

BRAND LOYALTY OF CONSUMER PRODUCTS

A Thesis

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RECOMMENDATION

This is to certify that the thesis

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Brand Loyalty of Consumer Products

has been prepared as approved by this Campus in the prescribed format of the Faculty of Management, Tribhuvan University. This thesis is forwarded for examination.

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And found the thesis to be original work of the student and written according to the prescribed format.

We recommend the thesis to be accepted as partial fulfillment of the requirements for the degree of

Master of Business Studies (M.B.S)

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DECLARATION

I hereby declare that this study entitled, *Brand Loyalty of Consumer Products* submitted to the Office of the Dean, Faculty of Management, Tribhuvan University, is my original research work carried out to satisfy the partial fulfillment of the requirements for the degree of Masters of Business Studies (M.B.S) under the supervision of **Mr. Yuga Raj Bhattarai**, Associate Professor of Patan Multiple Campus, Faculty of Management.

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Ramita Singh

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LIST OF ABBREVIATIONS

AMA	:	American Marketing Association
B2C	:	Business To Consumer
TV	:	Television
MBS	:	Master of Business Studies
P	:	Probability
f	:	Frequency
O	:	Observed frequency
E	:	Expected frequency

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CHAPTER - I

INTRODUCTION

1.1 General Background of the Study

Brand Loyalty of Consumer Products has been an interesting subject till to date. Branding is the process of identifying a product with specific name or mark to distinguish it from competitors. The marketer can build up a bright image of his organization around the brand. The main objective of marketer should be to create loyal customer to sustain in the competitive world. Thus brand loyalty has become an emerging concept in marketing literature now a days to gain edge in the market with a number of similar types of products. Brand loyalty can generate higher market share and thus, inturn it reflects profitability of the company. The objective of maintaining long term relationship with the customer or the acquisition of regular customers can be achieved through creating brand loyalty. The American Marketing Association (AMA) has defined brand loyalty as the situation in which a consumer generally buys the same manufacturer-originated product or service repeatedly over time rather than buying from multiple suppliers within the category or the degree to which a consumer consistently purchases the same brand within a product class. So company must emphasize on creation of brand loyalty and set marketing strategies accordingly.

Building and maintaining brand loyalty has been a central theme of marketing theory and practice in establishing sustainable competitive advantage. In traditional consumer marketing, the advantages enjoyed by a brand with strong customer loyalty include ability to maintain premium pricing, greater bargaining power with channels of distribution, reduced selling costs, a strong barrier to potential new entries into the product/service category, and synergistic advantages of brand extensions to related product/service categories (Reichfeld, 1996). The advent and growth of Business to Consumer (B2C) e-commerce has magnified the importance of building a loyal visitor base to an e-commerce website (e-loyalty). Most B2C e-business models have relied initially on an intensive effort to generate a large enough customer base and subsequently on achieving profitability based on lifetime revenue potential from each loyal customer (Porter, 2001). Despite the importance of e-loyalty to business success in online consumer marketing, little theoretical research has been done so far in this field. Most of the research has been confined to practitioner-oriented suggestions on how to build loyalty to commercial websites (Reichfeld & Scheffter, 2000)

Although premium loyalty is characterized by the greatest degree of attachment to the brand and the consumers seek to purchase the particular brand, while attempting to overcome obstacles, (Gounaris&Stathakopoulos, 2004) there are some socio-economic factors that can highly affect it. So, in an attempt to understand the impact of the current economic recession on consumers brand loyalty, it is essential to investigate the impact of these factors on consumers brand loyalty. According to the existing literature income level, price consciousness, a country's economic growth, family size and culture have a significant impact on consumer's brand loyalty.

Globalization, technological change and intense competition are today's environment. Marketing success belongs to those who can deliver what customers are willing to purchase. An organization must determine their vision to satisfy customer's needs and wants through successful marketing. Prof. Philip Kotler says- Marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering and freely exchanging products and services of value with others (Kotler, 2000).Marketing is a total system of business activities designed to plan price, promote and distribute want satisfying products to target market to achieve organizational objectives (Stanton, 1978).Generally speaking, marketing adds value to goods by changing their ownership and by changing their time and place of consumption (Candiff and Still, 1972).Above definition give the importance on product. Product is an element of marketing mix. People generally associate a product with goods and services, but the concept of product is not only goods and services. People are involved in marketing 10 types of entities: goods, services, experiences, events, persons, places, properties, organization, information and ideas (Kotler, 2000). According to Prof. Phillip Kotler and Gary Armstrong a product is anything that can be offered to a market for attention, acquisition, use of consumption that might satisfy a want or need is a product. It includes physical objects, services, persons, places, organization and ideas (Kotler and Armstrong, 1997).

After producing the product must be identified with a definite brand. To building a brand a number of requirements are demanded like- a great deal of time, money, efforts and packaging. A brand is the name, term, sign, symbol or design or combination of them intended to identify the goods or services of one's seller or group of sellers and differentiate them from those of competitors (Kotler, 2000). Brand encourages customers for repeat

purchase of same product and promotes brand loyalty among costumers. Brand loyalty is temporal aspects of consumer behavior, which analyst a consumers whether are loyal or not to specific brand or set of brands in a certain time period.

Industrialization and overall development of a country are considered as two coincidence of Development. It is not coincidence that industrialized countries are development too, but it is true that the countries like United States, England, France and Japan etc are developed because they are highly industrialized. But on the other hand most of the countries in the world are underdeveloped, developed and developing because Industrialization is creeping slowly in these countries. Even developing countries like Nepal are moving toward the Industrialization slowly by establishing different industries.

Basically Nepal is an agricultural country. Most of the people in Nepal depend upon the agricultural products. Only a few people engaged in industry. But now Industrialization is being adopted with the establishment of various types of industries and some people are shifting from agriculture to industrial sector. The economy of Nepal is characterized by excessive dependence on agriculture. The industrial sector is in a developing stage (Agrawal G.R., 1994). Being an agriculture country Nepal cannot bring significant positive changes in its economy depending solely on agriculture. So Nepal also has been increasing different types of industries for last few decades and producing different products and lunching them to the market, which has made the market more competitive.

Industry and products are never separable terms. Production is the main activity of each and every industry and successful marketing of the product is ultimate goal. But any production of product is not sufficient for a successful marketing; it requires proper branding, labeling and packaging. Branding is most essential to the successful modern marketing. It has become so strong that any product hardly goes unbranded. Thus brand is not only a name given to a product but also a technique by which differentiate the product from previous ones. Every producers or marketers seek to get positive attitude toward the brand of his product. Every manufacture wants and tries his/her best to make the consumer loyal to the brand of his/ her product. Brand loyalty is the term in which loyalty stands for the quality of being true and faithful in one's support of something/somebody. And the term brand loyalty is combination of the term brand and loyalty. Brand loyalty is a temporal aspect of consumer behavior, which

indicates the faithfulness of a consumer to the specific brand and makes him/her a repeated purchaser of the products (Mowen, 1990).

But quite naturally all the consumers do not deal or behave with the brands exactly in the way that marketers want. There are some consumers who keep on sticking to a particular brand, those types of consumers are loyal to brand and they never switch off their brand whatever the condition is. On the other hand some consumers are indifferent in selection of brand, they shift or change their brand because they are easily influenced by special deals like-free samples, discounts, attractive gift offers, advertisements and price activities. Similarly there are some others who are frequently shifting from one brand to another, such consumers are no- loyal consumers to the brand or may ignore the brand. They buy just asking price and quality to seller. George Brown classified the consumer in four groups according to brand loyalty status as;

- Hardcore loyal- Consumers who buy one brand all the time.
- Split loyal- Consumers who are loyal to two or three brands.
- Shifting loyal- Consumers who shift from one brand to another.
- Switchers- Consumers who show no loyalty to any brand (Kotler, 2000).

Every brand has certain image in the market. Every brand is known by its own appearance and quality. Consumers choose their brand according to their faith or trust or experience of the same product. If they think a brand is good in term of quality, price, social status and their needs, they develop a positive attitude toward the brand and make repeat purchase, which is valuable assets of the manufacture and this state, is known their loyalty on brand. A consumer may purchase repeatedly a brand due to unavailability of alternative brand. So who are truly faithful to the brand only such customers are said to be loyal to the brand.

Competition is the main characteristics of modern marketing, which is increasing day by day in Nepalese market. Industries producing many different types of products and also large number of products are being imported from other countries. So competition is very tough in Nepalese market. Every producers lunch their product as the excellent one, from different promotional tools like TV commercials, Radio, Newspapers, and Posters, Hoarding boards, Pamphlets, Cinemas and other electronic and non- electronic media tools. Each and every producers and marketers want to capture high loyal market share and develop a loyalty on their product brand. Above-mentioned circumstances are wide spread in Nepalese market, which shows the necessity of understanding the consumer behavior on branding. In Nepal

industrial establishments has been increasing and entering the Industrialization revolution era. So behavior of a consumer has the important role to develop successful marketing strategy. No more research has been carried out so far in Nepal to find out the consumer behavior on branding. Therefore this study focuses mainly to measure the loyal consumers on brand. For this purpose five different types of low involvement products have selected. The products selected for the study are described below.

Instant Noodles

After about 2 decades, there are over 20 different brands of instant noodles in Nepal, providing various seasoning, flavors and diets. Very common snacks in Nepal, Packed in plastic wrapper with special flavored soup, can be eaten anytime in a day with boiling water and sometime directly from packet. A pack of noodle includes chili powder, masala (mixed spices) and onion oil which can be used to prepare the soup. Noodles are rich in carbohydrates, minerals and proteins. Chicken and vegetarian flavored noodles are the most popular flavors and people loved for office's lunch.

Tea

Tea is an aromatic beverage commonly prepared by pouring hot or boiling water over cured leaves of the tea plant. Worldwide common soft drink available everywhere, very time and everyone can make and drink easily, made of green, young tealeaf and packed in plastic packets, pots, jar etc.

Soap

Soaps are mainly used as surfactants for washing, bathing, and cleaning, but they are also used in textile spinning and are important components of lubricants. Soaps are used for bathing which will keep us fresh and tidy.

Toothpaste

Toothpaste is a paste or gel dentifrice used with a toothbrush as an accessory to clean and maintain the aesthetics and health of teeth. Toothpaste is used to promote oral hygiene. It serves as an abrasive that aids in removing the dental plaque and food from the teeth, assists in suppressing halitosis and delivers active ingredients (mainly fluoride) to help prevent tooth

and gum disease (gingivitis).It is used to make our teeth clean, healthy and shine which protects our teeth from germs, every person use it every day.

Hair Shampoo

Shampoo is a hair care product used for the removal of oils, dirt, skin particles, dandruff, environmental pollutants and other contaminant particles that gradually build up in hair. Different types of shampoo are available in market for washing hair, persons preferred it for healthily and strong hair.

Above- mentioned products, selected for the study have a common characteristic, that they all are low involvement products. Low involvement situation occur when the consumer perceives little personal importance to a purchase. In such cases the purchase is likely to be making on the basis of existing levels of information and with only least amount of deliberation. Low involvement purchase decisions are relatively unimportance to the buyer because they involve,

- Low financial risk
- Low special risk
- Low personal risk and
- Low physical interest

All the products we selected for this study is low involvement and no one high involvement products are selected because these are very important to the consumer because they involve.

- High social risk
- High physical risk
- High financial risk and
- Simply high personal interest

While making these types of high involvement purchases decision, buyer need to follow more structured decision process. High involvement products includes the products such as car, TV, jewelry etc. There is a very long time gap between two purchases of high products. In our country where people have low per capita income, such products are bought one in the whole life of a person. So in such cases it is very difficult and also incorrect conclusion to find out about brand loyalty. So, high involvement products have not been selected for this study. Some of the products we selected for the study are produced in the country. Like instant

noodles is available in market are indigenous brand, and tea, hair shampoo, soap and toothpaste are available both the indigenous and foreign brand. So many alternative brands of such products are available in market. Consumer responses, reactions and attitudes in relation to the brand of these products and their purchasing pattern of the same are studied and examined whether or not the consumers are loyal on branding.

1.2 Statement of the Problem

Due to increment of population and improvement of economic condition arising the demand and production up, highly developed technology has made the world narrow and people can order their requirements from a distant place without leaving their room. Television casting and Internet shopping have revolutionized the marketing. This development in the industrial sector and technology has provided various types of products and brand to consumers. Development in both National and International perspectives have increased so many alternate products and brands in Nepalese market. Today one can use the products produced in any corner of the world sitting home and consumers have chance to choose the brand that they think the best. In spite of availability of alternate brands in the market, do the consumers stick up to any particular brand or do they repeatedly purchase the same brand? This is the burning question of Nepalese consumer market. So the basic problem of this study is to measure loyal consumer on branding in entire Nepalese market. Marketers are always concerned with real number of consumer and their beliefs and opinions concerning their brand and competing brand. The basis problems of this study are presented below.

- Are the people of Kathmandu valley conscious about the brand?
- Are the consumers of Kathmandu Valley brand loyal?
- How does the choice of brand vary from demographic variables like sex, age or marital status?
- What are the causes of brand switching in consumers of Kathmandu Valley?

1.3 Objectives of the Study

Study on brand loyalty is a temporal aspect of the consumer behavior, it facilitate understanding consumer behavior. Loyalty on branding is a valuable property of the manufacturer of producer. Success of the product on market means increasing of brand loyal consumers; hence study on brand loyalty focuses not only the image of brand but also highlights the image of producer. Realizing this value of brand loyalty marketers in the other

countries, mostly in the developed countries has been continuously conducted researches on brand loyalty. Though the subject of brand loyalty of consumer product is interesting and useful topic in the practice, no enough research has been conducted in the Nepalese context. The main objective of the study is to examine the brand loyalty practices of consumer products in the Kathmandu Valley. The specific objective of the study are outlined as follows:

- To analyze brand consciousness of the Nepalese consumers.
- To point out the extent of brand loyalty.
- To examine the relationship of brand loyalty with demographic variables like age, sex and marital status.
- To assess the cause of brand switching in consumers of Kathmandu Valley.

1.4 Important of the Study

Economic condition of country is directly related with the success and failure of the existing units of the different types of industry. Success of the industry will carry the country towards development. Success of the industry is the main function of successful marketing of its products. In the era of cutthroat competition, successful marketing demands an understanding of consumer's taste, Choice, performance and loyalty. As the focus of the study, brand loyalty the temporal aspect of the consumer behavior. The manufacturers or marketers of the country will be highly benefited by this study. They may use the findings of this study as the guideline for making strategies for their products, so that they can achieve success.

Study of loyalty on branding or brand loyalty helps to know the consumer behavior on that product. Knowing the attitude about products manufacturer can decide the advertisement policy, consumer's response to the price and availability of the product and consumer perception. It can help in the segmentation of the market. If the consumers are identified as loyal and non-loyal, market may accordingly be segmented as loyal and non-loyal consumer market and the study of loyalty on branding gives control in planning marketing mix. Besides this implication of study on brand loyalty no research study has been carried out so far to find out the number of loyal consumer on branding in the Nepalese market.

Increment of population and demand helps to increase the industries. So this study brand loyalty is an important study. This study will of course be a valuable guideline to the industrialists, manufactures or marketers of the country. Similarly it would be a valuable

reference to the scholars or researcher who is interested in conducting further research about brand loyalty.

1.5 Limitation of the Study

The limitation of this study is as follows:

- The Primary data has been collected through the opinion survey of respondents within Kathmandu Valley.
- The products included in this study are based on five low involvement products (i.e. instant noodles, soap, tea, hair shampoo and toothpaste). This study will not necessarily be applicable to other products.
- Sample size is very small in comparison to the population of the study.
- This study is entirely based on the views and responses of the consumers.
- Respondent views on brand loyalty have been taken during the month of December 2012.

1.6 Organization of the Study

This study is divided into five chapters. Chapter I includes the introduction and general background, focus of the study, and statement of the problem, importance of the study, objective of the study, hypothesis, and limitation of the study. Chapter II includes Review of Literature. In this chapter the review from books, journals, thesis and independent studies are taken into account. In Chapter III Research Methodology,

This Chapter includes the research design, data collection procedure, sample plan, method to analysis and presentation. Chapter IV includes Data Presentation and Analysis. This Chapter main body of our research it includes data presentation interpretation and analysis. In this chapter brand loyalty of different consumer level is analyzed. And last Chapter V includes Summary, Conclusion and Recommendation

This Chapter includes the summary and conclusions of the research. And finally suggestion and recommendation are given.

CHAPTER - II

REVIEW OF LITERATURE

2.1 Conceptual Framework

The concept of marketing has changed drastically now. This change is not only invented different sophisticated tools and techniques and effective strategies for successful marketing but also made the marketing a most competitive field. Today firms are changing them as the transnational corporation and their strategies are also changing stage of development of the transnational corporation (Keegan, 2000). Now marketing emphasis in society's and ultimately consumer's interest rather than selling. Marketers or producers have shifted their emphasis from production to product, product to selling, selling to consumer and consumer to society respectively. Today the marketing philosophy of all the organization is the societal marketing concept. The societal marketing concept holds that the organization task is to determine the needs, wants and interest of target markets and to deliver the desired satisfaction more effectively and efficiently than competitors in a way that preserves or enhances the consumer's and society's well-being (Kotler, 2000).

Today all the marketing activities revalue in the consumer and various advancements made in marketing has established the consumer as the sovereign power in the marketing world. So in order to be successful accordance with marketing, products must be produced according to the need of the consumers and interest of the society. The firm's ultimate success depends primarily on how well it performs in the market place. (Terpstra and Sarathy, 1994). In the modern business world understanding of consumer choice, purchase decision- making process etc. or understanding of consumer behavior is most necessary to become a successful marketer. Study on consumer behavior has prevailed as an effective measure, helping to develop the successful marketing straggly. This growing need and important part of the behavioral study of consumer gave birth to study on brand loyalty behavior of consumer as a separate subject of study.

2.1.1 Brand

Brand involves using identification feature on the product so that buyers can recognize the product and its manufacturer. Brand identifies the seller or marketer, which can be name,

trademark, logo, or other symbol. A brand is essentially a seller's promise to deliver a specific set of features, benefits, and services consistently to the buyer. A best brand conveys a warranty of quality. The American Marketing Association defines a brand as- A brand is a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or groups of seller and to differentiate them from those of competitors. (Kotler, 2000).

According to Prof. Phillip Kotler brand can convey up to six levels of meaning:

- Attributes: A brand brings to mind certain attributes.
- Benefits: Attributes must be translated into functional and emotional benefits.
- Values: The brand also says something about the producer's values.
- Culture: The brand may represent a certain culture.
- Personality: The brand can project a certain personality.
- User: They suggests the kind of consumer who buyers or use the product (Kotler, 2000).

Brand is important to the marketer as well as buyers and society. It is important to the marketer in terms of promotion, value building, product image, product attributes and benefits; buyers pay the price for the product in order to obtain these values. On the other hand buyer also highly benefited by the brand because brand gives the identification of product so that they can freely choose the desired product. Marketers of branded products normally provide assurances to buyer that their products are consistent in quality and price. Branded products can get quality certification from national and international certification agencies. Buyers can confidently exercise their choice among the various brands on the basses of quality certifications, warranties and guarantees.

2.1.2 Brand Loyalty

Brand loyalty is a temporal aspect of consumer behavior. Loyalty on branding analyzes whether or not a consumer is loyal to a specific brand. Studies on brand loyalty began when researches on consumer's behavior became popular. Today we found most of the products are sold by brand even the vegetable products are sold by brand in developed countries. This increasing use of brand has significantly increased the necessity to understand the brand loyalty behavior of consumer. Brand loyalty has defined in different way by the different scholars, experts, behavioral scientists and researchers. They have used different approaches

and criteria to measure brand loyalty behavior approach and some used consumer attitude and some used both the consumer behavior and consumer attitude. So many researchers have been carried out on brand loyalty in developed and industrialized countries. Different researcher efforts on different bases and have used different measures of brand loyalty. Hence it seems very necessary to pay particular attention on definition of the term and approaches to measurement while reviewing the literature. Given below are the advantages and disadvantages of behavioral and attitudinal measures of Brand Loyalty

Table 2.1
Advantages and Disadvantages of behavioral and attitudinal measures.

	Advantages	Disadvantages
Behavioral Measures	<ul style="list-style-type: none"> • Based on actual behavior • Non-incident • Easy to collect 	<ul style="list-style-type: none"> • Repeat buying not distinguished from brand loyalty • More sensitive to short run fluctuations • Difficult to pick right decision unit.
Attitudinal Measures	<ul style="list-style-type: none"> • Repeat buying separated from brand loyalty • Less sensitive to short-run fluctuations • Easier to pick right decision unit. 	<ul style="list-style-type: none"> • Valid representation of reality not guaranteed • Incidental • Harder to collect.

One of the earliest definitions on brand loyalty has given by James. F. Engel and Roger D. Blackwell, who emphasis the sequence of purchasing of a specific brand. The key of this definition is that the purchasing pattern of a specific brand determines loyalty to the brand. This definition classifies brand loyalty in four categories:

- Undivided loyalty
- Divided loyalty
- Unstable loyalty
- No loyalty on branding (Engel and Blackwell, 1982).

For example, if A, B, C, D, E, and F are various brands in a particular product category. The consumer of the product could be classified as having following type of loyalty.

- Undivided loyalty: (AAAA) - Loyal to one brand all the time.
- Divided loyalty: (ABAB)-Loyal to two or three brands.
- Unstable loyalty: (AABB) -Switch from one to another brand.
- No loyalty: (ABCDE) - No Loyalty to any brand.

These measurements can be demonstrated as:

- Households that purchased the Brand A in the sequence of AAAA suggest undivided loyalty.
- Households that purchased the Brand A and B in sequence of ABAB suggests divided loyalty.
- Households that purchased Brand A and Brand B in the sequence of AABB suggests unstable loyalty.
- Households that purchase different Brands in the sequence of ABCD suggest the situation of no loyalty.

In place of brand choice sequence Leaster Guest used preference statement over time as a measure of brand loyalty. In that year he collected data about the awareness and preference of students. In following studies of these same person 12 and 20 years later he found suggestive evidence of high degree of loyalty toward brand names (although not to any specific brand) Shiffman and Kanuk, 1990).

Brand loyalty is the result of good brand image and grand preferences and choice. Brand loyalty has many marketing implications. An existing base of loyal customers provides enormous sustainable competitive advantages- first , it reduce the marketing costs of doing business since existence customers usually are relatively easy to hold the familiar is comfortable and reassuring - second the reality of existence customers represents a sentential entry barrier to competitive.. Third, brand loyalty provides trade leverage. Fourth, a relatively large, satisfied customers base provides an image of a brand as an accepted, successful, enduring product that will include service backup and product improvement. Finally, brand loyalty provides time to respond to competitive moves- it gives a firm some berating room (Aaker, D.A. and Joachimsthaler, 2000).If the consumers are identifiable as loyal and non-loyal the market can accordingly be segmented as loyal consumer market and non- loyal

consumer market and separate marketing strategy can be used for each as Engel and Blackwell, says- Brand loyalty is one of segmenting a market. (Engel and Blackwell, 1982). Manufactures always like to know about the market captured by each brand which product is profitable to produce, where it is better to sell and the quality to be produced. Hence the knowledge of brand loyalty is major instrument to make a production plant and employ control mechanism to avoid any future difficulties.

According to the above discussions we conclude brand loyalty makes the manufactures aware of possible future progress and gives warning to take suitable action avoid any adverse situations likely to prevail in the future

Factors of Brand Loyalty

To create brand loyal consumers and to retain them, it is essential to understand the major factors that influence brand loyalty among them. This study focuses on the six brand loyalty factors.

A. Brand Name/Brand Mark/Trade Mark

A brand has several components. Out of them above terms brand name, brand mark and trademark may make some confusion because they seem similar in terms. Famous brand name can disseminate product benefit and lead to higher recall of an advertised benefit than a non-famous brand name. There are many unfamiliar brand names and alternatives available in the market place. Consumers may prefer to trust major famous brand names. Hard-core loyal consumers trust their favorite brand names and consistently repurchase these brands. Those prestigious brand names and their images attract consumers to purchase the brand. On the other hand, brand personality provides links to the brand's emotional and self-expressive benefits for differentiation. This is important when those brands have only minor physical differences and are consumed in a social setting where the brand can make a visible image about the consumer itself. A brand name is that part of the brand that can be vocalized and includes letters, words, and numbers (Koirala, 1997). WaiWai, Close Up and Sunsilk are the brand names. A brand name consists of words, letters, and /or numbers which are vocalized (Stanton, 1978).

A brand mark is the part of the brand which appears in the form of a symbol, design, or distinctive coloring or letter. Brand mark is the element of the brand that cannot be pronounced but they are equally useful in identification of the product. Brand marks often appear in terms of a sign, symbol, or design. Unique letter style of WaiWai is a brand mark. On the other hand Trademark is a legal designation indicating that the owner has exclusive right to use brand name and the brand mark and others are prohibited by law from using it(Koirala, 1997). A brand name or a brand mark can be converted into a trademark by registering concerned department of government. in a recognizable sign, design or expression which identifies products or services of a particular source from those of others. The trademark owner can be an individual, business, or any legal. A trademark may be located on a package, a label, a voucher or on the product itself. Some of well Known Brands of International companies are drawn below.



B. Product Quality

Product Quality encompasses the features and characteristics of a product or service that bears on its ability to satisfy stated or implied needs. In other words, product quality is defined as fitness for use or conformance to requirement. Consumers may repeat the purchase of single brands or switch around several brands due to the tangible quality of the product sold. Material is important in product quality because it affects the hand feel, texture and other performance aspects of the product. Further, consumers relate personally to color, and could select or reject a product because of color. If the color does not appeal to them or flatter their own color, they will reject the product. Perfectionist or quality consciousness is defined

as an awareness of and desire for high quality products, and the need to make the best or perfect choice versus buying the first product or brand available .This indicates that quality characteristics are also related to performance.

C. Price

According to Cadogan and Foster (2000), price is probably the most important consideration for the average consumer. Consumers with high brand loyalty are willing to pay a premium price for their favored brand, so their purchase intention is not easily affected by price. In addition, customers have a strong belief in the price and value of their favorite brands so much so that they would compare and evaluate prices with alternative brands. Consumer's satisfaction can also be built by comparing price with perceived costs and values. If the perceived values of the product are greater than cost, it is observed that consumers will purchase that product. Loyal customers are willing to pay a premium even if the price has increased because the perceived risk is very high and they prefer to pay a higher price to avoid the risk of any change. Price has increasingly become a focal point in consumers' judgments of offer value as well as their overall assessment of the retailer. Price communicates to the market the company's intended value positioning of its product or brand.

D. Design

Design is visual appearance, which includes line, shape and details affecting consumer perception towards a brand. Brands that supply stylish package attract loyal consumers who are fashion conscious. Fashion leaders or followers usually purchase or continue to repeatedly purchase their products in stores that are highly fashionable. They gain satisfaction from using the latest brands and designs which also satisfies their ego. A research conducted by Duff investigated the niche market in women's cosmetics, and the results showed that cosmetics buyers were becoming more fashion conscious and were demanding products with more attractive design; furthermore, consumers have a tendency to use different makeup designs for different occasions. According to Sproles and Kendall, fashion consciousness is generally defined as an awareness of new designs, changing fashions, and attractive styling, as well as the desire to buy something exciting and trendy.

E. Store Environment

Omar emphasized that the store environment was the single most important factor in retail marketing success and store longevity. Positive attributes of the store, which include store location, store layout, and in-store stimuli, affect brand loyalty to some extent. Store location and number of outlets are crucial in altering consumer shopping and purchasing patterns. If consumers find the store to be highly accessible during their shopping trip and are satisfied with the stores assortment and services, these consumers may become loyal afterwards. Thus, a stores atmosphere is one of the factors that could influence consumers decision-making. The stimuli in the store, such as the characteristic of other shoppers and salespeople, store layout, noises, smells, temperature, shelf space and displays, sign, colors, and merchandise, affect consumers and serve as elements of product attributes, which may in turn, affect consumer decision making and satisfaction with the brand.

F. Promotion

Promotion is a marketing mix component, which is a kind of communication with consumers. Promotion includes the use of advertising, sales promotions, personal selling and publicity. Advertising is a non-personal presentation of information in mass media about a product, brand, company or store. It greatly affects consumers' images, beliefs and attitudes towards products and brands, and in turn, influences their purchase behaviors. This shows that promotion, especially through advertising, can help establish ideas or perceptions in the consumers' minds as well as help differentiate products against other brands. According to Clow, promotion is an important element of a firms marketing strategy. Promotion is used to communicate with customers with respect to product offerings, and it is a way to encourage purchase or sales of a product or service. Sales promotion tools are used by most organizations in support of advertising and public relations activities, and they are targeted toward consumers as final users

G. Service Quality

A common definition of service quality is that the service should correspond to the customer's expectations and satisfy their needs and requirements. Service quality is a kind of personal selling, and involves direct interactions between salespeople and potential buyers. Consumers like to shop at specific stores because they like the services provided and are assured of certain service privileges. The impact of salespeople-consumer relationships will

generally result in long term orientation of consumers towards the store or brand. Trust in salespeople appears to relate to overall perceptions of the store's service quality, and results in the consumer being very satisfied with the stores in the end. Additionally, personalization leading organizations (as in the case of Coca Cola) today realize that capitalizing on their brands is more important than their tangible assets. Doing so can help them achieve their growth objectives quicker and more profitably. Leading organizations know that brands are more than just Product: brands are also an indication of what the organization does and, more importantly, what the organization is. Usually brands are why an organization exists; not the other way round. The current study attempts to identify factors which cause in brand loyalty in general, and to determine how brand building can enhance brand loyalty and differentiate an organizations product from competitor product.

2.1.3 Brand Switching and Brand Loyalty Correlation

Brand Switching

Simply brand switching is consumer's habit of constantly shifting from one brand to another. In this sense it is opposite to brand loyalty. The buyer who is habitual brand switcher is non-loyal consumers. Why consumers are involved in brand switching behavior? It is the very important question to understand the brand loyal behavior of consumer because why consumer switch brand explains why consumers are non-loyal to the brand. There are many causes of occurrence of brand switching behavior of a consumer. Consumers are often observed to do a lot of brand switching. An example that occurs in purchasing cookies the consumer has some beliefs choose a brand of cookies without much evaluation and he evaluate it during consumptions. But next time the consumer may reach for another brand out of boredom or wish for a different taste. So brand switching is needed for sake of variety rather than dissatisfaction.

On the other hand Shiffman and Kanuk says- Some consumer switch brand because they are dissatisfied of bored with a product. Others because they are concerned with price than brand names. A consumer who is loyal to a brand for a long time may switch to other brand because of dissatisfaction or boredom with the brand he/she has been using for a long time. Similarly if the consumer is more price conscious than even a slight price- cut in competitive brands may make him/her move toward these brands. But the research studies on band switching reveal that brand switching is not every much threatening to the manufacturers. A recent

study on consumer purchase habit reported that brands with larger market shares have proportionately larger groups of loyal buyer (Shiffman and Kanuk, 1990). Thus it follows that some intro-personal factors such as dissatisfaction, price consciousness and aspiration for testing new brand causes brand switching. Similarly some external factors like- special price deals, coupons free samples and comparative advertisement etc. may also cause brand switching. Such brand switch cannot be converted into brand loyalty (Shiffman and Kanuk, 1990).

The consumer do not keep on sticking up to the brand that they are switched together with the end of such special deals as price- cut, free samples, coupons etc. consumers returns back to their previous brands.

Brand Loyalty Correlation

Brand loyalty correlation measures the relationship of various factors that are associated with brand loyalty. It explains why brand loyalty varies across product and consumer. Many researchers have been conducted to find out such correlation of brand loyalty. Engel and Blackwell have made the following conclusion after analyzing the findings of around 34 researcher conducted by various scholars and experts.

- Socio- economic, demographic and psychological variables generally do not distinguish brand loyal consumers from other consumers when traditional definitions of brand loyalty are used.
- When extended definitions of brand loyalty are used, some socio- economic, demographic and psychological variables are related to brand loyalty. However those relationships tend to be product specific rather than ubiquitous across product categories.
- There is limited evidence that the loyalty behavior of an informal group leader affects the behavior of other group members.
- Store loyalty is commonly related with brand loyalty.
- There is some evidence that brand loyalty is inversely related to the number of stores shopped.
- The relationship between amount purchased and brand loyalty is uncertain because of contradictory findings.
- The relationship between inter-purchase time and brand loyalty is uncertain due to contradictory findings.

- There is limited evidence that perceived risk is positively related to brand loyalty.
- Market structure variables including the extensiveness of distribution and market share of the leading brand exert a positive loyalty on brand.
- The effect of the number of alternative brands, special deals, price activity is uncertain due to contradictory findings (Engel and Backwell, 1982).

Due to different definition and approaches the researches findings concerning brand loyalty correlation have resulted into confusion and contradiction. Hence it is not only difficult but also impossible to state exactly what are the correlation and non- correlation of brand loyalty. Brand loyalty correlation is the important aspect of study of brand loyalty. Similarly brand correlation identifies the characteristics of brand loyal consumers and distinguishes them from the non- loyal one. Thus the loyalties on brand correlation are important for a manufacture. Therefore there must not be any contradictions or confusion about the correlation. Correlation must be defined and stated precisely so that the marketer could use them as the guideline for making strategy and this can be better done by improving the weakness of past attempts and by developing the most scientific and widely accepted research tradition.

2.2 Brand Loyalty Models

There are various brand loyalty models, which are used to understand and predict brand loyalty behavior of the consumer. The models help to identify the factors affecting loyalty behavior of consumer and predict how such factors are likely to affect behavior in the future. The models that have been employed to analyze brand loyalty behavior predict behavior on the basis of random distribution of probabilities. These models treat the response of the consumers in the market place as the outcome of some probabilistic processes. The models recognize that, there are many consumers and other external variables, which determine the outcome of behavior. Even though these factors or variables are not explicitly included in the model. They are represented by probability distribution and their effect is accounted. So far, most of the models have been concerned with predicting brand switching behavior and the rate of trial and repeat purchasing of new product.

There will arise some questions while attempting the behavior models, such as: Are all the members of the population same too concerned brand loyalty behavior? This question is

related with degree of loyalty that varies across consumers. Do the acts of purchasing and using the given brand affect the probability that the given brand will be purchased again in the near future? This is a question, which is related with whether or not short-term learning incorporated in the brand choice changing systematically over time because of the influence of promotion, distribution or shifting taste?

All questions mentioned above basically deal with impact of consumer variables such as personality, attitude, income etc. on the consumer behavior. Considerable efforts have been made to develop models that describe a functional relationship between the probability of choosing a brand during a purchase occasion and the factors like attitude, personality, income, past experience, price, competitive activity etc. which affects probability. Some of these models that are important as well as widely used are reviewed below:

2.2.1 Bernoulli Model

According to the Bernoulli model the consumer is supposed to have a constant probability (p) of purchasing the brand under study and the probability of purchasing the brand is determined from aggregate brand choice data. The model also assumes that the facts like consumer's characteristics, prior purchase or all external influences etc. have no effect on the probability (Engel and Backwell, 1982). For example, let the brand under study be 'A' and all the other brands be 'B' and the probability of purchasing brand 'A' at a purchase occasion $P(A_t)$. Then according to Bernoulli model $P(A_t)$ is determined from aggregated brand choices between A and B.

Determining the probability of purchasing a particular brand from aggregate brand choice data, however recognize that certain anticipated or non-anticipated circumstances such as limited number of brands available at the store or out of stock conditions may have affect the probability. For example if the brand under study is available at many stores then the probability of buying that brand may be greater for the consumers who purchase that brand. This model is called the expectancy value model of consumer choice. It is one of several possible models describing consumer evaluate alternatives.

2.2.2 Markov Model

This model assumes that past purchase influence the probability of current purchase. Many models have been building up on this basic assumption and they are known "Markov Models". Among these models the most commonly used one is first - order Markov model (Boyd and Massy, 1996).

The first order Markov model analyzes the impact of short -term consumer learning on the purchase probability. This model assumes that the outcome of the last purchase decision affects the brand- choice probability on the next trial but the model denies that except the last one other previous purchase has no effect on the probability. For example, the purchase sequence AB and BB would both lead to the same prediction about probability of purchasing brand an on the next purchase because in both cases the last purchase is brand B.

2.2.3 Liner Learning Model

The primary concept of this linear learning model is similar to that of Markov model. That is past purchase affect the future brand- choice. However, this model assumed that the consumer's brand - choice probability changes by certain amount depending on the outcome of a given brand - choice event (whereas in the Markov model, the probability is set to a predetermined value that depends solely on the outcomes of the event). Suppose that buying brand A raises the probability of buying A by 10% while purchasing competing brand B causes the probability of buying brand A drop by 5 % . If the probability were 0.75 before a given trial, it would be either 0.75 of 0.65 after the trial, depending on the outcome. Similarly, if the initial probability were 0.40 the same model would produce output probability of 0.50 after the purchase of A and 0.35 after the purchase of B. Thus linear learning model shows that there is a liner relationship between pre-purchase and past-purchase probabilities.

Alfred Kuhn applied this model to brand choice data and found that it provided good predictions. Many researchers have tested this model even after Alfred Kuchn and have found the performance of the model rather well in the most of the tests. There are many models so far developed as the modifications to the basic linear learning model. Some of them considered as important are those, making their parameters functions of these forces.

2.2.4 New Trier Model

This model is developed by David A. Akar to predict the behavior of a consumer who has purchased a new brand. New brand here implies the one that is not used before by a consumer, or if even used before that is completely forgotten he had used that before (Engel and Blackwell, 1982).

According to this model there is trial period after the initial purchase and the probability of purchasing a particular brand in the future is an outcome of the consumer's experiences relating to the brand in the trial period. In the initial purchase the probability of purchasing the particular brand is constant for the consumer who bought it. This is the trial period purchase that affects the probability. After the initial purchase there may be a number of a trial period purchase. The number of such purchases may vary from consumer to consumer. During the very trial - period purchase the consumer develops a new probability of purchasing the brand and it may not necessarily result into purchase of the brand that was purchased in the initial purchase, it may also result into rejection of that brand.

Thus the new trial model assumes that past purchase do not affect the present or future purchase probability and the probability is non-stationary and varies from consumer to consumer. Even though the model is considered simple and easier to understand the assumption of consumer. Even though the model is considered simple and easier to understand the assumption of the zero - order process has limited its.

2.2.5 Probability Diffusion Model

David Montgomery proposed the probability diffusion model. This model assumes that the past purchases do not affect the brand - choice probability in time to time. According to this model, an individual's response probability is a function of external environmental factors. The probability is non-stationary and varies from consumer to consumer. Thus the mechanism of the probability diffusion model is, to some extent related to that of the Markov model (Boydand Massy, 1996).Above we reviewed some widely used brand loyalty models based on the stochastic structure (i.e. based on random distribution of probabilities). These models therefore cannot be free from the problems immanent into the stochastic model. All the stochastic models of brand loyalty stated above have been applied primarily to the products that are frequently purchased and relatively low priced. There models avoid the

issue of multi brand loyalty and neglect the change in stochastic process. Similarly the effects of heterogeneity and non-stationary are quite confusing in the models. Moreover the models demand actual purchase dates that is not always obtainable. Thus, it seems that these models still need some modifications of improvements for their effective use in accurate predictions of brand choice behavior.

2.3 Review of Related Studies

Survey of existing literatures is important to know the areas unexplored yet. A vast number of studies have been carried out on brand loyalty. Many researchers have been analyzed their data using different models. The Concept of Brand Loyalty has been extensively discussed in the traditional marketing literature with the main emphasis on two different dimensions of the concept: behavioral and attitudinal loyalty. The post studies related to the Brand Loyalty has been presented in the following section.

1) Before 1980

George Brown (1952) noted that households demonstrating some degree of loyalty varied from 54 to 95 percent depending on the product involved. On the other hand, percentage of the household which were undividedly brand loyal varied from 12 to 73 percent from product to product.

Ghimire, Shree Bista (1979) found brand loyalty of the Nepalese consumers to be moderate. This findings relating to the loyalty on branding seems to be confusing. The brand loyalty is differentiated from the consumer behavior like sticking to particular brand and waiting for the favorite brand. The researcher conducted so far have proved that brand loyalty varies across products.

Pandey (1980) studied on "Advertising in Nepal" has focused on the objectives of identifying the existing position of advertising practices in Nepal to find out the existing pattern and blends of advertising and the constraints prevailing in advertising practices in Nepal. It was natural to undertake such research on advertising field at that time as the advertising was still on infant stage of development. Thus, his study did not touch the creative aspect of advertising.

2) 1981 to 2000

Panta, Yogesh (1993) pointed that Nepalese consumers have given high importance to the brand in both consumer durable goods and consumer non-durable goods. Brand loyalty is relatively higher in the products that are more frequently needed than those, which are needed or used frequently. And also found that the consumers belonging to the age group of 26 to 40 of age more brands loyal than those belonging to other age group. Brand loyalty was positively associated with the income as like free samples, discounts, coupons and price activity and advertisement.

Shrestha R.K. (1997), a dissertation title "*The Role of advertising in Brand Choice and Product Positioning*" in reference to the soft drink and instant noodles. And his conclusion was that advertisements are the important promotional tools and major factor in soft drink and instant noodles business and consumer get knowledge about the producers through it. . Television advertising is the most popular media and F.M. is also becoming popular.

Le-Clerc and Little (1997) found that brand loyalty interacted with product involvement. He stated that repeat purchase behavior for a high- involvement product was an indicator of brand loyalty, whereas repeat purchase for a low-involvement product was simply habitual purchase behavior, without elaborating clearly on the relationship between these constructs.

Iwasaki and Havitz (1998) pointed that highly loyal people tended to exhibit high levels of involvement and that individual and social- situational factor, such as personal values or beliefs and social and cultural norms influenced the feedback effects of behavioral loyalty. Today, however this framework has remained untested.

3) 2001 to till Date

Parajuli (2001) found from study "Loyalty of Branding" that the Nepalese consumer gave high importance to brand in the consumer durable goods than consumer non-durable goods.

Vasudeva, Anupam (2002) pointed out that there are only two factors influencing the brand loyalty market share of the brand and the response to the promotion scheme. High market share of the brands attracts more brand loyalty than low market share brands do.

Attraction for promotion schemes is thus inversely related to the brand loyalty. He had also concluded that the high- income groups are attached with the high price brand and the low-income groups are attached with the low priced brand. However, generally the higher income group exhibited a level of brand loyalty different from that of the other classes.

Shrestha, Sahanshila (2002) found that the buyers of instant noodles constitute population with variation in terms of correlates such as age, sex, education and family income. Also, majority of the buyer's consumer instant noodles, they being the instant and easy item for consumption. They are aware of the various brands of instant noodles in the market and they were found to be easily going for the substitute brands upon the unavailability of their favorite brands in the market.

Quester and Lim (2003) found that while involvement is not only determinant factor of brand loyalty, it does appear to play a significant role regard-less of the level of involvement associated by consumers with the product category in question

Laueatal (2006) reveals that brand name and style have more influenced on brand loyalty of hard-core loyal consumers, whereas promotion influences more on that of brand switchers. The brand name, style and promotion are the key brand factors which can distinguish hard-core loyal consumers and brand switchers.

2.4 Concluding Remarks

This study has been carried out in Kathmandu valley to find out brand loyalty on low involvement consumer product. This study entitled "Brand loyalty on consumer product in Kathmandu valley" is therefore important survey in Nepal.

The basic features of this study can be concluded in following points.

- This is a quantitative research.
- All study is based on primary data.
- The research deals with loyalty on five categories of low involvement consumer products viz. soap, Shampoo, Instant noodle, Toothpaste and Tea.
- Brand loyalty on different consumer products is analyzed in terms sex, age and marital status. Ages of the respondents are categorized in for three groups viz. 15-25, 25-35 and 35 above.

- Frequency and percentage are presented in both table and chart.
- Findings of the study are validated by testing hypothesis on parametric test (chi- square).
- Causes of Brand- switching on the products are calculated, tabulated, and analyzed which may be very useful for marketers.

CHAPTER-III

RESEARCH METHODOLOGY

3.1 Introduction

Research is a systematic and organized effort to investigate a specific problem that needs a solution. This process of investigation involves a series of well thought out activities of gathering, recording, analyzing and interpreting the data with the purpose of finding answers to the problem. Thus the entire process by which we attempt to solve problems is called research (Wolf and Pant, 2004). Methodology is the research method used to test the hypothesis. It refers to the systematic method causing the problem, formulating the hypothesis, collecting the data, and analyzing the facts to reach the certain conclusion. Therefore research methodology refers to the method or procedure of research process and it is a way to solve research problems systematically. It facilitates the research work and provides reliability and validity to research.

The main objective of research methodology is to develop the sophisticated research strategy. So it is impossible to complete a research work without research methodology. So this study also employed the research methodology which is presented below.

3.2 Research Design

Research design is the outline of a plan to test the hypothesis and the framework of the study. Research designs are invented to enable the researcher to answer research question as validity, objectively, accurately, and economically as possible (Kerlinger 2004). The research design asks what approach to the problem should be taken. What method will be used? What strategies will be most effective? Identification, selection and formulation of research problem may be considered as the planning stage of research.

The present study is exploratory in nature. The main aim of this study is to find out brand loyalty behavior of consumers of Nepal with special reference to the Kathmandu valley. Therefore descriptive research design has been followed for the study. The consumers of Kathmandu Valley are surveyed to obtain data and information about the consumer personality, purchase pattern and attitude. The required data and information collected from

the survey to the consumer are rearranged, tabulated, analyzed and interpreted accordingly for attaining the stated objectives.

3.3 Nature and Source of Data

This is the consumer related research, which is directly connected with consumer's purchasing behavior and their attitude towards the brand. So the survey method is used to collect data and all the data and information used in this study is primary in nature. And all the Nepalese consumers especially consumers of Kathmandu valley who are selected for the study are the source of data used in the present study.

3.4 Target Population and sampling unit

In any statistical investigation, the interest usually lies in studying the various characteristics relating to item or individuals belonging to a particular group. This group for individuals under study is known as the population. The target population and measuring sampling unit of this study is the consumers of Kathmandu valley who are surveyed for this study based on the different products, such as Instant Noodle (includes Mayos, WaiWai, Ra Ra and other), Tea (includes Muna, Tokla, Mechi and other), Soap (includes Liril, Dettol, Lux and other), Tooth Paste (includes colgate, Close-up, Dabour, and other) and Hair Shampoo (includes Clinic plus, Pantene, Sunsilk and other).

3.5 Sample Size and Sample Method

Consumers selected for this study are the residents of Kathmandu valley. Out of a collection of 100 respondents who applied for the questionnaire, the data of 30 respondents were taken into consideration for analysis. The consumers thus selected as sample for the study have been randomly picked up on convenience sampling basis taken into consideration that various sex group with proper differentiation on variables such as age, sex, marital status etc. are included. In age (we have age group as 15-25, 25-35, above 35), Sex (we include male and female), Marital status (we include married and unmarried).

Sampling method used for the study is judgmental sampling. The logic behind using judgmental sampling is very small in size of sample in comparison to the population. Even though, the sample size is very small in comparison to the population yet sufficient efforts have been to make the sample represent the whole population. The numbers of population

included in the sample are therefore, from the different age groups, the sexes and method marital status.

3.6 Data Collection Procedure

A well- structured questionnaire is used to collect data required for the study, which is the main instrument of data collection. The questionnaire was carefully designed as well as presented so that could best serve the purpose of this study. Sample of the questionnaire is presented in the appendix No.1. Altogether 50 questionnaires were distributed and all of them were collected as the questionnaires were filled up at the researcher's own presence, response is assumed to be true. Maximum attention has been given while up the questionnaire. The respondents were supported by oral explanations in case of their confusion or inability to understand any content in the questionnaire. The questions relating to customer loyalty survey has been prepared including the following points.

- overall satisfaction
- Likelihood to choose again
- Likelihood to recommend
- Likelihood to continue purchasing the same products and services
- Likelihood to increase the frequency of purchasing.
- Likelihood to switch to different providers (Bob E. Hayes, Third Edition)

3.7 Data Analysis and Presentation Procedure

Different Analytical and Statistical tools have been used to study the data .The obtained data are presented in various tables, diagram and charts with supporting interpretation. Data are tabulated according to the nature of data. Chi- square test of independence is used to test the hypothesis. Percentage analysis method is also used. To get the good results hypothesis is also used in this thesis. To test whether the assumption or hypothesis is right or not, a sample is selected from the population, sample statistic is obtained, observe the difference between the sample mean and the population - hypothesized value, and, test whether the difference is significant or insignificant. Smaller the difference, the sample mean is close to the hypothesized value, and larger the difference the hypothesized value has low chance to be correct. For this study, following hypotheses are made.

Null Hypothesis = H_0

H₀1: There is no significant difference in brand loyalty between male and female.

H₀2: The Age of the individual does not have significant influence on the brand loyalty.

H₀3: There is no significant difference in brand loyalty between Married and unmarried.

CHAPTER - IV

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter incorporates data presentation and analysis. The data and information collected from the respondents are presented, interpreted, and analyzed according to response of respondents on the field survey. Every questionnaire was thoroughly checked after the collection of all the questionnaires distributed. This chapter analyzes consumer response to brand loyalty in terms of their demographic profile. Brand loyalty have been measured based on consumers' purchase pattern. To see the purchase pattern respondents were asked the name of brands that which they brought in their last four purchases. For this study propose five consumer products has selected viz. soap, shampoo, noodles, toothpaste, and tea. Hence, the brand loyalty, which is shown in their respective relationship with chosen demographic variable, is measured based on purchasing pattern of consumers of Kathmandu valley.

4.2 Analysis of Sex and Brand Loyalty

Under this topic, consumers' response on brand loyalty in terms of sex is analyzed according to the selected product categories.

4.2.1 Sex and Brand Loyalty: Soap

The number of respondent of this product is 30. According to their response Dettol, Liril, Lux and others (like lifebuoy, Niva, Cammy, Mayalu, Pears, Tulasi, and Dove etc.) are the different brands of soap available in Nepalese market. In the survey, both male and female respondents were asked to name the soap of their last four purchases. Then the loyalty on the specific brand is considered according to their purchase pattern. Total numbers of respondents are categorized into four groups according to their purchase pattern and preference relating to the different brands of soaps. Table 1 presents the frequency and percentage distribution of respondents by sex and different degree of brand loyalty on soap.

Table 4.1
Sex and Brand Loyalty on Soap

Brand Loyalty	Male		Female		Total	
	f	%	f	%	f	%
Undivided Loyalty (AAAA)	6	40	7	46.6	13	43.3
Divided Loyalty (ABAB)	4	26.6	4	26.6	8	26.7
Unstable Loyalty (AABB)	2	13.4	3	20	5	16.7
No Loyalty (ABCD)	3	20	1	6.6	4	13.3
Total	15	100	15	100	30	100

Source: Field Survey 2012

Figure 4.1
Sex and Brand Loyalty on Soap (Bar Diagram)

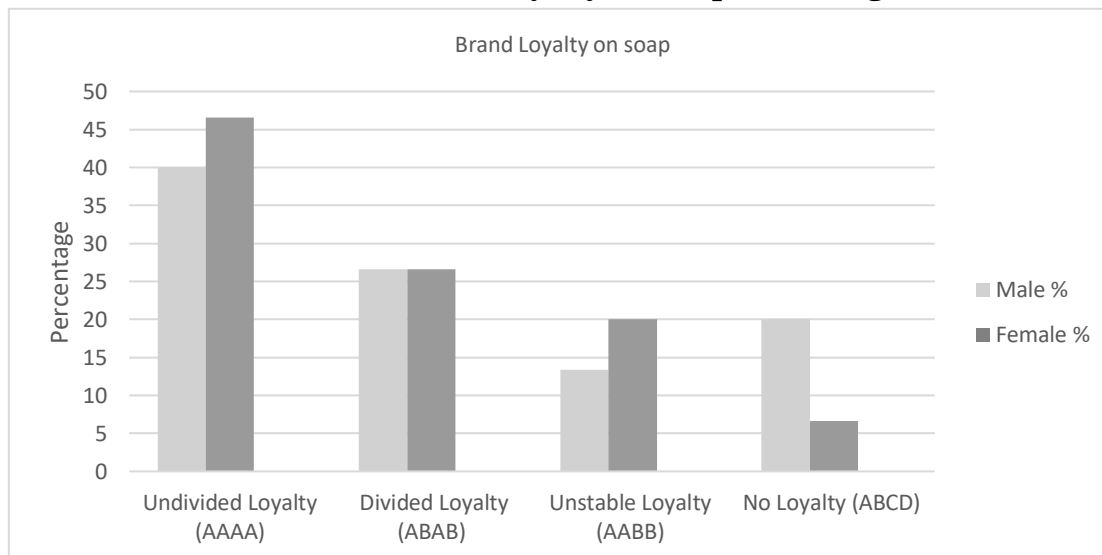


Table and figure presented reveals that most of the respondents (43.3%) are undivided brand loyal followed by divided brand loyalty (26.7%). The number of people who are unstable brand loyal (16.7%) and non-loyal (13.3%) is found to be greater than unstable loyal. In terms of sex, females are found to be more loyal in specific brand of soap. 40percent male respondents and 46.6 percent female respondents are strongly loyal whereas 26.6 percent male and 26.6 percent female are found to have divided loyal. Additionally 13.4 percent male respondent and 20 percent female respondents are found to be unstable in terms of brand loyalty. In addition, remaining 20 percent male and 6.6 percent female respondent are found to be non-loyal in any specific brand of soap.

4.2.1.1 Sex and Brand Loyalty on Soap Chi-square Test

H₀: There is no significant different in brand loyalty between male and female.

Table 4.2
Chi-square Calculation of Sex and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	2
Degree of freedom	3
Tabulate value	7.815
Chi square test statistic	1.276

Source: Field Survey 2012

Since Chi-square (χ^2) test statistic (1.276) is less than chi square (χ^2) tabulated value (7.815) value; hence this shows that males and females are found to be equally brand in loyal in case of soap. There is no significant difference between male and females. Therefore, the null hypothesis has been accepted.

4.2.2 Sex and Brand Loyalty: Shampoo

Following table and chart presents the frequency and percentage distribution of respondents by sex and different degree of brand loyalty on shampoo.

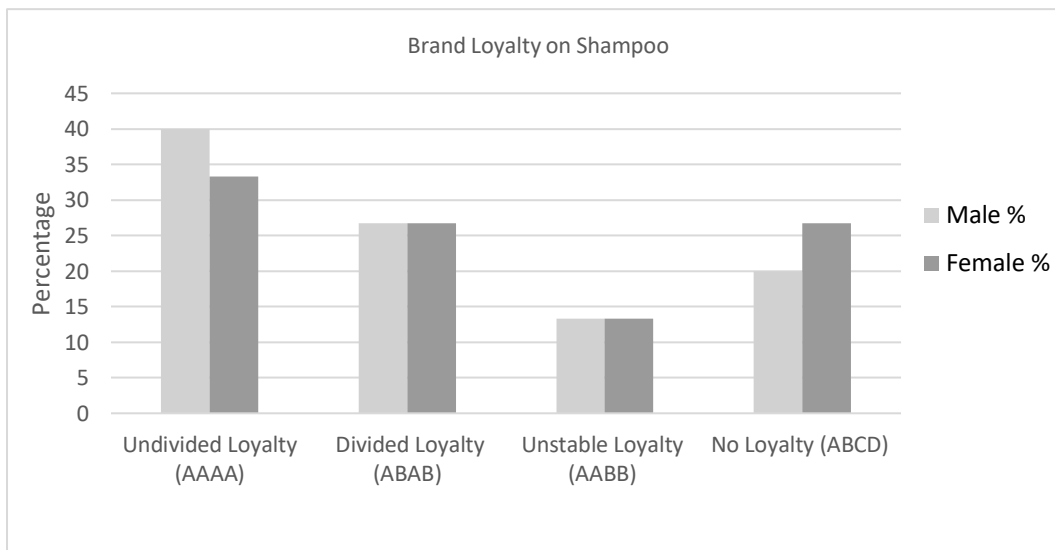
Table 4.3
Sex and Brand Loyalty on Shampoo

Brand Loyalty	Male		Female		Total	
	f	%	f	%	f	%
Undivided Loyalty (AAAA)	6	40	5	33.3	11	36.7
Divided Loyalty (ABAB)	4	26.7	4	26.7	8	26.7
Unstable Loyalty (AABB)	2	13.3	2	13.3	4	13.3
No Loyalty (ABCD)	3	20	4	26.7	7	23.3
Total	15	100	15	100	30	100

Source: Field Survey 2012

In following Table (4.3) and figure (4.2) shows the sex and brand loyalty on shampoo. Among the 30 respondents 36.7 percent respondent are found strongly loyal on specific brand of shampoo. They are said to be true loyal buyers. Divided brand loyalty is found in 26.7 % percent of total respondents. They are better to say multi brand loyal. Additional 13.3 percent respondents are found unstable brand loyal and remaining 23.3 percent respondent are found non loyal because their purchasing pattern do not match with their performance. In term of the sex, 40 percent male respondents and 33.3 percent female respondents are strongly loyal on the specific brand of shampoo whereas 26.7 percent male respondent and 26.7 percent female find to be divided brand loyal. 26.7 percent male and 26.7 percent female find to be divided loyal. 13.3 percent male respondent and 13.3 percent female respondents are found to be unstable in their purchasing decision. In addition, remaining 20 percent male and 26.7 percent female respondent are found to be non-loyal any specific brand of shampoo.

Figure 4.2
Sex and Brand Loyalty on Shampoo (Bar Diagram)



4.2.2.1 Sex and Brand Loyalty on Shampoo Chi-square Test

H₀: There is no significant different in brand loyalty between male and female.

Table 4.4
Chi- square Calculation of Sex and Brand Loyalty on shampoo

Level of significance	0.05
Number of row	4
Number of column	2
Degree of freedom	3
Tabulate value	7.815
Chi square (χ^2) test statistic	0.23377

Source: Field Survey 2012

Since chi square (χ^2) test statistic (0.23377) is less than chi square (χ^2) tabulated value (7.815) value; hence this shows that males and females are found to be equally brand loyal in the case of shampoo. There is no significant difference between male and females. Therefore, the null hypothesis has been accepted.

4.2.3 Sex and Brand Loyalty: Instant Noodles

According to their response waiwai, Ra Ra, Mayos and others (Rum Pum, Ruchi, etc). are the different brands of instant noodle available in the Nepalese market. The frequency and percentage distribution of the response of consumer according to their purchase pattern and preference relating to different brand of instant noodle are displayed in the following table.

Table 4.5
Sex and Brand Loyalty: Instant Noodle

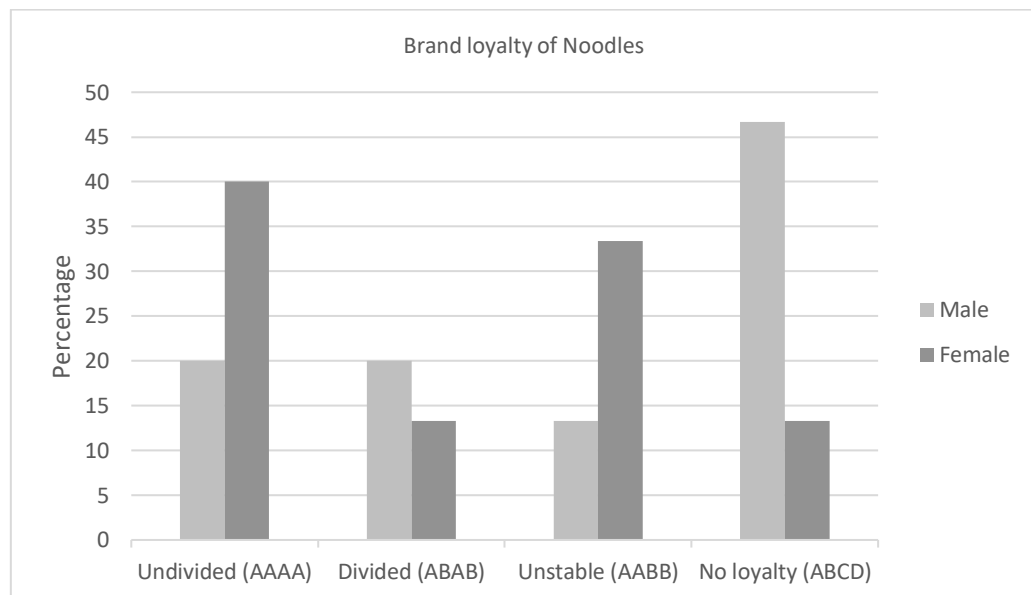
Brand Loyalty	Male		Female		Total	
	f	%	f	%	f	%
Undivided Loyalty (AAAA)	3	20	6	40	9	30
Divided Loyalty (ABAB)	3	20	2	13.3	5	16.7
Unstable Loyalty (AABB)	2	13.3	5	33.4	7	23.3
No Loyalty (ABCD)	7	46.7	2	13.3	9	30
Total	15	100	15	100	30	100

Source: Field Survey 2012

The Table (4.5) and figure (4.3) displays that the majority of the respondents (23.3%) fall in to the purchase pattern of group ABCD i.e. they are not loyal on specific brand of instant noodle

as their purchasing pattern do not match with their preference. 30% percent respondents are found undivided brand loyal and 16.7 percent are found divided loyalty. Remaining 30 percent, respondents are found unstable brand loyal. 20 percent male and 40 percent female respondent are found loyal, 46.7 percent male and 13.3 percent female are found non-loyal. Additional 13.3 percent male and 33.4 percent female are found unstable loyal remaining 20 percent male and 13.3 percent female are found divided loyal in terms of purchasing Instant Noodle.

Figure 4.3
Sex and Brand Loyalty of Instant Noodle (Bar Diagram)



4.2.3.1 Sex and Brand Loyalty on Instant Noodle Chi-square Test

H_0 : There is no significant difference in brand loyalty between male and female.

Table 4.6
Chi-square Calculation of Sex and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	2
Degree of freedom	3
Tabulate value	7.815
Chi square test statistic	5.2635

Source: Field Survey 2012

Since chi square (χ^2) test statistic (5.2635) is more than chi square (χ^2) tabulated value (7.815) value; hence, this shows that males and females are found to be equally brand loyal in case of instant noodle. There is no significant different between male and female. Therefore, the null hypothesis has been accepted.

4.2.4 Sex and Brand Loyalty: Toothpaste

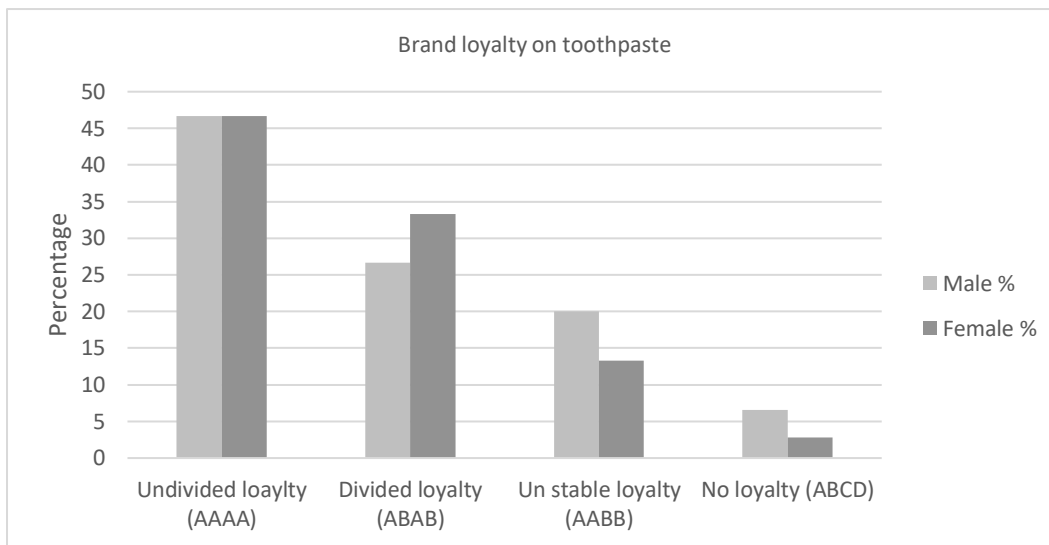
The response of consumer according to their purchase pattern and preference relating to different brands of toothpaste are presented in the following table.

Table 4.7
Sex and Brand Loyalty on Toothpaste

Brand Loyalty	Male		Female		Total	
	f	%	f	%	f	%
Undivided Loyalty (AAAA)	7	46.7	7	46.7	14	46.7
Divided Loyalty (ABAB)	4	26.7	5	33.3	9	30
Unstable Loyalty (AABB)	3	20	2	13.3	5	16.6
No Loyalty (ABCD)	1	6.6	1	6.7	2	6.7
Total	15	100	15	100	30	100

Source: Field Survey 2012

Figure 4.4
Sex and Brand Loyalty on Toothpaste



In table and figure reveals that majority (46%) respondents are strongly brand loyal in case of toothpaste followed by undivided loyalty. Additional 16.6 percent respondent are found unstable brand loyal and reaming 6.7 percent respondent are found non loyal because there purchasing pattern do not match with their preference.

In terms of sex, 46.7 percent male respondents and 46.7 percent female respondents are strongly loyal whereas 26.7 percent male and 33.3 percent female are found to have divided brand loyal. Additionally 20 percent male respondent and 13.3 percent female respondents are found to be unstable in terms of brand loyalty. Moreover, remaining 6.6 percent male and 6.7 percent female respondent are found to be non-loyal in any specific brand of toothpaste.

4.2.4.1 Sex and Brand Loyalty on Toothpaste Chi-square Test

H₀: There is no significant difference in brand loyalty between male and female.

Table 4.8
Chi-square Calculation of Sex and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	2
Degree of freedom	3
Tabulate value	7.815
Chi square test statistic	0.3111

Source: Field Survey 2012

Since chi square (χ^2) test statistic (0.3111) is less than chi square (χ^2) tabulated value (7.815) value; hence, this shows that males and females are found to be equally brand loyal in case of Toothpaste. There is no significant difference between male and females. Therefore, the null hypothesis has been accepted.

4.2.5 Sex and Brand Loyalty: Tea

The response of consumer according to their purchase pattern and preference relating to different brands of tea are presented in the following table.

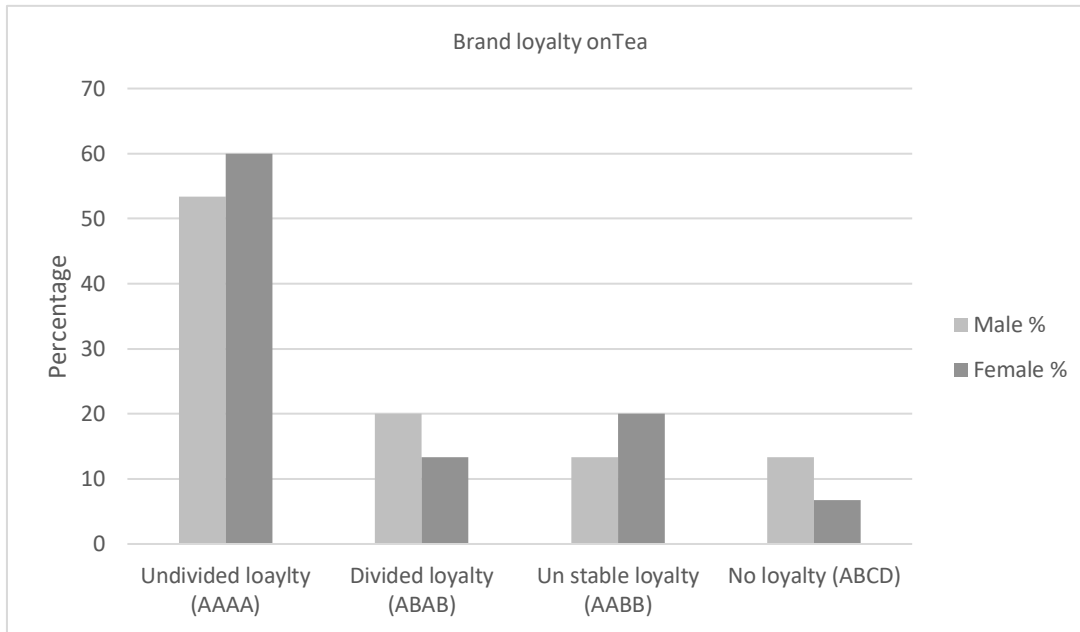
Table 4.9
Sex and Brand Loyalty: Tea

Brand Loyalty	Male		Female		Total	
	f	%	f	%	f	%
Undivided Loyalty (AAAA)	8	53.4	9	60	17	56.6
Divided Loyalty (ABAB)	3	20	2	13.3	5	16.7
Unstable Loyalty (AABB)	2	13.3	3	20	5	16.7

No Loyalty (ABCD)	2	13.3	1	6.7	3	10
Total	15	100	15	100	30	100

Source: Field Survey 2012

Figure 4.5
Sex and Brand Loyalty on Tea



In table and figure shows that 56.6 percent respondent are found strongly brand loyal in case of Tea. The percentages of divided brand loyal and unstable brand loyal are 16.7 and non-loyal respondents are 10 respectively. 53.4 percent male respondents and 60 percent female respondents are found strongly loyal on specific brand of Tea. Whereas 20 percent male and 13.3 percent female are found to have divided brand loyal. 13.3 percent male respondent and 20 percent female respondents are found to be unstable in terms of brand loyalty. And remaining 13.3 percent male and 6.7 percent female respondent are found to be non-loyal in any specific brand of Tea.

4.2.5.1 Sex and Brand Loyalty on Tea Chi-Squire Test

H₀: There is no significant difference in brand loyalty between male and female.

Table 4.10
Chi-Square Calculation of Sex and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	2
Degree of freedom	3
Tabulate value	7.815
Chi square (χ^2) test statistic	0.7922

Source: Field Survey 2012

Since chi square (χ^2) test statistic (0.7922) is less than chi square (χ^2) tabulated value (7.815) value; hence, this shows that males and females are found to be equally brand loyal in the case of tea. There is no significant difference between male and females. Therefore, the null hypothesis has been accepted.

4.3 Analysis of Age and Brand Loyalty

People's age may be one of the factors that affect their choice. The choice of young people may not be preferred by the ageing people. Under this topic, consumers' response on brand loyalty in terms of age is analyzed according to the selected product categories. The ages of the respondents are divided into four groups viz. 15-25, 25-35 and above 35 age. In the survey, respondents of different age group were asked to name the brand of product of their last four purchases. Then the loyalty on the specific brand is considered according to their purchase pattern and preferences.

4.3.1 Age and Brand Loyalty: Soap

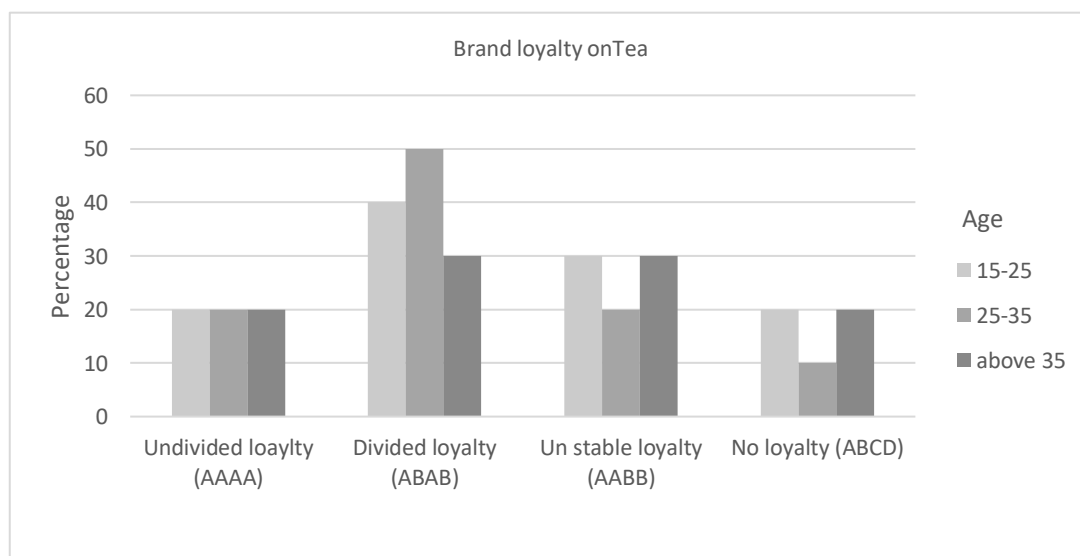
Following table presents the frequency and percentage distribution of respondents by age and different degree of brand loyalty on soap.

Table 4.11
Age and Brand Loyalty on Soap

Brand Loyalty	Age Group						Total	
	15-25		25-35		Above 35			
	f	%	f	%	f	%	f	%
Undivided Loyalty (AAAA)	2	20	2	20	2	20	6	20
Divided Loyalty (ABAB)	4	40	5	50	3	30	12	40
Unstable Loyalty (AABB)	3	30	2	20	3	30	8	26.7
No Loyalty (ABCD)	1	20	1	10	2	20	4	13.3
Total	10	100	10	100	10	100	30	100

Source: Field Survey 2012

Figure 4.6
Age and Brand Loyalty on Soap



The table (4.11) and figure (4.6) reveals that majority 20% respondents of 15-25 age group, 25-35 age group and above 35 age group are found to be undivided loyal on the special brand of soap. In the same way 40 percent respondents of 15-25, age group, 50 percent respondent of 25-35 age group and 30 percent respondents above 35 age are found to have divided brand loyal. Similarly, 30 percent respondents of 15-25 age group, 20 Percent respondents of 25-35 age group, and 30 percent respondents of above35 age group are found to be unstable in terms of brand loyalty. Lastly 20percent respondents of 15-25 age group, 10 percent respondents of 25-35 age group 20 percent respondents of above35 age group are non-loyal in any specific brand.

4.3.1.1 Age and Brand Loyalty on soap Chi- Squire Test

H₀: Age of the individual does not have significant influence on the brand loyalty

Table 4.12
Chi-Squire Calculation of Age and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	3
Degree of freedom	6
Tabulate value	12.592
Chi squire test statistic	1.2500

Source: Field Survey 2012

Since chi quire (χ^2) test statistic (1.2500) is less than chi squire (χ^2) tabulated value (12.592) value; hence, this shows that there is no relation between age and brand. Therefore, null hypothesis is accepted.

4.3.2 Age and Brand Loyalty: Shampoo

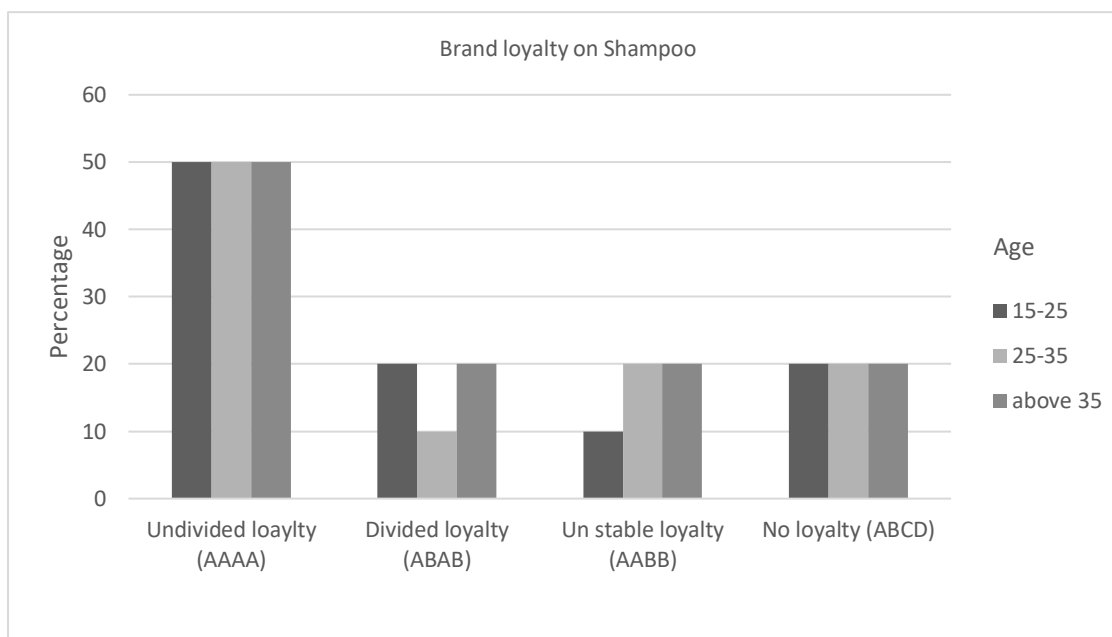
The response of different age group respondent according to their purchase pattern and preference relating to different brands of shampoo are given in the following table.

Table 4.13
Age and Brand Loyalty on Shampoo

Brand Loyalty	Age Group						Total	
	15-25		25-35		Above 35			
	f	%	f	%	f	%	f	%
Undivided Loyalty AAAA	5	50	5	50	5	50	15	50
Divided Loyalty (ABAB)	2	20	1	10	2	20	5	16.7
Unstable Loyalty (AABB)	1	10	2	20	2	20	5	16.7
No Loyalty (ABCD)	2	20	2	20	1	10	5	16.7
Total	10	100	10	100	10	100	30	100

Source: Field survey 2012.

Figure 4.7
Age and Brand Loyalty on Shampoo



The table and figure reveals that majority 50% respondents of 15-25 age group, 25-35 age group and above 35 age group are found to be undivided loyal on the special brand of soap. In the same way 20 percent respondents of 15-25, age group, 10percent respondent of 25-35 age group and 20 percent respondents above 35 age are found to have divided brand loyal. Similarly, 10 percent respondents of 15-25 age group, 20 percent respondents of 25-35 age group, and 20 percent respondents of above 35 age group are found to be unstable in

terms of brand loyalty. Lastly 20 percent respondents of 15-25 age group, 20 percent respondents of 25-35 age group 10 percent respondents of above 35 age group are non-loyal in any specific brand

4.3.2.1 Age and Brand Loyalty on Shampoo Chi- Squire Test

H₀: Age of the individual does not have significant influence on the brand loyalty

Table 4.14
Chi-Squire Calculation of Age and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	3
Degree of freedom	6
Tabulate value	12.592
Chi squire test statistic	1.2000

Source: Field survey 2012.

Since chi quire (χ^2) test statistic (1.2000) is less than chi squire (χ^2) tabulated value (12.592) value; hence, this shows that there is relation between age and brand. Therefore, null hypothesis is accepted.

4.3.3 Age and Brand Loyalty: Instant Noodles

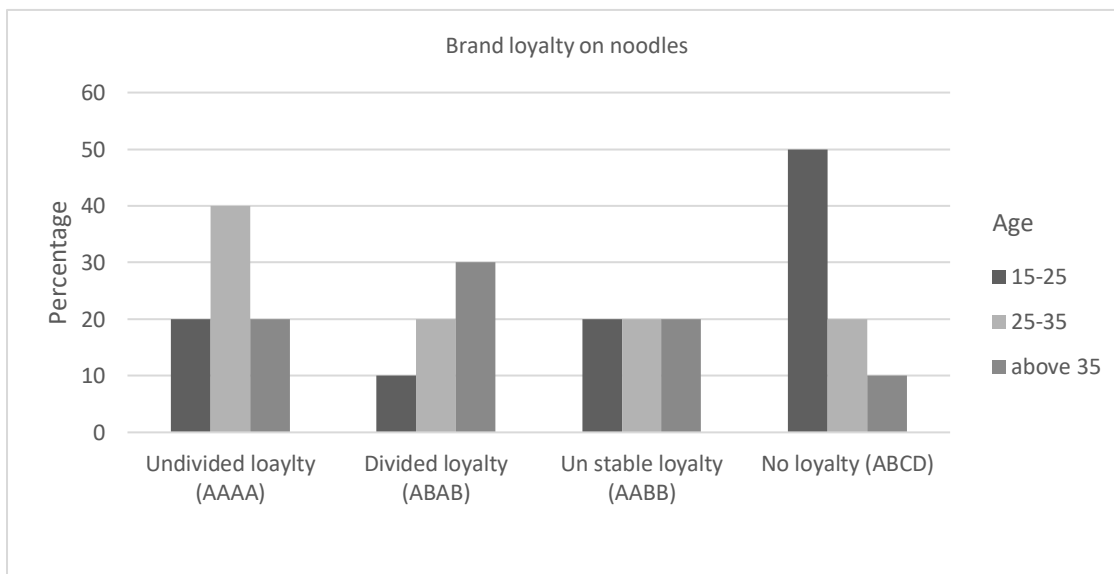
The response of different age group respondent according to their purchase pattern and preference relating to different brands of Instant noodles are given in the following table.

Table 4.15
Age and Brand Loyalty on Instant Noodles

Brand Loyalty	Age Group						Total	
	15-25		25-35		Above 35			
	f	%	f	%	f	%	f	%
Undivided Loyalty AAAA	2	20	4	40	2	20	8	26.7
Divided Loyalty (ABAB)	1	10	2	20	3	30	6	20.0
Unstable Loyalty (AABB)	2	20	2	20	2	20	6	20.0
No Loyalty (ABCD)	5	50	2	20	3	30	10	33.3
Total	10	100	10	100	10	100	30	100

Source: Field Survey 2012

Figure 4.8
Age and Brand Loyalty: Instant Noodles



The following table and figure presented above reveals that majority of respondents in 15-25 (50% respectively) are not loyal in any specific brand of Instant noodles whereas in age group 25-35 strongly loyal consumers hold the majority (40%). Similarly, most of the respondents (30%) of above 30 age group seem to be divided loyal and non-loyal on the specific brand of Instant noodles. Among total 30 respondents, majority belongs to the non-loyal group.

4.3.3.1 Age and Brand Loyalty on Instant Noodles Chi- Squire Test

H₀: Age of the individual does not have significant influence on the brand loyalty

Table 4.16
Chi-squire Calculation of Age and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	2
Degree of freedom	6
Tabulate value	12.592
Chi squire test statistic	3.4000

Source: Field Survey 2012

Since chi quire (χ^2) test statistic (3.4000) is less than chi squire (χ^2) tabulated value (12.592) value; hence, this shows that there is no different relation between age and brand. Therefore, null hypothesis is accepted.

4.3.4 Age and Brand Loyalty: Toothpaste

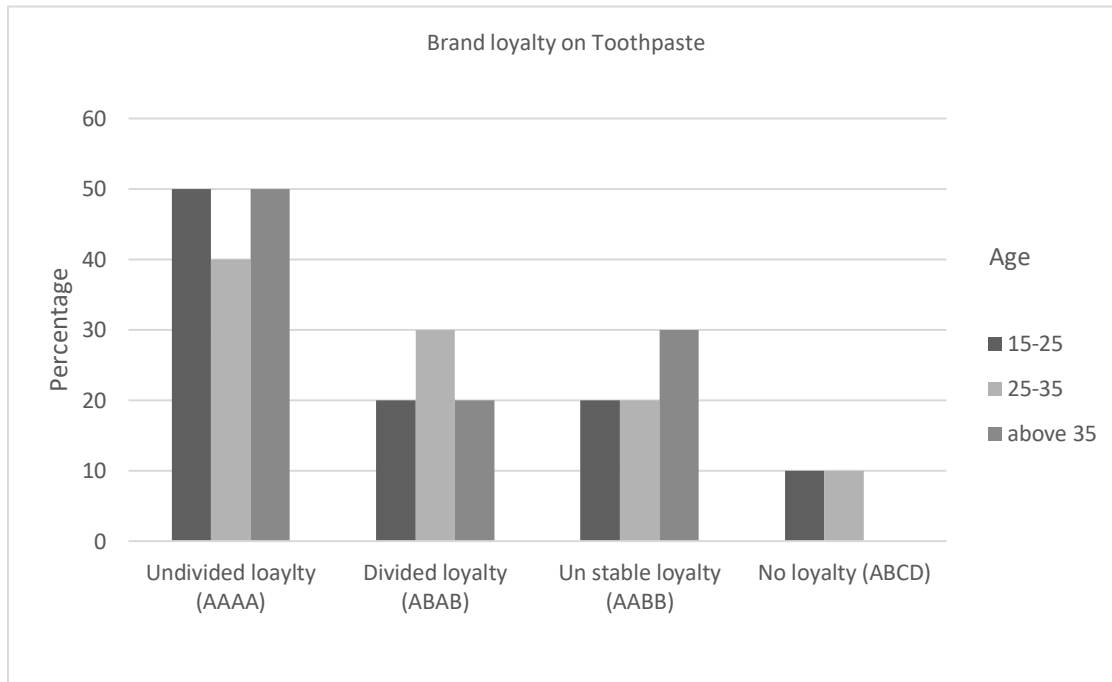
The response of different age group respondent according to their purchase pattern and preference relating to different brands of Toothpaste are given in the following table.

Table 4.17
Age and Brand Loyalty on Toothpaste

Brand Loyalty	Age Group						Total	
	15-25		25-35		Above 35			
	f	%	f	%	f	%	f	%
Undivided Loyalty AAAA	5	50	4	40	5	50	14	46.7
Divided Loyalty (ABAB)	2	20	3	30	2	20	7	23.3
Unstable Loyalty (AABB)	2	20	2	20	3	30	7	23.3
No Loyalty (ABCD)	1	10	1	10	0	0	2	6.7
Total	10	100	10	100	10	100	30	100

Source: Field Survey 2012

Figure 4.9
Age and Brand Loyalty: Toothpaste



The following table (4.17) and chart (4.9) reveals that majority (50%) respondents of 15-25 age group, 40 percent respondents of 25-35 age group, 50 percent respondents above 35 age are found to be undividedly loyal on the specific brand of Toothpaste. In the same way 20 percent respondents of 15-25 age group, 30 Percent respondents of 25-35 age group and 20 % of above 35 age group are found to dividedon brand loyal. Similarly 20 percent respondents of 15-25, 25-35 age group and 30% of above 35 age group are are unstable in term of brand loyalty. Lastly 10 percent respondent of 15-25and 20-25 age group and 0 percent respondent of above35 age group are non-loyal in any specific brand.

4.3.4.1 Age and Brand Loyalty on Toothpaste Chi-Square Test

H₀: Age of the individual does not have significant influence on the brand loyalty

Table 4.18
Chi-Squire Calculation of Age and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	3
Degree of freedom	6
Tabulate value	12.592
Chi squire test statistic	1.7143

Source: Field Survey, 2012

Since chi quire (χ^2) test statistic (1.7143) is less than chi squire (χ^2) tabulated value (12.592) value; hence, this shows that there is no different in relation between age and brand. Therefore, null hypothesis is accepted.

4.3.5 Age and Brand Loyalty: Tea

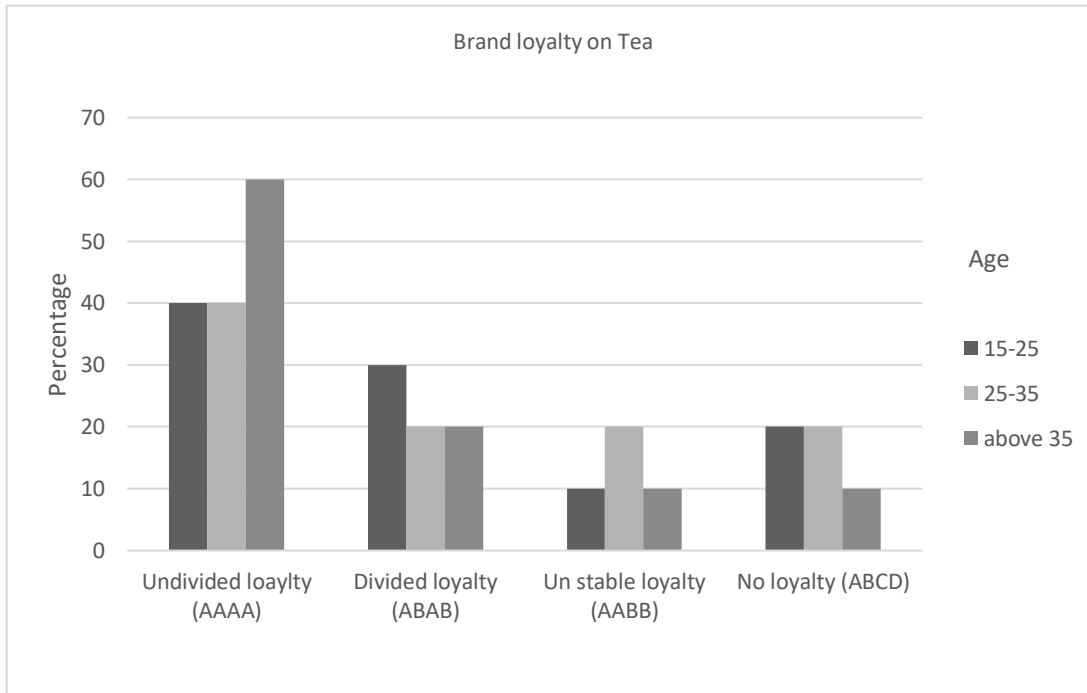
The response of different age group respondent according to their purchase pattern and preference relating to different brands of Tea are given in the following table.

Table 4.19
Age and Brand Loyalty on Tea

Brand Loyalty	Age Group						Total	
	15-25		25-35		Above 35			
	f	%	f	%	f	%	f	%
Undivided Loyalty AAAA	4	40	4	40	6	60	14	46.7
Divided Loyalty (ABAB)	3	30	2	20	2	20	7	23.3
Unstable Loyalty (AABB)	1	10	2	20	1	10	4	13.3
No Loyalty (ABCD)	2	20	2	20	1	10	5	16.7
Total	10	100	10	100	10	100	30	100

Source: Field Survey 2012

Figure 4.10
Age and Brand Loyalty on Tea



The following table and chart reveals that majority 40% respondents of 15-25 age group, 40 percent respondents of 25-35 age group, 60 percent respondents above 35 age are found to be undividedly loyal on the specific brand of Toothpaste. .In the same way 30 percent respondents of 15-25 age group, 20 Percent respondents of 25-35 and above 35 age group are found to be divided on brand loyal.

Similarly 10 percent respondents of 15-25age group, 20 % respondents of 25-35 age group and 10% of above 35 age group are are unstable in term of brand loyalty. Lastly 20 percent respondent of 15-25and 20-25 age group and 10 percent respondent of above35 age group are non-loyal in any specific brand.

4.3.5.1 Age and Brand Loyalty on Tea Chi- Squire Test

H₀: Age of the individual does not have significant influence on the brand loyalty.

Table 4.20
Chi-Squire Calculation of Age and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	3
Degree of freedom	6
Tabulate value	12.592
Chi squire test statistic	1.7571

Source: Field Survey, 2012

Since chi square (χ^2) test statistic (1.7571) is less than chi squire (χ^2) tabulated value (12.592) value; hence, this shows that there is no difference relation between age and brand. Therefore, null hypothesis is accepted.

4.4 Analysis of Marital Status and Brand Loyalty

Marital status may be one of the factors that affect their choice. Under this topic, consumer respond on brand loyalty in term of marital status is analyzed according to selected product categories. The despondence in marital status is married and unmarried. In the survey, respondents of different status were asked to name the brand of product of their last four purchases. The loyalty on special brand is identified according to this purchased pattern and preference.

4.4.1 Marital Status and Brand Loyalty: Soap

Following labels process the frequency and percentage distribution of respondents by marital status and different degree of broad loyalty of soap.

Table 4.21
Marital Status and Brand Loyalty on Soap

Brand Loyalty	Married		Unmarried		Total	
	f	%	f	%	f	%
Undivided Loyalty (AAAA)	7	46.7	6	40	13	43.3
Divided Loyalty (ABAB)	4	26.7	2	13.3	6	20
Unstable Loyalty (AABB)	2	13.3	3	20	5	16.7
No Loyalty (ABCD)	2	13.3	4	26.7	6	20
Total	15	100	15	100	30	100

Source: Field Survey, 2012

Figure 4.11
Marital Status and Brand Loyalty on Soap



Table and figure present above reveals that most of the respondents (43.3%) are undivided loyalty followed by divided brand loyalty (20%). 16.7%, 20% are the unstable brand loyal and non-loyal respectively. In term of marital status, Married people all found to be brand loyal in special brand of brand of soap 46.7% married and 40% unmarried were strongly loyal whereas 26.7% married and 13.3% unmarried are found to be divided loyal, 13.3% married and 20% unmarried are found to have unstable in form of brand. 13.3% married and 26.7% of unmarried all found to be non-loyal in any specific brand of soap.

4.4.1.1 Marital Status and Brand Loyalty on Soap Chi- Square Test

H₀: There is no significant difference in brand loyalty between married and unmarried.

Table 4.22
Chi-Square Calculation of Martial Status and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	2
Degree of freedom	3
Tabulate value	7.815
Chi square test statistic	1.6103

Source: Field Survey, 2012

Since chi-square (χ^2) test statistic (1.6103) is less than chi-square (χ^2) Tabulated value (7.815) value; hence it flows that married and unmarried all found to be equality brand loyal in the case of soap. There is no significant difference between married and unmarried. Therefore, the null hypothesis has been accepted.

4.4.2 Marital Status and Brand loyalty: Shampoo

Following labels process the frequency and percentage distribution of respondents by marital status and different degree of brand loyalty of shampoo

Table 4.23
Marital Status and Brand Loyalty on Shampoo

Brand Loyalty	Married		Unmarried		Total	
	f	%	f	%	f	%
Undivided Loyalty (AAAA)	7	46.7	6	40	13	43.4
Divided Loyalty (ABAB)	3	20	4	26.7	7	23.3
Unstable Loyalty (AABB)	2	13.3	2	13.3	4	13.3
No Loyalty (ABCD)	3	20	3	20	6	20
Total	15	100	15	100	30	100

Source: Field Survey, 2012

Figure 4.12
Marital Status and Brand Loyalty on Shampoo

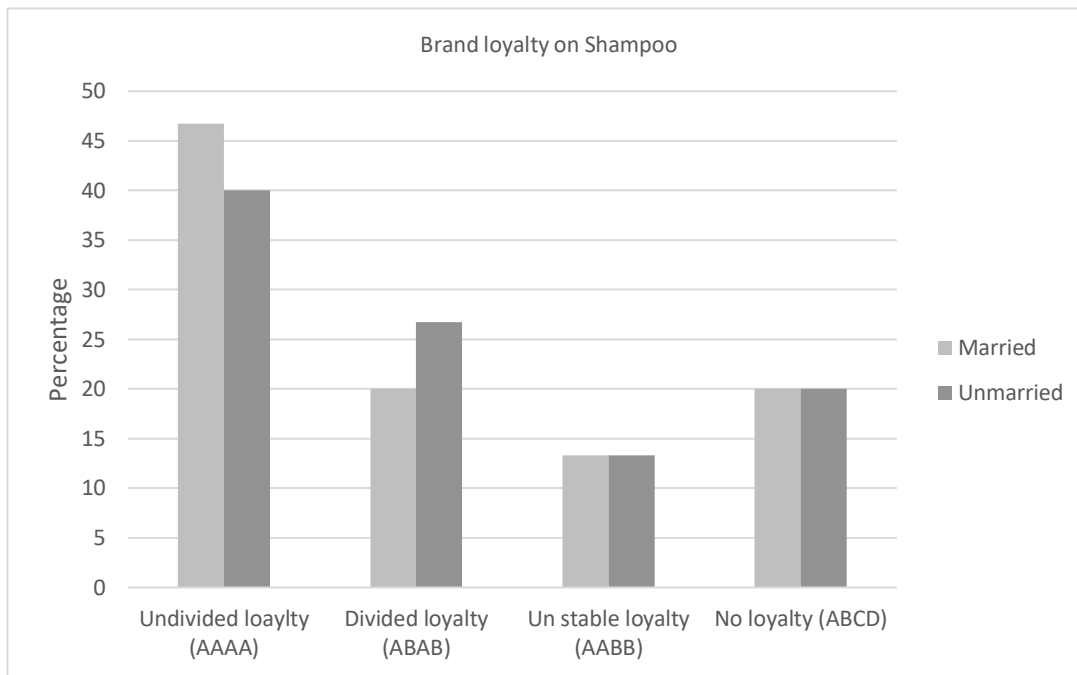


Table and figure present above reveals that most of the respondents (43.4%) are undivided loyalty followed by divided brand loyalty (23.3%). 13.3%, 20% all the unstable brand loyal and non-loyal respectively. In term of marital status, Married people all found to be brand loyal in special brand of brand of shampoo 46.7% married and 40% unmarried were strongly loyal whereas 20% married and 26.7% unmarried are found to be divided loyal, 13.3% married and unmarried are found to have unstable in form of brand. 20% married and unmarried all found to be non-loyal in any specific brand of shampoo.

4.4.2.1 Marital status and Brand Loyalty on Shampoo Chi-Squire Text

H₀: There is no significance difference in brand loyalty believe married and unmarried.

Table 4.24
Chi-Squire Calculation of Marital Status and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	2
Degree of freedom	3
Tabulate value	7.815
Chi squire test statistic	0.4198

Source: Field Survey, 2012

Since chi-squire (χ^2) test statistic (0.4198) is less than chi-squire (χ^2) Tabulated value (7.815) value; hence this flows that married and unmarried all found to be equality brand loyal in the case of shampoo. There is no significant difference between married and unmarried. Therefore, the null hypothesis has been accepted.

4.4.3 Marital Status is Brand Loyalty: Instant Noodles

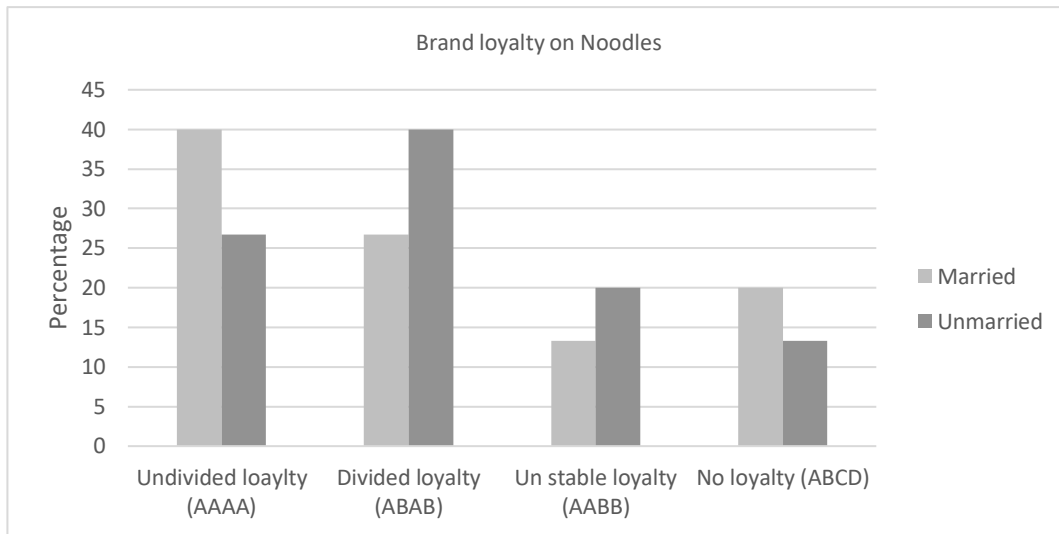
Following labels process the frequency and percentage distribution of respondents by marital status and different degree of brand loyalty of noodles.

Table 4.25
Marital Status and Brand Loyalty on Instant Noodles

Brand Loyalty	Married		Unmarried		Total	
	f	%	f	%	f	%
Undivided Loyalty (AAAA)	6	40	4	26.7	10	33.3
Divided Loyalty (ABAB)	4	26.7	6	40	10	33.3
Unstable Loyalty (AABB)	2	13.3	3	20	5	16.7
No Loyalty (ABCD)	3	20	2	13.3	5	16.7
Total	15	100	15	100	30	100

Source: Field Survey, 2012

Figure 4.13
Marital Status and Brand Loyalty on Instant Noodles



The table and figure present above reveals that most of the respondents (33.3%) are undivided loyalty and divided brand loyalty. 16.7% are the unstable brand loyal and non-loyal respectively. In term of marital status, Married people all found to be brand loyal in special brand of brand of instant noodle 40% married and 26.7% unmarried were loyal whereas 26.7% married and 40% unmarried are found to be divided brand loyal, 13.3% married and 20% unmarried and found to have unstable in form of brand. 20% married and 13.3% of unmarried all found to be non-loyal in any specific brand of instant noodle.

4.4.3.1 Marital Status and Brand Loyalty on Instant Noodles Chi-Squire Text

H₀: There is no significance difference in brand loyalty believe married and unmarried.

Table 4.26
Chi-Squire Calculation of Marital Status and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	2
Degree of freedom	3
Tabulate value	7.815
Chi squire test statistic	1.2000

Source: Field Survey, 2012

Since chi-square (χ^2) test statistic (1.2000) is less than chi-square (χ^2) Tabulated value (7.815) value; hence it follows that married and unmarried are all found to be equally brand loyal in the case of instant noodle. There is no significant difference between married and unmarried. Therefore, the null hypothesis has been accepted.

4.4.4 Marital Status and Brand Loyalty: Toothpaste

Following table presents the frequency and percentage distribution of respondents by marital status and different degree of brand loyalty of toothpaste.

Table 4.27
Marital Status and Brand Loyalty: Toothpaste

Brand Loyalty	Married		Unmarried		Total	
	f	%	f	%	f	%
Undivided Loyalty (AAAA)	8	53.3	9	60	17	56.6
Divided Loyalty (ABAB)	4	26.7	2	13.3	6	20
Unstable Loyalty (AABB)	2	13.3	3	20	5	16.7
No Loyalty (ABCD)	1	6.7	1	6.7	2	6.7
Total		100	15	100	30	100

Source: Field Survey 2012

Figure 4.14

Marital Status and Brand Loyalty on Toothpaste

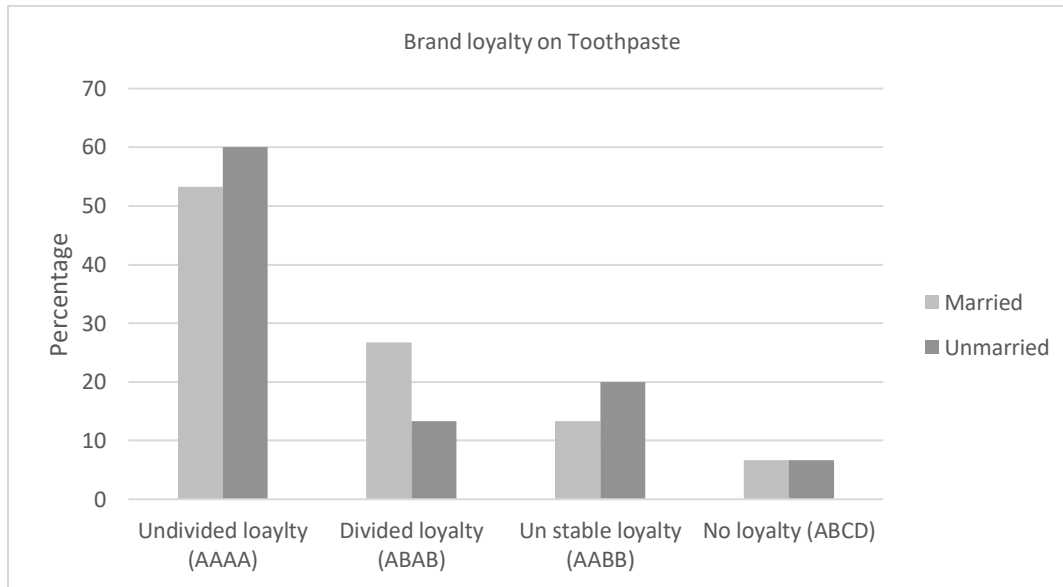


Table and figure present above reveals that most of the respondents (56.6%) are undivided loyalty followed by divided brand loyalty (20%). 16.7%, 6.7% all the unstable brand loyal and non-loyal respectively. In term of marital status, Married people all found to be brand loyal in special brand of brand of tooth paste 53.3% married and 60% unmarried were strongly loyal whereas 26.7% married and 30% unmarried are found to be divided loyalty, 13.3% married and 20% unmarried and fund to have unstable in form of brand. 6.7% married and unmarried all found to be non-loyal in any specific brand of toothpaste.

4.4.4.1 Marital Status and Brand Loyalty on Toothpaste Chi-Squire Text

H₀: There is no significance difference in brand loyalty believe married and unmarried

Table 4.28
Chi-Squire Calculation of Marital Status and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	2
Degree of freedom	3
Tabulate value	7.815
Chi squire test statistic	0.9255

Source: Field Survey 2012

Since chi-squire (χ^2) test statistic (0.9255) is less then chi- squire (χ^2) Tabulated value (7.815) value; hence his flows that married and unmarried all found to be equality brand loyal in the case of toothpaste. There is no significant difference between married and unmarried. Therefore, the null hypothesis has been accepted.

4.4.5 Marital Status and Brand Loyalty: Tea

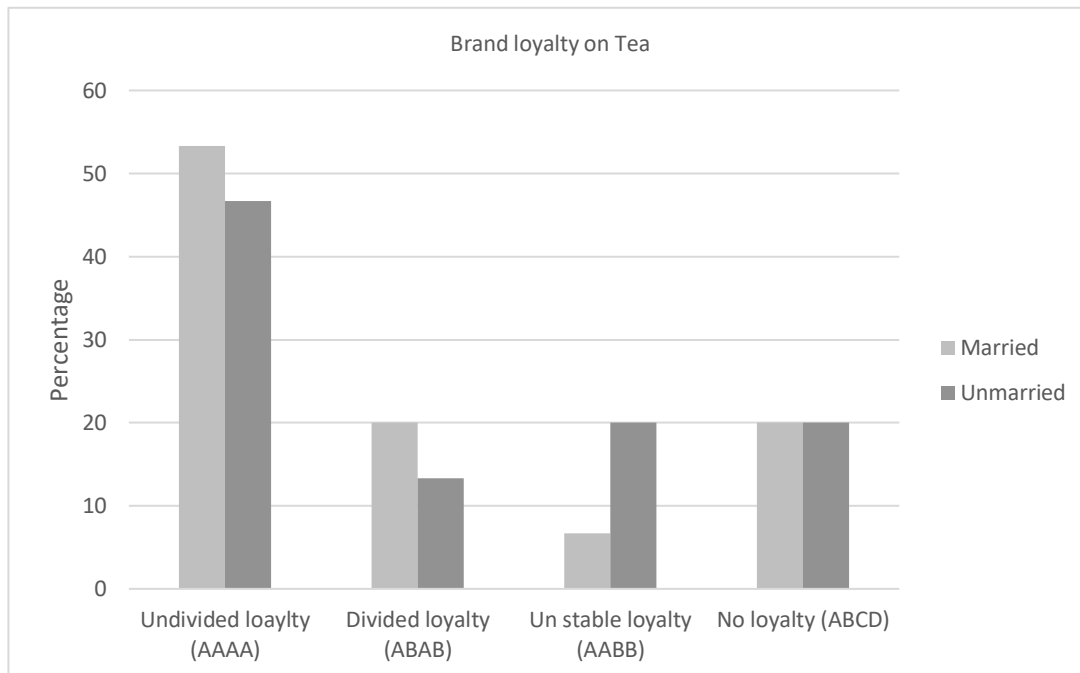
Following labels process the frequency and percentage distribution of respondents by marital status and different degree of broad loyalty of tea

Table 4.29
Marital Status and Brand Loyalty on Tea

Brand Loyalty	Married		Unmarried		Total	
	f	%	f	%	f	%
Undivided Loyalty (AAAA)	8	53.3	7	46.7	15	50
Divided Loyalty (ABAB)	3	20	2	13.3	5	16.7
Unstable Loyalty (AABB)	1	6.7	3	20	4	13.3
No Loyalty (ABCD)	3	20	3	20	6	20
Total	15	100	15	100	30	100

Source: Field Survey 2012

Figure 4.15
Marital Status and Brand Loyalty on Tea



The following Table (4.29) and figure (4.15) present below reveals that most of the respondents (50%) are undivided loyalty followed by divided brand loyalty (16.7%). 13.3%, 20% all the unstable brand loyal and non-loyal respectively. In term of marital status, Married people all found to be brand loyal in special brand of brand of tea 53.3% married and 46.7% unmarried were strongly loyal whereas 20% married and 13.3% unmarried are found to be divided loyalty, 6.7% married and 20% unmarried and fund to have unstable in form of brand. 20% married and unmarried all found to be non-loyal in any specific brand of tea

4.4.5.1 Marital Status and Brand Loyalty on Tea Chi- square Text

H₀: there is no significant difference in brand loyalty between married and unmarried.

Table 4.30
Chi- Squire Calculation of Marital Status and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	2
Degree of freedom	3
Tabulate value	7.815
Chi squire test statistic	1.2667

Source: Field Survey 2012

Since chi-square (χ^2) test statistic (1.2667) is less than chi-square (χ^2) Tabulated value (7.815) value; hence it follows that married and unmarried all found to be equally brand loyal in the case of tea. There is no significant difference between married and unmarried. Therefore, the null hypothesis has been accepted.

4.5 Brand Switching and Brand Choice

4.5.1 Factors Causing Brand Switching

It has been already presented in various tables and charts that the number of respondents who are strongly loyal to the specific brand of any product is low. People switch brands for many purposes. In this topic, it is attempted to find out the causes of brand switching in different products. Respondents were asked the question, "Which one of the following factors makes you leave one brand and switch to another?" The factors provided with the question are:—

- Price off
- Advertising
- A desire to test new brand
- Others

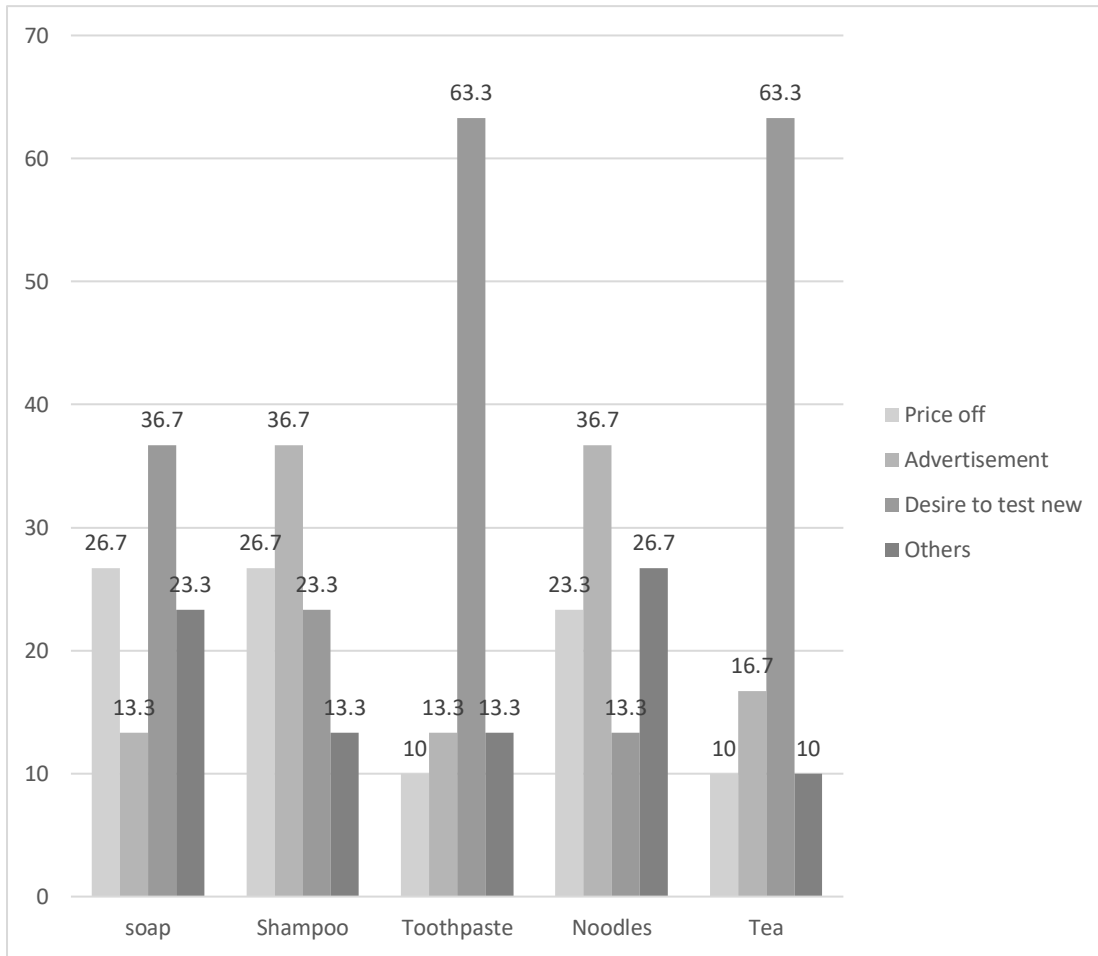
Others, includes factors like quality, taste, smell, availability, health, conscious, from friends and recommendation, purity, suitability, fairness, availability nearby shop etc. The following table shows the reason for switching from one to another brand. The response of the respondents on the question is presented in table 4.31.

Table 4.31
Factors Causing Brand Switching

Name of Product	Factors	Frequency	Percentage
Soap	Price off	8	26.7
	Advertisement	4	13.3
	Desire to test new	11	36.7
	others	7	23.3
	Total	30	100.0
Shampoo	Price off	8	26.7
	Advertisement	11	36.7
	Desire to test new	7	23.3
	others	4	13.3
	Total	30	100.0
Instant Noodles	Price off	3	10.0
	Advertisement	4	13.3
	Desire to test new	19	63.3
	others	4	13.3
	Total	30	100.0
Toothpaste	Price off	7	23.3
	Advertisement	11	36.7
	Desire to test new	4	13.3
	others	8	26.7
	Total	30	100.0
Tea	Price off	3	10.0
	Advertisement	5	16.7
	Desire to test new	19	63.3
	others	3	10.0
	Total	30	100.0

Source: Field Survey 2012

Figure 4.16
Factors causing brand switching.



The table shows that advertisement is the most effective factor for switching brand of shampoo and noodles. 36.7 percent respondents responded that advertising is the factor that inspires them to leave one brand and switch on to another. However, in the case of soap, 36.7 % of respondents and 63.3 % in both toothpaste and tea most of the respondents are affected in order to test the new product. Although the price factor also affects in case of soap and shampoo.

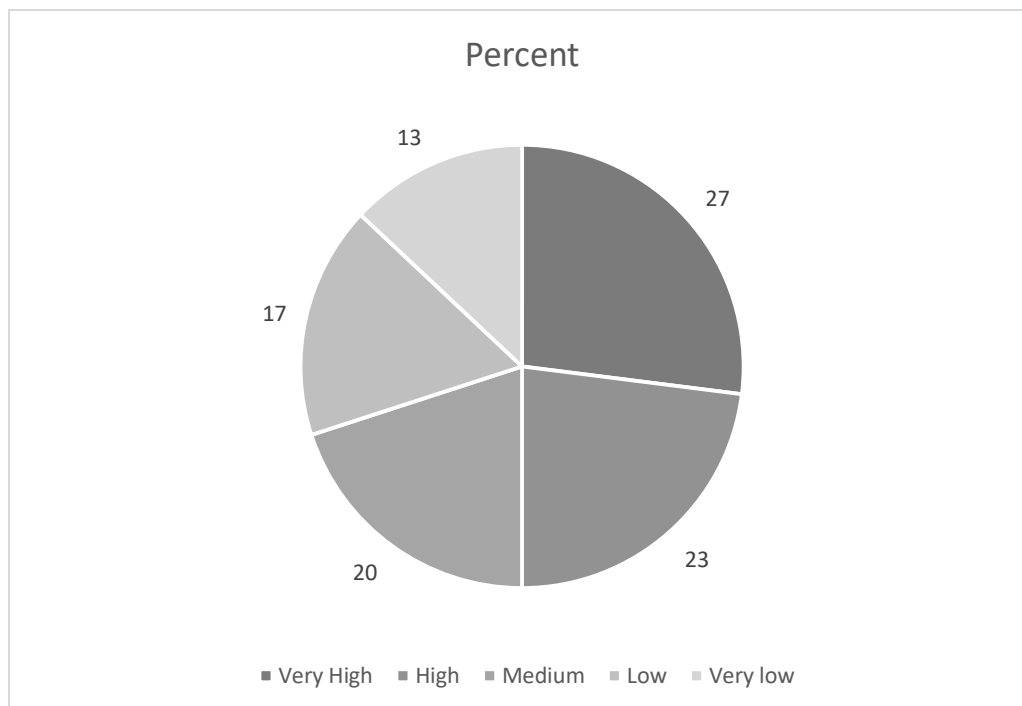
4.5.2 Effects of Incentives in Brand Choice

Table 4.32
Effects of Incentives in Brand Choice

Effects of Incentives	Frequency	Percent
Very High	8	27
High	7	23
Medium	6	20
Low	5	17
Very Low	4	13
Total	30	100

Source: Field Survey 2012

Figure 4.17
Effects of Incentives in Brand Choice



The table and figure presented above shows that most of respondents of consumers are affected by incentives like free goods, price off etc. 27 percent of respondents responded that those incentives very highly effects in brand choice. Similarly, 23 percent of respondent replied that the effect is high, 20 percent of respondents have opinion that those incentives have medium effect in brand choice. Very few respondents 17% and 13% respectively responded that the effects of the incentives are low and very low. According to respondents received from consumer we can conclude that majority of consumer are effected by incentives like free sample, price off, free coupon, prize, bumper, discount etc. for brand choice.

4.6 Major Findings of the Study

1. The greater percent of female are found to have undivided loyalty and divided loyalty. Male are also found undivided loyalty and divided loyalty in case of soap. Test shows that there is no difference in brand loyalty between male and female.
2. In the case of shampoo, greater percent male and female are found to have undivided loyalty and divided loyal. Test show that there is no difference in brand loyalty between male and female.
3. In case of Instant Noodles greater percentage of female are found to have loyal and most of male are found to have no loyalty. Butthe Test shows that there is no significant difference between male and female.
4. Similarly in the case of toothpaste percentage of loyal respondent are found high. They are equally brand loyal. There is no significant difference in brand loyalty between male and female.
5. In case of Tea both male and female respondent are found highly loyal. Among them female are more than male and test statistic shows that there is no different in brand loyalty between male and female.
6. Under age group 15-25, 25-35 greater percentages of respondents are found to have divided loyalty and no loyalty in case of soap. There is no relation between age and brand loyalty. Greater percentage of respondents is found to have divided loyal among them.
7. Most of respondent are found to have undividedly loyal in case of shampoo. This indicates that, they are conscious in the case of shampoo. Test statistics shows that there is no relation between age and brand loyalty.

8. In the case of Instant Noodles greater percentage of respondents are found to have no loyalty of age 15-25. Among them greater percentage of respondent of age group 25-35 are found loyal. Test statistics indicates that there is no relation between age and brand loyalty.
9. In the case of toothpaste most of respondents is fall in undividedly loyal categories. Most of respond of all age group are found strongly loyal. Test statistics indicates that there is no relation between age and brand loyalty.
10. In the case of Tea, most of respondents are found to have undividedly brand loyal. Among them, greater percentage of age group above 35, are found more than other group. The test statistics shows that there is no relation between age and brand loyalty.
11. The greater percentage of married are found to have undivided loyalty and divided loyalty. In case of unmarried are found to have undivided loyalty and no loyalty in case of soap. Test shows there is no difference in brand loyalty between married and unmarried.
12. In case of shampoo, greater percentage of married and unmarried are found to have undivided loyalty. Test shows that there is no difference in brand loyalty between married and unmarried.
13. In case of instant noodles greater percentage of married are found to have loyal and unmarried respondents are followed by dividend loyalty. Test shows that there is no significant different between unmarried and married.
14. In case of toothpaste percentage of loyal respondent are found very high in unmarried and married. Test shows that there is no significant different between unmarried and married.
15. Similarly in case of Tea, both married and unmarried are found to be highly loyal but among them married are higher than unmarried. Test shows that there is no significant different between unmarried and married.
16. Advertising Campaign is found to be the dominant factor for brand switching in products Shampoo and Noodles.
17. Price factor also affects the change in loyalty of soap and shampoo.
18. In the case of the products Soap, Toothpaste and Tea majority of the people are affected by desire to test new product.
19. It is found that incentives like price off, free goods etc. highly affects people to purchase the product.

CHAPTER - V

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary

Industrial activities have greatly increased in Nepal over the past years. The country which was overwhelmingly dependent on agriculture: although has not completely grown out of this dependence but has shown significantly growing industrial involvement and development which has consequently opened a door to an alternative support to sustain its economic life, Every year new fields of industrial importance are being uncovered and consequently the numbers of different industrial units are increasing. All these have offered betterment to the nation and also have introduced a very tough competition in the Nepalese market. Today, a product to be sold successfully in the market requires proper presentation and promotion. In order to win the heart of the consumer, one should not only have good quality but it should be accompanied by brand names, labels, attractive packaging and lots more.

Considering the very realities of the market, this study is a sincere endeavor of finding out brand loyalty of consumer products in Kathmandu valley and its growth in them over the years if any. Besides the main objective of finding out the brand loyalty of consumer products in Kathmandu valley, the study also contains the attempt of examining the brand awareness in Nepalese consumers and analyzing its impact on purchase decision and to examine the relationship of brand loyalty with demographic variables Tea, Instant Noodle, Tooth Paste, Shampoo and Soap are the five different kinds of consumer goods selected for the study.

This study is based on descriptive method of research. All the Nepalese consumers of Kathmandu valley are considered population of the study. A sample of 30 consumers is randomly taken out of the population. There is an involvement of significant number of respondents with variation in age, sex and marital status etc. A well-structured questionnaire is the main instrument for collection of required data. All the participants were provided with the questionnaire to give their sincere opinions and were collected after been completed by them. The data thus collected by the means of questionnaire are presented, interpreted and analyzed so as to obtain the objective of the study.

From the interpretation and analysis of the data, it is found that Nepalese consumers have high degree of brand awareness and most of them are brand loyal in all the products selected for the study which has grown significantly in over the years. Similarly, it is also found that the factors such as age, sex, marital status etc are related to brand loyalty and the direction and degree of the correlation varies across the products.

5.2 Conclusions

Following conclusion is deducted from the study:

1. Most of the consumers of Kathmandu valley give high importance to brand. They purchase the products based on brand.
2. Most of the consumers have good knowledge about all the brands available in the market.
3. Brand loyalty varies from product to product and loyalty towards brand is relatively higher in the product that is more frequently needed as compared to those used less frequently.
4. Brand loyalty varies from consumer to consumer. Some consumers are more brand loyal than other.
5. Most of the respondents are influenced by incentive for their brand choice.
6. Most of the consumers of Kathmandu valley are found undividedly loyal in specific brand of chosen products categories except in instant noodles.
7. Greater percentage of consumers switch their brand because of advertising in products like shampoo and Noodles. Price factor also affects in soap and shampoo.
8. In case of toothpaste, soap and tea, greater percentage of consumer switch their brand in order to taste new product. However, other factors like quality and taste also affect in soap, shampoo and instant noodles.

5.3 Recommendation

Following recommendation are made based on findings of the study.

1. Particular attention should be given in branding the product. Brand is necessary in almost all type of product.

2. Brand should be distinctive or unique in every type of product. The distinct brand will be very much helpful to differentiate the desire product of the consumer from other products.
3. Studies on brand loyalty should be made continuously. Most of consumer showing brand loyalty indicate towards hidden assets of the manufacturer or sellers. They should have knowledge of these valuable assets. It will give them effective guideline for developing successful marketing strategy.
4. The product line of the same brand should be increased according to preference of consumers. So that brand switching is discouraged. The quality of product should also be maintained.
5. The product to be included in the study should have diverse nature so that each of them represents as many types of product as possible.

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APPENDIX I

Questionnaire

Survey on Brand Loyalty of Consumer Products in Kathmandu Valley

Name of the Respondent:

Address: **Age:**

Sex: **Marital Status:**

Qualification:

Brand Loyalty Question

1. To what extent do the incentives (price off, free goods, and others) affect your brand choice?
 - a. Very High
 - b. High
 - c. Medium
 - d. Low
 - e. Very Low

2. Which of the following factors makes you leave your favorite brand (the brand you wanted to buy) and switch to another alternatives?
 - a. Soap:
 - a) Price off.....
 - b) Advertisement campaign.....
 - c) A desire to test new product.....
 - d) Others.....

 - b. Shampoo:
 - a) Price off.....
 - b) Advertisement campaign.....
 - c) A desire to test new product.....
 - d) Others.....

 - c. Toothpaste:
 - a) Price off.....
 - b) Advertisement campaign.....
 - c) A desire to test new product.....
 - d) Others.....

 - d. Noodles:
 - a) Price off.....

b) Advertisement campaign.....

c) A desire to test new product.....

d) Others.....

e. Tea:

a) Price off.....

b) Advertisement campaign.....

c) A desire to test new product.....

d) Others.....

APPENDIX II

ANNEX-II
COMPUTATION OF CHI SQUARE

Chi- square (χ^2) test is calculated in the following steps.

Step I : Formulation of hypothesis

H_0 : Null hypothesis

H_1 : Alternative hypothesis

Step II : Set $\alpha = 0.05$

$$v = (r - 1)(c - 1)$$

Table value of $\chi^2_{0.05, (c - 1)(r - 1)} = \chi^2$ table value

Calculation of Expected frequency =
$$\frac{(\text{Row Total}) \times (\text{Column Total})}{\text{Grand Total}}$$

Step III: Compute
$$\chi^2 = \sum \frac{(O - E)^2}{E}$$

1. Sex and Brand Loyalty

1. A. Computation of Chi-square (χ^2), Sex and Brand Loyalty on soap

Observed frequency	Expected frequency	(O-E)	(O-E) ²	(O-E) ² /E
6	6.5	-0.5	0.25	0.03846
4	4	0	0	0
2	2.5	-0.5	0.25	0.1
3	2	1	1	0.5
7	6.5	0.5	0.25	0.3846
4	4	0	0	0
3	2.5	0.5	0.25	0.1
1	2	-1	1	0.5
				1.27692

1. B. Computation of Chi-square

are (χ^2), Sex and Brand Loyalty on shampoo

Observed frequency	Expected frequency	(O-E)	(O-E) ²	(O-E) ² /E
6	5.5	0.5	0.25	0.04545
4	4	0	0	0
2	2	0	0	0
3	3.5	-0.5	0.25	0.07143
5	5.5	-0.5	0.25	0.04545
4	4	0	0	0
2	2	0	0	0
4	3.5	0.5	0.25	0.07143
				0.23377

1. C. Computation of Chi-square (χ^2), Sex and Brand Loyalty on Instant Noodle

Observed Frequency (O)	Expected Frequency (E)	(O-E)	(O-E) ²	(O-E) ² /E
3	4.5	-1.5	2.25	0.5000
3	2.5	0.5	0.25	0.1000
2	3.5	-1.5	2.25	0.6429
7	4.5	2.5	6.25	1.3889
6	4.5	1.5	2.25	0.5000
2	2.5	-0.5	0.25	0.1000
5	3.5	1.5	2.25	0.6429
2	4.5	-2.5	6.25	1.3889
				5.2635

1. D. Computation of Chi-square (χ^2), Sex and Brand Loyalty on Toothpaste

1. E. Computation of Chi-square (χ^2), Sex and Brand Loyalty on Tea

Observed Frequency (O)	Expected Frequency (E)	(O-E)	(O-E)²	(O-E)²/E
7	7	0	0	0.0000
4	4.5	-0.5	0.25	0.0556
3	2.5	0.5	0.25	0.1000
1	1	0	0	0.0000
7	7	0	0	0.0000
5	4.5	0.5	0.25	0.0556
2	2.5	-0.5	0.25	0.1000
1	1	0	0	0.0000
				0.3111
Observed Frequency (O)	Expected Frequency (E)	(O-E)	(O-E)²	(O-E)²/E
8	8.5	-0.5	0.25	0.0294
3	2.5	0.5	0.25	0.1000
2	2.5	-0.5	0.25	0.1000
2	1.5	0.5	0.25	0.1667
9	8.5	0.5	0.25	0.0294
2	2.5	-0.5	0.25	0.1000
3	2.5	0.5	0.25	0.1000
1	1.5	-0.5	0.25	0.1667
				0.7922

2. Marital Status and Brand Loyalty

2. A. Computation of Chi-square χ^2 , Marital Status and Brand Loyalty on Soap

Observed Frequency (O)	Expected Frequency (E)	(O-E)	(O-E) ²	(O-E) ² /E
7	6.5	0.5	0.25	0.0385
4	3	1	1	0.3333
2	2.5	-0.5	0.25	0.1000
2	3	-1	1	0.3333
6	6.5	-0.5	0.25	0.0385
2	3	-1	1	0.3333
3	2.5	0.5	0.25	0.1000
4	3	1	1	0.3333
				1.6103

2. B. Computation of Chi-square (χ^2), Marital Status and Brand Loyalty Shampoo

Observed Frequency (O)	Expected Frequency (E)	(O-E)	(O-E) ²	(O-E) ² /E
7	6.5	0.5	0.25	0.0385
3	3.5	-0.5	0.25	0.0714
2	2	0	0	0.0000
2	2.5	-0.5	0.25	0.1000
6	6.5	-0.5	0.25	0.0385
4	3.5	0.5	0.25	0.0714
2	2	0	0	0.0000
3	2.5	0.5	0.25	0.1000
				0.4198

2. C. Computation of Chi-square (χ^2), Marital Status and Brand Loyalty on Instant noodle

Observed Frequency (O)	Expected Frequency (E)	(O-E)	(O-E) ²	(O-E) ² /E
6	5	1	1	0.2000
4	5	-1	1	0.2000
2	2.5	-0.5	0.25	0.1000
3	2.5	0.5	0.25	0.1000
4	5	-1	1	0.2000
6	5	1	1	0.2000
3	2.5	0.5	0.25	0.1000
2	2.5	-0.5	0.25	0.1000
				1.2000

2. D. Computation of Chi-square (χ^2), Marital Status and Brand Loyalty on Toothpaste

Observed Frequency (O)	Expected Frequency (E)	(O-E)	(O-E) ²	(O-E) ² /E
8	8.5	-0.5	0.25	0.0294
4	3	1	1	0.3333
2	2.5	-0.5	0.25	0.1000
1	1	0	0	0.0000
9	8.5	0.5	0.25	0.0294
2	3	-1	1	0.3333
3	2.5	0.5	0.25	0.1000
1	1	0	0	0.0000
				0.9255

2. E. Computation of Chi-square (χ^2), Marital Status and Brand Loyalty on Tea

Observed Frequency (O)	Expected Frequency (E)	(O-E)	(O-E) ²	(O-E) ² /E
8	7.5	0.5	0.25	0.0333

3	2.5	0.5	0.25	0.1000
1	2	-1	1	0.5000
3	3	0	0	0.0000
7	7.5	-0.5	0.25	0.0333
2	2.5	-0.5	0.25	0.1000
3	2	1	1	0.5000
3	3	0	0	0.0000
				1.2667

3. Age and Brand Loyalty

3. A. Computation of Chi-square (χ^2) Age and Brand Loyalty on soap

Observed Frequency (O)	Expected Frequency (E)	(O-E)	(O-E) ²	(O-E) ² /E
2	2.00	0.00	0.00	0.0000
4	4.00	0.00	0.00	0.0000
3	2.67	0.33	0.11	0.0417
1	1.33	-0.33	0.11	0.0833
2	2.00	0.00	0.00	0.0000
5	4.00	1.00	1.00	0.2500
2	2.67	-0.67	0.44	0.1667
1	1.33	-0.33	0.11	0.0833
2	2.00	0.00	0.00	0.0000
3	4.00	-1.00	1.00	0.2500
3	2.67	0.33	0.11	0.0417
2	1.33	0.67	0.44	0.3333
				1.2500

3. B. Computation of Chi-square (χ^2) Age and Brand Loyalty on shampoo

Observed Frequency (O)	Expected Frequency (E)	(O-E)	(O-E) ²	(O-E) ² /E
5	5.00	0.00	0.00	0.0000

2	1.67	0.33	0.11	0.0667
1	1.67	-0.67	0.44	0.2667
2	1.67	0.33	0.11	0.0667
5	5.00	0.00	0.00	0.0000
1	1.67	-0.67	0.44	0.2667
2	1.67	0.33	0.11	0.0667
2	1.67	0.33	0.11	0.0667
5	5.00	0.00	0.00	0.0000
2	1.67	0.33	0.11	0.0667
2	1.67	0.33	0.11	0.0667
1	1.67	-0.67	0.44	0.2667
				1.2000

3. C. Computation of Chi-square (χ^2) Age and Brand Loyalty on Instant Noodle

Observed Frequency (O)	Expected Frequency (E)	(O-E)	(O-E) ²	(O-E) ² /E
2	2.67	-0.67	0.44	0.1667
1	2.00	-1.00	1.00	0.5000
2	2.00	0.00	0.00	0.0000
5	3.33	1.67	2.78	0.8333
4	2.67	1.33	1.78	0.6667
2	2.00	0.00	0.00	0.0000
2	2.00	0.00	0.00	0.0000
2	3.33	-1.33	1.78	0.5333
2	2.67	-0.67	0.44	0.1667
3	2.00	1.00	1.00	0.5000
2	2.00	0.00	0.00	0.0000
3	3.33	-0.33	0.11	0.0333
				3.4000

3.D. Computation of Chi-square (χ^2) Age and Brand Loyalty on Toothpaste

Observed Frequency (O)	Expected Frequency (E)	(O-E)	(O-E) ²	(O-E) ² /E
5	4.67	0.33	0.11	0.0238

2	2.33	-0.33	0.11	0.0476
2	2.33	-0.33	0.11	0.0476
1	0.67	0.33	0.11	0.1667
4	4.67	-0.67	0.44	0.0952
3	2.33	0.67	0.44	0.1905
2	2.33	-0.33	0.11	0.0476
1	0.67	0.33	0.11	0.1667
5	4.67	0.33	0.11	0.0238
2	2.33	-0.33	0.11	0.0476
3	2.33	0.67	0.44	0.1905
0	0.67	-0.67	0.44	0.6667
				1.7143

3. E. Computation of Chi-square (χ^2) Age and Brand Loyalty on Tea

Observed Frequency (O)	Expected Frequency (E)	(O-E)	(O-E) ²	(O-E) ² /E
4	4.67	-0.67	0.44	0.0952
3	2.33	0.67	0.44	0.1905
1	1.33	-0.33	0.11	0.0833
2	1.67	0.33	0.11	0.0667
4	4.67	-0.67	0.44	0.0952
2	2.33	-0.33	0.11	0.0476
2	1.33	0.67	0.44	0.3333
2	1.67	0.33	0.11	0.0667
6	4.67	1.33	1.78	0.3810
2	2.33	-0.33	0.11	0.0476
1	1.33	-0.33	0.11	0.0833
1	1.67	-0.67	0.44	0.2667
				1.7571