

Marketing Mix & Its Impact on the Effectiveness of Telecom Service Provider of Ncell Pvt. Ltd.

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Abstract—This study aims mainly to analyze the impact of marketing promotion mix on the effectiveness of Telecom Service Provider of Ncell Pvt. Ltd. The data used in this study is mainly qualitative and analysis has been carried out by using questionnaires and observations of the customers using Ncell. The study focuses on how the various tools of marketing mix can be designed to make communication more effective. The study shows that promotional campaign of Ncell service directly impact to its sales volume. Through different campaign the service has grabbed large number of subscribers. The study has also tried to find out the most desirable feature of mobile services as well. This study comprises 100 sample size of population from Birgunj city of Nepal to analyze the marketing performance of Ncell.

Keywords: marketing mix, promotional campaign, network, communication

1. INTRODUCTION

Nepal's geographic and dispersed population, the insufficient use of information and communication technology (ICT) is directly relevant to this low economic performance.

Ncell Pvt. Ltd. has been working in Nepal since 2005 as the first private mobile operator in the country. They are committed to being the best local mobile network for the people living in the country. They provide services of international quality with a local touch. Most of their employees are Nepali and services are designed to meet the needs of the local society.

They are constantly working towards the goals of connecting everyone in Nepal through their network, providing high quality, modern and cost effective services and creating value for their customers and partners. Ncell is part of the Axiata Group Berhad, one of Asia's leading telecommunications group.

The rapid forces of globalization, change and competition have compelled firms to formulate marketing strategy and mix that operate beyond the present market challenges by satisfying current customer and entice a sizeable proportion of the target market in the long run through a continuous modification of its various tools. Promotion is an integrated and comprehensive terms, and covers the entire gamut of

advertising, publicity, public relations, personal selling and sales promotion. In the present competitive world if any business organization has to survive it needs to keep an eye on various forces operating in the market.

2. REVIEW OF LITERATURE

According to Kotler (2010) Marketing Management entails the art and science of applying core marketing concepts to choose target markets and get, keep, and grow customers through creating, delivering, and communicating superior customer value. It is a discipline which focused on the practical application of marketing techniques and the management of a firm's marketing resources and activities (Joshi, 2005).

Publicity is a subset of the public relations. "Publicity refers to the generation of news about a person, product, or service that appears in broadcast or print media". Publicity is so much more powerful than advertising or sales promotion because publicity is highly credible for its news value and the frequency of exposure of product or service (Belch & Belch, 2009, p.574).

Jyoti Shrestha (2007) in thesis entitled "A study on advertising and its impact on the buying behavior of the consumer" dealt with finding out impact of advertisement on buying behavior. The objective of the study was to find out the relationship between consumer's attitude towards advertisement and buying decisions, to understand the consumer's credibility towards advertising and its effect on buying decision and to get insights about the factors affecting consumer decision process. Thus the study show findings like advertising is the first effective source of conveying information which affects consumers while making buying decisions.

Dipankar Raj Bajracharya (2007) in his thesis "Advertising and sales promotion of Samsung Television in Nepal" conducted study on advertising and sales promotion activities of promotional mix. The objective of the study was to evaluate the effectiveness of advertising and sales promotion for attaining and retaining the market share of television business in Nepal, to analyze the importance of sales promotion in building company's reputation, to review the market status of

Samsung television, and to examine brand awareness of the consumers. The study came up with findings that the advertising plays a vital role in sales of TV in this competitive market and trade promotion is more effective way to increase the sales of the company.

Sales promotion techniques are designed to produce outcome quickly as a result accelerates the selling process and brings maximizes sales (Altstiel & Grow, 2006, pp.323-324).

Kishor Raj Aryal (2002) in "The study of Market Share of Colgate in comparison with other Brands" tried to show that sales promotion, advertising, price and consumer behaviour impact on sales of the product. It also showed how it affects market share of Colgate. The research tried to find out the popular media of advertisement for toothpaste, which can easily attract the potential consumers on each brand of companies, to identify the competition of Colgate toothpaste the term of sales, to identify the buying behavior of Colgate toothpaste, and to observe the impact of pricing factor on Colgate toothpaste.

Shree Chandra Bhatta (1998) conducted research titled "Sales Promotion and its effect on sales: A case study of Beer Market of Nepal" with an objective of finding out which mode of sales promotion is more acceptable by the Nepalese consumers and which mode is more wisely used by manufacturers as sales promotional tools, to find out the most suitable media to advertise about the sales promotion to evaluate the effectiveness of sales promotional activities in sales of Beer in Nepal and to predict the sales of coming year if every factor remain same.

3. RESEARCH METHODOLOGY

Data Collection Procedure

A Structured questionnaire was developed for the purpose of collection data from the Ncell mobile user who are the real consumer.

Within the boundary of certain limitation among the large population, only 100 sample size has been taken from real consumers and trade survey through 2 agents, 7 subagents and 1 customer care center.

Data Analysis Techniques

This study has compiled the data in percentage and average. Finally the effectiveness of promotional strategy of Ncell in the society has been tried to find by getting the questionnaires filled.

DATA ANALYSIS

The data has been collected and interpreted into two categories - consumer survey and trade survey. Consumer survey refers to survey performed among real users of the mobile service. And trade survey refers to survey performed among agent subagents and customer care center.

Buying Decision

The study has tried to show the response of respondent's regarding buying decision through very simple and specific questions, such as, "What kind of things you consider while buying any service?" "What factors play a vital role in Mobile service buying decision?" "Or "What influenced you to decide to buy Ncell Service?"

What kinds of things you consider while buying any service?

(In Birgunj city)

| Factor Consider | Respondents | Percent |
|-----------------|-------------|---------|
| Price | 20 | 20 |
| Brand Name | 25 | 25 |
| Service | 35 | 35 |
| Facility | 20 | 20 |
| Total | 100 | 100 |

(Source: Primary Data)

Interpretation

Table shows the things considered by respondents while buying any service. Regarding to the particular research, 35% of respondents considered service was the key factor while buying a service which is highest among all. Likewise respondents who consider price and facility are 20% and respondents considering brand name are 25% which is second highest.

What factors play a vital role in mobile buying decision?

In Birgunj city

| Factors | Respondents | Percent |
|------------------|-------------|---------|
| Network Coverage | 50 | 50 |
| Service Charge | 15 | 15 |
| Service Features | 30 | 30 |
| Others | 5 | 5 |
| Total | 100 | 100 |

(Source: Primary Data)

Interpretation

Table shows that out of total respondents, 50% of respondents' Mobile service buying decision is triggered by Network Coverage - which is the highest among all. Likewise respondents whose important factor is Service charge is 15% and Service features is 30% and others factors is 5% which is the lowest among all.

What influence you to decide to buy Ncell Service?

In Birgunj City

| Influencing Factors | Respondents | Percent |
|--------------------------|-------------|---------|
| Network Coverage | 25 | 25 |
| Hassle FreeSubscriptionn | 40 | 40 |
| One Hrs Talk time | 20 | 20 |
| MMS | 5 | 5 |
| Ramro Tariff | 10 | 10 |
| Total | 100 | 100 |

Source: Primary Data)

Interpretation

As above table shows, interestingly Network coverage was not the key influence factor for respondents to buy Ncell services. Only 20% purchased Ncell services because of Network Coverage. 40% of the respondents purchased Ncell services because of its hassle free subscription process. Similarly, 20% purchased it because of one hour talk time and 10 and 5% of the respondents purchased the services because of "Ramro Tariff", the recently launched Ncell promotional campaign, and MMS respectively.

Advertising Impact

A huge variety of media channels was used for the display of advertising, usually in the form of combination or mix. The study has tried to find out an advertisement impact on respondents which was deliberated by different media channel.

What factors in advertising attract you the most?

In Birgunj city

| Factors | Respondents | Percent |
|--------------|-------------|---------|
| Presentation | 25 | 25 |
| Theme | 25 | 25 |
| Information | 35 | 35 |
| Artists | 15 | 15 |
| Total | 100 | 100 |

(Source: Primary Data)

Interpretation

According to above Table, 25% for the respondent's most attracting factor in advertising is presentation. Similarly, other 25% were attracted by Theme; again 35% of respondents were attracted by information and 15% were attracted by artists. As we all know that advertisement is informative mass communication process through which valuable information can be attained so, the highest no. if respondents are attracted by information factor. Likewise, very low no. of respondents was attracted by artists.

Have you seen the Ncell advertisement?

In Birgunj city

| Option | Respondent | Percent |
|--------|------------|---------|
| Yes | 95 | 95 |
| No | 5 | 5 |
| Total | 100 | 100 |

Interpretation

Table indicates that 95% of the respondents have seen the advertisement in different media. Only 5% of respondent haven't seen advertisement. This means Ncell is very popular among the respondents.

If yes, can you name any of them?

In Birgunj city

| Advertisement | Respondents | Percent |
|-------------------|-------------|---------|
| One Paisa | 10 | 10 |
| Concert | 10 | 10 |
| One Hrs talk time | 20 | 20 |
| PRBT | 5 | 5 |
| MMS | 5 | 5 |
| Ramro tariff | 10 | 10 |
| All above | 40 | 40 |
| Total | 100 | 100 |

(Source: Primary Data)

Interpretation

According to above table out of total respondents, 10% of respondents had noticed One paisa campaign, another 10% of respondents had noticed Concert, and 20% of respondent noticed One hr talk time which is second highest among all. PBRT and MMS campaign had been noticed by 5% each respectively. The recently launched one of the successful campaign called "Ramro tariff" had been noticed by 10%. As all above advertisement is popular and specific, so 40% respondents had noticed all of the advertisement and which is highest among all option.

Do you think advertisement provides us with valuable information about product features?

(In Birgunj city)

| Option | Respondents | Percent |
|--------|-------------|---------|
| Yes | 71 | 71 |
| No | 29 | 29 |
| Total | 100 | 100 |

(Source: Primary Data)

Interpretations

Table shows that the respondents who thought advertisement provides valuable information about product features is 71% and the respondents who have opposite thought is 29%. Highest group of respondents believe that through promotional activity they get information about the product features which is available in market and help them to make buying decision. And small group of respondents have different feeling according to their behavior.

Has regular advertisement in different media been able to create positive response towards particular product?

(In Birgunj city)

| Option | Respondent | Percent |
|--------|------------|---------|
| Yes | 82 | 82 |
| No | 18 | 18 |
| Total | 100 | 100 |

(Source: Primary Data)

Interpretation

Above table indicates at 82% of respondents believe that regular advertising in different media have been able to create positive response towards the particular product while 18% of respondents doesn't believe that regular advertising can provide positive response towards particular product.

Brand Awareness

The cost of winning new customers is much higher than retaining and cross selling to existing customers, so brand awareness is important economic factor in profitable brand development. So, the researcher tried to know about brand awareness through simple question like “what factors cause the brand awareness of Ncell? “For brand awareness which promotional tools are most effective?”

What factors cause the brand awareness of Ncell?

In Birgunj city

| Factors | Respondents | Percent |
|-------------------|-------------|---------|
| Promotional Blend | 70 | 70 |
| Service Feature | 15 | 15 |
| Service Charge | 10 | 10 |
| Others | 5 | 5 |
| Total | 100 | 100 |

(Source: - Primary Data)

Interpretation

According to the table, 70% of respondents which is the highest no. of respondents were aware about the particular brand through the help of promotional blend. 15% through service feature, 10% through service charge and 5% through other factors. Ncell had launched various campaigns to promote brand in initial period to date to create brand awareness which seems successful by obtaining the result of above table.

For brand awareness which promotional tools is most effective?

In Birgunj city

| Promotional | Respondents | Percent |
|-----------------|-------------|---------|
| Advertising | 47 | 47 |
| Sales Promotion | 20 | 20 |
| Public Relation | 28 | 28 |
| Others | 5 | 5 |
| Total | 100 | 100 |

(Source: Primary Data)

Interpretation

According to above table, though having such strong competitors like Nepal Telecom, Ncell is success to aware respondents about new brand in GSM mobile service due to effective communication mix tools. As a result, 47% of respondents were aware of Ncell brand by advertising, 20% through sales promotion and 28 % from public relations and 5% through other factors.

Do you think ‘Ncell’ is strong competitor of NTC?

In Birgunj city

| Option | Respondents | Percent |
|--------|-------------|---------|
| Yes | 68 | 68 |
| No | 32 | 32 |
| Total | 100 | 100 |

(Source: Primary Data)

Interpretation

According to Table, 68% of respondents think that Ncell is strong competitors of NT because within very short period of time Ncell become popular among the respondent through promotional strategy, 32% of respondents still don't think that Ncell is strong competitors of NTC because they are loyal to their existing brand. But largest no. of respondents believes that Ncell is strong competitors of NTC.

If yes what must be the factors?

In Birgunj city

| Factors | Respondents | Percent |
|----------------------------|-------------|---------|
| Easy to Get Sim Card | 45 | 45 |
| Widely Distributed | 5 | 5 |
| Cheap Cost | 5 | 5 |
| Least Network Problem | 20 | 20 |
| Improved GSM Technology | 5 | 5 |
| Heavy promotional Campaign | 20 | 20 |
| Total | 100 | 100 |

(Source: - Primary Data)

Interpretation

According to Table, 45% of respondents feel easy to get sim card is the competitive factor of Ncell. Likewise respondents those who feel wide distribution, cheap cost and Improved GSM technology as the most competitive factor of Ncell are 5% each respectively. While 20% of respondents those who believe least network problem as the competitive factor of Ncell. Last but not the least 20% of respondent believe in heavy promotion campaign as the most effective factor of Ncell to compete with NTC.

4. CONCLUSION

The study shows that promotional campaign of Ncell service directly impact to its sales volume. Through different campaign the service has grabbed large no. of subscribers. The study also tried to find out the most desirable feature of mobile service. Number of respondent used Ncell service as they perceived it has least network problem, and it provides lots of facility like free talk time, MMS and Ramro tariff. Nobody have enough time to involve in same problem for long time. So, Hassle free is also most effective service of Ncell. Sales promotion and advertisement are the most attractive promotional strategy used by the company to communicate with the consumers. One hr talk time, Ramro tariff is the most successful campaign.

The total number of subscribers which the Ncell has achieved till date stands at 95, 53,404. As such, 87, 89,131 no. of subscribers were achieved from the consumer promotion and the rest from other activities. Ncell subscribers are increasing at a healthy clip owing to the effective promotional strategies.

It is recommended that telecommunication Industry in Nepal should appreciate and exploit the opportunities offered by

promotion and learn how to modify promotional techniques to meet the needs to diverse target market like Nepal.

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