CHAPTER 1
INTRODUCTION TO THE STUDY

1.1. Introduction

1.2. Management Problem

1.3. Statement of the Research Problem

1.4. Hypothesis

1.5. Objectives of the Study

1.6. Scope of the Study

1.7. Rational Behind the Study

1.8. Importance of the Study

1.9. Research Methodology

1.10. Chapterisation

CHAPTER 1
INTRODUCTION TO THE STUDY

1.1. INTRODUCTION

We remain as a student throughout our life as the process of learning continued till the end of our life. In childhood when we start education from that we are connected with the notebooks. It is impossible to the students to learn without notebook. There are different types of notebooks in market such as blank paper notebook for drawing, square line notebook for numerical, four line notebook for learning English alphabets, single line notebook for regular use etc. Notebooks are also classified on the basis of their size. Everyone use such different types of notebooks at different stages of his life.

Present research is based on the study of market potential and marketing mix of notebook, which will give information about the current market potential in rupee value as well as in unit volume and marketing mix of notebook as per the different notebook manufacturing and marketing companies. This research will give the guideline to new entrepreneur who are interested in the notebook business.

1.2. MANAGEMENT PROBLEM

Notebooks' having great market share in stationary product since education process is incomplete without notebooks. As a result, for a rising entrepreneur it becomes necessary to know existing market potential in unit as well as in revenue form for notebooks. At the same time he must have to recognize consumer behavior i.e. different parameters used by different customers at the time of purchasing notebooks, their expectations regarding product etc. because up to 7th standard (age group 4 to 13 yrs) generally parents are decision makers but from 8th standard up to post graduation level (age group 14 to 24 yrs) every individual having different choices and using different parameters for purchasing notebook. To survive in competition in market an entrepreneur must have to know which strategies will be used to capture different market segments. Finally it is also necessary for rising entrepreneur to know the future of the industry i.e. whether education through computer will affect to notebook industry or not.

1.3. STATEMENT OF THE RESEARCH PROBLEM

The research problem is to find out existing market potential as well as to study the marketing mix and different strategies used by company to attract customers.

Hence the statement of the Research problem is "A Study of Market Potential and Marketing Mix of Notebook Industry in Satara Taluka." The title is significant as it reveals the study of market potential and marketing mix for notebook industry which will helpful for a new entrepreneur.

1.4. HYPOTHESIS

Present study set to test following hypothesis:

1) Market potential of notebooks is going to be reduced day by day from lower segment (1st to 7th standard) to upper segment (Graduation and above).

1.5. OBJECTIVES OF THE STUDY

The objectives set for present study are as follows:

1) To study market potential for notebook industry in Satara Taluka.
2) To study marketing mix of notebook industry.
3) To study parameters used by customers while purchasing notebooks.
4) To study the expectation of consumers about notebooks.

1.6. SCOPE OF THE STUDY

Present research is undertaken in Satara taluka of Maharashtra state, India. The owner of retail stationary shops and customers from different segments in Satara taluka are taken as samples. The data is collected in the period of 2008 to 2010.

The study is dealt with concepts of market potential, methods to analyze market potential and marketing mix which contain product mix, price mix, promotion mix, place mix and last but not the least concept of consumer behavior.

Data is collected by using the Polar Questions, Ranking Method. Data is analyzed by using percentage technique, weighted average, rank, tabulation etc.

1.7. RATIONAL BEHIND THE STUDY

There is great intellectual capacity in youngsters of India, but most of they are in search of job in reputed MNCs, while who wants to become an entrepreneur. They are facing lot of problems like weak financial support, unavailability of skilled labour, highly costed land, old technology, lack of market knowledge etc. Thus market research becomes inevitable part for an upcoming entrepreneur entering into any industry. It is also

necessary to know the recent market trends, market potential, marketing mix and study of consumer behavior towards that product etc. As far as notebook industry is concern, from childhood to end of life everyone is connected with notebooks. So there is always great demand for notebooks from K.G. to P.G. students. Thus it is necessary to take a review of this industry. This study is also help to know the effect of education through computer on Notebook industry.

1.8. IMPORTANCE OF THE STUDY

When an entrepreneur enters into the new profession/ business he must go for market research i.e. he have to study current situation of industry, recent market trends, future of industry, existing competitors etc. It also involves study of market potential, marketing mix, consumer behavior about the product etc. There are various notebook firms in market and every one use his own strategy to attract the market and satisfy the needs of the customers. Present research will help to aware new entrepreneur about current market potential, marketing mix i.e. product mix, price mix, promotion mix, place mix about notebooks and varied expectations of customer as per different segments etc. which will helps to capture more number of customers. The entrepreneur will also come to know future of the industry i.e. judge the impact of computerization on notebook industry and solution over it.

1.9. RESEARCH METHODOLOGY:

The present study is descriptive in nature. Research methodology will help to collect the data from various source and for better data analysis and findings.

1.9.1. Selection of sample:

For present research students from 1st to graduation and above level as well as shop owners are taken as samples. Students of different standard are selected by proportionate stratified random sampling technique. Researcher distribute total population in four stratas in which first strata is from 1st to 7th standard, second from 8th to 10th, third from 11th to 12th while fourth strata contain students in graduation and above level.

Table 1.1.
Total population and Number of samples selected

Following table shows population of student in different segments in Satara taluka and samples selected for study.

Sr.No.	Class	Population	Selected No. of samples
1	1st to 7th	30404	305
2	8th to 10th	23266	232
3	11th to 12th	11649	117
4	Graduation and above	17437	174
	Total	**82756**	**828**

(Source: Zilla Parishad, Satara 2008)

Total population for present study is 82756 from which researcher select 1% samples i.e 828. From each strata researcher select 1 % samples from total population of that particular strata viz. 305 samples from 1st to 7th standard, 232 samples from 8th to 10th standard, 117 samples from 11th to 12th standard, 174 samples from Graduation and above level.

While total numbers of shops in Satara are 1637 in which 132 are stationary shops.[1] Census sampling method is used for selecting stationary shops.

1.9.2. Methods of data collection:

To attain objectives of study data regarding total number of schools and institutes, total number of students and total number of retailers in Satara taluka and other information related to current scenario of notebook industry, organization profile of existing strong players in notebook industry with their marketing mix and strategies is required. The concept of market potential, marketing mix comprising of 4 P's and consumer behavior etc. is required.

Feedback from shop owners about marketing mix and customers about their requirement of notebooks, preferences during purchasing, expectations from notebooks is a very important.

> **Primary Data Sources**

Primary data is collected in the form of feedback from shop owners about marketing mix while customers about their expectations. Interviews of retailers are taken. While formal

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[1] As per registered under Bombay shop act till Dec.2008,Satara District record.

discussions are held with customers to know quantity of notebooks required in one academic year, parameters used while buying, reasons for particular brand if any and their expectations from notebooks.

 ➢ **Secondary Data Sources**

Conceptual information about market potential, sales potential, marketing mix comprising of product mix, price mix, place mix and promotion mix etc. with consumer behaviour is collected through secondary source using websites, books, journals, etc.

1.9.3. Instrument:

The primary data is collected from shop owners through structured schedule. The schedule is structured on the basis of detail information about notebooks of various brands. It contain structures like availability of different brands of notebooks, preference for selling, company's promotion techniques for more sale and special efforts if any, about average prices and total sale of different types of notebooks with different quantity of pages, information of distribution channels and impact of computerization on notebook industry.

The primary data is collected from the customers in different segments by using codified questionnaire which gives information about total number of different types of notebooks required to sample in one academic year, preferences given for brands and parameters while purchasing notebooks, attractive promotional tools used by companies and their other expectations about notebooks in future if any etc.

The schedule and questionnaire carries close ended questions and few open ended questions out of which some are seeking demographic profile of samples. The schedule is executed by researcher in person.

1.9.4. Data analysis:

Data is classified and tabulated with the help of Ms-Excel. Data is analyzed by using simple percentage technique, Weighted Average, Ranking method, Graphs etc.

1.10. CONCEPTS USED FOR STUDY:

Present study brings in use concepts like Market Potential, Marketing Mix and Consumer Behaviour. These concepts are depicted in short.

A) Concept of Market Potential

Market potential is the maximum amount of sales that might be available to all the firms in an industry during a given period, under a given level industry marketing effort and environmental conditions. A common way to estimate total market potential is as follows: Estimate the potential number of buyers times the average quantity purchased by a buyer times the price.

B) Concept of Marketing Mix

Marketing Mix is one of the most fundamental concepts in marketing management. For attracting consumers and for sales promotion, every manufacturer has to concentrate on four basic elements/components. These are product, pricing, distributive channels (place) and sales promotion techniques. A fair combination of these marketing elements is called Marketing Mix.[2]

❖ Product mix

In a narrow sense, a product is set of attributes assembled in an identifiable form. Each product is identified by a commonly understood descriptive name, product attributes such as brand name and post sale service that appeal to consumer motivation or buying patterns play no part in this narrow interpretation.

❖ Price mix

Price is the only element of the marketing mix that produces revenue, the other elements produce costs. Price is also one of the most flexible elements of marketing mix, in that it can be changed quickly. Price is one of the most flexible elements of marketing mix, in that it can be changed quickly. Price is one of the most important elements determining company market share and profitability. Price includes production costs like material cost, labor cost and administrative, advertising and selling costs and margin of profit.

❖ Place mix

Place stands for the various activities the company undertakes to make the product accessible and available to target customer. Place includes the channel of distributions and physical distribution of the product.

❖ Promotion mix

Promotion is a form of communication. A company uses promotion to provide more information for the decision maker's buying decision process to assist on differentiating its product and to persuade potential buyers.

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[2] http://kalyan-city.blogspot.com/2010/05/marketing-marketing-mix-4-ps-of.html 6.26 11/07/2010

C) Consumer Behaviour

Consumer behaviour is the study of when, why, how, and where people do or do not buy product.

It blends elements from psychology, sociology, social anthropology and economics. It attempts to understand the buyer decision making process, both individually and in groups.

Consumer Behaviour is defined as, "It is the process and activities people engage in when searching for, selecting, purchasing, using, evaluating, and disposing of products and services so as to satisfy their needs and desires."[3]

The study of consumer behaviour helps to know the buying pattern, expectations of the consumers and motivation behind purchasing the particular product. This will help to develop marketing mix strategy like product mix, price nix, place mix and promotion mix etc.

1.11. CHAPTERISATION

The articulation of the present study is going to be made in the following five chapters.

CHAPTER-1: INTRODUCTION TO THE STUDY

It depicts introduction to the study, management problem, statement of research problem as well as hypotheses, objectives, scope, importance and research methodology adopted for this study.

CHAPTER-2 : INDUSTRIAL PROFILE

It includes brief introduction and profiles of branded companies in Notebook Industry in India. The chapter also contain current scenario of Notebook Industry in India.

CHAPTER-3 : CONCEPTUAL FRAMEWORK

It narrates basic concept, definitions adopted for the study and its applications with present work.

CHAPTER-4 :ANALYSIS AND INTERPRETATION OF DATA

It reveals presentation of data in tabular form with its interpretation.

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[3] http://books.google.com/books?id=8glkalgaAcc&printsec=frontcover 15/07/2009 10.51pm

CHAPTER-5 : FINDINGS AND SUGGESTIONS

It presents findings based on data analysis, the chapter end up with concluding remark by researcher.

Besides above chapter, dissertation is appended with instrument used and bibliography.