

# CHAPTER I

## INTRODUCTION

### 1.1 Background of the Study

Nepal is naturally a beautiful country. It has have abundance potentiality in agriculture is favored by its peculiar climatic zones and geography. Nepal is primarily an agricultural country with about 26.6 million human populations out of which 83 percent population resides in rural area and 78 percent people are highly dependent on agriculture (CBS, 2011). It is land- locked between its two large neighbors, India and China. It is a small country with a land of 147,181 km square inhabited by about more than 25 million people. It is surrounded by mountain and hills geographically. Nepal is divided into three regions on the basis of physical feature, i.e. Himalayan region covers 15% area with 7.39% population, and hilly region covers 68% area with 44.5% population and Terai region covers 17% area with 44.3% population. Population of Himalayan and Hilly region is decreasing trend and Terai region is increasing trend due to internal conflict and security, lack of physical infrastructure, education, transportation, market, health as well as scarcity of agricultural land. 14.25% population stays at urban area and remains at remote area. Literacy rate above 6 year is 61% in Nepal. “Nepal, the steepest country in the world, descends from the height of Everest to the tiger prowling jungles below. Between are valleys rich in more than 2500 years of culture where Hinduism and Buddhism have met and created undreamed of glories of spiritualism through stone, brick and metal for eye to behold and for the soul to experience. The most beautiful Himalayan Kingdom Country, discover the world of mountains, rivers, jungle and culture in the world of Nepal.

The total population of the country is 23151423 (Census, 2002) and growth rate is 2.24% per annum. Nepal presents an example of being united in diversity over the history and has maintained its pride to be an independent and sovereign state. In the context of world economy Nepal is in a very weak position and least developing country. Nepal's inflation rate has reached 12% with the sharp rise in commodity prices, highest in the past 6 months. The country's economy has registered a growth of more 3.9%, half of the target in 2008 according to the Economic Survey 2009

published by the government. The agriculture sector grew by 2.1% in 2008 while non agriculture sector grew by 4.8%. However the GDP per capita income reached USD 476 in 2009 despite the poor performance of other sectors of the economy which was possible due to the increasing remittance (financialexpress.com)

Micro enterprise is small business that produces goods and services for cash income. In general, micro enterprises have limited access to capital, have few employee and are often home based. Not all micro enterprises are have limited are family operated, but when family members do work for business, they frequently do so without pay small co-operatives can also be micro small and medium scale Enterprises (MSMEs) are the starting point of development in the economics towards industrialization. However MSMEs have significant effect on the income distribution, tax revenue and employment, efficient, utilization of resources and stability of family income. The contribution of SMEs to employment, growth and sustainable development now widely acknowledged. (UNCTAD, 2001). Their contribution to job creation and output growth is now widely accepted in both developing and developed countries. According to the United Nations Industrial Development Organization (UNIDO) for developing countries integration into the global economy through economic liberalization, deregulation and demarcating is seen as the paramount way to triumph over poverty and inequality. Worldwide SMEs have been recognized as engines of growth and development (Ba-el falsentein, 1996), them so as to create and tap their employment opportunities, income and productivity.

Dairy is one of the most vibrate activities today in livestock sub-sector in Nepal. It is one of the firm micro enterprises. Dairy recognized as prestigious occupation among the other agriculture sub sectors and is contributing to pull in the urban capital to rural area is contributing to pull in the urban capital to rural area twice a day. It has been a best cash generating occupation and attract youth and taken as an enterprise. In order to provide income and employment in large scale encouragement and facilitation to the people particularly, the small marginal ones, in improved livestock keeping for milk production could be an appropriate approach. Dairying is an important source of subsidiary income to small/marginal farmers and agricultural laborers. Milk is an integral part of nutrition and primary source of food and potential income generating activity for most farmers.

Dairy is a place where handling of milk and milk products done and technology refers to the application of scientific knowledge for practical purpose. Dairy technology has been defined as that branch of dairy science which deals with the processing of milk and the manufacture of milk product on an industrial scale. In Nepal dairy has been practice as rural cottage industries since remote past.

Customer satisfaction is a fundamental marketing construct for dairy products. In the past, it was unpopular and unaccepted concept because companies thought it was more important to gain new customers than retain the existing ones .However, in this present decade, companies gained better understanding of the importance of customer satisfaction "(especially service producing companies) and adopted it as a high priority operational goals.

Consumer Behavior is the study of individuals, groups or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences or ideas to satisfy needs and the impacts that these processes have on the consumer and society. It blends elements from psychology, sociology, social anthropology, marketing and economics. It attempts to understand the decision-making processes of buyers, both individually and in groups such as how emotions affect buying behavior. It studies characteristics of individual consumers such as demographics or personality. It also tries to assess influences on the consumer from groups such as family, friends, sports, reference groups and society in general. Consumer behavior study is based on consumer buying behavior, with the customer playing three distinct roles of user, payer and buyer. Research has shown that consumer behavior is difficult to predict, even for experts in the field. Relationship marketing is an influential asset for consumer behavior analysis as it has a keen interest in the re-discovery of the true meaning of marketing through the re-affirmation of the importance of the customer or buyer. A greater importance is also placed on consumer retention, customer relationship management, personalization, customization and one-to-one marketing.

The amount of high and low satisfaction depends upon the level of supply that meets the level of expectation or fall above/below to that level (Gerpott, Rams & Schindler, 2001).

Satisfaction of customer is used for indication of future possible revenue (Hauser, Simester & Wernerfelt, 1994). Customer satisfaction is the necessary foundation for the company to retain the existing customers (Guo, Xiao & Tang, 2009). The customers who are unsatisfied with the received services would not be expected to have long run relationships with the company (Lin & Wu, 2011)

Milk and milk products are essential part of human being, as it gives nutrition to all walks of life. It is a source of income for all the marginal dairy farmers. Consumer behavior can be defined as the behavior that consumer display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy consumer needs and wants. To elaborate further, it focuses on how individuals make decisions to spend their available resources (time, money, effort) on consumption related items. Consumers are highly influenced by the marketing activities, brands etc.

The demand of the agricultural products including milk for consumption purposes has increased due to increase in population and also urbanization made the demand for milk and milk products high. The farmers, who lived near city, were supplying milk and milk products without consideration of nutrition and hygienic value, thereby affecting the health of the people.

## **1.2 Statement of the Problems**

Everybody looks forward to buying locally made products to take as souvenirs while travelling. Locally made dairy items such as lollypop, cheese, Churpis and bombaisan are the new preferred souvenirs among Ilam visitors. Ilam along sold the cheese produced from cow's milk in a big scale in the national and international market is famous among the foreigners. Ilam is among few districts in Nepal where milk is produced in large quantity, and has proper market for dairy products. (Bhattari, 2018)

More over 55000 farmers in Ilam districts are reported to be engaged in producing milk. (Gurung, 2018)

However, most of them earn just enough to lead a hand-to-mouth existence. The dairy products in micro enterprises in Ilam have very high scope in coming days. (Gurung, 2018).

There is limitation, that there is no preservative and metallic pack to make it fresh for longer period. There is a huge demand in dairy products like cheese, churpi, lollipop,

bambaisan etc and these demand is not fulfilled by making product in traditional ways. The cost of cow farming and milk production are very high due to less manpower in rural areas, so this has ultimately increased the cost of dairy product. Through there is potential for dairy enterprises and customer demand, quality at dairy product and customer satisfaction has been challenging.

Research questions on the basis of this study are as follows: -

1. What is the level of customer satisfaction?
2. Does using new technology increase production?
3. What is the perception of customer towards modern technology?
4. Do customers accept use of preservative?

### **1.3 Objectives of the Study**

The purpose of the study will be to analyze the customer satisfaction and explore the factors affecting customer satisfaction. More specific purposes will be as follows: -

1. To analyze level of customer satisfaction with products.
2. To examine the relationship on using modern technology and machine in meeting the demand.
3. To analysis the perception towards modern packing (metallic pack).
4. To analyze the attitude towards company using preservatives in dairy products.

### **1.4 Significance of the Study**

The significances of study will be as follows:

1. The study helps in adding to the existing knowledge and literature on customer satisfaction.
2. The study helps enterprise will knows what steps to take for customer satisfaction.
3. The study enables enterprise to identify using modern machine and technology to increase customer satisfaction.
4. The study allows the further researchers to identify the common and unique components of different satisfaction studies.
5. The study helps to gain the knowledge in best way for the product quality improvement for meeting the satisfaction of customer.

## **1.5 Limitation of the Study**

The efforts of this research have been made to present and analyze the clearly, truly and within the boundary. Every research has some limitation. Basically, not availability of the required and useful data and information would be major limitations of the study. The study is confined only to Customer satisfaction.

The limitations of the study will be as follows:

1. Only the respondents from different SMEs of Ilam district in dairy products were taken for the study purpose.
2. Convenience sampling was applied.
3. Primary data was used for this study so the reliability will depend up on the reliability of the respondents' responses.
4. Budget was limited as a student.

## **1.6 Chapter Plan**

**This study has divided into five major chapters.**

### **Chapter – I Introduction**

This chapter deals with background, evaluation if industrial development in Nepal, a brief overview of Dairy Development Corporation, statement of the problem, objectives of the problem, significance of the study and limitation of the study.

### **Chapter – II Literature Review**

The second chapter “literature review” deals with the review of related literatures and available studies written and conducted by different experts and researchers in the field of Customer satisfaction.

### **Chapter – III Research Methodology**

The third chapter “research methodology” presents the methodology used in this study. It deals with research design, sources of data, procedures employed and financial and statistical tools used for the study.

### **Chapter – IV Data Presentation and Analysis**

This part of the study includes presentation and analysis of financial figures of dairy product. This presentation and analysis helps to come to the ultimate conclusion of the study. This part also contains the list of major findings derived from the analysis.

#### **Chapter – V Summary, Conclusion and Recommendations**

The fifth chapter summarized the whole study. Moreover, it draws the conclusions and forwards the recommendations better utilization of customer satisfaction.

**The bibliography, appendix is included in the last of the thesis.**

## **CHAPTER -II**

### **REVIEW OF LITERATURE**

In terms of a literature review, “the literature” means the works you consulted in order to understand and investigate your research problem. Review (or look again) is a process of systematic, meticulous, and critical summary of the published literature in your field of research.

#### **2.1 Conceptual Review**

Customer satisfaction is one of the essential factors for the success of a company. To achieve the high customer satisfaction, companies must know when and how their customers are satisfied about the products and services. Satisfaction is a vague and complex term, when we constrain ourselves to the domain of user product relationships. The literature is equipped with numerous diverse definitions for satisfaction. Customer satisfaction is a compelling issue because in the service industry customer retention is more important than attracting new customers. Retaining customers has a stronger impact on company profit than does attracting new customers.

#### **Dairy:**

A production plant for the processing of milk is called a dairy or a dairy factory. A dairy is a business enterprise established for the harvesting of animal milk, mostly from cows or goats, but also from buffalo, sheep, horses or camels; for human consumption. A dairy is typically located on a dedicated dairy farm or section of a multi-purpose farm that is concerned with the harvesting of milk.

According, to the Dhanabalan (2009) opined that" the dairy has an important role in improving the overall economic conditions of rural area. To maintain the ecological balance, there is need for sustainable and balanced development of agriculture and allied sectors. From our first plan onwards, planners have given priority to allied sector for the economic development of the rural sector. Dairy farming is described as a small industry which provides gainful employment opportunities."

#### **Dairy Products:**

Dairy products are generally food produced from cow's or buffalo milk. They are usually high energy yielding food products. Generally, the processing of dairy products is done at dairy plant. Some of the examples of dairy product are- curd,

shrikhand, ice creams, paneer, khoa, flavored milk, dairy sweets, yoghurt, cheese, butter, infant foods, milk powder, casein and many more.

Several product considerations influence the choice of channel. If a commodity is perishable or fragile, producers prefer few and controlled levels of distribution. For durable and standardized goods longer and diversified channel may be necessary. For custom er made product direct distribution may be desirable, while highly technical product requires specialized selling and the shortest channel. Singh (1984)

**Place:**

The function of marketing which takes care of effective distribution of products is known as place or physical distribution. It includes all those activities which company undertakes to make the product accessible and available to their target customers. The important part of this function is to select, motivate and manage the channel of distribution through which the product reaches to the buyers.

Dairy products are not only perishable, but they vary in quality. Production is highly seasonable and geographically concentrated in areas that are often located some distance from consumers. Dairy products must be collected, sorted and swiftly moved to market, or stored for later use. Their production and commodity characteristic give rise to the basic marketing activities such as storage, transportation, processing etc. Swaminathan (1983)

**Perception:**

Perception is defined as the process by which an individual selects, organizes, interprets and stimuli into a meaningful and coherent picture of the world. It can be expressed as the way people see their world. Individuals exposed to similar situation under same conditions may select, organize and interpret it differently. This is because it is a highly individual process based on individuals own needs, values and expectations. Study of the consumer perception helps the marketer to device better marketing strategies to influence the target customers.

According to the Davidow "The customers are the heart of every industry and dairy industry is not an exception. All the companies are taking care of the customers by taking their feedback by holding surveys and feedback forms. This helps the companies to know the demand and requirement of the customers and they can change the product and services according to the customers demand."

### **Customer satisfaction**

According to Tahir, Waggett and Hoffman (2013) Customer satisfaction, is “a customer's perspective based on expectation and then subsequent post purchase experience”. In other words, it is an evaluation of products or services“ quality level that meets or exceeds the customer expectations. The term customer satisfaction has been on the markets for a long time. In fact, many researchers and academicians emphasized that it is a key element for a company’s success in the market as well as a crucial factor for company “survival as it has a positive effect on company’s profitability.

The issues addressed by society include environmental pollution of rivers and streams, maintenance of a natural habitat, etc. How well a company addresses each and every requirement of these groups of customers determines the new product/service’s success in the market. Therefore, companies should consider customers as their important part of gaining improved quality of service.

### **Consumer behavior:**

Customer decision-making an individual’s behavior is not independent from other’s thoughts. Indeed, people are influenced by many opinions as well as attitude of people around them. Eroglu (2014). Solomon et al. (2013) defines the term consumer behavior as a study of individuals or groups and products that help to shape their identities. Another definition of consumer behavior is “the dynamic interaction of affect and cognition, behavior, and environmental events by which human beings conduct the exchange aspects of their lives”. (Bennett 1995).Consumer decision-making goes through three stages, including the prepurchase stage, the service encounter stage, and post-purchase stage.

The pre-purchase phase comprises a set of factors and activities (Tsotsou and Wirtz, 2014). In this phase, the four steps of behaviour are listed, beginning with awareness of need, information search, evaluation of alternatives, to make a decision on whether to buy a service. Consumers are triggered by a need arousal. They are then motivated to start searching information to find solutions for the need. There are several ways for consumers to gather information, such as seeking information from friends, family or using the Internet to compare services, reading reviews and ratings from trusted or good reputation websites, etc. Boshoff,(2002). Several alternatives may come to consumers mind and they evaluate these alternatives. After the process of evaluating,

customers ready to make a final purchase decision and move on to the next phase: the service counter.

Consumer behavior is the study of how individual customers, groups or organizations select, buy, use and dispose ideas, goods, and services to satisfy their needs and wants. The company that really understands how consumers will respond to different product features, prices and advertising appeal has a great advantage over its competitors. Their starting point is the stimulus–response model of buyer behavior shown in Figure 2. This shows that marketing and other stimuli enter the consumer’s, black box” and produce certain responses. Marketers must figure out what is in the buyer’s black box. Marketing stimuli consist of the four Ps: product, price, place and promotion. Other stimuli include significant forces and events in the buyer’s environment: economic, technological, political, and cultural.

A consumer’s behavior is also influenced by social factors, such as the consumer’s small groups, family, and social roles and status. Because these social factors can strongly affect consumer responses, companies must take them into account when designing their marketing strategies. A buyer’s decisions are also influenced by personal characteristics such as the buyer’s age and life-cycle stage, occupation, economic situation, lifestyle, and personality and self-concept. Finally a person’s buying choices are further influenced by four important psychological factors: motivation, perception, learning, and beliefs and attitudes.

### **Service quality**

In today’s constantly changing business environment, providing a superior service quality, through an adequate and a strong focus on customer (Chiara, 2007), is one of the key factors enabling firms to gain a lasting competitive advantage in winning the market. For this, nowadays marketers, according to Ladhari (2011), are trying to focus more on a continuous monitoring and evaluation of service quality, involving various innovative offerings and service developments, which have a direct influence on customers’ service experiences. Because, for instance, better service quality increases perceived service value and satisfaction; improves the service provider's customer retention and financial performance; and also enhances a firm's corporate image. Nguyen and Leblanc,( 1998)

Service Quality: refers the difference between customers' expectations for service performance prior to the service encounter and their perceptions of the service received. Service quality theory predicts that clients will judge that quality is low if performance does not meet their expectations and quality increases as performance exceeds expectations. Accordingly, customers' expectations serve as the foundation on which service quality will be evaluated by customer. In addition, as service quality increases, satisfaction with the service and intentions to reuse the service increases.

"Quality has become a part of our daily lives. It has received high attention by many firms and customers. While customers keep looking and expressing their desires for quality products or services, firms consider quality as a key strategy to develop products and services in order to gain competitive advantages. Service quality is antecedent to customer satisfaction Parasuram,(1988), . Perceived service quality is a result of individual service encounter between the service provider and the customer, during which the customer evaluates quality and develops satisfaction or dissatisfaction Bitter (1990). The pre-purchase expectations formed by the customers are influenced by intrinsic and extrinsic cues related to a particular experience of previous experiences and other related information sources (Gould-Williams 1999, 97-118). It is difficult to reassure the customers regarding the functional performance of the environmentally friendly products due to the past failure of many of these products (Davis 1993; Ottman 1999, 21).

Grönroos (1982) argues that service quality, as recognized by consumers has three dimensions; they are a functional dimension, a technical dimension and company image. Functional quality answers the question "how" the service is provided to its customers, while technical quality focuses on "what" service is delivered to its customers. "How" can be referred in terms of process quality, which means the evaluation during the service performance, and "what" is related to output quality, meaning the evaluation after the service performance. The third factor, image, is formed by technical and functional quality and is likewise affected by some external factors, such as word-of-mouth, marketing communication, pricing, and customer needs, etc. Moreover, it creates favorable attitudes to the service providers. Accordingly, measuring service quality should include these attributes in order to attain high predictive validity of service quality. (Rahma, Khan, and Haque, 2012)

Generally, the different literatures define service quality in the following ways:

- An outcome of evaluation process (Grömros, 1982), and differences in that customers make comparison (Parasuraman 1988) of their expectation with their perception of the service received;
- The overall impression of consumers towards the superiority or inferiority of an organization and its services (Bitter, 1990).

Service quality can be both technical qualities involve what the customer is actually receiving from the service, and functional quality- involves the manner in which the service is delivered. Marketing research studies resulted in a general agreement that firms providing high service quality have a competitive advantage, and often are more profitable.

### **Customer value**

Customer value is broadly defined by Zeithaml (1990) as "the customers overall assessment of the utility of a product based on perception of what is received and what is given". Perceived value is a direct consequence of perceived quality as well as of price based transaction and acquisition utilities. Perceived is a direct antecedent of a purchase decision. *Advanced Social humanities and Mangement* 2016:1-12 [www.pdjour.com](http://www.pdjour.com) 8 Customer value is formed during the service experience or process due to the inseparable characteristic of the service product. The value model consists of three dimensions (Mattson 1991), extrinsic (where use of articular service can be used as a means to a specific end) intrinsic (the emotional evaluation of a service) and systemic (relationship between what one wants and what one gets. Halbrook( 1994)

### **Price**

Customer satisfaction is directly proportional to price, with higher levels of customer satisfaction increasing acceptance by the customer for higher prices (Anderson 1996). If a customer is satisfied with a product then a slight increase in price will not affect their level of satisfaction. Sometimes the quality of service may be good but the net or marginal value may be rated poor if the price of the service is perceived to be too high, otherwise known as value for money approach. Perceived price has a significant positive effect on perceived value in the lodging industry. Perceived price exerted a significant negative influence on perceived customer value. Perceived prices are generally based on imperfect and incorrect information, especially in the early stage of an evaluation process Erickson & Johansson (1985).

## **Customers' Behavior and Marketing Strategies**

Fishbein developed multi attribute attitude model"" to better explain and understand the way customers behave in relation to the introduction of new product. The model is used to predict the behavior and attitude of customers by focusing on their beliefs towards multiple products and/or brand attributes. It is understood that that the „evaluations of salient beliefs cause over all attitude“, i.e., customers prefer to like products with „good“ attributes and dislike products with „bad“ attributes. The model further explains that the strength of the customers“ brand or product belief is affected by customers“ past experiences where belief about product attributes/consequences to be stronger when based on actual uses of the product.

Therefore, beliefs based on direct experience tend to have greater impact on the overall attitudes toward a product thus marketers try to induce potential customers to actually use the products (e.g. Providing free trials of prepayment meter...).Whereas, unlike to experience based beliefs, beliefs from mass advertising or conversations with sales person tend to be weaker. Generally, the model, (Peter and Olson 2008, pp.139), helps in exploring customer behavior and is also much easier to be used in research. Marketers can use the model to understand their customers, indentifying which attributes are the most important-salient, diagnosis their marketing strategies for the subsequent change and adjustment in strategies, and understanding situational influences for the reason that situational factors can affect the type of beliefs to be activated from memory and make purchase decision in those particular situational settings. (Peter and Olson 2008)

## **History of Dairy Organization in Nepal**

Nepal first milk processing plant was built in Lainchaur 43 years ago with help from Newzealand and UN. Until then, even in Kathmandu, people kept coes at home and had no reason to processed milk.

The Dairy Development Corporation (DDC) was formed in 1969and as Kathmandu became urbanized, demands for processed milk soared. Another plant capable of processing 5000 liters an hour was set up in 1978 in Balaju. Two more plant was built in hetauda and pokhara with Danish assistance.

Veterinarian Heramba Rajbhandari oversaw the DDC's expansion during those heady days.But the understood that the government would never be able to meet

Kathmandu's growing demand for milk and dairy products. In fact, by the early 1980s, Nepal had a milk deficit. Pertaining to the context of Nepal's economy and uplifting the living standard of Nepalese farmers, Nepal's dairy sector is providing handsome contribution. It is one of the nation's small industrial sectors that are contributing for paving the path of economic growth.

### **Introduction of DDC**

Dairy Development Corporation (DDC) was established in B.S. 2026 (1969) under the corporation act, B.S. 2021 (1964). Under the corporation are to provide guarantee market and fair price to the rural milk producers and to supply hygienic pasteurized milk and other standard dairy products to the urban customers. Prior to the establishment of the corporation a separate Dairy Development Board was constituted to carry out the task of dairy development in Nepal in wider scale. The dairy development activities in Nepal started in Tusal village of Kavre district B.S. 2009 (1952) on experimental basis with a small scale milk processing plant under the Development of agriculture. In the year B.S. 2010/011 at the initiative of Dairy Development Board, the central Dairy Plant was established and it started milk collection, processing and marketing activities from the year B.S. 2014 (1957).  
The Objectives of DDC

- i. Provide a guaranteed market for milk to the rural farmers with fair price.
- ii. Supply pasteurized milk and milk products to urban customers.
- iii. Develop organized milk collection system to meet increasing demand for pasteurized milk and milk products.
- iv. Develop an organized marketing system for milk and milk products.

### **2.2 Review of Related Studies:**

According to the Nieurawski (2006); studied on determinants of customer satisfaction on the markets of selected dairy products and summarized that; Purchasers' behavior on the market is highly differentiated. When choosing yoghurt the consumer mostly takes into consideration its taste, and next come the brand and the price. The decision to buy is a complex result of multiple factors. However, the price is the decisive factor.

Enterprises should pay a special attention to their buyers. Only the recognition of customers' needs will make it possible to provide them with a product which will

fully meet their expectations. The client focuses mostly on the product's attributes. A satisfied purchaser becomes a loyal client who will tell his friends about his positive experience with and his positive opinion of the product. Each consumer is a complex individual. His behavior depends on a number of factors, His environment and how he is feeling influence his choice and may result in his decision to purchase.

According to the Gilaninia (2009); in their study on satisfaction level of customers of RTE food products they concluded that In order to increase customer satisfaction from quality of service, distribution system should make more active the distribution unit and have more monitoring and control and comments in this section. Strong and close relationship of distribution department with department of production and sales can quickly increase the inquest to complaint raised by customers and minimize the number of complaints. Improving the quality of the services provided and transparency to meet the needs and demands of clients by creating teams to respond and handling customer questions and complaints can reveal the strengths of distribution system. Also it be establishes measurement system of customer satisfaction through the use of constructive feedback and suggestion of customers as a key opportunity, a direct dialogue with customers and surveys them. Customer comments be raised in company and be planned to increase customer satisfaction. Innovation and continuous improvement in service quality provide through identify values, expectations of customers in different locations.

However, in order to acquire a good a client has to incur some costs, the components of which are the necessary funds and a certain psychophysical effort. A belief that the seller is able to determine exactly the value expected by the client is illusory. Many managers agree that the client does not behave rationally. The value as it is perceived by the consumer is of a highly subjective character. Sometimes an objective evaluation indicates that one offer is more advantageous than the other. The client, however, chooses that other one for the reasons known only to him. It would be interesting to find out what underlies all this and whether it would be possible to construct a model of perception of value by the client. Woodruff & Gardial [1996] point to three levels of perception of value.

According to the .Eswaran (2009); studied on "customer satisfaction towards aavin milk in salem city" he recommended that; the level of advertisement can be increased so that the product can be marketed more in rural areas. More Aavin milk parlour should be included for increasing the sales. Brand involvement should be improved in

the mind of customers. Customers can be motivated to buy the product by giving Value Added Services. Awareness of the product can be increased by giving programmers' like road shows for the general public.

According to the Gupta (2009); his study on "Consumer Behavior for Food Products in India" concluded that cleanliness of the product, free from pesticides, freshness, good for health, and clean place of sale are some of the most important attributes, which are rated very highly by people in India while buying food products. Value for money, overall quality, taste, availability of variety of products at same place, seasonality for the product, flavour, good display of products, nearby availability and good ambience are some other important parameters. Promotional offer does not have much impact on the sale of food products and people did not rate food products from other country very highly for purchase decision. People rate various parameters differently for different product groups. For highly perishable items such as dairy products, freshness, cleanliness and good for health are the most important parameters but for products like food grains-pulses, cleanliness and free from pesticides are the most important criteria. Based on factor analysis, it appeared that store quality, marketing mix and taste-flavour explained the maximum variance in the purchase decision for fruit and vegetables.

According to the Chitra (2010); in their study, they summarized that satisfaction level about the over-all service does not depend on response time or price but depends on the level of satisfaction with quality. It is therefore clear that the customer's perception about service level depends on their perception about quality. It is also seen that satisfaction level with quality depends on the rejection rates experienced by the customers. Therefore the company should make efforts to ensure that the rejection level at the customer end is minimized. This will improve the customer's perception about quality as well as service level. Since the period of response and price levels do not influence perception about service level, it is adequate if the company maintains the present level but concentrate its effort in reducing rejections experienced by the customer.

According to the Masilamani (2011); concluded that the parameters which make decision regarding the purchase of milk are Price, Quality, Smell, Taste, Advertisement and Awareness. Milk market is a totally unpredictable market and the organisation should be over-cautious of any complaints that come into milk as it includes the sentiments of a mother for her kid and she would not prefer to give

anything to her kid for which she is not 100% satisfied. So the company should take every step possible to contain these problems which in some way or the other affects the sale of Mother Dairy and its retailers

According to the Guo,Xiao,& Tang (2011); studied on consumer satisfaction and awareness towards milk products suggested that;

- Developing the town markets by placing some of the staff for extension work, So that they can make arrangements for people to get milk in their particular place at particular time.
- To make aware the people about overall performance of milk. Company can take necessary steps to enhance more promotional activities like giving ads in newspapers, in local channels and through other media

### **2.3 Research Gap**

The literature review signified that the customer satisfaction is a development tools or essential factors for success of the company. To achieve the high customer satisfaction companies must know when and how their customers are satisfied about the products and services. Satisfaction is vague and complex term, when we constrain ourselves to domain of user products relationship. A product is anything that can be offered to satisfy a need or want which includes experiences, persons, places, organizations, information and ideas.

All the researches are concentrated on assessing the impact of customer satisfaction after using modern machine, metallic packaging, preservative and improving quality. None of these studies captures the effect of customer satisfaction program. As meaning of customer satisfaction consists very broad definition of customer satisfaction the customer needs, wants, behavior and expectation should be evaluated. Mainly, this research is focused on customer satisfaction and which leads the success of the firm; this research has taken analysis of customer behavior and fulfills their needs wants and expectation. However, this study is entirely new in Ilam district; no research related to dairy product has so far been done even in Nepal context.

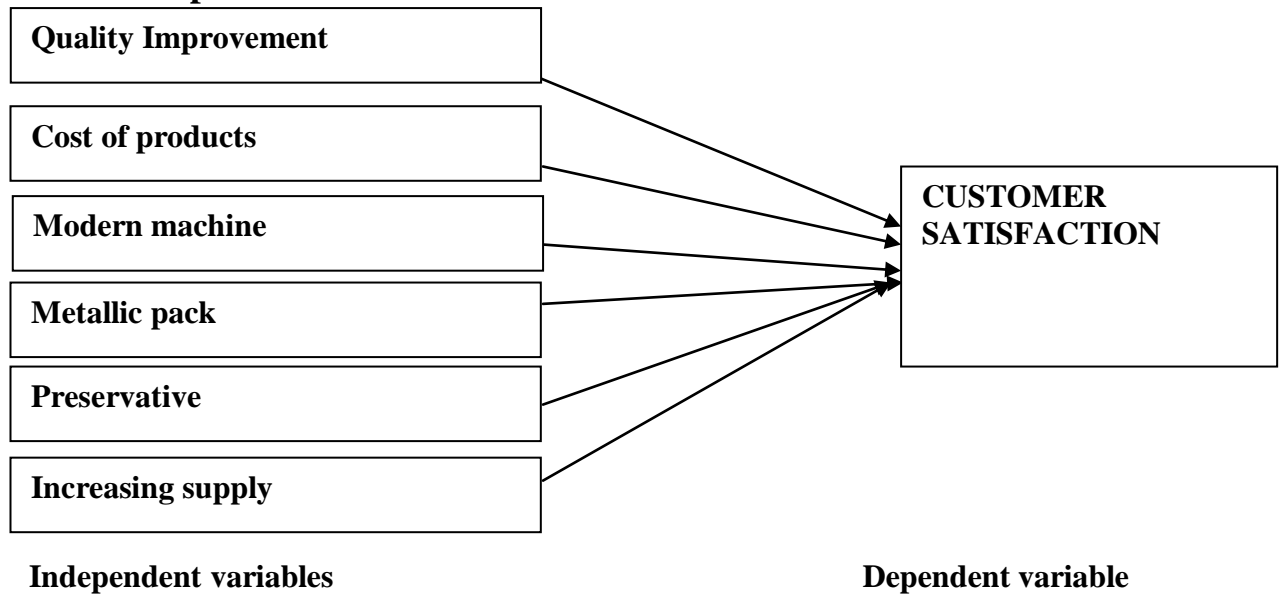
So, customer satisfaction, as being major tool to study the targeted markets and consumers to fulfill the demands of dairy products. Modern tools and equipment will be used for mass production and proper packaging and marketing plan will be used.

So, this study paper is designed to highlight the dairy product improvement and existence, which remained different from previous researches

## 2.4. Conceptual Framework

Figure 2.1 Conceptual Framework

### The conceptual framework:



#### 1. Quality Improvement:

Quality improvement is one of the important elements for customer satisfaction, customer get satisfied if there is quality product. Improved quality product can be leads to satisfaction.

#### 2. Cost of products

Consumers are very conscious about the products price, in minimum prize they want to buy the product. To achieve customer satisfaction product cost should be minimize so, that can sell in low price

#### 3. Modern Machine

Customer get satisfied whenever, the product is available in mass and everywhere any time as demand for those enterprises should use the Modern machine for mass production as demand of the customer.

#### 4. Metallic pack

Nowadays customer do not have time to go market again and again they want the foods which could be for longer consume time dairy product cannot be use for longer time so, metallic pack could be needed for long term usages.

#### 5. Preservative

For the longer use of the product, product should be used preservative so that consumer can use them in longer period.

**6. Increasing supply**

Whenever, the enterprise increases the supply of the products as demand than automatically customer satisfaction increases. Firm should increase the supply volume for supply in any time any place any quantity.

## **CHAPTER -III**

### **RESEARCH METHODOLOGY**

Customer expectation in this segment is very important to know to excel in this segment. It is solely based on clients preferences. Times has changed and customer wants best product offering best value for the money and can be defined in terms of money, value imparted, availability and ease of access. This project was carried out to find out the expectation of consumer from the dairy products and dairy products firm.

#### **3.1 Research Design**

Research design provides the overall framework or plan for the activities to be undertaken during the research study. Since, this study revolves around the customer satisfaction of descriptive research design is used to collect the opinions and to know about behavior of customer. As per nature of study, the study has used quantitative research design. Descriptive research design is used to collect the opinions and to know about behavior of customer. The study is mainly focus on microenterprise of dairy product of Ilam district and customer of Dairy product.

#### **3.2 Resources of Data**

The source of data is primary data. The primary data are collected from the discussion through concern authority: Dairy enterprises, and customer of Dairy product of Ilam district. Secondary data are collected from books, journal, and website, Articles.

#### **3.3 Population and Sample**

The Dairy products customers are the population for the study. It is almost impossible to include the whole population in the study. Therefore, out of the total population 400 customer are taken as a convenience sample for the study

#### **3.4 Data collection procedure**

Questionnaire was used to collect the primary data. The questionnaires were adopted using reliability test. The adopted questionnaire is modified and 5 likert scale questionnaires are developed. The questions are designed to collect information of Customer satisfaction. Researcher visited the major two cities of Ilam to collect primary data through questionnaire.

The secondary data are collected from books, journals, office, websites, reports co-operatives, and related articles,

### **3.5 Data Collection and Analysis**

The data collected using different technique are given due attention to process and present them in suitable format. Therefore, that it can be analyzed using analytical, descriptive as well as simple quantitative statistical tool. Results obtained are presented in the forms of tables and figures. The statistical tool mean, standard deviation, correlation, regression are used to test the significance of parametric test for sampling attributes. The collected data have been analyzed by using the statistical tools with the help of Statistical Package for Social Science (SPSS).AS well as Reliability tests is done through Cronbach Alpha.

### **3.6 Research analysis plan**

Whenever the function of data collection is completed the function of sorting, managing, arranging, ordering, analysis and interpretation of those data are done. These functions are done with the help following statistical tools in a systematic manner.

#### **3.6.1 Descriptive analysis**

The different profile general and demographic information of the respondents is termed as frequency analysis. Mean and standard deviation are used to study the dependent variable customer satisfaction and independent variables are Quality improvement, Costs of product, Modern Machine, Metallic packaging, Preservative and increasing supply .

#### **3.6.2 Inferential analysis**

To identify the relationship between dependent and independent variables three alternative hypotheses have been drawn in this study. With the help of conceptual framework of the study the hypotheses were drawn. Regression analysis data through likert-scale in the survey. Multiple regression analysis is adopted in the study to assess the impact of independent variables Quality improvement, Costs of products, Modern machine, Metallic packaging, Preservative and increasing supply of dairy product on dependent variable customer satisfaction. Coefficient of determination  $R^2$  which ranges from 0 to 1 is the measure of predictive accuracy for the multiple regression models. In predicting the dependent variable  $R^2$  signifies the combined effects of all the variables.

### 3.7 Reliability

Dependable measurement is one of the key factors in effective research. Measurements should be repeatable to be reliable. Consistency of a test, survey, observation, or other measuring device indicates reliability. Same results generating while doing same types of experiments under the same terms and conditions scenario for the other researchers must be there for the reliability. This will enable support the findings by the wider scientific community and will ensure acceptance of the hypothesis. To fulfill all the requirements of testability and reliability the experiment and research have to generate replication of statistically significant results.

The degree in which our test and other measuring device truly measures what we intended it to measure is termed as validity. Accuracy of a measure and a measurement is said to be valid when it measures and perform the functions that it supposed to perform. How good enough a measurement truly represents features that exist in the incidents being investigated refers to validity of research and experiment? Different measures were taken to collect a representative sample to give external validity.

Table 3.1: Cronbach's Alpha Coefficients

S.N	Description	Cranach's Alpha
1	Quality Improvement	0.667
2	Metallic packaging	0.659
3	Costs of product	0.920
4	Modern Machine	0.718
5	Preservative	0.759
6	Increasing supply	0.920

Source: SPSS

Above mentioned Table 3.1 shows the Cronbach's alpha coefficients of independent variables- Quality improvement, Metallic packaging, Costs of product, Modern machine, Preservative and Increasing supply . It is typically associated with internal consistency with values ranging from 0 to 1. Cronbach's Alpha coefficient more than 0.5 is considered acceptable.

In the following table of Cronbach's Alpha of product Quality improvement (QM) is 0.667& the value of Metallic packaging (MP) is 0.659 that is almost near to seven.

Cronbach's Alpha of Costs of Product (CP) is 0.920, Cronbach's Alpha value of Modern Machine (MM) is 0.718, Cronbach's Alpha value of Preservative (P) is 0.759 & Cronbach's Alpha value of Increasing Supply (IS) is 0.920. All the values of the following variables that are given in following table are more or equal to 70% that shows the scale that are used in this study showing strong consistency and reliable and can be used for further analysis and can measure the impact of dairy product on Quality improvement (QI), Metallic packaging (MP), Costs of product (CP), Modern Machine (MM), Preservative (P) and Increasing Supply (IS)

## **CHAPTER - IV**

### **DATA PRESENTATION AND ANALYSIS**

This chapter deals with collected data regarding to the main objectives of study. In this chapter, we analyze the collected data in various headings and sub headings to fulfill the main objectives of research study. This chapter shows the analysis of the various issues of dairy product towards customer satisfaction. The customer satisfaction, involve in quality improvement, costs of products, modern machine, metallic pack, preservative and increasing supply. Its deals with the analysis and interpretation of primary data collected through questionnaire from 400 respondents. The analysis deals with the respondent's descriptive analysis, which analyzes the collected data through frequency analysis and measures of central tendency. Second part analyzes the collected data through inferential analysis, which includes correlation analysis and regression to test hypothesis.

#### **4.1 Presentation of Data**

The data collected from the procedure as stated in chapter three were further taken for analysis and presentation. The analysis of data was performed with the help of SPSS and MS-Excel. This analysis part consists of details of the respondents' profile, descriptive analysis of respondents' answers on customer satisfaction practices in Ilam district of Nepal,

This section is further sub-divided into four sub-sections. The first part deals with the respondents' profile and their demographic characteristics. The second part is descriptive analysis, which analyzes the collected data through frequency analysis and measures of central tendency. The third part analyzes the inferential analysis which includes hypothesis testing and regression analysis. Fourth part of this chapter deals with discussion and inferences by analyzing and interpreting customer satisfaction practices in Ilam district. The fifth part of this chapter is major findings of this study and seventh and final part of this chapter is discussion.

#### **4.2 Respondent's Profile**

Its gives an insight into the demographic characteristics of the respondents under study. The respondent Profile includes age, gender & education level.

#### 4.2.1 Age group of Respondent

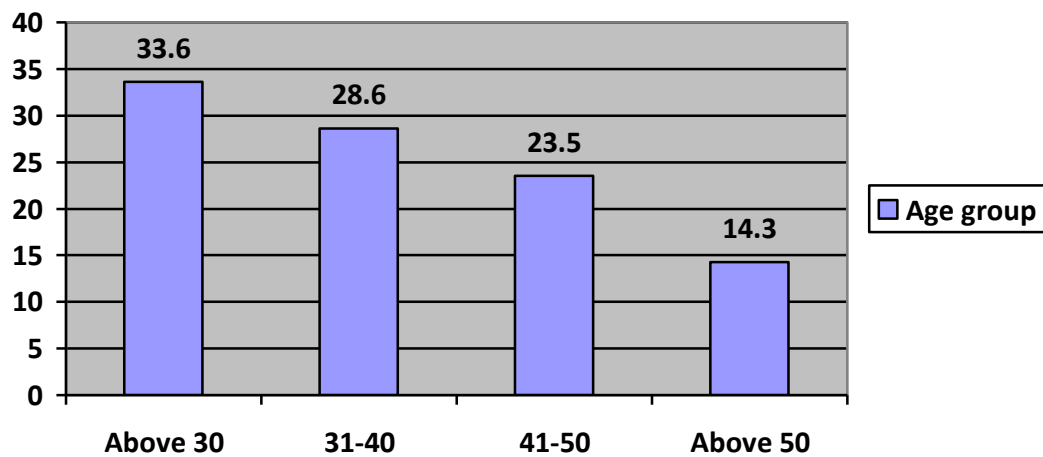
**Table 4.1 Age group of Respondent**

Age	Frequency	Percent
Valid		
Below 30	134	33.6
31-40	114	28.6
41-50	95	23.5
Above 50	57	14.3
Total	400	100.0

Source: Primary data, SPSS output

Table 4.1 shows that model age group of respondents are below 30 years. In addition general observation shows that about 66% of total respondents are between 31-50 years. However, only 14.3% of total respondents belonging to age group 50 and above were captured. The Proportion in age group 30 and below 30 years is 33.6% and this also takes highest proportion of all other age groups as shown in table 4.1.

Figure 4.1: Age group of Respondents



#### 4.2.2 Gender groups of Respondents

The questionnaires are distributed to Male & Female respondents. The respondents is shown in Table 4.2

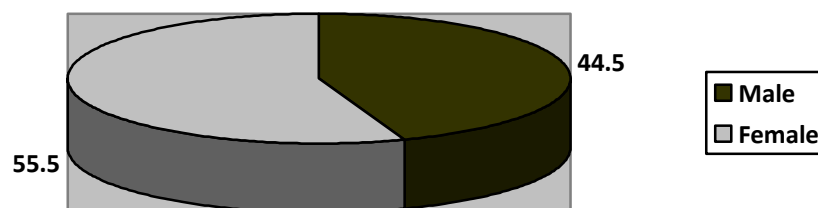
**Table 4.2 Distribution of Respondents based on Gender**

GENDER		Frequency	Percent
Valid	Male	178	44.5
	female	222	55.5
	Total	400	400.0
Total		400	100.0

**Source: primary data, SPSS output**

Table 4.2 shows distribution of the respondents based on gender status. From above table, we can see that model group of gender respondents are female. Out of the total respondents, 222 are female and 178 are male respondent. Hence female respondents Compromised 55.5% & male respondent compromised of 44.5% of total sample respondents. This indicates that consumption of dairy product is slightly more by female than male respondents.

Figure 4.2 Gender group of Respondents



#### 4.2.3 Educational Qualification of Respondents

The questionnaires are distributed to respondents having different levels of academic experience. The educational qualification of respondents shown in table 4.3

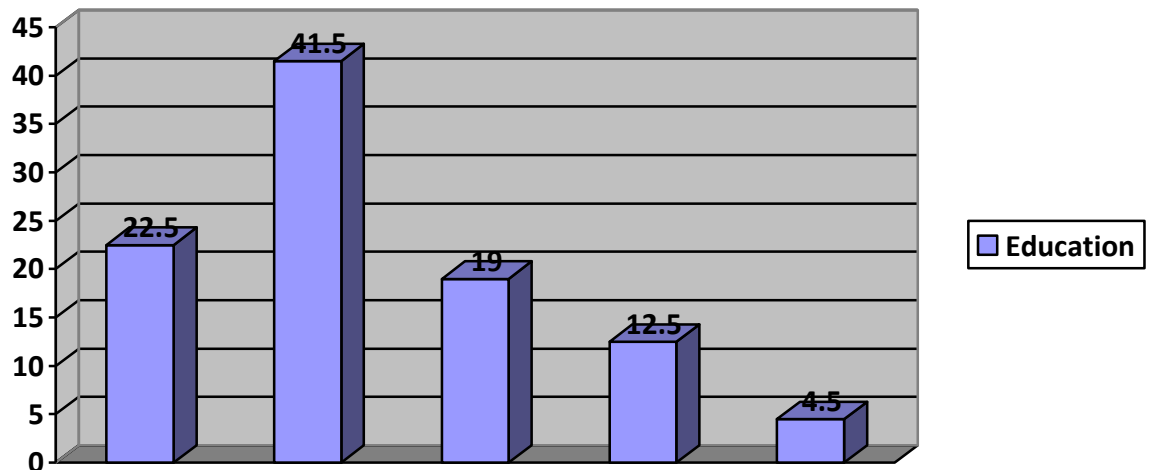
**Table 4.3 Distribution of Respondents based on Educational Qualification**

Education		Frequency	Percent
Valid	Below -10 pass	90	22.5
	+2	166	41.5
	Bachelor	76	19.0
	master	49	12.5
	Any other	19	4.5
	Total	400	100.0

**Source: primary data. SPSS output**

Table 4.3 depicts educational qualification of respondents. The educational qualification is divided into five categories: Below or pass 10, +2, Bachelor, Master and any other. Its shows that 22.5% of respondents i.e. 90 no. of respondents are in below or pass 10, 41.5% of respondents in +2, 19% of respondent are in bachelor, 12.5% are in master and 4.5% are in other field. So, the result shows that the +2 respondents are higher than other level of education.

Figure 4.3: Education of Respondents



### 4.3 Descriptive Analysis

In order to present descriptive scores for each of the variables used in the survey, descriptive analyses are performed. The main aim of this analysis is to describe the importance of each variable in order of importance given to it by the survey respondents. Descriptive statistics summarizes the sample and observations that have

been made. In this study, descriptive analysis incorporates the calculation of statistical measures such as mean and standard deviation.

A total of 14 items (questions) with particular mean score are obtained from SPSS output. A five- point Likert Scale is used for each question ranging from “Strongly Disagree” to “Strongly Agree”; coded by 1 representing “strongly disagree”, 2 representing “disagree”, 3 representing “neutral”, 4 representing “agree” & 5 representing “strongly agree.” These values help the researcher to analyze the data with respect to frequencies and aggregation relation to research question and variables

#### 4.3.1 Quality improvement

Quality improvement is one of the dependent variables of this research. Descriptive study of each question drafted and overall descriptive study on this variable is shown below.

**Table: 4.4. Descriptive Statistics of Quality improvement**

Descriptive Statistics				
CODE	Opinion of statement	N	Mean	Std. Deviation
QI 1	satisfied with the quality	400	3.66	.870
QI 2	consider quality before buying	400	3.98	.863
	Quality improvement	400	3.82	.866

**Source: primary data, SPSS output**

Table 4.4 shows descriptive statistics of an individual items an individual item and as a whole of Quality Improvement sub-factor. There are five statements used to measure the variables. Each of the 400 respondents submitted their responses in five-point Likert scale. Where, 1 for strongly disagree, 2 for disagree, 3 for neutral, similarly 4 for agree and 5 for strongly agree. The table 4.4 shows that items have mean value of QI 1 has 3.66 and QI 2 has 3.98 i.e. the response are positive, since there is higher than 3. And other words, higher than Neutral.

The aggregate mean of QI is 3.82 with standard deviation of 0.866. This shows that the customer satisfaction can get through the Quality improvement.

#### **Table: 4.3.2 Metallic Packaging**

Packaging is other dependent variables of this research. Descriptive study of each questions drafted and overall descriptive study on this variable is shown below:

**Table 4.5 Descriptive statistics of Metallic packaging**

CODE	Opinion of statement	N	Mean	Std. Deviation
Mp1	satisfied with packaging	400	3.44	.940
Mp2	use of metallic pack	400	3.14	.748
	Packaging	400	3.29	.783

**Source: primary data, SPSS output**

Table 4.5 shows descriptive statistics of individual items and as a whole of P sub-factor. There are two statement used to measure Packaging. Each of the 400 respondents submitted their responses in the five-point Likert scale. Where, 1 for strongly disagree, 2 for disagree, 3 for neutral, similarly 4 for agree and 5 for strongly agree. The table 4.5 shows that items have mean value of M P 1 has 3.44 and M P 2 has 3.14 i.e. the response are positive, since there is higher than 3. And other words, higher than Neutral.

The aggregate mean of P is 3.29, which is greater than 3, with standard deviation of 0.783. This shows that the customer satisfaction can get through attractive metallic Packaging.

#### **Table: 4.3.3 Costs of product**

A cost of product is other dependent variables of this research. Descriptive study of each questions drafted and overall descriptive study on this variable is shown below.

**Table 4.6 Descriptive statistics of costs of product**

Code	Opinion of statement	N	Mean	Std.Deviation
CP 1	satisfied with cost	400	3.74	0.792
CP2	consider cost before buying	400	3.43	0.732
	Costs of product	400	3.585	0.762

Source: Primary data, SPSS output

Table 4.6 shows descriptive statistics of individual items and as a whole of P sub-factor. There are two statement used to measure Packaging. Each of the 400 respondents submitted their responses in the five-point Likert scale. Where, 1 for strongly disagree, 2 for disagree, 3 for neutral, similarly 4 for agree and 5 for strongly agree. The table 4.6 shows that items have mean value of CP 1 has 3.74and CP 2 has 3.43 i.e. the response are positive, since there is higher than 3. And other words, higher than Neutral.

The aggregate mean of CP is 3.585, which is greater than 3, with standard deviation of 0.762. This shows that the customer satisfaction give importance to costs of product and it has a relationship with the costs of product.

**Table: 4.3.4 Modern Machine**

Modern Machine is other dependent variables of this research. Descriptive study of each questions drafted and overall descriptive study on this variable is shown below:

**Table 4.7 Descriptive statistics of Modern Machine**

CODE	Opinion of statement	N	Mean	std. deviation
MM 1	Machine is refined technology	400	3.545	0.894
MM2	Machine makes product standard	400	3.923	0.859
	Modern Machine	400	3.734	0.876

Source: Primary data, SPSS output

Table 4.7 shows descriptive statistics of individual items and as a whole of MM sub-factor. There are two statement used to measure Packaging. Each of the 400 respondent submitted their responses in the five-point Likert scale. Where, 1 for strongly disagree, 2 for disagree,3 for neutral, similarly 4 for agree and 5 for strongly agree. The table 4.7 shows that items have mean value of MM 1 has 3.545 and MM 2 has 3.9225 i.e. the response are positive, since there is higher than 3. And other words, higher than Neutral.

The aggregate mean of MM is 3.7337, which is greater than 3, with standard deviation of 0.8765. This shows that the customer satisfaction give importance to Modern Machine and it has a relationship with the costs of product.

**Table: 4.3.5 Preservative**

Preservative is other dependent variables of this research. Descriptive study of each questions drafted and overall descriptive study on this variable is shown below:

**Table 4.8 Descriptive statistics of preservative**

Code	Opinion of statement	N	Mean	std. deviation
P 1	preservative for longer life of product	400	3.00	0.987
P 2	preservative keeps product fresh	400	3.04	1.089
	Preservative	400	3.02	1.038

Source: Primary data, SPSS output

Table 4.8 shows descriptive statistics of individual items and as a whole of P sub-factor. There are two statement used to measure Preservative. Each of the 400 respondents submitted their responses in the five-point Likert scale. Where, 1 for strongly disagree, 2 for disagree,3 for neutral, similarly 4 for agree and 5 for strongly

agree. The table 4.8 shows that items have mean value of P 1 has 3.00 and P 2 has 3.04 i.e. the response are positive.

The aggregate mean of P is 3.02, which is greater than 3, with standard deviation of 1.038. This shows that the customer satisfaction give importance to preservative and it has a relationship with the Preservative. This shows that the Preservative is towards agreeableness.

**Table: 4.3.6 Increasing Supply**

Increasing supply is other dependent variables of this research. Descriptive study of each questions drafted and overall descriptive study on this variable is shown below:

**Table 4.9 Descriptive Statistics of Increasing Supply**

Code	Opinion of statement	N	Mean	std. deviation
IS 1	Satisfied with the availability	400	3.10	0.746
IS 2	Meet the demand	400	3.74	0.797
	Increasing Supply	400	3.42	0.772

Source: Primary data, SPSS output

Table 4.9 shows descriptive statistics of individual items and as a whole of P sub-factor. There are two statement used to measure Increasing supply. Each of the 400 respondents submitted their responses in the five-point Likert scale. Where, 1 for strongly disagree, 2 for disagree,3 for neutral, similarly 4 for agree and 5 for strongly agree. The table 4.9 shows that items have mean value of IS 1 has 3.10 and IS 2 has 3.74 i.e. the response are positive, since there is higher than 3. And other words, higher than Neutral.

The aggregate mean of P is 3.42, which is greater than 3, with standard deviation of 0.772. This shows that the customer satisfaction give importance to Increasing supply and it has a relationship with the Increasing supply. This shows that the Increasing supply is towards agreeableness

#### 4.4 Hypothesis Testing

**Table 4.10 Hypothesis Test Summary**

<b>Null Hypothesis</b>	<b>Test</b>	<b>Sig.</b>	<b>Decision</b>
1. There is relationship between customer satisfaction & Quality Improvement	One- sample chi-square test	.000	Accepted
2. There is relationship between customer satisfaction and Metallic packaging	One- sample chi-square test	.000	Accepted
3. There is relationship between customer satisfaction and Coast of Product	One –sample chi-square test	.000	Accepted
4 There is relationship between customer satisfaction and Modern Machine	One -sample chi-square test	.000	Accepted
5. There is relationship between customer satisfaction and Preservative	One -sample chi-square test	.000	Accepted
6. There is relationship between customer satisfaction & Increasing supply	One -sample chi-square test	.000	Accepted

Source: Primary data, SPSS out

From the above analyses, it can be concluded that the independent variables Quality improvement, Metallic Packaging, Costs of Product, Modern Machine, Preservative, Increasing supply have significant positive relationship with Customer satisfaction.

#### 4.5 Regression analysis

In statistical modeling, regression analysis is a statistical process for estimating the relationships among variables. It includes many techniques for modeling and analyzing several variables, when the focus is on the relationship between a dependent variable and one or more independent variables. Regression analysis is a mathematical measure of overage relationship between two variables or more variable in terms of original unit of data. The general purpose of multiple regressions is to learn more about the relationship between several independent or predictor variables and a dependent or criterion variable. In this study, the dependent variable is customer satisfaction and independent variables are Quality improvement, Costs of products, Modern machine, Metallic Packaging, Preservative, Increasing supply.

Multiple Regression Model  $\beta_6 X_6$

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + e_i$$

Where,

Y = Customer satisfaction (Dependent variable),

X1 = Quality Improvement, X2 = Metallic Packaging, X3 = Costs of Product, X4 = Modern machine, X5 = Preservative, X6 = Increasing supply

$\alpha$  = Constant,

$\beta_i$  = Coefficient of slope of regression model

$e_i$  = Error term

Where, A is constant and B is regression coefficient. A measure of change Y per unit change in X. If 1 unit increases in economic aspect, the competitiveness will also increase. This is presented in table 4.11.

Table below indicates the findings of regression analysis between three independent variables and competitiveness.

**Table 4.11 Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.744 <sup>a</sup>	.554	.547	.340

a. Predictors: (Constant), increasing supply, Quality improvement, costs of product, modern machine, metallic packaging, preservative

Source: SPSS output

Table 4.11 indicates that the correlation coefficient (R), using overall climate for ethics as the predictors, is 0.744 ( $R^2 = 0.554$ ) and adjusted  $R^2$  is 0.547, it means that 54.7% variance in dependent variable that is Quality Improvement (QI) can be examined through the independent variable that is Customer Satisfaction (CS). It means 54.7% change in Dependent variables (Quality improvement, costs of product, modern machine, metallic packaging, preservative and increasing supply) come

through Customer Satisfaction (CS). As it is evident and can see from coefficients table, Customer Satisfaction (CS) is significant.

**Table 4.12 ANOVAs model**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	56.314	6	9.386	81.406	.000 <sup>a</sup>
	Residual	45.311	393	.115		
	Total	101.624	399			

a. Predictors: (Constant), increasing supply, Quality improvement, costs of product, modern machine, metallic packaging, preservative

b. Dependent Variable: customer satisfaction

The ANOVA table 4.12 shows that F= 81.406 and is also significant. This shows the Customer Satisfaction (CS) as predictor significantly predict fulfillment of the Dependent Variable.

**Table 4.13 Coefficients of model**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.476	.222		2.144	.033
	Quality improvement	.224	.023	.327	9.560	.000
	metallic packaging	.249	.051	.204	4.907	.000
	costs of product	.099	.040	.108	2.486	.013
	modern machine	.160	.033	.246	4.887	.000
	preservative	.269	.042	.347	6.451	.000
	increasing supply	.086	.042	.086	2.059	.040

a. Dependent Variable: customer satisfaction

*Source: SPSS output*

Taking six dimensions of Customer Satisfaction practices including Quality Improvement, Metallic Packaging, Costs of products, Modern Machine, Preservative

and Increasing supply as independent variable ( $X_1, X_2, X_3, X_4, X_5, X_6$ ) and customer satisfaction as the dependent variable, the model is constructed with equation as below:

$$\hat{Y} = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + e_i$$

Based on the coefficients, the regression equation for the customer satisfaction can be written as:

$$\hat{Y} = 1.476 + 0.224 X_1 + 0.249 X_2 + 0.099 X_3 + 0.160 X_4 + 0.269 X_5 + 0.086 X_6$$

Regression coefficient of Quality Improvement, Metallic Packaging, Costs of products, Modern Machine, Preservative and Increasing supply of customer satisfaction practices are 0.224, 0.249, 0.099, 0.160, 0.269 and 0.086 respectively.

The table 4.13 also shows that all independent variables such Quality Improvement, Metallic Packaging, Costs of products, Modern Machine, Preservative and Increasing supply of customer satisfaction practices have significant results since their respective level of significant .

To conclude, six out of six proposed hypotheses were supported conform that Dairy product production in Ilam district regarding Customer Satisfaction result a better competitiveness in the market.

#### **4.6 Finding**

The major finding of this research is to find out the practices of Customer satisfaction in Dairy product production in Ilam district. The research is entirely focused on different aspect that is required for Customer satisfaction practice in Ilam district. The research has been done with the sample size of 400 representing the population size. The research is based on both the descriptive analysis and inferential analysis or hypotheses testing.

1. Regarding the demographic profile as the variable in the study, study focused on three major demographic components as gender, age, education. Out of 400 respondents, 55.5% are female and remaining 44.5% are male.
2. Out of 400 respondents, large numbers of respondents belong to age group below 30 years constituting 33.6% of the total respondents. In addition to this, 28.6% respondents belong to 31-40 years, 23.5% respondents are aged 41-50

years, and 14.3% respondents are of age group above 50 year. The data shows that youth aged customers are maximum involved in coffee farming followed by middle aged farmers. There is very less involvement of old age in consumption of dairy product in comparison to middle and young aged people.

3. Out of 400 respondents, large numbers of respondents are plus 2 passed i.e. 41.5%. 22.5% respondents are passed SLC or under SLC, 19.0% have cleared bachelor, 12.5% have cleared Master and 4.5% are from other level. This shows that plus 2 people are higher customer of dairy product whereas the respondents who have completed SLC and graduated are very less in comparison to other.

4. In this study to check the impact of Customer Satisfaction (CS) on Dairy product, are divided into six basic dimensions including Quality improvement, Metallic packaging, Costs of product, Modern Machine, Preservative and Increasing Supply

5. Out of six items defining customer satisfaction practices consumer agree that the dairy product of customer satisfaction considering all the six items Quality improvement, Metallic packaging, Costs of product, Modern Machine and increasing supply.

I. Quality improvement shows highest mean 3.82 indicates that is the most agreed statement, with the standard deviation is 0.866 stating that Quality improvement is one of the main variables of customer satisfaction of the dairy product.

II. The aggregate mean of Metallic Packaging is 3.29, with 0.78 standard deviation. This shows that the Customer satisfaction of the dairy product has positive relationship with metallic packaging.

III. The aggregate mean of Cost of product is 3.585 with standard deviation 0.762. This shows that the customer satisfaction has positive relationship with cost of dairy product.

IV. The aggregate mean of Modern Machine is 3.734 with standard deviation 0.876. This shows that the customer satisfaction has positive relationship with cost of dairy product.

V. The aggregate mean of preservative is 3.02 with 1.038 standard deviation. This shows that the Customer satisfaction has positive relationship with preservative.

VI. The mean of increasing the supply of different dairy products is 3.42 with standard deviation 0.772.

This states that the customer satisfaction has positive relationship with increasing supply

6. In this Chapter data was analysis to outline the major findings and six hypotheses are developed with keeping in view that after obtaining the customer services from dairy product, if dairy product succeeds to fulfillment of their Quality improvement, Costs of product, Packaging, Modern Machine, Preservative, & Increasing Supply, it means that consumer gets satisfaction level.

1. There is relationship between customer satisfaction (CS) & Quality improvement,
2. There is relationship between customer satisfaction and Metallic packaging,
3. There is no relationship between customer satisfaction and Costs of product,
4. There is relationship between customer satisfaction and Modern machine,
5. There is relationship between customer satisfaction and preservative
6. There is relationship between customer satisfactions and increasing supply the above referred hypotheses are tested and the final results of above cite hypothesis are summarized and given in the following table.

**Table 4.14 Hypothesis Test Summary**

<b>Null Hypothesis</b>	<b>Test</b>	<b>Sig.</b>	<b>Decision</b>
1. There is relationship between customer satisfaction & Quality Improvement	One- sample chi-square test	.000	Accepted
2. There is relationship between customer satisfaction and Metallic packaging	One- sample chi-square test	.000	Accepted
3. There is relationship between customer satisfaction and Cost of Product	One -sample chi-square test	.000	Accepted
4 There is relationship between customer satisfaction and Modern Machine	One -sample chi-square test	.000	Accepted
5. There is relationship between customer satisfaction and Preservative	One -sample chi-square test	.000	Accepted
6. There is relationship between customer satisfaction & Increasing supply	One -sample chi-square test	.000	Accepted

Source: Primary data, SPSS out

7. Multiple regression analysis shows Quality improvement, cost of product, Modern machine, Metallic pack, Preservative and Increasing supply are significant and significantly affect with 55.4% result and remaining 45.6% is with other variables.

8. Quality improvement on customer satisfaction has significantly affect with 32.7%, similarly other variables metallic packaging, costs of product, modern machine, preservative and increasing supply has significant and significantly affects the customer satisfaction on dairy products are 20.4%, 10.8%, 24.86%, 34.7% and 8.6% respectively.

## **CHAPTER- V**

### **CONCLUSION**

#### **5.1 Summary**

Ilam is naturally one of the beautiful district of a Nepal. It has have abundance potentiality in agriculture in spite of it tough topography, its potentiality in agro products is favored by its peculiar climatic zones and geography. Ilam is famous for its six A. They are Alu (potato), Aalonn(milk),Alachi(cardamom), Amalisho(Broom), Akbare(Chilly),Adhuwa(Ginger), Arthodox (Orthodox tea). Among them Aalonn (milk) is one of the best sources of Ilam districts. Locally made dairy items such as lollipops, cheese and bambaisan are the new preferred souvenirs among Ilam visitors. Ilam alone has sold the dairy product from cow's milk in a big scale in the national and international market. one of the micro enterprises. Dairy firm has been an important source of subsidiary income to small/marginal farmers and agricultural laborers. Milk is an integral part of nutrition and primary source of food and potential income generating activity for most farmers.

Customer Satisfaction is a fundamental marketing construct for dairy product. It is more important in gaining new customers and retaining the existing and mostly company gain better understanding of the importance of the customer. Customer satisfaction helps firm to improve the stability of the firm.

The study is conducted to examine whether the Quality improvement, Costs of product, Modern machine, Metallic pack, Preservative and Increasing supply (Independent Variables) are the important factors for customer satisfaction (Dependent variables) of the dairy products in Ilam districts.

The study is based on primary data. Primary data are collected from a sample of 400 respondents from the sample area. A structured questionnaire is used for collection. Descriptive research design is used. The result shows that there is positive relationship between all the independents variables and the dependent variables (Customer Satisfaction).

Regarding the demographic profile, out of total respondents of 400, there are 222 females and 178 males comprising the percentage of 55.5% and 44.5% respectively. Similarly, Out of 400 respondents, large numbers of respondents belong to age group below 30 years constituting 33,6% of the total respondents. In addition to this, 28.6%

respondents belong to 31-40 years, 23.5% respondents are aged 41-50 years, 14.3% respondents are of age group of 50 and above year. The data shows that youth aged customers are maximum involved in consumption of dairy product. There is very less involvement of old aged people in consumption of dairy product in comparison to middle and youth aged people.

Also, 22.5% of respondents are completed SLC and under SLC, 41.5% of the total respondents completed their +2 level, 19.0% respondents completed bachelor, 12.5% respondents completed master level and 4,5% respondents were from other field. In case of analysis within the factor, 12 several items were used to understand the level of variables. The agreement level of each of the variables of the study is shown in Table 5.1.

Table 5.1 Level of agreement of Research Variables

Research Variable	No of Item	Average Mean	Standard Deviation	Level of Agreement
Quality improvement	2	3.82	0.866	Agree
Metallic packaging	2	3.29	0.783	Agree
Costs of product	2	3.585	0.762	Agree
Modern Machine	2	3.734	0.876	Agree
Preservative	2	3.02	1.038	Agree
Increasing Supply	2	3.42	0.772	Agree

With the corresponding items under each variable and tested using Likert scale of measurement, the mean identifies the range of agreement level. This agreement level illustrates the customer satisfaction in Ilam district. Out of these variables, it can be summarized that customer are agree in product Quality improvement, Metallic Packaging, Cost of product, Modern Machine and Increasing supply.

Descriptive statistics of product Quality improvement shows highest mean 3.82 indicates that is the most agreed statement, with the standard deviation is 0.866 stating that Quality improvement is one of the main variables of customer satisfaction of the dairy product. The aggregate mean of Metallic Packaging is

3.29 with 0.78 standard deviation. This shows that the Customer satisfaction of the dairy product has positive relationship with metallic packaging. Similarly, the aggregate mean of Cost of product is 3.585 with standard deviation 0.762. This shows that the customer satisfaction has positive relationship with cost of dairy product. The aggregate mean of Modern Machine is 3.734 with standard deviation 0.876. This shows that the customer satisfaction has positive relationship with cost of dairy product. The aggregate mean of preservative is 3.02 with 1.038 standard deviation. This shows that the Customer satisfaction has positive relationship with preservative. Similarly, the mean of increasing the supply of different dairy products is 3.42 with standard deviation 0.772. This states that the customer satisfaction has positive relationship with increasing supply

Regarding the inferential study, different statistical tools such as one sample chi-square tests are used depending upon the nature of the data collected. Table 5.2 summarizes the hypotheses testing of the study. All the tested hypotheses are significant at 1% level of significance. Thus, the independent variables such as Quality improvement, cost of product, Modern machine, Metallic pack, Preservative and Increasing supply practices have significant influence on customer satisfaction (Independent variable)

All independent variable Quality improvement, costs of product, Modern machine, Metallic pack, Preservative and Increasing supply have positive with customer satisfaction. Multiple regression analysis shows Quality improvement, cost of product, Modern machine, Metallic pack, Preservative and Increasing supply are significant and significantly affect with 55.4% result and remaining 45.6% is with other variables. It is due to the impact of other variables which is not considered in this analysis. Regarding the customer satisfaction practices, there may be various other issues like doctor perception, festivals, geography area, economic factor, political factor, Income and many more which directly influence the customer satisfaction of the dairy product and are not included in this study. These things need to be considered accordingly so that the customer satisfaction can be increased.

## 5.2 Conclusion

Customer satisfaction is at the core of human experience, reflecting our liking of a company's business activities. High levels of customer satisfaction (with pleasurable experiences) are strong predictors of customer and client retention, loyalty, and product repurchase. Data that answers why a customer or client enjoyed their experience helps the company recreate these experiences in the future. A consumer survey will help us to understand our customers' likes, dislikes, and where you need to make improvements.

1. The customer satisfaction is a development tools or essential factors for success of the company. To achieve the high customer satisfaction companies must know when and how their customers are satisfied about the products and services. Satisfaction is vague and complex term, when we constrain ourselves to domain of user products relationship. A product is anything that can be offered to satisfy a need or want which includes experiences, persons, places, organizations, information and ideas.
2. This study aimed at finding the customer satisfaction on dairy product in Ilam district. In this research several factors affecting the customer satisfaction on dairy product.
3. This study has advanced knowledge by addressing the key determinants of customer satisfaction. Data for this study were collected using printed questionnaire from customer of two different major cities of Ilam.
4. On the basis of above cite result it is observed that dairy product's Customer satisfaction of Quality Improvement, Costs of product, Metallic packaging, modern machine, preservative & increasing supply has vital role.
5. There is relationship between customer satisfaction (CS) & Quality improvement, there is relationship between customer satisfaction and Metallic packaging, there is relationship between customer satisfaction and Coast of Product, there is relationship between customer satisfaction and Modern Machine, there is relationship between customer satisfaction and Preservative & there is relationship between customer satisfactions & Increasing supply is accepted

6. we can say that Customer get satisfy with the fulfillment of product Quality improvement, Costs of product, Packaging, modern machine, preservative and increasing supply by using it dairy firm can increase the value of product and stability of customer and retain new customer.
7. All six variables have significance positive relation with customer satisfaction of Dairy product.
8. According to the interpretations of our study we propose that dairy firm should focus more on Customer behavior and needs.
9. Among them all independent variables all the variables have high impact on customer satisfaction.
10. Customer Satisfaction is not emphasized by dairy enterprises.

### **5.3 Implication for management**

In an attempt to analyze the different variables and its impact on customer satisfaction of the dairy product, thus based on the results and findings obtained from this study, following sets of recommendations are offered for management (enterprises) of dairy product.

1. This study can be a good reference for dairy firm (enterprises) more reliable information of customer behavior.
2. From the study, it was found that quality improvement, costs of product, metallic packaging, modern machine, preservative, has positive relationship to customer satisfaction. So the firm can have customer satisfaction practices to gain the competitive advantage
3. Enterprises should pay a special attention to their customer needs, likes, dislikes, and where there is needed to make improvement of the product.
4. Enterprises should use customer satisfaction as essential tools to achieve the success of the company and their goal.
5. Enterprises should pay a special attention to their buyers. Only the recognition of customers' needs will make it possible to provide them with a product which will fully meet their expectations.

6. Studies show satisfied clients tend to buy products more often and develop loyalty to a particular brand. They often spread the word by recommending products and services to friends and family as an informal referral process.
7. Customer Satisfaction surveys can become imperative tools for improving the business and ensuring the customers is happy and loyal.
8. This study indicates that using innovation characteristics such as perception of usefulness, ease of use and compatibility for decomposition provides useful, actionable information which entrepreneurs can use to plan appropriate services.
9. The study can be useful for Enterprise to know the demographic profile of customer and their behavior in market of Nepal.

### **5.3 Implication for researcher**

1. This study only focused on Ilam District, further researcher can be conducted considering for different areas of Nepal.
2. The study has only considered six independent variable. Further researcher can be conducted considering more factors.
3. Large scale, valid sample size can be used.
4. Budget constrains can be illuminate. Further research can be done through sufficient budget from different sources to uplift more development in the enterprise.
5. Time constrain can be illuminate. As this study was done for the completion of dissertation further more research can be done.
6. Large scale, valid sample size can be used for more reliable and valid research for further research.
7. Triangulation of the study.
8. Use of other tools and method.
9. While the present study focuses on simple issues of customer satisfaction, it would be more beneficial to apply other major issues like food and dairy technology, dairy science and technology, employment opportunities, waste management, personal income etc.

10. This study primarily touched upon simple practices of customer satisfaction in Ilam district only. However, it would be more interesting to see further research, not only on Ilam but also the major area producing dairy product with major issues of customer satisfaction.

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## APPENDIXES

**Table:1 ANOVA model I**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	14.899	1	14.899	29.317	.000 <sup>b</sup>
Residual	202.270	398	.508		
Total	217.169	399			

a. Dependent Variable: Quality improvement

b. Predictors: (Constant), customer satisfaction

**Table: 2 Coefficients of model I**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.002	.342		5.862	.000
customer satisfaction	.473	.087	.262	5.415	.000

a. Dependent Variable: Quality improvement

Source: primary data, SPSS output

**Table: 3 Model Summary of Model I**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.662 <sup>a</sup>	.438	.436	.51661

a. Predictors: (Constant), customer satisfaction

Source: primary data, SPSS output

**Table 4 ANOVA Model II**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	53.241	1	54.280	204.344	.363 <sup>b</sup>
Residual	68.654	137	.267		
Total	122.954	138			

a. Dependent Variable: metallic packaging

b. Predictors: (Constant), customer satisfaction

Source: primary data, SPSS output

**Table 5 ANOVA Model II**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.458	.247		1.155	.000
customer satisfaction	.863	.060	.662	15.802	.363

a. Dependent Variable: metallic packaging

**Table 6 Model summary of model III**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.227 <sup>a</sup>	.052	.049	.53494

a. Predictors: (Constant), customer satisfaction

Source: primary data, SPSS output

**Table 7 ANOVA of model III**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.206	1	6.206	21.689	.000 <sup>b</sup>
	Residual	113.891	398	.286		
	Total	120.097	399			

a. Dependent Variable: costs of product

b. Predictors: (Constant), customer satisfaction

Source: primary data, SPSS output

**Table: 8 Coefficients of Model III****Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	4.889	.256		19.079	.000
customer satisfaction	.305	.066	.227	4.657	.000

a. Dependent Variable: costs of product

**Table: 9 Model summary of Model IV**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.372 <sup>a</sup>	.138	.136	.71997

a. Predictors: (Constant), customer satisfaction

Source: primary data, SPSS output

**Table: 10 Model summary of Model IV**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	33.089	1	33.089	63.835	.000 <sup>b</sup>
	Residual	206.305	398	.518		
	Total	239.394	399			

a. Dependent Variable: modern machine

Predictors: (Constant), customer satisfaction

Source: primary data, SPSS output

**Table: 11 ANOVA model IV**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.474	.345		18.771	.000
	customer satisfaction	.705	.088	.372		

a. Dependent Variable: modern machine

Source: primary data, SPSS output

**Table: 12 Model Summary of Model V**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.372 <sup>a</sup>	.139	.136	.60366

a. Predictors: (Constant), customer satisfaction

Source: primary data ,SPSS output

**Table: 13 ANOVA Model V**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.341	1	23.341	64.052	.000 <sup>b</sup>
	Residual	145.033	398	.364		
	Total	168.374	399			

a. Dependent Variable: preservative

b. Predictors: (Constant), customer satisfaction

Source: primary data, SPSS output

**Table: 14 ANOVA Model V**

**Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.928	.289		17.041	.000
	customer satisfaction	.592	.074	.372	8.003	.000

a. Dependent Variable: preservative

Source: primary data SPSS output

**Table: 15 Model summary of model VI**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.208 <sup>a</sup>	.043	.041	.49333

a. Predictors: (Constant), customer satisfaction

**Table: 16 ANOVA Model VI**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.387	1	4.387	18.024	.000 <sup>b</sup>
	Residual	96.863	398	.243		
	Total	101.250	399			

a. Dependent Variable: increasing supply

b. Predictors: (Constant), customer satisfaction

Source: primary data ,SPSS output

**Table 17 Model Summary of Model VI**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	2.973	.236		12.579	.000
	customer satisfaction	.257	.060	.208	4.245	.000

a. Dependent Variable: increasing supply

Source: primary data. SPSS output

## **APPENDIXES**

### **Questionnaires**

#### **Topic: Customer satisfaction towards dairy product**

Dear Respondent,

My name is Kunjani Lama Bomjan. I am doing a master of business studies at Tribhuvan University of Nepal. Currently am doing a research on customer satisfaction towards dairy product of Ilam as partial fulfillment of my master degree. I humbly request you to fill questionnaire so that I can get reliable data will make my assignment successful. I promise that the data you are going to fill in will confidential as the report will provide information in its aggregate and will both benefits from this research.

#### **Questionnaire for the customer**

##### **Section A: Individual Questionnaires**

**Name of Respondent:**

**AGE:**

1. **Below 30years**
2. **31-40years**
3. **41-50years**
4. **Above 50 years**

**Gender**

1. Male
2. Female

**Education:**

1. **Bellow- 10 pass**
2. **10+2**
3. **Bachelor**
4. **Master**
5. **Any other**

## Section B Customer satisfaction towards dairy product user

The number of following table indicates the degree of satisfaction or agreement level on (on a scale of 1-5) of the customer satisfaction from dairy product. Please tick the number, which accurately reflect your opinion.

**1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree**

S. N	Details	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
<b>1</b>	<b>Quality improvement</b>					
<b>a.</b>	I am satisfied with the quality improvement of the product delivered.					
<b>b.</b>	I consider the quality before, I buy the product.					
<b>2</b>	<b>Packaging</b>					
<b>a.</b>	I am satisfied with the packaging of the dairy product.					
<b>b.</b>	I agree the metallic packaging for longer use.					
<b>3</b>	<b>Costs of product</b>					
<b>a.</b>	I am satisfied with the costs of dairy product.					
<b>b.</b>	I considered the price factor before buying the dairy product.					
<b>4</b>	<b>Modern Machine</b>					
<b>a.</b>	Machine is refined technology					
<b>b.</b>	Machine makes product standard					
<b>5</b>	<b>Preservative</b>					
	I accept preservative in dairy product for longer life of product.					

<b>b</b>	Preservative keeps the dairy product fresh.					
<b>6</b>	<b>Increasing Supply</b>					
<b>a</b>	I am satisfied with the availability of dairy product.					
<b>b</b>	I agree that dairy product in Ilam has meet the demand.					
<b>7</b>	<b>Overall customer satisfaction</b>					
<b>a.</b>	Dairy product is one of the best products of Ilam.					
<b>b.</b>	I am happy on my decision to buy dairy product.					

**QUESTIONNAIRE FOR DAIRY PRODUCT FARM/PRODUCER  
CUSTOMER SATISFACTION TOWARDS DAIRY PRODUCTS IN ILAM  
(Research study of Tribhuwan University, MBS Thesis)**

1. **Name of Respondent :**
2. **Enterprises name:**
3. **Address:**

<b>S.n</b>	<b>Details</b>	<b>Strongly disagree 1</b>	<b>Disagree 2</b>	<b>Neutral 3</b>	<b>Agree 4</b>	<b>Strongly Agree 5</b>
1	Your firm objectives are driven by customer satisfaction					
2	Your firm has a strong commitment to serving customer satisfaction					
3	Your firms' business strategy is driven by increasing value for customer.					
4	Close attention is given to after-sales service in your firm					
5	Your firm responds rapidly to your competitors action					
6	Information on customer is freely communicated throughout the firm.					
7	Firm attends fair and exhibitions regularly new idea and approaches on work performance area experimented continuously.					
8	How did your product perform					
i.	Overall quality					
ii.	Value					
iii.	Purchase experience					
iv.	installation/ first use experience					

