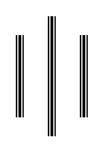
# A Thesis on "Decision Making Practices of Minibus Buying in Pokhara"



SUBMITTED BY: Shiva Nath Sigdel Campus Roll No: 214/061 T.U Regd. No: 7-3-48-3437-2004

SUBMITTED TO: Head of Research Department Prithvi Narayan Campus Faculty of Management Tribhuvan University

In partial Fulfillment of the Requirement for the Degree of Master of Business Studies (M.B.S)

Pokhara

April, 2011

# RECOMMENDATION

### This is to certify that the thesis submitted by

## Shiva Nath Sigdel

### Entitled

### "Decision Making Practices of Minibus Buying in Pokhara"

Has been prepared as in the form as approved by this department in the fulfillment of the partial requirement for the degree of Master of Business Studies (MBS). This thesis is forwarded for examination.

-----

Thesis Supervisor

Head of Research Department

\_\_\_\_\_

-----

Campus Chief

Date:

# **VIVA VOCE SHEET**

We have conducted the viva voce examination of the thesis presented by

### Shiva Nath Sigdel

Entitled

### "Decision Making Practices of Minibus Buying in Pokhara"

And found that the thesis to be the original work of the student and written according to prescribed format. We recommend the thesis to be accepted as partial fulfillment of the requirement for the degree of Master of Business Studies.

### Viva-Voce Committee

Chairperson (Head of Research Committee) ------

Member (Thesis Advisor): -----

Member (External Expert): -----

Member (Expert):-----

Date:

# Acknowledgement

I would like to express my heartfelt gratitude and sincere thanks to further individual for their valuable contribution to successful completion of this thesis.

I wish to express my deep gratitude to my thesis supervisor, Mr. Milan Vaidya, Lecturer of P.N Campus, Pokhara for his constant encouragement, patient guidance, valuable supervision and suggestion for this research study. Moreover I also would like to extend my special gratitude to Mr. Puspa Raj Sharma, Head of Research Department of Management for his valuable suggestion and kind cooperation.

I would to like to extend my sincere thanks to my friends for encouragement to complete this study. I would also like to express my thanks to all respondents and Liberian of P.N Campus for providing various books, reports and other publications.

Finally, I would like to thank my parents and relatives who have directly and indirectly contribute to accomplish the study.

Date:

Shiva Nath Sigdel Campus Roll No 214/061

# Declaration

I hereby, declare that the work reported in the thesis entitled "Decision Making Practices of Minibus Buying in Pokhara" submitted to the office of dean, faculty of management T.U is my original work done in the form of partial fulfillment of the requirement for the degree of Masters in Business Studies (MBS) under the supervision of Mr. Milan Vaidya, Lecturer of P.N Campus Pokhara.

Date:

Shiva Nath Sigdel Campus Roll No 214/061

# TABLE OF CONTENTS

	Vive Vees Sheet	Page No
	Viva-Voce Sheet	
	Recommendation	
	Declaration	
	Acknowledgements	
	Table of Contents	
	List of Tables	
	List of Figures	
	Abbreviations	
СН	APTER I-INTRODUCTION	1-6
1.1	Background of the Study	1
1.2	Focus of the Study	3
1.3	Statement of the Problem	3
1.4	Objectives of the Study	4
1.5	Importance of the Study	5
1.6	Limitation of the Study	5
1.7	Organization of the Study	6
CH	APTER II -REVIEW OF LITERATURE	7-12
2.1	Conceptual Review	7
2.1	.1 Buyer Decision Process	7
2.1	.2 Influence on the Buying Process	8
2.2	Review of Unpublished Literature	11
CH	APTER III -RESEARCH METHODOLOGY	13-14
3.1	Research Design	13
3.2	Population and Sample	14
3.3	Nature and Sources of Data	14

3.4	Data Collection Procedure	14
3.5	Data Analysis Tools	14
СНА	APTER IV -DATA PRESENTATION AND ANALYSIS	15-40
4.1	Sales Status of Minibus in Pokhara	15
4.2	Behavior of Minibus in Pokhara	17
42	2.1 Use in Public Sector	17
4.2	.2 Use in Private Sector	18
4.3	Criteria of Selecting Brand of Miniubs	19
4.4	Affecting Factors of Buyers Decision Making Process	21
4.4	4.1 Personal Belief of the Respondents	21
4.4	4.2 Influence of Outsiders and Family	23
4.4	4.3 Influence of Media and Others	24
4.5	Influence of Media and Promotion in Buying Decision Making	25
4.6	Demographic Features that affects Buying Decision Making	26
4.6	5.1 Income Level of Respondents	27
4.6	5.2 Age Group of the Respondents	28
4.6	5.3 Education Level of Respondents	29
4.7	Comparative Study of Buying Decision Making in between	
	TATA and Other Minibus	31
4.7	.1 TATA	31
4.7	.2 Others	32
4.8	Number of the Users of TATA and Other in Total	
	Respondents on the Basis of Different Distinct Features	32
4.8	8.1 On the Basis of Fuel Economy	32
4.	8.2 On the Basis of Durability	33
4.	8.3 On the Basis of Performance	35
	4.8.3.1 On the Basis of Performance in Hilly Region	35
	4.8.3.2 Average Preference on the Basis of Performance	36
	4.8.3.3 On the Basis of Servicing and Spare Parts	37

4.9	Overall Ranking of TATA and Other on the Basis of		
	Different Distinct Features	39	
4.10	Major Findings of the Study	40	

# CHAPTER V - SUMMARY, CONCLUSION AND RECOMMENDATIONS

42-46

5.1	Summary	42
5.2	Conclusion	44
5.3	Recommendations	45

REFERENCES

APPENDIX

## LIST OF TABLES

Table	No: Title	Page No
4.1	Total Sales Trend of TATA Minibus and other Minibus	16
4.2	Structure of Respondents	18
4.3	Criteria of Selecting Brands of Minibus	20
4.4	Personal Belief of the Respondents Regarding TATA Minibus and	nd
	Other minibus	22
4.5	Influence of Outsiders and Family in Buying Decision Making	23
4.6	Influence of Media and Others in Buying Decision Making	24
4.7	Influence of Media and Promotion in Buying Decision-Making	25
4.8	Income Level of Respondents under Study	27
4.9	Age Group of the Respondents	28
4.10	Education Level of Respondents	30
4.11	Comparison on the Basis of Fuel Economy	32
4.12	Comparison on the Basis of Durability	34
4.13	On the Basis of Performance in Hilly Region	35
4.14	Average Preferences on the Basis of Performances	36
4.15	On the Basis of Servicing and Spare Parts	38
4.16	Overall Ranking of Respondents about TATA and	
	Other Minibuses	39

## LIST OF FIGURES

Figur	re No: Title	Page
No		
4.1	Total Sales Trend of TATA Minibus and Other Minibus	16
4.2	Structure of Respondents	19
4.3	Criteria of Selecting Brand of Minibus	21
4.4	Personal Belief of the Respondents Regarding TATA Minibus an	d
	Other Minibus	22
4.5	Influence of Outsiders and Family in Buying Decision Making	23
4.6	Influence of Media and Others in Buying Decision Making	25
4.7	Influence of Media and Promotion in Buying Decision-Making	26
4.8	Income Level of Respondents under Study	28
4.9	Age Group of the Respondents	29
4.10	Education Level of Respondents	30
4.11	Comparison on the Basis of Fuel Economy	33
4.12	Comparison on the Basis of Durability	34
4.13	On the Basis of Performance in Hilly Region	36
4.14	Average Preferences on the Basis of Performances	37
4.15	On the Basis of Servicing and Spare Parts	38
4.16	Overall Ranking of Respondents about TATA and	
	Other Minibuses	40

# **ABBREVIATIONS**

%	-	Percentage
&	-	And
A.D.	-	Annodomini
B.S.	-	Bikram Sambat
i.e.	-	That is
LCV	-	Large Chassis Vehicle
MCV	-	Medium Chassis Vehicle
SCV	-	Small Chassis Vehicle
WTO	-	World Trade Organization

# **CHAPTER - I INTRODUCTION**

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

A buyer is anyone who might buy a given product. A buyer may be either an individual person or an organization that have an interest in the product and the means to acquire it. Therefore, a buyer is someone who is potentially willing and able to buy product offered by the marketer. Since the buyer and consumer create demand for the product, the aggregate of individual consumer or buyer is called as the "market". The success of the firm largely depends upon the buyer's offer. Their acts or responses denote the behavior of the buyers or consumers. These actions may either positive or negative. Positive actions of the buyers secure the future success of the firm. Whole negative actions of the buyers create problem to make the firm failure in the market place. Therefore, the marketer should be able to correctly analyze the environment.

Sales closing is normally depends upon activities and action of people that purchase and use economic goods and services including the influences on these activities and actions. 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 the 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.

However, behavior and decision making process of consumer differs from one to another; their buying process may be identical. Generally, the buyer buying process consists of five stages-problem recognition, information search, evaluation of alternatives, purchase and post purchase evaluation. The initial stage of consumer buying process is the problem recognition and it occurs when 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 buyer searches for the 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, buyer develops evoked set (the set of brands of product), which then buyer actually consider while making a specific brand choice.

Products in the evoked set have been evaluated on the third stage of buying process. To evaluate the products in the evoked set, a buyer 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 yields, on the next stage is purchase stage. During this stage, consumer selects not only the product or brand to buy but also select seller from the store from which he or she 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, a buyer starts to evaluate the product and its satisfaction, 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.

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 involved in purchasing and the nature of the products he or she wants to purchase. Person in high involvement decision process may omit some of this stage. Whatever is 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 reality the buyer is sovereign, deciding whether to accept or reject a product on the basis of whether or not it meets perceived needs or desires. To meet perceived needs and desire of the buyers, the marketer should understand the buying behavior of the buyer. Understanding of buyer buying behavior is complex and difficult task as it is influenced by many factors. Generally, buyer behavior is influenced by four factors such as: cultural (culture, subculture and social class);social(reference groups, family and social roles and status); personal(age ,stage in lifecycle ,occupation, economic circumstances, lifestyle, personality and self concept),and psychological(motivation, perception ,learning, beliefs and attitudes).Research of all these factors can provide clues to reach and serve buyers more effectively.

Buyer needs and desires undergo change from time to time. In order to adapt business with changing pace of buyers' needs and desires, it is essential for marketers to conduct research continuously on buyers. Realizing these facts, business enterprises of advance countries have carried out a series of researches on buyer behavior. However such practices of studying buyer buying behavior are rare in our country. Here, an attempt has been made to explore the buying decision-making with respect to minibus purchase in pokhara. The research is made in Nepal Bank Limited kaski branch consulting the borrower of auto loan.

### **1.2 Focus of the Study**

There are numbers of dealers dealing with sales of minibuses, like Sipradi Trading, National Motors And Sales e.t.c. which offers different brand of minibuses. The success and failure of any firm entirely depends on buyer's reaction to its offerings. It is, therefore essential for the marketer or manufacturer of the products and services to understand the buyers' buying behavior in today's changing and competitive business environment. The world is becoming very much complex and competitive day by day, so the task of marketer is also increased. Therefore to understand buyer behavior, it requires continuous efforts of investigation and exploration of customers. However, such practices of investigation and exploration are rare in the case of Nepal, different multinational companies are spending large sum of money for this purpose.

Different motorcycle dealers are making the tremendous effort to pull the buyer's attention toward the product but it is not in fact investigation and exploration. It is totally negligible in the case of four wheelers. In such circumstance, an effort has been made to explore the fact related to buying decision making with respect to minibus purchase in k and I have taken reference of TATA and Ashok Leyland minibuses as these brands are most preferred by the buyers.

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

After the membership of Nepal in WTO it is noticed that the business environment of Nepal will be far much complex and complicated in lack of proper study and research. In recent years, the international business environment has been marked by far reaching changes. In recent years the business environment of Nepal has been changed drastically Free and liberal policy have increased the business activities to a great extent throughout the county in one hand, on the other hand the competition is tough. So now almost efforts of the sellers are strictly focused to customer orientation and selling of product. In the competitive market the buyer has the number of choices and freedom of choice in product amongst to many alternative offerings. The buyer has freedom of whether to accept or reject the product, on the basis of either the offer of product as per his choice or not. Thus customer orientation is very much difficult and complex task. So the marketer should understand the buying behavior of buyer. Understanding of buyer buying behavior is influenced by different external environmental and personal beliefs. Furthermore buyer behavior is dynamic phenomenon.

As, there is existence of too many alternative product, the buyers have freedom in choice. In another part the need and desires of buyer undergo change from time to time. In order to adapt business with changing pace of consumer needs and desires, it is essential for marketers to conduct research continuously on buyers. Realizing this fact, business enterprises of advanced countries have carried out a series of researches on buyer's behavior. Here an attempt has been made to study on purchase of minibus in the reference of TATA and MAJDA minibus in pokhara. The study raises a some issue to be addressed which are stated below:

- 1. What are current buyer's and it's composition?
- 2. What is the current purpose of buying minibus in pokhara?
- 3. What are the major factor that affecting while purchasing minibus in pokhara?
- 4. What are external environment and personal beliefs that can influenced in buyers decision.

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

Nepal is an underdeveloped country, so it lacks the proper infrastructure facility like bridges, roadways airports etc. So Nepalese people prefer the small micro (small) vehicle for transportation to easily operate in narrow road. Almost in city area where there is narrow road minibuses are easy vehicle to operate. So, I felt it is best to choose minibuses for my study. This study will be based on the buying decision making with respect to minibus purchase in kaski district, it will benefit the purchaser to identify which brand is best and it helps the dealer in closing sales. The main objectives of this study will be as mentioned below-:

1) To evaluate the major purpose of minibus purchasing in pokhara.

- To asses the buyer perception on brand preference before making a buying decision.
- 3) To explore the reasonable factor that could lead buying decision.
- To identify the factors under which the buyers of minibus make the decisions before selecting of brand.

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

Competition brings threats to the marketer and opportunities to the buyers. Nepalese market is also gradually netting by cutthroat competition. Different types of product with different features and models are available. In this context it is difficult for buyer to select the best-fit brand and in the other hand it makes sellers to select the target market and close the sale. As the focus of this study is based on the buying decision making with respect to minibus purchase in kaski district, both the marketer as well as buyer will be benefited by this study. The marketer can use the findings of this study as guidance for making strategies for successful marketing of their product. Especially this study benefits the dealer of the minibuses specifically Sipradi Trading Pvt. Ltd. It also benefits the owner of minibuses in pokhara. It will provide valuable guidelines and reference to the scholars and who are interested in conducting further research on buyers buying behavior.

### **1.6 Limitations of the Study**

This study will be conducted for partial fulfillment of master's degree in business studies. Being a student, I prepare this thesis in rush of time and in lack of resources. Thus, the study will be certain limitations, which will be as follows:

- This study will be made amongst the customers of Pokhara only. Sample size for the study will be taken from Pokhara
- The study will be entirely based on the opinions, views and responses of the owner of minibuses of Pokhara.
- The study will be entirely based on primary data and it will be supported by secondary data.

In spite of these limitations, lots of effort will be made to make this study more reliable and accurate.

### **1.7 Organization of the Study**

The study will be sub-divided in to five chapters. Chapter one contains Background of the Study, Focus of the Study, Statement of the Problem, Objective of the Study, Importance of the Study and Limitation of the Study.

The chapter two will be designed to examine the review of related literatures; especially the buyer's decision process and factors influencing buyer's behavior. Other relevant past studies also has been reviewed.

Chapter three describes the methodological aspect of the study. It contains Research Design, Population and Sample, Nature and Sources of Data, Data Collection Procedures and Data Analysis Tools.

Chapter four incorporates the main body of the study data presentation and analysis. This chapter is key chapter, which highlights the objective-wise data presentation, analysis and interpretation. Major findings of this study are also presented in this chapter.

Finally, summary, conclusion and recommendations will be presented in Chapter five In addition, an extensive references and appendix will be presented at the end.

# **CHAPTER - II**

### **Review of Literature**

We always engage in purchase different type of goods 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 explanation about this. Some of these views of the writer will be remembered here in this chapter.

People are constantly involved in buying decision-making whether the product they purchase quickly such as food or consumed slowly over time. Buyers make much decision everyday. Buyers usually purchase the product only after prior thought and action. Their purchase decision typically involves several steps. Mainly a buyer has to pass through five stages. These stages are Need recognition, Information search, Evaluation of alternatives, Purchase decision, and Post purchase evaluation.

### **2.1 Conceptual review**

### **2.1.1 Buyer Decision Process**

- Need Recognition- The decision process begins when the buyer recognizes a need. Buyers may experience a need themselves or others trigger them. Arousal of a need drives the person into a state of discomfort and anxiety. It is reduced when the consumer acts to satisfy the need.
- 2) Information Search- once a buyer recognizes the need, he will search for ways of satisfying it. The search for information is very costly. It requires time and effort. The buyer may obtain information from several sources. These sources include-
- a) Personal sources-Family, friends, neighbors, acquaintances etc.
- b) Commercial sources Advertising, salespeople, dealers, packaging, displays, etc.
- c) Public sources-Mass media, consumer rating organizations, etc.
- d) Experiential sources Handling, examining, using the product.

Buyers learn about various alternatives, their features, strength and weakness through information search. They collect information of related products from all possible sources for better evaluation of alternative products.

### 3) **Evaluation of Alternatives**

After collecting information about alternatives, buyer review the information, evaluate the alternative, and select the best alternative that best satisfies their needs. Each individual has own system of evaluation. The consumer may have single criteria quality of the product or several criteria such as quality, ease of use, size, price etc.

### 4) **Purchase Decision**

After searching information and evaluation, the consumer must make purchase decision. The first outcome in the decision is to purchase or not to purchase. If the decision is to purchase series of related decision must be made regarding brand, payment methods, warranties, delivery, after sales service and installation.

### 5) **Post Purchase Evaluation**

The final stage in decision process is post purchase evaluation that is evaluation of the purchase decision. Buyer must still decide whether they have made wise decision. After purchase, buyer uses the product and decides whether satisfied or dissatisfied. If the product meets the consumer's expectations, they are satisfied; if it exceeds expectations they are delighted. This consequence reinforces future loyalty to the brand. (*K.N Shrestha, 2002, Fundamental of Selling, page 63-66*).

### **2.1.2 Influences on the Buying Process**

Buyers make many buying decisions everyday. Their buying process is influenced by a number of factors, they can't be control by others totally but it can be take into account. These factors classified under the following three headings.

 Buying Situation-Buying process varies with the type of buying situation. Buying situation further divided into-i) Extensive problem solving ii) Limited problem solving iii) Automatic response

- 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 withy 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
- 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.

### 2) Buyer Characteristics-

Buying process is largely influenced by buyer's characteristics. Each buyer has hundreds of characteristics. The major characteristics of buyer are explained below-

### i) Demographic characteristics-

Demographics are vital statistics of describing people such as sex, age, and marital status, number of children, education and geographical location. These characteristics indicate certain buying pattern. People change the products they buy over their lifetimes.

### ii) Socio-economic Characteristics-

A buyer's economic situation will greatly affect product choice. Buyers can be categorized into social classes based on their income, education and occupation. For example, buyer with higher income is in higher social classes. Social class can be used a predicator of a buyer's buying process. Buyers in high social class are generally exposed to more information about products and have opportunities to evaluate more alternatives than buyer in social classes when a purchase decision is made.

iii) Personality-

Personality refers to the unique psychological characteristics that lead to relatively consistent and lasting responses to one's own environment. It can be useful in analyzing buyer behavior for some product choice.

### iv) Life Style-

People coming from the same social class and even occupations may have quite different life styles. Life styles refer to the patterns of living as expressed in a person's activities, interests and opinions. The techniques of measuring life styles are known as psychographics. People's life style undoubtedly influences their choice of products and their brand preferences. There are no common accepted categories of life style.

### v) Learning-

Learning may be defined as changes in behavior resulting from previous experiences. Learning theorists say that most human behavior is learned. Learning occurs through the interplay of drives, stimuli, cues, and responses and reinforce.Repeated reinforcement leads to a habit or brand loyalty. Once a habitual behavior pattern has been established, it replaces conscious, willful behavior.

### vi) Beliefs and attitudes-

A belief is a descriptive thought that a person has about something. It may be based on real knowledge, opinion and faith. An attitude describes a person's relatively consistent evaluations. Beliefs and attitudes are influenced by personal experience and information gained from various personal and impersonal sources. People tend to act on their beliefs and attitudes.

### **3.** Group Influence

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.

### i) The Family-

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-

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. (*Shrestha, K.N., 2002, Fundamental of Selling, page 67-71*).

### 2.2 Review of Unpublished Literature

In this segment different former thesis of Tribhuvan University will be reviewed, which I will think very much supportive during my study. These theses will provide me baselines for my overall study.

Dahal, 1994, titled "Patterns of consumer decision making process while purchasing high involvement goods in Nepal". The study has the objectives-

Pattern of decision making strategies consumer utilize while making purchase 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 Kathmandu 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, advertisement , interpersonal source and dealer visit. Nepalese buyers have rather small –evoked set size for both the makes and model. Total search effort was positively with education , but it was negatively related with prior preference for manufacture and model.

B) In 2004 (Bhandari) has conducted a research "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 and examine the product attributes sought in the motorbike brand and to find out the asses the customers perception on brand preference.

The research mainly base 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-Baja 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 term of fuel efficiency , resale value and aesthetic looks. Yamaha has been found having high value, high power and moderate looks. K-Baja has been represented by it's 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. Dayang brand of motorbike has been found more positive on it's aesthetic looks and finance facility.

In this way different published and unpublished literatures support me during my study. These sources assist me to carry out the study, sampling process and to reach conclusion of arise problems and make conclusion. So I'm very much grateful to the publishers.

# CHAPTER - III RESEARCH METHODOLOGY AND DESIGN

Research methodology is a way to systematically solve the research problem. It facilitates the research work and provides reliability and validity to it. Research methodology employed in this study will be presented below.

### **3.1 Research Designs**

Research design is the specification of procedures for collecting and analyzing the data necessary to help, identify or react to the problem or opportunity. It 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 will be some value as it helps improve the decision.

The research design under this study will be Descriptive can analytical research design. Descriptive analytical 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 marketing problem. Descriptive research is a fact-finding operation searching for information. It is a type of survey study, which is generally conducted to assess the opinions, behavior, or characteristics of a given population and to describe the situation and events occurring at present. The objective of this study is to examine buyer behavior and decision making process with respect to minibus purchase in Pokhara. Descriptive research is widely conducted to solve various marketing problems. So according to the nature of the study I have chosen the descriptive research design.

### **3.2 Populations and Sample**

Under this study population will represents the total minibus buyer in kaski district. It includes well-defined number of the minibus owner. Sample is the selection of certain number of respondents out of population. Sample will be taken out of whole universe.

The sample of respondents will be used in this study constitutes 50 minibus users & Local news papers. Pokhara city will be chosen as the geographical region to draw the sample because minibuses are operated successfully here as compared to any other district. The respondents in sample will believed to be the true representative of the population

### 3.3 Nature and Sources of Data

The information and data required for conducting the study will be entirely based on primary sources. Primary information and data will be gathered through structured questionnaire. Based on the objectives of the study, a comprehensive questionnaire will be developed which included question pertaining to consumer decision-making process and factors influencing consumer behavior.

### **3.4 Data Collection Procedures**

The data will be collected through self-administered structured questionnaire. It will be collected through minibus owner. The respondents will be different age group, education level and income level. The respondents will be supported by oral explanation when they did not understand the questionnaire.

### **3.5 Data Analysis Tools**

The questionnaire will be distributed and collected to make them applicable for presentation and analysis. Analysis will be done according to nature of data . Presentation of data will be done on table form, simple diagram, bar diagram and pie chart. The interpretation and explanation will be made whenever necessary.

# CHAPTER - IV DATA PRESENTATION AND ANALYSIS

This chapter is concerned with the presentation and analysis of data of this research study. It is the main part of this study. This chapter was focused on the presentation and analysis of buying decision making with respect to Minibus purchase in Pokhara and sales status of TATA and others Minibus in pokhara as well as aggregate in Nepal. To achieve the stated objective of the study and to make easier to understand the findings, qualitative as well as quantitative data and information had been analyzed.

### 4.1 Sales Status of Minibus in Pokhara

Minibus is a four wheeler vehicle ,one of the means of transport, which requires more involvement of a consumer to buy this product. Transportation moves people and goods from one place to another using a variety of vehicles across different infrastructure system. Transportation history of minibus in pokhara.

Walling: It is connected by the Siddhartha highway, to pokhara and schedule minibus and busses affiliated with the Siddhartha high way.

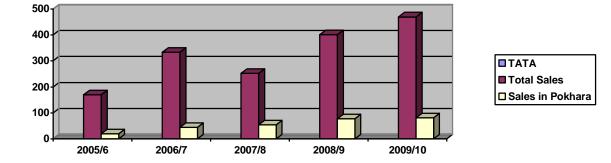
Butwal; From the border at Sunauli to Pokhara and then eastern ...west ...sine then operators have added newer minibuses popularity called Micro.

Kathmandu:It is connected by the prithvi high way to pokhar and schedule minibus and busses affiliated with the prithvi high way.

Baglung: It is connected by the bhupisherchan highway to pokhara and schedule minibus and busses affiliated with the baglung high way (bhupisherchan high way)

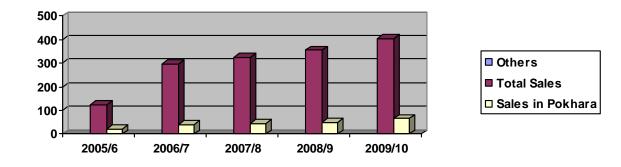
Company/F.Y.	2005/6	2006/7	2007/8	2008/9	2009/10
TATA		1	1		1
Total Sales	170	334	252	402	470
Sales in	20	44	54	78	81
Pokhara					

Table 4.1: Total Sales TATA Minibus and Others Minibus



(Source : Company Report)

Company/F.Y.	2005/6	2006/7	2007/8	2008/9	2009/10
<u>Others</u>		1	I		
Total Sales	125	295	325	355	405
Sales in	22	40	44	50	66
Pokhara					



(Source : Company Report)

### Figure 4.1:Total Sales TATA and Others Minibus in Pokhara

In the above table and diagram represented that, the sales status of TATA and others Minibus in pokhara. It is clearly showed that, the sales trend of Minibuses in Pokhara t are in increasing trend, it means the number of buses are increasing in Pokhara as well as in aggregate is also increasing.

### 4.2 Behavior of Minibus Purchase in Pokhara.

There are two main purpose to purchase a minibus in pokhara. They are given below

### 4.2.1. Use In public Sector

Under this users purchase minibus to operate and provide service to public as public carrier by operating minibuses in certain route such as lake side, bazaar, mahendrapool. Chinnendhana, kahukhola, miyapata ,mahendragufa etc

s.no	Route	Number of bus
1	PN Campus to fewatal, chorepatan	52
2	PN Campus to lamachur, mahendragufa	16
3	PN Campus to Khalte mashina	16
4	Simpani to chauthe, eye hospital, dobila	30
5	Manipal to tudikhel, fulbari hotel, belghari	28
6	Miya patan to Purano dudikhel	19
7	Hallan chowk to kaukhola ,kasheri	20
8	Pokhara to khadikhola	2
9	Hallan chowk to pame	4
10	Pokhara jodane kabisaharu ma	24

(Source: Pokhara minibus office)

### 4.2.2. Use in Private Sector

In this purpose the minibus users operate the minibuses for carrying the students of schools and colleges and to carry tourist also.

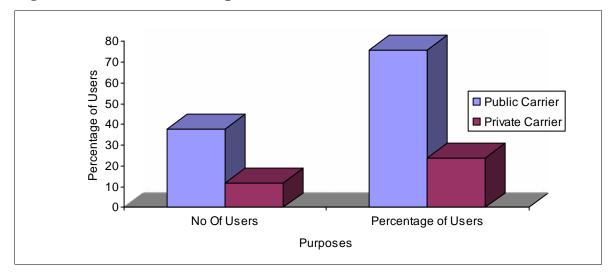
It is difficult to say exactly how many operators' uses minibuses for what purpose. In another way buyers of minibus in Pokhara can be categorized into consumer buyer and institutional buyer .Consumer buyer operate minibuses in their own supervision while institutional buyer purchase minibus and hire them to third parties. Here an attempt had been made to find out the purposes of minibus buyers in Pokhara with the support of data presentation .Researcher would like to join my study what is the percentage of people who use minibuses for these two purposes. For this researcher have taken the 50 different people having different demographic features and beliefs. Table4-1 shows the actual result of purpose of minibus purchase in Pokhara.

Purpose	rpose Female N		No of	Percentage
rurpose	remate	Male	Users	of users
Public	7	31	38	76
carrier				
Private	3	9	12	24
Carrier				
Total	10	40	50	100

 Table 4.2: Structure of Respondents

(Source: Field Survey, 2011)

The study result that majority of percentage i.e., 76% of minibus buyer uses minibus for public carrier. They operate minibus for carrying passenger from on place to another in specific route. The data has been presented in figure 4-2



**Figure 4.2: Structure of Respondents** 

In the above diagram the first bars represent the total number of users out of total respondents using minibuses for two different purposes i.e. Public Carrier and Private Carrier and second bars represent the percentage out of total respondents using minibuses for these two different purpose. Buyers in Pokhara use minibuses mainly for carrying public as public carrier.

### 4.3 Criteria Of Selecting Brand of Minibus

To find out the areas under which the buyer of minibus makes decision before purchasing a particular brand I have taken sample of 50 different minibus users of Pokhara. The concern of buyer about what attributes they analyze before selecting a brand are presented in table 4-3

Criteria	No of Respondents	Percentage in total respondents
Price of Minibus	18	36
Fuel consumption of minibus	13	26
Durability of minibus	10	20
Performance of minibus	9	18
Total	50	100

### Table 4.3: Criteria Of Selecting Brand of Minibus

(Source: Field Survey, 2011)

The finding from the study reveals that the main factor that highly affects the consumer decision-making process is price. By the study it is known that 36% of the buyer is price conscious, 26% of buyers are motivated by fuel economy, and 20% by durability of the minibuses and 18% are motivated by the performance of the minibuses. The finding from the study is represented in figure 4-3 below.

# Price Fuel Consumption Durability Resale Value Pick Up Criteria for Selecting Particular Brand

### Figure 4.3: Criteria Of Selecting Brand of Minibus

The above chart denotes that the buyers of minibus in Pokhara are high price conscious. They are more selective and attracted by the features like fuel consumption and durability. They give less priority to features like resale value and credit facility and pick up of minibuses.

### 4.4 Affecting Factors of Buyers' Decision Making Process

### **4.4.1** Personal Belief of the Respondents

Personal belief of respondents highly influence the buying decision making process. Personal belief in long term finally becomes the brand loyalty of the buyer toward the particular product. Majority of decision about accept or reject a particular product largely depends upon the personal belief of the buyer. So to find out the effect of personal belief in consumer decision-making . The belief of the respondents about this fact is presented in table 4-4 below:

Opinions	No of Respondents	Percentage in total	
Strongly Agree	6	12	
Agree	8	16	
Undecided	5	10	
Disagree	13	26	
Strongly Disagree	18	36	
Total	50	100	

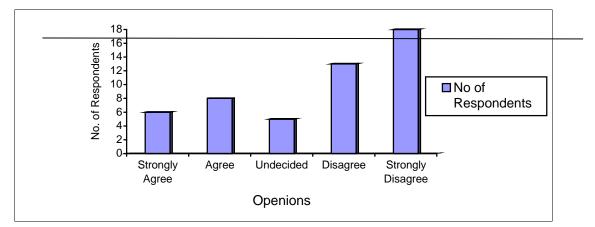
 Table 4.4: Personal Belief of the respondents Regarding TATA Minibus and

 Other Minibus

(Source: Field Survey, 2011)

In fact in standard ride condition others minibus consumes less fuel than TATA minibus but the study show that the people have strong belief that minibus produced by TATA company are more fuel efficient than any other models. By the study, 36% of the respondents strongly disagree with this statement that is due to public image of TATA as more fuel economical brand. The personal belief of the respondents regarding this study is shown in figure 4-4 below

Figure 4.4: Personal Belief of the respondents Regarding TATA Minibus and Other Minibus



Above figure show that buyers have great image about the Minibus of TATA has fuel economy. This is the reason behind even though Others minibus

is more fuel efficient in true sense; people decide TATA is more fuel economical.

### 4.4.2 Influence of Outsiders and Family

It is seen that in Nepalese society before purchasing a high value good, buyer discussed with family, friends' salesperson relatives etc. So to find out the facts that are the outsiders they influence the buying decisionmaking I ask the question to 50 different respondents. Table 4-5 shows the views of respondents

### Table 4.5: Influence of Outsiders and Family in Buying Decision

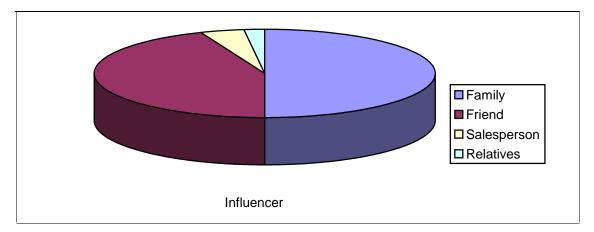
Influencer	Female	Male	No of respondents	Percentage in total
Family	5	20	25	50
•				
Friend	4	18	22	44
Salesperson	1	1	2	4
Relatives	0	1	1	2
Total	10	40	50	100

Making

(Source: Field Survey, 2011)

Above table shows that while making decision to select a product, recommendation of family influence more to all. Out of 50 different people, half percentage of people give the answer, they influenced much by family. The data find out is presented in figure 4-5 below:

### **Figure 4.5: Influence of Outsiders and Family in Buying Decision Making**



Above chart show that family has dominant role in buying decision making of the buyer. The study on fifty respondents gives those fifty percentages of respondents makes buying decision according to the decision of their family. In second, buyer buying decision-making is affected by friends and then after by sales person and relatives respectively.

### 4.4.3 Influence of Media and Others

To find out the fact influence of media and other sources in buying decision making process we ask the question to fifty different respondents that - Are you initiate more by media or by other sources for making the decision to purchase or reject the product. The result is presented in table 4-6 below

Influencer	No of Respondents	Percentage in total
Media	23	46
Others	27	54
Total	50	100

Table 4.6: Influence of Media and Others in Buying Decision Making

(Source: Field Survey, 2011)

The study reveals that majority of buyers are influenced by others sources rather than media. Here, this study concludes that other sources friend influences the majority i.e., 54% of buyers, media influences family and pear groups etc and only the minority percentage i.e, 46%. But the study shows that media has also plays tremendous effect on buying decision-making. This is presented in figure 4-6

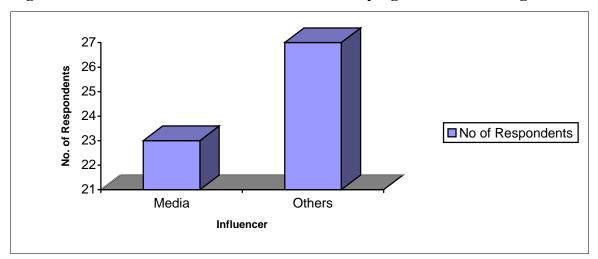


Figure 4.6: Influence of Media and Others in Buying Decision Making

Above figure concludes that buying decision making of the buyer is more affected by the other sources like friend, family, sales person, relatives rather than media like electronic, print media etc.

### 4.5 Influence of Media and Promotion in Buying Decision-Making

It is found that media and promotion highly influence the buying decision-making. For this I ask question to 50 different respondents about-how much you purchase the product by observing advertisement. The responses of the respondents are tabulated below in table 4-7

 Table 4.7: Influence of Media and Promotion in Buying Decision-Making

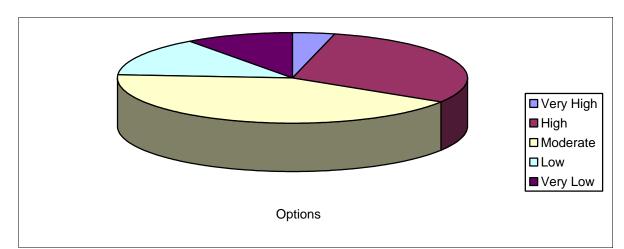
Options	Public	Private	No of	Percentage in
			respondents	total

Total	30	20	50	100
Very Low	3	2	5	10
Low	4	3	7	12
Moderate	14	7	21	40
High	7	8	15	32
Very high	2	0	2	6

(Source: Field Survey, 2011)

People don't believe that promotion and advertisement very high influence the buying decision-making. In total about 40% of the respondent view that media and advertisement affect in moderate level in buying decision-making. All the respondents are found affected more or less by media and advertisement. Only 10% expressed that they are vary low influenced by promotion. In conclusion, promotion play vital role on buying decision making process. The idea expressed by the respondents is presented in figure 4-7 below:

Figure 4.7: Influence of Media and Promotion in Buying Decision Making



Among the fifty respondents of Pokhara 40% of the respondents viewed that media has moderate level of influence in buying decision-making and only ten percentages viewed that media has very low influence in buying decisionmaking.

#### 4.6 Demographic Features that affect Buying Decision Making Process

Before going to main topic, I had taken the views of respondents to carry out the major demographic features that affect buying decision-making process and to make my study easy. The demographic features that are under study here are- Income level, Education level, Age group to simplify the study and find out the popularity of the product having different demographic racial. So, for this I had presented and analyzed the following profile of the buyer

#### 4.6.1 Income levels of Respondents

For this I have choose 50 different respondents who further found that they learn income 5 to 25 thousands per month. The findings are presented in table 4-8

Earning per month	No of Respondents	Percentage in Total		
in thousand				
Up-10	7	14		
10-15	12	24 14		
15-20	7			
20-25	13	26		
Above 25	11	22		
Total	50	100		

#### Table 4.8: Income Level of Respondents under Study

(Source: Field Survey, 2011)

The above table 4.8 expressed that the majority of buyers having income level in between 20-25 thousands per month. The income level of the respondents found here is quite high because almost of respondents were professional minibus operator of Pokhara. The result obtained by the views of respondents are presented in Figure 4.8 below:

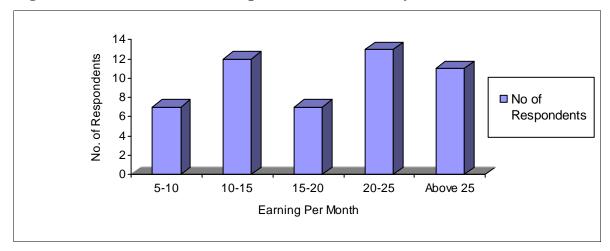


Figure 4.8: Income Level of Respondents under Study

The above figure show that the maximum percentage of respondents are earning the income between Rs.20000-Rs25000.The income of respondents found quite high because minibus business in Pokhara is profitable in the comparison of any other districts.

#### 4.6.2 Age group of the Respondents

Age group of respondents highly influences the buying decision making of the buyer. So here I like to add the topic age group as another demographic feature. The demand and desire of the product of the people of different age group is said to be different .So I had made the survey selecting the 50 different respondents to find out the age group of the respondents under my study. The finding is presented in table 4-8 below:

No of respondents	Percentage in Total
11	22
18	36
10	20
8	16
3	6
50	100
	11 18 10 8 3

 Table 4.9: Age Group of the Respondents

(Source: Field Survey, 2011)

The above table shows that the majority of the buyers/respondents are between the age group 20-50 years and minority in age between 50-60 years. The age group of the respondents is presented diagrammatically in Figure 4.9 below:

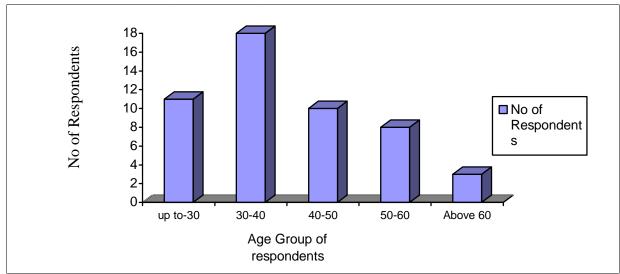


Figure 4.9: Age Group of the Respondents

Diagram 4.9 represents the age group of the respondents where 78% of respondents are aged 20-50 which is highest percentage in total and only 22% of respondents are age between 50-70. It concludes that only least no of old aged buyers are engaged in minibus operation business.

#### 4.6.3 Education Level of Respondents

Another factor that influences the buying decision-making is education level of respondents. Education brings rationality in people. So we have taken 50 respondents/minibus users to find out their academic qualification. The findings from the study is represented in table 4.10 below:

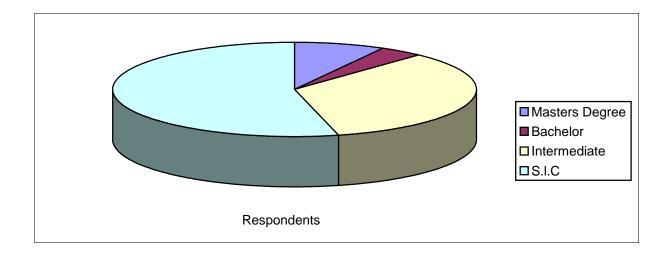
Education Level	Female	Male	No of respondents	Percentage in total
Masters degree	0	3	3	6
Graduate	1	1	2	4
Intermediate	3	13	16	32
S.L.C	6	23	29	58
Total	10	40	50	100

 Table 4.10: Education Level of Respondents

(Source: Field Survey, 2011)

Study presents that mostly the respondents are having the qualification under intermediate and minority numbers of respondent's i.e, 10% of respondents are having qualification above graduation. The education level of respondents are represented diagrammatically in figure 4.10 below:

#### **Figure 4.10:Education Level of Respondents**



The above figure represent among the respondents among the respondents more then 50% i.e, 54% of minibus users are having qualification equal to S.L.C and only the few respondents i.e, 8% are having qualification masters degree and only 4% of respondents having qualification equal to bachelors degree.

Above demographic features of the users /respondents are further discussed because it assist me to predict how to get into the main topic of my study It also help to carry out what the demographic features that affects the buying decision making. Further I found that the way of spending habit is different in different income level. Education level allows quick decision making in selection of particular brand and evaluation of available alternatives. On the other hand it is found that desire and decision-making capacity is indifferent in different age group. I found decision made by teen-agers to purchase a product is quick, immature and emotional whereas decision made by the respondents of age group between 30-60 years is slow, matured and less emotional. This study about the demographic features helps me vary much during my study.

# 4.7 Comparative Study of Buying Decision Making in between TATA and Other Minibus

General introduction of TATA and Other and their dealership in Nepal

4.7.1 TATA

TATA brand of motors are famous in both Nepal and its mother country India and other third countries also. TATA is the manufacturer and distributor of different type of vehicle worldwide. TATA is also taking part in different world class motor racing with its racing car. So TATA has established its own name and fame among the manufacturer of vehicles. TATA has three major vehicle manufacturing plant in India. The head office of TATA is in Mumbai and plants are established in Pune, Jamsedpur and Lakhnow of India.

The dealership of TATA motors had been taken by Sipradi Trading Pvt. Ltd. It was established in 1982 A.D with the motive of distributing the TATA automobiles Nepalwide. . Head office and workshop of Sipradi is in Naya Naikap ,Kathmandu and sales office and showroom is located in Thapathali, Kathmandu.The branches of Sipradi is located in Pokhara, Itahari, Birgunj, Narayangadh, Butwal, Nepalgunj and Dhangadhi.So, these branches are serving in effective distribution of TATA brand motors Nepalwide in one hand ,in the other hand people are getting the vehicle of their own choice in their city. Beside vehicle Sipradi is distributing Excide batteries, Lube MAK engine oil and spare parts. Altogether there are around four hundred working staffs in Sipradi.

TATA has manufacturing different types of vehicle useful for carrying cargo and passenger. Currently, TATA is manufacturing Bus-M.C.V and L.C.V, Truck-H and M.C.V trucks, L.M.V DI pick up. S.C.V ACE. etc. Beside these brands TATA is manufacturing world class vehicles.

#### **4.7.2 Others**

Majda and aicher, mitshubi, and kia is famous for manufacturing high powered vehicles and heavy equipments. Main focus of Majda, kia, mitshubi, ashok laylad and aicher is in manufacturing heavy equipments like tractors, cranes, rollers, trippers, cars etc. Besides that buses and trucks of Majda and aicher are famous in Nepal also. People believed that vehicles of Majda , mitshubi and aicher are very much fit for the low land rather than hilly region.

The main dealership of

Majda and aicher, mitshubi, and kia Minibus had been taken by Kumar and brothers (A & G), Atoways , Bishwokarma atoways, and A & G Atoways .

#### 4.8 Number of the Users of TATA and Others in Total

#### **Respondents on the Basis of Different Distinct Features**

#### **4.8.1** On the basis of fuel economy

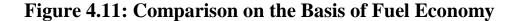
Under this study I have taken 50 respondents of different age group out of Kaski district and ask the question on the basis of fuel economy, which brands you, must prefer TATA or Others. The finding is presented in table 4-11 below.

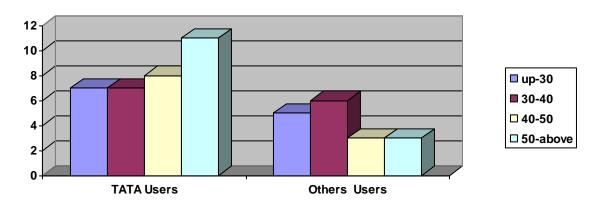
Age	ТАТА	Others Users	TATA	Others
Group	Users		Percentage	Percentage
Up-30	7	5	14	10
30-40	7	6	14	12
40-50	8	3	16	6
50-above	11	3	22	6
Total	33	17	66	34

 Table 4.11: Comparison on the Basis of Fuel Economy

(Source: Field Survey, 2011)

Above data represents that the majority of users i.e, 76% of users believe that TATA minibuses are more fuel economical than Others minibus. Only 34% of users believe that Others minibuses are fuel economical. The finding from the study is presented in figure 4-11 below.





The figure above represents that the TATA minibuses are more fuel economical than Others.

#### **4.8.2** On the basis of Durability

Before selecting a particular brand of product buyers spend plenty of time for finding out the durability of product. So I think the feature durability meanings more for buyer .So to find out the durability of brands i.e., TATA and others I ask with 50 buyers/respondents of minibuses having age between 10 to 60 -which brand you found more durable. The views of respondents are presented in table 4.12 below

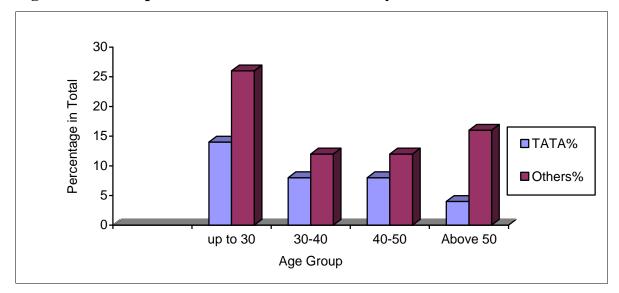
Age Group	ТАТА	Others	TATA Percentage	Others Percentage
Up to30	7	13	14	26
30-40	4	6	8	12
40-50	4	6	8	12
50 above	2	8	4	16
Total	18	32	34	66

 Table 4.12: Comparison on the Basis of Durability

(Source: Field Survey, 2011)

The above table summarize that it is believed that others minibuses are more durable than TATA minibuses. Out of 50 minibus users 66% of respondents believe that Others minibuses are more durable than TATA minibuses. Only 34% of respondents believe that TATA minibuses are more durable than Others minibuses. It is represented in figure 4.12 below:

Figure 4.12: Comparison on the Basis of Durability



Above figure presents that Others minibuses are believed to be more durable than TATA minibuses. So dealer of Others Minibus can focus in this feature to enhance the sales of their product.

#### **4.8.3** On the basis of Performance

Performance is another main attribute of the automotive equipments. So the buyers make great consideration about the performance of the product before buying a product. Thus I have asked 50 respondents of Pokhara-which brand have good pick-up in between TATA and Others. Further I found that the respondents viewed that both brand of minibuses gives different performance in hilly reasons.

#### 4.8.3.1 On the Basis of Performance in Hilly Region

Under this study I've select 50 different minibus users/respondents of Pokhara and carry out their views which is presented in table .The views of these respondents are tabulated below in table 4.14.

Age	ТАТА	Others	ТАТА	Others
Group			Percentage	Percentage
Up to 30	14	6	28	12
30-40	7	3	14	6
40-50	8	2	16	4
50-60	8	2	16	4
Total	36	14	74	26

 Table 4.13: On the Basis of Performance in Hilly Region

(Source: Field Survey, 2011)

The above table concluded that the performance of TATA and Others minibuses. Out of 50 respondents 74% viewed that TATA's performance more to Others in hilly region. Only 26% viewed that Others performance is good to TATA's performance in hilly region. The findings are presented in figure 4.14 below:

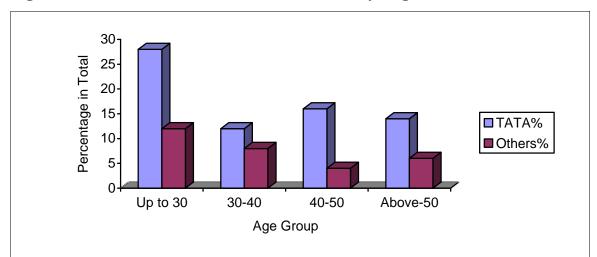


Figure 4.13: On the Basis of Performance in Hilly Region

Majority of respondents viewed that performance of TATA in hilly region is high to performance of Others. Asking about this to dealers of these to brands for Nepal, they agreed about this fact.

#### 4.8.3.3 Average Preference on the Basis of Performance

It makes me quite unclear about the fact which brand gives more performance in overall operating condition within the country. For this I add-up the concept of average performance to make my study more clear. The average performance of the TATA and Others in overall operating condition is tabulated in table 4.14 below:

Age Group	TATA(hill)	Average	Others (hill)	Average	TATA Percentage	Others Percentage
up to 30	15	11.5	5	8.5	23	17
30-40	6	5	4	5	10	10
40-50	8	6	2	4	12	8
50-above	7	6	3	4	12	8
Total	36	28.5	14	21.5	57	43

 Table 4.14: Average Preference on the Basis of Performance

(Source: Field Survey, 2011)

From the study in average TATA is more preferred from the viewpoint of performance. Out of total 57% of respondents prefer TATA on the basis of performance while only 43% prefer Others. The finding is figured out in 4.15 below:

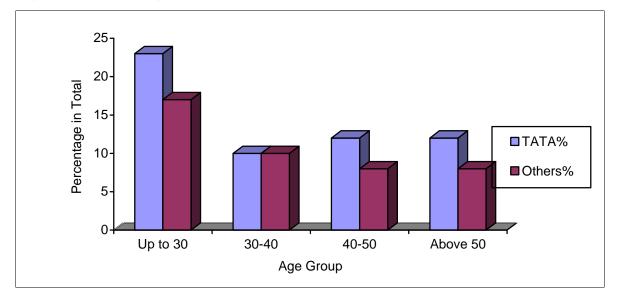


Figure 4.14: Average Preference on the Basis of Performance

The above figure represent that the responses about the preferences of the buyers/respondents to TATA and Others on the basis of average performance. The study found in average performance of TATA minibuses is better than Others minibuses.

#### 4.8.3.4 On the Basis of Servicing and Spare Parts

Dealers and sub-dealers of vehicle offer free servicing, maintenance services and spare parts of their brand. So, these facilities are great attraction for the buyers for buying decision-making. So on the basis of this attempt has been made to find which brand is must prefer between TATA and Others. The survey among 50 respondents is presented below in table 4.16.

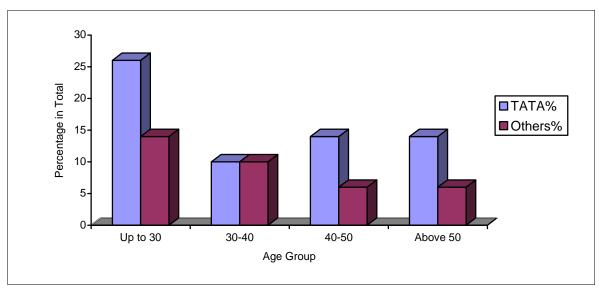
Age group	TATA Prefer ence	Others preference	Percentage of TATA	Percentage of Others
up to 30	13	7	26	14
30-40	5	5	10	10
40-50	8	2	16	4
50-above	6	4	12	8
Total	31	19	64	36

 Table 4.15: On the Basis of Servicing and Spare Parts

(Source: Field Survey, 2011)

Above table describes that the majority of respondents/buyers believe that, on the basis of spare parts availability and servicing TATA is best. Out of total respondents 64% of respondents choose TATA whereas only 36% of the respondents prefer Others. The finding is presented in figure 4.16 below:

**Figure 4.15: On the Basis of Servicing and Spare Parts** 



Above figure presents that on the basis of availability of spare parts and servicing facility TATA is more liked by the users and they believe that even though the mechanical parts of Others are durable, it is hard to replace due to lack of easy availability and expensive.

#### 4.9 Overall Ranking of TATA and Others on the Basis of

#### **Different Distinct Features**

The overall findings on the basis of different features of TATA and Ashok Leyland minibuses after the direct interaction with the buyers of these two brands are presented below in table 4.17.

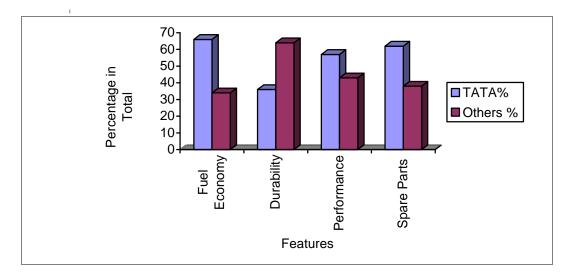
# Table 4.16: Overall Ranking of Respondents about TATA OthersMinibuses On the Basis Of Different distinct Features

Age group		uel nomy	Dura	bility	Performance		e Spare Parts		Average Percentage	
	TATA	Others	TATA	Others	ТАТА	Others	TATA	Others	ТАТА	Others
Up to 30	26	14	14	26	23	17	26	14	21.75	18.25
30-40	12	8	8	12	a10	10	10	10	9.5	10.5
40-50	16	4	8	12	12	8	16	4	12.5	7.5
Above 50	16	4	4	4	12	8	12	8	11.5	8.5
Total	70	30	34	66	57	43	64	36	55.25	44.75

(Source: Field Survey, 2011)

The above table represents that in overall ranking TATA minibuses are believed to be better than Others minibuses. This is presented in figure 4.17 below:

# Figure 4.16:Overall Ranking of Respondents about TATA and Others Minibuses On the Basis of Different distinct Features.



Above figure 4.17 present that the users of minibus in Pokhara believe that in fuel economy TATA is superior to Others and in durability and performance Others is superior to TATA. Further they believe that the dealer of TATA is providing better servicing and after sales service. Maintenance facility granted by TATA is better to Others.

Generally, minibus purchaser of Pokhara analyze the above mentioned criterion before making the decision of buying best fit brand for him/her.

#### 4.10 Major Findings of the Study

The study titled "Decision Making Practices of Minibus Buying in Pokhara" helps me to carryout the facts about the problems, challenges, benefits about the vehicle operation services. Based on the analysis the major findings of the study have been presented below:

 The minibus buyers purchase minibus to use as the public carrier for operates in different routes mentioned by the government and use as the public carrier to provide the 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 affect the buying decision making, in the same manner it is affected by others forces like family, friends, unions and media vehicles like advertisement, publicity etc.
- 4) 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 group is different and they have their own analysis and interpretation about the product.
- 5) By the study it is found that TATA minibuses are more fuel efficient than Others where as others minibuses are more durable than TATA.
- 6) TATA minibuses are best fit in hilly region on the basis of performance whereas others minibuses are best fit in plain region.
- Spare parts and services granted by TATA are more available and reliable than Others minibuses.
- 8) In overall ranking, after the study and analysis among 50 different users of TATA and Others minibuses with the assistance of different distinct features of these brands. It is concluded that majority of users prefer TATA minibuses than Others minibuses.
- 9) 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.

# **CHAPTER -V**

# SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.1 Summary

The success and failure of the firm largely depend upon the buyer's response to the product. So, the seller makes lots of effort to win the heart of the buyers and market. The acts and responses of buyer denote the behavior of the buyer or consumer. This action may be positive or negative. Positive actions of the buyer secure the future success of the firm. In the other hand negative actions of the buyers create problem and finally firm fails in marketplace.

Decision-making is one of the important tasks, which must take, by the buyer before purchasing a product. The buyer and consumer create demand for the product, the aggregate of individual consumer or buyer is called as the "market". The success of the firm largely depends upon the buyer's behavior. Their acts or responses denote the behavior of the buyers or consumers. These actions may either positive or negative. Positive actions of the buyers secure the future success of the firm. Whole negative actions of the buyers create problem to make the firm failure in the marketplace. 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. Decision-making is act of buyer either a specific product meets their desire or not or it is according to his/her demand and finally purchase the product after the different alternative evaluation. 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. In reality the buyer is sovereign, deciding whether to accept or reject a product on the basis of whether or not it meets perceived needs or desires. To meet perceived needs and desire of the buyers, the marketer should understand the buying behavior of the buyer. Understanding of buyer buying behavior is complex and difficult task as it is influenced by many factors.

The world is becoming very much complex and competitive day by day, so the task of marketer is also increased. Therefore to understand buyer behavior, it requires continuous efforts of investigation and exploration of customers. However, such practices of investigation and exploration are rare in the case of Nepal, different multinational companies are spending large sum of money for this purpose. So now almost efforts of the sellers are strictly focused to customer orientation and selling of product. In the competitive market the buyer has the number of choices and freedom of choice in product amongst to many alternative offerings. The buyer has freedom of whether to accept or reject the product, on the basis of either the offer of product as per his choice or not. Thus customer orientation is very much difficult and complex task.

This study is also serves as a brick to make clear the buyer behavior problems and solution. The objective of the study is to identify the purpose of minibus purchase in Pokhara and finding is majority of the users of minibus use it for public carrier. Second objective was to identify the areas under which the customers of minibus make the decision before selecting a minibus brand and the finding is the areas are fuel economy, performance, durability, resale value, credit facility etc. Third objective was to find out affecting factors in consumer decision-making process and the finding is personal belief, outsiders and family, media and others. Finally the last objective was comparative study of TATA and Others minibus on the basis of view of buyers of these brands and decision making process of users to select these brands and after the study of different aspects the finding considering the overall study was TATA is more preferred brand to Others.

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

55

#### **5.2 Conclusion**

This study is undertaken to find out the buying decision making of buyer and comparative study of TATA minibuses and Others Minibus in the diameter of Pokhara. Fifty respondents have been taken for the study. During the study they are very much supportive for me. Responses of various respondents have been collected, presented and analyzed. On the basis of the information provided by the respondents following conclusion has been made-

- Majority of minibus users of Pokhara use the minibus for public carrier and among them only few use the minibus for private carrier such as to carry the students and tourists.
- Different decision has been made by the buyer of minibus before selecting a specific brand such as, price, fuel consumption, durability, Resale value, performance, credit facility etc.
- 3) Consumer decision-making is affected by different factors. They are personal belief of respondents, outsiders and family, media etc.
- Family influence is more to any others while making the purchase decision of a product.
- 5) Impact of media is less to other sources in buying decision-making.
- 6) The demographic factors such as income level, Age and education of buyers also affects the overall buying decision making.
- On the basis of durability Others minibuses are believed to be durable than TATA minibuses.
- 8) TATA is believed to be more fuel economical to Otheres minibuses.
- 9) Performance of Others is better in plain region than TATA minibuses while the performance of TATA is superior to Others in hilly region.
- 10) Servicing facility and spare parts availability of TATA minibuses is better then Others minibuses.

 In overall ranking 55% of the respondents believed that TATA minibuses are best while only 45% believed that Others minibuses are best.

#### **5.3 Recommendations**

- Purchasing minibuses for public carrier is dominated by purchasing the minibuses for private carrier .So it is suggested that dealer of minibuses should divert the sales effort toward the selling the product to private institution for private carrying, to enhance the sales growth.
- 2) It is found that the buyer of the product desire the product having low unit price, low fuel consumption, high performance and durability. So the manufacture and dealer of the vehicle should consider this fact to make the vehicle more competitive and desirable by the buyer.
- 3) Personal belief is strong impulses and motivator of buyer buying decision making. So, the seller should understand the personal behavior and motivational factors of buyer for effective sales closing, to built public image and goodwill.
- 4) Family has strong influence in buying decision making. Therefore before sales presentation, consulting the family member is better.
- 5) Media and advertisement may be great and effective way to send the message about the product in front of the buyer.
- 6) Different demographic features of buyer may affect the buying decision making of the buyer. Demographic features such as age, education and income level brings the difference in choice of the product, selection of brand and pre and post purchase evaluation. So, it is suggested that the marketer /dealer should understand the behavior and other demographic factors of the buyer to close the sales effectively and to create brand image.
- 7) The manufacturer and dealer of others should consider the fact high fuel consumption and its impact on total sales of the Others minibuses.

Buyers of minibuses are suggested that they should purchase TATA minibuses in the context of ever arising scarcity of fuel in our country.

- 8) The manufacturer of TATA should consider the views of the public that TATA is quite cheap in quality in the reference of durability in compare to Others So, product should be make durable and it is suggested to the buyer to purchase Others minibus in the context we have to operate in graveled and rough motor able road, and it made compulsion that vehicle should be durable.
- 9) It is suggested that Others should be better to operate in lowland (tarai) and TATA should be better to operate in hilly region.
- Considering the servicing and spare parts availability TATA is serving better than Others . So, it is suggested to use TATA instead of Others, if we only consider this fact.
- 11) Although the brands i.e., TATA and Others has their own merits and demerits, in the view of respondents TATA is somehow better than Others . So, it is concluded that it would not be dull decision making if the buyer choose TATA instead of others but Others is also earning popularity because of its durability, extending service

The following recommendation are made for the future Researchers;

- Sample size should be larger population using the products of this study is very large. Therefore small of sample cannot accurately resemble the population.
- 2) The questionnaire used in study should be as short and simple as possible.
- Effective statistical tools should be used to analyze and interpret collected data.

#### REFERENCES

#### **BOOKS:**

- Agrawal,G.R (1999), Marketing in Nepal, Kathmandu: Educational Enterprises (P) Ltd.
- Schiffman, L.G and Kanuk, L.L (1994). Consumer Behaviour, New Delhi: Prentice Hall of India. Boyd, H Howard, J.H & Seth, J.N (1969). The Theory of Buyer Behavior, New york: Wedey Publishing.
- W., Westfall, R. and Stasch, S.F. (2002). Marketing Research. Delhi: A.I.T.B.S Publishers and Distributors.
- Cundiff, E.W. (1980). Fundamentals of Modern Marketing, New Delhi: Prentice Hall of India.
- E.W. Cundiff and R.R. Still (1964). Basic Marketing: Concepets Environment and Deeisions, Churchil Engel Wood Ciffs, New Jersy: Prentice Hall Inc.
- Goel, B.S. (1996). Marketing Research for Management Students of Various Universities and Institutions: 3rd revised edition, Pragai Prakashan, Meerut.
- Lounden, D.L & Della Bitta, A.J. (1993). Consumer Behavior, Singapore: Mc-Grew Hill.
- Shrestha, K.N., Revised Edition (2002). Fundamental of selling, Kathmandu: Nabin Prakashan.
- K.D Koirala, Elementary Marketing.
- howard. J.H & Seth, J.N (1969). The Theory of Buyer Behavior, New york: Wedey Publishing. Kotler, P. (2003). Marketing Management. Singapore: Person Education, Inc.
- Kotler, Philip and Armstrong Gary, Principle of Marketing 5<sup>th</sup> Edition, New Delhi: Prentice Hall of India.
- Monroe, K.B. (1974). Influence of Price Difference Journal of Marketing Research.
- Nepal Bank Samachar, Quarterly Publication of Nepal Bank Management Service Department. Dharmapath, Kathmandu.
- Wells, W.F. & Lozeinto, L.A. (1996). Direct Observation of Purchasing Behavior, Journal of Marketing Research.
- Internet Source: ww.google.com/ww.wikipedia.com

### **UNPUBLISHED LITERATURE**

Bhandari, Y.S. (2004). *Brand Preferences Study on Motorbike with Reference to Kathmandu City,* An unpublished thesis submitted to Office of the Dean, Faculty of Management T.U .for the partial fulfillment of the requirements for the Degree of Masters of Business Studies.

Shrestha, B. (2005). *Consumer Behavior with Respect to Decision Making Process of Motorbike Purchase in Kathmandu City*, An unpublished thesis submitted to Office of the Dean, Faculty of Management T.U. for the partial fulfillment of the requirements for the Degree of Masters of Business Studies.

# ANNEX - I

### Tribhuvan University Faculty of Management Prithivi Narayan Campus Pokhara, Kaski

# Questionnaire for the research of Masters of Business Studies of dissertation survey entitled

Please tick ( ) in the answer for which you agree with Survey of Affecting Factors of Buyer Decision Making Process

Sex:	Male 🗆		Female					
1.	For which pur	pose of Minibu	ıs do yo	u purch	asing?			
	a. Public Carri	er 🗆	b. Priv	ate Car	rier 🗆			
2.	Which criteria	do you preferi	red befo	ore selec	cting a p	articula	ar brand?	
	a. Price			b. Fue	l Consu	mption		
	c. Durability			d. Perf	formanc	e		
3.	Dou you agree	e with the state	ement "	TATA	MINIBU	US con	sumes more fu	el then
	Others minibu	s"						
	a. Strongly Ag	gree 🗆	b. Agr	ee			c. Undecided	
	d. Disagree		e. Stro	ngly di	sagree			
4.	Before select suggestion?	ing a particul	ar bran	nd of r	ninibus	with	whom you ta	ake the
	a. Family		b. Frie	nd				
	c. Salesperson		d. Rela	atives				
5.	How do you fi	rst get informa	tion abo	out the	minibus	?		
	a. Media		b. Oth	ers 🗆				
6.	How much ye	ou are influen	ced by	the me	edia and	l prom	otion in your	buying
	decision making	ng?						
	a. Very High			b. Hig	h		c. Moderate	
	d. Low			e. Ver	y low			

Survey	y of Demog	raphic fea	atures tl	hat affe	ct buy	ving De	cision Maki	ing Process
1.	What is you	ur net moi	nthly inc	come in	thousa	and?		
	a. 5-10		b. 10-1	15			c. 15-20	
	d. 20-25		e. Abo	ove 25				
2.	How old ar	e you ?						
	a. up to 30			b. 30-4	40		c. 40-50	
	d. 50-60			e. Abo	ve 60			
3.	What is you	ur qualific	ation?					
	a. Master d	egree D	]	b. Grad	duate			
	c. Intermed	iate [		d. S.L.	C.			
Survey	y on Compa	rative stu	ıdy of T	CATA a	nd Ot	hers M	inibus	
1.	Which do y	ou feel m	ore fuel	econom	nic mi	nibus?		
	a. TATA			b. Oth	ers			
2.	Which brar	nd of mini	bus you	feel mo	ore dur	able?		
	a. TATA			b. Othe	ers			
3.	"Performan	ice of Oth	ers is su	uperior t	to TA	rA in Pl	ain regions'	' Do you agree
	with this st	atement.						
	a. Yes 🛛			b. No				
4.	Performanc	e of TAT	A is sup	erior to	Other	s in hil	ly region" D	o you agree?
	a. Yes 🛛			b. No				
5.	Which brar	nd of mini	bus you	feel mo	ore ava	ilability	of service a	and spare parts?
	a. TATA			b. Othe	ers D	]		

Thanks for your kind response