

# **CHAPTER I**

## **INTRODUCTION**

### **1.1 Background of the Study**

A motorbike (also called motorcycle or bike) is a two or three wheeled motor vehicle. It varies considerably depending on the task they are designed for, such a travelling, sport and racing and sometimes transport of goods too.

Motorbikes are one of the most affordable forms of motorized transport in many parts of the world and, for the most of the world's population; they are also the most common type of motor vehicle.

There are 200 million motorcycles in use worldwide. The four largest motorbike markets in the world are in Asia: China, India, Indonesia, and Vietnam.

Today a motorbike industry is leading automobile industry of Nepal. There are many domestic and foreign players in two wheeler market in Nepalese market. But Hero Honda and Bajaj are the players who are dominating the market.

The automobile industry today is the most lucrative industry. Due to the increase in disposable income in both rural and urban sector and easy finance being provided by all the financial institutes, the passenger car sales have increased.

Auto market is one of the largest segments in world trade. Changing models, improving fuel efficiency, cutting costs and enhancing user comfort without compromising quality are the most important challenges of the auto industry in a fast globalizing world. Global demand for motorcycles is expected to advance to 6% annually to 75 million units by 2015 and in that, Asia and other major developing countries will be the biggest contributors. In fact India has seen a drastic change in the two wheeler segment after liberalization, as before 1995 scooter segment was the market leader, and very limited companies in the Indian market, which led to limited option for the consumers and also the purchasing power of Indian citizens was less but over the time with increase in the purchasing power of people and changes in social, cultural and others factors, people now have moved to motorcycle, which led to the increase of its market share to 80%<sup>1</sup> in the two wheeler segment. Currently this segment is dynamic and lots of changes are expected to meet the demand of consumer. This project focuses on the current needs of the consumers, and what factors they consider before purchasing a motorcycle e.g. (Power, Acceleration, Style, Mileage, Price, Re-Sale value, finance etc). This will be helpful for the companies to design their product and services accordingly. It also focuses on characteristics of the customer e.g. (age, occupation, Income, region etc.), which will be helpful for the companies in targeting the segment.

A market consists of the both buyer and seller of goods and services. A seller or the marketer is the one who stands on the supply side of goods and services and a buyer is the one who stands on the demand side of goods and services. The buyer and the seller may be individual or the organization. In

marketing sense, the buyer does not buy product (goods and services) for product sake rather they buy products for satisfactions i.e. the values or the benefits incorporated in the product. The benefits or the values can be physical values and emotional values. The buyer makes purchase decision only when the product is as expected by him/her. So the seller and the marketer must incorporate such benefits or the values as expected by the buyers in the target market. The buyer makes purchase decision when he has willingness to buy and ability to buy. So the marketers and sellers must identify those customers who have willingness to buy and ability to pay in the given situation in the target market. Buying a product or service may be the requirement or / and need of the buyer. The success of the company depends on the demand level of the buyer. And the stability of the company largely depends on the continuity of demand and satisfactory feedback from the buyers and users. If the buyers dissatisfied by the product then the problem arises for the company. This can be big threat for the stability of the company in the competitive market. Today's market is totally affected and also supported by the globalization. Today's buyers are well aware of the product / service they needed. So success of the company depends on the well research of the buyers behavior and their needs on respect to the given products / services. Well research of the market (demand, nature, society, buying habit, living standard, income level etc.), and analysis of the buyers buying behavior plays vital role on the stability and sustainability of the company in the market.

A buyer purchase the product only after making sure that the product is exactly same that the buyer wants in every aspect. Then only successful sales closing can be happen. Buyer buying decision completed after the long

process. That means the acts of individuals directly involved in obtaining and using economic goods and services, including the decision process that proceed and determine these acts, this is called buyers' behavior. Consumer decision-making process consists of the activities that the people engaged in when selecting, purchasing and using products and services so as to satisfy needs and desires. Such activities involve mental and emotional process in addition to physical action. It is an attempt to predict either a specific product is to be buying or not. It is concerned with the activities and actions of customer that purchase and use the products.

Consumer is the king in the business. The success and failure of any business entirely depends on consumer's reaction to a firm's marketing mix or strategic mix or strategies. Firm's marketing mix or strategies should be designed in such way that satisfies consumer's needs and wants. To design an effective marketing strategy that satisfies consumer's unsatisfied need and wants, a firm should know buying behavior of consumers. Understanding consumer behavior is an important task for today's marketers.

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

Buying behavior of consumer differs from one to another. However, their buying process may be identical. Generally, the consumer buying process consist of five stages problem recognition, information search, evaluation of alternatives, purchase and post purchase evaluation.

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

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

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

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

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

Generally, consumer behavior is influenced by four factors: cultural (culture, subculture and socio class); social (reference groups, family and social roles

and statuses); personal (age, stage in the life cycle, occupation, economic circumstances, lifestyle, personality and self-concept); and psychological (motivation, perception, learning, beliefs and attitudes) (Kotler, 2003: 198). Research into these factors can provide clues to reach and serve consumers more effectively.

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

## **1.2 Focus of the Study**

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

Being the age of advertisement world, different motorcycle dealers are making the tremendous effort to pull the buyer's attention toward the product. They operate different and attractive schemes to make buyers

attractions to their own product. In such circumstance, an effort has been made to explore the fact related to buying decision making with respect to motorbike purchase in Pokhara Valley. Understanding, consumer behavior had become more complex and complicated day by day. It requires continuous efforts of investigation and exploration of consumers. However, such practice of investigation and exploration on consumer buying behavior are too rare or entirely absent in Nepalese business perspective.

### **1.3 Statement of the Problem**

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

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

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essential for marketers to conduct research continuously on consumers. Realizing this fact, business enterprises of advanced countries have carried out a series of researches on consumer behavior. However, such practices of studying consumer buying behavior are rare in our country. Here, an attempt has been made to study the consumer behavior with respect to decision making process of motorbike purchase in Pokhara.

#### **1.4 Objectives of the Study**

As we know Nepal is an underdeveloped country, so it lacks the proper development infrastructure facility like bridges, roadways airports etc. The conditions of the roadways is narrow and very poor in overall, only in town area we can find little bit satisfactory roadways. So, Nepalese people prefer the small type of vehicle for transportation to easily operate in narrow, rough and bumping road. Motorbike is the best private vehicle for Nepalese people in the real circumstances of the Nepalese road. Almost in city area where there is narrow road motorbikes are easy and fastest vehicle to operate. And it most cost effective then four-wheeler private vehicles. Because of the poor service of public vehicles, private vehicles are most needed. So, I felt it is best to choose motorbike for my study. This study is based on the buying decision-making with respect to motorbike purchase in Pokhara. This study will benefit the purchaser to identify, which motorbike brand is best in Nepal and it helps the dealer in closing sales in respect to know and informed about the buyers need and buying behaviors.

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exploration on consumer buying behavior are too rare or entirely absent in Nepalese business perspective. In such circumstances, an attempt has been made in this work to study consumer behavior regarding motorbike purchasing in Pokhara. The main objectives of this study are mentioned below:

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

### **1.5 Importance of the Study**

The Nepalese market has been gradually turned into cutthroat competition. Different types of product with large number of alternative brands are available in the market. In this context, it is essential for the manufacturer or marketer of the product to know the buying behavior of target customer to turn success in their favour. As the focus of the study is on consumer behavior with respect to decision –making process of motorbike purchase in Pokhara, the marketer of the product will be highly benefited by this study. They may use the findings of this study as a guideline for making strategies

for successful marketing of their product. Such marketing strategies may relate to segmentation of market based on buyer's behavior. The research also benefits the dealer of motorbike: Chaudhary Group, Morong Auto works, Dugar brothers, Syakar Company.

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

### **1.6 Limitation of the Study**

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

Consumer's decision-making process was studied with motorbike as a product. Thus, the result of this study will be more applicable to this product only.

This study will confine only in Pokhara. All the respondents for this study were taken from Pokhara. Thus, sample size taken for the study is small in comparison to the population of the study.

The study was entirely based on the opinion, views and responses of the respondents. Opinions of the respondents were as a sense of truth, which may not be correct at all time due to changing behavior of customers.

In spite of these limitations, lots of effort has been made to make this study more accurate.

## **1.7 Organization of the Study**

The study is segmented into five different sections, VIZ Introductions, Review of Literature, Research Methodology, Analysis and Interpretation; and Findings, Conclusions and Recommendations.

### **Chapter- I Introduction**

This is the first section, which introduce the subject matter of the study. This chapter consists of General Background Focus of the Study, Statement of the Problem, Objective of the Study, Methodology and Limitation of the Study and Organization of the Study.

### **Chapter- II Review of Literature**

This chapter briefly reviews the related studies, articles, journals, and findings of various literatures and quoted in this chapter which includes concept of the consumer's decision process and factors influencing buyer's behavior. Other relevant past studies also has been reviewed.

### **Chapter- III Research Methodology**

This is the section, which explains about the research design, sources of data, data collection process, population and sample, data processing procedures and tools used for the study.

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

This chapter incorporates the main body of the study data presentation and analysis. This chapter highlights the objective wise data presentation,

analysis and interpretation. Major findings of this study are also presented in this chapter.

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

The summary of whole study is included in this chapter. This chapter further describes the major findings of the study with the conclusion of the study. As well as possible and viable, recommendation will have also been made in this in this chapter.

In addition extensive references and appendix are presented at the end.

# **CHAPTER II**

## **LITERATURE REVIEW**

### **2.1 Introduction**

**Motorcycle history** begins in the second half of the 19<sup>th</sup> century. Motorcycles are descended from the "safety\_bicycle," a bicycle with front and rear wheels of the same size and a pedal crank mechanism to drive the rear wheel. Despite some early landmarks in its development, motorcycles lack a rigid pedigree that can be traced back to a single idea or machine. Instead, the idea seems to have occurred to numerous engineers and inventors around Europe at around the same time

There is a large demand for small, cheap motorcycles in the developing world, and many of the firms meeting that demand now also compete in mature markets, such as China's Hongdou which makes a version of Honda's venerable CG125.

There are many systems for classifying types of motorcycles, describing how the motorcycles are put to use, or the designer's intent, or some combination of the two. Six main categories are widely recognized: cruiser, sport, touring, standard, dual-purpose, and dirt bike. Sometimes sport touring motorcycles are recognized as a seventh category.<sup>[1]</sup> Strong lines are sometimes drawn between motorcycles and their smaller cousins, mopeds, scooters, and under bones, but other classification schemes include these as types of motorcycles. There is no universal system for classifying all types of motorcycles. There are strict classification systems enforced by competitive motorcycle sport sanctioning bodies, or by certain legal

jurisdictions for motorcycle registration, emissions, road traffic safety rules or motorcyclist licensing. There are also informal classifications or nicknames used by manufacturers, riders, and the motorcycling media.

### **Street**

Street motorcycles are motorcycles designed for being ridden on paved roads. They feature smooth tires with a light tread pattern and engines generally in the 125 cc (7.6 cu in) and over range. Most are capable of speeds up to 100 mph (160 km/h), and many of speeds in excess of 125 mph (201 km/h).

### **Cruiser**

Cruisers are styled after American machines from the 1930s to the early 1960s, such as those made by Harley-Davidson, Indian, and Excelsior-Henderson. Harley-Davidsons largely define the cruiser category, and large-displacement V-twin engines are the norm, although other engine configurations and small to medium displacements also exist. Their engines are tuned for low-end torque, making them less demanding to ride because it is not necessary to shift as frequently to accelerate or maintain control.

The riding position places the feet forward and the hands are up relatively high, so that the spine is erect or leaning back slightly. At low to moderate speeds, cruisers are more comfortable than other styles, but riding for long periods at freeway speeds can lead to fatigue from pulling back on the handlebars to resist the force of the wind against the rider's chest. Cruisers have limited cornering ability due to a lack of ground clearance.

Choppers are a type of cruiser. They are often custom projects that result in a bike modified to suit the owner's ideals, and, as such, are a source of pride and accomplishment. Cruisers are sometimes called custom even in the absence of aftermarket modifications. **Power cruiser** is a name used to distinguish bikes in the cruiser class that have significantly more engine output, around 80–100 hp (60–75 kW) as opposed to about 50–70 hp (37–52 kW). They often come with upgraded brakes and suspensions, better ground clearance, and premium surface finishes, as well as more exotic or non-traditional styling.<sup>[8]</sup>

### **Sport bikes**

Sport bikes emphasize speed, acceleration, braking, and cornering on paved roads, typically at the expense of comfort and fuel economy in comparison to less specialized motorcycles. Because of this, there are certain design elements that most motorcycles of this type will share. Sport bikes have comparatively high performance engines resting inside a lightweight frame. Inline-four engines dominate the sport bike category, with V-twins having a significant presence, and nearly every other engine configuration appearing in small numbers at one time or another. The combination of these elements helps maintain structural integrity and chassis rigidity. Braking systems combine higher performance brake pads and multi-piston calipers that clamp onto oversized vented rotors. Suspension systems are advanced in terms of adjustments and materials for increased stability and durability. Most sport bikes have fairings, often completely enclosing the engine, and windscreens that effectively deflect the air at very high speeds, or at least reduce overall drag.

Sport bikes have high foot pegs that position the legs closer to the body to improve ground clearance when cornering, and a long reach to the hand controls, which positions the body and center of gravity forward, above the fuel tank. The rider leans forward into the wind, the force of which can comfortably support the rider's weight at speeds near 100 mph (160 km/h), but at lower speeds leaves too much weight on the arms and wrists, causing fatigue.

### **Street-fighters**

Street-fighters are derived from sport bikes, originally being customized sport bikes with the fairings removed and higher handlebars replacing the low clip-on handlebars. Since the 1990s, factory street-fighters have been produced. As with naked bike and muscle bike, the name street-fighter is used to help clarify the middle ground occupied by designs that blend elements of both sport bikes and standards.

Although any motorcycle can be equipped and used for touring, touring motorcycles are specifically designed to excel at covering long distances. They have large-displacement engines, fairings and screens that offer good weather and wind protection, large-capacity fuel tanks for long ranges between fill-ups, and a relaxed, upright seating position.<sup>[1]</sup> Passenger accommodation is excellent and expansive luggage space is the norm for this class. Large touring bikes are sometimes called **dressers**, especially those that are based on a cruiser platform. Such bikes can have wet weights of 850–900 lb (390–410 kg) and top 1,300–1,400 lb (590–640 kg) fully loaded with a rider, passenger, and gear.

### **Sport touring**

Sport touring motorcycles combine attributes of sport bikes and touring motorcycles. The rider posture is less extreme than a sport bike, giving greater long-distance comfort. Accommodation for a passenger is superior to a sport bike as well, along with luggage capacity. Being lighter, at 550–720 lb (250–330 kg) wet, than a pure touring bike and often having racier engines, suspensions, and brakes, sport tourers corner better and are more at home being aggressively ridden on curvy canyon roads. The distinction between touring and sport touring is not always clear as some manufacturers will list the same bike in either category in different markets. The Honda ST1300 Pan-European, for example, is listed by Honda as a sport touring motorcycle in the USA and Australia, but as a touring motorcycle in Europe.

### **Standard**

Standards are versatile, general purpose street motorcycles. They are recognized primarily by their upright riding position, partway between the reclining posture of the cruisers and the forward leaning sport bikes. Foot pegs are below the rider and handlebars are high enough to not force the rider to reach far forward, placing the shoulders above the hips in a natural position. Standards are often recommended to beginning motorcyclists due to their flexibility, relatively low cost, and moderate engines.

Standards usually do not come with fairings or windscreens, or if they have them, they are relatively small. Standard is often a synonym for **naked bike**, a term that became popular in the 1990s in response to the proliferation of fully faired sport bikes. The standard seemed to have disappeared, fueling nostalgia for the return of the Universal Japanese motorcycle (UJM), which were admired for their simplicity, quality, and versatility.

**Muscle bike** is a nickname for a motorcycle type, derived from either a standard or sport bike design that puts a disproportionately high priority on engine power.

### **Dual-sport**

Dual-sports, sometimes called dual-purpose or on/off-road motorcycles, are street legal machines that are also designed to enter off-road situations. Typically based on a dirt bike chassis, they have added lights, mirrors, signals, and instruments that allow them to be licensed for public roads. They are higher than other street bikes, with a high center of gravity and tall seat height, allowing good suspension travel for rough ground.

Adventure motorcycles are motorcycles with touring capability on paved and unpaved roads. As a dual sport they have a significant on pavement bias and perform well on pavement at higher speeds unlike most dual sports. Their size, weight and sometimes their tires however limits their off road capability. Most adventure motorcycles function well on graded dirt and gravel roads but are less than ideal on more difficult off pavement terrain.

Suppermoto motorcycles were designed to compete on a single course that alternated between three genres of racing: road racing, track racing, and motocross. This increasingly popular type of motorcycle is often a dual-sport that has been fitted by the manufacturer with smaller rims and road tires. Supermotos are quickly gaining popularity as street bikes due to their combination of light weight, durability, relatively low cost, and sporty handling.

### **Scooters, underbones, and mopeds**

Scooter engine sizes range smaller than motorcycles, 50–650 cc (3.1–40 cu in), and have all-enclosing bodywork that makes them cleaner and quieter than motorcycles, as well as having more built-in storage space.<sup>[8]</sup> Automatic clutches and continuously variable transmissions (CVT) make them easier to learn and to ride. Scooters usually have smaller wheels than motorcycles. Scooters usually have the engine as part of the swingarm, so that their engines travel up and down with the suspension.

Underbones are small-displacement motorcycle with a step-through frame, descendants of the original Honda Super Cub. They are differentiated from scooters by their larger wheels and their use of footpegs instead of a floorboard. They often feature a gear shifter with an automatic clutch.

The moped used to be a hybrid of the bicycle and the motorcycle, equipped with a small engine (usually a small two-stroke engine up to 50 cc, but occasionally an electric motor) and a bicycle drivetrain, and motive power can be supplied by the engine, the rider, or both.

In many places, mopeds are subject to less stringent licensing than bikes with larger engines and are popular as very cheap motorbikes, with the pedals seeing next to no use. Mopeds were very popular in the United States during the fuel-crisis of the late 1970s and early 1980s, but their popularity has fallen off sharply since the mid 1980s. In response to rising fuel prices in the first decade of the 2000s, U.S. scooter and moped ridership saw a resurgence. Sales of motorcycles and scooters declined 43.2% in 2009, and continued to decrease in the first quarter of 2010, with scooter sales doing worst, down 13.3% compared to a 4.6% drop for all two-wheelers.<sup>[19]</sup>

Other types of small motorcycles include the monkey bike, welbike, and minibike.

## **Off-road**

There are various types of off-road motorcycles, also known as 'dirt bikes', specially designed for off-road events. Compared to road-going motorcycles, off-road machines are simpler and lighter, having long suspension travel, high ground clearance, and rugged construction with little bodywork and no fairings for less damage in spills. Wheels (usually 21" front, 18" rear) have knobby tires, often clamped to the rim with a rim lock.<sup>[1]</sup>

There are specialized motorcycles for a variety of off-road motorcycle sports:

- **Motocross** — A short, closed off-road track with a variety of obstacles. The motorcycles have a small fuel tank for lightness and compactness. Long-travel suspension allows riders to take jumps at high speed. Motocross engines are usually single-cylinder two-stroke or four-stroke units which vary in size from 50cc up to about 650cc. Motocross sidecar outfits have bigger engines, usually four-stroke and often twin-cylinder. Motocross bikes are also used in Freestyle Motocross.
- **Enduro** — A modified and road-legal motocross bike, having the addition of a horn, lights, effective silencing and a rear number plate. They compete over a longer course (which may include roads); and an enduro event will last between one day and six days.
- **Rally raid, or Rallies** — A special type of enduro bike but with a significantly larger fuel tank for very long distance racing, typically

through deserts (e.g. Paris-Dakar rally). Engine capacities tend to be larger, usually between 450 cc and 750 cc.

- Trail — A trail bike is a dual-purpose bike, made for on-road and recreational off-road riding. A trail bike may resemble an enduro bike, but since a trail bike is not intended to be used for competition, it may be (i) less rugged, and (ii) equipped with more road legal equipment, such as indicators, mirrors and extra instruments.
- Trials — A specialized form of off-road competition testing balancing skills and precision rather than speed. For a trials bike, low weight and crisp throttle response power are the priorities, so a trials bike tends to have a small (125 cc to 300 cc) engine, two-strokes being common. During the trial, the rider stands on the foot pegs, so a trials bike will have only a vestigial seat or even no seat at all. Fuel tanks are very small, giving a very limited range. A trials outfit comprises a very light sidecar and an almost standard trials bike.
- Track racing — High-speed oval racing, typically with no brakes, no suspension, at most two gears, fuelled by methanol (not road legal machines). (Some types, such as speedway & grass-track bikes, are designed to take left turns only).

### **Other types**

There are special types of motorcycles adapted to job functions, like police motorcycles, motorcycle ambulances, military motorcycles, motorcycle for use in track cycling events, and motorcycles used for towing cars.

Feet forwards motorcycles are an experimental configuration – an example is the Quasar. While motorcycles typically have two wheels,

powered tricycles are three-wheeled motorcycles. Some brands have made various types of three-wheelers direct from the factory. Most of these vehicles are treated as motorcycles for purposes of registration or licensing. Early cycle-cars with four wheels were constructed more like motorcycles than cars, and were sometimes treated as a kind of motorcycle.

The Honda C90 is the best selling motorbikes at around 35 million (as at November 2002), end-to-end they would stretch 4 1/2 times around the world or half way to the moon, since 1966, on average, a C90 is made every 30 seconds. UK sales ceased in 2003 after 36 years of production but the bike is still being made in Indonesia and Thailand

### **Why Do We Ride?**

Riders choose to ride for a wide range of reasons, including cost effective transport, traffic congestion, environmental reasons, fashion, ease of parking, convenience, to name a few.

Travelling by motorbike can reduce journey times by up to two thirds. Up to eight motorbikes can fit in the same parking space occupied by one car. Car drivers with a full license obtained prior to February 2001 are automatically qualified to ride a 50cc bike on the road. Nowadays also the license holders of car can drive motorbike.

### **Safety**

Motorcycle road casualties fell by almost 60% between the early 1980's and 2000, improving on the government target for road casualty reduction of 40% over the same period. Motorcycling is as popular now as it was 20

years ago, but rider casualties for every mile travelled are 30% lower compared to the early 1980's.

Research proves that other road users are primarily at fault for around 60% of all bike crashes

In 2002 there were 609 riders killed in the UK, up 4% compared with 2001, although the numbers for car drivers actually fell. Essex police keep a record of the country's fatal accidents on its website and 2003 has been the worst since 1999. At the time of writing 23 riders have been killed, all were men, the vast majority were between 26 and 54 years old almost all accidents occurred on dry roads. In a third of all cases no other vehicles were involved and two thirds occurred in broad daylight.

Is it better to get a motor bike instead of a car as its far cheaper in terms of fuel and gets me quicker faster and there is no traffic for motorbikes as you could weave in and out of the traffic. So is a motorbike far better than car in terms of price and convenience.

During our life time, we have to buy so many different goods and services. We always engage in purchase different type of goods and services and we make decision each and every time to purchase the goods. So this type of decision made by us either purchase or not to purchase the goods is called buying decision-making process. Therefore it is very vague term to understand and explain. Different writer have his or her own views and explanations about buying decision making process. In this chapter some views and explanations of the writer are remembered here.

Consumer has been elated with the kind of reception; they are getting from various companies these days. The reason behind a drastic change in consumer behavior is because the consumer is no more treated as a hire purchaser but, he is treated as the decider of the company's fortune. Companies or marketers cannot hire any fortuneteller to guess the consumer's attitude. Guessing or measuring the consumers attitude is not a cake walk but this is because predicting consumers attitude is as tough as predicting consumer's mind (Bheri, 2004). Consumers are continuously choosing among the various products though they are not aware of the products and usage, even though they are intentionally purchasing the various new brands without any knowledge about the new products, furthermore if new 5 company enters into the market, for every consumer it is very difficult to understand the features of the news products and this makes confusion among the consumers to obtain the information. For example: If one local company enters into the market then to gain the knowledge about the features of the new product, it will take long time for the consumers to understand (Nelson, 1970).

The term 'consumer' can be described as a person who acquires goods and services for self satisfaction and his often used to describe two different kinds of consuming entities: the personal consumers and organizational consumers. The personal consumers buy goods and services for his/her own use. In this context, the goods are bought for final use by individual, who are organizational consumers, they encompasses for profit and not for profit business, government agencies, institutions, all of them must buy products,

equipment and services in order to run their organization (Hawkins, Best and Coney1998).

The consumer will respond according to the product quality and reliability, the fundamental understanding of products is necessary to understand the product features, products reliability and product benefits (Baker, 2004). The consumer is the end user for the product; consumers buy the products in market; in order to perform successful sales operations in the market an effective distribution channel and networks are required for the organizations. Distribution channels and networks play an important role in the consumer goods industry. Consumer is the ultimate user of every product, without any consumer there is no market as such (Baker, 2004).

Every region wise the different consumers are using different kind of products. Every consumer has their own tastes and preferences. So, every consumer's opinions and preferences are different from one another. The local marketers have good idea about, what the local consumers are using (region wise). For example: The south Indian food habits and tastes and preferences are different, when compared to north Indian food habits (Thomas, 2004).

Based on above paragraph, direct marketing activities have big impact on every consumer, because through direct marketing every company knows about the behavior of 6 every consumer in the market. Manufacturing companies, retailer and suppliers do not have an idea about the consumer behavior in the local market. So, author suggested that direct marketing activities should be left to the local market leaders, because the local market

leaders have best idea of local market and local consumer behavior. This theory helps for the organization and sub-organizations to know the consumer behavior in different market environments, taste and preferences of the consumer behavior (Thomas, 2004).

McDonald's would not have made a big impact in the Indian market had it persisted with its U.S. product line that included beef products, moreover, McDonald's repositioned the brand as family-oriented and children-friendly, catering the traditional Indian middleclass segment that finds pride in its family culture and is especially conscious of childcare. So in this point of view Mc Donald's have approached differently, because they identified that, which they followed earlier that will not get good impact on their business so, they immediately changed the business line to achieve the targets, thus, this is one kind of business strategy to achieve the set goals in huge populated countries (Dash, 2005).

For perspective of globalization we cannot change the system of tastes and preferences of Consumers. Another instance demonstrating the ignorance of local tastes in the wake of globalization features the multinational mobile phone makers, Nokia had tasted success with its soap-bar designed phones and ceased producing the flip phones that consumers found irritating to use (Zaccai, 2005).

The Chinese business people are giving importance to Chinese traditional, patriotic values; the business people are running their businesses by showing their traditional, patriotic advertisement and promotional campaigns to get

the business from the Chinese people. The Chinese consumer's perspective, by assessing their preferences amongst a host of advertisements and promotional campaigns, later on the business people are started the global Advertisement campaigns with status and social appeal, they sought immense pride in clinging to the traditional, cultural and patriotic values through the local campaigns, with this theory helps by knowing the Chinese consumer behavior and also they are giving same importance to traditional and patriotic values in the name of advertisements. Finally, they want the advertisements with traditional and patriotic values of Chinese culture (Zhou and Belk, 2004).

The consumers mind is different from one another in this as author said in the definition that according to the human psychology, demographical differences, age & sex and to understand people needs. (Kotler, 2004), to assess the influences of every consumer approach is different, in theory explained that consumer is treated as decider of the company, whatever the product comes to the market, the consumer is the ultimate purchaser for every product, sometimes the consumers are choosing, selecting and going for family decision making to choose differently, in one point of time the consumers differentiated and explained that they are going for personal and some of the them are using products for profit. Demographical differences make new food habits for every consumer. (Kotler, 2004).

The example of above paragraph, two countries, therefore Chinese consumers are giving respect to traditional and patriotic values, where as Indian consumers are more religious when they are using the products.

These are influences that make the consumer to purchase different products; mostly those influences are more related to the physiological, demographical, social, cultural, economic, family and business influences.

According to Kotler (1994), consumer behavior is the study of how people buy, what they buy, when they buy and why they buy. It is a subcategory of marketing that blends elements from psychology, sociology, socio psychology, anthropology and economics. It attempts to understand the buyer decision making process, both individually and in groups. It studies characteristics of individual consumers such as demographics, psychographics, and behavioral variables in an attempt to understand people needs. It also tries to assess influences on the consumer from group such as family friends, reference groups, and society in general (Kotler, 1994) for example while consumers purchase the shoe, then they go for family decision, comfort, satisfaction, price and quality. Every family member doesn't have the same opinion to buy the same product; different family members have different choice to buy the product. So, in one family consumer behavior is different (Kotler, 1994).

The information processing model regards the consumer as a logical thinker who solves problem to make purchasing decision (Holbrook and Hirschman 1980). Compares the four major approaches to create successful inter-organizational relationships and integrates them into a single prescription for managing important inter - firm relationships (Palmatier, Dant and Grewal, 2007). Service fails, in satisfying the customers and developing customer loyalty over time in business to business markets.

Cyert (1956) may have been the first to observe that a number of managers in addition to the purchasing agents are involved in buying process, and the concept was labeled 'buying behavior' and popularized by Robinson (Faris and Win 1967). Webster and Wind (1972) famously identified five buying roles, they are: 1. Users, 2. Influencer, 3. buyer, 4. Decider, and 5 Gatekeeper (Webster and wind, 1972). Further categories have been suggested as the 'initiator' (Bonoma, 1981), and the 'analyst' and spectator by Wilson (Wilson, 1998).

The product purchase decision is not always done by the user. The buyer necessarily purchases the product. Marketers must decide at whom to direct their promotional efforts, the buyer or the user. They must identify the person who is most likely to influence the decision. If the marketers understand consumer behavior, they are able to predict how consumers are likely to react to various informational and environmental cues, and are able to shape their marketing strategies accordingly (kotler, 1994).

The consumer behavior influences are follows: The consumer behavior influences in 3 aspects, they are acquiring, using and disposing. The acquiring means that how the consumer spends money on the products, such as leasing, trading and borrowing. Using means some of the consumers use the high price products and some of the consumer sees the quality. Disposing is nothing but distribution, order or places a particular product (Hoyer, Deborah, 2001).

By understanding consumer behavior deeply, different authors have given different information about the consumer behavior, how consumer buys the products, it involves four steps they are: need recognition, information search, evaluation of alternatives, purchase decision and post purchase behavior, the marketer can pick up many clues as and how to meet the buyer need and develop an effective program to support an attractive offer to the target market (Kanuk, 1990).

According to Kotler (1994), the Consumers buying decision process is influenced by four steps those are as follows:

a. Types of consumer buying decision behavior:

Consumer buying behavior decision-making varies with the type buying decision. There are different types of buying decisions behavior.

b. Complex buying behavior: Consumers undertake complex buying behavior when they are highly involved in purchase and complex buying behavior and perceive significant difference among the brands. Consumers may be highly involved when the product are expensive, risky, purchased in frequently and are highly expensive (Kotler, 1994).

c. Dissonance – Reducing buying behavior occurs when consumers are highly involved with an expensive, infrequent or risky purchase, but sees little difference among various brands (Kotler, 1994).

d.Variety – Consumers undertake variety seeking buying behavior in situations characterized by low consumer involvement, but significant perceived brand difference. In such cases, consumers often do a lot brand scrutiny (Kotler, 1994).

Products needed for daily life spending such as buying the food products, the decision they make quickly and use and consumed slowly during long time. In this way every one involved in purchase task and make decision every day. Buyers usually purchase the product only after prior thought and action. Their purchase decision typically completed after the several steps. Mainly five stages a buyer has to complete for perfect buying decision making process. Need Recognition, Information Search, Evaluation of Alternatives, Purchase Decision, and Post Purchase Evaluation are the main steps of proper buying decision making process.

There are various reasons why the people use the motorbike. Whatever the reason people ride motorbike, motorbike is the most popular vehicle in Nepal. Nepalese roads are more appropriate for motorbike than any other vehicle. It is cost efficient and it can move in the space between vehicles in the traffic jam too. But such a general analysis may not work in the business world.

Consumer decision process has remained an important area of theoretical and empirical research for long. The understanding of why consumers behave as they do and the reasons thereof have tremendous implications for both the marketers and the public policy makers. While this understanding is likely to help marketers match their marketing mix with the need of different consumer segments, it can also enable public policy makers formulate such

consumer programs and mandatory regulations for business as deemed necessary to promote consumer welfare.

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

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

## **2.2 THEORETICAL FRAME WORK**

The consumer involvement theory means that, how the consumer involving the purchase of various products in the market, after purchasing the product, how the consumer responding towards the products called consumer involvement theory.

The consumers get the information through advertising, for that they purchase, use, and react that they see and hear about the products that they buy (Barry, 1987).

Level of involvement an individual's intensity of interest in a product and the importance of the product for that person, those are enduring involvement and situational involvement (Homewood IL & Irwin, 1987).

Routinized response behavior is that the process used when buying

frequently purchased low-cost items that requires little search and decision-effort (Homewood IL & Irwin, 1987).

The consumer involved in purchasing of products and usage and, also, various aspects like high involvement and low involvement in process of purchasing of products. The consumer sometimes involves high and low in purchasing products, so, theory of involvement is explaining that the consumer recognizes the importance of the purchase and it considers that the degree of perceived risk, moreover, it reflects on self image perhaps information processing may be different from one another (Ray, 1973). The low involvement theory is explaining that the consumer would accept wide range of products with positive attitude with do-feel-learn strategy, firstly the consumer select any kind of product, use the product, if they are not sure about how to use the product, and they learn how to use the product. To purchase a new computer in market and using of the computer, if they are not satisfied then they go for learning of how to use the computer.

The low involvement of consumer will be in manner that do-feel-learn strategy (Ray, 1973). In one of the consumer article author explained about the consumers, are influenced by television commercials and their relationship effectiveness of advertisements (Krugman 1987).

High involvement theory is rational and emotional, and it is explaining about the consumer's participations in the context very actively without any hesitation, moreover, they look after extensive problem solving. In this theory of involvement the consumers learn about the product, use the

product, if they are feeling that the product is comfortable to use it, and then they go for buying the product, so this is called high involvement because after usage, they definitely buy the products. The high involvement theory is reversible order to low involvement theory like learn-feel-do strategy (Debruicker, 1979).

How the involvement theory is useful, the emotions, specific feelings, learning of every product and involves when they want to use it and when they want to purchase it. So, this theory helps when the consumer purchasing any kind of product or after using the product.

Introduction & Intergradations of three models:

There are three types of models, which will explain about consumer's process of basic needs to selecting one particular product, In order to process consumer behavior the following three models are important, the first and foremost model is that the Hierarchy model of consumer behavior, in this model the author said that, without any basic needs the consumer cannot survive, so, the consumer should have some basic needs, which have been explained below, secondly the consumer behavior model. In this model author mentioned about research and planning, in this process, the researchers are taking samples from consumer before manufacturing the new products in the market. Finally, lens model has been explained that in order to choice/select a product by the consumer.

Most early psychologists studied people who had psychological problems, but Maslow Hierarchy needs tells us about the needs of consumer behavior.

b. Hierarchy needs of consumer behavior model (Simons, Irwin and Drinnien, 1987)

Maslow believes that people seek to fulfill five categories of needs.

- Maslow's hierarchy of needs

The five levels of needs that humans are motivated to seek and satisfy (Simons, Irwin and Drinnien, 1987).

- Physiological needs— for ex: food, water, sex, clothing, shelter
- Safety needs— for ex: security, freedom
- Social needs— for ex: love, affection, belongingness.
- Esteem needs— for ex: respect, recognition, and self-worth.
- Self-actualization needs— for ex: personal growth.

### **Maslow hierarchy needs model**

Maslow's given the hierarchy needs for consumer behavior, before starting about the consumer behavior, the consumer needs are important; usually every consumer have some hierarchy needs, they are; self actualization needs, esteem needs, belonging needs, safety and security needs and psychological needs (Simons, Irwin and Drinnien, 1987).

The self actualization needs: The term actualization means that the intrinsic growth of what is already in the organism, or more accurately, of what the organism is called self actualization needs. For example: one can play the music, he is called musician or artist, and one can paint the art is called painter, one can write the poems, is called poet. For surviving in competitive

world one profession is important, this profession is not only for surviving, but also one kind of need for human being. In small words to understand simply one individual potentiality develop him by doing something; it is called the self actualization (Simons, Irwin and Drinnien, 1987).

The author suggests that the self actualization need is important when the consumer wants to survive, consumer came with new professions, and it is one kind of need, it will help the consumer to survive in this competitive world (Simons, Irwin and Drinnien, 1987).

Esteem needs: The term esteem means that need for things that reflect on self-esteem, personal worth, social recognition, and accomplishment, for example one can travel in the bus, motor bike, and car respectively, depends on his/her financial position they can travel. In this case travel is a need, so, in smaller words, if one can economically sound, then he/she arranges the esteemed need according to their financial possession (Simons, Irwin and Drinnien, 1987). The author said that, if she/he needs the esteem needs, then they should have good economic possession, if not no necessary to maintain the car or motor bike, it is very easy to use the public bus or walk (Simons, Irwin and Drinnien, 1987).

Social needs: The social needs includes love of family or friends, for example, the boy loves his girl friend, the relationship between husband and wife, one child belongs to one family This is called belongingness or love (Simons, Irwin and Drinnien, 1987). This is one kind of need for every

consumer, because every consumer has their personal belongingness and love.

Safety needs: The safety might include living in an area away from threats. This level is more likely to be found in children as they have a greater need to feel safe. For example one wants to live safe and secure life in the society. Finally, always consumer wants to live a life, which is safe and secured (Simons, Irwin and Drinnien, 1987).

Physiological needs: It includes the very basic need air, warmth, food, sleep, stimulation and activity. People can die due to lack of biological needs and equilibrium common needs like food, water, oxygen and other common minimum needs are wanted for everyone to survive in the world. This is also a basic need of consumer (Simons, Irwin and Drinnien, 1987)

### c. Consumer behavior model

The concept of consumer behavior model is that, all the consumer minds are not the same, because every consumer thinks in different manner and purchasing of products also different.

Now a days the products are many. The consumer is attracting towards new products and its features. The manufacturing companies are designing the products, before manufacturing of new products the researchers are taking the samples for research from the consumers, after taking the samples from the consumers, researchers are doing the research about the products, it encourages companies to constantly innovate better ways to serve the consumer needs (Yeowzah, 2003).

The research & planning depending on product design, insights and action. As author saying about the design, if products designs are good then every consumer attracted towards purchasing of new products, the product design is possible only by doing research. The insights is nothing but the product features, the product features are depend upon good research and planning, without any research and planning there is no product as such. In between these two aspects the action takes place to do good research and to get good results in the market (Yeowzah, 2003).

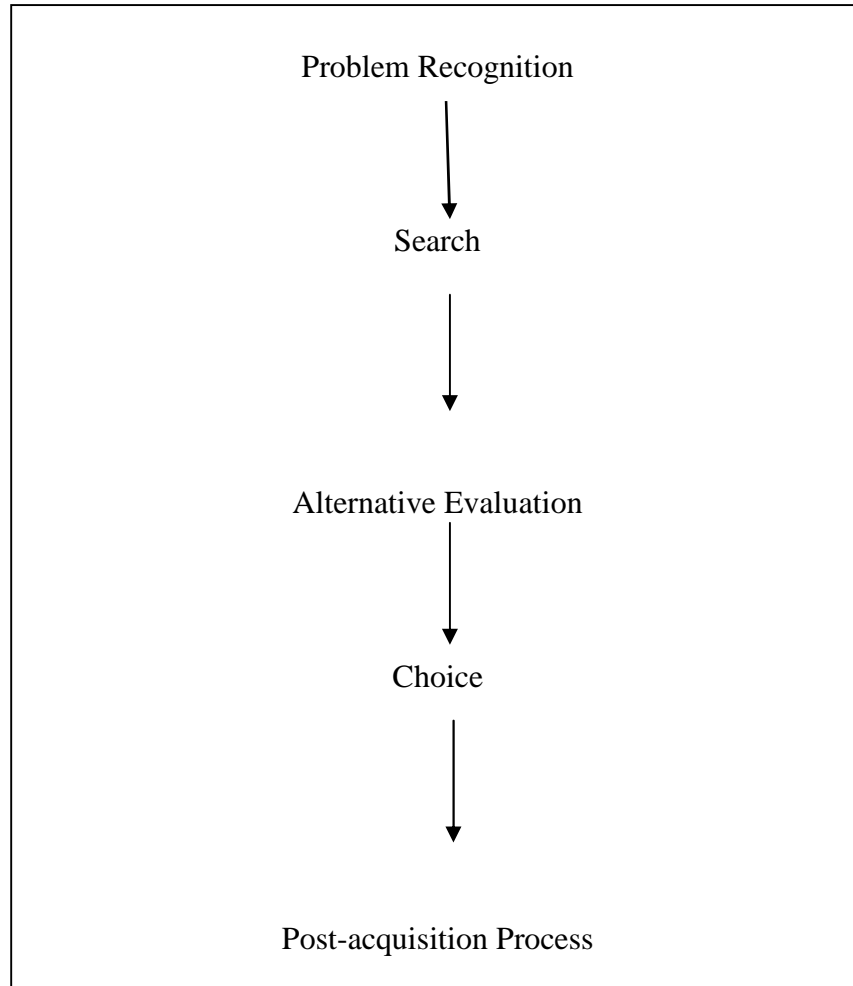
### **2.3 Consumer Decision Process**

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

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

**Figure 2.1**

**A Generic Flowchart of the Consumer Decision Process**



**i) Problem Recognition**

Problem recognition occurs when a discrepancy develops between an actual and a desired state of being. In essence, problem recognition occurs when a need state is felt. Typically, researchers seek to identify consumer problem by analyzing the factors that act to widen the gap between the actual state

and the desired state. Thus, if the satisfaction with the actual state decreases, or if the level of the desired state increases, a problem may be recognized that propels consumer to action.

## **ii) Consumer Search Behavior**

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

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

## **iii) Alternative Evaluation**

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

#### **iv) Consumer Choice Process**

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

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

#### **v) Post-Acquisition Process**

The post-acquisition phase of the consumer buying process consists of four stages acquisition consumption/usage, the formation of post-acquisition purchase satisfaction or dissatisfaction, consumer complaint behavior and product disposition. The post-acquisition phase has a major impact on whether consumers will repurchase the product or service. In addition,

expectations of how will be treated in the post-acquisition phase may influence actual buying decision (Mowen, 1990: 285-375)

## **2.4 Factors Influencing Consumer Behavior**

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

### **Cultural Factors**

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

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

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

**Social class:** Social classes reflect not only income, but other indicators such as occupation, education and area of residence. Their members share similar values interests and behavior. Social classes differ in dress, speech patterns, recreational preferences and many other characteristics. Social classes show distinct product and brand preference in many areas, including clothing, home furnishings, leisure activities and automobiles.

## **Social Factors**

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

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

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

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

## **Personal Factors**

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

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

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

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

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

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

### **Psychological Factors**

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

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

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

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

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

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

### **1. Psychological Situation:**

Psychological Situation denotes Motivational factor to buy or not to buy the products. A motive is an internal energizing force that orients a person's

activities towards satisfying a need or achieving a goal. Actions are affected by a set of motives, not just one. If marketers can identify motives then they can better develop a better marketing mix. Persons highly motivated by his/her needs. If the marketer can identify the exact needs of the buyer it will be the main key to be success in the competitive market. MASHLOW identifies the hierarchy of personal needs;

- a) Physiological Need
- b) Safety Need
- c) Love and Belonging Need
- d) Esteem Need
- e) Self Actualization

Every person automatically follows the mentioned hierarchy of needs. First step of personal need is always Food, Shelter and Cloth which is called physiological need. After then he/she moves for the need of Safety. If a person feels secure then he/she feels need of Love and Belong. The forth step is Esteem need. By nature every person wants to be respected in the society. And last step is Self Actualization. If the seller can determine the level of buyers' need then only they can offer the right product to right buyer. But motives often operate at a subconscious level therefore exact level of or hierarchy of need is difficult to measures.

## **2. Buying Situation:**

People buy the product after feeling the need to buy. Buying process varies with the type of buying situation. Buying situation further divided into; extensive problem solving, limited problem solving and automatic response.

### **i) Extensive problem solving:**

It occurs when a problem is new, the means of solving that problem are expensive, and risk is associated with the purchase decision.

### **ii) Limited problem solving:**

It occurs when the buyer has some experience with the product of interest. However, a certain amount of information search and evaluation of few alternatives is necessary to check that the right decision is made. In such situation consumer have a high probability of purchasing a brand previously purchased

### **iii) Automatic response:**

Many products are repeatedly purchased. People are habituate of buying a particular product. When need arise they automatically purchase that brand. No additional information is sought. People's attitudes and belief toward the product are already formed and are usually very positive in automatic response.

## **4. Group Influence:**

Human being lives in group and it is also natural by birth. Therefore each buyer belongs to number of groups. These groups include a family, social

clubs and organizations and reference groups. The way we think, believe and act is determined to a great extent by groups. If we act separate then the group; we cannot exist in our society. So we act and behave according to our social group. Buying process is also greatly influenced by our own social groups.

i) ***The Family:***

People live and struggle for betterment of their own family. Our whole life is spent for our family. So our every decision is in favors our family. Therefore family members can strongly influence buying process. The decision as to which product or brand to purchase may be a family decision.

ii) ***Reference Group:***

Reference group has also important role in buying decision process. The term reference group is used to indicate a group of people that influence a person's attitude and behavior. Each group develops its own standards of behavior that serve as frames of reference for the individual members. Members share these values and are expected to conform to the group's behavior pattern. It is hard to go outside the group's behavior pattern and buy the products.

## 2.5 Review of Unpublished Literature

I have taken lots of references from former thesis of TU during my study of this thesis. It is supportive for understand and clear the conceptual part of thesis writing. Therefore those former theses are helpful for my thesis study. And those studies theses were done on the basis of different subject matters and backgrounds by the former students. I have tried to remember those entire theses in this segment, which are very much supportive and also provide me baselines for my overall study.

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

A. In (2007) Karki has conducted a research study titled “*Buying Decision Making with Respect to Minibus Purchase in Bhaktapur District in the reference of TATA and Ashok Leyland Minibus.*”

The objectives of the study were:

- To identify the purpose of minibus purchase in Bhaktapur district.
- To identify the areas under which the buyers of minibus make the decision before selecting a brand.
- To find out affecting factors in buyer’s decision making process.

- Comparative study of TATA and Ashok Leyland minibus on the basis of views of buyers of these two brands and decision-making process of users to select these two brands.

The study showed that the study is based on primary data and supported by secondary data. Required information was collected from 50 different minibus users of Bhaktapur district with the assistance of structured questionnaire. The tools used are factor analysis, cluster analysis, discriminant analysis and path analysis.

The major findings of the study were:

- The minibus buyers purchase minibus to use as the public carrier for operations in different routes mentioned by the government and use as the public carrier to provide transportation services to students, tourists and others.
- Different distinct features like fuel consumption, durability, resale value affect buying decision, pick up and other services granted by the dealers.
- Personal belief strongly affects the buying decision making, in the same manner it is affected by other forces like family, friends, unions and media vehicles like advertisement, publicity etc.
- Demographic features like age, income, and education also highly influence the buying decision-making. It is found that the choice of the product in different age groups is different and they have their own analysis and interpretation about the product.

- By the study it is found that TATA minibuses are more fuel efficient than Ashok Leyland whereas Ashok Leyland minibuses are more durable than TATA.
- TATA minibuses are best fit in hilly region on the basis of performance whereas Ashok Leyland minibuses are best fit in plain region.
- Spare parts and services granted by TATA are more available and reliable than Ashok Leyland minibuses.
- In overall ranking, after the study and analysis among 50 different users of TATA and Ashok Leyland minibuses with the assistance of different distinct features of these brands. It is concluded that majority of users prefer TATA minibuses than Ashok Leyland minibuses.
- It is needed to grant after sales service on product and the change the features of the product with respect to the topography of the country is necessary to win the market, enhance demand and finally to win the market share.

B. In (2007) Dahal has conducted a research study titled ***“Patterns of consumer decision making process while purchasing high involvement goods in Nepal”***.

The study has the objectives:

- Patterns of decision making strategies consumers utilize while making purchase decision of durable goods.

- The level of pre-purchase information seeking and their correlates.
- Decision making criteria and rules employed in evaluation of alternatives.

The study showed that the study is based on primary data. Required information was collected from 300 consumers of Katmandu valley with the assistant of structured questionnaire. The tools used are factor analysis, cluster analysis, discriminated analysis and path analysis.

The major findings of the study were:

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

C. In 2004 (Bhandari) has conducted a research on ***“Brand preference study on motorbike with reference to Kathmandu city’***.

The objective of the study was:

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

The research mainly based on primary data. Motorbike was sample product. The sample was taken within Kathmandu city. Sample constitutes 120-motorbike rider of Kathmandu city.

The findings of the study were as follows:

- Hero Honda has been found as the most preferred brand, Yamaha as the second, K-Bajaj as the third, other brands as fourth, Lifan as the fifth and Dayang as the sixth preferred brand respectively.
- On the basis of profession, Hero Honda has been most popular except in business category. K-Bajaj has been popular in business category.
- It was found that brand loyalty exists in the motorbike buyers.
- The price factor has been found as the main factor for brand switching.
- Hero Honda has been positively perceived in terms of fuel efficiency, resale value and aesthetic looks.

- Yamaha has been found having high resale value, high power and moderate looks.
- K-Bajaj has been represented by its fuel efficiency, more after sales services and moderate looks.
- High power and high aesthetic looks have been found the strong attributes of Lifan brand. It has been found that Lifan disadvantages regard to fuel efficiency and resale value.
- Dyang brand of motorbike has been found more positive on its aesthetic looks and finance facility.

D. In 2005 (Shrestha) has conducted a research on “ *Consumer Behavior with respect to Decision Making Process of Motorbike Purchase in Kathmandu City*”

The objective of the study was:

- To determine the decision-making process of motorbike owner in Kathmandu City.
- To determine consumer buying behavior
- To study the profile of the motorbike owners.

The study entirely based on primary sources. The data were collected from self-administered questionnaire.

The Major findings of study were:

- The respondents preferred motorbike in comparison to other vehicles, as it is economical.
- Large number of motorbike riders used motorbike for the purpose of transportation while others used it for interest, pleasure and status respectively.
- The study has found out that advertising has moderate effect on problem recognition.
- The respondents first happened to know about the model of motorbike they bought through advertisement.
- In the alternative evaluation process, the motorbike buyers first looked for mileage while evaluating different models of motorbikes. Only few respondents considered warranty and credit facility in alternative evaluation process.
- Friends are the most used source for recommendation while evaluating different model of motorbikes.
- Respondents have ranked to the factors influencing consumer choice process while purchasing a motorbike which as follows:

Price	1 <sup>st</sup> rank
Resale Value	2 <sup>nd</sup> rank
Model	3 <sup>rd</sup> rank
Spar parts available	4 <sup>th</sup> rank
Brand	5 <sup>th</sup> rank

- The study has found out that attitude of others highly affect the consumers in their buying decision process.
- On the basis of education level, large numbers of respondents have been found to be in the graduate level. Only few respondents have S.L.C as highest level of education.
- The current occupation of the respondents who ride motorbike is found to be jobholder.
- On the basis of age group, most of the respondents have been found to be in the age group of 18-29 years. Thus, the most active buying age group according to the study is 18-29 years.

E. Bhandari (2004) conducted a research study on, “*Brand preference study on motorbike with reference to Kathmandu city*” with the objective of:

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

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

- Hero Honda brand has been found as the most preferred brand, Bajaj as the second, Yamaha as the third, other brand as the fourth, Lifan as the fifth and Dayang as the sixth preferred brand respectively.

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

F. Palungwa (2003) conducted a research study on, “*A study on personal computer buyer behavior*” with the objective of:

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

Fifty respondents were selected from Kathmandu valley. Only those samples were included who had acquired personal computer. Random and convenience sampling method was used in this study. The data were collected through a self-administered questionnaire survey in Kathmandu

valley manually at convenient time. The major findings of this study were as follows:

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

G. Baniya (1994) conducted a research study on, “*A study of buyer behavior in Pokhara with special reference to cross-culture buying pattern*” with the objective of:

- To find out the brand pattern and purchase frequently of the clothing and the grocery products for the British-Gorkhas and the local people.
- To examine the store name awareness, purchase location and types of store used by the British-Gorkhas and the local people for the purchase of clothing and grocery.

- To determine the criteria used by the British-Gorkhas and the local people for choosing a particular product, brand, store and their rank of order of importance.
- To fine out the attitude of the British-Gorkhas and the local people towards bargaining.

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

- The purchase frequency of the grocery for the British-Gorkhas and the local people were similar to a large extent.
- Majorities of British-Gorkha use foreign brands as well as a large number of local people adopt similar approach.
- Awareness levels of British-Gurkhas are high on grocery items, but in case of clothing, it was found low in comparison to local people.
- As far as the criteria used to choose a product is concerned, quickly and price are in the high profit of ranking.
- Both British-Gorkha and local people have almost similar attitude towards bargaining.

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

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

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

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

l. Bhuwan (2009) conducted research on "*A study on buying decision making with respect to motorbike purchase in Kathmandu valley (with reference to hero Honda and Yamaha brand motorbike)*" with the objectives of :-

- 1) To identify the purpose of motorbike purchase in Kathmandu Valley.
- 2) To identify the areas under which the buyers of motorbikes makes decision before selecting a brand.
- 3) To find out affecting factors of buyers' decision making process.
- 4) Comparative study of buyers' decision making in between Hero Honda and Yamaha Brand motorbikes on the basis of fuel efficiency, durability, performance and after sales service to select the particular brands.

The major findings of the study were:

- 1) The main purposes of motorbike purchase in Kathmandu Valley are to use for regular up and down to office and to use for daily business task. Buying of motorbike purchase for other purpose is low. Because of the poor service of public vehicles and traffic jam of Kathmandu valley most of the people are motivated to buy motorbikes.
- 2) To select a particular brand of motorbikes buyer looks for Price, Fuel efficiency, Durability and Performance (Pick-up). Buyer gives their higher preference on Performance and Fuel Efficiency of the particular brand to make buying decision.

- 3) Personal beliefs of the Respondents largely affect the buying decision making. If the personal beliefs is in favor of the product it will has multiple positive effect and if the personal beliefs is negative for the product the affect will be harmful for the product.
- 4) The influencing factor family, friends, relatives, salespersons and unions has also important role in buying decision making of buyers.
- 5) Media: TV, Radio, FM Radio, Newspapers, Booklets, Wallpapers, Pamphlets, Books, Booklets and Promotion (Advertisements) also plays significant role in buying decision making.
- 6) Demographic features like Age Group, Income Level, Occupations and Education level also highly influence the buying decision making. It is found that the choice of the product in different Age Group is different and they have their own analysis and interpretation about the product.
- 7) Buyers are more aware about the fuel efficiency of the motorbike for their buying decision making. The finding of the study is that Hero Honda motorbikes are more fuel efficient than Yamaha motorbikes.
- 8) Buyers also see the durability of the motorbikes for their buying decision making. The finding of the study is that both of the motorbikes Hero Honda and Yamaha are durable. According to the study the choice of the Hero Honda is ahead than the choice of the Yamaha on the basis of durability but the difference is not big.
- 9) The study found that the buyer gives highest emphasis to the performance (Pick-up) the motorbikes. According to the study

Hero Honda motorbikes are best fit to City and Plain areas and Yamaha motorbikes are best fit to Village and Hilly areas on the basis of performance.

- 10) The study shows that buyers give importance to After Sales Service; regular servicing facility, cost and quality of spare parts, facility of warranty and guaranty services etc. And the study finds that the After Sales Service provided by Hero Honda Motorbike Company is ahead than Yamaha Motorbike Company.
- 11) The overall ranking of Hero Honda and Yamaha motorbike after the study and analysis on the basis of different distinct features; it is found that the overall ranking of Hero Honda Motorbike Company is greater than the overall ranking of Yamaha Motorbike Company. The study shows that the majority of the buyers prefer Hero Honda motorbikes than Yamaha motorbikes.

J. Syed Arish Abbas (2010) conducted research with the objective of : -

*“An Analytical Study Of Consumer Behavior While Buying Motorcycle”* with the objective of:

- a) To analyze the factors which consumer feel are important in purchase of motorcycle.
- b) To compare scooters and motorcycles on these parameters.
- c) To identify the factors which are favorable and unfavorable for scooters and motorcycle?
- d) Based on these provide recommendation to scooters and motorcycles manufacturers.

The major findings of the study were: Maximum motorcycle users belong to 18 to 25 yrs age group and most of the users are college students and field workers.

1. Maximum motorcycle users belong to middle class and upper middle class segment, which have annual family income of Rs 2 to 4 lacs and above.
2. The reasons for the buying motorbike are:
  - Good mileage and convenience.
  - Business purpose
  - Cost effective
  - Comfort drive in crowd and easy parking
  - College going purpose
  - Short distance travel in city
  - Affordable price
  - Personal vehicle
3. As far as mileage per liter of petrol is concerned, Hero Honda is ruling the market and finding favor with consumers. Yamaha and TVS are far below the expectations of the consumers based on mileage.
4. Reasons for not buying scooter:
  - It has low mileage and low fuel efficiency.
  - It has problem with controlling, balancing and breaking on speed.
  - Old style and old fashion
  - It is not good for long drive and not a comfortable drive.
  - It doesn't match the young person's dynamic personality

5. Almost all the people give preference to stylish outlook, control, mileage, efficiency & brand image before buying motorcycle.
6. Television advertisement, road hoardings and road shows are the major source of information which affects motorcycle purchased.
7. Family members and friends are main initiator, for purchasing a motorcycle.
8. All the people are satisfied with the functioning of their motorcycle.
9. As far as after sales service motorbikes are concern, both Hero Honda and Bajaj have Competitive advantage vis-à-vis to remaining market players.
10. Regarding spare parts of motorcycle, they are cheaper and readily available in the market.
11. All the people are satisfied with the functioning of motorbikes and they don't have any hesitation to recommend to others to buy a motorcycle.

In this way above mentioned different published and unpublished literatures support me during my study. These sources assist me to carry on the study in right way. Also assist me to sampling process and to reach conclusion of arise problems and reach in conclusion. So I'm very much grateful to those former students for their valuable research and publication.

# **CHAPTER III**

## **RESEARCH METHODOLOGY**

### **3.1 Introduction**

Research methodology is a tool, which enhances to systematically solve the research problem. It facilitates the research work and provides reliability and validity to it. Research methodology employed in this study is presented below. The data collection distinguished in secondary and primary data including description of the target population, survey method, design of questionnaire and presenting and demonstrated finally, used methods for the analysis and conclusion.

### **3.2 Method**

As the types of method qualitative and quantitative researches are. Usually qualitative research is supported by quantitative to describe the research object more precisely (Aaker, Kumar and Day, 1997), the research is focused on quantitative method to get more attention on the purpose. Quantitative method is the analysis of the complex collected data much due to the amount of information and the highly resource demanding (Gilbert, Churchill, Jacobucci, 2005). Quantitative method of research provided insights into the problem and in developing approach by generating relevant questions. (Doole and Lowe, 20004).

The data were collected through self-administered structured questionnaire. It was collected at mutual convenient place in Pokhara. The respondents

were supported by oral explanation when they did not understand the questionnaire.

### **3.3 Types of research**

The objective of descriptive research is to provide a description of various phenomenon connected to individuals, situations or events that occur. The purpose might be to develop empirical generalization. Once, such generalizations begins to appear, then they are worth explaining, which might lead to theory development (Reynold, 1971). Moreover, descriptive research is often used when a problem is well structured and there is no intention to investigate cause/effect relationship (Yin, 2003). The objective with explanatory research is to analyze cause-effect relationship, explaining, because explanatory study is to develop a theory that could be used to explain the empirical generalization that was developed in the descriptive stage. This provides a cycle of theory construction, theory testing and theory reformulations, this research is descriptive research which objective is that to get the accurate answers from the respondents (Robinson, 2002). Combination of items from the frame of statistical explanation which quantifies the risk and thus enables an appropriate sample size to be chosen, descriptive studies require a clear specification of who, what, when, where, why, and how of the research. (Gilbert, Churchll, Jacobucci, 2005).

Research can done using primary data sources or secondary data sources. The information and data required for conducting the study was entirely based on primary source. Primary information and data were gathered through structured questionnaire. Based on the objectives of the study, a comprehensive questionnaire was developed which included questions

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

### **3.4 Research approach**

Research Design is the plan, structure and strategy of investigation conceived so as to obtain answers to research questions and to control variance. F.N., Kerlinger (1986). It is the specification of procedures for collecting and analyzing the data necessary to help, identify or react to the problem or opportunity of the research task. And assist to collect information in order to help identify or react to a problem or opportunity faced by the marketers or researchers. The collected information is important and it has some value as it helps to improve the decision.

Various types of research design can be used for obtaining the research objectives. Descriptive research design is used for this research task. Descriptive research design describes certain phenomena, such as the characteristics of users of a product, the variation in use in terms of age, income, lifestyle etc. Descriptive information provides a sound basis for the solution of given marketing problem.

Descriptive research is a fact-finding operation searching for adequate information. It is a type of survey study which is generally conducted to assess the opinion, behavior, or characteristics of a given population and to describe the situation and events occurring at present (Boyd, 2002, p.128). The objective of this study is to examine consumer behavior with respect to decision-making process of motorbike purchase in Pokhara. Descriptive research is widely conducted to solve various marketing problem. Thus, a descriptive survey research design is applied to this study.

The Research can be divided into two categories, 1. Deductive or inductive research; and 2. Qualitative and quantitative research of the study, the qualitative and quantitative methods refer to the way one chooses to treat and analyze the selected data. Selectivity and distance to the object of research characterize a quantitative approach, whereas a qualitative approach is characterized by nearness to the object of research. Both approaches have their strengths and weaknesses and neither one of the approaches can be held better than the other one. The best research method to use for a study depends on the study's research purpose and the accompanying research questions (Yin, 2003). There is one significant difference between these two approaches. In the quantitative approach results are based on numbers and statistics that are presented in figures in the qualitative approach, the focus lies on describing the subject with the use of words, which approach to choose depends on the problem definition together with what kind of information is needed. The two approaches are used as per their suitability and also be used in combination (Holme & Solvang, 1997)

### **3.5 Population and sample**

The two definitions of population and sample: The whole number of people, or inhabitants, in a country, or portion of a country; as a **population**. For example ten millions known as population, whereas **sample** means a part of anything presented for inspection, or shown as evidence of the quality of the whole; a specimen; as, goods are often purchased by samples (Gilbert, Churchill, Jacobucci, 2005) For the purpose of research, Motorbike users have been chosen.

For the purpose of this research, population consists of total motorbike owner in Pokhara for this study. It includes well-defined number of the motorbike owner. Sample is the selection of certain number of respondents out of population. Sample is taken out of whole universe.

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

### **3.6 Instrument to collect the data.**

The responses obtained from the respondent are categorized, tabulated, processed and analyzed by using different data analysis methods and tools. The questionnaire were distributed and collected to make them applicable for presentation and analysis. Presentations of data are done on table form, simple diagram, bar diagram and pie chart. The interpretation and explanation are made whenever necessary.

For the acquisition of data a questionnaire is used for standardizing the data and allowing an easy comparison (Sounder, Lewis and Thronhill, 2003). Instrument to collect the data, questionnaires used to get the data from the users. The primary data which helps for the research to do more effective research of the study, when talking about secondary data: there to investigate the demand on which the consumer behavior is based, thus it was decided. (Bovee and Thill, 1992). Primary data collection includes both in-depth interviews with motorbike users. It is applied randomly in the way of simple

and straight forward questionnaire. Questionnaires are close ended, multiple and moreover covering with research questions as well the subject related. The questionnaires were asked deeply to do the research more effective and efficient. *(All questionnaires included in the Appendix)*

Secondary data can be usually collect quickly compared to primary data. The data are source materials that have been collect for the study. Secondary data is derived from sources like internet, online internet articles, journals and marketing management, consumer behavior books and consumer behavior literature books.

### **3.7 Research validity and reliability**

To optimize the validity of this research, some early steps have been handled carefully, when interviewed in person by contacting them personally, still list the question guideline to direct me in collecting information's more effective. To ensure the reliability further checked the data, especially the figures repeatedly to ensure the source accuracy. I have tried my best to reduce the limitation, primary data and secondary data furthest. When finished the whole work, I also recheck everything again to make the research more reliable.

## **CHAPTER IV**

### **DATA PRESENTATION AND ANALYSIS**

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

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

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

##### **4.1.1 Problem Recognition**

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

**Table 4.1**

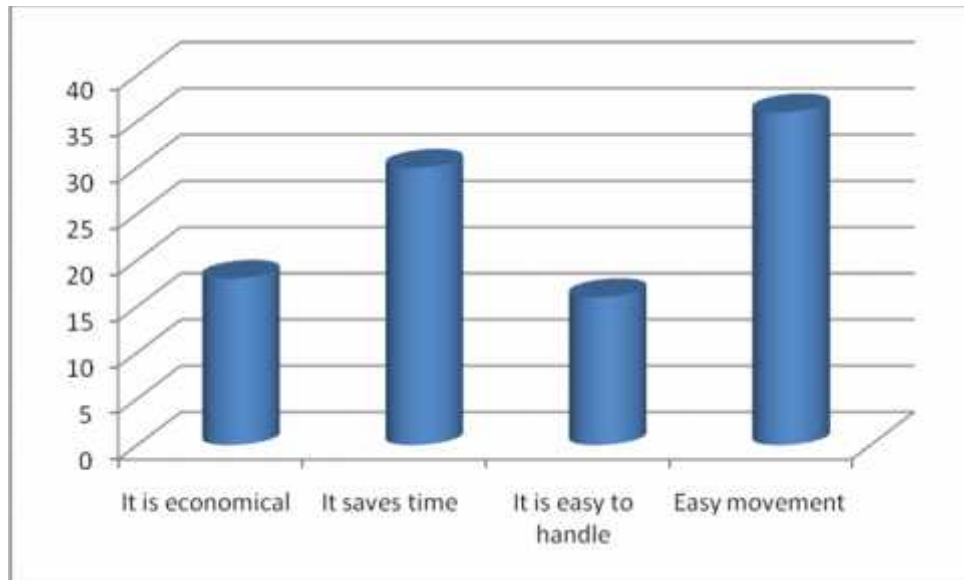
**Reason for Preferring Motorbike**

<b>Reason</b>	<b>No of respondents</b>	<b>Percentage</b>
It is economical	9	18
It saves time	15	30
It is easy to handle	8	16
Easy movement	18	36
<b>Total</b>	<b>50</b>	<b>100</b>

*Source: Survey Report, 2012*

**Figure 4.1**

**Reason for Preferring Motorbike**



As shown in the chart, it is found that people prefer motorbike than other vehicle due to its easy movement and it saves time.

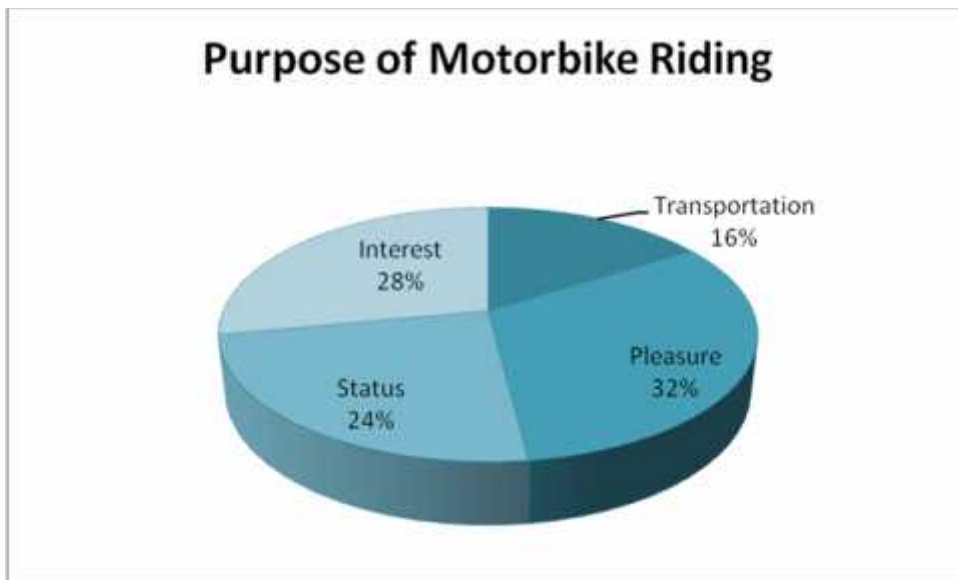
The second question was asked to find the purpose of motorbike riding. Table 4.2 reflects the purpose of motorbike riding.

**Table 4.2**  
**Purpose of Motorbike Riding**

<b>Purpose</b>	<b>No of respondents</b>	<b>Percentage</b>
Transportation	8	16
Pleasure	16	32
Status	12	24
Interest	14	28
<b>Total</b>	<b>50</b>	<b>100</b>

*Source: Survey Report, 2012*

**Figure 4.2**



The analysis gives result that people use motorbike mainly for their pleasure and interest. Then the status comes in third rank with almost one fourth (24%). The use of motorbike for transportation purpose is low.

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

**Table 4.3**

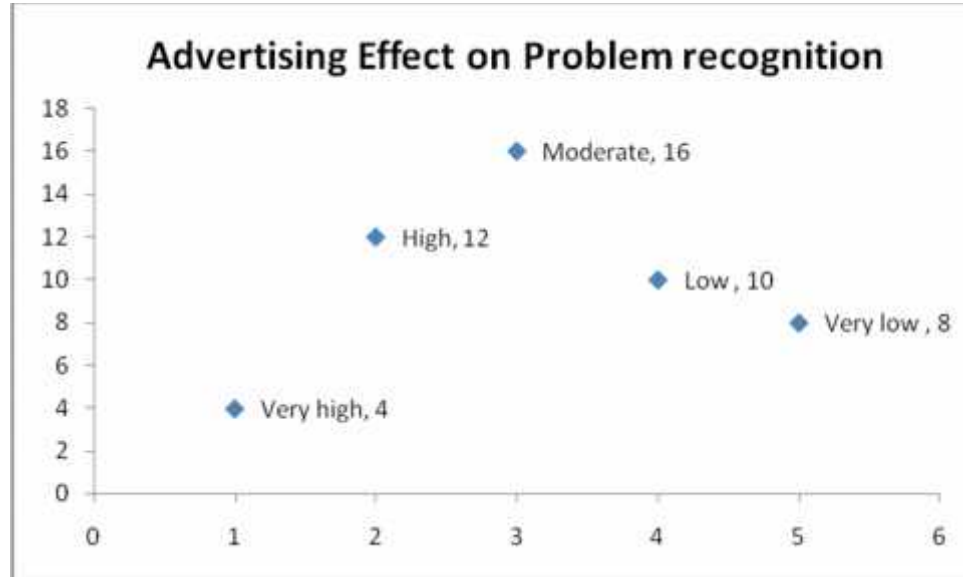
**Advertising Effect on Problem recognition**

<b>Option</b>	<b>No of respondents</b>	<b>Percentage</b>
Very high	4	8
High	12	24
Moderate	16	32
Low	10	20
Very low	8	16
<b>Total</b>	<b>50</b>	<b>100</b>

*Source: Survey Report, 2012*

As shown in the table 4.3, 32% of respondents were moderately affected by advertisement on problem recognition, 24% highly, 20% very low and 16% low respectively. Figure 4.3 represents the data more clearly.

**Figure 4.3**



#### **4.1.2 Consumer Search Behavior**

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

**Table 4.4**

**Source of First-hand Information**

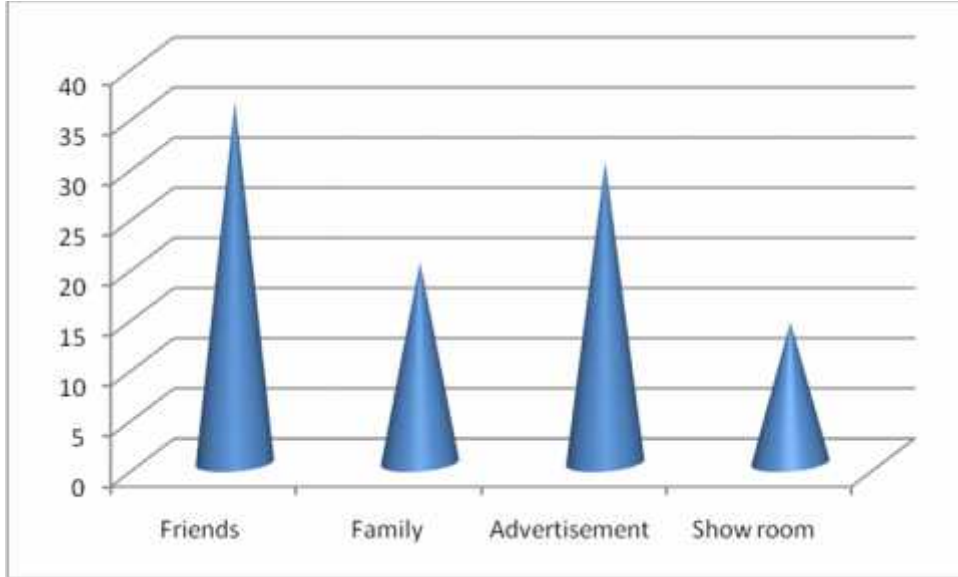
<b>Source</b>	<b>No of respondents</b>	<b>Percentage</b>
Friends	18	36
Family	10	20
Advertisement	15	30
Show room	7	14
<b>Total</b>	<b>50</b>	<b>100</b>

*Source: Survey Report, 2012*

As per response of the sample group, it was found that people use friends as the major source of information with more than one third reply (36%). Then the advertisement has major effect on their selection. They use information from family little. But the result shows that people use show room information very little. The result can be more clearly shown in the following figure:

**Figure 4.4**

**Source of First-hand Information**



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

**Table 4.5**

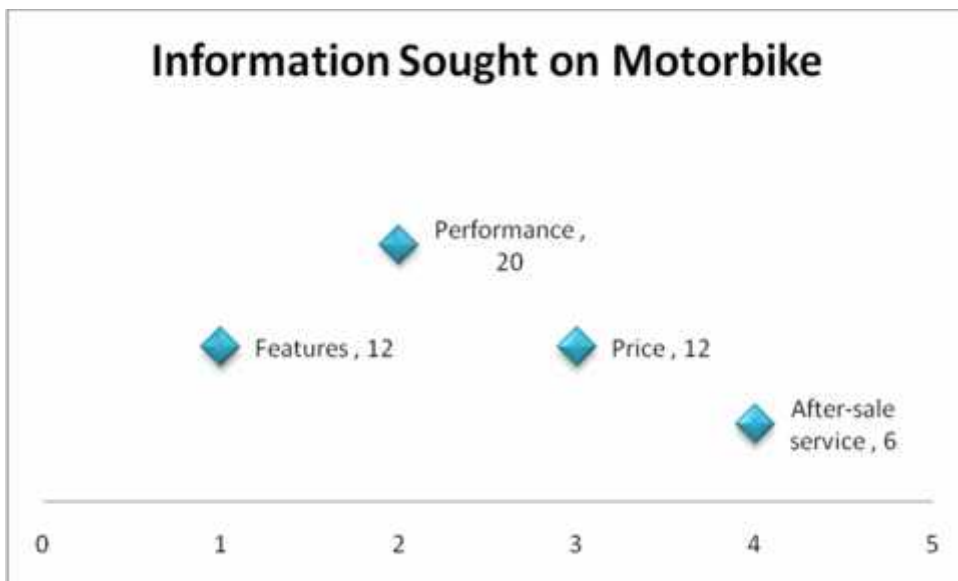
**Information Sought on Motorbike**

Source	No of respondents	Percentage
Features	12	24
Performance	20	40
Price	12	24
After-sale service	6	12
<b>Total</b>	<b>50</b>	<b>100</b>

*Source: Survey Report, 2012*

Table 4.5 represents information sought by respondents on motorbike. 40% of respondents sought information on performance on performance of a motorbike like mileage, ride frequency of repair, etc. Similarly, 24% of respondents look information on features like electric start, disc brakes, looks, etc. and 24% looks for price. Only 12% of respondents look for after-sale service. It has been explained more clearly in figure 4.5.

**Figure 4.5**



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

**Table 4.6****Ranking Source of Information used by the consumers**

<b>Rank</b>	<b>1<sup>st</sup></b>		<b>2<sup>nd</sup></b>		<b>3<sup>rd</sup></b>		<b>4<sup>th</sup></b>		<b>5<sup>th</sup></b>		<b>Total</b>
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	
TV	16	32	11	22	8	16	7	14	8	16	50
Friends	22	44	14	28	8	16	3	6	3	6	50
Dealers	5	10	10	20	13	26	12	24	10	20	50
Brochure	3	6	9	18	11	22	12	24	15	30	50
Test driving	4	8	6	12	10	20	16	32	14	28	50
<b>Total</b>	<b>50</b>	<b>100</b>	<b>50</b>	<b>100</b>	<b>50</b>	<b>100</b>	<b>50</b>	<b>100</b>	<b>50</b>	<b>100</b>	

*Source: Survey Report, 2012*

As shown in the table 4.6, respondents have given rank to the sources of information they used while purchasing a motorbike. Friends and family is the most used source of information which is in the first rank with 44%, followed by TV in the second rank with 32%.

Similarly, visit to dealers is in the third rank with 10%, test-driving is in the fourth rank with 8% and finally manufacturer's brochure is in the fifth rank with 6%.

### 4.1.3 Alternative Evaluation

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

**Table 4.7**

#### **Criteria used while selecting different Models**

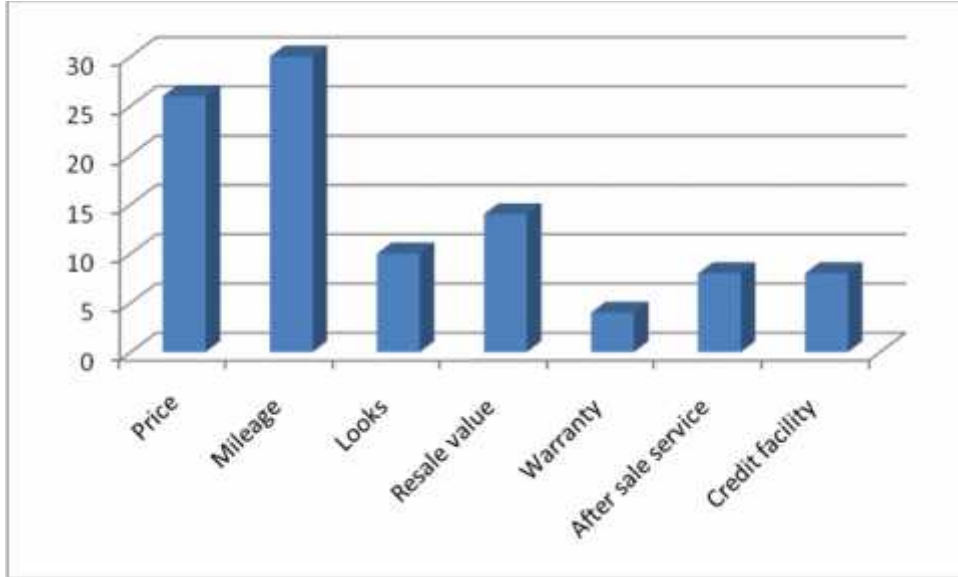
<b>Criteria</b>	<b>No. of respondents</b>	<b>Percentage</b>
Price	13	26
Mileage	15	30
Looks	5	10
Resale value	7	14
Warranty	2	4
After sale service	4	8
Credit facility	4	8
<b>Total</b>	<b>50</b>	<b>100</b>

*Source: Survey Report, 2012*

Table 4.7 shows that the motorbike buyers first look for mileage while evaluating different models of motorbikes which is 30%. It is closely followed by price with 26%, resale value with 14%, looks and after sale service with 8% and credit facility and warranty with 8% and 4% respectively. The data are represented in figure 4.6 for better understanding.

**Figure 4.6**

**Criteria used while selecting different Models**



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

**Table 4.8**

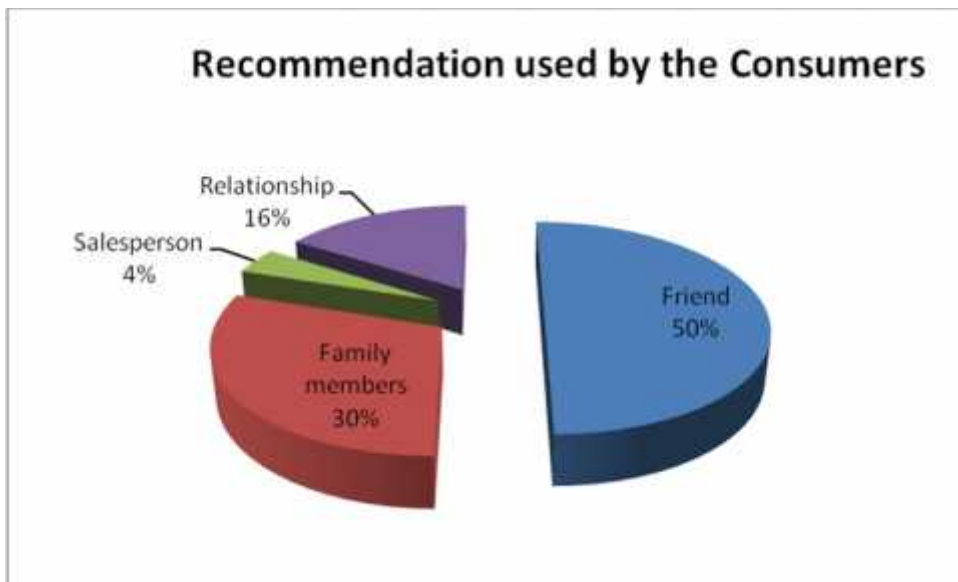
**Recommendation used by the Consumers**

<b>Recommendation</b>	<b>No of respondents</b>	<b>Percentage</b>
Friend	25	50
Family members	15	30
Salesperson	2	4
Relationship	8	16
<b>Total</b>	<b>50</b>	<b>100</b>

*Source: Survey Report, 2012*

Table 4.8 shows the recommendation used by the respondents while purchasing a motorbike. It is clear from the table that 50% of the respondents use friend as a recommendation. Use of family members as recommendation is 30% and relationship is 16%. Only 4% of respondents use salesperson which is the least source used for recommendation. The data has been presented in figure 4.7.

**Figure 4.7**



#### **4.1.4 Consumer Choice Process**

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

**Table 4.9**

**Factor Influencing Consumer Choice Process**

<b>Rank</b>	<b>1<sup>st</sup></b>		<b>2<sup>nd</sup></b>		<b>3<sup>rd</sup></b>		<b>4<sup>th</sup></b>		<b>5<sup>th</sup></b>		<b>Total</b>
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	
Price	20	40	10	20	9	18	5	10	6	12	<b>50</b>
Brand	6	12	13	26	14	28	10	20	7	14	<b>50</b>
Model	12	24	8	16	15	30	9	18	6	12	<b>50</b>
Spare parts	7	14	7	14	4	8	10	20	22	44	<b>50</b>
Resale Value	5	10	12	24	8	16	16	32	9	18	<b>50</b>

*Source: Survey Report, 2012*

In the table 4.9, respondents have given rank to the factors influencing consumer choice process while purchasing a motorbike. As shown in the table, price is the most important factors influencing consumer buying decision which is in the first rank with 40%. Model of a motorbike is in the second rank with 40%. Similarly, spare part of a motorbike is in the third rank with 14% followed by brand in the fourth rank with 26% and resale value of a motorbike in the fifth rank with 10%. According to the sample collected, price has been found as the most influencing factor in consumer choice process of a motorbike.

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

attitude of others influences consumer choice process. Table 4.10 shows the result of the respondents.

**Table 4.10**

**Attitude of others Influencing Consumer Choice Process**

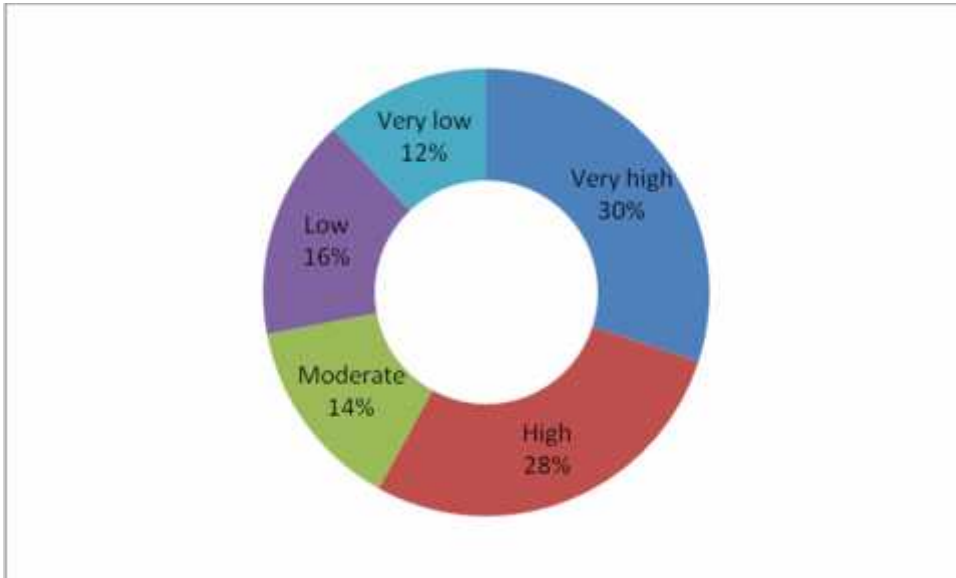
<b>Options</b>	<b>No of respondents</b>	<b>Percentage</b>
Very high	15	30
High	14	28
Moderate	7	14
Low	8	16
Very low	6	12
<b>Total</b>	<b>50</b>	<b>100</b>

*Source: Survey Report, 2012*

As shown in the table 4.10, 30% of respondents were highly affected by attitude of others on consumer choice process which was closely followed by 28% who had high effect. Similarly, 16% of respondents had moderate effect as well as 14% respondents had low effect on attitude of others. Only 12% of respondents were found to be very highly affected by attitude of others. Figure 4.8 represents the data more clearly.

**Figure 4.8**

**Attitude of others Influencing Consumer Choice Process**



**4.1.5 Post Acquisition Process**

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

**Table 4.11**

**Satisfaction Level of Respondents**

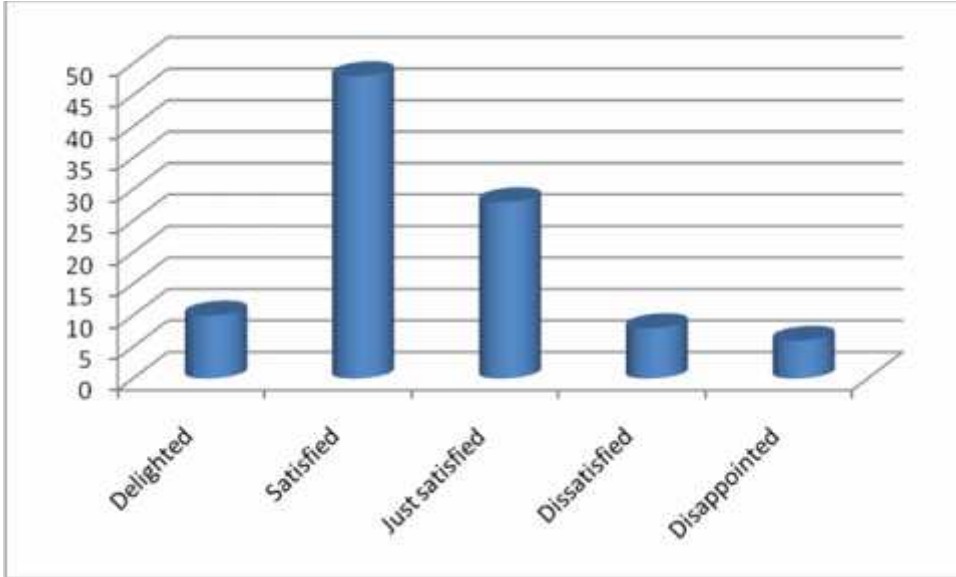
<b>Satisfaction level</b>	<b>No. of respondents</b>	<b>Percentage</b>
Delighted	5	10
Satisfied	24	48
Just satisfied	14	28
Dissatisfied	4	8
Disappointed	3	6
<b>Total</b>	<b>50</b>	<b>100</b>

*Source: Survey Report, 2012*

Table 4.11 shows the satisfaction level of respondents after the purchase of motorbike. It is related with the post acquisition of the respondents. It is found that 48% of respondents are satisfied with the purchase of their motorbike. Similarly, 28% of respondents are just satisfied with their decision. But, 6% of respondents are disappointed with their motorbike as well as 10% are delighted. Only 8% respondents have been found to be dissatisfied with their purchase of motorbike. The satisfaction level of respondents was high according to the sample collected. The data has been presented in figure 4.9 for better understanding.

**Figure 4.9**

**Satisfaction Level of Respondents**



#### **4.2 Presentation and Analysis of Examine Factors Influence Consumer Behavior**

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

### 4.2.1 Factors Influencing Consumer Behavior

In this section, an attempt has been made to identify factors influencing consumer behavior. Respondents have been asked to rank the factors influencing consumer behavior. Table 4.12 shows the result of the respondents.

**Table 4.12**

**Factors Influencing Consumer Behavior**

<b>Rank</b>	<b>1<sup>st</sup></b>		<b>2<sup>nd</sup></b>		<b>3<sup>rd</sup></b>		<b>4<sup>th</sup></b>		<b>Total</b>
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	
Social	14	28	17	34	9	18	10	20	<b>50</b>
Personal	25	50	16	28	5	10	4	8	<b>50</b>
Cultural	5	10	7	14	21	42	17	34	<b>50</b>
Psychological	6	12	10	20	15	30	19	38	<b>50</b>
<b>Total</b>	<b>50</b>	<b>100</b>	<b>50</b>	<b>100</b>	<b>50</b>	<b>100</b>	<b>50</b>	<b>100</b>	

*Source: Survey Report, 2012*

As shown in the table 4.12, respondents have given rank to the factors influencing consumer behavior while purchasing a motorbike. It is clearly seen from the table that personal factors like interest, occupation and lifestyle is the most important factors influencing consumer behavior which is in the first rank with 50%. Social factors like friends, family members and neighbors are in the second rank with 28%. Psychological factors like recognition, belongings and belief are found to be the least influencing factors in consumer behavior which is 12%. Similarly, cultural factors like

nationality, religion and social class is in the fourth rank with 10%. According to the sample collected, personal factors have been found to be the most influencing factors in consumer behavior while purchasing a motorbike.

### **4.3 Presentation and Analysis to Identify the Profit of the Consumers**

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

#### **4.3.1 Education Level of Respondents**

All the respondents have been classified into four categories based on their education level. Table 4.13 shows the analysis of respondents in terms of highest level of education.

**Table 4.13**

#### **Education Level of Respondents**

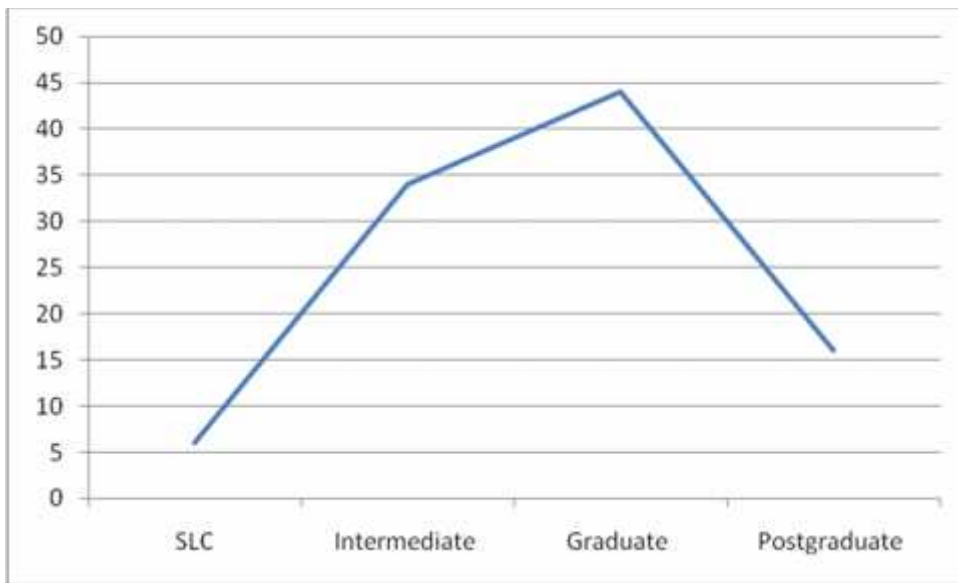
<b>Education Level</b>	<b>No of Respondents</b>	<b>Percentage</b>
SLC	3	6
Intermediate	17	34
Graduate	22	44
Postgraduate	8	16
<b>Total</b>	<b>50</b>	<b>100</b>

*Source: Survey Report, 2012*

Table 4.13 shows the education level of respondents. It is found that 44% of respondents are graduates, 34% have completed intermediate level, 16% are post graduate and only 6% have SLC as the highest level of education. The data has been presented in figure 4.10.

**Figure 4.10**

**Education Level of Respondents**



**4.3.2 Current Occupation of Respondents**

All the respondents have been divided onto four categories based on their current occupation. Table 4.14 shows the analysis of respondents in terms of their respective occupation.

**Table 4.14**

**Current Occupation of Respondents**

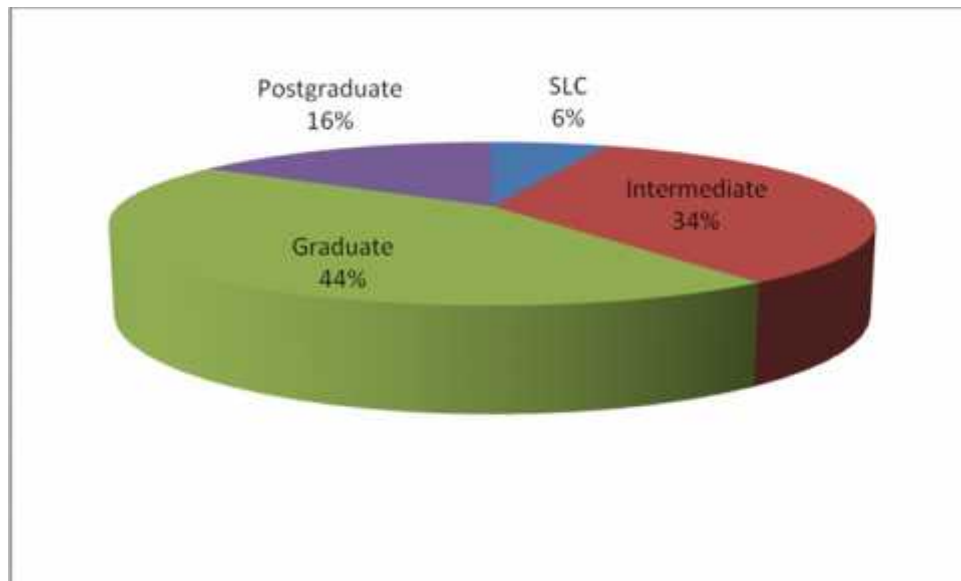
<b>Current Occupation</b>	<b>No of Respondents</b>	<b>Percentage</b>
Students	17	34
Job holder	24	48
Business	5	10
Social worker	4	8
<b>Total</b>	<b>50</b>	<b>100</b>

*Source: Survey Report, 2012*

Table 4.14 shows 48% of respondents are job holder, 34% are student, 10% are businessman and 8% are social worker. According to the sample collected, most of the respondents are found to be a job holder. Figure 4.11 respondents the data more clearly.

**Figure 4.11**

**Current Occupation of Respondents**



### 4.3.3 Age Group of Respondents

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

**Table 4.15**

#### **Age Group of Respondents**

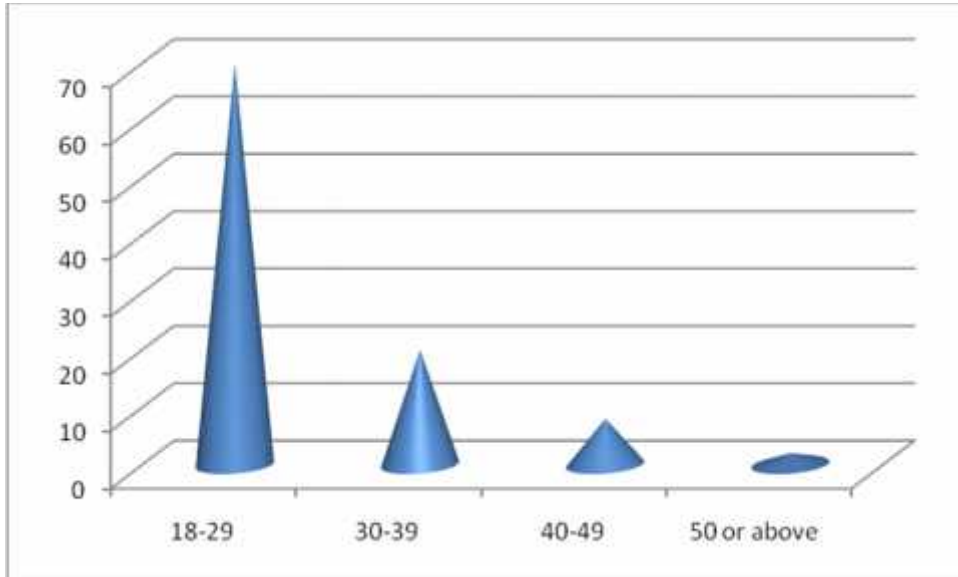
<b>Age Group</b>	<b>No. of Respondents</b>	<b>Percentage</b>
18-29	35	70
30-39	10	20
40-49	4	8
50 or above	1	2
<b>Total</b>	<b>50</b>	<b>100</b>

*Source: Survey Report, 2012*

Table 4.15 shows the age group of respondents. Most of the respondents fall in the age group of 18-29 which is 70%. It is followed by the age group of 30-39 which is 20% and 40-49 which is 8%. Only 2% of respondents are found to be in the age group of 50 or above. The most active buying age group according to the data is 18-29 years. The data has been presented in the figure 4.12 for better understanding.

**Figure 4.12**

**Age Group of Respondents**



**4.4 Major Findings of the Study**

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

1. The respondents preferred motorbike in comparison to other vehicles, as it is economical and it saves time. Only few respondents have been found prefer motorbike for its easy handling.
2. A large number of motorbike riders used motorbike for the purpose of transportation while the other used it for interest, pleasure and status respectively.

3. The study has found out advertising has moderate effect on problem recognition.
4. The responsibility first happened to know about the model of motorbike they bought through advertisement.
5. Performance of motorbike like mileage, ride and frequency of repair are the most sought information by the respondents in the consumer search behavior.
6. Respondents have given rank to different sources of information they used while purchasing a motorbike which are as follows:

Friends and Family	1 <sup>st</sup> Rank
TV advertisement	2 <sup>nd</sup> Rank
Visit to dealers	3 <sup>rd</sup> Rank
Test-driving	4 <sup>th</sup> Rank
Manufacturer's brochure	5 <sup>th</sup> Rank

7. In the alternative evaluation process, the motorbike buyers first looked for mileage while evaluating different models of motorbikes. Only few respondents considered warranty any credit facility in alternative evaluation process.
8. Friends are the most used source for recommendation while evaluating different model of motorbikes.
9. Respondents have given rank to the factors influencing consumer choice process while purchasing a motorbike which are as follows.

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

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

11. Respondents have given rank to different factors influencing consumer behavior which are as follows

Personal factors	1 <sup>st</sup> Rank
Social factors	2 <sup>nd</sup> Rank
Cultural factors	3 <sup>rd</sup> Rank
Psychological factors	4 <sup>th</sup> Rank

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

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

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

## **CHAPTER V**

### **SUMMARY, CONCLUSION & RECOMMENDATIONS**

#### **5.1 Summary**

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

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

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

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

The sample of respondents used in this study constitutes 50 motorbike buyers of Pokhara. Pokhara was chosen the geographical region to draw the sample from because the motorbike traffic here is tremendous compared to any other district of this region. The information and data required for conducting the study was entirely based on primary source. Primary information and data were gathered through structured questionnaire. Based on the objectives of the study, a comprehensive questionnaire was developed which included questions pertaining to consumer decision-making process and factors influencing consumer behavior.

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

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

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

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

## **5.2 Conclusion**

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

1. Motorbike has become the best means of transportation in comparison to other vehicles as it is economic, it saves time, it is easy to handle and it is easy to ride in crowded streets.
2. Nepalese consumers are moderately affected by advertisement on problem recognition.
3. Performance of motorbike like mileage, ride and frequency of repair are the most sought information by the respondents in the consumer search behavior.
4. TV advertisement is the most used source of information while purchasing a motorbike.
5. Nepalese consumers use friends as recommendation while evaluating different model of motorbikes.
6. Price is the most influencing factor in consumer choice process.

7. Personal factors like interest, occupation and lifestyle is the most influencing in consumer behavior.
8. Jobholder and students are the main customers of a motorbike.
9. An active segment motorbike owner is in the age group 18-29 years.

### **5.3 Recommendations**

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

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

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

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## Appendix 1

### A Survey on Motorbike Buyers

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

#### Section A: Problem recognition

1. Why do you prefer motorbike in comparison to other to other vehicles?
  - a. It is a economical
  - b. It saves time
  - c. It is easy to handle
  - d. Easy movement in crowded streets
2. What is the purpose of motorbike riding?
  - a. Transportation
  - b. Pleasure
  - c. Status
  - d. Interest
3. In what extent did you desire to own a motorbike watching an advertisement?
  - a. Very High
  - b. High
  - c. Moderate
  - d. Low
  - e. Very Low

## Section B: Consumer search behavior

1. How did you happen to know first about the model of motorbike you bought?

- a. My friends told me  c. I saw it in advertisement
- b. My family member/relative told me  d. I saw it in dealer's show room

2. Please tell me about the kind of information you sought about motorbike before you bought your motorbike?

- a. Features-electric start, disc brakes, looks
- b. Performance-mileage, ride, frequency of repair
- c. After-sale service
- d. Price

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

- |                            |   |   |   |   |   |
|----------------------------|---|---|---|---|---|
| a. TV advertisement        | 1 | 2 | 3 | 4 | 5 |
| b. Friends/Family          | 1 | 2 | 3 | 4 | 5 |
| c. Visit to dealer         | 1 | 2 | 3 | 4 | 5 |
| d. Manufacturer's brochure | 1 | 2 | 3 | 4 | 5 |
| e. Test driving            | 1 | 2 | 3 | 4 | 5 |

### Section C: Alternative evaluation

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

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

2. Was the model of motorbike you bought recommended by

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

### Section D: Consumer choice Process

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

- |                          |   |   |   |   |
|--------------------------|---|---|---|---|
| a. Price                 | 1 | 2 | 3 | 4 |
| 5                        |   |   |   |   |
| b. Brand                 | 1 | 2 | 3 | 4 |
| 5                        |   |   |   |   |
| c. Model                 | 1 | 2 | 3 | 4 |
| 5                        |   |   |   |   |
| d. Spate parts available | 1 | 2 | 3 | 4 |
| 5                        |   |   |   |   |
| e. Resale value          | 1 | 2 | 3 | 4 |
| 5                        |   |   |   |   |



c. Just satisfied

2. Are you using motorbike for purpose you bought?

a. Yes  b. No

3. If no, what actions have you taken?

a. Sold it  b. Exchanged it  c. Looking for sale

### **Section F: Factors influencing buyer's behavior**

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

1. Price of a motorbike reflects its quality.

1 2 3 4 5

2. Please check the factors that influenced your choice of the motorbike you bought. Please the sources, one being the highest.

a. Social factors-friends, family neighbors 1 2 3 4  
5

b. Personal factors-interest, occupation, lifestyle 1 2 3  
4 5

c. Cultural factors-nationality, religion, social class 1 2 3  
4 5

- d. Psychological factors-recognition, belongings, belief 1 2 3  
4 5

### Section G: Profile of the consumer

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