square$ Radio
- t.v.
- All

Table 4.20
Interest on advertisement (Age)

| Age | Yes | No | Total |
| :---: | :---: | :---: | :---: |
| Below-15 | 85 | 5 | 90 |
| $15-35$ | 65 | 15 | 80 |
| $35-50$ | 8 | 12 | 20 |
| Above 50 | 2 | 8 | 10 |
| Total | $\mathbf{1 6 0}$ | $\mathbf{4 0}$ | $\mathbf{2 0 0}$ |

This table gives factual knowledge that the interested on advertisement according to age. The 85 respondents have interest on Advertisement and 5 have not among 90 respondents in this way 65 have interest on advertisement and 15 have not among the age of $15-35$ in total 80 respondent. In 20 respondents 8 have interest on advertisement and 12 have not interest on advertisement in the age of $35-50$ and in 10 respondents 2 have interest on advertisement and 8 have not interest on advertisement. This data in facts the information that these 4 categories of age people have most interest on advertisement of brand.

Table:-4.21
Interest on Advertisement (Professional Level)

| Profession | Yes | No. | Total |
| :---: | :---: | :---: | :---: |
| Businessman | 28 | 2 | 30 |
| Job holders | 55 | 5 | 60 |
| Others | 87 | 23 | 110 |
| Total | $\mathbf{1 7 0}$ | $\mathbf{8 0}$ | $\mathbf{2 0 0}$ |

The above table shows the interest on advertisement in professional level. Among 30 Business man 28 respondents have interest on advertisement from professional level and two are in different respondents, in this way 55 job holders have interest on advertisement from professional level and 5 have no interest in total 60 respondents. Among 110 other respondents 87 have interest
on Advertisement and 23 have not interest. This table indicates that most of the respondents among this have interest on advertisement from professional level.

Table 4.22

Media-Selection

| Particular | No of respondents | Percentage |
| :---: | :---: | :---: |
| Hording board | 20 | $10 \%$ |
| Wall painting | 30 | $15 \%$ |
| Newspaper | 20 | $10 \%$ |
| Radio, F.M | 40 | $20 \%$ |
| T.V | 70 | $35 \%$ |
| All | 20 | $10 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

The above table indicates that $10 \%$ of respondents select Hoarding board, $15 \%$ of respondents select wall painting, $10 \%$ of select Newspaper, $20 \%$ of respondents selects Radio, F.M, and $35 \%$ select T.V and $10 \%$ of select All over the media.

## Media - Selection



| $\square$ Hording Board |
| :--- |
| $\square$ Wall painting |
| $\square$ New apaper |
| $\square$ Radio R.M |
| $\square$ T.V. |
| $\square$ All |

## Chi Square Test:-

## Null Hypothesis:-

Ho: There is no significance difference between media selection and consumer habits.

## Alternative Hypothesis:-

H1: There is significance difference between media selection and consumer habit:

The calculated value is 58.420 (Appendix 6)and the tabulated value is 11.07. Since the calculated value is greater then tabulated value at $5 \%$ significant level of 5 degree of freedom so H 0 is rejected and H 1 , is accepted.

So, we can say that there is significance difference between media selection and consumer habit. I.e. All media are not equaled popular among consumer

Table 4.23
Effect of promotional tools on sales:-

| Particular | No of respondents | Percentage |
| :---: | :---: | :---: |
| Cash Prizes | 60 | $30 \%$ |
| Item | 15 | $7.5 \%$ |
| Coupons | 90 | $45 \%$ |
| Others | 35 | $17.5 \%$ |
| Total | $\mathbf{2 0 0}$ | $\mathbf{1 0 0 \%}$ |

The above table shows that the effect of promotional tools on sales. $30 \%$ of respondents are encouraged by cash prize, $7.5 \%$ encouraged by item, $45 \%$ encouraged by coupons and remaining $17.5 \%$ of respondents are encouraged by other tools to sales more.

Effect of promotional tools on sales


## Chi- Square Test

Null Hypothesis:-
Ho: There is no significance different between promotional tools and sales.
Alternative Hypothesis:-
H1: There is significance difference between promotional tools and sales.
The calculated value is 63 (Appendix 7) and Tabulated value is 7.815 . Since the calculated value is greater then tabulated value at $5 \%$ significant level of 3 degree of freedom. So Ho, is rejected and H1 is accepted...

So we can say that there is significant different between promotional tools and sales.

### 4.2 Data on Sales of Noodles:-

The researcher has tried to cover both aspects to draw the results. So the whole research work is divided into two parts. One is consumer survey and other is sales data of the noodles. The researcher already presented the data taken from consumer in earlier part. In this part the researcher present and evaluate the data of sales of noodles. Out of total noodles that has been in market the researcher took only 2 noodles as an example i.e. Mayos and waiwai. The data of the noodles has taken from the factory office of C.G foods (Nepal) Pvt. ltd. And Himalayan snax and noodles pvt. Ltd.

The collected data have been presented using groups and Bar diagram. The researcher use only previous five years data.

### 4.2.1 Sales data of Waiwai

Table 4.24
Sales data of waiwai
Kartoon:(,000)

| Quarter | $\mathbf{2 0 5 9 / 0 6 0}$ | $\mathbf{2 0 6 0 / 0 6 1}$ | $\mathbf{2 0 6 1 / 0 6 2}$ | $\mathbf{2 0 6 2 / 0 6 3}$ | $\mathbf{2 0 6 3 / 0 6 4}$ |
| :--- | :--- | :--- | :--- | :--- | :--- |
| $1^{\text {st }}$ | 150.00 | 140.00 | 180.00 | 190.00 | 230.00 |
| $2^{\text {nd }}$ | 280.00 | 270.00 | 290.00 | 300.00 | 340.00 |
| $3^{\text {rd }}$ | 170.00 | 160.00 | 185.00 | 210.00 | 230.00 |
| $4^{\text {th }}$ | 200.00 | 210.00 | 195.00 | 250.00 | 300.00 |
| Total | $\mathbf{8 0 0 . 0 0}$ | $\mathbf{7 8 0 . 0 0}$ | $\mathbf{8 5 0 . 0 0}$ | $\mathbf{9 5 0 . 0 0}$ | $\mathbf{1 1 0 0 . 0 0}$ |

Source:-Company's unpublished Records-
In (2059/060) waiwai sales only 800,000 kartons. In f. year (2060/061) sales goes downward to 780,000 kartons. On f. year (2061/062) sales goes to 850,000 kartons. In f. year (2062/063) sales goes to 950,000 and on year (2063/064) sales reached to $1,100,000$ kartons.

In f. year (060/061) sales have gone downward slow motion due to the cause of national insurgents of emergency period according go sales manager of waiwai. In f. year (060/062) sales has upward the company has provided new special promotional tools to uplift the market. So sales have increased then previous year. Company displays different schemes like:-Lucky draw coupons, cash prize coupons; free distribution coupons like waiwai two different coupons waiwai collect and get one packet waiwai free. In f. year (062/063) the sales goes 950,000 kartons. In this period political environment in some change and Business expansion of their market and just like previous years aid policy is being obtained. In the financial year (063/064) the company provides different type of aid to deferent media group and to continue the quality of product and stability of price to increase the sales.

A sale of Wai wai has gone different way on each quarter of each year. The maximum Sales quarter is $2^{\text {nd }} \& 4^{\text {th }}$ of the year. In this period company provide special promotional package and increased sales by $46 \%$ of $1^{\text {st }}$ quarter. The begining of second quarter Nepalese main festival Dashain \& Tihar comes. In this time sales has increased then after gone down.

According to sales manager of Wai-wai (in period of Dashain \& Tihar the promotional tools is like Aid: - Display on TV \& Radio, F.M. to eat Waiwai chauchau and win to opportunity to get new clothes ra Khashi ra Kukura .There for The children are most of them buying the chauchau. In third quarter of each year the the cold season is started and sales is being slow down \& in this time they Achieve $30 \%$ of sales target acceding to sales manager of Waiwai. In the end of Third quarter \& all fourth quarter the sales is being increased due to Neplease festival of Holi is end of third quarter \& all the forth quarts the new educational section is started \& in this time children are eating too much in chauchau like Nasta \& Khaga of each year. Now days WaiWai Zaynodaya chatrabriti Yozana. Promotional tools of noodles. Sales data can be shown in graphically presentation as follows.


### 4.2.2 Sales Data of Mayos:-

Table 4.25
Sales data of Mayos:-
Cartoons: ('000)

| Year |  | $\mathbf{2 0 5 9 / 0 6 0}$ | $\mathbf{2 0 6 0 / 0 6 1}$ | $\mathbf{2 0 6 1 / 0 6 2}$ | $\mathbf{2 0 6 2 / 0 6 3}$ |
| :--- | :--- | :--- | :--- | :--- | :--- |
| Quarter | $\mathbf{2 0 6 3 / 0 6 4}$ |  |  |  |  |
| $1^{\text {st }}$ | 120 | 110 | 140 | 175 | 220 |
| 2 st | 225 | 210 | 230 | 265 | 335 |
| 3 st | 140 | 130 | 140 | 165 | 210 |
| 4st | 205 | 200 | 220 | 245 | 265 |
| Total | $\mathbf{6 9 0}$ | $\mathbf{6 5 0}$ | $\mathbf{7 3 0}$ | $\mathbf{8 5 0}$ | $\mathbf{1 0 3 0}$ |

Source:- Un published Record of Company

In f.y. 2059/060 sales of Mayos is 690,000 cartons. In f.y. 2060/061 its sales have slow down 650,000 cartons. The case of reducing the market of Mayos is national problem of emergency rule. In f.y. 2061/062 sales has gone 730,000 cartons. \&f.y. 2062/063 its sales have gone to 850,000 cartons f. y. 2063/064 its sales reached to $1,030,000$ cartons. Thus is for the effective of sales promotional of tools of Mayos noodles of Himalayan snax \& noodles Pvt. Ltd. Like cash coupons, free distribution and game like Mayos Super Challenge "Mayos Hira KO Har" \& Sun KO Authi". Scrach the coupon \& to make the full part of any map to win some thing amount. A different type of gift \& Prize. So Mayos has Success to expand its market every year.

Sales of Mayos have gone some way on each quarter of the f.y. The Company achieve maximum sales target on 2 nd $\& 4$ th quarter of each financial year.

Sales data of mayos can be shows in Graphical presentation on follows:-


Financial Year


### 4.3. Sales Promotion expenses of Noodles:

### 4.3.1 Sales Promotion expenses of Wai-Wai

Table 4.26

## Promotion expenses of Wai Wai

In Rs.(‘000)

| Year | $\mathbf{2 0 5 9 / 0 6 0}$ | $\mathbf{2 0 6 0 / 0 6 1}$ | $\mathbf{2 0 6 1 / 0 6 2}$ | $\mathbf{2 0 6 2 / 0 6 3}$ | $\mathbf{2 0 6 3 / 0 6 4}$ |
| :--- | :--- | :--- | :--- | :--- | :--- |
| Quarter | Q <br> quarter | 900 | 840 | 1,134 | 1,254 |
| $2^{\text {nd }}$ <br> quarter | 1,680 | 1,620 | 1,827 | 1,980 | 2,346 |
| $3^{\text {rd }}$ <br> quarter | 1,020 | 960 | 1,166 | 1,386 | 1,587 |
| $4^{\text {th }}$ <br> quarter | 1,200 | 1,260 | 1,228 | 1,650 | 2,070 |
| Total | $\mathbf{4 , 8 0 0}$ | $\mathbf{4 , 6 8 0}$ | $\mathbf{5 , 3 5 5}$ | $\mathbf{6 , 2 7 0}$ | $\mathbf{7 , 5 9 0}$ |

Source: - Company's unpublished Records

WaiWai is the largest sellings product of C.C. in Nepalese noodles market. It has expended the largest sum of Amount to promote its product. There for they spend rs. 4,800,000 in F.Y. 2059/060 like wise rs. 4,680,000, 5,355,000 , 6,270, $000 \& 7,590,000$ in f.y. 2060/061, 061/062, 062/063 \& 063/064 respectively. Every year it increased its promotional Budget. To capture new market \& kept safety present market it is necessary to provide various consumer \& Dealer promotion package.

Sale promotion expenses of noodles can be shown in graphical presentation as follows.


Financial Year

| First Quarter | Third Quarter |
| :--- | :--- |
| Second Quarter | 四䜿 |
| Fourth Quarter |  |

### 4.3.2 Sales promotion expenses of Mayos noodles

Table 4.27
Promotion expenses of Mayos
In ('000)

| Year <br> Quartex | $\mathbf{2 0 5 9 / 0 6 0}$ | $\mathbf{2 0 6} / \mathbf{0 6 1}$ | $\mathbf{2 0 6 1 / 0 6 2}$ | $\mathbf{0 6 2 / 0 6 3}$ | $\mathbf{2 0 6 3 / 0 6 4}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| $1^{\text {st }}$ | 792 | 726 | 966 | 1260 | 1650 |
| $2^{\text {nd }}$ | 1485 | 1386 | 1587 | 1908 | 2513 |
| $3^{\text {rd }}$ | 924 | 858 | 966 | 1188 | 1575 |
| $4^{\text {th }}$ | 1353 | 1320 | 1518 | 1764 | 1987 |
| Total | $\mathbf{4 5 5 4}$ | $\mathbf{4 2 9 0}$ | $\mathbf{5 0 3 7}$ | $\mathbf{6 1 2 0}$ | $\mathbf{7 7 2 5}$ |

Sauce: - Company's unpublished Record sources

Himalayan Snax \& noodles Pvt. Ltd. Has spent the large amount to sales promotion of Mayos noodles. He spent rs. 4,554,000 in the F.Y. 2059/060 to promote the sales like wise rs. $4,290,000$, Rs. $50,37,000$, rs. $6,120,000 \&$ rs. $7.725,000$ spent respectively. The company increased its promotional budget in It provide unique sales promotion tools so it push its sales up word \& Promotional Budget also push up word.

This program is some on every year $\&$ sales are most increased in $2^{\text {nd }}$ quarter is this time company achieve the height sales target. For the company provide various promotional packages. According to sales manager of Himalayan Snax noodles Pvt. Ltd. (Mayos Section). It provide consumer promotion \& dealer promotion create push sales. It provides other special program in Dashain \& Dipawali to promote sales \& for certain period \& time. It plays games like Mayos supper Challenges to push up word its sales.

Sales promotion expenses of Mayos noodles can be shown is graphical presentation as follows:-

Promotion expenses of Mayos


Financial Year


### 4.4 Data analysis:-

### 4.4.1 Regression Analysis of the data:-

Regression is a popular tool in the statistics. This analysis is a mathematical measure of the average relationship between two or more variables in term of original unit of data. It also clearly indicates the cause and effect relation ship between the variables the variables corresponding to effect is taken as dependent variables.

Here in our calculation, we denote x as expenses on sales promotion Y as sales as per actual basis. We have considered the data for the quarterly. So four quarter data have been taking for the quarterly. So four quarter data have been taking for his calculation purpose. All data in thousand. ('000)

### 4.4.2 Analysis of the result of Regression:-

On regression analysis the researchers try to show the relationship between the sales data and the expenses done on sales promotion. Now the analysis of noodles Brand wise (appendix 8 and 9).

Sales promotion and the sales data of waiwai noodles shown that positive relation between the expenses and the sales. Both the data is dependent on each other if one goes down the other automatically comes down. It this fiscal year 2060.061 when a sales expense is rs. 840,000 the sales on an average is 140,000 carton for first quarter of the fiscal year. It \& shows that it the company want more sales the 140,000 carton they spent more rupees then 840,000 like wise the result for the F.Y. 2061/062, 062/063 \& 063/064 all have shown the some impact.

Like wise for the sales of mayos noodles. Sales impacts as in case of waiwai have observed. It shows that the sales promotion have the positive impact on the sales of mayos noodles. In case of F.Y. 2060.061 when the company spent
rs. $4,390,000$ the company can achieve 650,000 cartons of the Mayos noodles like wise the F.Y. 2061/062, 062/063 \& 063/064. The impact of sales in some as F.Y. 2060. 061. More promotion expenses more sales \& low expenses low sales. This clearly indicates that the company it spent on sales promotion can achieve higher sales target.

### 4.4.3 Findings of the study:-

The major objective of the present study to see sales promotional tools are effective or not on the sales of noodles. The whole research is subdivided on the basis in interpretation and analysis in to two parts i.e. First effect of sales promotion from the consumer view point and second effect on sales promotion from the calculation of sales data. On the basis of analysis of the consumers view point and sales data separately. The major finding are:-

1. It has been found that among different group of respondents in the society male \& female. The using of noodle in more popular formulation female. Our data shows the fact that $55 \%$ of the male respondents like noodles.
2. Our second major findings relate with table 4.4 shows that among 200 respondents of different age group \& sex the habit of eating noodles in popular among below 15 years age group. In this age 45 male \& 45 female respondent prefer in total 90 numbers. In this way the age group of above 50. The female respondents who like noodles number is zero.
3. Third finding includes the table no 4.6 and shows the eating frequency of respondents. We can find that more respondents are eaten noodles daily it covers $45 \%$ of while respondents according to our field survey and only $30 \%$ like ones of week eaten of noodles. So on $15 \%$ have habit of eating occasionally \& $10 \%$ respondents the test of noodles rarely, through this study we can say the frequency of eating over a period of time shows the significance difference respondents in difference time of period.
4. Next major findings according to table 4.7 includes consumers first preference goes to waiwai, the field survey shows $40 \%$ gives preference to it. In this way $30 \% / 30 \%$ Consumer prefer mayos \& other brands. This shows the quality, taste, and name of waiwai is very popular in consumer tongue.
5. Fifth major findings relates with the table 4.12 in the survey on effect of promotional tools that most of the company are aware about sales promotional activities and out of them most consumer know about cash prizes, then item, coupon \& Game \& other. But the study shows cash prize in effective then other tools.
6. In the choice of using noodles product the consumer have not particular choice of brand. So the concept of brand loyalty is not founding Nepalese noodles market yet, so with the influence of advertisement and other promotion tools they can easily be directed towards one particular brand through proper marketing net.
7. The survey of interest on promotion contents which is in table 4.13 shows the large number of people are interested on it. Which covers $65 \%$ of respondents that the manufacturer lunch various occasion?
8. Our study helps to conclude about the different promotions tools which are uses to uplift the noodles market has positive impact on consumers and most of them taken part on contests and win prizes.
9. The study of brand switching is table 4.17 shows that $65 \%$ of consumers \& witch their brand if they do not provide any promotions packages, and $35 \%$ of respondents are brand loyal so they do not change their usual brand.
10. The table no. 4.14 shows the must of respondents have opportunity to observe promotional tools it captures $75 \%$ respondents and $25 \%$ of respondents are not have any opportunity to observe different promotional
tools. It shows the interest to observe different promotional tools in the field of noodles market the most of respondents aware about it.
11. In the field of media selection of noodles advertisement all media is not popular among the people. Only T.V. captures the attention of $35 \%$ respondents and $20 \%$ are radio F.M. $15 \%$ are wall painting, $10 \%, 10 \%$, $10 \%$ are hoarding board, Newspaper and all have interested.
12. From the regression it is clearly seen that if the expenses on the sales promotion increases the sales of the product will be increases.

## Chapter - V

## Summary and Conclusion, Suggestions and Recommendation

### 5.1 Summary:-

This age is in the grip of science and Technology. The technological development of modern period conscious about the overall development of human beings i.e. mental and physical. To up lift the life standard of the people it is necessary that any nation should develop in the field of industry and sales market.

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 though Competition in Naples market. To day, a product not only needs quality enhancement but also better promotion and presentation in the market the product should be presented with rite place, 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.

Publicity advertisements personal selling ete. have all become so usual that the consumer hardly get exited by the these technique. In the mean time sales promotion came as a penecio for the manufacturers as the number of brands increases in the market. Advertising personal selling and publicity create move of noise for the consumers on the country. The rewarding offers, made through sales promotion methods prove to be more attractive to consumers. As a result sales promotion has received greater attention and effort of the sales force the encourage Sales to stock the product and to persuade
consumers to try the product he use and practice of sales promotion method in Nepal is relatively very late.

Nepal is a country of rural markets which are far from modernized system. The economy is characterized by low average per capita income. Though the concept of buying Nepali products is no where, because of low availability of local brands consumer have been buying foreign products of sales promotion method with in the country is very limited. Promotion is an element of marketing mix. Demands other elements to be equally effective. The reputation which is earned by value sold is an asset to the follow up program of promotion. But the availability of the none branded products at cheap price from the manufacturers have create an environment of competition with few industries especially liquors and beer, toothpaste soft drinks, soap, instant noodles, tea etc.

The concept to pick up this subject for research came in to mind because the Nepalese companies are using this technique very much out no body has tried to do research and find out its effectiveness in Nepalese market. The researcher work on this topic as because this is virgin and challenging area for research, in Nepal the increasing importance of sales promotion in marketing as compared to media advertising over the post fifteen years is the result of success achieved thoroughly sales promotion. The reason belied this has been the challenge of competition faced by business and industry during the letter part of this country sales promotion refers the use of different promotion tools to stimulation to create immediate sales.

Waiwai and Mayos product which were established in the privet sector who constantly offer prizes and other tools as a promotional techniques. These companies practice the sales promotion method to achieve the following objectives.

1. To offset the Impact of a new competitive products.
2. To create demand for a new product.
3. To pursue other brands users.
4. To get rid of competition.
5. To establish purchase habit to the initial users.
6. To increase immediate sales.
7. To recover loss on sales.
8. To meet competition.
9. To Simplify and encourage to work of salesman to sales.
10. To search potential market.
11. To introduce new product.

Noodles companies in Nepal are primarily using the general tools like contests prizes, cash prizes, and item prizes, game and other. The noodle companies some what is able to achieve the basic objective of the sales promotion.

Sales promotion offers consists of various tools. The tools which have been taken into consideration for the purpose of this study include free goods, Coupon, premiums, sampling, contests, cash prizes advertisement specialties etc. the objective of promotion in relation to the consumers are to reach new user, to load current users, to increase product usage, to reinforce brand advertising and to introduce new products.

These objectives may be further divided to four categories with a number of subordinate objectives. Such tools as sampling, coupons, consumer dials advertising specialties and contest may be offered at the introduction stag to introduce new products. To produce for trials and to convert tries into regular users. Two of the above promotion tools coupons and consumer deals may be suitable at the growth stage besides premium at this stage. Thus coupons premium and consumers deals may be contemplated to lead current users, to load regular users, to increase usage by presents users and get rid of
competition at growth stage similarly sampling, coupons, premiums and contests are considered suitable to hold current users against competition activity, and to stimulate impulse buying at the maturity stage. During the latter part of the maturity stage, when the product shows a declining trend, sales promotion tools like coupons and premiums may be introduce to increase products usage to reach large number of prospects to gain increased display area and shelf space in the store, to offset seasonal slumps and to offset the impact of new competitive products. Above all the cash prize which is very popular and effect sales promotion tools in all level of product life- cycle in Nepal.

The questionnaire was distributed in Dhangadi Municipality and the sales data taken from CG foods (Nepal) pvt.ltd and Himalayan snax and noodles pvt.ltd. Out of collected data, Chi- Square ( $\mathrm{x}^{2}$ ) method and regression method of statistics were used to see the different result. Chi-Square tests result show that the media of Hording board is popular and the regression is result so that the increase in promotional expanses causes the overall sale of the noodles is very high.

### 5.2 Conclusion:-

The overall conclusion of this study would be the following.

1. The sales promotion activities does positive impact on sales of noodles. From the regression analysis it became so clear that if sizeable amount is spent on promotional activities the sales would increase accordingly.
2. The study find that the media of T.V is most accepted by the consumer, so far sales promotion purpose the media is very suitable.
3. The study find that beside other cash prize is most accepted as well as effective and widely used mode of sales promotion.
4. The present study find that beside the consumers have not particular choice of brands. So the concept of brand loyally is not found in Nepalese consumer. So, they can easily be directed towards one particular brands through proper promotional activities.
5. If the company do not provide any promotional package. The consumers switch their brand and the consumer consume another brand.

We can conclude that increasing sales of one brand does not effect negatively to the sales of other brand. They all can increase their sales through promotional activities and create own separate new market with distinctive policies.

The sales promotion is very powerful tools which can easily boots the sales. However the study clearly prevails that the sales of waiwai would be very high and sale of mayos would be lower then waiwai provide every promotional activities would be the same.

### 5.3 Suggestions and Recommendations:-

The modern policy of any market production tries to achieve the interest of move and more consumers selling goods in the motto of any industries. The success and failure of the industries are based on the sales of the products. The whole world market is evaluated on the basis of sales to develop new concepts, products and services, companies spent huge amount for research on consumer habit and effective sales activities. So the sales promotion is the key factor to increase sales. On the basis of field survey, the findings of the present study we can apply the fallowing recommendations are made to the industry.

1. Television media is playing an important role to promote its market among the people. So the proper program of T.V. is required. The advertisement should be more attractive and placed the famous T.V. Serial. Which is able
to the need of brands information too, and designed to suit consumer perspectives?
2. Proper tools/ mode of sales promotion have to be selected. It is being provided that cash prizes are effective from consumers view. So thrust on cash prizes then item prizes would be given by noodles companies. Sometime items like cap. T-shirt, audio system, football game, contest, etc. They should but cut down and cash prize, free premium should be introduced. It done so more people will get the prizes. Findings have already shown that the person, who gets the price, can be awarded among people.
3. The increase in the sales expenses has positive impact on noodles market. The expenses should be made soundly; the selection of the mode of sales promotion the section of period to launch sales promotion program should be made properly. It is suggested that the quarterly sales promotion expenses should be extended longer then present so the yearly sales will be increased.
4. This research study has proved that the sales promotion has positive impact on the sales of the noodles market. But the companies launched the special sales promotion package in the second quarter of the year by giving importance for major festivals. It is obvious that the festival period it self encourages to consume such Items. It is suggested that sales promotion program should be launched at least three quarter of the year be it the year be it the programs may have to be divided into two parts like season \& off season and the expenses made on the promotion should be lowered in some cases. If it is done the overall average sales for the year is expected $\mathrm{t} o$ increase substantially.

If suggestions are followed properly by the industries the positive impact on thee sales as we as on the image of the companies and also the image of the brand among the consumers will be positive.

At the last sales promotion covers a wide range of short term incentives tools designed to stimulate the consumer market the trade and organizations sales force. Sales promotion expenditures have exceeded advertising expenditures and are growing at faster rate so in Nepal too, to use of this marketing technique is being applied increasingly. This we use of sales promotion is very important of the use is done in a proper way..

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