

## **CHAPTER-I**

### **INTRODUCTION**

Boutique means a shop selling and stocking latest fashion articles like shawls, women's clothes, fabric, etc. These latest fashion articles are designed by a designer having skilled knowledge *on* textiles. Fashion designer is a person who designs clothes and is the owner of the boutique. Marketing tries to promote the articles found in the boutique in a systematic way.

Marketing is a total system of business activities designed to plan, price, promote and distribute want-satisfying products to target markets to achieve organizational objectives." (Stanton, 1994: 6).

#### **1.1 BACKGROUND**

Boutique does not have a long history in Nepal. Its history can be traced to a decade only. Nowadays there are many boutiques where people visit to buy and stitch clothes of their choice. It is new types of business in our society. Most urban customers go to boutique for their purchase as it stocks up a variety of goods. So the market is concentrated to the fashion conscious group.

Tailors are familiar and have been stitching garments for a long period; however, boutique is a modern version in which customers have a choice of fabric and style. Tailors usually stitch clothes of same design and pattern but boutique is concerned with color combination, recent designs, fashion and the texture of the fabric. Various types-of patterns of embroidery also form a part of boutique business.

Boutiques don't survive on fashion shows and clothes pattern only. Good marketing and customer satisfaction are essential aspects for the boutique to be well established in the market. The satisfaction of the customers with the product of the boutique must be maintained throughout the time so as to gain confidence and goodwill of the customers. These aspects are vitally important to expand the business in future. The process such as production, supply and availability can be improved as per the desire of the customers. Some of the main boutiques in Baneshwor and Maitidevi market are Marvelous Fashion, Babys Fashion, A.M.E Dreamy Collection, World Fashion Outlet, Sima Ladies Collection, Bhabana Ladies Tailoring, Najis Ladies Tailoring, Lakshya Ladies Collection, samjana ladies, Grihalaxmi, Model Tailoring, Rukshar Tailoring, Namuna Collection, Rewaz Fashion, Arko Fashion, Sumi Tailoring, Hamro Collection, New design, Akriti Collection, etc.

## **1.2. FOCUS OF THE STUDY**

"Marketing is a societal process by which individuals can obtain what they want through creating, offering and freely products and service S/M value with others" (Kotler, 1991: 27)

The main focus of this study tries to show how marketing in promotion of the boutique products. Promoting marketing strategy, observations product design, product selection and promotional methods should be kept in mind for the successful and profitable marketing.

Participating in fashion shows boost the aspect; Audiences get aquatinted with the boutique, hence, they are to buy .and place-

order for the clothes. Advertisement through television, films and verbal media; are the main media for promotion of boutique products. Discounts and sales of dress play a major role. People are attracted to shop during reduction and discount sale period. Advertising attracts customers to the store. Without effective advertisement, customers are not aware of the boutique and its products. Besides, another aspect is designer-should always fulfill customer satisfaction. Boutique business should live up to the expectation of customers. The economic status of the boutique increases with the frequent purchase by the customer. Even in our country if the customers prefer-good fitting clothes and designs they can just go to- boutique and stitch them. People do not have to wait for importing it.

Every marketer should understand the- customers' interest and need, which influence the behavior of customers. In the era of cut - throat competition, successful marketing of the products demand a thorough understanding of customer's behavior. Good marketing helps the-boutique to improve the image and profit. Fashion shows serve as good advertisements. Movies use designers, so people are aware of latest style and copy the dresses of the “film stars”. Another is magazine advertisement from which people copy the dress of their choice. So, advertisement has great impact to the customers.

The boutique with good marketing system can export its product to international market. There are many boutiques, which take orders from customers of other countries, stitch the dress and export the finished garments. It is not conducted on mass production scale but exported in sizable quantity and quality of products. In

international market, boutique products are gaining popularity and are definitely helping in economic condition of our country. The provision of website in Internet helps a great deal in international business.

A social definition shows the role the marketing plays in society. One marketer has said that the role of marketing is to "deliver a higher standard of living". (Kotler, 1999)

Boutique owner should always think that the competitor is ahead and should make marketing strategy and policy after studying the marketing strategy, policy and distribution channels of the competitors.

### **1.3 STATEMENT OF THE PROBLEM**

Clothes exist in this world for a long time. In our society, we do have tailors to meet our clothing requirements from a long time. As our society is changing and is influenced by western culture we are more interested to visit boutique, as it is a new emerging business.

There are lots of problems faced by boutique. First of all, there should be one organization where one can discuss their problem. One of the major problems seen in boutique is that they open and close frequently. Other one is there is not much profit as it should get. If there is some government support then there may be reduction on taxes of fabric which may help boutique owners. From this thesis it would help boutique business owners to know their problems and how to get rid of these problems. The following aspects will be discussed in the thesis.

1. Boutique is the new type of business. People are really not

much aware of this business. The problem related to boutique business is studied in this study.

2. People usually buy readymade garments that are much cheaper than boutique. So this study will try to highlight the style and quality of boutique products.

3. People give preference to fashion, price and brand rather than quality. This study will show how boutique products meet these aspects.

4. People are scared to enter boutique because they think they cannot afford it. So this study will attempt to show means and methods for the boutiques and designers to face this setback.

#### **1.4 OBJECTIVES OF THE STUDY**

Tailoring business has been established in our society for a long time and boutique is just a modern version of it. People are fast embracing boutique business because there is a great demand of its clothes and they thrive on looking and feeling good. Main objective of this study is to examine the purchasing behavior in buying and stitching clothes of the potential customers. This aims at developing general awareness of boutique products in the public. As public realizes the importance of boutique products it can definitely get popularity in market. Research methodology is opted for this study so one can know their problems and prospects. The specific objectives of the study are as follows:

1. To Study the brand loyalty of customers (due to repeated purchases of the customer in the same boutique)

2. To assess the effectiveness of advertisement on the sales of boutique.
3. To examine and analyze the problems in the marketing of boutique products.
4. To make recommendations for the effective marketing of boutique products.

### **1.5 SIGNIFICANCE OF THE STUDY**

"Marketing is a total system of business activities to plan, price, promote and distribute want-satisfying products services and ideas to target markets in order to achieve organizational objectives" (Stanton, 1994: 6)

It can be said that marketing is the managerial process by which products are matched with the market. With the help of marketing activities, a-producer can distribute his products "effectively and efficiently while the consumers can get their want-satisfying products at a reasonable price. In this way both the producer and consumer can maximize their benefits. The marketing system embraces, commercial and noncommercial as well as pre-purchase and post-purchase activities, which are in anyway related with the flow of goods from the producer to ultimate consumers. Marketing obviously includes such activities as the movement of goods, pricing, storing, and advertising and so on.

Marketing is the most important aspect of the business and marketing. The concept of marketing research is the gift of the

modern concept of marketing i.e., consumer-orientated approach. Nowadays a marketing manager is entrusted with the responsibility of decision-making in various fields connected with the marketing of goods and services. He has to satisfy consumers' demand by supplying the right type of product, at right price, at right time, in right quantity and at the right place. These various decisions can be made either on the basis of whims, guesswork and intuition or through some scientific process based on facts and figures. The first alternative is not used in modern marketing. The concept of marketing research is based on the latter concept of marketing decisions. It is used in the solution of marketing and distribution problems for the purpose of increasing sales, decreasing marketing & distribution costs and maximizing the profit.

Kotler defines marketing research as a "systematic problem analysis model building and fact finding for the purpose of improved decision-making and control in the marketing of goods and services." (Kotler, 1999: 89)

It is evident from the above-mentioned definition that marketing research is the collection, analysis and interpretation of data to help the marketing manager in making wise decisions in marketing field. It includes various subsidiary types of research such as market analysis, sales research, product research and sales promotion.

Marketing is the accelerator of economic growth. In developing countries, marketing helps to boost up the economic growth. Though boutique products are new types of business, these products are influencing people. They love to wear well fitted, smart looking fashionable dress. As people love to wear boutique-stitched dress, boutiques are doing profitable business. In the last

five years there has been a drastic change in the outlook and people are showing growing interest in boutiques and their products. In recent years, there has been a significant rise in the number of boutique organizations.

So, it indicates that boutique business is definitely blooming and with the help of right marketing activities they would have higher profits and markets. It is for this reason that boutiques in the Baneshwor and Maitidevi market are running a profitable business.

#### **1.6 LIMITATIONS OF THE STUDY**

There are various limitations related to the study of Boutique. As this study is concerned of Baneshwor and Maitidevi area, it concerns the problems / prospects of the Baneshwor and Maitidevi area only. There were not many dissertations and books available on this subject. Some of the limitations are as follows:

1. This study is confined to Baneshwor and Maitidevi and around City only and may not represent the characteristic of all types of customers of Nepal. It covers only a portion of market.
2. The presentation depends on data given by concerned boutique and customers. Research in this field is not available. This is the first time so the study is mainly based on primary data provided by boutique organizations and the customers.
3. Boutiques are thought to be a place of sophisticated purchases, where customers hesitate to purchase, so the data given by customers may not reflect the actual practice.



4. Population sample of this study is limited to Baneshwor and Maitidevi Market Boutiques, so it may reflect the percentage pertaining to one area only.

## **1.7 ORGANISATION OF THE STUDY**

The dissertation has been divided into five chapters.

The First chapter entitled “**Introduction**” deals with Background, Focus of the study, Statement of the problem, Objectives of the study, Significance of the study and Limitations of the study.

The Second chapter entitled “**Review of Literature**” deals with Conceptual Review and Review of related studies and articles.

The Third chapter entitled “**Research Methodology**” deals with Research design, Sampling Plan, Tools and Techniques of Data Collection including Limitations of the Methodology.

The Forth Chapter entitled “**Data Presentation and Analysis**” deals with data presentation and analysis of variables regarding response of boutique proprietor, data presentation and analysis of variables regarding response of boutique customer and major findings of the study.

The Fifth and Last Chapter of the study contains “**Summary, Conclusion and Recommendation**” which attempts to present the summary, conclusion and recommendation of the study.

## CHAPTER II

### 2. REVIEW OF LITERATURE

#### 2.1 CONCEPTUAL REVIEW

Boutique production and marketing is a new phenomenon in the Nepalese market. So materials and literature regarding this boutique product is limited. Even then available literature has been consulted and reviewed for this thesis. Many researches have not been made in this field. This may be the few of those theses on boutique regarding its problem and prospect.

#### **Production of boutique product is as follows:**

A designer studio is a workroom where the creations of a designer are designed, created, manufactured and sold. It can include both the garments and the accessories. It can have many units or compartments as per the requirements of the designer and the availability of the space or area.

First and foremost is the selection of place. The selection of place depends upon the various factors. A market survey should be conducted and should lay emphasis that the place is convenient to customers. These are as follows:

1. Designing
2. Designer's showroom
3. Fabric collection

**1. Designing:** It is the place where major work is done. It is the mastermind of boutique. Usually boutiques workshop and designers' showroom should be separated. In boutiques workshop the complete assignment from the designing, pattern cutting, and production is

done.

## **PROCESS TO BRING OUT FINISHED PRODUCT**

Order - Cutting- Issuing- Stitching- Thread cutting- Final checking- Packing and finished goods.

**I. Order-** Customers come to boutique and order a dress. They give body measurement and fabric or may select a fabric from the boutique. They may choose designs or follow the suggestion of the designer.

**ii. Cutting** - The major activities at cutting stage are cutting of the fabric as per specifications and then inspecting, assorting and arranging the cut fabric to facilitate the flow of stitching process. First of all, a pattern of the sample garment is cut on the paper, according to the measurement of the design. The fabric is laid on a long cutting table and pattern paper made is placed on the top of the fabric. Pattern or cutting may make pattern directly on the cloth according to customers' design and measurement. If embroidery is needed, it is given to the person who does embroidery work.

**iii Issuing** - The fabric is packed and is sent to the issuing-cum-receiving section that dispatches it to the sewing room.

**iv. Stitching** - Each tailor is given cut pieces of cloth to stitch. The tailors specialize in kurtha salwar or pant or coat or skirt, so, work is entrusted according to their skill and capability. Payment of remuneration is either on piece wage system or on monthly basis. Tailors do stitching, interlocking and labeling of the boutique's name. If customer needs a trial then it is sent to boutique for trial. After the trial, the dress is returned to stitching department.

**v. Thread cutting** - In boutique, button and thread cutting are done. All the extra threads that stick out are trimmed to give the finished product a better look.

**vi. Final checking** - The product is checked to confirm the quality and size. If a minor alternation is needed, it is done. Then it is pressed for ironing, so, it gives a good finished product.

**vii. Packing of the finished goods** - The ready labeled garments are folded and packed into plastic bags

**2. Designer's showroom:** It is then dispatched to the boutique showroom, where payment bill is made according to calculation of overall cost, where customer collects it, after making necessary payment. In designers' showroom, there are mannequins or dummies on which the designer creations can be displayed. Designers get inspiration from objects and issues from daily life. They can create unique design and display it in their store so, customers can choose designs.

**3. Fabric collection:** In one corner of the showroom various fabrics are kept. Availability of different fabrics help customer to choose from boutique so, they don't have to go to other shops. Boutiques can serve two purposes by stitching and selling fabric.

Marketing is that field of study which is closely associated with the production of want satisfying goods or services in the interest of both the producers and consumers or users.

According to Prof. E. Jerome McCarthy "Marketing is the performance of activities that seek to accomplish an organization's objectives by anticipating customer or client needs and directing a

flow of need satisfying goods and services from producer to customer or client."

"Marketing management is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives" (Kotler, 1991: 11)

The major elements under the direction of the marketer are selection of a target market, marketing objectives, marketing organization, marketing plan, and control of the marketing plan.

**a.** The selection of a target market involves two decisions, size and characteristics. A marketer can choose a very large target market, called mass marketing, or a small piece of the market, called market segmentation. In the latter instance, a marketing plan is tailored for a specific group of people with mass marketing, a generalized marketing plan evolves.

**b.** Marketing objectives are more customer orientated than those set by top management. For example, marketers are extremely interested in the image consumers' hold of the company and specific products. Sales objectives reflect a concern for brand loyalty (repeat purchase behavior), growth through new product introductions, and appeal to unsatisfied market segments. Profit objectives are set in per unit or total profit terms. Last and most important, marketers seek to create a differential advantage, the set of unique features in a company's marketing program that causes consumers to patronize the company and not its competitors. The differential advantage, new products or features, product quality, availability, service, low prices, and other characteristics.

**c.** A marketing organization is the structural arrangement for directing marketing functions. The organization outlines authority, responsibility, and tasks to be performed. Through the organization, functions are assigned and coordinated. A marketing organization may be functional, product orientated or market orientated.

**d.** The marketing plan, or mix, describes the specific combination of marketing elements used to achieve objectives and satisfy the target market. The plan consists of four major factors: products or service, distribution, promotion, and price. The marketer must select the combination of factors that is best for the firm.

In the development of a marketing plan, four elements: product, place, promotion and price (P4) must be consistent with the selected target market. Each should be coordinated with other as it is inseparable integration.

Another extremely important aspect of the planning by a marketer involves control, monitoring and reviewing overall and specific performance. Evaluation should be conducted at regular intervals. The external environment and internal company data should be reviewed continuously. In-depth research and analysis of performance (marketing audits) should be completed at least twice or once each year. (Evans and Berman, 1982: 31, 34, 35, 36)

Product is an important element of the marketing mix. According to Prof. Philip Kotler "A product is anything that can be offered to a market to satisfy a want or need." (Philip Kotler, 1991: 356)

According to Prof. William J. Stanton "A product is a set of tangible and intangible attributes including packaging, price, colour, quality and brand, plus the seller's services and reputation." (Stanton, 1994:

421)

The product concept holds that consumers will favor those products that offer the most quality or performance. Managers in these product-orientated organizations focus their energy on making good products and improving them over time. (Kotler, 1991: 14)

Product planning is systematic decision-making pertaining to all aspects of the development and management of products. A well-structured product planning process enables a company to pinpoint potential opportunities, develop appropriate marketing programs, coordinate a mix of products, maintain successful products as long as possible, reappraise flattering products and delete undesirable products.

A firm should define its products in three distinct ways: tangible, extended and generic. By combining all three definitions, the firm is able to identify consumer needs, competitive offerings, and distinctive product attributes. A tangible product is the basic physical entity, service, or idea, which has precise specifications and is offered under a given description or model number. An extended product includes not only the tangible elements of a product, service, or idea, but also the accompanying clusters of image and service features.

A generic product focuses on the benefits a buyer desires in the broadest view of a product. The generic definition focuses on what a product means to the customer, not the seller. (Evans and Berman, 1982: 211, 212)

All fashion moves in cycle. The term fashion cycle refers to the rise, wide popularity and the decline in acceptance of a style. The fashion cycle serves as an important guide in fashion merchandising. The fashion merchant uses the fashion cycle concept to introduce new fashion goods, to chart their rise and culmination and to recognize their rise and culmination and to recognize their decline towards obsolescence.

According to Philip Kotler, there are three special categories of product life cycle that should be distinguished, those pertaining to styles, fashions and fads.

A fashion is a currently accepted or popular style in a given field. For example, jeans are a fashion in today's popular clothing. Fashions pass through four stages. In the first stage, some consumers take an interest in something new set themselves apart from other consumers. The products may be custom made or produced in small quantities by some manufacturer. In the emulation stage or second stage, other consumers take an interest out of a desire to emulate the fashion leaders, and additional manufacturers begin to produce large quantities of the product. In the mass-fashion stage or third stage, the fashion has become extremely popular, and manufacturers have geared up for mass production. Finally, in the decline stage or last stage, consumers start moving toward other fashions that are beginning to catch their attention. Thus fashion grows slowly, remain popular for a while, and decline slowly. The length of a fashion cycle is hard to predict. Wasson believes that fashion come to end because they represent a purchase compromise, and consumers start looking for missing attributes. Reynolds suggests that the length of particular fashion cycle depend on the extent to which the fashion meets a



genuine need, is consistent with other trends in the society, satisfies societal norms and values, and does not meet technological limits as it develops. Robinsons, however, sees fashion as living out inexorable cycles regardless of economic, functional or technological changes in society. Sporoles has reviewed and compared several theories of fashion cycles.

A style is a basic and distinctive mode of human endeavor. For example, styles appear in homes as clothing and art. Once a style is invented, it can last for generations, going in and out of vogue. A style exhibits a cycle showing several periods of renewed interest. Fads are fashion that comes quickly into public eye is adopted with great zeal, peak early and decline very fast. Their acceptance is short, and they tend to attract only a limited following. Fads appeal to people who are searching for excitement or who want to distinguish themselves from others or have something to talk about to others. Fads do not survive because they do not normally satisfy a strong need or do not satisfy it well. It is difficult to predict whether something will be only a fad, or how long it will last-a few days, week, or months. The amount of media attention, along with time.

**Fashion as a business:** Today fashion is a big business. Millions of people are employed in the fashion-related activities. The fashion industries are those engaged in manufacturing the materials and finished products used in production apparel and accessories for men, women and children.

In broader terms fashion business includes all industries and services connected with fashion design, manufacturing, distribution, retailing, advertisement, publishing and consulting or in short any business concerned with fashion goods and services.

**Fashion marketing:** Today, marketing has become a major influence in the fashion business. Most people think of marketing only as promotion and selling. However, there are only two aspects of marketing. The process of marketing includes diverse activities that identify consumer needs, develop need- based products, and distribute and promote, them effectively so that they sell easily. The aim of marketing is to know and understand the consumer so well that the product or service hits him and sells itself. The same marketing process when carried out for fashion related products or services is known as fashion marketing, i.e. marketing apparel and accessories to the ultimate consumer. (Lakhotia, 1997: 78)

### **"PROGRESS IN BOUTIQUE BUSINESS"**

During emergency period every industry is deteriorating and is on verge of collapse but boutique industry is gaining its popularity among local people. Well-tailored clothes reflect personality of an individual person so people prefer to wear boutique products instead of readymade clothes.

A year before, there were not many boutiques but this year more than 50 boutiques were established. Most boutiques are located around Kupondole though boutiques are found in Baneshwor, Maitidevi, Putalisadak, Lazimpat, Bagbazar, New Road and some located in 5-star hotels. Boutiques are not being established in the capital only but are also found in Pokhara, Biratnagar, Dharan, Butwal. These organizations are doing quite a good business.

Film actor and actress prefer to wear designer clothes both in real and reel life. Film producers usually employ fashion designers who create

uniqueness, in the apparel. As dress designer Tarunika Mahoto of Tarunika's creation says, "Not only film producers but actor and actress also come there for their personal interest like parties, functions. Readymade dresses are common but boutique dresses are unique and of better fit so, people prefer to buy from boutique". She has designed dress for more than two dozen movies.

Actress like Rekha Thapa, Rejina Upreti and Usha Poudyal prefer dress made from boutique because it builds one's personality with smart appearance due to better fit. They prefer boutique products in personal life as they give unique design. Besides they are of the opinion that after attaining stardom it is not good to wear common clothes.

Model, Designer Miss Pallavi Shah says, "People are influenced by Bollywood/Kollywood movies and serials, music videos so they like to dress with designs which they have seen. Couple of years' back, Hindi movie "Rangeela" was released and people were so influenced by the dress worn by heroine Urmila Matondkar that everyone used to wear dress like hers".

Even Kollywood film director Narayan Puri says, "Dress bought from local market are not up to the taste of actors and actresses and are usually ill-fitted. So, boutique is the best option as it is tailored according to the body measurement and the choice of actors and actresses. They become happy and my work is done easily". Main factor in the apparel is the unique design.

When people get the preference of one's choice of dress with good-fit, then, they usually go to boutique. So, that is why boutique designer and product are gaining popularity in the market.

## **2.2 REVIWEW OF RELATED STUDIES AND ARTICLES**

Even though fashion design is a huge market globally but it has a long road ahead in Nepal. Perhaps it is because Nepalese are scared to enter boutique because they think they cannot afford it or they do not have orientation and as a result designers here face a setback." Says Basana Chhetri of "The Contemporary Institute of Arts and Fashion".

Mr.Sangit Shrestha, proprietor of Akarsan Boutique, and board member of Nepal boutique association, has established himself as one of the leading designer here in Nepal. He states that it must be taken as a positive step as so many boutiques have opened up and Nepalese have become fashion conscious. He states that, as in other countries, if most of the people started using designer wear then the price would automatically be lowered. So, these are some points why boutique and fashion designers are flourishing. But these days because of political and economical instability, unavailable of skilled labour and raw materials in own country, power cut load shedding problems, shortage of petroleum products and other many more difficulties created the situation harassment in this business. But if all these problems sort out then it would be one of the nourishing business in Nepal.

Everybody loves to wear well-cut dresses, designer wear and keep up-to-date with latest trends. According to the Ms. Renu Kshetry, who had publish an article on the subject "Wanna be a fashion designers" on Himalaya times on the date 14<sup>th</sup> Feb 2006, to be fashionable means wearing clothes which are comfortable and complement your personality. Globally, fashion designing has become a very lucrative business but here in Nepal it still has a long way to go. But in last five years, there has been a drastic change in the out-look and students are showing a growing interest in fashion designing courses. Number of

Fashion design school has formed which motivate students focusing on boutique. Fashion designing is the most important area of work in the fashion industry. This involves designing garments for different age groups and according to specific requirements (for instance, costumes for television, film, music videos etc). This eventually leads to opening of boutique.

The designer begins the designing process only after thorough market research and understanding the needs of client and market. A single designer or a team could undertake the designing process. On completion of the designing, a presentation is made to the client and the production department. Changes, if any, are incorporated at this stage. The final design is created and passed on to the production department. This final design becomes the basics for production in the manufacturing department/ unit.

Market research: The global fashion market is extremely dynamic; hence, the need to constantly keep a tab on changing trends is very essential. Marketing research is crucial to manufacturing units, retail business and export houses. Pricing and product requirements are directly dependent on market research statistics. Researchers conduct market research with at least 5-10 years experience in the fashion industry or by designer themselves.

Opportunities: Fashion designers, researchers and production personnel are employed by manufacturing units, export houses, retail and wholesale garment businesses, up market tailoring units, boutiques, government and quasi- governmental manufacturing units, fashion show organizers, fashion publishers (print and online), film, television and theatre (as costume designer).

According to Ms. Samyukta Shrestha, who had published an articles about the boutique business, in kantipur daily on the date 3rd June 2005; now a day's celebrity, actor, actress and every individual were truly fund of changing fashion and boutique product. She added, Actress Melina Manandhar loves to wear designer clothes not only for the movies but also for casual home wear.

Neena Karmacharya, marketing representative of multinational cosmetic company loves to wear designer clothes for her daily work because it reflects her good personality and she looks smart. That is why she doesn't prefer readymade dress instead-goes to a designer for good stitched apparel.

Even in village it's very rare to find traditional chaubandhi cholo dress (Nepalese version of blouse). In major cities like Kathmandu, Biratnagar, Pokhara, Dharan people are inspired by fashion. Not only the females but male population is also influenced by fashion. In the society everyone is influenced by fashion, and this has given promotion to new business known as fashion designing, which simply means stitching garment according to taste and body size of customers. In this business, besides profit and aspect loss, there is creativity of a designer. This challenge of creativity is the main reason for the boom in this boutique business in urban areas.

Baneshwor area of Kathmandu district houses many boutiques on both sides of the street. Boutique business is increasing in Kathmandu. Business persons related with boutique say that there are many boutiques operating mainly in Patan however slowly increasing in other area too. More than dozen boutiques are situated in Kupondole, others are in Baneshwor, Maitidevi, Durbarmarg, Thamel, Putalisadak, Lazimpat, New Road, Maharajgunj and 5-star hotels.

Readymade garments available in market are ill- fitted whereas dresses made from boutique are well- fitted which gives overall a smart personality. This is one of the main reasons why a boutique business is profitable, flourishing and increasing day by day. As a regular customer Seema Karmacharya says "Instead of searching for a kurtha-salwar in market, one can go to designer and stitch a dress of one's own choice with colour, design and pattern". Though this boutique business is increasing day by day, they are not registered with Ministry of Commerce or small scale industry or Kathmandu Metropolitan or Nepal Chamber of Commerce. There is no registration on the name of "boutique" maybe because "boutique" is the new word. Mostly it is registered on the name of stitching and tailoring industry and export of readymade garments.

Rajesh Dhakwa of Chahat boutique says, "Main reason for thriving of boutique is people come to stitch clothes out of sheer curiosity and stick by it. The trend the boutique is gaining popularity, it can be said that there is lots of scope for boutique industry".

Prospering business of boutique is new in Nepal. About five year ago, boutiques could be counted in fingers but now due to modern fashion and technology, boutiques are increasing day by day. "Earlier people used to wear boutique design dress for parties but now they design for day to day wear," says designer Pallavi Shah. She further added People are attracted to fashion. People copy designs worn by Indian actress on movies. When Hindi movie "Mohabatten" was released, everyone was wearing sari worn by actress Aishwarya Rai. Nowadays people are influenced by sari worn in serials. Out of curiosity people stitch in boutique and this becomes a habit with the customer. As there is competition, boutique owners are reducing the cost, so, this is one of the reasons why people prefer designer wear.

New generation youngsters are influenced by boutique, so, they opted for career in as it is one of the emerging businesses. This is the reason there are lots of fashion designing institutes which in turn gives rise to boutiques. Even television channels are showing separate program in fashion designing. Every month sponsors are organizing fashion shows investing hundreds of thousands of rupees. Movies and advertisement shows designer wear and people are influenced by fashion, so, it is helping the boutique industry.

Fashion comes and goes in the same way. To produce dress of one's design boutique is most appropriate. So, boutique fulfills people's desire regarding dress sense. This is one of the main reasons why boutique is emerging and establishing as a lucrative business.

Could the pieces of clothes that beautify human beings, especially the fair sex, be themselves pieces of art? This could be an astonishing question to Nepali designer who hardly see significance of their creation without models having clothed in them. Neither can the audience think the beauty of fashion without models here.

According to an article published on Kathmandu Post, 7<sup>th</sup> July 2002, to give a concrete answer, over two dozen veteran designers from the Republic of Korea have arrived in the capital recently. They presented their best creations in the exhibition of fashion art, named "Air of Korea" in a landmark phenomenon for both the artists and fashion designers. All the art works, exhibited in the gallery of Nepal Art Council, are indeed installation works by contemporary artists. Their feelings and image of women, the wearers, are shown through the materials, their textures, colours and shades. Some are still obsessed with orthodox dress materials and patterns like silk, polyester and flowers or ornamentation, while others were working with inflated



plastic bags, wire, beads and collage.

In all cases, the dresses were like the women-shy, bold and also hard working. From 'fly-in-the-sky' fantasy to exhausting reality-they represent women of the world. They are different from one another in approach as well as selection of material but altogether, they make a universal image of beauty and bravery of womanhood.

Kim Meegnee, the president of Korea Fashion and Culture Association, said that dresses are not only a thing to cover the human body. "The fashion art is an outgrowth from a combination of two human aspirations of fashion and art", she said. For her, they are means for expressing oneself and creating beauty for something new. The Korean Ambassador to Nepal Ryoo See Ta is no less influenced by fashion art. He says, "Fashion art has many things in common, with other areas of arts, such as sculpture, architecture and so on." The exhibition was made possible in Kathmandu by Embassy of Republic of Korea Kathmandu and the Korea Fashion and Culture Association as one of their programmes to exchange the cultures. Fashion designing and shows has become almost a common thing, at least in the capital of Nepal. But few of them have tried to exhibit them in the form of art pieces. The exhibition indirectly signals Nepali artists how far they have to go to call themselves contemporary and what they have learned from their visits to foreign art galleries and at least by visiting exhibitions of foreign artists.

## **CHAPTER III**

### **3. RESEARCH METHODOLOGY**

The basic objectives of this study is to sort out the problems and prospects faced by boutique.

#### **3.1 Research Design**

Research design is the specification of the procedures for collecting and analyzing the data necessary to help identify and opportunity such that the difference between the cost of obtaining various levels of accuracy and the expected value of the information associated with each level of accuracy is maximized. It is opted for the study is basically descriptive one. Pertinent data and information required for the study are collected, evaluated and analyzed systematically to arrive at a certain conclusion.

#### **3.2 Sampling Plan**

In this section, the population of this study, sample size, sampling unit, sampling procedures and the product included in the study has been described.

1. Population: The population of this study contains customers and owners of boutique of Baneshwor and Maitidevi area.
2. Sample size: 20 boutique proprietors and 100 individual customers including boutique customers.
3. Sampling unit: Customers and proprietor of boutique of Baneshwor and Maitidevi area are sample units of this survey.

4. Sampling procedure: Interviews of the audiences has been conducted in different locations of Baneshwor and Maitidevi area.

### 3.3 Tools and Technique of Data Collection

The evaluation "report" is one of the most important parts of the evaluation. It is the official record of the evaluation. For many people it is the *only* part of the evaluation that is seen. A good evaluation "report" answers some or all of the evaluation questions. An evaluation "report" does not have to be a written report! However, there should be a written document available to the agency.

There are many ways of communicating results of an evaluation including:

- ) informal communications (*in the hall, over coffee, before and after meetings*);
- ) less formal meetings (*small groups, no minutes*);
- ) formal meetings;
- ) memos;
- ) written reports;
- ) newsletters;
- ) electronic communication;
- ) visual presentations (*slide show, video show*);
- ) public meetings; and
- ) local media presentations

#### **A good evaluation report:**

- ) describes the program and the steps in the evaluation;
- ) explains the procedures used;
- ) presents the findings;
- ) draws conclusions about those findings;
- ) And is prepared with the audience in mind.

More than one report is frequently useful. A report is often used for different purposes, and with different audiences. Many people do not need a long report, or even a written report. A short summary report, or a verbal report, will satisfy the needs of such an audience. On the other hand, some people need the detailed information which can only be provided by a long report. There is also reason to have a more detailed report for archival purposes.

### **Presenting the Data**

In general, most evaluations conducted by local programs would lend themselves to *descriptive* analysis of data. Descriptive analysis is a way of summarizing and aggregating results from groups. If an evaluation has been conducted which employs a control group, or measures changes in program participants over time, then it might be appropriate to employ *inferential* analysis in which a decision is made about whether the particular results of the study are "real". More emphasis will be placed on descriptive analysis in this fact sheet.

### **Verbal Description of Data**

Many reports rely on narrative information to present most, if not all, of the necessary information. Narrative information may be presented in three ways: standard writing style; tables; and/or, figures, diagrams, maps, and charts.

*Standard writing style*, that is, the use of sentences and paragraphs, is often the best way to present information, especially to audiences that are not accustomed to working with charts, graphs, tables, numbers, etc. It is the only way to present information such as examples and explanations. If standard writing style is used to summarize the results of open ended

questions ("What do you like *most* about the program?"), it is often useful to give some indication of how often a particular response was given.

*Tables* represent narrative or numerical information in tabular fashion. A table arranges information in rows or columns, so that data elements may be referred to easily. They provide a clear and succinct way to present data, and are often more simple and understandable than standard writing style. They also facilitate the interpretation of data.

### **Numerical Description of Data**

Data are not only described in narrative, they are often described numerically. Three of the most basic types of summarization are:

- ) frequency distribution;
- ) percent; and
- ) Average.

Each of these types of summarization may be presented as part of the text or arranged in tables or figures (graphs). Inclusion as part of text ("*The average age for children served was 18 months*") is an obvious way to report data.

Primary and secondary information has been collected for the study. Primary data have been collected through questionnaire, survey, interview, discussion and observation. Secondary data were collected through Newspaper, Websites and other media.

There are some things which can be done to encourage the utilization of evaluation results:

- ) Write a good report which attends to the important issues which were raised in planning for the evaluation.

- ) Write a report which pays attention to the audience's needs and abilities.
- ) Make concrete and usable recommendations.
- ) Involve the program staff in all steps of the evaluation process.
- ) Disseminate the results in various ways and in various settings.
- ) Write a report which can be easily understood by those who receive

### **3.4 Limitations of the Methodology**

The sample size is relatively small, so there may be greater chance of sampling error though the sampling procedure is judgmental. In spite of these limitations, so many efforts are used to ensure accuracy in this study.

## **CHAPTER IV**

### **4. DATA PRESENTATION AND ANALYSIS**

The data collected from the two questionnaires have been analyzed by using percentage analysis and significance test i.e.  $\chi^2$  to evaluate the concern variable in this chapter. It has been divided into 2 parts i.e. Part **I** analyze the variables regarding the 1<sup>st</sup> questionnaires and Part **II** analyzes the variables regarding the 2<sup>nd</sup> questionnaires.

#### **4.1 Data Presentation and Analysis of Variables Regarding Response of Boutique Proprietor**

This part is concerned with the variables regarding the boutique proprietor. The ages of proprietors were between 22 to 35 years of which 10 males and 10 females. Based on the responses given by the boutique owners, the following aspects can be presented and analyzed as follows:

## 1. Commencement of the boutique

**Table No.1**

### **Commencement of the Boutique**

<b>Commencement of the boutique</b>	<b>Responses</b>	<b>Percentage</b>
10 years	2	10%
5 years	6	30%
2 years	8	40%
Recently	4	20%
Total	20	100%

Source: Field Survey

According to Table No.1, 20% of boutique proprietor has recently opened the boutique whereas 30% has opened 5 years back 40% has opened in Baneshwor and Maitidevi area 2 years back while 10% of boutique proprietor has opened 10 years before. So, from this analysis it can be found that it is not the new type of business. Now it is flourishing business in Nepal and going competitive these days. Only the firm who provide new taste and can produce unique and creative boutique product can easily survive.



### Percentage Analysis

1. 10 years = 10%
2. 5 years = 30%
3. 2 years = 40%
4. Recently = 20%

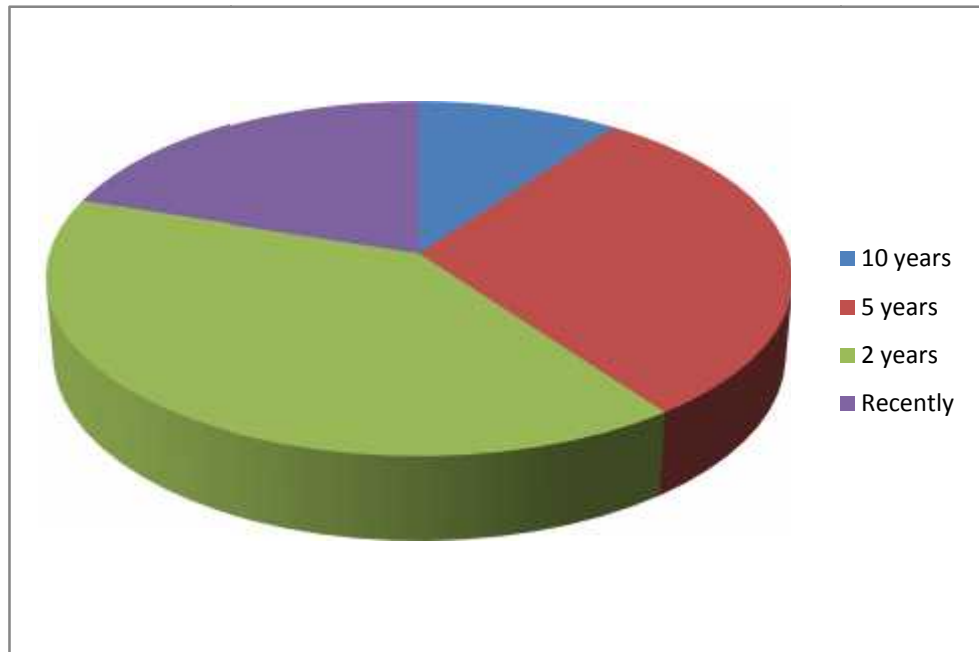


Figure No. 1

## 2. Profitability of Boutique Business

**Table No.2**

### **Profitability of boutique Business**

<b>Profit</b>	<b>No.</b>	<b>%</b>
Yes	16	80%
No	2	10%
Don't	2	10%
Total	20	100%

Source: Field Survey

According to Table No.2, since the market of the Boutique Product is not limited within Nepal but spread across the country. Because of e-commerce and the global market Nepalese boutique products were also demanded high in foreign country. Here in Nepal there is so many new Boutique business organizations increasing day by day, beside the organization so many fashion institutions were also established. That's why 80% respondent felt there is profit in boutique business. Because of unstable Political, economical situation of the country Power cut problems, Strikes, small market, Government tight export import regulations, lack of skilled-full labors (kaligud) in Nepal and the most frequently seen problem shortage of petrol and diesel which had increases the cost of products and decreases the efficiency of Boutique business, Hence 10% said there is no profit and 10% were not sure.

Since 80% people thinks that there is profit in boutique organization. And they see the very bright future of boutique business if all the economical and political problems would be sort out. In fact there is 20% to 40% profit margin in finished goods, and this profit margin depends on customers.

We can see the profit on one single boutique item Kurta as follows:

Initial cost (materials, importing cost included)	Rs. 1500
Using embroidery fabrics (Using cheap fabric, Embroidery)	Rs. 500
<b><u>Finished goods Price (Including Dying &amp; Promotional Cost)</u></b>	<b><u>Rs. 2000</u></b>
Market price for / Product (Sari)	<u>Rs. 2500</u>
<b>Profit</b>	<b>Rs. 500</b>

Source: Field Survey

Here we can see the profit evaluation in one single item Kurta using cheap materials, fabrics & embroidery. Price of the product depends on the materials used, if expensive materials used then price will also increase.

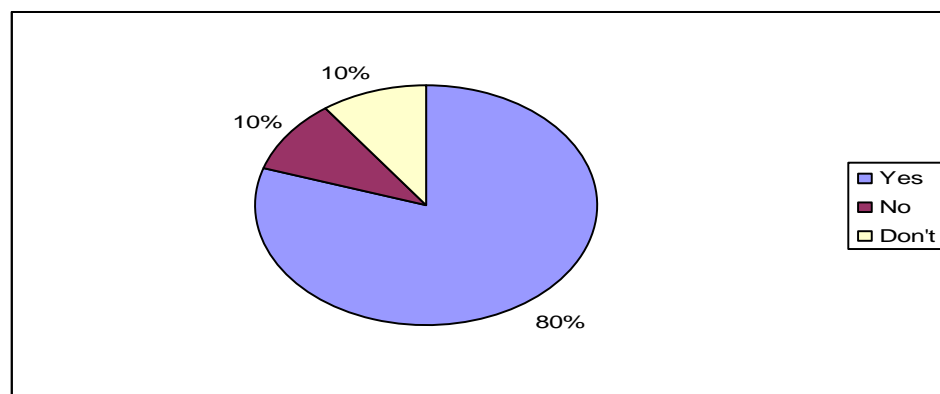


Figure No. 2

### 3. Main Customers of the Boutique

**Table No.3**

**Main Customers**

<b>Customers</b>	<b>No.</b>	<b>%</b>
Male	6	30%
Female	14	70%
Total	20	100%

Source: Field Survey

From the Table No.3, Customers have been divided into male and female. Above study reveals that 70% were female customers compared to 30% male customers. Which we can see as in the figure below.

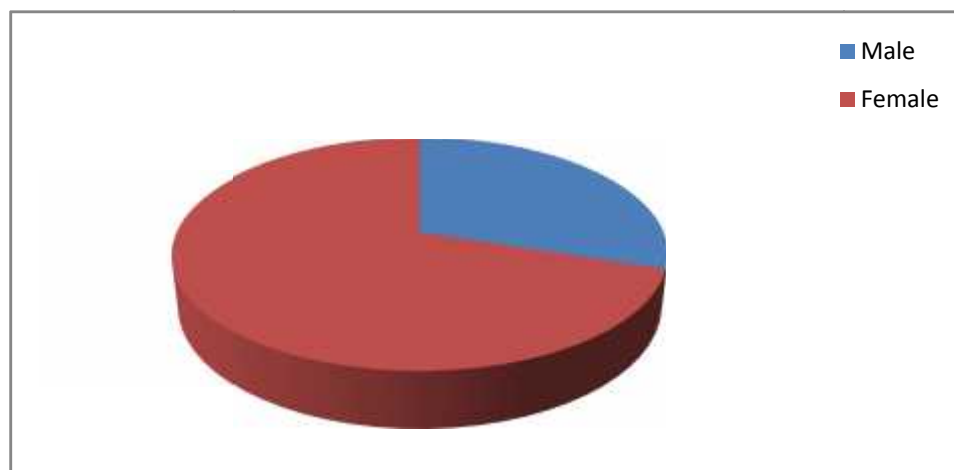


Figure No.3

#### 4. Regular customers of the boutique

**Table No.4**

**Regular Customers**

<b>Regular Customers</b>	<b>No.</b>	<b>%</b>
Female	18	90%
Male	2	10%
Total	20	100%

Source: Field Survey

According to the Table No. 4, 90% were local people where as only 10% were regular customers of the boutique. So, this study reveals that boutique proprietor mostly depend on local people which we can see as in the figure below.

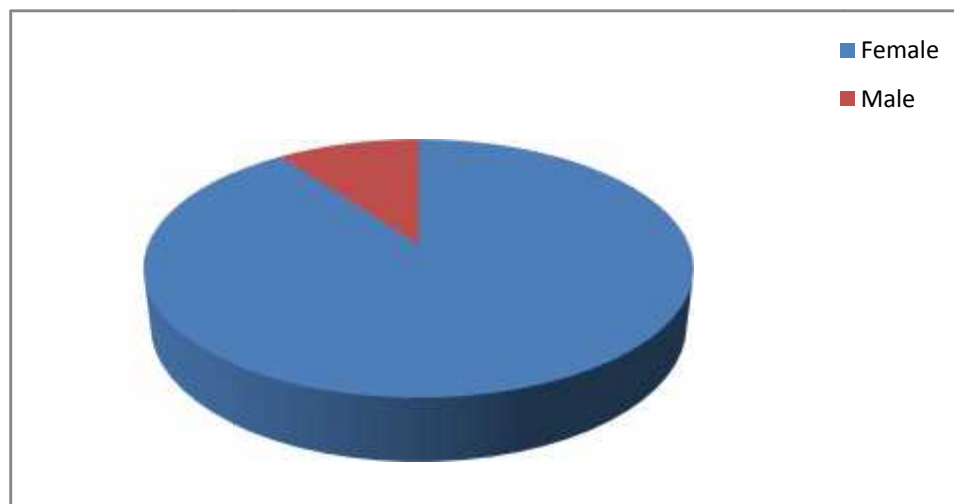


Figure No.4

## 5. Repetition customers

**Table No.5**  
**Repetition Customers**

<b>Repetition customers</b>	<b>No.</b>	<b>%</b>
Yes	18	90%
No	2	10%
Total	20	100%

Source: Field Survey

The above table shows that 90% customers came repeatedly to boutique, which means that they prefer the services of the boutique are brand loyal. And 10% customer does not repeat to come at boutique shop because they don't prefer the services of the boutique are brand loyal.

## 6. Convenient of Baneshwor and Maitidevi Area

**Table No.6**  
**Convenient Area**

<b>Convenient of Baneshwor and Maitidevi Area</b>	<b>No.</b>	<b>%</b>
Yes	18	90%
No	2	10%
Total	20	100%

Source: Field Survey

According to the table No. 6, 90% of the boutique proprietor found the Baneshwor and Maitidevi area is convenient for their business. While 10% were disagree with the location because of the house agreement, rent, traffic problem, succession etc.

## 7. Frequency of visit

**Table No.7**

**Frequency of visit**

<b>Convenient of Baneshwor and Maitidevi Area</b>	<b>No.</b>	<b>%</b>
Once a week	0	0
Once a fortnight	0	0
Once a month	20	100%
Total	20	100%

Source: Field Survey

From Table No. - 7, the study reflects that most of the customers who visited the boutiques are not very frequent. Frequent visitors are practically none. The responses from the respondents reveal that they do not visit the boutique once a week and not even once a fortnight. The customers normally visit boutique once a month as shown in the figure

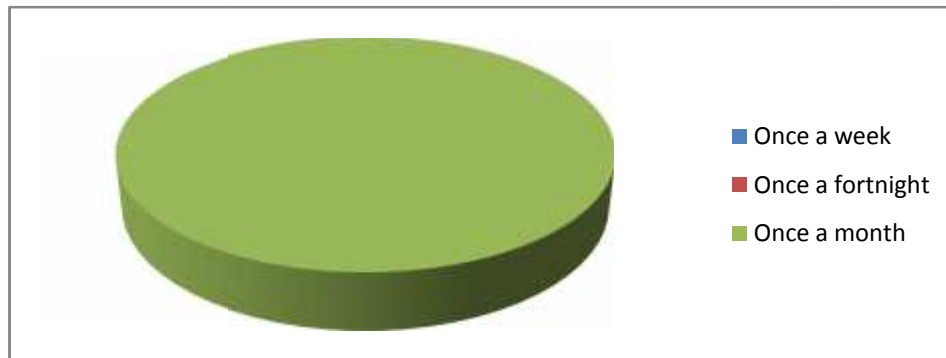




Figure No.5

**8. Age group of customers**

**Table No.8**

**Age group of customers**

Age group of customers	No.	%
15 to 25 years	6	30%
25 to 40 years	14	70%
Above 40 years	0	0%
Total	20	100%

Source: Field Survey

Table No. 8, reveal the responses of the boutique proprietor based on their age. The questionnaire has grouped the customers into three groups. So, based on the responses of the respondents, customers between the ages to 15 to 25, 30% of the customers fall in this category. Similarly, customers in the age group of 25 to 40 are frequent visitors to the boutiques. 70% of the customers fall in this group. From the table it can be concluded that customers above 40 years of age are not interested in boutiques and they do not visit the shop. We can present as figure below.

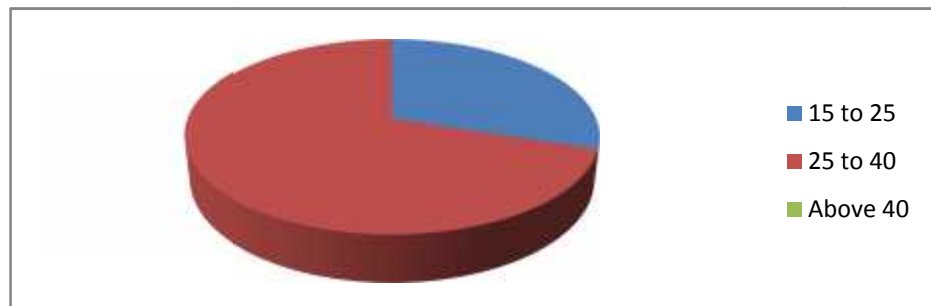


Figure No.6

**9. Response of average spending on boutique products by customer annually**

**Table No. 9**

**Average spending on boutique products by customer annually**

Response	No.	%
Below Rs. 5,000	8	40%
Rs. 5,000 to 10,000	10	50%
Above Rs. 10,000	2	10%
Total	20	100%

Source: Field Survey

Spending on Boutique Products Annually

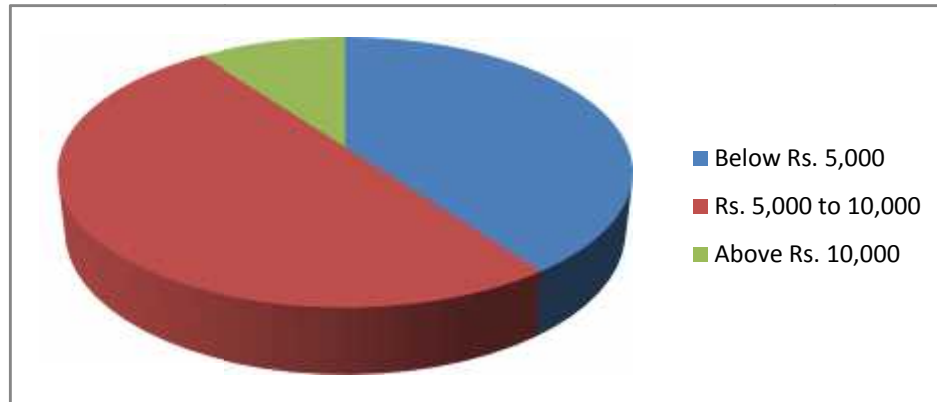


Figure No.7

According to Table No 9, spending on boutique products annually by customers is as follows. 50% of boutique customer spends between Rs. 5,000 to Rs. 10,000 whereas 40% spend below Rs. 5,000. 10%

spend above Rs. 10,000, so spending annually on boutique products is average.

#### 10. Advertisement Media

**Table No. 10**

##### **Advertisement Media**

Media	No.	%
Television	4	20%
Magazine	4	20%
Verbal (friends, colleagues)	8	40%
Newspaper	0	0
Others	4	20%
Total	20	100%

Source: Field Survey

According to sub-divided chart various advertisement media have been selected. Boutique proprietor selects television, magazine and others (brochure), in 20% each. 40% depend on verbal (friends, colleagues) while none prefer news paper. So, advertisement strongly preferred is verbal. Which we can see as in figure below.

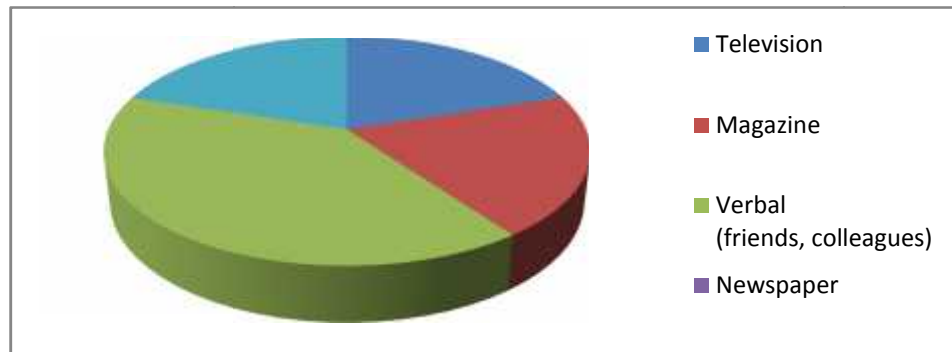


Figure No. /

### 11. Preference of promotion media for marketing of boutique products

**Table No. 11**

#### **Promotion Media**

Promotion Media	No.	%
Gift schemes	2	10%
Fashion shows	6	30%
Clearance Sales	0	0
Discount	4	20%
Web	6	30%
Seasonal Sales	2	10%
Others	0	0
Total	20	100%

Source: Field Survey

According to the table No. 11, preference of promotional media for marketing of boutique products is as follows: 10% gifted schemes, 30% preferred fashion shows, 20% preferred discount and 30% preferred web promotion on boutique products respectively. 10% prefer seasonal sales, while none preferred clearance sales and others. 10% think it is better to attract the customer by giving gift like buy one get one free or by giving small gift on purchasing heavier one.

## 12. Undertaking the promotional measures

**Table No. 12**

### **Promotional Measures**

Promotion Measures	No.	%
In one year	16	80%
2 times a year	0	0
3 times a year	4	20%
Total	20	100%

Source: Field Survey

Respondent took promotional measures once a year, twice a year and thrice a year. 80% of the respondent took promotional measures once a year, while 20% took three times a year. None of the respondents took two times a year which we can see as figure below.

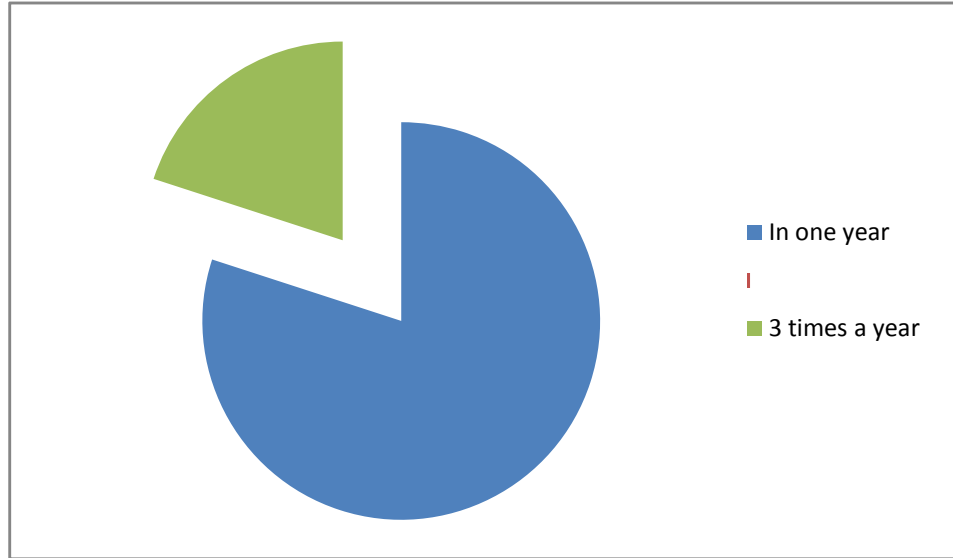


Figure No. 9

### 13. Planning Advertisement Budget

**Table No. 13**

#### **Planning Advertisement Budget**

Advertisement Budget	No.	%
Percentage sale	14	70%
Lump sum	4	20%
Others	2	10%
Total	20	100%

Source: Field Survey

According Table No. 13, planning advertisement budget is allocated through various mediums. The response of the respondent revealed 70% is from percentage on sale while, 20 % to lump- sum and 10 % is from others which we can see as figure below.

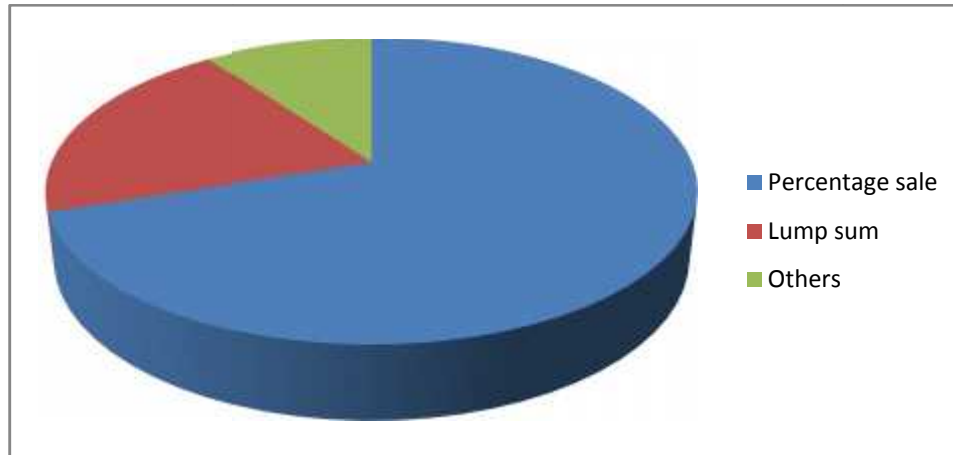


Figure No. 10

#### 14. Annual Advertisement Expenses

**Table No. 14**

##### **Annual Advertisement Expenses**

Advertisement Expenses	No.	%
Rs. 10,000	14	70%
Rs. 25,000	2	10%
Above Rs. 25,000	4	20%
Total	20	100%

Source: Field Survey

According to Table no. 14, 70% indicated Rs, 10,000 for annual advertisement expenses. 20% allocated above Rs. 25,000 and 10% allocated Rs 25,000 for annual advertisement expenses. So,

respondents usually preferred to allocate Rs. 10,000 for annual advertisement expenses which we can see as figure below.

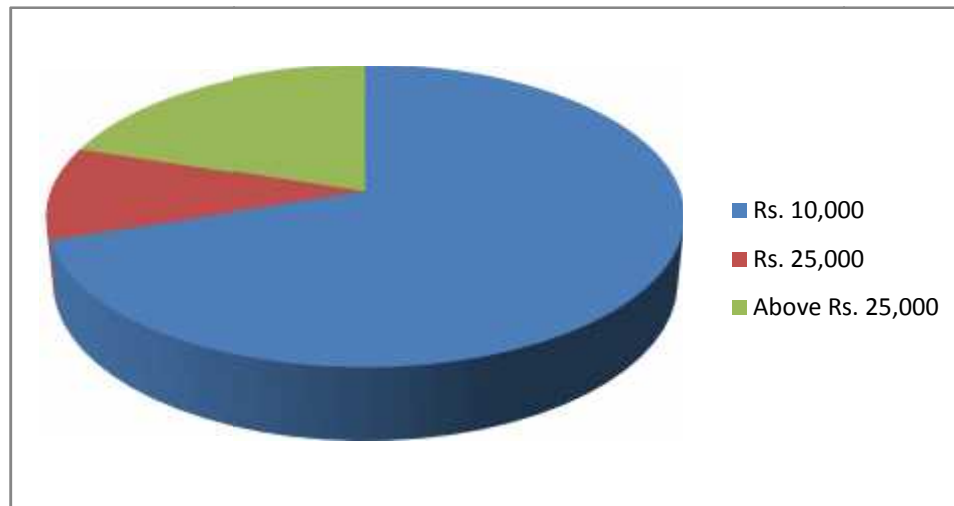


Figure No. 11

## 15. Profit in annual Income

**Table No. 15. A**

### Response on profit in annual income

Response	No.	%
Yes	16	80%
No	4	20%
Total	20	100%

Source: Field Survey

If Yes,

**Table No. 15. B**

### Response on profit in annual income



Response	No.	%
Rs.5,00,000	6	30%
Below Rs. 5,00,000	10	50%
Above Rs. 5,00,000	0	0
Total	16	80%

Source: Field Survey

According to table No. 15 A and 15 B, 80% respondents indicated that there is profit in annual income, whereas, 20% indicate there is no profit in annual income. 80% respondents who had profit were again given to indicate their profit percentage. 50% of boutique proprietor had below Rs. 500,000 profit, while 30% had Rs. 500,000. None of the respondents had above Rs. 500,000.

## 16. Future of boutique Business

**Table No. 16**

### **Future of boutique Business**

Response	No.	%
Good	14	70%
Average	4	20%
Fair	2	10%
Gloomy	0	0
Total	20	100%

Source: Field Survey

Table no. 16 revealed the responses of the boutique proprietor based on their future of boutique business. The questionnaire has grouped the category into four stages. 70% felt there is good market for boutique business while, 20% felt there is average market and 10% felt the market is fair. None of the respondents felt the market is gloomy.

### 17. Problems and prospects in boutique products

**Table No. 17**

#### **Problems and prospects in boutique**

<b>Response</b>	<b>Financial condition</b>	<b>Market Condition</b>	<b>Marketing</b>	<b>Pricing</b>	<b>Government Support</b>
Good	90	90	20	100	0
Average	10	10	80	0	30
Bad	0	0	0	0	70
Total	100	100	100	100	100

Source: Field Survey

According to table no. 17, problems and prospect of the boutiques are as follows. It can be seen that 90% of the respondents felt financial condition of boutique products to be good while, 10% felt bad about it. 90% of the respondents felt that the market condition of such products is good compared to 10% who felt it to be bad. 20% of the respondents felt that the marketing of the boutique products is good compared to 80% who felt it to be bad. 100% of the respondent felt pricing of boutique products good while none felt bad or deteriorating. 70% of the respondent felt government support is bad, while 30% felt deteriorating whereas, none of the respondent felt good.

### **18. Response to increase in number of tailors**

**Table No. 18.**

#### **Response to increase in number of tailors**

Response	No.	%
Yes	8	40%
No	12	60%
Total	20	100%

Source: Field Survey

According to Table no. 18 (A) 40% of the respondents increased the number of tailors while, 60% did not increased the number of tailors. 40% of the respondents who increased the number of tailors were again given to indicate the number. All of them (40%) increased the tailors from 5 to 10, while none of them increased more than 10. None of the respondent had less than 5 tailors.

### **19. Response on research work done about boutique products**

**Table No. 19**

#### **Research work**

Response	No.	%
Boutique Management	0	0
Research distribution	0	0
Others	20	100%

Total	20	100%
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Source: Field Survey

According to Table no. 19, 100% of the respondent indicated others (students doing project work) on research work done about boutique products. None of the boutique management and research distribution had done research work on boutique products.

#### **4.2 Data Presentation and Analysis of Variables Regarding Response of Boutique Customers**

This part is concerned with the variables relating to the response of boutique customers. The age is between 20 to 30 years and 100 respondents were female sex. Based on the response given by the boutique customers, the following aspects can be presented and analyzed.

##### **1. Fulfilling the dress requirement**

**Table No. 20**

#### **Fulfilling the dress requirement**

Dress requirement	No.	%
Readymade dress purchase	15	15%

Stitching done by tailors	5	5%
Using boutique services	80	80%
Total	100	100%

Source: Field Survey

From table No. 20, the study reflects that most of the customers use boutique services which is 80%. 15% fulfilled dress requirement by readymade dress purchase while, 5% prefer stitching done by tailors. Above analysis shows that most of the customers use boutique services.

## 2. Preference of dress

**Table No. 21**

### **Preference of dress**

Preference	No.	%
Readymade goods	30	30%

Boutique products	60	60%
Tailors	10	10%
Total	100	100%

Source: Field Survey

According to table No. 21, 60% of the customers prefer boutique products. 30% of the respondents prefer readymade goods while, only 10% refer tailors. Everybody loves to wear well-cut dresses, designer wear and keep up-to-date with latest trends. They prefer well fitted, smart looking fashionable dress and boutique products in personal life as they give unique design. When people get the preference of one's choice of dress with good-fit, then, they usually go to boutique. That's why 60% customers prefer Boutique product which we can see as in figure below.

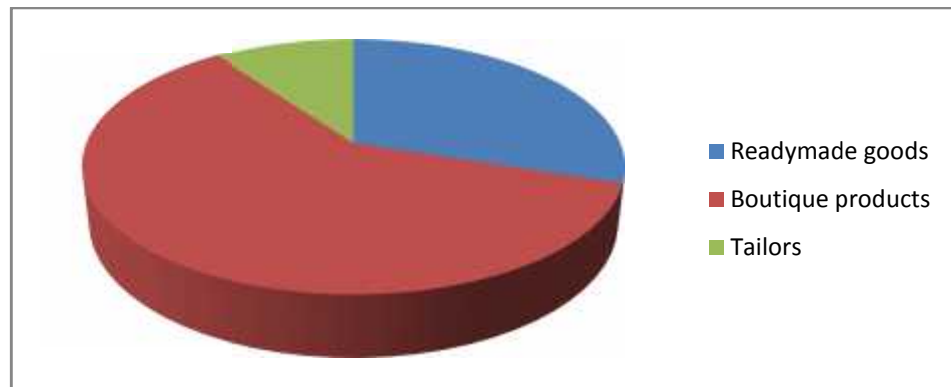


Figure No. 12

### 3. Recommendation of boutique to customers

**Table No. 22**  
**Recommendation of boutique to customers**

Recommendation	No.	%
Friend	90	90%

Family	2	2%
Advertisement	5	5%
Others	3	3%
Total	100	100%

Source: **field survey**

Table no. 22 reveals the response of boutique customers. 90% of the customers go to boutique on recommendation by friend, 2% are recommended by family and 5% are influence by advertisement. And 3% are influenced by the others which we can see as in figure below.

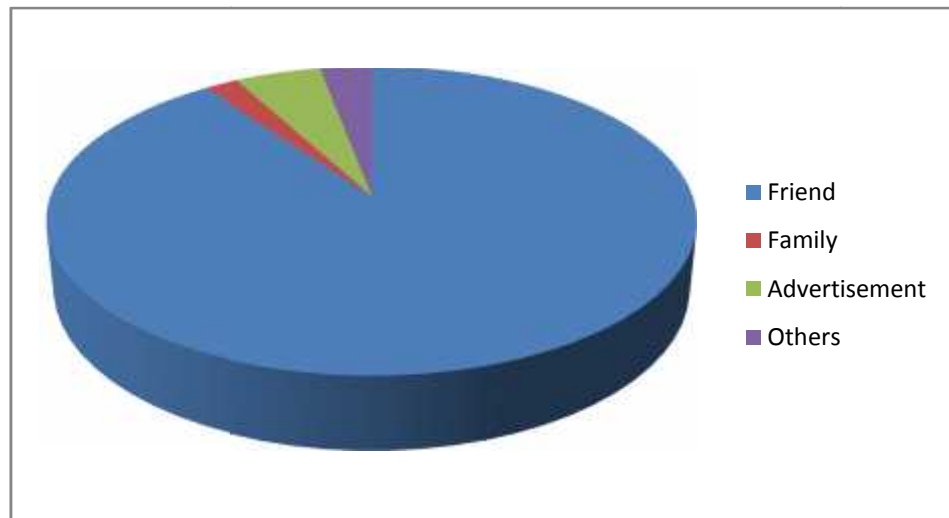


Figure No. 13

4. **Duration of visit to the boutique**

**Table No. 23**  
**Duration of visit to the boutique**

Duration	No.	%
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5 Years	0	0%
3 Years	10	10%
2 Years	30	30%
1 Years	60	60%
Total	100	100%

Source: Field Survey

According to sub-divided chart, 60% have been visiting from one year and 30% from two years. 10% has been visiting from three years while none of the respondent has visited before five year. This analysis indicates that a visit to boutique has been a new trend. We can present the above data as in figure below.

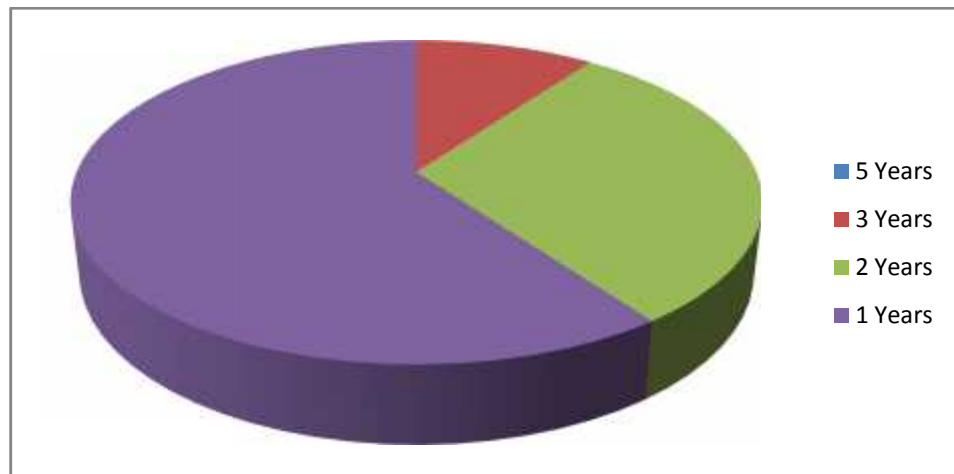


Figure No. 14

## 5. Purchase of boutique products

Table No. 24  
Purchase of boutique products.

Purchase	No.	%
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Monthly	5	5%
Quarterly	20	20%
Yearly	25	25%
Half-Yearly	50	50%
Total	100	100%

Source: Field Survey

According to Table No. 24, purchase of the boutique product has been divided into four parts, as monthly, quarterly, half early and yearly. 50% of customers purchase boutique products half-yearly, 25% purchase yearly while 20% customers purchase quarterly. Finally only 5% purchase it on monthly basis. As shown in figure below.

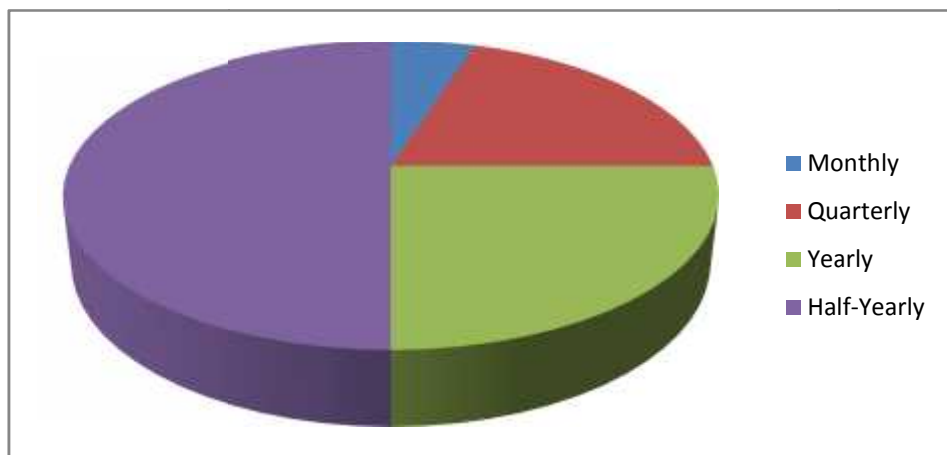


Figure No15

### **X<sup>2</sup> Test**

**H<sub>0</sub>:** Purchasing of boutique products is independent to the frequency of time, i.e. there is no significant difference between the purchase of boutique product and purchase frequency.

	O	E	(O-E)	(O-E) <sup>2</sup> / E
Monthly	5	100/4=20	15	11.20
Quarterly	20	100/4=20	0	0
Yearly	25	100/4=20	5	1.20
Half-Yearly	50	100/4=20	30	45
Total			(O-E) <sup>2</sup> /E	57.40

$$X^2 \text{ cal} = 57.40$$

Here the degree of freedom (d,f) as (4-1) = 3. The tabulated value of  $X^2$  of degree of freedom 3 at 5% is 7.82. So,  $H_0$  may be rejected. Since  $X^2 \text{ cal} (57.42) > X^2 \text{ tab} (7.82)$  so, there is highly significant difference between the purchases of boutique product and purchase frequency.

**6. Response on satisfaction with boutique products.**

**Table No. 25**  
**Response on satisfaction with boutique products.**

Response	No.	%
Yes	90	90%
No	10	10%
Total	100	100%

Source: Field Survey

According to above table, 90% of the respondents were satisfied with boutique products in terms of price, quality, fashion trends etc, while 10% were not satisfied. The above Table no 25 reveals this.

**Table No. 26**

If Yes: reason for satisfaction.

Reasons	No.	%
Good fitting	30	30%
Quality fabrics	10	10%
Latest design	60	60%
Price Factor	0	0
Total	100	100%

Source: Field Survey

Above table no. 26 is the respondent's answer for the reason of satisfaction. 60% of the customers are satisfied by the latest design, while the 30% are lured by good fitting of the clothes. Quality fabric satisfies 10% and none of the respondents are satisfied by price factor.

## **7. Convenience of location of boutique**

**Table No. 27**  
**Convenience of location of boutique**

Convenience location	No.	%
Yes	90	90%
No	10	10%
Total	100	100%

Source: Field Survey

From the table no. 27 the study reflect that 90% of customer found the location convenient in term of easy accessibility and centrally located, while 10% did not found the location convenient. Which can be seen as figure below.

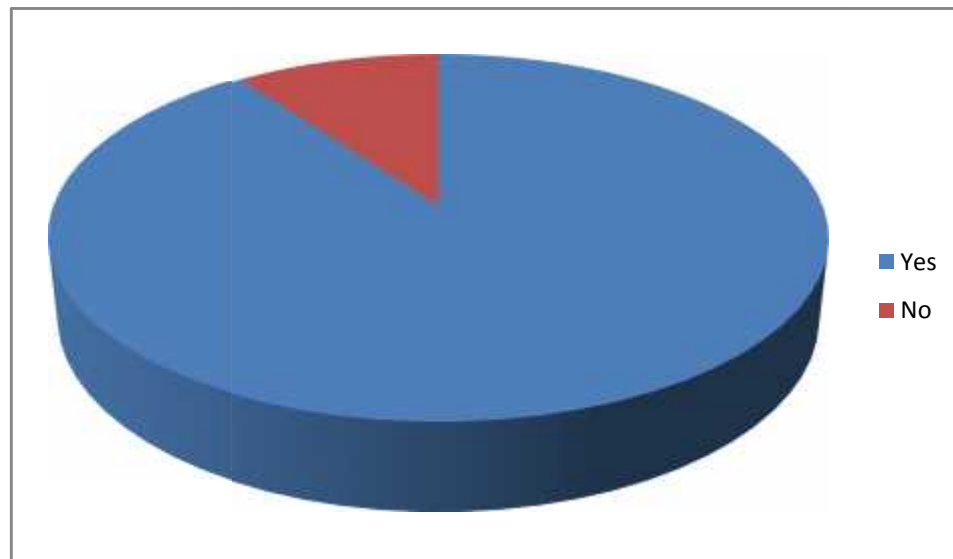


Figure No. 16

**8. Response on facilities provided by boutique of Baneshwor and Maitidevi market.**

**Table No. 28**

**Facilities provided by boutique of Baneshwor and Maitidevi area market.**

<b>Response</b>	<b>BANESHWOR MARKET AREA</b>			<b>MAITIDEVI MARKET AREA</b>		
	Delivery on time	Alternation of dress	Staff behavior	Delivery on time	Alternation of dress	Staff behavior
Yes	80	60	90%	80	60	90%
No	20	40	10%	20	40	10%
Total	100	100	100%	100	100	100%

Source: Field Survey

**Analysis:** Table no. 28 revealed the response of the boutique customers based on the facilities provided by boutiques of Baneshwor market and Maitidevi market. The questionnaire has been grouped into three categories, namely delivery on time, alteration of dress and staff behavior. 80% of the customers were satisfied with delivery on time, while 20% were not satisfied. 60% of the customers were satisfied with the alteration of the dress, while 40% were not satisfied. 90% liked the staff behavior while, 10% did not liked the behavior.

**9. Response on availability of fabric**

**Table No. 29**

**Availability of fabric**

Availability of fabric	No.	%
Yes	85	85%
No	15	15%
Total	100	100%

Source: Field Survey

From the Table No. 29, it can be deducted that 85% of the respondents felt availability of the fabric convenient while 15% felt otherwise. We can present above data as figure below.

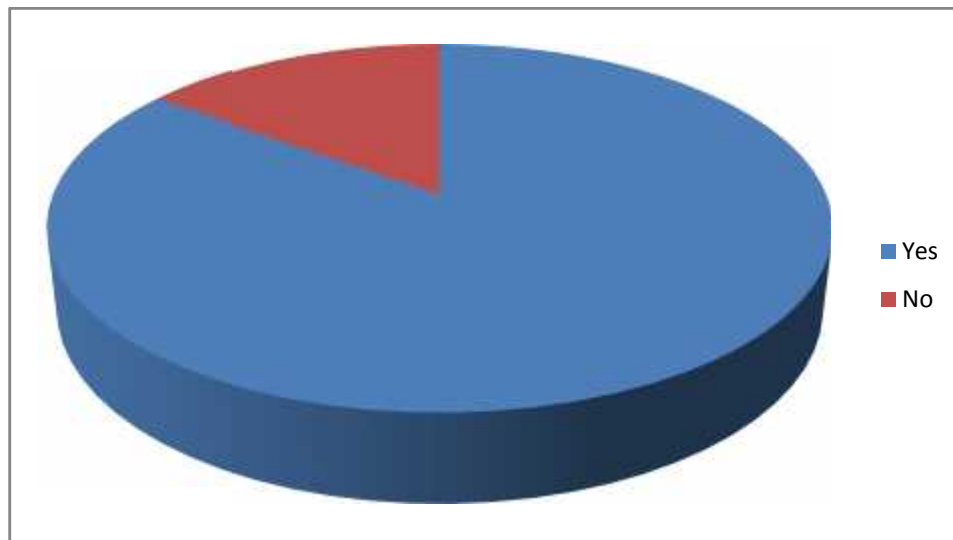


Figure No. 17

**10. Rating of the development of the boutique**

**Table No. 30**  
**Rating of the development of the boutique**

Rating	No.	%
Improving	90	90
Same	10	10
Deteriorating	0	0
Total	100	100%

Source: Field Survey

According to Table no. 30, the development of the boutique has been rated as improving, same and deteriorating. 90% rated as improved while 10% rated same as before. None of the respondents found it deteriorating. Which can be present as figure below.

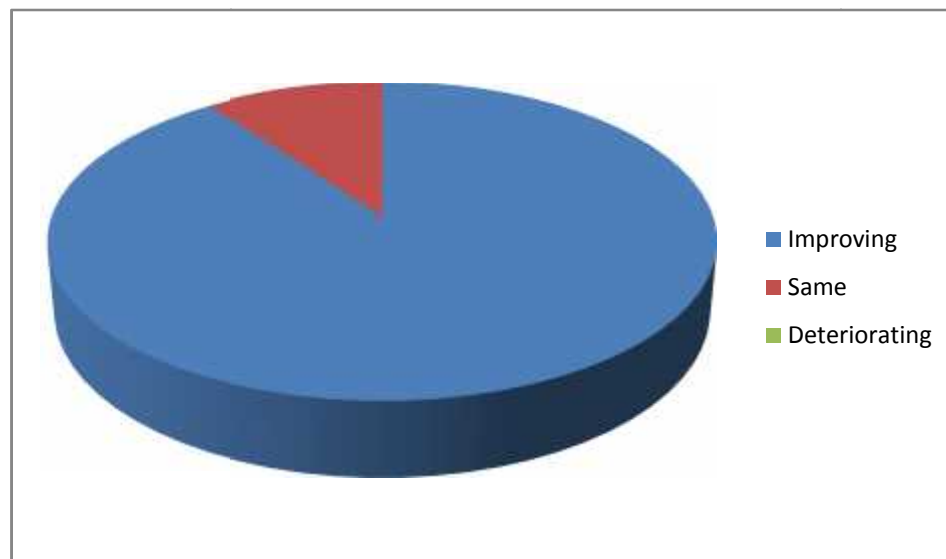


Figure No. 18

**11. Suggestions of additional services**



**Table No. 31**

**Suggestions of additional services**

<b>Suggestions</b>	<b>No.</b>	<b>%</b>
Cash discount	76	76%
Home delivery	20	20%
Credit Facility	4	4%
Others	0	0
Total	100	100%

Source: Field Survey

According to Table no. 31, suggestion of additional services is as follows. 76% preferred cash discount while, 20% preferred home delivery. 4% liked credit facility and none preferred other facility. The above data can be present as figure below.

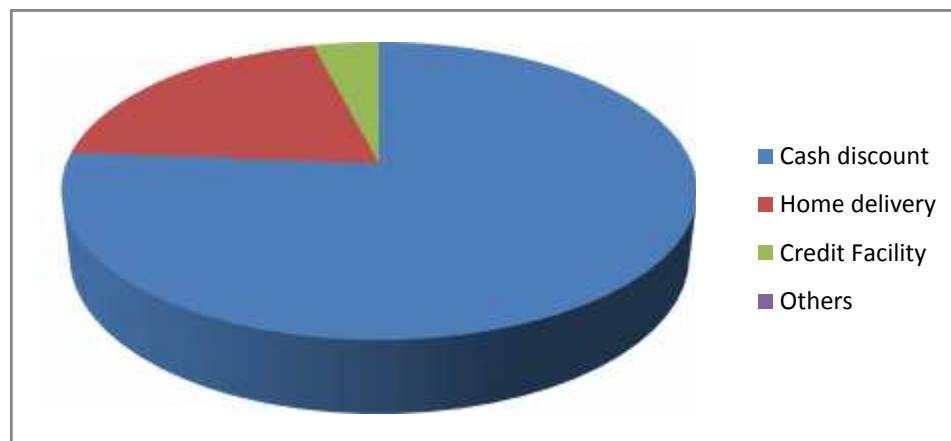


Figure No.19

### **4.3 MAJOR FINDINGS OF THE STUDY**

The following major findings have been obtained from the data presentation and analysis made from previous chapter. First part of analysis deals with response of boutique proprietor.

1. Fifteen years before, none of the boutiques had been opened but, during ten year's time lots of new boutique had opened and profit is also on average. In last ten decades, there is only one boutique organization in Nepal which is called Boutique Association Nepal.
2. Regular customers are usually local people with large percentage of female customers. Boutique proprietor found Baneshwor and Maitidevi area to be convenient and almost all customers came repeatedly to boutique.
3. Frequency of visit is once a month with age group of 25 to 40 years of spending on boutique annually is Rs. 5,000 Rs. 10, 000.
4. Boutique proprietors usually prefer verbal (friends, colleagues), television and magazine media. They were not interested in newspaper media. For promotional media, fashion shows are preferred while, discounts and seasonal sales comes to second and third.
5. Most of the respondents took promotional measures once a year. Planning of the advertisement budget is according to percentage on sale and annual advertisement expenses usually around Rs. 10,000 to 50,000 depend on Boutique organization.
6. There is profit in annual income and most of them think future of boutique business is quite good.

7. Boutique proprietors have various problems and respects. Finance, market condition and pricing are good, while economical and political stability is not adequate. Day by day increasing strikes from trade unions, political parties make the business environment harassment.

7.1. In Nepal Boutique proprietors have to depend on skilled labour, even 90% labours were from nearby country, India. They have to hire by paying a lot of fund. By which a lot of money is going outside the country and obviously product's market price is increasing more. Finally, country's economical growth rate is getting down.

7.2. In spite of being second largest country in water resources country have to face load shedding power cut problems which is increasing day by day. Manufacture has to bear a lot of economical and financial loss from the power cut problems. Beside this shortage of petroleum products is also one of the problems of Nepal, Which hamper on physical distribution and also on export and import of finished goods and raw materials.

7.3. Since the country's import and export regulation's is not boutique business friendly. Since country has to depend on other countries like India, France, Italy for raw materials which is used in boutique products. Proprietors were not well satisfied with government export/import regulation, due to high import tax.

8. Respondents had increased the number of tailors and research work done about boutique products is from students doing project work.

The second part of analysis deals with response of boutique customers. These are some of the major findings.

1. Majority of boutique customers fulfills dress requirement by using boutique services and prefers boutique products. Respondents visit boutique on recommendation of friends. Few percent visit on recommendation of family and advertisement.

2. Majority of the customers had been visiting boutique like celebrity models actor actress and individual. They purchase boutique products usually half-yearly or by changing the fashion in market or they want something extra.

3. Boutique customers are usually satisfied with products and reason for satisfaction is latest design, quality fabrics and good fitting.

4. They found Baneshwor and Maitidevi to be a convenient place and availability of fabric is liked by many people. Respondents are found to be satisfied by the facilities by boutique as delivery on time, alteration of dress and staff behavior.

5. Boutique customers found finance, market condition and marketing of boutique products to be good, while pricing and government support is not adequate. Cash discount is the main suggestion of additional services and others are home delivery and credit facilities.

## **CHAPTER V**

### **5. SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 SUMMARY**

Boutique production and marketing is a not so new phenomenon in the Nepalese market. This is the business that is emerging as a profitable business. The country, which was not, much fashion conscious about 20 years ago, is now gradually shifting to fashion conscious life.

As there are lots of boutiques in Baneshwor and Maitidevi area people usually prefer to go there for stitching of dress. Many choices and designs are available for customers. People are more conscious about their look, so spending money in boutique is not a big issue. People are satisfied with the products and services of boutiques. This is the main reason for the bright future of boutiques.

The main objective of the study is to find out brand loyalty of customers, effectiveness of advertisement, to identify problems and prospects and to make effective marketing of boutique products.

Scientific method of research is used for the study having two well - structured questionnaires. One is designed to conduct for the boutique proprietor and another is for boutique customers. For boutique proprietor 10 questionnaires were distributed and collected and 100 questionnaires for boutique customers.

To draw the outcome of research study, various questions like annual income, advertisement expenses, and frequency of customer visit to boutique, promotional media and advertisement media were collected from 10 boutique proprietors. Another questionnaire was tabulated according to opinion response, attitude and comments of 100 customers incidentally almost who were female.

The data and information by means of the questionnaires were presented, interpreted and analyzed so as to attain the stated objectives of the study.

## **5.2 CONCLUSION**

People are generally influenced by style, comfort and new trends of society. For the study, various respondents from different field were taken. Numerous articles from newspapers were collected so one can know the different aspects of people. The following conclusions are deduced from the opinion survey of 100 individual customers and 10 boutique owners from this study.

1. As people are fast embracing modern culture inclination of the customers to buy boutique products are increasing gradually. Everybody prefers to look best so this trend has given growth to boutique products, which is fast emerging as a profitable business.
2. Marketing aspects is average. Usually boutique owners have good relationship with customers. If customers didn't come frequently then some boutique owner's call and make an

inquiry. So, this gives importance to customers.

3. Discount is given if customers stitch in bulk quantity. Regular customers usually prefer same boutique.
4. Customers are influenced by friends and of latest designs. Living style of people is changing so boutique products are gaining popularity.
5. Boutique owners are not much aware about marketing. Good marketing uplifts the profit of boutique products. Government does not show any interest toward: boutique products, so this is also hampering boutique products. Finance, pricing and market condition changes according to economic condition of the country.
6. People are fast embracing these boutique products, which definitely is a boon for business growth. Nepalese costumers are attentive to advertisement, so they are inclined to buy the products recommended by friends, which is also considered to be a strong advertisement means. Surviving all the problems, boutique products are emerging as a good business
7. Brand loyalty does exist. Most of the boutique customers are brand loyal.

### **5.3 RECOMMENDATIONS**

The following recommendations are made on the basis of the findings of this study.

1. Major problems are lack of awareness among people regarding boutique products. There is only a single association about boutiques where one can discuss the problems and which is not enough. In Baneshwor and Maitidevi area boutiques are opened and closed every month, one should know what are their problems to close the boutique so, finding these solutions there may be certain stability for boutiques in Baneshwor and Maitidevi area. So, the main recommendation is research by which when new boutiques are opened, they would know the challenges and prepare to tackle the obstacles. Existing boutiques can also have researched on so, they can fulfill the customers taste and know what is lacking in their business.
2. One of the major recommendation is there should be more fashion shows so; boutique proprietor can get to show their talent and publicize their products. Boutiques are brought into limelight through fashion shows, which helps in dragging concentration and interest of the customers towards boutique. Other aspects are through advertisement, fashion shows, TV channels, newspapers etc.
3. Many improvements in the field of marketing are necessary, like publishing new products in newspaper which is catchy and draw the attention of the customers. For this more advertisement is recommended, then only public will know what is happening in



the market.

4. In a boutique different varieties of fabrics should be available under one roof, which would be convenient for customers. Strong recommendation for stocking many varieties of fabrics in boutique is the major lure for customers. Customers do not have to go to various shops to buy fabrics and availability of fabric is sure a plus point for boutique customers and proprietors.
5. The political and economical stabilization is one of the essential needs for boutique business. Because of daily strikes badly hampered the business. In spite of being world's second richest country on water resource Nepal have to face daily Electricity power cut problems which is also the one of the big issue which plays the negative role of obstacle for the business, production.
6. Government should have to regulate and monitor the boutique business frequently so that it can control duplicity. Beside that government have to support by reforming the boutique friendly rules and regulation, by deducting tax on importing raw materials and exporting the finished goods, by creating market environment nationally and internationally, regulation boutique friendly law and rights Since the country is lacking of raw materials and skilled labour. Government can make an environment for producing skilled labour in own country by providing trainings and motivate private sector to establish the institutions where people can trained and develop skill.

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## PART I

### QUESTIONNAIRE FOR BOUTIQUE PROPRIETORS

1. How long have you been in the Boutique business?  
 2yrs     5yrs     10 yrs     Recently
2. Do you feel the boutique business is more Profitable?  
 Yes     No
3. Who are Main Customers of the business?  
 Male     Female
4. Who are the Regular Customers of your Boutique?  
 Local people     Foreigner
5. Who is more Repetition Customers of the Boutique?  
 Male     Female
6. Is the Baneshwor area convenient for the boutique Business?  
 Yes     No
7. What is the frequency of the costumer's visit?  
 Once a week     once a fortnight     once a month
8. What is the age group of the customers?  
 15-25 yrs     25-40 yrs     Above 40 yrs.

9. What are the average expenses done by the customers annually?

Below 5000       5000-10000       Above  
10000

10. What advertising media do you prefer for the advertisement?

TV     Magazine     Verbal     Newspaper      
Others

11. What is your preference for the promotional media for Marketing?

Gift Scheme       Fashion Show  
 Discount Offers     Season Sales     Others

12. How often do you undertake the promotional measures?

In one year     2 times a year       3 times a  
year

13. How do you plan (base) for your advertisement budget?

Percentage sale     Lump sum      
others

14. What are your approx. annual advertisement expenses?

10000     25000     above 25000

15. Is there any Profit in your annual income?

Yes       No

If yes, please indicate your Profit Range.

Below 500000       500000       above  
500000

16. What is the future of the boutique business in the Baneshwor market?

Gloomy       Fair       Average        
Good

17. What do you think about Problems and prospects of boutique products?

Finance Market Condition    Marketing Pricing Government Support

Good  
 Poor  
 Deterioration

18. Have you increased the number of tailors after establishing your boutique?

Yes       No

19. Do you know any Research work done about Boutique Products?  
If it is, who has done it?

Boutique Management      Research      distribution  
others

## **Second Part**

### **Questionnaire for Boutique Customers**

1. How do you fulfill your Dress requirements?

Readymade Dress Purchase       Stitching by Tailors

Using Boutique Services

2. What is your Preference of Dress?

Readymade Dress       Boutique Products     

Tailors



3. Who recommended this Boutique to you?

Friend  Family  Advertisement  Others

4. How long have you been visiting this Boutique?

5 yrs  3 yrs  2 yrs  1 yr

5. How frequently do you purchase the Boutique products?

Monthly  Quarterly  Half yearly   
Yearly

6. Are you satisfied with Boutique products in Baneshwor area?

Yes  No

If yes, what are the reasons of satisfaction?

Good Fitting  Quality Fabric  Latest Design  
Price Factors

7. Is the location of boutique convenient for you?

Yes  No

8. Are you satisfied with the facilities provided by Boutiques of Baneshwor Market concerning;

Delivery on time  Alternation of dress  Staff  
Behavior

9. Is availability of fabrics convenient for you?

Yes  No

10. What do you feel about the Problems & Prospects in Boutique products?

Finance Market Condition   Marketing Pricing   Govt.Support

Good

Poor

Deteriorating

11. How do you rate the Development of Boutique you are visiting?

Improving       Same       Deteriorating

12. Will you suggest any additional services like:

Cash Discount     Home Delivery     Credit Facilities      
Others