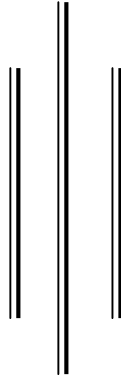


**CONSUMER BEHAVIOUR OF DECISION MAKING
PROCESS ON PURCHASING MOTORBIKE IN
KATHMANDU CITY**



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Kathmandu, Nepal
March, 2011

RECOMMENDATION

This is to certify that the thesis
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Entitled

Consumer Behaviour Of Decision Making Process On Purchasing Motorbike In Kathmandu City

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DECLARATION

I hereby declare that the work reported in the thesis entitled “**Consumer Behaviour of Decision Making Process on Purchasing Motorbike in Kathmandu City**” submitted to the Office of the Dean, Faculty of Management, Tribhuvan University, is original work done in the form of partial fulfillment of the requirement for the Master of Business Studies (M.B.S.) under the supervision of Mr. Shiva Prasad Pokharel of Patan Multiple Campus.

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ABBREVIATIONS

MKT	Marketing
MBS	Master in Business Studies
NO.	Number
SLC	School Leaving Certificate
TV	Television
%	Percentage
i.e.	that is

CHAPTER I

INTRODUCTION

1.1 Background of the Study

National development of any country depends upon the economic development of that country and economic development is supported by trade and business of any country. For the promotion of trade and business consumer plays a vital role. The success and failure of any business entirely depends on consumer's reaction to a firm's marketing mix or strategies mix or strategies. Firm's marketing mix or strategies should be designed in such way that satisfies consumers need and wants. To design and effective marketing strategy that satisfies consumer's unsatisfied need and wants, a firm should know the buying behavior of consumers. Understanding consumer buying behavior is an important task for today's marketers.

Consumer behavior may be defined as the decision process and physical activity individual engage in when evaluating, acquiring, using or disposing of goods and services (London and Della Bitta, 1993: 5)

Generally, the consumer buying process consist of five stages problem recognition, information search, evaluation of alternatives, purchases and post purchase evaluation.

The initial stage of consumer's buying behaviour is the problem is the problem recognition and it occurs when a buyer becomes aware of the fact that there is difference between a desired state and an actual condition. After becoming aware of the problem or need, the consumer searches for information regarding availability of brands, product features, seller's characteristics, process and other relevant aspects. Duration and intensity of search efforts depends on buyers experience in purchasing and nature of the product to be purchased. During this stage, however, consumer has developed evoked set the set of brands of a product which the buyer actually considers while making a specific brands choice.

Products are the evoked sets have been evaluated in the third stage of buying process. To evaluate the products in the evoked set, a consumer establishes a set

of criteria to compare the product characteristics. Using the criteria and considering the importance of each, a buyer rates and eventually ranks the brands in the evoked set. If the evaluation yield on or more brands that the consumer is willing to buy, the consumer is ready to move on to the next stage of decision process i.e. purchase stage. During this stage, consumer selects not only the product of brand to buy but also select seller or store from which she/he will buy the product. The actual act of purchase occurs during this stage. But, not all decision process lead to a purchase; the individual may terminate the processes prior to purchase. After purchase, buyers start to evaluate the product known as post-purchase evaluation. The outcome of the post-purchase evaluation is either satisfaction or dissatisfaction, which feeds back to other stages of the decision process and influences subsequent purchase (Narayan and Markin, 1975: 7-11)

Though the consumer buying decision process consists of five stages, all the consumers do not always go through all these five stages. The individual may terminate the process during any stage. This depends on the experience of consumer involved in purchasing and the nature of the products she/he wants to purchase. Persons in high-involvement decision process may omit some of these stages. Whatever be the buying process, it is essential for the modern marketer to know the buying behavior of his or her target customer for the long-term survival.

In the last few years, the business environment of Nepal too has been changed drastically. An implementation of one window system for both domestic and foreign investors and adoption of free and liberal trade policy have increased the business activities to a great extent throughout the country. Consequently, business has become more complex and competitive. To survive in such a changing and competitive business environment, all activities of the business must be focused on the consumer (Koirala, 2048:33)

In reality, the consumer is sovereign, deciding whether to accept or reject a product on the basis of whether or not it meets perceived needs and desires. To meet perceived needs and desires of the consumers, the marketer should understand the buying behavior of consumer. However, understanding of consumer buying behavior is a complex and difficult task as it is influenced by many factors.

Generally, consumer behavior is influenced by four factors: cultural (culture, subculture and socio class); social (reference groups, family and social roles and statuses); personal (age, stage in the life cycle, occupation, economic circumstances, lifestyle, personality and self-concept; and psychological (motivation, perception, learning, beliefs and attitudes) (Kotler, 2003: 198). Research into these factors can provide clues to reach and serve consumers more effectively.

Consumers' needs and desired undergo change from time to time. In order to adapt business with changing pace of consumers, need and desires, it is essential for marketers to conduct research continuously on consumers. Realizing this fact, business enterprises of advanced countries have carried out a series of researches on consumer behavior. However, such practices of studying consumer buying behavior are rare in our country. Here, an attempt has been made to study the consumer behavior with respect to decision making process of motorbike purchase in Kathmandu city.

1.2 Focus of the Study:-

There are number of showroom, retail-outlet, wholesaler and supermarket which sell different brands of products. The success and failure of any business firm entirely depends on consumer's reaction to its offerings. It is, therefore essential for the market or manufacturer of the products and services to understand the consumer buying behavior in today's changing and competitive business environment.

Understanding, consumer behavior had become more complex and complicated day by day. It requires continuous efforts of investigation and exploration of consumers. However, such practice of investigation and exploration of consumers. However, such practice of investigation and exploration on consumer buying behavior are too rare or entirely absent in Nepalese business perspective.

1.3 statement of the Problem

In recent years, the international business environment has been marked by far-reaching changes. In the last few years, the business environment of Nepal too has been changed drastically. An implementation of one window system for

both domestic and foreign investors and adoption of free and liberal trade policy have increased the business activities to a great extent throughout the country. Consequently, business has become more complex and competitive. To survive in such a changing and competitive business environment, all activities of the business must be focused on the consumer.

In reality, the consumer is sovereign, deciding whether to accept or reject a product on the basis of whether or not it meets perceived needs and desires. To meet perceived needs and desires of the consumers. However, understanding of consumer buying behavior is a complex and difficult task as it is influenced by many factors such as cultural, social, personal and psychological. In addition, consumer behavior is a changing phenomenon.

Consumers' needs and desires undergo change from time to time. In order to adapt business with changing pace of consumers' needs and desires, it is essential for marketers to conduct research continuously on consumers. Realizing this fact, business enterprises of advanced countries have carried out a series of researches on consumer behavior. However, such practices of studying consumer buying behavior are rare in our country. Here, an attempt has been made to study the consumer behavior with respect to decision making process of motorbike purchase in Kathmandu city.

1.4 Objectives of the Study

Understanding consumer behavior has become more complex and complicated day by day. It requires continuous efforts of investigation and exploration of consumers. An attempt has been made in this work to study consumer behavior with respect to decision-making process of motorbike purchasing in Kathmandu City. The main objectives of this study are mentioned below:

- i) To study & analyze the decision making process of motorbike owners in Kathmandu City and to determine the purpose purchasing.
- ii) To study & examine the profile of the motorbike owners on the basis of age, gender, income & qualification.
- iii) To evaluate and find out the factors influencing for brand sold as well as consumer buying behavior.
- iv) To determine and find out attitude of other influencing consumer choices process as well as personal belief in consumer behavior.
- v) To provide suggestions on the basis of study findings.

1.5 Importance of the Study

The Nepalese market has been gradually turned into cutthroat competition. Different types of product with large number of alternative brands are available in the market. In this context, it is essential for the manufacturer or marketer of the product to know the buying behavior of target consumer to turn successes in their favour. As the focus of the study is on consumer behavior with respect to decision-making processes of motorbike purchase in Kathmandu City, the marketer of the product will be highly benefited by this study. They may use the findings of this study as a guideline for making strategies for successful marketing of their product. Such marketing strategies may relate to segmentation of market based on buyer's behavior. The research also benefits the dealer of motorbike specially Golchha Organization.

The research helps not only the marketers but also provide valuable guidelines and reference to the scholars and researchers who are interested in conducting further research on consumer buying behavior.

1.6 Limitation of the Study

This research is conducted for partial fulfillment of master degree in business studies. The researcher being a student has very limited resources. Thus, the study has certain limitations which are as follows:-

- I. Consumer's decision-making process was studied with motorbike as a product. Thus, the result of this study will be more applicable to this product only.
- II. This study will confine only in Kathmandu city. All the respondents for this study were taken from Kathmandu city. Thus, sample size taken for the study is small in comparison to the population of the study.
- III. The study was entirely based on the opinion, views and responses of the respondents. Opinions of the respondents were as a sense of truth, which may not be correct at all time due to changing behavior of customers.
- IV. In spite of these limitations, lots of effort has been made to make this study more accurate.

1.7 Organization of the Study

This study has been organized under five chapters. Chapter one contains background of the study, focus of the study, statement of the problem, objective of this study, importance of the study and limitation of the study. The second chapter is designed to examine the review of related literature; especially the consumer's decision process and factors influencing buyer's behavior. Other relevant past studies also has been reviewed. The third chapter describes the methodological aspect of the study. It contain research design, population and sample, nature and sources of data, data collection procedure and data analysis tools. The fourth chapter incorporates the main body of the study data presentation and analysis. This chapter highlights the objective wise data presentation, analysis and interpretation. Major findings of this study are also presented in this chapter. Finally, a summary, conclusion and recommendations are presented in chapter five. In addition, and extensive references and appendix are presented at the end.

CHAPTER II

LITERATURE REVIEW

2.1 Introduction

In this chapter, focus has been made on the review of literature relevant towards consumer behaviour on purchasing motorbike in Kathmandu city. The understanding of why consumers behave as they do and the reasons there of has tremendous implications for both the marketers and the public policy makers. While this understanding is likely to help marketers match their marketing mix with the need of different consumer segments, it can also enable public policy makers formulate such consumer programs and mandatory regulations for business as deemed necessary to promote consumer welfare.

The research in the area of consumer behavior receives added significance in a product market environment like that of Nepal characterized by low level of education, lack of buying alternatives and biased sources of information.

Present study is an attempt in this direction aimed at examining the consumer behavior with respect to decision-making process of motorbike purchase in Kathmandu city. In order to provide a framework for this study, available literature on different components of consumer decision process has been received and presented in subsequent heading in this chapter.

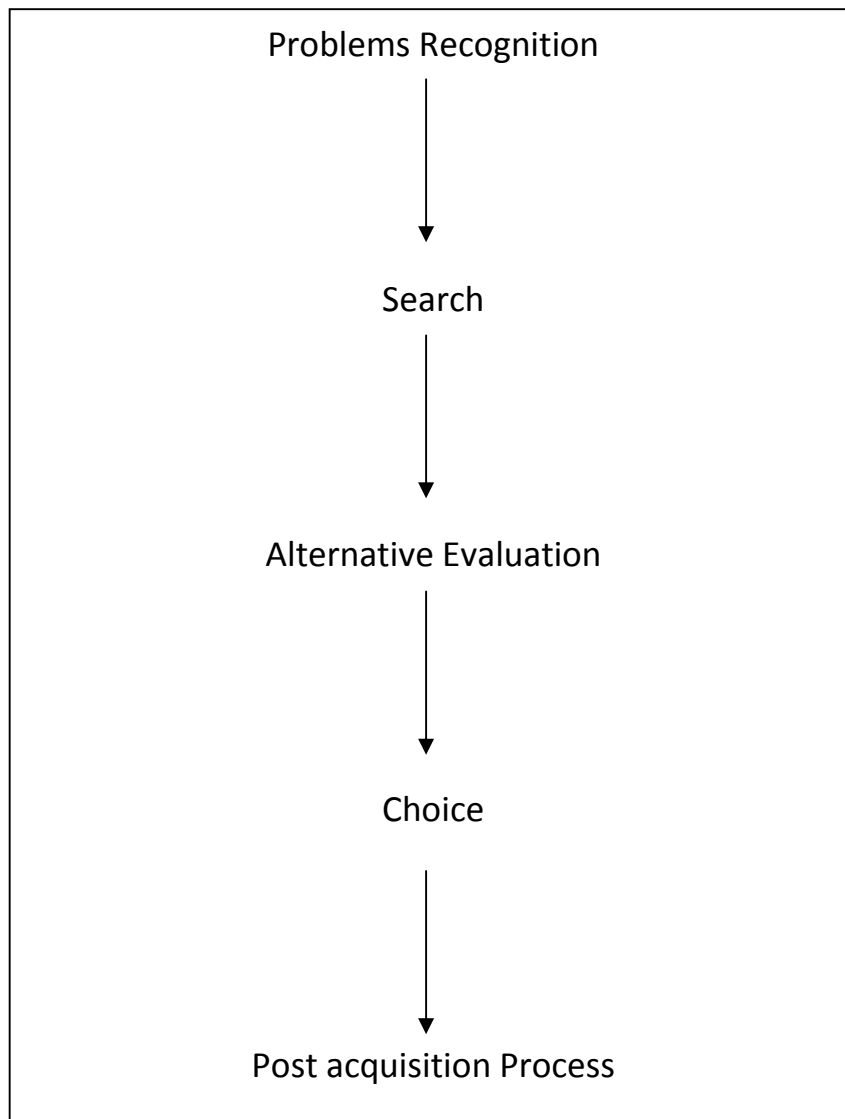
2.2 Consumer Decision Process

One of the important and traditional areas of study in consumer behavior has been the consumer decision-making process leading to product/service purchase. The study of consumer decision-making involves the analysis of how people choose between two or more alternative acquisitions and of the processes that take place before and after the choice (Mowen, 1990:283)

At the most complex level, consumer decision making process consists of a series of five states shown in figure 2.1

Figure 2.1

A Generic Flowchart of the Consumer Decision Process



i) **Problem Recognition**

Problem recognition occurs when a discrepancy develops between an actual and a desired state of being. In essence, problem recognition occurs when a need state is felt. Typically, researchers seek to identify consumer problem by analyzing the factors that act to widen the gap between the actual state and the desired state. Thus, if the satisfaction with the actual state decreases, or if the level of the desired state increases, a problem may be recognized that propels consumer to action.

ii) Consumer Search Behavior

After a consumer identifies a problem of sufficient magnitude to propel him or her to action, a search process is begun to acquire information about products or services that may eliminate the problem. The investigation of the consumer search process is highly important to marketers. In particular, it influences a company's promotion and distribution strategies.

Researchers have found that two types of consumer search process exist-internal search and external search. Internal search involves that consumer attempting to retrieve from long term memory information in products or service that will help to solve a problem. In contrast, external search involves the acquisition of information from outside sources, such as friends, advertisements, packaging, sales personnel, and so forth.

iii) Alternative Evaluation

In the evaluation stage of the action process, the consumer compares the brand identified as potentially capable of solving the problem that initiated the decision process. When the brands are compared, the consumer may form beliefs, attitudes and intentions about the alternatives under consideration. Thus, alternative evaluation and the development of beliefs, attitudes and intentions are closely related. The result of alternative evaluation of high-involvement goods is generally lengthy comparative to low-involvement goods.

iv) Consumer choice process

After engaging in an evaluation of the alternatives, the consumers next step in the decision making process is to make a choice among alternatives. Consumers make a variety of different types of choices. They can choose among alternative brands or services, and they can make choices among stores. How consumers go about making choices is strongly influenced by the types of decision process in which they are engaged. Good evidence exists that the choice process differs if consumers use a high-involvement approach as compared to a low-involvement approach. When consumers are highly involved in the purchase, they will tend to engage in a lengthy decision-making process. In such a high-involvement purchase, consumers are described as moving through each of the five stages of the action process in a sequential manner.

In contrast, when consumers perceive little personal importance in the purchase they will move through a limited decision process. The search stage will be minimized. In addition, the alternative evaluation stage may be largely skipped. Family, in limited decision making the choice process will be much simple than in high involvement conditions.

v) **Post Acquisition Process**

The post acquisition phase of the consumer buying process consists of four stages acquisition consumption/usage, the formation of post acquisition purchase satisfaction or dissatisfaction, consumer complaint behavior and product disposition. The post acquisition phase has major impact on whether consumers will repurchase the product or service. In addition, expectations of how will be treated in the post acquisition phase may influence actual buying decision (Mowen, 1990 : 285-375)

2.3 Factors Influencing Consumer Behavior

A consumer's buying behavior is influenced by cultural, social, personal and psychological factors. Research into all these factors can provide clues to reach and serve consumers more effectively.

Cultural Factors

Culture, subculture and social class are particularly important in buying behavior.

Culture: Culture is the fundamental determinant of a person's want and behavior. The growing child acquires a set of values, perceptions, preferences and behavior through his or her family and other key institutions. Each culture coins of smaller subcultures that provide more specific identification and socialization for their members.

Subculture: Subcultures include nationalities, religions, racial groups and geographic regions. When subcultures grow large and affluent enough, companies, often design specialized marketing programs to serve them.

Social class: Social classes reflect not only income, but other indicators such as occupation, education and area of residence. There members share similar

values interests and behavior. Social classes differ in dress, speech patterns, recreational preferences and many other characteristics. Social classes show distinct product and brand preference in many areas, including clothing, home furnishings, leisure activities and automobiles.

Social Factors

In addition to cultural factors, a consumer's behavior is influenced by such social factors as reference groups, family and social roles and statuses.

Reference groups: A person's reference groups consist of all the groups that have a direct or indirect influence on the person's attitude or behavior. Groups having a direct influence on a person are called membership groups. Some membership groups are primary groups, such as family, friends, neighbors and co-workers with whom the person interacts continuously and informally. People also belong to the secondary groups, such as religious, professional and trade union groups, which tend to be more formal and require less continuous interaction.

Family: the family is the most important consumer-buying organization in society and family members constitute the most influential primary reference group. The family has been researched extensively. We can distinguish between two families in the buyer's life. The family of orientation consists of parents and siblings. From parents a person inherits a personal ambition, self-worth and love. Even if the buyer no longer interacts very much with his or her parents, their influence on the buyer's behavior can be significant.

Role and Statuses: A person participates in many groups – family, clubs and organizations. The person's position in each group can be defined in terms of role and status. A role consists of the activities a person is expected to perform. Each role carries a status.

Personal Factors

A buyer's decisions are also influenced by personal characteristics. These include the buyer's age and stage in the life cycle, occupation, economic circumstances, lifestyle and personality and self-concept.

Age and stage in the life cycle: People buy different goods and services over a lifetime. They eat baby food in the early years, most foods in the growing and mature years and special diets in the alter years. Taste in clothes, furniture and recreation is also age related. Marketers often choose life-cycle groups their target markets.

Occupation: occupation also influences consumption patterns. A blue-collar worker will buy work clothes, work shoes and lunch boxes. A company president will buy expensive suits, air travel and country club membership. Marketers try to identify the occupational groups that have above-average interest in their production and service.

Economic circumstances: product choice is greatly affected by economic circumstances such as spendable income, saving and assets, debts, borrowing power and attitudes towards sending and saving. Marketers of income-sensitive goods continuously monitor trends in personal income, saving and interest rates.

Lifestyle: people from the same subculture, social class and occupation may lead quite different life style. A lifestyle is a person's pattern of living in the world as expressed in activities, interest and opinions. Lifestyle portrays the "whole person" interacting with his or her environment. Marketers search for relationship between their products and lifestyle groups.

Personality and self-concept: each person has personality characteristics that influence his or her buying behavior. By personality, we mean a set of distinguishing human psychological traits that lead to relatively consistent and enduring responses to environmental stimuli. Personality is often described in terms of such traits as self confidence, dominance, autonomy, deference, sociability, defensiveness and adaptability. Personality can be a useful variable in analysis consumer brand choices. The idea is the brands also have personalities and that consumers are likely to choose brands whose personalities match their own.

Psychological Factors

A person's buying choices are influenced by four major psychological factors motivation, perception, learning and belief and attitudes.

Motivation: A person has many needs at any given time. Some needs arise from physiological states of tension such as hunger, thirst or discomfort. Other needs arise from psychological states of tension such as the need of recognition, esteem or belonging. A need becomes a motive when it is around to a sufficient level of intensity. A motive is a need that is sufficiently pressing to drive the person to act.

Perception: A motivated person is ready to act. How the motivated person actually acts influenced by his or her perception of the situation. Perception is the process by which individual selects, organizes and interprets information inputs to create a meaningful picture the world. Perceptions can vary widely among individuals exposed to the same ability.

Learning: when people act, they learn. Learning involves changes in an individual's behavior arising from experience. Most human behavior is learned. Learning theorists believe that learning is produced through the interplay of drivers, stimuli, cues, responses and reinforcement. Learning theory teaches marketers that they can build up demand for a product by associating it with strong drives, using motivating cues and providing positive reinforcement.

Beliefs and Attitudes: through doing and learning, people acquire belief and attitudes. There in turn influence buying behavior. A belief is a descriptive thought that a person holds about something. People's belief about a product or brand influences their buying decisions. Marketers are interested in the beliefs people carry in their heads about their products and brands. Brand beliefs exist in consumer's memory.

Attitudes lead people to behave in a consistent way toward similar objects. Consumer's attitude towards a firm and products strongly influence the success or failure of that organization's marketing strategy. When consumers have strong negative attitudes about one or more aspects of a firm's marketing practices, they not only stop using the product but also many stop their relatives and friends from using it. Since attitude can play such an important part in determining consumer behavior, marketer should measure consumer attitudes towards such dimension as prices, package designs, brand name, advertisement, etc. (Kotler, 2003 : 183- 198)

2.4 Consumer Behaviour Models:

There are six comprehensive models of consumers behaviour namely Nicosia model, Howard-Sheth model, Engel-Kollat-blackwell model, Sheth family Decision-Making model, Betman's Information Processing model and Sheth-Newman Gross model. These models of consumer decision-making process postulate that for high involvement goods, consumers in general are likely to engage in extensive pre purchase information seeking develop choice set out of several alternatives available in the market, and evaluate alternatives in choice set by using rational decision criteria rules. These models are based on assumptions that consumers possess some prior knowledge about product markets as result of ongoing search. These models are discussed as follows: (Biahal Sherpa; a dissertation on, (2054; 14)

2.4.1 Nicosia Model:

This model was developed by Prancesco M. Nicosia. He was one of the first consumer behaviour modelers to shift focus from the act of purchase itself to more complex decision making process that consumers engage in about products and services. The Nicosia model focuses on relationship between the firm and its potential consumers and the consumers by their actions (or inactions) influence the firm. Nicosia model is divided into four major fields.

- The firm attribute and outputs or communications and the consumer's psychological attributes.
- The consumer's search for and evaluation of the firm's output and other available alternatives.
- The consumer's motivated act of purchase.
- The consumer's storage or use of the product.

Nicosia model is based on some assumptions, which are as follows:

- Variables interact wither dependently or independently but the one variable provides input to next.
- Consumers seek to fulfill specific goals but initially there is no history between company and the consumers.
- There is no positive or negative predisposition towards the firm in the mind of consumers.

2.4.2 Howard Sheth Model:

John A. Howard and Jagdish N. Sheth propounded this model of buying behaviour in 1969. It is a major revision of an earlier systematic effort to develop a comprehensive theory of consumer decision making. It covers both industrial and ultimate users. This model gives emphasis on rational brand choice under condition of incomplete information and limited activities and it distinguished three stages of decision making.

- Extensive Problem Solving
- Limited Problem Solving
- Routinized Problem solving

These three stages of decision making are characterized by great, moderate and little amount of information needed prior to purchase and slow, moderate and fast speed of decision respectively. This model consists of four major sets or variables:

I. Input Variables:

- a) Physical brand characteristics (significant stimuli)
- b) Verbal or visual product characteristics (symbolic stimuli)
- c) Consumer's social environment (family, reference groups, social class).

II. Perceptual and learning constructs

III. Outputs either may be purchase behaviour or anything like attention, intention, attitude or brand comprehension.

IV. Exogenous Variables such as importance of the purchase, consumer personality traits, time pressure and financial status.

2.4.3 Engel Kollat Blackwell Model:

It is also known as the Engel-blackwell-Miniard model of consumer behaviors. Engel, Blackwell and Kollat developed this model in 1986. It has gone through numerous revisions from time to time. Later it was revised by the greatest contribution of Miniard. This model was originally designed to serve as a framework for organizing the fast growing body of knowledge concerning consumer behaviour. Like Howard-Sheth model, its latest version consists of four sections.

- Stimuli inputs.
- Information Process
- Decision process stage i.e. problem recognition, information search, alternative evaluation, purchase and outcomes.
- Variables influencing the decision process i.e. environment and individual variables.

2.4.4 Sheth Family Decision Model:

The Sheth Family Decision Model considered the family as the appropriate consumer decision-making unit and it suggested that joint decision making tends to prevail in families that are middle class newly married and close knit with few prescribed family roles. In terms of product specific factors, it suggests that joint decision making is more prevalent in situation of high-perceived risk of uncertainty, when the [purchase decision is considered to be important and when there is ample time to make decision.

2.4.5 Bettman's Information Processing Model:

Bettman's model of consumer choice portrays the consumer as processing a limited capacity for processing information.

According to this model, the consumer rarely (even if) undertakes very complex analysis of available alternatives and employs simple decision strategies when faced with a choice. Bettman's information processing model has seven components:

- Processing Capacity
- Motivation
- Attention and Perceptual encoding
- Information acquisition and evaluation
- Memory
- Decision Process
- Consumption and learning Process

2.4.6 Sheth-Newman Gross Model:

The Sheth-Newman Gross Model of consumption values recently developed to explain why consumers make the choice they do. This model

concentrates on accessing consumption relevant values that explain why consumers choose one product over another and to consumer choices involving a full range of product types (consumer's non-durable, durables, industrial goods and services). The Sheth-Newman Gross model is rooted in three central propositions.

- Consumer choice is a function of a small number of consumption values.
- Specific consumption values make differential contribution in any given choice situation.
- Different consumption values are independent.

This model of consumer choice behaviour identifies the five consumer values, namely:

- Functional value
- Social value
- Emotional value
- Epistemic value
- Conditional value

The first three models (Nicosia model, Howard-Sheth model, Engel-Kollat-Blackwell model) focus on consumer decision making, on how individual consumer arrive at brand choices. The fourth model (Bettman's information processing model) focuses cognitive aspects information search and processing and indicates how consumers employ information to arrive at various types of buying decisions. The sixth and final method of consumer behaviors concerned with consumption values, especially why consumers choose to buy a specific type of product or a specific brand.

2.5 Review of Previous studies/Thesis

Under this segment, previous thesis of Tribhuvan University has been reviewed. The unpublished literatures found relevant to the study are as follows:

Bhandari (2004) prepared a thesis on, "Brand preference study on motorbike with reference to Kathmandu city" with the objective of:

- To identify the profiles of customers of specific brand.
- To examine the product attributes sought in the motorbike brand.
- To access the customers perception on brand preference.

The research was mainly based on primary data. Motorbike was chosen as the sample product. The sample of the respondents used in this study constitutes 120 motorbike riders of Kathmandu city. The research findings of the study were as follows:

- Hero Honda brand has been found as the most preferred brand, Bajaj as the second, Yamaha as the third, other brand as the fourth, Lifan as the fifth and Dayang as the sixth preferred brand respectively.
- On the basis of profession, Hero Honda has been most popular except in business category. K-Bajaj has been popular in business category.
- It was found that brand loyalty exists in the motorbike buyer.
- The price factor has been positively perceived in terms of fuel efficiency, resale value and aesthetic looks.
- Yamaha has been found having high resale value, high power and moderate looks.
- K-Bajaj has been represented by its fuel efficiency, more after sales services and moderate looks.
- High power and high aesthetic looks have been found as the strong attributes of Lifan brand. It has been found that Lifan disadvantages with regard to fuel efficiency and resale value.
- Dayang brand of motorbike has been found more positive on its aesthetic looks and finance facility.

Palgunwa (2006) conducted a research study on, “A study on personal computer buyer behavior” with the objective of:

- To analyze the level of buyer awareness about personal computer.
- To ascertain brand preference of buyers.
- To analyze the purpose of buying personal computer.
- To provide suitable suggestions.

Fifty respondents were selected from Kathmandu valley. Only those samples were included who had acquired personal computer. Random and convenience sampling method was used in this study. The data were collected through a self-administered questionnaire survey in Kathmandu valley manually at convenient time. The major findings of this study were as follows:

- The respondents from Kathmandu valley preferred assembled personal computer than branded personal computer.

- One of the important findings was that time efficiency was basic motivating factor for personal computer user.
- The respondents had their priority for personal and family use of personal computer.
- Respondents were price sensitive; they are dependent on process of purchasing personal computer.
- People with higher income and education were the prominent buyer of the personal computer.
- The buyers were ready to spend more than thirty-five thousand rupees on personal computer and were highly conscious of quality of the product.

Baniya (2002) conducted a research study on, “A study of buyer behavior in Pokhara with special reference to cross-culture buying pattern” with the objective of:

- To find out the brand pattern and purchase frequently of the clothing and the grocery products for the British-Gorkhas and the local people.
- To examine the store name awareness, purchase location and types of store used by the British-Gorkhas and the local people for the purchase of clothing and grocery.
- To determine the criteria used by the British-Gorkhas and the local people for choosing a particular product, brand, store and their rank of order of importance.
- To fine out the attitude of the British-Gorkhas and the local people towards bargaining.

One hundred respondents were selected for the study. This study was based on primary data and all the required data were collected from 50 British-Gorkhas and 50 local people. For the statistical analysis, statistical tool such as percentage, rank, Spearman’s rank correlation coefficient were used. The major findings of his study were:

- The purchase frequency of the grocery for the British-Gorkhas and the local people were similar to a large extent.
- Majority of British-Gorkha use foreign brands as well as a large number of local people adopt similar approach.
- Awareness levels of British-Gurkhas are high on grocery items, but in case of clothing, it was found low in comparison to local people.

- As far as the criteria used to choose a product is concerned, quickly and price are in the high profit of ranking.
- Both British-Gorkha and local people have almost similar attitude towards bargaining.

Dahal (1994) conducted a research study on “Patterns of consumer decision making process while purchasing high involvement goods in Nepal” with objective of:

- Patterns of decision making strategies consumers utilize while making purchase of a durable goods.
- The level of pre purchase information seeking and their correlates.
- Size of the choice set.
- Decision making criteria and rules employed in evaluation of alternatives.

The study was based strictly on primary data. All the required information was collected from 300 respondents of Kathmandu district with the help of a structured questionnaire. The analysis tools included the factor analysis, cluster analysis, discriminate analysis and path analysis. The major findings of the study were:

- Though not very extensive, the Nepalese buyers undertake information search with greater emphasis upon dealer and interpersonal sources of information.
- Source of information available to Nepalese buyers have five dimension brochures, test-drive, advertisements, interpersonal source and dealer visit.
- Nepalese buyers have rather small-evoked set size for both the makers and model.
- Total search effort was positively related with education, but it was negatively related with prior preference for manufacturer and model.

“A search on family influence in buying decision” was conducted by **Prakash Lamichhane** in 1996. He selected certain types of consumer whose families were likely to be more involved in making buying decision with the objectives of examining the nature and dynamic of family influence in making purchase decision in the context of urban area of Nepal.

The main findings of this study are as follows:

- The study found that wife is an influential person in initiating the need and in collecting information.

- Most of the families have gathered information from family discussion, different dealers and from their neighbours.
- The joint decision takes place in the alternative evaluation and final decision stage of buying high involvement products.
- In most cases wife follows the purpose of the product.

A research on “consumer’s behaviour towards buying car in Kathmandu valley” was conducted by **Mukesh batajoo** in 2007 submitted to Nepal Commerce Campus. The major objective of this study was to examine brand awareness of the Nepalese consumer. Primary data were collected from consumers with the help of a structured questionnaire. The major findings of his studies were:

- Small car market in Nepal is expected to grow further and market potential is high.
- Advertisement is main source of information.
- Consumers believe on Dealers/authorized work shop for regular service of car.
- Businessman and professionals are main customers of cars.

A project work on “consumer’s behaviour on lipstick buyers in Kathmandu Valley” was done by **Shrestha Y.B.** IN 2009 submitted to Nepal Commerce Campus. The major findings were:

- Customer’s behaviour is affected by firm’s marketing strategies.
- Large number of customers is moderately influenced by advertisement while selecting lipstick.
- Customers collect information through their friends to purchase lipstick.

Saroj Nepal (2009) conducted a research study on “consumer’s behaviour towards buying two wheelers in Kathmandu Valley”. The main objectives of this study were to examine the consumer of Kathmandu valley towards buying different types of motorbike according to their desires. The major findings of this study were:

- It is found that the consumer believe on advertising of new brand motorbike.
- It is found that there is positive relation between consumer and the company about the product.

- It is found that the purchasing power of consumer depends upon their income and interest.
- It is found that nowadays, it is a fastest means of transport in the Kathmandu Valley.

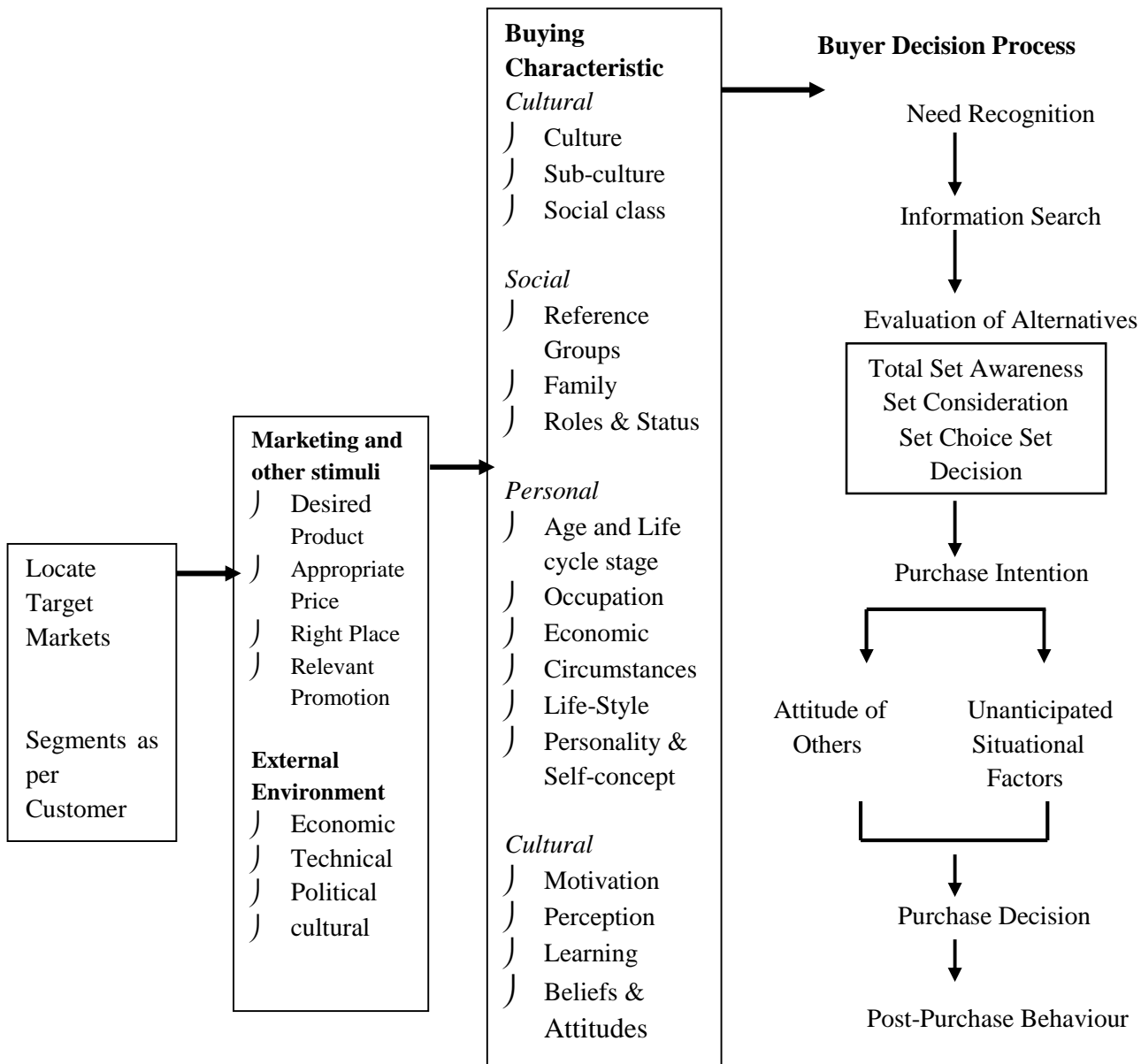
2.6 Review of Book

On the topic of book review, here we consider some books for literature review and to get sound knowledge about subject matter of consumer behaviour.

Kotler's Consumer Buying Behaviour Model

In the book "Marketing Management", Philip Kotler has written 'Consumer Buying Behaviour Model'. A consumer's decision to buy a product or service is the result of interplay of many forces or stimuli. The starting point is the marketer's stimuli in the form of product offering through some promotional method, available at some outlets at a price. The marketing stimulus for the product includes locating target markets and segmentation of market as per the customer's needs. The Consumer Buying Model is shown in the following figure 2.1.

Figure 2.1
Kotler's Consumer Buying Behaviour Model



Adapted from: Kotler (2009) pp. 207-211.

The marketing and environmental stimuli enter the buyer's mind through cultural, social, personal, and psychological factors. When the marketing and other stimuli come in contact with buyer, his decision process is initiated. The marketer has to correctly read the buyer's conscious/unconscious behaviour to stimulate positive response.

CHAPTER III

RESEARCH METHODOLOGY

Research methodology is a way to systematically solve the research problem. This chapter describes the choice of research methodology in the study. Research methodology refers to the various sequential steps to adopt by a researcher in studying a problem with certain objectives in view (Kothari, 1989). In other word research methodology describes the method and proves applied in the entire aspect of the study. Research methodology employed in this study is presented below.

3.1 Research Design

Research design is a plan, structure and strategy of investigation conceived so as to obtain answer to research questions and to control variances. This study is based on the recent historical data. Descriptive research is a fact-finding operation searching for adequate information. It is a type of survey which is generally conducted to assess the opinion, behavior, or characteristics of a given population and to describe the situation and events occurring at present (Boyd, 2002, p. 128). The objective of this study is to examine consumer behavior with respect to decision-making process of motorbike purchase in Kthmandu city. Descriptive research is widely conducted to solve various marketing problem. Thus, a descriptive survey research design is applied to this study.

3.2 Population and Sample

Population consists of total motorbike owner in Kathmandu city. It includes well-defined number of the motorbike owner. Sample is the selectin of certain number of respondents out of population. Sample is taken out of whole universe.

The sample of respondents used in this study constitutes 50 motorbike buyers of Kathmandu city. Kathmandu city was chosen the geographical region to draw the sample from because the motorbike traffic here is tremendous compared to any other district. The respondents in sample are believed to the true representative of the population.

3.3 Nature and Source of Data

This study conducted on the basis of the primary sources. Primary information and data were gathered through structured questionnaire. Based on the objectives of the study, a comprehensive questionnaire was developed which include questions pertaining to consumer decision-making process and factors influencing behavior.

3.4 Date Collection Procedure

The data were collected through self-administered structured questionnaire. It was collected at mutual convenient place in Kathmandu city. The respondents were supported by oral explanation when they did not understand the questionnaire.

3.5 Date Analysis Tools

The questionnaire were distributed and collected to make them applicable for presentation and analysis. Presentations of data are done on table from, simple diagram and pie chart. The interpretation and explanation are made whenever necessary.

CHAPTER IV

DATA PRESENTATION AND ANALYSIS

In this chapter, the data and information obtained from the questionnaire have been presented and analyzed comparatively keeping the objective in mind. This chapter has been organized into three sections. In the first section, presentation and analysis has been done to identify decision-making process of motorbike owners. The second section of the chapter deals to determine the factors that influence the consumer buying behavior of motorbike in Kathmandu city. Likewise, in the last section presentation and analysis has been done to study the profile of the motorbike buyers.

4.1 Presentation and Analysis to Decision-making Process of Motorbike Owners

In this section an attempt has been made to identify decision-making process while making a motorbike purchase. For this purpose, questions relating to problem recognition consumer search behavior, alternative evaluation, and consumer choice process and post acquisition process have been employed. The analysis has been done on the basis responses provided by the respondents.

4.1.1 Problem Recognition

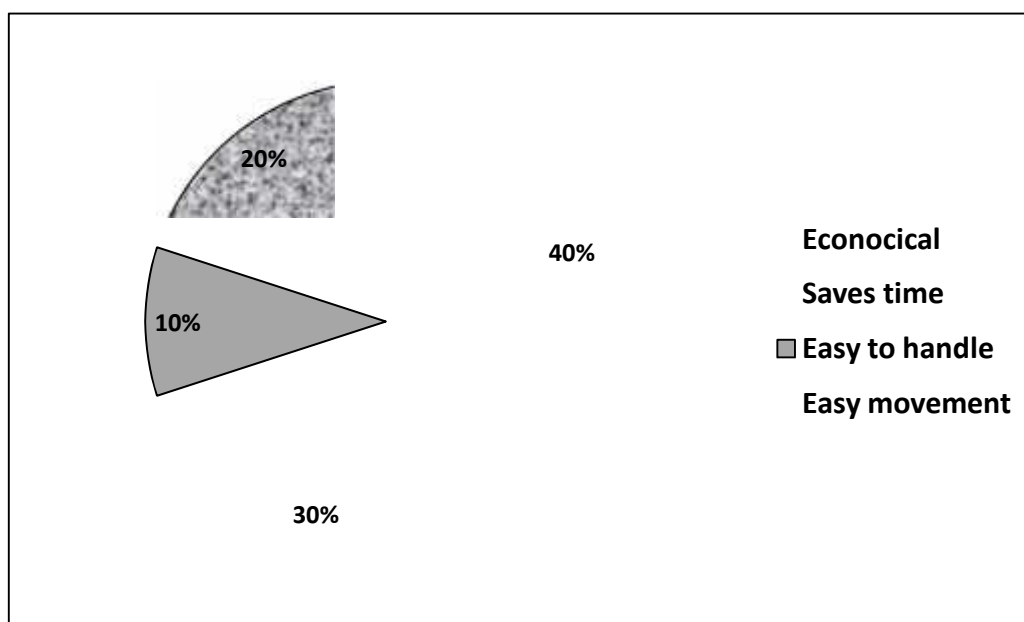
In this section, three sets of question have been asked to the consumers. The first question was asked to fine out consumer's preference to motorbike in comparison to other vehicles. Table 4.1 shows the actual result of the respondents.

Table 4.1
Reason for Preferring Motorbike

Reason	No of respondents	Percentage
It is economical	20	40
It saves time	15	30
It is easy to handle	5	10
Easy movement	10	20
Total	50	100

Source: Survey Report, 2010

Figure 4.1
Reason for Preferring Motorbike



The second question was asked to fine the purpose of motorbike riding. Table 4.2 reflects the purpose of motorbike riding.

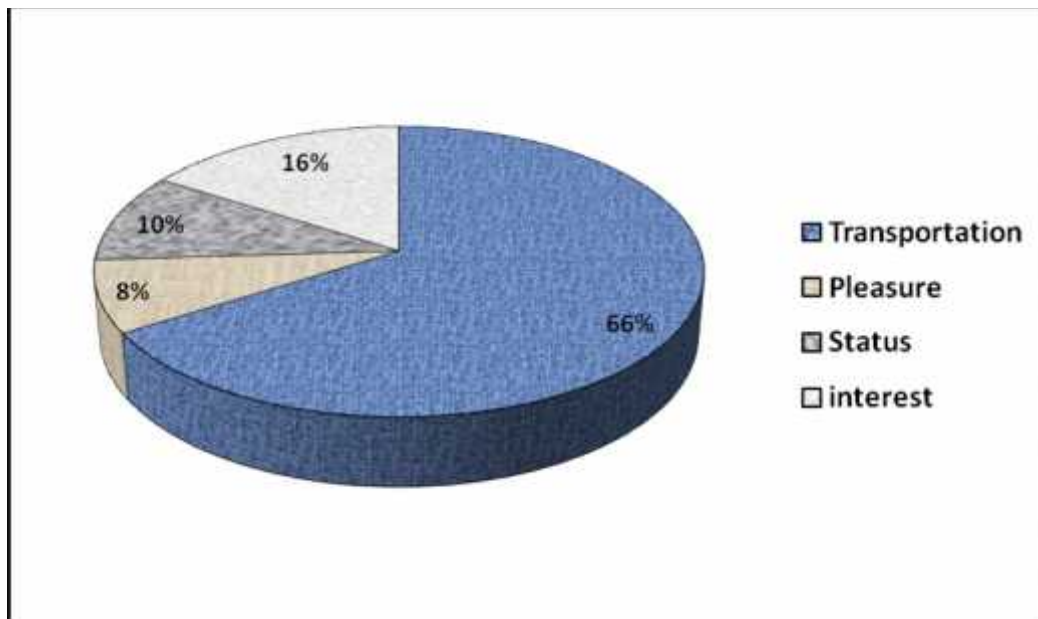
Table 4/2

Purpose of Motorbike Riding

Purpose	No. of respondents	Percentage
Transportation	33	66
Pleasure	4	8
Status	5	10
interest	8	16
Total	50	100

Source: Survey Report, 2010

Figure 4.2
Purpose of Motorbike Riding



The final question was asked to find out the effect of advertisement on problem recognition. Table 4.3 shows the actual result of the respondents.

Table 4.3
Advertising Effect on Problem recognition

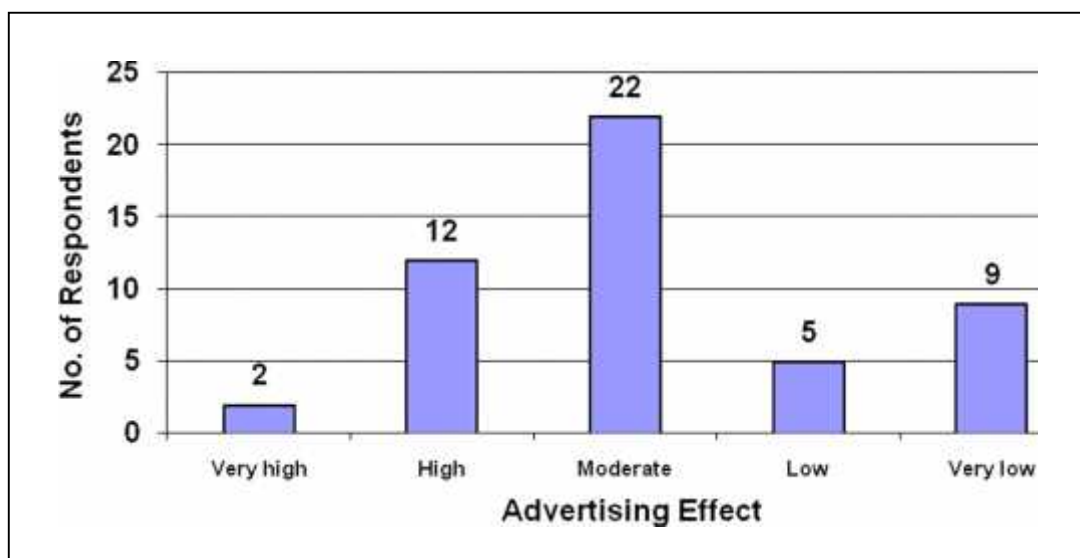
Option	No of respondents	Percentage
Very high	2	4
High	12	14
Moderate	22	44
Low	5	10
Very low	9	18
Total	50	100

Source: Survey Report, 2010

As shown in the table 4.3, 44% of respondents were moderately affected by advertisement on problem recognition, 24% highly, 18% very low and 10% low respectively. Figure 4.3 represents the data more clearly.

Figure 4.3

Advertising Effect on Problem Recognition



4.1.2 Consumers Search Behaviour

In this section, three sets of question have been asked to the consumers. The first question was asked to find out how the consumers first happened to know the model of motorbike they bought. Table 4.4 shows the result of the respondents.

Table 4.4

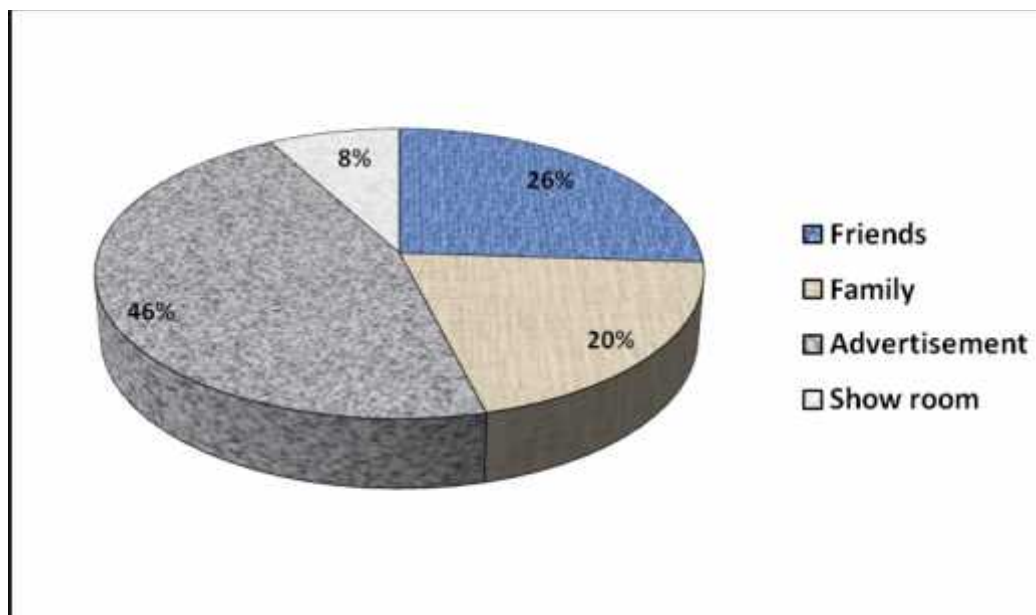
Source of First-hand Information

Source	No of respondents	percentage
Friends	13	26
Family	10	20
Advertisement	23	46
Show room	4	8
Total	50	100

Source: Survey Report, 2010

Figure 4.4

Source of First-hand Information



The second question was asked to find out information sought by the buyers before purchasing a motorbike. Table 4.5 shows the result of the respondents.

Table 4.5

Information Sought on Motorbike

Source	No of respondents	percentage
Features	16	32
Performance	24	48
Price	8	16
After-sale service	2	4
Total	50	100

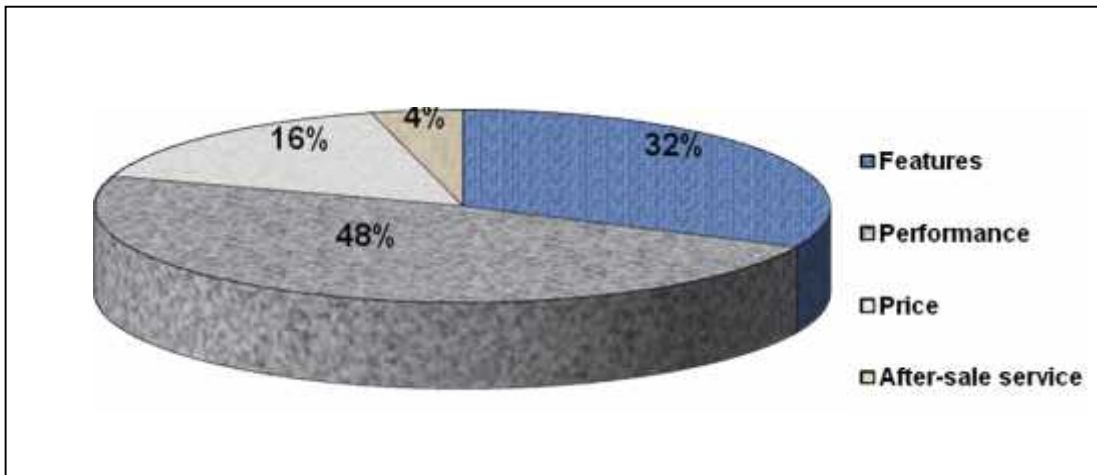
Source: Survey Report , 2010

Table 4.5 represents information sought by respondents on motorbike. 48% of respondents sought information on performance on performance of a motorbike like mileage, ride frequency of repair, etc. similarly, 32% of respondents look

information on features like electric start, disc brakes, looks, etc. and 16% looks for price. Only 4% of respondents look for after-sale service. It has been explained more clearly in figure 4.5.

Figure 4.5

Information sought on Motorbike



The final question under this section was asked to fine out the source of information consumers used while purchasing a motorbike. Respondents have been asked to rank different sources of information they used. Table 4.6 shows the result of the respondents.

Table 4.6

Ranking Source of Information used by the consumers

Rank	1 st		2 nd		3 rd		4 th		5 th		Total
	No.	%	No.	%	No.	%	No.	%	No.	%	
TV	14	28	9	18	7	14	8	16	12	24	50
Friends	12	26	18	36	8	16	8	16	3	6	50
Dealers	6	12	10	20	14	28	12	24	8	16	50
Brochure	5	10	8	16	12	24	9	18	16	32	50
Test driving	12	24	5	10	9	18	13	26	11	22	50
Total	50	100	50	100	50	100	50	100	50	100	

Source: Survey Report, 2010

As shown in the table 4.6, respondents have given rank to the sources of information they used while purchasing a motorbike. TV is the most used source of information which is in the first rank with 28%, followed by friends and family the second rank with 36%.

Similarly, visit to dealers is in the third rank with 28%, test-driving is in the fourth rank with 26% and finally manufacturer’s brochure is in the fifth rank with 32%.

4.1.3 Alternative Evaluation

Under this section, two sets of question have been asked to know the consumers evaluation criteria. The first question was asked to identify the criteria one can possibly use while checking different modals of motorbike. Table 4.7 shows the result of the respondents.

Table 4.7

Criteria used while selecting different Models

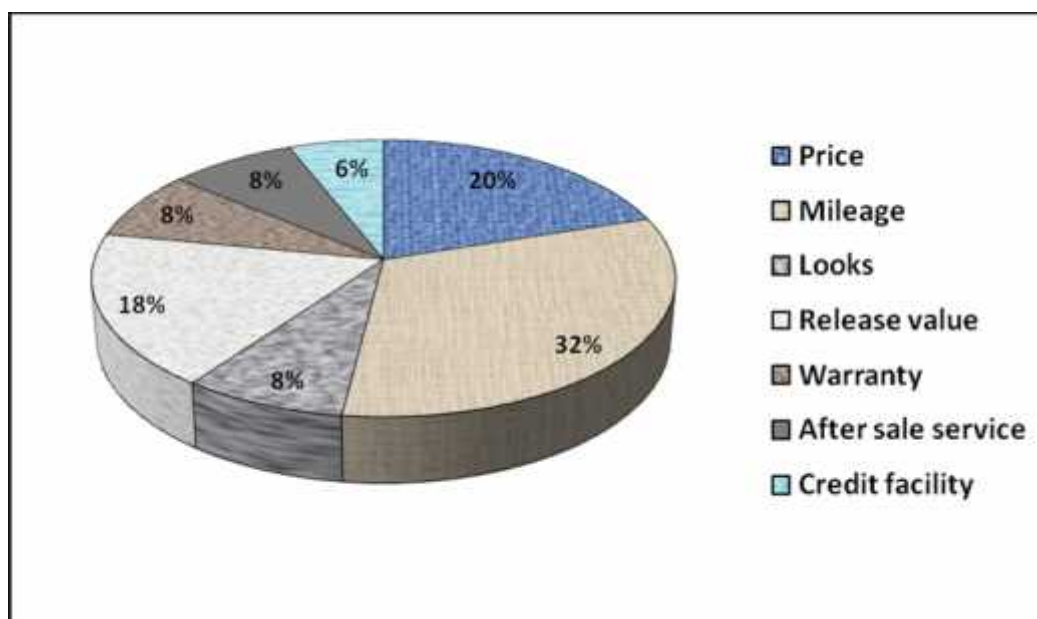
Criteria	No. of respondents	Percentage
Price	10	20
Mileage	16	32
Looks	4	8
Release value	9	18
Warranty	4	8
After sale service	4	8
Credit facility	3	6
Total	50	100

Source: Survey Report, 2010

Table 4.6 shows that the motorbike buyers first look for mileage while evaluation different models of motorbikes which is 28%. It is closely followed by price with 24%, resale value with 20%, looks and after sale service with 8% and credit facility and warranty with 6% respectively. The data are represented in figure 4.6 for better understanding.

Figure 4.7

Criteria used while selecting different Models



This second question was asked to find out the recommendation used by the buyers while selecting the model of the motorbike. Table 4.8 shows the result of the respondents.

Table 4.8

Recommendation used by the Consumers

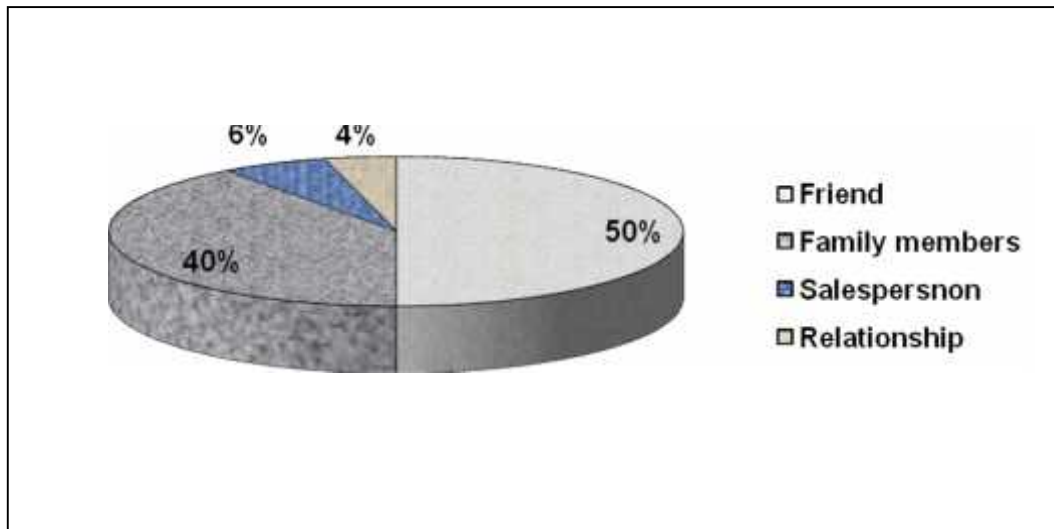
Recommendation	No. of respondents	Percentage
friend	25	50
Family members	20	40
Salesperson	3	6
Relationship	2	4
Total	50	100

Source: Survey Report, 2010

Table 4.8 show the recommendation used by the respondents while purchasing a motorbike. It is clear from the table that 50% of the respondents use friends as a recommendation. Only 4% of respondents use relatives, which is the least

source used for recommendation. Similarly, use of family members as recommendation is 40% and salesperson is 6% respectively. The data has been presented in figure 4.7.

Figure 4.8
Recommendation used by the Consumer



4.1.4 Consumer Choice Process

This section two sets of question have been presented and analyzed to identify consumers' choice process. The first question deals with the factors influencing consumer choice process. Respondents have been asked to rank the factors influencing their choice process. Table 4.9 shows the result of the respondents.

Table 4.9
Factor Influencing Consumer Choice Process

Rank	1 st		2 nd		3 rd		4 th		5 th		Total
	No.	%	No.	%	No.	%	No.	%	No.	%	
Price	15	30	10	20	9	18	10	20	6	12	50
Brand	6	12	13	26	14	28	10	20	7	14	50
Model	12	24	3	6	15	30	9	18	11	22	50
Spare parts	12	24	9	18	4	8	13	26	12	24	50
Resale value	5	10	15	30	8	16	13	26	14	28	50

Source: Survey Report, 2010

In the table 4.9, respondents have given rank to the factors influencing consumer choice process while purchasing a motorbike. As shown in the table, price is the most important factors influencing consumer buying decision which is in the first rank with 30%. Resale value of a motorbike is in the second rank with 30%. Similarly, model of a motorbike is in the third rank with 30% followed by spare parts available in the fourth rank with 26% and brand of a motorbike in the fifth rank with 14%. According to the sample collected, price has been found as the most influencing factor in consumer choice process of a motorbike.

Under consumer choice process, the second set of question has been asked to identify how attitude of others affect while making a product choice. Attitude of friends, family members and relatives also influences consumer decision-making process. Thus, the respondents were asked to identify how attitude of others influences consumer choice process. Table 4.10 shows the result of the respondents.

Table 4.10

Attitude of others Influencing Consumer Choice Process

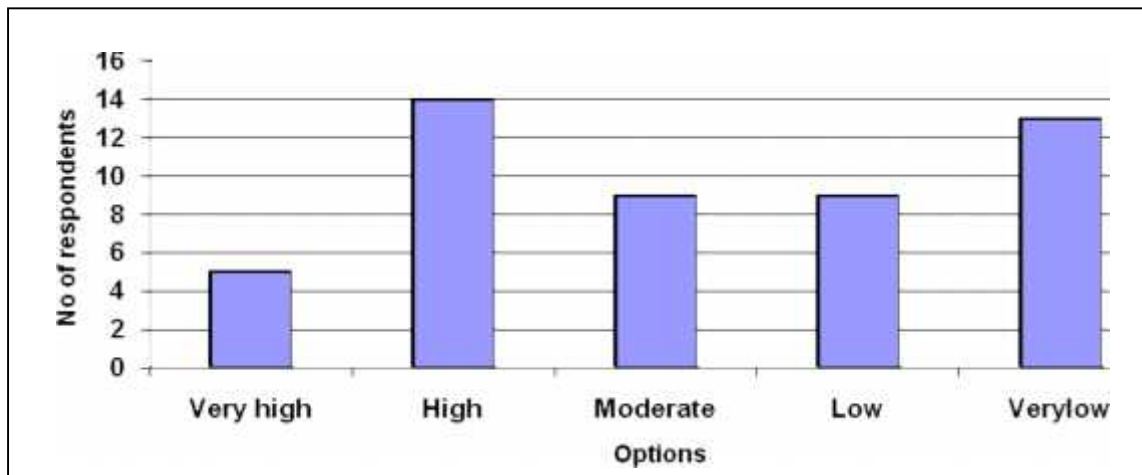
Options	No of respondents	Percentage
Very high	5	10
High	14	28
Moderate	9	18
Low	9	18
Very low	13	26
Total	50	100

Source: Survey Report, 2010

As shown in the table 4.10, 28% of respondents were highly affected by attitude of others on consumer choice process which was closely followed by 26% who had very low effect. Similarly, 18% of respondents had moderate effect as well as 18% respondents had low effect on attitude of others. Only 10% of respondents were found to be very highly affected by attitude of others. Figure 4.8 represents the data more clearly.

Figure 4.10

Attitude of others Influencing Consumer Choice Process



4.1.5 Post Acquisition Process

For finding out post acquisition process, the consumers were asked how well they were satisfied with their motorbike. Table 4.11 shows the result of the respondents.

Table 4.11

Satisfaction Level of Respondents

Satisfaction level	No. of respondents	Percentage
Delighted	5	10
Satisfied	27	54
Just satisfied	11	22
Dissatisfied	2	4
Disappointed	5	10
Total	50	100

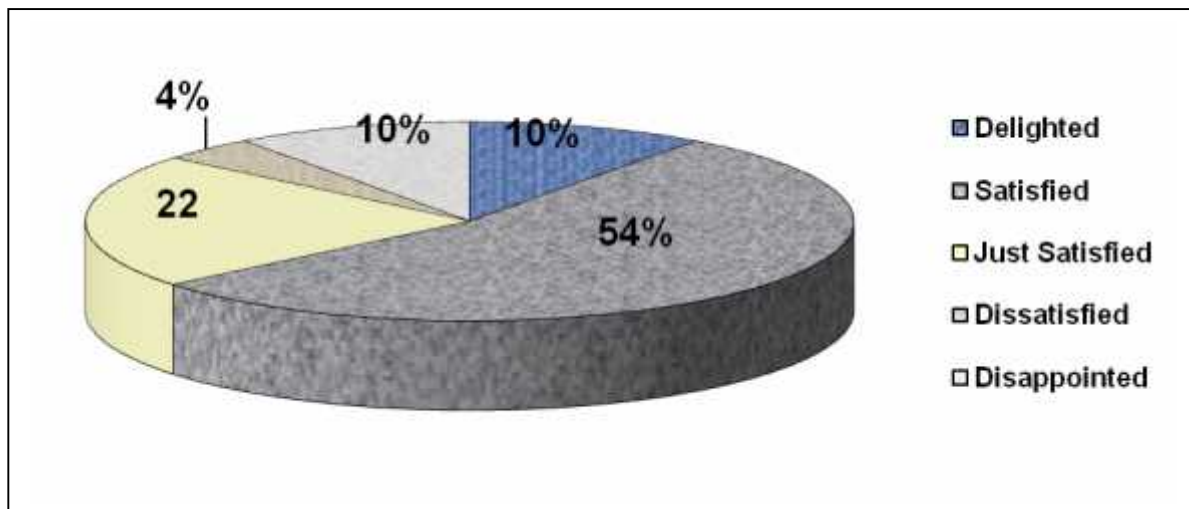
Source: Survey Report, 2010

Table 4.11 shows the satisfaction level of respondents after the purchase of motorbike. It is related with the post acquisition of the respondents. It is found 54% of respondents are satisfied with the purchase of their motorbike.

Similarly, 22% of respondents are just satisfied with their decision. But, 10% of respondents are disappointed with their motorbikes as well as 10% are delighted. Only 4% respondents have been found to be dissatisfied with their purchase of motorbike. The satisfaction level of respondents was high according to the sample collected. The data has been presented in figure 4.9 for better understanding.

Figure 4.11

Satisfaction Level of Respondents



4.2 Presentation and Analysis of Examine Factors Influence Consumer Behavior

The second objective of this study is to find out factors influencing consumer behavior. A consumer’s buying behavior is influenced by social, personal, cultural psychological factors. Research into all these factors can provide clues to research and serve consumers more effectively. To achieve this objective, question relating to factors influencing consumer behavior have been employed. The analysis has been done based on responses provided by the respondents.

4.2.1 Personal Belief of Respondents

A buyer’s decision is influenced by personal characteristics. A statement stating, “Japanese motorbikes are better than motorbike manufactured in other countries,” was presented to respondents. Table 4.12 shows the result of the respondents.

Table 4.12

Personal Belief of respondents regarding Japanese Motorbike

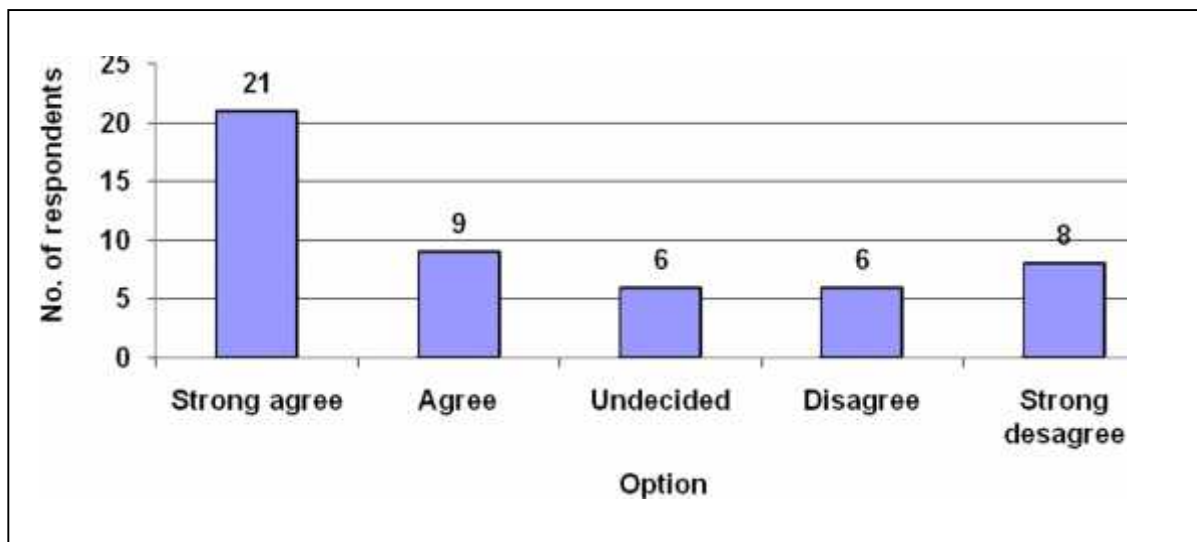
Option	No of respondents	Percentage
Strong agree	21	42
Agree	9	18
Undecided	6	12
Disagree	6	12
Strong disagree	8	16
Total	50	100

Source: Survey Report, 2010

As shown in the table 4.12, 42% of respondents strongly agree with the statement that Japanese motorbikes are better than motorbike manufactured in other countries. Similarly, 18% of the respondents agree with the statement, 16% strongly disagree, 12% disagree and 12% are undecided. The data has been presented in the figure 4.10.

Figure 4.12

Personal belief of Respondents regarding Japanese Motorbike



4.2.2 Factors Influencing Consumer Behavior

In this section, an attempt has been made to identify factors influencing consumer behavior. Respondents have been asked to rank the factors influencing consumer behavior. Table 4.13 shows the result of the respondents.

Table 4.13

Factors Influencing Consumer Behavior

Rank	1 st		2 nd		3 rd		4 th		Total
	No.	%	No.	%	No.	%	No.	%	
Social	10	20	21	42	9	18	10	20	50
Personal	29	58	12	24	5	10	4	8	50
Cultural	5	10	7	14	19	38	19	38	50
Psychological	6	12	10	20	17	34	17	34	50
Total	50	100	50	100	50	100	50	100	

Source: Survey Report, 2010

As shown in the table 4.13, respondents have given rank to the factors influencing consumer behavior while purchasing a motorbike. It is clearly seen from the table that personal factors like interest, occupation and lifestyle is the most important factors influencing consumer behavior which is in the first rank with 58%,. Social factors like friends, family members and neighbors are in the second rank with 42%. Similarly, cultural factors like nationality, religion and social class is in the third rank with 38%. Psychological factors like recognition, belongings and belief are found to be the least influencing factors in consumer behavior which is 34%. According to the sample collected, personal factors have been found to be the most influencing factors in consumer behavior while purchasing a motorbike.

4.3 Presentation and Analysis to Identify the Profit of the Consumers

Final objective of this study is to fine out the profile of the motorbike owners. In this section, questions have been asked to obtain demographic information relating to gender, education level, occupation and age of the respondents. The responses to these questions are presented in the respective tables.

4.3.1 Education Level of Respondents

All the respondents have been classified into four categories based on their education level. Table 4.14 shows the analysis of respondents in terms of highest level of education.

Table 4.14

Education Level of Respondents

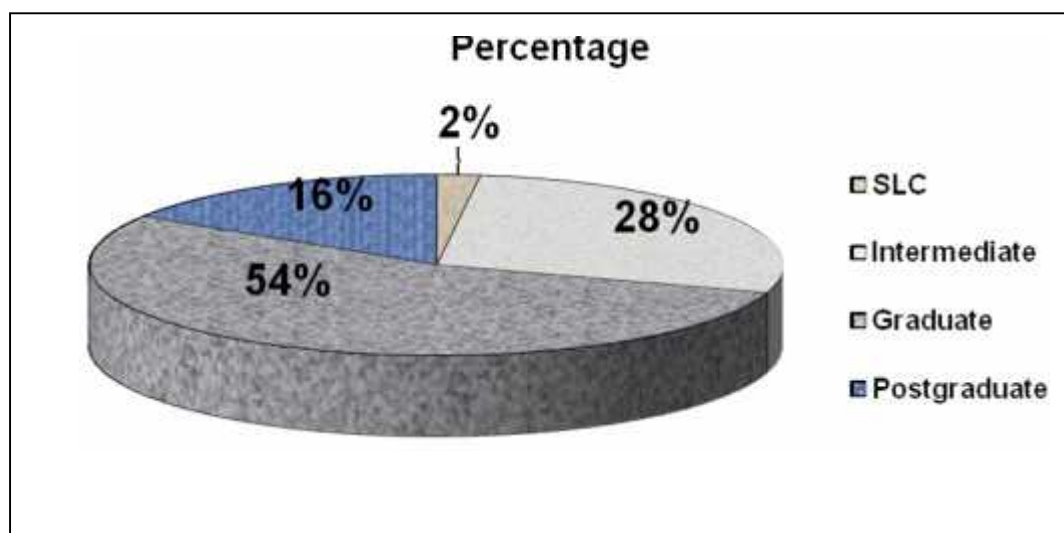
Education Level	No of Respondents	Percentage
SLC	1	2
Intermediate	14	28
Graduate	27	54
Postgraduate	8	16
Total	50	100

Source: Survey Report, 2010

Table 4.14 shows the education level of respondents. It is found that 54% of respondents are graduate, 28% have completed intermediate level, 16% are post graduate and only 2% have SLC as the highest level of education. The data has been presented in figure 34.11.

Figure 4.14

Education Level of Respondents



4.3.2 Current Occupation of Respondents

All the respondents have been divided into four categories based on their current occupation. Table 4.15 shows the analysis of respondents in terms of their respective occupation.

Table 4.15
Current Occupation of Respondents

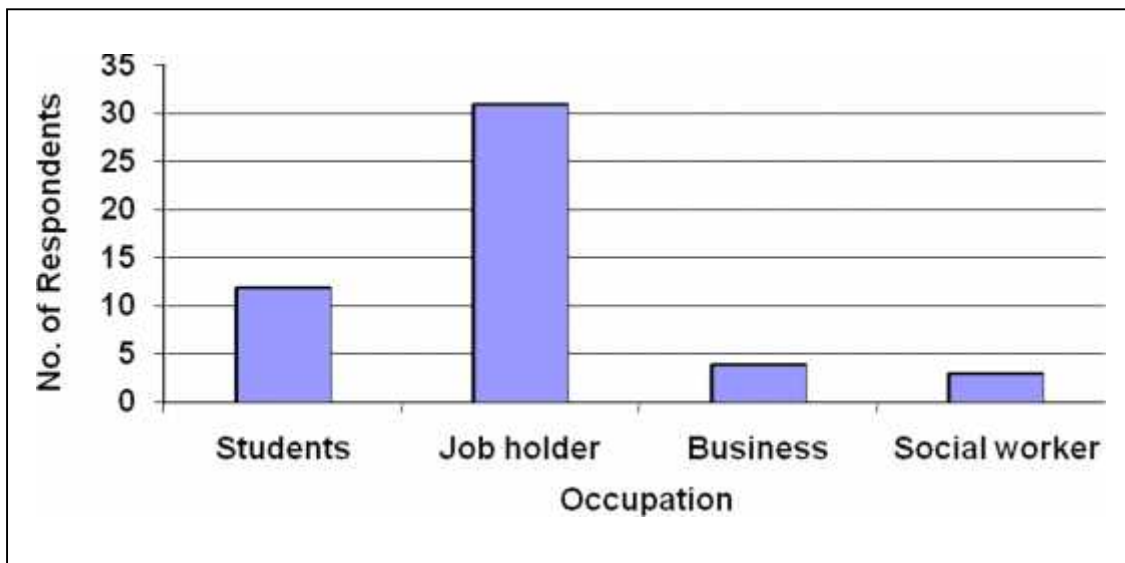
Current Occupation	No of Respondents	Percentage
Students	12	24
Job holder	31	62
Business	4	8
Social worker	3	6
Total	50	100

Source: Survey Report, 2010

Table 4.15 shows 62% of respondents are job holder, 24% are student, 8% are businessman and 6% are social worker. According to the sample collected, most of the respondents are found to be a job holder. Figure 4.12 respondents the data more clearly.

Figure 4.15

Current Occupation of Respondents



4.3.3 Age Group of Respondents

All the respondents have been divided into four categories based on their age group. Table 4.16 shows the analysis of respondents in terms of their age groups.

Table 4.16

Age Group of Respondents

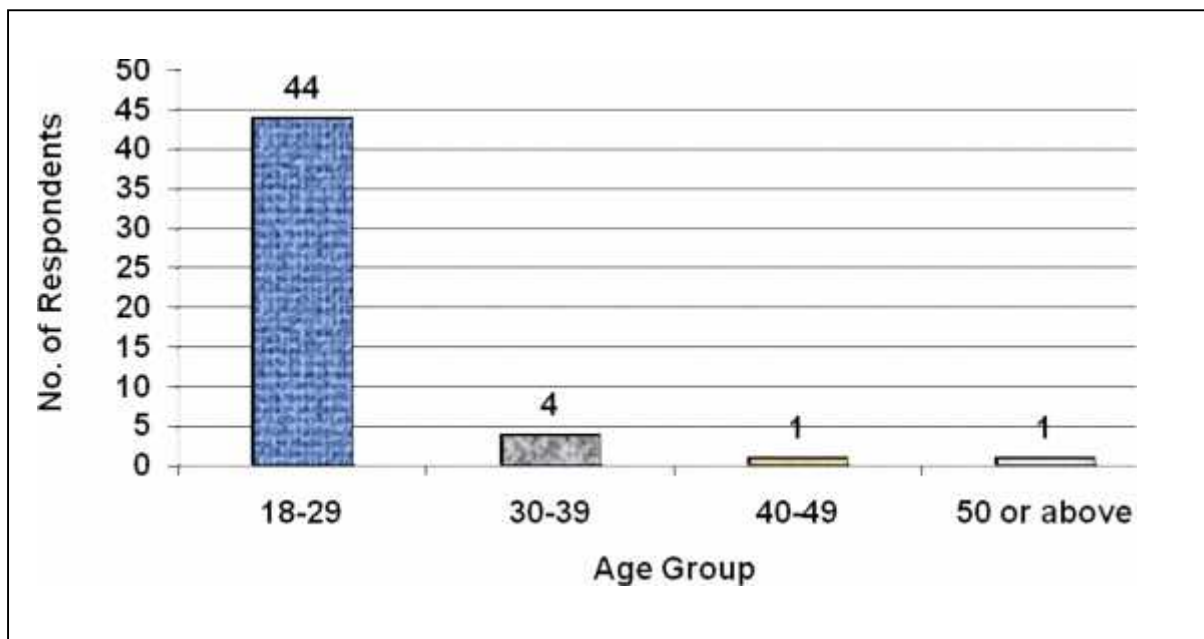
Age Group	No. of Respondents	Percentage
18-29	44	88
30-39	4	8
40-49	1	2
50 or above	1	2
Total	50	100

Source: Survey Report, 2010

Table 4.16 shows the age group of respondents. Most of the respondents fall in the age group of 18-29 which is 78%. It is followed by the age group of 30-39 which is 14% and 40-49 which is 6%. Only 2% of respondents are found to be in the age group of 50 or above. The most active buying age group according to the data is 18-29 years. The data has been presented in the figure 4.13 for better understanding.

Figure 4.16

Age Group of Respondents



4.4 Major Finding of the Study

Based on the analysis of respondents on consumer behavior with respect to decision making process of motorbike purchase in Kathmandu city, the major findings of the study has been presented below:

1. The respondents preferred motorbike in comparison to other vehicles, as it is economical. Only few respondents have been found prefer motorbike for its easy handling.
2. A large number of motorbike riders used motorbike for the purpose of transportation. While the other used it for interest, pleasure and status respectively.
3. The study has found out advertising has moderate effect on problem recognition.
4. The responsibility first happened to know about the model of motorbike they bought through advertisement.
5. Performance of motorbike like mileage, ride and frequency of repair are the most sought information by the respondents in the consumer search behavior.
6. respondents have given rank to different sources of information they used while purchasing a motorbike which are as follows:

TV advertisement	1 st Rank
Friends and Family	2 nd Rank
Visit to dealers	3 rd Rank
Test-driving	4 th Rank
Manufacturer's brochure	5 th Rank
7. In the alternative evaluation process, the motorbike buyers first looked for mileage while evaluating different models of motorbikes. Only few respondents considered warranty any credit facility in alternative evaluation process.
8. Friends are the most used source for recommendation while evaluation different model of motorbikes.

9. Respondents have given rank to the factors influencing consumer choice process while purchasing a motorbike which are as follows.

Price	1 st Rank
Resale value	2 nd Rank
Model	3 rd Rank
Spare parts available	4 th Rank
Brand	5 th Rank

10. The study has found out that attitude of others highly affect the consumers in their buying decision process.

11. The respondents strongly agree with the statement that Japanese motorbikes are better than motorbike manufactured in other countries.

12. respondents have given rank to different factors influencing consumer behavior which are as follows

Personal factors	1 st Rank
Social factors	2 nd Rank
Cultural factors	3 rd Rank
Psychological factors	4 th Rank

13. On the basis of education level, large numbers of respondents have been found to be in the graduate level. Only few respondents have SLC as highest level of education.

14. The current occupation of most of the respondents is found to be jobholder. So, most of the jobholder seems to use motorbike for transportation.

15. On the basis of age group, most of the respondents have been found to be in the age group of 18-29 years. Thus, the most buying age group according to the study is 18-29 years.

CHAPTER V

SUMMARY, CONCLUSION & RECOMMENDATIONS

5.1 Summary

One of the important and traditional areas of study in consumer behavior has been the consumer decision consumer decision process leading to product purchase. The study of consumer decision-making involves the analysis of how people choose between two or more alternative acquisitions and the process that take place before and after the choice.

The success and failure of any business entirely depends on consumer's reaction to a firm's marketing mix or strategies. It is therefore essential for the marketer to understand the consumer buying behavior for long-term survival in today's changing and competitive business environment.

Consumer behavior may be defines as the decision and physical activity individuals engage in when evaluating, acquiring, using or disposing of goods and services. But understanding of consumer behavior effort of investigation and exploration of consumers. But such practice of investigation and exploration on consumer buying behavior are too rare of entirely absent in Nepalese business perspectives.

In such a circumstances, an attempt has been made in this work to study consumer behavior with respect to decision-making process of motorbike purchase in kathmandu city. The study is aimed at determining decision-making process of motorbike purchase, determining factors influencing consumer behavior and studying profile of the consumer.

The sample of respondents used in this study constitutes 50 motorbike buyers of Kathmandu city. Kathmandu city was chosen the geographical region to draw the sample from because the motorbike traffic here is tremendous compared to any other district. The information and date required for conducting the study was entirely based on primary source. Primary information and date were gathered through structured questionnaire. Based on the objectives of the study, a comprehensive questionnaire was developed which included questions

pertaining to consumer decision-making process and factors influencing consumer behavior.

The first objective of the study has been made to identify decision-making process while making a motorbike purchase. For this purpose, questions relating to problem recognition, consumer search behavior, alternative evaluation, consumer choice process and post acquisition process have been employed. The analysis has been done on the basis of responses provided by the respondents.

Another stream of research in this study has focused at finding out factors influencing consumer behavior. A consumer buying behavior is influenced by social, personal, cultural and psychological factors. Research into all these factors can provide clue to reach and serve consumers more effectively. To achieve this objective, questions relating to factors influencing consumer behavior have been employed.

The final objective of this study has focused at finding out the profile of the motorbike owners. In this section, questions have been asked to obtain demographic information relating to gender, education level, occupation and age of respondents.

Presentation and analysis of data on each of these objectives have been done on the basis of responses provided by the respondents.

5.2 Conclusion

This study has been undertaken to identify consumer behavior with respect to decision making process of motorbike purchase in Kathmandu city. Responses of various respondents have been collected, presented and analyzed. Based on this information, following conclusions can be made.

1. Motorbike has become the best means of transportation in comparison to other vehicles as it is economic, it saves time, it is easy to handle and it is easy to ride in crowded streets.
2. Nepalese consumers are moderately affected by advertisement on problem recognition.

3. Performance of motorbike like mileage, ride and frequency of repair are the most sought information by the respondents in the consumer search behavior.
4. TV advertisement is the most used source of information while purchasing a motorbike.
5. Nepalese consumers use friends as recommendation while evaluating different model of motorbikes.
6. Price is the most influencing factor in consumer choice process.
7. Personal factors like interest, occupation and lifestyle are the most influencing in consumer behavior.
8. Jobholders are the main customers of a motorbike. Similarly, an active segment motorbike owner is in the age group 18-29 years.

5.3 Recommendations

The study has shown that different consumers go through different decision-making process while purchasing a motorbike. Similarly, behavior is influenced different factors and situations. On the basis of major findings of the study, following recommendations have been made.

1. The most sought information on a motorbike is its performance like mileage, ride and frequency of repair. So, it is suggested to give high performance on performance of a motorbike.
2. TV advertisement should be highly exploited while providing information to the potential buyers.
3. The study has found that Nepalese buyers mostly use friends as recommendation. So, it is suggested to provide good after-sale service to its buyers so that they can exchange satisfaction level with the potential consumers.
4. Competitive price should be charged to influence consumer choice process.

5. According to this study, the most influencing factors in consumer behavior is personal factor like interest, occupation and lifestyle. So, the manufacturers should give high priority to personal factor of the potential consumers.
6. The most active buying age group is 18-29 years. So, the preference of the youth should be highly considered.

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Appendix

A Survey on Motorbike Buyers

My name is Rajesh Kunar K.C. I am a student of Patan Multiple Campus. Currently, I am doing master's degree in management. I am interested in finding out individual's decision-making process while purchasing a motorbike. For this purpose, I request you to fill up this questionnaire giving valuable time. Your response to this questionnaire would help me to carry out my research effectively. All the information provided by you will be kept confidential.

Section A: Problem recognition

1. Why do you prefer motorbike in comparison to other vehicles?
 - a. It is a economical
 - b. It saves time
 - c. It is easy to handle
 - d. Easy movement in crowded streets

2. What is the purpose of motorbike riding?
 - a. Transportation
 - b. Status
 - c. Pleasure
 - d. Interest

3. In what extent did you desire to own a motorbike watching an advertisement?
 - a. Very High
 - b. High
 - c. Moderate
 - d. Low
 - e. Very Low

Section B: Consumer search behavior

1. How did you happen to know first about the model of motorbike you bought?
 - a. My friends told me
 - b. My family member/relative told me
 - c. I saw its advertisement
 - d. I happened to see it in a dealer's show room

2. Please tell me about the kind of information you sought about motorbike before you bought your motorbike?
 - a. Features-electric start, disc brakes, looks
 - b. Performance-mileage, ride, frequency of repair

c. Price

d. After-sale service

3. Which of the following source of information did you use to collect information prior to purchase of your motorbike? Please rank sources of information, 1 being the highest.

- | | | | | |
|----------------------------|---|---|---|---|
| a. TV advertisement | 1 | 2 | 3 | 4 |
| b. friends/family | 1 | 2 | 3 | 4 |
| c. Visit to dealer | 1 | 2 | 3 | 4 |
| d. Manufacturer's brochure | 1 | 2 | 3 | 4 |
| e. Test driving | 1 | 2 | 3 | 4 |

Section C: Alternative evaluation

1. The list below presents a number of criteria one can possibly use while checking different models of motorbike. Please check the criteria you used while evaluating different models of motorbike.

- | | | | |
|-----------------|--------------------------|-----------------------|--------------------------|
| a. Price | <input type="checkbox"/> | e. Warranty | <input type="checkbox"/> |
| b. Mileage | <input type="checkbox"/> | f. After-sale-service | <input type="checkbox"/> |
| c. Looks | <input type="checkbox"/> | g. Credit facility | <input type="checkbox"/> |
| d. Resale value | <input type="checkbox"/> | | |

2. Was the model of motorbike you bought recommended by

- | | | | |
|------------------|--------------------------|----------------|--------------------------|
| a. Friend | <input type="checkbox"/> | c. Salesperson | <input type="checkbox"/> |
| b. Family member | <input type="checkbox"/> | d. Relative | <input type="checkbox"/> |

Section D: Consumer Choice Process

1. What are the factors influencing your buyer decision? Please rank the factor 1 being the highest

- | | | | | |
|--------------------------|---|---|---|---|
| a. Price | 1 | 2 | 3 | 4 |
| b. Brand | 1 | 2 | 3 | 4 |
| c. Model | 1 | 2 | 3 | 4 |
| d. Spate parts available | 1 | 2 | 3 | 4 |
| e. Resale value | 1 | 2 | 3 | 4 |

2. To what degree do the factor below affect in your buying decision? Please tick one of the number, 1 being the highest.

- | | | | | |
|------------------------|---|---|---|---|
| a. attitude of others | 1 | 2 | 3 | 4 |
| b. Situational factors | 1 | 2 | 3 | 4 |

3. Did you go alone or with somewhere you knew when you went to buy a

motorbike?

- a. Alone b. With someone

4. Why have you chosen to go with someone you know?

- a. To help in deciding which motorbike to buy
b. To get discount from the dealer
c. To get his/her help in inspecting different models
d. To make sure I make the right decision

Section E: Post acquisition process

1. How well are you satisfied or dissatisfied with your motorbike?

- a. Delight d. Dissatisfaction
b. Satisfied e. Disappointed
c. Just satisfied

2. Are you using motorbike for purpose you bought?

- a. Yes b. No

3. If no, what actions have you taken?

- a. Sole it b. Exchanged it c. Looking for sale

Section F: Factors influencing buyer's behavior

Following are some personal belief statement. Please indicate your agreement or disagreement with each statement, where I indicate you highly agree.

1. Japanese motorbikes are better than motorbike manufactured in other countries.

1 2 3 4

2. Price of a motorbike reflects its quality.

1 2 3 4

3. When you first seriously through about buying a new motorbike, did you knew which brand to busy?
- a. Japanese: Definitely yes Not sure Definitely no
- b. Indian: Definitely yes Not sure Definitely no
- c. Others: Definitely yes Not sure Definitely no
4. Please check the factors that influenced your choice of the motorbike you bought. Please the sources, one being the highest.
- a. Social factors-friends, family neighbors 1 2 3 4
- b. Personal factors-interest, occupation, lifestyle 1 2 3 4
- c. Cultural factors-nationality, religion, social class 1 2 3 4
- d. Psychological factors-recognition, belongings, belief 1 2 3 4

Section G: Profile of the consumer

1. Your gender: a. Male b. Female
2. Please check the category representing the highest level of education you have completed.
- a. SLC c. Graduate
- b. Intermediate d. Postgraduate
3. What is your current occupation?
- a. Student c. Business
- d. Job holder d. Social work
4. Which of these categories best describes your age?
- a. 18-29 c. 40-49
- b. 30-39 d. 50 or above
5. Your monthly income:
- a. 5000-10000 c. 15000-20000
- b. 10000-15000 d. above 20,000