# A STUDY OF MARKET POTENTIAL ANALYSIS OF CARS IN NEPAL, WITH FOCUS ON Tata Indigo Manza

#### **A THESIS**

#### **SUBMITTED BY:**

Sushil Maharjan
Patan Multiple Campus
Patan Dhoka, Lalitpur
Exam Roll No. 2924/064
T.U. Regd. No. 7-3-22-1666-2006
Campus Roll No. 223/062

## **A THESIS SUBMITTED TO:**

Office of the Dean
Faculty of Management
Tribhuvan University

In the partial fulfillment of the requirement of the degree of Master of Business Studies (M.B.S.)

Patan Multiple Campus, Patan Dhoka, Lalitpur March, 2011

# **RECOMMENDATION**

This is Certify that the thesis Submitted by:

## Sushil Maharjan

## **Entitled**

"A study of Marke	t Potential Analysis of Cars	in Nepal, with a focus on
Tata Indigo Manza'' has be	een prescribed format of the Fa	aculty of Management. This
thesis is forwarded for evalu	ation.	
Mr. Rakesh Chandra Mishra	Mr. Bishnu Gopal Khimbaja	Mr. Dinesh Man Malego
(Thesis Supervisor)	(Co-ordinator)	(Assistant Campus Chief)
	(M.B.S. Programme)	
_		
Date: -		

## **VIVA-VOCE SHEET**

We have conducted the Viva-voce Examination of the thesis

Presented by:

#### **Sushil Maharjan**

## **Entitled**

"A study of Market Potential Analysis of Cars in Nepal, with a focus on Tata Indigo Manza" and found the thesis to be original work of the Student and written according to the prescribed format. We recommend the thesis to be accepted as partial fulfillment of the requirement for the Master degree in Business Studies (M.B.S).

#### **Viva-Voce Committee**

Chairperson (Viva Committee)	
Member (Thesis Supervisor)	
Member (External Expert)	
Date: -	

#### **DECLARATION**

I hereby declare that the work reported in this thesis entitled to "A study of Market Potential Analysis of Cars in Nepal, with a focus on Tata Indigo Manza" submitted to the Office of the Dean, Faculty of Management, Tribhuvan University, is my original work done is the form partial fulfillment of the requirement for the Masters of Business Studies (M.B.S.) under the supervision of Mr. Rakesh Chandra Mishra, Thesis Supervisor of Patan Multiple Campus, Patan Dhoka, Lalitpur, Nepal.

Sushil Maharjan

Researcher

Exam Roll No. 2924/064

Campus Roll No. 223/062

T.U. Reg. No. 7-3-22-1666-2006

Date: -

**ACKNOWLEDGEMENTS** 

This thesis entitle "A study of Market Potential Analysis of Cars in Nepal,

with a focus on Tata Indigo Manza" has been prepared in partial fulfillment for the

degree of Masters of Business studies (MBS) under the supervision of Mr. Rakesh

Chandra Mishra, Thesis Supervisor. It is my privilege of getting help and co-operation

from different persons. It is not possible to spell out the names of all of them.

However, it will be matter of injustice if I forget the names of these personalities

whose valuable suggestion and co-operation escorted to complete this thesis report.

First and foremost, I would like to offer special thanks to Mr. Rakesh Chandra

Mishra for his proper suggestions. I would like to thank all the Sipradi Trading Pvt.

Ltd. for their full support in providing all the necessary data, which helped in

preparing this thesis report. I could not remain without thanking to my teachers and

lectures who all helped me during my study of MBS and during preparation of this

thesis report. I especially appreciate Mr. Jyoti Sharan Shrestha and Mr. Bikash

Maharjan who always created the environment for my success.

I am thankful to the librarians of central Library, TU Kirtipur for providing me

with related books and thesis and the entire teacher involved these who made me

capable of writing this thesis. I alone am responsible for whatever weakness it may

still contain.

Sushil Maharjan

Patan Multiple Campus

Patan Dhoka, Lalitpur

Date: -

## TABLE OF CONTENTS

Deci	iaration	1
Acknowledgements		II
Table of Contents		III
List	of Tables	VI
List	of Charts	VII
Abb	reviations	VIII
<u>CH</u>	APTER 1	Page No.
Intr	oduction	
1.1	General Background	1
1.2	Present Car Market Scenario	2
1.3	Company Profile	3
1.4	Tata Indigo Manza	5
1.5	Statement of Problem	10
1.6	Objectives of Study	11
1.7	Significance of Study	11
1.8	Focus of Study	12
1.9	Limitations of the Study	13
1.10	Organization of the Study	13
<u>CH</u>	APTER 2	
Rev	iew of Literature	
2.1	Conceptual Review	14
2.1.1	l Fundamental of Marketing	14
2.1.2	2 Marketing Management	15

2.1.3	Market Demand	18
2.1.4	Market Potential	19
2.1.5	Market Potential Analysis	21
2.1.6	Uses of Market Potentials	23
2.1.7	Methods for measuring Market Potential	25
2.2	Review of Related Studies	31
2.2.1	Review of Theses	31
2.2.2	Review of Project Reports	34
2.2.3	Review of Articles/ other publications	38
<b>CHA</b>	PTER 3	
Resea	arch Methodology	
3.1	Research Design	41
3.2	Population and Sample	41
3.3	Sources of Data	42
3.4	Data Collection Technique	42
3.5	Data Analysis Tools	43
3.6	Method of Data Analysis	43
3.7	Review of Related studies	43
<u>CHA</u>	<u>PTER 4</u>	
Data	Analysis and Presentation	
4.1	Present Car Market Scenario	44
4.1.1	Registration of Cars	44
4.1.2	Passenger Car Market Share Analysis	48
4.1.3	Comparative Study of Cars	52
4.2	Market position of Tata Indigo Manza	58
4.3	Technical Analysis of Tata Indigo Manza	64
4.4	Competitor analysis of Tata Indigo Manza	66
4.5	SWOT Analysis for Tata Indigo Manza	68

	4.6	Customer Survey Analysis	69
	4.6.1	Customer's Purchase behavior	69
	4.6.2	Customer's attitude towards different brands	70
	4.6.3	Customer's preference of car segments	72
	4.6.4	Age wise mix of Customers	74
	4.6.5	Petrol Vs Diesel Car	74
	4.6.6	Calculation of Market Potential	75
	4.7	Major Finding of the Study	79
	<b>CHA</b>	PTER 5	
	Sumn	nary, Conclusion, and Recommendation	
	5.1 \$	Summary and Conclusion	85
	5.2	Recommendation	88
Bibliography			
	Appendix		

# **List of Tables**

<u>Table</u>	Page No.
Table 1.1 Range of products offered by Sipradi Trading	4
Table 2.1 Illustration of use of Direct Data Method	26
Table 2.2 Import situation of vehicles and spare parts annually	40
Table 4.1 Annual registration of Vehicles (Car/Jeep/Van)	44
Table 4.2 Registration of Car/Jeep/Van in Kathmandu Valley	46
Table 4.3 Zone-wise Registration of Vehicles (Car/Jeep/Van)	47
Table 4.4 Car/Jeep/Van registration dispersion (Zonewise)	48
Table 4.5 Comparative Sales and Market share of A-segment cars	53
Table 4.6 Comparative Sales and Market share of B-segment cars	54
Table 4.7 Comparative Sales and Market share of C-segment cars	55
Table 4.8 Segmentation of cars on the basis of country of origin	57
Table 4.9 Market share analysis of Tata Indigo Manza	59
Table 4.10 Tata Indigo Manza Sales Dispersion	61
Table 4.11 Sales of Tata Indigo Manza based on sales since its introduction	n 63
Table 4.12 Rating of various attributes in a car by respondents	69
Table 4.13 Models of car preferred by customers	70
Table 4.14 Rating of various brands on the basis of some attributed	71
Table 4.15 Preference of Car segment by respondents	72
Table 4.16 Respondents preference for diesel and petrol cars	75
Table 4.17 Calculation of estimated market potential of cars using	
market serve approach	77
Table 4.18 Market potential of cars in Kathmandu valley	79

# **List of Charts**

<u>Chart</u>		Page No.
Chart 4.1	Registration of Car/Jeep/Vans in Nepal	45
Chart 4.2	Passenger Car Market Share 2006/07	49
Chart 4.3	Passenger Car Market Share 2007/08	50
Chart 4.4	Passenger Car Market Share 2008/09	51
Chart 4.5	Passenger Car Market Share 2009/10	52
Chart 4.6	Comparative sales of C-segment cars	60
Chart 4.7	Market Share of Tata Indigo Manza	61
Chart 4.8	Car segment preferred by respondents	73
Chart 4.9	Age-wise Mix of Potential customers	77
Chart 4.10	The type of fuel preferred	75
Chart 4.11	Graphic view of Market Potential of Cars	78

## **List of Abbreviations**

AD = Anna Domini

A/C = Account

BS = Bikram Sambat

CC = Cubic Centimeter

ext. = Exterior

etc. = etcetera

ie = that is

Ltd = Limited

Mkt. = Market

No. = Number

NRs. = Nepalese Rupee

Pvt. = Private

PS = Power stroke

S.N. = Serial Number

SWOT = Strength, Weakness, Opportunity & Treat

UK = United Kingdom

US = United States

% = Percentage

\$ = Dollar