

CHAPTER-ONE INTRODUCTION

1.1 General background of the Study

The aim of marketing is to meet and satisfy targeted customer's needs and wants. The field of consumer behavior incorporates how individuals, groups, and organizations select, buy, use and dispose off the goods (commodities); services; ideas or experience to satisfy their needs and desires and the impacts that these processes have on the consumer and society.

It blends elements from [psychology](#), [sociology](#), [social anthropology](#) and [economics](#). It studies characteristics of individual consumers such as [demographics](#) and behavioral variables in an attempt to understand people's wants. It also tries to assess influences on the [consumer](#) from groups such as family, friends, reference groups, and society in general. (Wikipedia)

Customer behavior study is based on consumer buying behavior, with the customer playing the three distinct roles of user, payer and buyer. Research has shown that consumer behavior is difficult to predict, even for experts in the field. Understanding consumer behavior and "knowing customers" are never simple. Customer may say one thing but do another. They may not be touch with their deeper motivations. They may respond to influences that change their mind at the last minute.

Mahatma Gandhi had made a meaningful statement at Johannesburg, South Africa in 1890. Customer is the most important visitor on our premises, he is not an interruption on our work, he is the purpose of it and not an outsider on our premises and he is a part of it. We are not doing him a favor by serving him; he is doing us a favor by giving us the opportunity to do so. (<http://theglobaljournals.com/paripex/file.php?val=Njkw>)

Factors influencing consumer behavior are cultural; social; personal; ethical; and psychological. Social factor contain reference groups, family roles and status, personal factors contains many variables as like age and life cycle stage, occupation, economic situation, financial status, life style, personality and self concept, and psychological factors contain motivation, perception, learning, beliefs and attitudes.

Study of consumer behavior of particular segment or a group of consumer helps marketers to create design appropriate marketing strategies for that segment or group.

Moreover marketers can serve that segment or group in a better way than competitors.

Marketer should know the type of buying behavior; otherwise the business in the market would not be survived. Consumers go through complete buying behavior when they are highly involved in and aware of significant difference among a wide array of brands and to pick the best one from.

Consumers are highly involved when- the design of the product is extensive, buying behavior is complex, few brand, high risk, large amount of money needed, long purchase time, active interest in product information, uncertain attitude toward the product, long term product benefits and high interest in the product are characterized high involvement purchase. (Agrawal,2007)

The marketer of a high involvement product must understand the information – gathering and evaluation behavior of high -involvement consumer. Buying refrigerator is also a high involvement purchase. Refrigerators/freezers are one of the wonder of the modern world. They are great advancement compared to the cellar and ice box storage method of the primitive time. Refrigerators allow people to store large amount of food for longer period time without destroying their properties or the nutrition values.- (www.allfreezers.com)

The term "refrigerator" was coined by a Maryland engineer, Thomas Moore, in 1800. Moore's device would now be called an "ice box" - a cedar tub, insulated with rabbit fur as an insulating material, filled with ice, surrounding a sheet metal container for transporting butter from rural Maryland to Washington, DC. (www.about.com)

Refrigerators' sophisticated electro-mechanical appliances are being used in today's modern life not only enhancing a smart food manager but also adding easier, faster and comfortable way of storing the food and beverages.

Today with technological advancement, human race has achieved what few years back were impossible. Refrigerator, the thing that keeps specially food and drinks fresh, has opened our door to keep life going in the industrial civilization without thinking of what will be our next day's meal. When refrigerator was first introduced in Nepal, it was an expensive, aristocratic and fashionable item. Today, its price has also gone down considerably and more people in the society can now afford it. At present, there are several marketers who are offering their products in the refrigerator market.

This study is important from the fact that this is the first study conducted on refrigerators market located in Chitwan district. There are very few surveys done in consumer buying behavior especially for high involvement purchase which include overall market of Nepal. These types of research include very few information regarding Chitwan district's consumers and marketers. Consumer behavior discipline as an applied marketing science predicts behavior and influences of consumers, which influenced by a variety of variables and it is important to understand the nature of these variables and draw inferences from these. Considering and analyzing of such variables researching on consumer behavior towards refrigerator is a very vital exercise and the results will be used by consumer for variety of purposes and for marketer to forecast and implement the marketing tools in particular location of market.

So, here the researcher has focused on two scopes of utilization by the consumer of two categories i.e. household utilization for house hold consumers and commercial utilization for commercial consumers (shops, hotels, restaurant, and other institutional Buyers.) With respect to buying behavior towards refrigerator in Chitwan district on the perspective of the consumer and their views, what are their buying behavior, needs and wants?

1.2 Statement of the Problem

Consumers have already established the basic criteria for evaluating the product category and the various brands in the category. However, they have not fully established preferences concerning a select group of brands. Their search for additional information

is more like fine tuning. They most gather additional brand information to discriminate among the various brands. They have some past experiences with the product category and also have well established set of criteria with which they evaluate the brand by setting in their evoked sets. In some situations, they may search for a small amount of additional information keeping in this view the researcher felt that there is a need to study about consumer behavior towards refrigerators in Chitwan district. So that the main research problem of this study is to examine consumer behavior towards refrigerator and focused to find the answers of the following questions.

1. What are the factors influencing consumer behavior towards the refrigerators?
2. What are the preferred brands of refrigerators purchased by the consumer of Chitwan District?
3. What is the problem faced by the consumer in his/her brand.
4. What are the scenarios of after sales service of chosen brands in Chitwan district?

1.3 Objective of the Study

The basic objective of the study is to analyze consumer behavior towards refrigerators in Chitwan District and focused on the perspective of the consumer and their behavior towards refrigerator, what are their needs and wants. And the specific objectives of the study are as follows:

1. To measure the various factors influencing consumer behavior towards the refrigerators.
2. To measure the preferred brands of refrigerators purchased by the consumer of Chitwan district.
3. To study the problem faced by the consumer in his/her brand.
4. To examine the scenarios of after sales service of chosen brand in Chitwan District.

1.4 Scope of the Study

This study will enable us to find out the consumer awareness, preference, influence, brand loyalty, expectations, attitude and perception. It also deals with the consumer's satisfactions and the media which influences them the most. This study helps in understanding the current marker scenario of refrigerators and it also helps to understand the strength and weakness of the product competitors and brand loyalty. The findings and suggestions of this survey will help the companies and sellers to formulate marketing strategy/policy in order to satisfy the consumer needs in the best way. This study not only helps manufacturers and marketers to formulate effective marketing strategies but also provide valuable guidelines and reference to the scholars and researchers who are interested in conducting further researches on consumer behavior.

1.5 Limitation of the Study

This study has been concerned to fulfill a partial requirement of Business Studies programmed within a certain time. As we know that each and every study has its own

limitations and this study on consumer behavior towards refrigerators in Chitwan district has been done having following assumptions and limitations in mind. These limitations are as follows:-

1. It is impossible to collect required data from entire population of the district, so the sample size is limited; hence the study and surveys are confined too.
2. The area of study will be confined to Chitwan district and hence the result can not be generalized.
3. Due to limitation of time and resources only household refrigerators are selected in this study but commercial and industrial types of such products are excluded.

This study has been conducted with strong effort to minimize above mentioned limitations.

1.6 Organization Of the Study

This study has been divided into five chapters. They are as follows:-

Chapter-1: Introduction

The first chapter contains Introduction, General background, statement of problem, objective of the study, scope of the study, limitation of the study, and organizations of the study.

Chapter-2: Literature Review

The second chapter presents the analysis of Literature Review including Conceptual review, Theoretical review and related studies.

Chapter-3: Research Methodology

The third chapter deals with the research methodology .Which includes Introduction, Research design, Source of data, Population and samples, Data collecting instruments, Component and questionnaire, Data processing and tabulation, Data presentation and analysis and Statistical analysis.

Chapter-4: Presentation and Analysis

The fourth chapter explains about the Presentation of the data: Introduction, data presentation and analysis.

Chapter-5: Summary Conclusion and Recommendation

Finally the fifth chapter deals with Summary of the study with conclusion and supplies some valuable suggestion to the related stakeholders.

A bibliography and annex has been also included in the last part of the study.

CHAPTER-TWO LITERATURE REVIEW

A sound literature review is an extremely important component of any research work in any discipline. A literature review (also expressed as “a review of the literature”) is an overview of previous research on the researcher’s topic or on an important aspect of the researcher’s topic. It identifies and describes and sometimes analyzes related research that has already been done and summarizes the state of knowledge about the topic.

Literature review plays a strong role from the beginning of writing till the end. This review of literature helps the researchers to evaluate or review previously published thesis in related subject. Studying secondary data is also known as literature review.

Though, consumer behaviors are not that common field. Still people are writing on since last decades .So, earlier reports too have been reviewed and new horizon of study of consumer behavior has been made more clear. But this study of refrigerator is the first time done in Chitwan. Chitwan being the central part of Nepal; the survey will be more applicable.

While reviewing different books and literatures, some of the basic things and knowledge about consumer behavior seemed to be mentionable in the thesis context. Similarly, all related previous studies (found so far) has been collected and analyzed so as to find out how consumer buying behavior is making its field broader and how is it working more. So related previous study too, has been highlighted here for everyone’s convenience.

If the studying matter is systematically, it clears about the whole study of the topic. So the review of literature will focus in three ways:-

I. Conceptual Review: - This pattern includes subject matter of reviewing the book, evolution/history of consumer buying behavior, why the field of consumer behavior developed, contemporary history of consumer buying behavior, reason of buyer survey, buying behavior- a difficult puzzle and why we study consumer’s behavior and consumer- the problem solver.

II. Article Review:-This portion will include subject matter from journal, internet publication, magazines and reports etc and concept of refrigerator, historical development, history of refrigerator in Nepal, uses of these products etc.

III. Review of Related studies:-In this part, previous thesis, research article, research gap and project work will be reviewed.

2.1 Conceptual review:-

2.1.1 Consumer Orientation.



Source: <http://en.wikipedia.org/wiki/file:>

A firm in the market economy survives by producing goods that persons are willing and able to buy. Consequently, ascertaining consumer demand is vital for a firm's future viability and even existence as a going concern. Many companies today have a customer focus (or market orientation). This implies that the company focuses its activities and products on consumer demands. Generally, there are three ways of doing this: the customer-driven approach, the market change identification approach and the product innovation approach

In the consumer-driven approach, consumer wants are the drivers of all strategic marketing decisions. No strategy is pursued until it passes the test of consumer research. Every aspect of a market offering, including the nature of the product itself, is driven by the needs of potential consumers. The starting point is always the consumer. The rationale for this approach is that there is no reason to spend R&D (research and development) funds developing products that people will not buy. History attests to many products that were commercial failures in spite of being technological breakthroughs.

A formal approach to this customer-focused marketing is known as **SIVA** (Solution, Information, Value, and Access). This system is basically the four Ps renamed and reworded to provide a customer focus. The SIVA Model provides a demand/customer-centric alternative to the well-known 4Ps supply side model (product, price, place, promotion) of marketing management.

Product → Solution

Promotion → Information

Price → value

Place (Distribution) → Access

If any of the 4Ps were problematic or were not in the marketing factor of the business, the business could be in trouble and so other companies may appear in the surroundings of the company, so the consumer demand on its products will decrease.

The work of Christensen and contemporaries on troublesome technology has produced a theoretical framework that explains the failure of firms not because they were technologically inept (often quite the opposite), but because the value networks in which they profitably operated included customers who could not value a disruptive innovation at the time and capability state of its emergence and thus actively dissuaded the firms from developing it. The lessons drawn from this work include:

- i. Taking customer focus with a grain of salt treating it as only a subset of one's corporate strategy rather than the sole driving factor. This means looking beyond current-state customer focus to predict what customers will be demanding some years in the future, even if they themselves discount the prediction.
- ii. Pursuing new markets (thus new value networks) when they are still in a commercially inferior or unattractive state, simply because their potential to grow and intersect with established markets and value networks looks like a likely bet. This may involve buying stakes in the stock of smaller firms, acquiring them outright, or incubating small, financially distinct units within one's organization to compete against them.

Other caveats of customer focus are:

- i. The extent to which what customers say they want does not match their purchasing decisions. Thus surveys of customers might claim that 70% of a restaurant's customers want healthier choices on the menu, but only 10% of them actually buy the new items once they are offered. This might be acceptable except for the extent to which those items are money-losing propositions for the business, bleeding red ink. A lesson from this type of situation is to be smarter about the true test validity of instruments like surveys. A corollary argument is that "truly understanding customers sometimes means understanding them better than they understand themselves." Thus one could argue that the principle of customer focus, or being close to the customers, is not violated here—just expanded upon.
- ii. The extent to which customers are currently ignorant of what one might argue they should want—which is dicey because whether it can be acted upon affordably depends on whether or how soon the customers will learn, or be convinced, otherwise. IT hardware and software capabilities and automobile features are examples. Customers who in 1997 said that they would not place any value on internet browsing capability on a mobile phone, or 6% better fuel efficiency in their vehicle, might say something different today, because the value proposition of those opportunities has changed.
(en.wikipedia.org/wiki/file :)

All activities of the business focused on the consumer and its periphery. The term consumer is often used to describe two different kinds of consuming entities. The personal and the organizational consumer, the personal consumer buys goods and services for his/her own use, for the use of the household purpose or as a gift for friend or

many more. In each of these contexts. The good are brought for final use by individuals, who are referred to as end-users or ultimate consumers.

The second category of consumer- the organizational consumer, includes profit and non-profit business, government agencies and institutions all of which must buy products, equipments and services in order to run their organizations. Manufacturing company must buy the raw materials and other components needed to manufacture and sell their own products and services. Companies must buy the equipments necessary to render the services they sell, government agencies must buy the office products needed to operate their agencies and institutions must buy the materials they need to maintain themselves and their populations.

2.1.2 Consumer Behavior:

Consumer behavior is the study of individuals, groups, organizations and the processes they use to select, secure, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on consumer and society. It blends element from psychology, sociology, social anthropology and economics. It attempts to understand the decision-making processes of buyers, both individually and in groups. It studies characteristics of individual consumers such as demographics and behavioral variables in an attempt to understand people's wants. It also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in general. In simple terms, consumer behavior means the behavior which consumer shows before or after purchase as well as process of purchasing. (Wikipedia)

According to L.G.Schiffman and L.L. Kanuk –“the terms consumer behavior is the behavior that the consumer display in searching for purchasing, using evaluating and disposing of products, services and ideas which they expect will satisfy their needs.”

From a role theory viewpoint, consumer behavior is a subset of human behavior focusing on the consumption role. The objective of consumer behavior as a field of inquiry is to understand, explain, and predict human actions in the consumption role.

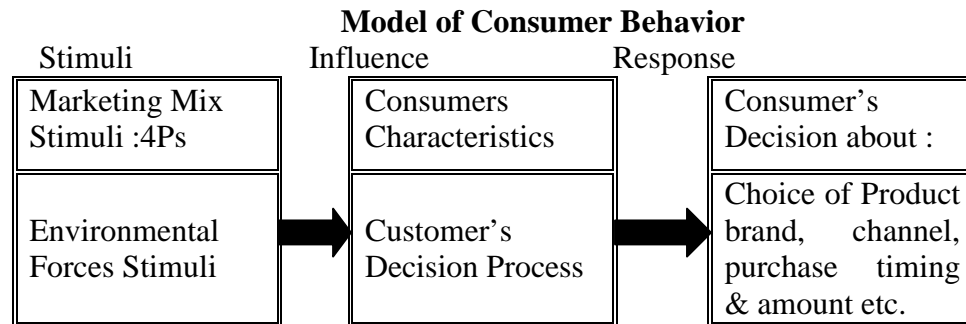
By studying consumer behavior marketers attempt to provide answers to the following questions:

Who participates:	Participants in buying decisions.
What do they buy:	Objects of the buying.
Why do they buy:	Reasons for buying.
When do they buy:	Occasions for buying.
Where do they buy:	Channels for buying.
How do they buy:	Frequency for buying.

2.1.3 Model of Consumer Behavior:

There are many models of consumer behavior among them one model is summarized below:

Figure: 2.2



Source: Dr. G.R. Agrawal, 2007 P. 187

2.1.3.1 Stimuli:

Consumers are stimulated by:

- a. Marketing mix consist of Product, Place and Promotion variables.
- b. Environmental forces consisting of political, economic, technology and socio - cultural and technological variables.

2.1.3.2 Influences:

Consumer behavior is influenced by:

a. Consumer characteristics: they consist of:

Culture: It determines a person's wants and behavior. Each culture consists of subcultures- nationalities, religious, racial groups. Social class is also important for consumer behavior.

Social: They are reference groups, family, social roles and status.

Personal: They are age and stage in life cycle, occupation, sex, and income.

Psychological: They are motivation, perception, learning, attitudes, traits, and life style.

b. Consumer decision process: It consists of:

- i. Need recognition: consumer recognizes a specific need.
- ii. Information search: consumer searches information about goods. It can be internal or external search.
- iii. Evaluation of alternatives: Product alternatives are evaluated.
- iv. Purchase decision: Product or brand is selected.
- v. Post purchase behavior: Satisfaction or dissatisfaction after purchase.

2.1.3.3 Consumer response:

They are consumer decision about:

- i. Product choice

- ii. Brand choice
- iii. Channel choice
- iv. Purchasing timing and
- v. Purchase amount.

2.1.3.4 Post purchase feedback:

It provides information about consumer satisfaction or disappointment about product performance. It helps to redesign, marketing mix.

Marketers can influence consumer behavior. They can not control it.

2.1.4 Consumer Buying Process:

2.1.4.1 Buying Decision:

Consumers are faced by the decision to buy or not to buy several times a day. It is important to understand how they actually make their buying decision. Consumer buying process influences consumer behavior for making buying decision.

Consumer behavior varies with the type of buying decision.

Buying decision can be classified into:

- a. Low involvement purchase
- b. High involvement purchase

a. Low Involvement Purchase: (Habitual Behavior)

It involves routine decision making. Products are repeatedly purchased as a habit. Many brands, low risk, small amount of money, short purchase time, passive interest in product information, positive attitude towards the products, short time product benefits and limited interest in the product characterized low involvement purchase. Examples are a cup of tea, loaf of bread, tube of toothpaste.

b. High Involvement Purchase: (Dissonance Reducing Behavior)

It involves extension decision making. The buying behavior is complex. Few brands, high risk, large amount of money needed, long purchase time, active interest in product information, uncertain attitude towards the products, long term product benefits and high interest in the products are characterized high involvement purchase. Examples are: car, motorcycle, house, and computer.

Table: 2.1
Characteristics of Buying Decisions

Characteristics	Low involvement purchase	High involvement Purchase
1. Brand of the product	Many	Few
2. level of buying risk	Low	High
3. Amount of money involved	Small	Large
4. Purchase time needed	Short	Long
5. Interest in product information	Passive	Active
6. Attitude toward the product	Positive	Uncertain
7. Product benefits	Short term	Long term
8. Interest in the product	Limited	High

Source: DR. G.R. Agrawal, 2007 P.189

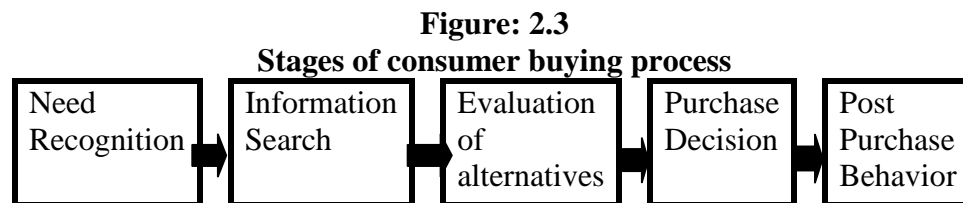
2.1.4.2 Buying Roles:

Role that people play in buying decision can be:

- a. Initiator: First to suggest the idea of buying the product.
- b. Influencer: Gives advice to influence decision.
- c. Decider: Decides about buying.
- d. Buyer: Makes the actual purchase.
- e. User: Uses the product.

2.1.4.3. Stages of Consumer Buying Process:

There are five stages in the consumer buying process.



Source: Dr. G.R. Agrawal, 2007 P 190

a. Need Recognition:

The buying process starts when the consumer recognizes a need. The need can be activated by internal stimulus such as hunger, thirst. It can be activated by external stimulus such as advertisement; window display. Activated needs drive the consumers to products. This stage identifies specific needs.

b. Information Search:

After identifying specific needs, consumers search information about the products. The information can be about features, advantages and benefits of the substitute products. This stage identifies product alternatives through.

i. Internal search:

Consumers scan their memory of previous experiences about products.

ii. External search:

Consumers seek information from:

Personal Sources: Friends, Family, Relatives, Associates.

Market Sources: Advertising, Sales force, Dealers, Packaging.

Public Sources: Media like television, Radio, Newspapers, Internet and Consumer interest groups.

Experiential Source: Handling, Examining, and testing the product.

The time spent on information search depends on the nature of the buying decision. It can be Low involvement or high involvement.

c. Evaluation of alternatives:

After identifying product alternatives, consumers evaluate them. They use evaluation criteria to find out which of them will best satisfy their needs.

There is no one single evaluation criterion for this purpose. Product attributes, brand beliefs, and utility function attributes influence evaluation. Basically consumers make product judgment on a conscious and rational basis. Personal sources, product attributes, and brand belief influence evaluation. This stage provides the consumer with a clear set of product and brand preferences.

d. Purchase Decision:

After evaluating alternatives, consumers make the purchase decision. They actually select the product or brand. It is influenced by:

Payment method, warranties, delivery, after-sales service, and installation, evaluation of alternatives, family, friends, co-workers, and situational influence, factors that increases the level of perceived risk.

e. Post Purchase Behavior:

After purchasing the product, the consumer may be satisfied or disappointed. Satisfied consumers continue to purchase and brand loyalty. Disappointed consumers stop purchasing the product and discourage others from buying it. If performance exceeds expectations, the consumer is delighted.

When consumers experience anxiety over their purchase decision it is called **cognitive dissonance**. Marketers should take steps to reduce this anxiety through follow-up, post-purchase services, speedy handling of consumer grievances and persuasive communication. They should constantly monitor this post purchase behavior. (Agrawal, 2007)

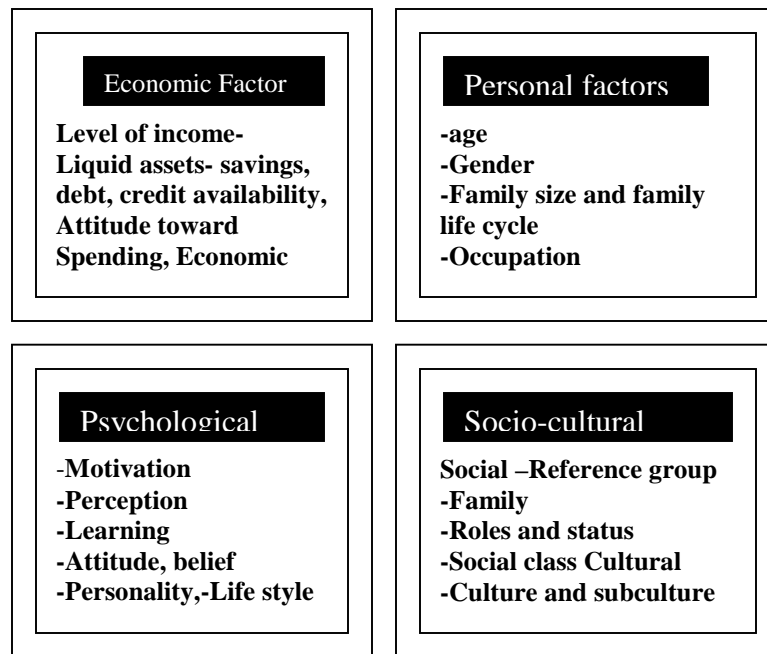
2.1.4.4. Product disposal:

Disposal of products by consumers after use is an important post purchase decision. They can get rid of it temporarily, or get rid of it permanently or keep it. Permanent disposal can be through sell the product, exchange, give it away, trade it, and throw it away. Temporary disposal can be by renting or lending the product. Consumers can keep the product for original purpose use or new or for storing. Organization should monitor product disposal and assess its environmental impact.

2.1.5 Factors Affecting Consumer Buying Decision:

Consumers make decisions. Their buying decisions are influenced by economic, personal, and psychological and socio-cultural factors.

Figure: 2.4
Factors affecting Consumer Buying Decision



Source: DR. G.R. Agrawal 2007 P.193

2.1.5.1 Economic factors:

Economic factors that affect buying decisions consist of:

- a. Level of income:** The ability to spend is determined by the level of disposable income. Choices of income sensitive product are very much income of the various, members of the family augments the level of income.
- b. Liquid Assets:** Consumers who do not have regular income may possess liquid assets like gold and shares. They provide spending power to the consumers.

c. Saving, Debt and Credit Availability :They all affect the consumer expenditure levels. High saving results in lower interest rates. Credits availability by bank becomes cheaper through lower interest rates. This increases the level of consumer spending.

d. Attitude towards Spending: Negative attitude towards spending adversely affect the willingness of the consumers to spend. This influences the product choice.

e. Economic Condition: The stage of economic development, inflation and business cycle affect consumer's willingness to spend. Prosperity is good and recession is bad for marketing. Health of the economy affects consumer behavior.

Table: 2.2
Changing consumer expenditure in Nepal

Particulars	1984 (%)	1996 (%)
Food and drinks	62.6	53.2
Others	37.4	46.8
Total Expenditure	100	100
Home Rent	12.7	14.9
Education	4.0	7.0
Health	4.6	8.0
Cigarettes	2.0	1.7
Rice	24.0	14.0
Restaurants	5.0	7.0

Source: DR. G. R. Agrawal (2007) P 194

2.1.5.2 Personal Factors (Demographic factors):

Personal factors consist of:

a. Age: Consumers buy different products according to the age group. Their taste in food, clothes, recreation is age related. Young consumers like to experiment new products. Older consumers prefer brand loyalty.

b. Gender: Male and female exhibits difference in buying behavior. Their need also vary.

c. Family size and family life cycles: Family size determines the level of expenditure and product choice. Buying decision in larger family favors brand loyalty. The family lifecycles influences spending patterns. Product interest according to the stage in family life cycle consisting of singles, bachelors, married, married with children and old.

d. Occupation: Occupation influences consumption pattern. Factory Workers buy work clothes. Bank manager buys expensive suits. Professional people dress properly.

2.1.5.3 Psychological Factors

Psychological factors consist of motivations, perception, learning, attitude, personality and life styles.

a. Motivation: A motive is pressing needs that drive consumers to seek satisfaction. It directs them to act towards goal-oriented behavior to reduce tension. Motives motivate consumers. Motives are a motivational within the consumers that leads to goal oriented behavior. A motivated consumer is ready to act. Various theories of motivations are:

i. Freud's theory of motivation (Sigmund Freud):

This theory stated that unconscious motives influences consumer behavior. Consumers repress many urges in the process of growing up and socialization. This urges are never eliminated and unconsciously motivates consumer behavior.

In depth interviews with a few dozen consumers are conducted to uncover unconscious motives triggered by a product.

Freud's theory is based on the "hedonistic principle". It advocates that most human behavior originates from sex drive (libido).

ii. Maslow's theory of motivation (Abraham Maslow):

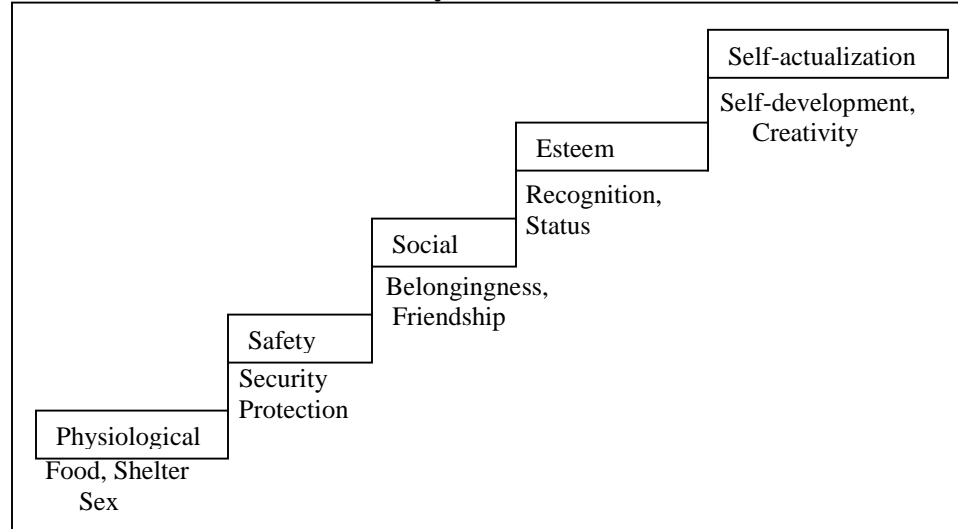
This theory stated that:

Needs motivates consumers: There is a hierarchy of consumers needs. They range from most pressing to the least pressing. Consumers take a step by step approach and satisfy most pressing needs first.

Satisfied needs do not motivate: Unsatisfied needs influence consumer behavior. The strength of the needs depends on particular consumer, situation and time. For example, a hungry person is not much concerned about his social prestige. Creative persons like poet and artists are more concerned about self development.

The needs have been classified in a hierarchy as follows:

Figure: 2.5
Maslow's Hierarchy of Needs



Source: Dr G.R. Agrawal 2007, P 196

Physiological need:

They are the lowest level needs. They assume top priority. They include basic survival needs for food, water, clothing, shelter, sex, etc.

Safety needs:

They consist of needs for security and protection from harm, ill-health, and economic deprivation. When consumers feel threatened, safety becomes an important need.

Social needs:

They consist of needs for sense of belongingness, love, friendship and social acceptance. Nepalese consumers tend to be highly influenced by social needs.

Esteem needs:

They consist of external needs for status, recognition, praise and prestige. They also consist of internal needs for self- esteem. This is a higher level need. Job title and luxury cars satisfy such needs.

Self-Actualization needs:

These are the highest level needs. They consist of needs for achievement, creativity, talent utilization, self-fulfillment and personal growth. It is becoming what one is capable of becoming.

iii. Herzberg's Theory of Motivation (Frederick Herzberg):

This theory is based on two factors.

Dissatisfies or hygiene factor: they do not motivate but cause dissatisfaction when not present. They consist of lower level needs for survivable, safety and friendship.

Satisfiers or motivating factors: They motivate and provide satisfaction. They consist of higher level needs for esteem and self-actualization.

Table: 2.3
Herzberg's Theory of Motivation

Dissatisfies(Hygiene Factors)	Satisfiers (Motivating factors)
) Company policy and administration) Achievement
) Technical supervision) Recognition
) Interpersonal relation) Advancement
) Salary) The work itself
) Job security) Personality of personal growth
) Personal life) Responsibility
) Work conditions	
) Status	

Source: Dr G.R. Agrawal 2007, P 197

Marketers should identify dissatisfies and avoid them. They should identify satisfiers to influence product choices

This theory needs to be carefully applied in the Nepalese market where lower needs, especially the social needs, are important for motivating consumers.

b. Perception:

Perception influences how the motivated consumer actually acts. Perception is the process of selecting, organizing and interpreting information inputs by an individual to produce meaning. Consumers detect information through sensation. The five senses are vision, hearing, taste, smell, and touch. Perception gives meaning to information.

Consumers perceive the same situation differently because of selectivity in perception due to:

- i. Selective attention: consumers are selecting in noticing information. They are more likely to notice stimuli that relate to their current needs.
- ii. Selective distortion: consumers distort information to suit their perceptions. They hear what they want to hear.
- iii. Selective retention; Consumers tend to retain information that supports their attitudes and beliefs. They want to continue believing what they believe. They retain a small fraction of information in their long term memory. Perception influences consumers buying decisions. Marketers must understand how the consumers see the world around them. They should ensure that customers perceive their marketing mix in a positive way.

c. Learning:

When consumers act, they learn. Learning is an enduring change in behavior. It results from information and experience. Most human behavior is learned. There are various theories of learning.

Stimulus-Response Theory of learning: According to this theory, learning occurs when A person responds to some stimulus by responding in a particular way. Learning is the result of association between stimulus and response.

The person is rewarded for a correct response or punished for an incorrect one.

Operant Conditioning Theory:

This theory states that behavior is a function of its consequences. It is learning of habit through reinforcement is anything that the learner finds rewarding

Cognitive Theory of Learning:

This theory states that learning involves a relationship between cognitive environmental cues and expectations. One stimulus leads to another stimulus.

Cognitive refers to an individual's thoughts, knowledge, interpretation and understandings about oneself and the environment.

Modern Theory of learning:

In Modern Theory of learning, four factors are essentials:

Drive: A strong internal stimulus requiring action.

Cues: Minor stimuli that determine the response. They are present in the environment.

Response: Person's reaction to drive and cues.

Reinforcement: It results when the response is rewarding. It can be positive or negative.

Repeated reinforcement leads to a habit or brand loyalty.

Marketers should help consumers about their marketing mixes and positively reinforce them to be loyal to the brand.

d. Attitudes and Belief

Attitudes: attitudes reflect likes and dislikes of consumers.

An attitude is a person's judgment toward some object, people or event. They are learned, have consistency, and are either favorable or unfavorable about objects.

Personal experience, environment and situation moulds attitude.

Attitudes influence consumer behavior .generally; it is easy to change products than it is to change consumer's attitudes. Marketers should fit products to existing attitudes.

Belief: A belief is a descriptive thought that a consumer holds about something. It can be based on knowledge, opinion or faith. Beliefs make up product and brand images.

e. Personality:

Personality is the some total of ways in which an individual reacts and interacts with others. Personality is an individual's psychological traits that lead to enduring behavioral responses. The big five personality traits are:

Assertiveness: extrovert or introvert.

Agreeableness: agreeable or disagreeable.

Conscientiousness: conscientious or non conscientious.

Emotional stability: emotionally stable or emotionally unstable.

Openness to experience: open or closed to experience.

Consumer personalities are reflected in the clothes they wear, vehicles they use, restaurants they visit, and jewelers they wear.

Personality traits do influence consumer behavior. But not much is known about how they influence behavior.

f. Life style:

Life style is a person's pattern of living reflected in his activities, interests and opinions.

Activities: work, hobbies, vacation, shopping, sports, etc.

Interest: Family, home, job fashion, food etc.

Opinions: Self, society, politics, business, products, etc.

Life style is an important viable for understanding how consumers spend their time, what are their interests, and what are their opinions about self and broad issues. It influences product needs and brand choices.

Psychographics is the science of measuring and categorizing consumer life styles.

2.1.5.4 Social factors:

Social factors are influences that other people exert on consumer behavior. They consist of reference groups, family, and social class.

a. Reference Groups:

Reference groups consist of groups that have a direct or indirect influence on the consumer's attitudes. Consumers use them as point of reference for evaluating their own beliefs and attitudes.

Reference groups influence consumer behavior in three ways:

They expose consumers to new behavior and lifestyles by providing information.

- i. They influence consumer's values and attitudes.
- ii. They provide norms for consumer behavior. They create pressure for conformity to norms.

Reference Groups can be three types:

Membership groups: A person holds membership of the group and has regular face -to – face contact. For example, a family, co-workers, religious, professional, trade union groups.

Aspiration groups: A person aspires to join the group but is not member of the group. For example, a student of management may aspire to become a member of the Institute of charter Accountants of Nepal.

Dissociative groups: A person keeps distance and rejects the values, attitudes or behavior of the group.

Reference groups influence product and brand choices. Marketers should identify reference groups to design and develop marketing mixes. Advertisers use well known athletes, musicians, actors, and professionally successful people to influence consumers who admire them.

b. Family:

Two or more persons related by blood, marriage or adoption who reside together constitute a family

The role performed by each member influences family purchase decision. The various roles are:

i. Initiator: Suggests the idea for the product.

ii. Influencer: Provides information and advice about the product.

iii. Decider: Makes the buying decision.

iv. Buyer: Make the actual purchase of the product.

v. User; Uses or consumes the product.

Marketers should target marketing mix to members who influence and make buying decisions.

c. Social Class:

It is rank within a society. It is determined by members by members constitutes social class. It can be upper, middle and lower. It indicates preferences and life style. Members shares similar values, interests and behavior. Social class reflects income, occupation, education and area of residence. It is a grouping of people.

There are substantial differences in the buying behavior among classes. Marketing mixes need to be tailored to the specific social classes.

d. Roles and status

i. Roles: It is position-related. It consists of activities that a person is expected to perform in asocial unit. Consumers perform many roles.

ii. Status: It is provided by the role. It is the rank given to a person by others.

Branded products provide status symbol. Status influences consumer buying decisions.

2.1.5.5 Cultural Factors

Cultural factors that influence consumer behavior consists of:

a. Culture includes values, attitudes, beliefs, language, relation, customers, tradition and Works of arts and architecture. Culture reflects the ways people live together.

Culture is learned behavior. It changes over time. Cross cultural influences consumer behavior .Food habits, dress and housing influenced by cultural norms.

Marketers should offer marketing mixes to fit cultural norms. Cultural changes should be carefully taken in to account for modifying marketing mixes.

b. Subculture:

Each culture consists of sub culture. Subculture is based on homogeneous characteristics such as religion, language, race, caste and ethnicity.

Subcultures provide specific identification and socialization for its members. They constitute important market segments. Marketers should design marketing mixes tailored to the needs of specific subcultures.

2.1.6 Evolution /History of Consumer Buying Behavior.

Consumer behavior was relatively new field of studying the mid to late 1960s. With no history or body of research of its own, the new discipline borrowed heavily from concepts developed in other specific disciplines, such as psychology (the study of the individual), Sociology (the study of groups), social psychology (the study about how an individual operates in groups), anthropology (the influence of society on the individual), and economics. Many early theories concerning consumer behavior were based on economic theory, on the notion that individual act rationally to maximize their benefits (satisfactions) in the purchase of goods and services. The initial thrust of consumer research was from a managerial perspective: marketing managers wanted to know the specific causes of consumer behavior. They also wanted to know how people receive, store and use consumption –related information, so that they could design marketing strategies to influence consumer decisions. They regarded the consumer behavior discipline as an applied marketing science, if they could predict consumer behavior, they could influence it. The approach has come to be known as positivism, and consumer researchers primarily concerned with predicting consumer behavior are known as positivists.

Given the interdisciplinary background in which the consumer behavior discipline is rooted, it is not surprising that academicians from a variety of contributing disciplines, including marketing itself, have become interested in the study of consumer behavior, not necessarily from a managerial or applied perspective, but simply to understand the consumer better. The study of consumer behavior from the point of view of understanding consumption behavior and the meanings behind such behavior is called interpretive, (some times referred to as post modernism). Interpretive have expanded the boundaries of study to include many subjective aspects of consumer behavior, such as the effects of moods, emotions, and types of situations on consumer behavior, the roles of fantasy, of play, of rituals, even of the sensory pleasures that certain products and services provide. Many interpretivists consider each purchase expensive unique because of the diverse set of variables at play at that one particular moment in time. Because of its focus on the consumption experience, the interpretive approaches also known as “experimentalism”. (Schiman and Kanuk, 1997)

2.1.7 Why the field of consumer Behavior developed.

There are no. reasons why the study of consumer behavior developed as a separate marketing discipline. Marketers had long noted that consumers did not always act or react as marketing theory suggested they would. The size of the consumer market in this country was vast and constantly expanding. Billions of dollars were being spent on goods and services by tens of millions of people. Consumers preferences were changing and becoming highly diversified even in industrial markets, where needs for goods and

services were always more homogeneous than in consumer markets, buyers were exhibiting diversified preferences and less predictable purchase behavior.

As marketing researchers begins to study the buying behavior of consumers, they soon realized that, despite a sometimes “me too” approach to fads and fashions, many consumer rebelled at using the identical products everyone else used. Instead, they preferred differentiated products that they felt reflected their own special needs, personalities and lifestyles.

To better meet the needs of specific groups of consumers, most marketers adopted a policy of market segmentation, which called for the division of their total potential market into smaller, homogeneous segments for which they can design specific products and/ or promotional campaigns. They also used promotional technique to vary the image of their products so they would be perceived as better fulfilling the specific needs of certain target segments- a process now known as positioning. Other reason for the developing interest in consumer behavior included the rate of new product development, growth of the consumer movement, public policy concerns, environmental concerns, and the growth of both non profit marketing and international marketing.

There is a case study about the Consumer Buying Behavior regarding Rolling Stones. On November 9, 1967, the first issue of Rolling stone hit the newsstands. It was 24 pages, printed in black and white, and sold for the quarter. Its founder, Jann Wenner, described Rolling Stones as “Sort of a magazine and sort of a newspaper” about music and the things and attitudes that music embraces. Only 6,000 copies of the issue were sold.

From that humble beginning a major publication was born. Now, after appearing every 2 weeks for over 25 years and with a circulation of over 1.2 million, questions are being raised about Rolling Stone’s future.

Rolling Stones began a chronicler of rock music in the rebellious 1960s. It quickly became the bible the antiestablishment music, drugs and youth culture. In the beginning of 1970s, focus of the magazine expanded to include investigative reporting and interviews with youth oriented celebrities, personality profiles, fiction and reports on rock related films, books and music videos. In 1982, Rolling Stones was compares to Atlantic, Esquire and Harper’s for the quality and boldness of it’s coverage of domestic and foreign affairs. It was distinguished from Newsweek lies by the depth of its reporting and from more traditional political magazines such as the new Republic by the breadth of topic covered.

Despite annual revenues over \$ 30 million by the mid -1980s there was a concern that the primary market for Rolling Stone was disappearing. Though the demographics of the target audience of readers had not changed (male aged 18-34, with some collage education), its self-image had. The original reader was depicted in blue jeans, with long hair that he didn’t wash very often, and was much politicized against the establishment. The reader of the -1980s was characterized as having short hair, being interested in his carrier, with money to spend, and seeking opportunities to express his individuality.

Reader's interests were shifting from music and politics to making a living and career goals.

The magazine changed too. It began as double folded black-and-white newsprint, a form consistent with its counterculture image. Now it has the look of a traditional magazine with glossy cover, four colors, and a trimmed and stapled format. The mix of advertisers in the magazine also reflected the shift. In the use of beginning it was mainly records and related music businesses. By mid-1980s there were ads for cars, tobacco, alcoholic beverages, clothing's, and personal products.

Despite its sale of million copies per issue, advertisers were not particularly enthusiastic about magazine. They viewed the reader as more likely to be a social dropout than a mainstream consumer. To overcome advertiser's perceptions that the readers hadn't changed their life styles since the 1960s, Rolling Stone came up with an ad campaign directed toward advertisers. The campaign contrasted photo images of the 1960s reader labeled "perceptions" with those of the 1980s labeled "reality". For example, one shows "perception" as an aging hippie driving a VW bus decorated with psychedelic peace symbols, while "reality" depicts a yuppie behind the wheel of a Ford Mustang GT. The ads apparently caused advertisers to look at the magazine in a new light, since they were followed by six consecutive years of ad sales growth.

What are the consumers today? The number of ad pages declined in 1991 and while the total number of copies sold remained constant, newsstand sales went down nearly 20 percent. Why? First, music makers have shifted their advertising budgets from print to MTV, drastically reducing a major source of revenue. Second, the competition has intensified. New magazine, such as Spin and Details that focus on the hardcore music segment appeared and some mainstream publications such as People and Entertainment Weekly have expanded their music coverage. Third, in the view of many, the editorial policy has softened to be less daring and more conformist than in the past. Rolling Stone's reputation was built on rock music criticism and scorching cultural critiques, but its coverage has become more moderate and less controversial. Finally, the preference of Jann Wenner for the rock era over more contemporary music and recent cover stories on Jimi Hendrix, Jim Morrison, and Rod Stewart have led to suggestions that the magazine is dated. According to a former editor, Rolling Stone has become more of a "taste tracker" than the tastemaker it once was.

By the late 1960s Rolling Stone was a hit, but despite a successful formula it has experienced many changes over the years. What made the changes necessary?

Rolling Stone continues to roll along. With sale of 1.2 million copies per issue, the magazine ranks among the top 60 in U.S. in circulation, but today's version is a far cry from the product that first appeared in 1967. Each time a change was detected in its editorial content, appearance, or mix of advertisers, critics were quick to point out that the magazine had lost its direction. However, much of Rolling Stone's continued success can be attributed to understanding and adapting to its audience.

The magazine has held a large group of its core readers while also attracting a younger segment. In fact, 45 percent of the readers are 18-to -24 years-old men. Editor and publisher Jann Wenner has an explanation Rolling Stone's for ability to reach a board audience. He says there was a much bigger "generation gap" between collage students and their parents in the 1960s. One magazine could not be popular with both groups. Today the situation has changed. The interests, values, and beliefs of parents and young adults are more similar. So the magazine can appeal to both groups by becoming less draining and more conformist, but still dealing with timely topics (for example, it was the first major magazine to take a serious look at the AIDS crisis) and music news.

The editorial transition from the 1960s to the 1990s has been accompanied by a number of changes. As the audience broadened, so did the mix of advertisers. By 1986, the number one category was automotive, followed by fashion, sporting goods, and food. In the past the instincts of the editors were relied on for cover stories. However, keeping in touch with the interests and tastes of a more diverse audience requires a greater use of research. As a result, editorial instincts are now supplemented by the opinions of focus groups.

Selling the magazine has also changed. As subscriptions became a more important part of circulation, it was necessary to find ways to reach the target audience. Direct mail is not effective for young man. Because they are away at collage or move frequently, mailing lists are inaccurate. They are also less attentive to mail than are other segments. To solve the problem of reaching this market, Rolling Stone runs direct response television advertising. Young men watch a lot of TV and tend to be spontaneous in their behavior. Ads between midnight and five in the morning featuring an appealing spokesperson (they've used Paul Schaeffer, David Letterman's sidekick) have been very productive and cost effective.

What does the future hold? Given the popularity of American music, the international market offers additional opportunities for Rolling Stone. The magazine is currently published in Australia, and other markets are being explored.

How has the role of social and group forces changed with regard to the purchase of Rolling Stone?

What trends and developments in consumer buying behavior are likely to influence the future of Rolling Stone? (Stanton, Etzel and Walker, 1994)

2.1.8 Contemporary History of Consumer Buying Behavior:

In recent years, some efforts have been made by marketing scholars to build buyer behavior models totally from the marketing man's stand point. The Nicosia model and the Howard and Seth model are two important models in this category. Both of them being to the category called the systems model, where the human being is analyzed as a system with stimuli as the input to the system and behavior as the output of the system. Francesco Nicosia, an expert in consumer motivation and behavior put forward his model

of buying behavior in 1966. This model tries to establish the linkage between a firm and its consumer- how the activities of the firm influence the consumer and results his decision to buy, the message from the firm first influence the predisposition of the consumer towards the product. Depending on the situation, he developed a certain attitude towards the product. It may lead to a search for the product or an evaluation of the product. If these steps have a positive impact on him, it may result in the decision to buy. This is the sum and substance of activity explanations in the Nicosia model. The Nicosia model groups these activities into four basic fields.

Field one has two sub fields- the firm's field attributes and the consumer attributes. An advertising message from the firm reaches the consumers attributes. Depending on this becomes the input for field two. Field two is the area of search and evaluation of the advertised product and other alternatives. If this process results in a motivation to buy, it becomes the input for field three. Field three consist of the act of purchase. And field consists of the use of the purchase item. There is an output for the Field four- feedback of sales results to the firm. John Howard and Jagdish Sheth put forward the Howard and Sheth model in 1969, in their publication entitles "The Theory of Buyer Behavior". The logic of the model runs like this; there are inputs in the form of stimuli. There are outputs beginning with attention to a given stimulus and ending with purchase. In between the inputs and the outputs there are variables affecting perception and learning. These variables are termed "hypothetical" since they cannot be directly measured at the time of occurrence.

Over the years, several other models have also been put forward, with the intention of explaining buying behavior. All these models have certain merits as well as limitations. They do not fully explain the complex subject of buying behavior. Nor do they establish a straight input-output equation on buyer behavior. And, none of them provides a precise answer to the why's or how's of buyer behavior. They merely explain the undercurrents of human behavior from different angles and premises. But these models will certainly be helpful in gaining at least a partial insight into buyer behavior. (Ramaswamy, Namakumari, 2007)

2.1.9 History of Consumer Buying Behavior in Nepal.

Buying behavior has generally remained a dark area of marketing in Nepal. Marketers have given very little attention to who, what, why, when, where and how of consumer behavior. Very little marketing research has been done in this aspect. The following feature characterized buyer behavior in Nepal's marketing.

Consumer behavior has not been properly taken into account while creating and offering market mixes.

1. Indian and foreign competitors have been actors in taking the advantage of new markets opportunities in Nepal because Nepalese marketers lack knowledge of consumer behavior.

2. Product positioning has largely neglected because of lack of knowledge about the behavior of niches.
3. Marketers know very little about the consumer behavior at every stage of consumer buying process. The post- purchase is hardly considered to build life long costumers. The disposal aspect is utterly neglected which has created serious environment problem due to rising level of pollution. It has adversely affected the tourism markets as well.
4. Marketers have not given proper attention to the psychological and social factors that influence consumer behavior. Economic, demographic and cultural factors have been dominant in the design of marketing mixes.
5. The marketing resources have not been efficiently utilized.
6. In recent years, the advent of global enterprises and cabal television in Nepal has bought some consciousness about the needs for better understanding of buyer behavior. They have been using personality, lifestyle, motivation and reference group in designing their advertising message. The growth of marketing research organization is also likely to promote marketing research about buyer behavior of Nepalese consumers in the years to come. (Agrawal, 2007)

2.1.10 Reasons of Buyer Survey:

The buyer is a riddle. He is highly complex entity. His needs and desires are innumerable; and they vary from security needs to aesthetic needs. These needs and desires are often at different stages of emergence and actualization. Some are latent, some manifest, while some others are highly dominant. The buyer has his own ways and means of meeting these needs. Some of these needs are within his means; he can easily meet them. Some other may be beyond realization. Buyer's perception of information is highly selective.

The buyer is exposed to the world of information- about new product, new services, and new uses for existing products, new ideas and new styles. His attitude towards this literal bombardment of information is also peculiar. He may ignore certain pieces of information, whereas he may actively seek out some other information. He may read certain messages, but may not digest them. He may merely overhear some messages about some product and it may register in his mind. In other word, he filters the information in a rather unconscious manner. His perception is selective in the sense that he perceives and retains only what he would normally like to perceive and retain. This selective perception is actually his defense mechanism against the information explosion to which he is constantly exposed.

The buyer does not follow rigid rules while taking buying decision:

When the buyer takes the buying decision, there is no rigid rule to behind him. Sometimes, the decision is taken on the spot. That does not necessarily mean that it is an irrational decision. Sometimes they may decide after a long search, after reevaluating a various alternatives available and reassuring him with the opinion of those who have

already purchased the product. Still he may feel later that his purchase was impulsive or even foolish! He may go to shop after having taken the decision to buy a product, but he may not still buy. For no apparent reason, he may postpone the purchase or even drop the very idea of purchasing the product. The buyer is also influenced by the social environment, in which he lives-his family, his neighbors, his friends, his job, his collegians. Every component of his social environment leaves some imprint on him and influences him in his day –to-day life. They influence his buying behavior too. It would be amply clear from the above that buyer behavior is a complex subject. The buyer is not a passive being to allow him to be manipulated easily by the marketing man. He is dynamic and downright difficult. (Ramaswamy and Namakumari, 1995)

2.1.11 Buyer Behavior – Difficult puzzle:

These discussions on the buyer, his motives, his buying habits, his behavior patterns and his decision making process essentially lead us to the conclusion that it is not easy to solve the puzzle of buyer behavior. The behavior depends upon the buyer's needs and the needs keep on changing. Moreover in many cases, the buyer's decisions can not wait for the evaluation of all the alternatives available to him. He cannot always pause to find out the cause-effect relationships of his decisions. All that can be said is that he will normally take a decision which he believes will meet his needs.

And a marketer treads on difficult ground when he tries to uncover the complex set of needs of his customers- existing and prospective, but in spite of his difficulty, the job continuous to be undertaken by marketers, researchers, and behavioral scientists. That is why so many theories and concepts have been built about buyer behavior. At the same time, the more we study the buyer, the more complex he appears. It's only natural that "no theory" of buyer behavior has received universal acceptance among marketers as a complete guide to the buyer's decision- making process. And the marketer's job remains challenging, mainly because he has to predict the unpredictable –the buyer. (Ramaswamy and Namakumari, 2007, P: 230)

2.1.12 Why we study Consumer Behavior?

Just as consumer and marketers are diverse, the reasons why people study consumer's behavior are also diverse. The field of consumer behavior holds great interest for us as consumer, as marketers and as students of consumer behavior.

As consumers, we benefit from insights into our own consumption related decision. What we buy, why we buy, how we buy and the promotional influence that persuade us to buy. The study of consumer behavior enables us to become better that is wiser consumer.

As marketer and future marketer, it is important for us to recognize why and how consumer make their consumption decision, so that we can make better strategic marketing decision.

If 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. Without doubt, marketers who understand have great competitive advantage in the marketplace.

As student of human behavior, we are concerned with understanding consumer behavior, with gaining insight into why individual act in certain consumption related ways and with learning what internal and external impel them to act as they do. Indeed, the desire for understanding consumption related human behavior has led to a diversity of theoretical approaches to its study. (Ramaswamy and Namakumari, 2007)

2.1.13 Consumer-The Problem Solver.

In the 1960s John F Kennedy became president of the United States and gave the consumer elevated status. In his message to Congress on March 15, 1962, he put forth the Consumer Bill of Rights (1963) as a social contract between business and society. Government was the ultimate guarantor of these rights, which included the right to safety, the right to be informed, the right to choose, and the right to be heard (re- dress). The government took Kennedy seriously and began an activist role. The marketplace was becoming more diversified. The concept of market segmentation be- came even more important. Goods that the consumer wanted were now being produced, rather than just the goods the manufacturer wanted to make. Choice prevailed for the consumer, and the consumer was recognized by the highest official in the country. Consumers had the right to be informed and protected. The government poured millions of dollars into departments whose goal was to make sure the consumer had access to information. The Federal Trade Commission flourished. Labels were put on products listing all ingredients. Advertising was regulated and measured; if it was misleading, then corrective advertising was necessary. Information was in great supply to the consumer. Ralph Nader, with his book -- Unsafe At Any Speed, emerged as the hero of the 1970s, taking on corporate giants in the name of the little man. Consumerism was everywhere. As a result of this environment, consumer behavior re- searchers started to see the consumer as a "cognitive man." The irrational psychotic purchaser of the 1950s and "Ralph Nader, with his book Unsafe At Any Speed, emerged as the hero of the 1970s, taking on corporate giants in the name of the little man. Consumerism was everywhere. "Early 1960s was left behind. The consumer was now a problem solver. He or she was receptive to products or services that consciously met his or her needs. Consumers were thought to actively search for information about the products and services they bought. Consumer Repots was born. Consumers were seen as striving to make the best decisions possible given their limitations. On the other hand, consumer researchers told us that even though consumers are given information, they often fail to use it to make decisions. In an initial experiment (Jacoby, Speller, and Kohn 1974) and a follow-up (Scammon

1975), consumers were given objective product information concerning several brands available in the marketplace. The results of the first study showed that consumers felt better about their brand selections with more information, but actually made poorer choices. The study by Scammon corrected for weaknesses in the original study but still found that recall of product attributes decreased with increasing information. Consumers were still limited by the extent of their knowledge about capacity to store information about the marketplace in short term.(Zaichkowsky,1991)

2.2 Review of Other Related Studies

2.2.1 Thesis Abstracts

In recent days India is witnessing a change in consumerism. The market is now predominantly consumer driver. The focus is shifting for product based marketing to need based marketing. Consumer is given many options to decide. Refrigerator Segment is no exception to this general trend. The purchase of refrigerators is now a common phenomenon among middle class and the consumer is flooded with various models with fine features and new brands. People are in a consumer market where the marketers do not merely satisfy a need but try to achieve consumer delight. The decision to purchase a refrigerator is not a one man decision. Though the financial decision is taken by the bread winner of the family usually men in Indian middle class families the decision regarding color, brands and the like are taken by women that is wife. Hence, the decision making is complicated. So the marketers need to understand the consumer behaviors and perceptions before formulating a marketing strategy. Strong competition in the market has also resulted in many companies fighting for a place in the consumer's mind. An effective market communication is imperative for the reaching the target audience. So it is important that we study the consumer behavior and perceptions of the refrigerators which will give us feedback on how marketing strategies can be worked. The study throws light on various features that the manufacturers should concentrate on to attract the prospective buyers. This study concludes that consumer behavior plays a vital role in marketing refrigerators and there is more scope for extensive research in this area. (<http://theglobaljournals.com/paripex/file.php?val=Njkw>)

2.2.2 The History of Refrigerators and Freezers.

Before mechanical refrigeration systems were introduced, people cooled their food with ice and snow, either found locally or brought down from the mountains. The first cellars were holes dug into the ground and lined with wood or straw and packed with snow and ice: this was the only means of refrigeration for most of history.

Refrigeration is the process of removing heat from an enclosed space, or from a substance, to lower its temperature. A refrigerator uses the evaporation of a liquid to absorb heat. The liquid, or refrigerant, used in a refrigerator evaporates at an extremely low temperature, creating freezing temperatures inside the refrigerator. It's all based on

the following [physics](#): - a liquid is rapidly vaporized (through compression) - the quickly expanding vapor requires kinetic energy and draws the energy needed from the immediate area - which loses energy and becomes cooler. Cooling caused by the rapid expansion of gases is the primary means of refrigeration today.

The first known artificial refrigeration was demonstrated by William Cullen at the University of Glasgow in 1748. However, he did not use his discovery for any practical purpose. In 1805, an American inventor is also referred to as "the father of refrigeration" is Oliver Evans - designed the first refrigeration machine. The first practical refrigerating machine was built by [Jacob Perkins](#) in 1834; it used ether in a vapor compression cycle. An American physician, John Gorrie, built a refrigerator based on Oliver Evans' design in 1844 to make ice to cool the air for his yellow fever patients. German engineer Carl von Linden patented not a refrigerator but the process of liquefying gas in 1876 that is part of basic refrigeration technology.

Refrigerators from the late 1800s until 1929 used the toxic gases ammonia (NH₃), methyl chloride (CH₃Cl), and sulfur dioxide (SO₂) as refrigerants. Several fatal accidents occurred in the 1920s when methyl chloride leaked out of refrigerators. Three American corporations launched collaborative research to develop a less dangerous method of refrigeration; their efforts lead to the discovery of [Freon](#). In just a few years, compressor refrigerators using Freon would become the standard for almost all home kitchens. Only decades later, would people realize that these chlorofluorocarbons endangered the ozone layer of the entire planet.

2.2.3TheRefrigerator

"At some point, perhaps in fourteenth century China or seventeenth century Italy, it was discovered that the evaporation of brine (salt water) absorbed heat and therefore a container placed in brine would stay cold."

This short essay also discusses, focuses and highlights of refrigerator history. The term "refrigerator" was coined by a Maryland engineer, Thomas Moore, in 1800. Moore's device would now be called an "ice box" - a cedar tub, insulated with rabbit fur, filled with ice, surrounding a sheet metal container for transporting butter from rural Maryland to Washington, DC.

2.2.4Refrigerants

A mixture called chemo gene (consisting of petrol ether and naphtha) was patented as a refrigerant for vapor compression systems in 1866. Carbon dioxide was introduced as a refrigerant in the same year.

2.2.5 Concept of Refrigerator

A refrigerator produces "cold" by drawing heat from the inside of the refrigerator cabinet. Cold means low temperature or lack of heat. Cold is the result of removing heat.

2.2.6 How Refrigerator works?

It is the process of removing heat from an enclosed space, or from a substance, to lower its temperature, by means of mechanical actions. Or refrigerators operate on a continuous cycle with four steps: compression, absorption, expansion and condensation.

The principle behind most refrigeration is simple. Here it is in one sentence: When a liquid evaporates, it absorbs heat in the process.

If we want to get rid of heat, we need to coax a liquid to convert to its gaseous state. (www.home.howstuffworks.com/refrigerator)

2.2.7 Methods of Refrigeration:

1. Vapor compression and
2. Vapor absorption methods/systems

Vapor compression system and Components of the refrigerators.

Vapor compression is that method or system where refrigerant vapor is compressed by mechanical means and produce cooling effects.

Compressor:

It is that mechanical device which is used in refrigerator for compressing refrigerant vapor from the evaporator and discharged it in to the condenser. Various types of compressors are used in refrigeration system.

Condenser:

The compressed refrigerant vapor from compressor is condensing in this portion of the refrigerator and then the liquefaction takes places by rejecting the absorbed heat of evaporator to the surroundings.

Expansion/control valve:

It regulates the flow of liquid refrigerant into the evaporator where evaporation takes place. In most of the refrigerators capillary tube is designed for pressure regulating purpose instead of different control valves.

Evaporator:

Finally, the fluid evaporates and once again becomes gas. The cold temperature is directed to the refrigerated area, while the remaining gas is cycled back into the system, starting the process once again.

Modern side by side Refrigerator:

Introduced in 2013 based on several qualitative factors such as: Shelf Space, Interior Shelf Design, Appearance/Design, Price/Value Reliability and Build Quality energy efficacy Accessories and Features

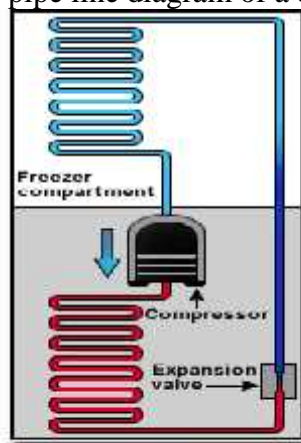
Picture: 2.1



Source: www.google.com.np

Picture no. 2.2

Components and well structured pipe line diagram of a common refrigerator



Graphic courtesy:
Science Treasure Trove

Source: www.energyquest.ca.gov/how

Picture: 2.3

Wine & Beverage Coolers



Source: www.bestbuy.com

Designed especially for beverages, wine & beverage coolers (also sometimes known as "cellars") range from compact-refrigerator size units to elaborate, full-size models with room for hundreds of bottles and shelving systems designed for easy organization and access. Deluxe models offer multi zone digital temperature regulation to maintain the optimal drinking temperature for red, white and sparkling wines.

Different types of modern Refrigerators:

Picture: 2.4

Top- Freezer. Bottom- Freezer Side-By-Side French door Freezer less

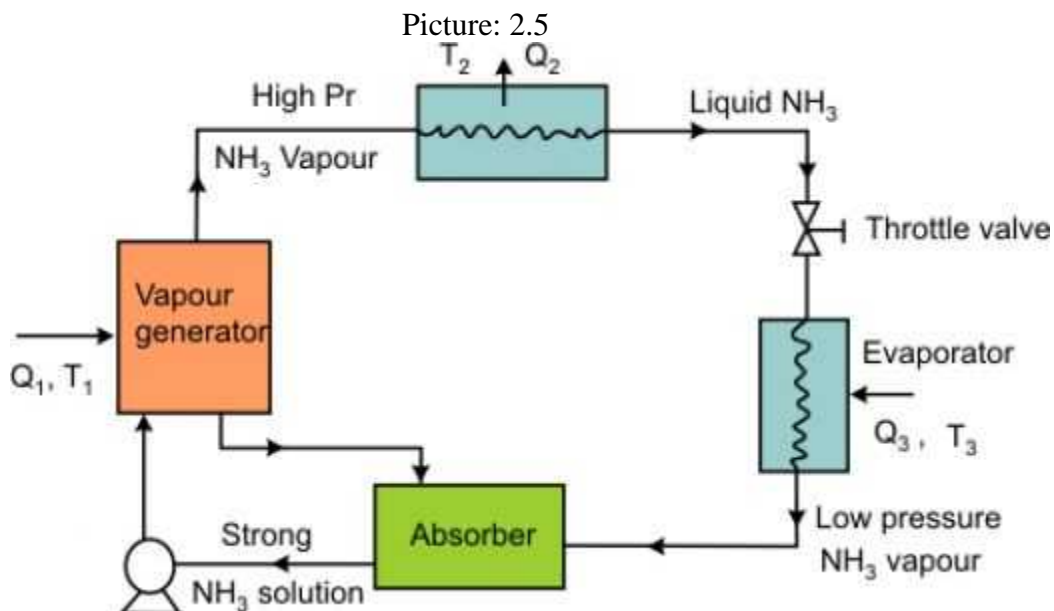


Source: <http://www.bestbuy.com>

An absorption refrigeration system:

An absorption refrigerator is a refrigerator that uses a heat source (e.g., solar, kerosene-fueled flame, waste heat from factories or district heating systems) to provide the energy needed to drive the cooling system. It uses heat energy instead of mechanical energy to make a change in the conditions necessary to complete the refrigeration cycle.

A diagram of Simple absorption Refrigeration system



Source: www.ninjacraze.hubpages.com

2.2.8 Classification of applications:

I. Domestic Refrigeration: Domestic refrigeration is rather in scope, being concerned primarily with household refrigerators and home freezers. Domestic units are usually

small in size, having power input ratings of between 35 watt and 375 watt and are of the hermetically sealed type.

II. Commercial Refrigeration: It is concerned with the designing, installation and maintenance of refrigerated features of the type used by retail store, restaurants, hotels and institutions for the storing, displaying, processing and dispensing of perishables commodities of all type.

The unit operating capacities broadly cover the range from less than 1 KW up to several hundred KW.

III. Industrial Refrigeration: it covers a wide range of cooling and freezing applications. Liquid chillers and industrial air conditioning are also in this category. Refrigeration capacity spans over a great range, from some 20KW refrigeration effect to several MW, while temperatures vary from below -100°C to well above freezing point. The systems are, to a large extent, custom engineered and erected at site. Unit systems (“chiller”) are used for process cooling.

Here only domestic types of refrigerators are included for this studies other commercial and industrial types of Refrigeration systems are excluded.

2.2.9 History of Refrigerator/Refrigeration in Nepal:

The American business tycoon Alexander C Twining is generally credited with initiating commercial refrigeration in 1856 shortly afterward, an Australian, James Harrison introduced vapor-compression refrigeration to the brewing and meat packing industry. But the first built in refrigerator in Europe was lunched by Electrolux (Swedish manufacturer) in 1930. In India, the first installation of the refrigerator industry is nearly 50 years old.

Nepal is almost isolated at that contemporary time from the rest of the world. Before Rana regime the application of refrigerator was not found, even though Bir hospital, the oldest hospital of Nepal was established in 1889 A.D. but no any history of utilization of such advanced refrigerators for medication prevention purpose at that time, but now the hospital is famous government’s big hospital of Nepal where so many advanced technology and equipments were introduced where refrigeration system plays the key role for medical, surgical and laboratory application too. All hospitals and community health sectors are the wide users of today’s refrigerators. Wide array of household, commercial and industrial refrigeration systems ware introduced in Nepal since last few decades of 20th century. But which sector of user introduced such product 1st there were no any historical and authentic records and data’s available. There might be application of the refrigerator in Medical education and research centre which was established in 1972. There was a wide range of use of refrigerator in EPI for the protection of various vaccines which was established around 1978-1979.

Nepal Brewery company the pioneer of the beer in Nepal which is mainly based on the refrigeration system, produce star beer since 1942 A.D. was the almost old user of industry sector’s customer of refrigeration machineries. Since then so many big

Industries were established in Nepal, many of them are based on refrigeration technology.

One of the government sector's agro based industry is dairy development corporation which was established in 1979 A.D. (2026 B.S.) based on refrigeration technology.

Air conditioning in hotels and commercial complexes and affluent offices are common in Nepal. Refrigerated storage of large and small capacities is common. There are about 15 big cold storages in the country and more than five dairies with number of collection centers around the country. There is very small base of manufacturing industry in Nepal, which manufactures refrigeration and air conditioning machines the manufacturers are using the traditional refrigerant (CFC-12 and HCFC 22) and have very little information about the alternative refrigerants and their uses. In Nepal the main industry is the service industry of refrigeration and air conditioning machineries focused on repair, maintenance and servicing works. (NBSM – RMP survey of ODS - 1996.)

In Nepal Refrigerated vehicles for milk transportation different varieties of freezers and enumerable refrigerators were captured their specific field for milk business kingdom too.

After 1972 Institute of Engineering Pulchowk has expanded considerably the new technical programmed on different faculties, Refrigeration and Air Conditioning Engineering is one of them, with the assistance from UNDP/ILO. (www.ioe.edu.np) after the beginning of refrigeration engineering education the field of refrigeration found new horizon. Since then the human resources were developed as experts, Engineers, high skilled and skilled categories of that field and pursued their knowledge to all over the country. Is this not the beginning of refrigeration eras? Our urban areas people's culture is converted in mega trend and they know the value and utilization of refrigerators- a smart food manager.

Present scenario of the country is that the adaptation and implementation of the refrigeration technology and its compensation is more and refrigeration is the back bone of today's modern and developing Nepal. And also Nepal's competitiveness in the global arena of different business circumstances, it provides wide array of quality production and plays key role for nation's sustainable economic growth.

2.2.10 Application of refrigerators:

The term refrigerator is the name of appliances which based on the principle of refrigeration mechanism. So the application of refrigerator is only a very narrow sense, for broad sense it is better to consider application of refrigeration which predicts and represents all aspects of this field, here the researcher focused on application of refrigeration.

Refrigeration plays an important role in the advancement of science. Applications of refrigeration are so numerous; it is difficult to cover in few pages.

I. Food storage and distribution:

Frozen meat and vegetables (-15 to -27)⁰C, Cold storages 0⁰C, and Household fridges. All Domestic refrigerators freezers are used for foods and beverage preservations.

II. Industrial application:

The refrigeration is used in many industries for economical and quality products and it is also unavoidable part in many industries; such as separation, liquefaction and condensation of gases, Oil refinery, Rubber industries, Printing Industries, Cloth and textile, Photographic, dehumidification of air: low humidity is essential for the production of pure oxygen and it is essential in the manufacture of pharmaceuticals, a soap, detergents and cosmetic and so on.

III. Medical application:

The applications of refrigeration in hospital are: - localized refrigeration as surgical anesthesia to provide shock less surgery, Blood plasma and antibiotics are manufactured using a method called freeze drying, Deliveries taking place in air-conditioned rooms, Dead bodies are preserved at -70⁰C for few days. Instrumentation - application, Preservation application, Clinical applications and Medical Hovercraft.

IV. Civil engineering applications:

Ice Skating Rinks: Artificial freezing of ice rinks and not depending on weather, heavy constructions, heavy foundation and tunneling. Refrigeration cools soil to facilitate excavation

V. Application of comfort Air-Conditioning:

Residence, eating and Amusement, stores and transportation.

VI. Use for Environmental test equipment:

Stratton chambers, wind tunnels.

VII. Ice manufacturing:

Cane Ice system and plate ice system

VIII. Application of food preservation:

Animal products and dairy products are susceptible to the spoilage agents. These effects can be controlled by providing low temperature atmosphere to these stored foods.

IX. Cold treatment of metals:

The cutting tool can be increased many folds by refrigerating the tools, and magnetic strength and stability of magnets can be improved by low temperature treatment also.

Miscellaneous Applications:

Births of a child taking place in Air Conditioned rooms, Dead bodies are stored for few days when their family members cannot be present in time, Blood preservation Bone marrow preservation and so on. (www.allsubjects4u.com)

2.3 Review of Previous Studies:

2.3.1 Rosul, (2013).Consumer Behavior towards whirlpool India Limited (Ref. category).

The purpose of the study was to understand the various key, external and internal variables which influence various market segments while buying refrigerators. However the main objectives of the project are:

1. To get exposed to the practical situation of the business.
2. To know how things work practically in corporate.
3. To learn to interact various corporate people.
4. To know the effects of brand value of whirlpool.
5. To know consumer behavior while purchasing a refrigerator.
6. To make people aware about the new refrigerator neo i- chill
7. To sale the Neo i –chill refrigerator.
8. To know the consumer view regarding after sales service.
9. To know various strategies used by different companies to attract them.
10. To know the consumer preferences.
11. To analyze the awareness among public about the Whirlpool product.
12. To increase the sale of the refrigerators of the brand whirlpool.

Recommendations:

As a new refrigerator Neo i- chill is excellent but the color should be more attractive. It should maintain proper stock. Neo i-chill is having good features in it and it is now in introduction phase of it product life cycle, so new, different and attractive range with lower capacity of refrigerator should be launched and therefore to show its superiority over the other competitor brands. Indian consumers are price sensitive so they want the same features enabled in Neo i- chill with lower price. So, price should be set taking care of those consumers. Products and its features are excellent but there should be more promotional activities like TV ads, to promote the new products in market. Advertisements should be focused on homemakers because they are the primary influencers; mostly joint decision is taken whereas the financier is husbands. Extended after sales service can be used as pull strategy of promotion to attract the customers, customers consider it as main attribute while purchasing the product.

Internet is other sources of gathering information about refrigerators and hence the product should be heavily promoted there.

2.3.2 Pradhan, (2006) Consumer Buying Behavior on beer (with reference to Chitwan District)

The specific objectives of the study were:

1. To find out the target group of beer.
2. To examine the perception of the consumers regarding different attributes of beer.
3. To identify the suitable source of information about beer.
4. To ascertain the ranking (according to perception of consumer) of different brand available at beer market in Chitwan district.

5. To examine the effectiveness of product, place, price and promotion for marketing of beer.

The Findings of the study were:

1. According to occupation, most of the respondents are student i.e.42%. Although they are student they are doing part time job. Second highest number of respondent is businessman i.e. 34%. Service holders are 22% and other are 2%.
2. According to income, no. of respondents are most having salary above Rs.9, 000 i.e. 42.9%, salary having 7 to 9 thousand are 20%, 6 to 7 thousand are 14.3%, 3 to 5 thousand are 11.4% and 2 to 3 Thousand are 11.4%.
3. According to brand preference, highest no of respondent prefer Tuborg i.e. 80%. Second highest preferred brand is Carlsberg i.e. 10%. Everest and Sanmiguel come under third preferred brand i.e. 4% each. Other brands come under 2%.
4. Among 100 respondents 36% consumes beer once in a fortnight. 28% consumes once in a week. 10% consumes thrice in a week and another 10% consumes everyday. Most of the respondents consume beer once in a fortnight.
5. Among 1000 respondents 80% consumes less than 5 bottles in a week 12% consumes 5 to 10 bottles, and 8% consumes 10 to 15 bottles per week. Most of the respondents consume less than 5 bottle in a week.
6. According to place of drinking beer, most of the respondents consumes beer at restaurants i.e. 52%, 16% consumes at home, another 16% consumes at party and 12% consumes at hotel.
7. Most of the select particular brand due to taste i.e. 78%, 20% selects their brand due to brand image. Only 2% select their brand due to price and no one is interested to packaging.
8. Most of the consumer consuming Tuborh beer prefers Sanmiguel as second brand then Carlsberg, Iceberg, Everest and Gorkha respectively.
9. Brand satisfaction is high in Tuborg although very satisfied are low in no respondent who stands at neutral is very low in no. compared to total respondent. It seems that respondents are satisfied with their brand.
10. The most effective media for advertisement of beer is hoarding/ Neon and second effective media is print media.
11. The brand mostly selling by a retailer is Tuborg and Everest.
12. The reason for not selling other brands by a retailer is due to low demand and unavailability.
13. The brand of beer given by retailer when consumer first asks for beer is Tuborg.
14. The reason for selling particular brand is due to high demand.
15. The brand providing more profit margins is Everest.
16. The most appropriate size of bottle the retailer preferred is 650 ml.

2.3.3 Pariyar, (2009). Consumer buying Behavior on computer Brand Choice in Pokhara

The specific objectives of the study were:

- a. To analyze the brand preference, purpose and reason of buying personal computers used by buyers of jobholders and business.

- b. To ascertain important factors affecting to the buying behavior of personal computer and measure the buyers decision while choosing and buying the computer.
- c. To assess the buyers disposal of the chosen brand of personal computer after its end use.
- d. To analyze the buying promotional activities effects on brand choice of personal computer in Pokhara.
- e. To assess how the computer sellers are helping the buyer for choosing and buying the needed brand.

The major findings of the study were:

- a. Majorities of the buyers whose age are belong to below 25. So marketers should keep their attention for that group who preferred computers most, but not to ignore the other age groups of customers.
- b. Most of the buyers of both categories preferred assembled brand of computer due to the cheap price, so it is suggested that marketers should focus to produce such items.
- c. Quality, price, model, and availability of the computer seen to be decisive factors regarding the choice of particular computer. So, it is suggested to the marketers to sell the quality product with latest model and reasonable price.
- d. As regarding the gender, large numbers of male buyers/users are highly associated but females are negligible. So it is suggested to the marketers that hold the attention of female buyers by adapting promotional tools.
- e. Marketers are suggested to give proper attention about quality, model, brand and price of the computers in every interval of time of its sophisticated customers. And also focused middle level income group who preferred computer most.
- f. As disposing is concerned, most of the buyers seek to exchange computer with new ones to adding extra money. So marketers should consider making promotional strategy to facilitate them in the future. And also suggested to give warranty and cash discount offer while they are selling the personal computer.
- g. Sellers are recommended to show friendly behave as preferred most of the buyers and marketers are suggested to apply suitable promotional tools to overcome their competitors.
- h. Marketers are suggested to enhance reputation of sellers.
- i. To avoiding negotiation problems, sellers should be adopt the fixed price policy and stand in a business ethics.
- j. Most of the buyers are satisfied with the personal computer. So, it is suggested to the marketers that they should care to maintain quality product.
- k. It is recommended to carry out further research to find out the other relevant facts regarding personal computer brand and buying process of consumers by taking a large sample.

2.3.4 Singh, (2009).Buying Behavior of winter wears in kathmandu valley.

The objectives of the study in connection with the foregoing problem are as follows:

- a. To find out the time, day and location that is mostly preferred by the consumers for purchasing jackets and sweaters.
- b. To study the frequency of order, delivery made to shop, to whom the order is placed and volume of order placement.

- c. To assess the most preferred brands, size, style of sweaters and jackets in the market and their market share.
- d. To determine the potential buyers that actually purchases the product and the attributes used to choose the product.
- e. To investigate the consumption pattern of jackets and sweaters by the different aged customer.

The major findings of the study were:

- a. Customers should be communicated about new upcoming products. In view of their buying behavior.
- b. The seller should keep in mind that consumers are not much brand conscious though they have the concrete plan to shopping is done on impulse. Rear consumers are branding conscious so most of them buy on the basis of the color, design, and fabric or the material of the dress.
- c. The sellers at kumari pati and Mangal Bazar are suggested to lunch certain scheme and increase more exposure which will be beneficial to both consumer and shoppers.
- d. Consumers mostly purchases jackets and sweaters during the period between October and January. So, shops are suggested to provide as many variables of jackets and sweaters as they could during that period.
- e. Store loyalty plays an important role in the long- run success of the shop. So sales promotion schemes like coupon, special discount for regular customer, rise scheme etc, should build store loyalty and they are benefited also.
- f. Shoppers are suggested to follow up the competitive price to attract consumer as consumers were found price sensitive, which shows that the consumer is rational.
- g. It is suggested to shops that target the market segment and deliver according to it. And targeting the young and energetic customers up to 35 years can provide variety sweater and jacket that is in dark in color and shop targeting senior age customers with lighter ones.
- h. Most of the customers are aware of, and prefer the brand names like Adidas, Nike, Benetton, Reebok, Bossini and Crocodile so the shops are suggested to provide varieties of brand.
- i. Since most of the consumer use foreign brands it is essential to increase the market share to Nepalese brand of clothing. For this purpose our local and national entrepreneurs are suggested to produce high quality and well designed winter wears in wide range of varieties and market them with effective promotion and sales promotion schemes. This consequently can help to save foreign currency and generating employment opportunity.
- j. Focus on the size of the apparel: the biggest failure for branded apparel in Nepal is because it is not made for the Nepalese consumers. Those entrepreneurs who are planning on producing national appeals as well as those shop owners who order to wholesalers outside the nation have to focus more towards the Nepalese size so as to satisfy its consumers to the best possible extent. The exact size and the color with the design are one of the biggest factors for brand acceptance.
- k. Finally, it is suggested to the scholars and researchers to conduct research on buying process and brand loyalty aspect of the consumers by taking large samples of kathmandu valley and beyond.

2.3.5 Acharya, (2008).Consumer Behavior towards Cold Drinks in Chitwan District

The main objectives of the study were:

- a. To identify the factors that affect on variability in perceiving cold drinks by consumers.
- b. To find out the consumption patterns cold drinks.
- c. To identify the best selling brand of cold drinks in Chitwan district.
- d. To examine the consumer sensitive towards price, quality, and taste of the cold drinks.
- e. To find out the popular brand of cold drink in Chitwan district.

The major findings of study were:

- a. The coca-cola brand should study the consumer behavior continuously and regularly and prepare the strategies accordingly.
- b. The consumers having positive behavior should be encouraged more and should include negative behavior and improve its different aspects.
- c. Coca-cola brand should maintain its Quality/price/taste.
- d. It is perceived that the coca-cola brand should make consumers believe that the price of cold drinks is justifiable. Most of the respondents expressed their view that the price of cold drinks is high.
- e. In order to successfulness and good influence on society, it should participate in social activities.
- f. Being alert with the competitors, it should adopt defensive strategy.
- g. As greater number of consumers has intention to buy product at any where the producer should try to motivate the retailers for increasing sales and volume of market share as well.
- h. As consumer's behavior is highly affected by products manufactured with adapting better technology, the sampled organizations should produced in accordance with consumer demand for which they may adopt effective opinion survey.
- i. The companies should undertake marketing research on a regular basis to monitor the performance of cold drinks.
- j. The other cold drinks companies should introduce some promotional schemes to the consumers for better marketing approach.

2.4 Research Gap

Mainly, due to new scientific inquiries and technological advancement Knowledge becomes obsolete. So it creates a dilemma where the applicability of so called theories and models which we learnt can still be applied to solve problems? Thus, the scholars bring the notion of 'research' as a definite solution which enriches the existing understanding of a phenomenon. This can be either a theory testing or a theory extension (theory building) approach. In fact, gap identification and formulating a research problem are vital for a research project. (Dissanayake, 2013)

To be more concise for the study and influences upon customer and their behavior, and the analysis of market characteristics and trends towards refrigerator, researcher derived some views, fills the gaps and tries to eliminate the overlaps.

While studying the contemporary market circumstances and consumer perception along with their behavior towards refrigerators in Chitwan district, the scenario of consumed brand and preference brands, problem faced by them in his/ her brands and after sales service of such product, influence of marketers to their consumers as well, and available literatures with related to the similar topics and their deficiencies, Researcher tried to solve the problems of the same and eliminate the gap of previous literatures and controlled the duplication in these latest findings.

There were so many studies conducted by different researchers on the field of consumer behavior towards various goods of these 'Dissonance Reducing Behavior' (High involvement purchase) like several home appliances in Nepal and also low involvement purchase (Habitual Behavior), but the review paying attention that most of the researchers tried to study consumer behavior on different products, they were not fully concerned with the consumer behavior towards the products and found various gap on selected topic and mainly collecting the attitudes of the consumer not only the behavioral issues with regards to the consumer point of view, to make this study different from other research, researcher analyze the data with theoretical concepts by using various statistical tools and techniques. Reviewing unpublished dissertations' of different researchers and go through their findings and benchmark with their outcomes, they are: (Pariyar Surendra, 2009), conduct a research on consumer buying behavior on Computer Brand choice in Pokhara like wise (Achrya Keshav, 2008), Consumer buying behaviour towards cold drink, with reference to Chitwan district, (Singh Pooja, 2009), "Buying Behavior of winter wears in Kathmandu valley." Similarly (Pradhan Ranjana, 2006). "Consumer Buying Behavior in Beer," with reference to Chitwan district.

Consumer behavior towards refrigerators is probably the first and new study in the context of Chitwan district till date because researcher has not yet found any research conducted in Chitwan district regarding this refrigerator category. So, researcher has tried to conduct this study and fulfill that very breach by conducting a survey of the respondents in various places of Chitwan district.

By solving such types of problem faced by the consumers of Chitwan district and as a whole, and to find out the actual output which enables predicting and enlighten new vision for the specific marketers, scholars and the students who want to conduct similar studies further. The present research is focused on to eliminate the various gaps of previous similar studies and given a concrete vision with regards to the topic and also focused on the perspective of the individual and institutional consumers and their views towards refrigerators which ultimately will be targeting their needs and wants.

CHAPTER THREE RESEARCH METHODOLOGY

3.1 Introduction

Research methodology is an art of scientific inquiry. It is organized form of information, with gathering, processing and analyzing of information to facilitate and improve decision making which helps to get objective through different methods of data collection. The basic objective of this study is to find out the role of the consumer buying behavior for better marketing. The study tried to show how study of consumer behavior has worked in gaining good marketing tools and ideas for refrigerators market in Chitwan district. To find the most efficient method for marketing of refrigerators, what are the factors that deeply influenced to the consumers buying behaviors towards various brands of refrigerators, to observe if the current methods are effective enough or not, individual consumers and institutional buyers has been taken for this mean .

To achieve the goal of the study consumer's views has been taken from the questionnaire distributed to different class of persons who own the Refrigerators and then responses have been analyzed by using various statistical tools and techniques.

3.2 The Research Design

Research design is the plan structure and strategy of investigation conceived to obtain answer to research question and to control variance. (kerlinger, 1978). This design is descriptive as well as analytical. To achieve the objective, relevant data and information has been collected, analyzed and tested simultaneously. This study has been carried out through survey and examined the relation between consumer buying behaviors: product, price, promotion and other influential determinants.

This study is focused and aimed to find out the consumer behavior towards refrigerators in Chitwan district.

3.3 Source of Data

This study is mainly based on primary data sources; so, most information from individual consumer was collected from primary source through the distributions of questionnaire and institutional buyer's have been collected through a self administered questionnaire survey at there places and convenient time as well. Primary data have been collected from different location – Narayangarh, Bharatpur, Tandi, Ramnagar, Maugling bazaar and kurintar area, and Mangalpur/Rampur area.

Most of the consumers are educated, gathering of information by them is very easy but in some extent few are general literate so, researcher facilitate to them and kept the data by orally interviewing process. Different age groups and professions were selected for the purpose of the study. This immensely helped to enhance the authenticity of target consumer. Limited source of Secondary data were collected from publications journals and websites.

3.4 Population and Sample

Population of this study consists of the consumer of different age group, especially 18 to 45 and above from Chitwan district; normally individual (household) user engaged in service sector and institutional (business) buyers are the owner of hotels, restaurants and small scale Dairies and retailers. Population comprises consumers of different profession, different income status and different educational background to identify every sector consumer's view in this study and they will be more reliable to get the answer which researcher wanted most in his study.

3.4.1 Sample Size.

Census is perceived to provide more accurate information rather than sample base but it is often impossible for any organization or students to gather the heavy expenditure, more time consuming and so on. Sampling based research reduce cost, time and all other errors as comparison on census based research like poor interviewing, non response etc.

There fore in many instances a sample based research proves to be more accurate comparatively than a census based research. Here in this study the researcher adopt sampling based research where all the consumers and users of refrigerators in Chitwan district are considered as population and out of them only 100 individual consumers and 30 institutional consumers are considered as sample for this study.

Table: 3.1
Respondent's profile

S.N.	Sampling location	Sample size	Sample size in percentage
1	Bharatpur/Narayangarh	65	50%
2	Eastern part of Chitwan(Tandi area)	26	20%
3	Ram nagar, Mugling, Kuringarh area.	26	20%
4	Mangalpur/Rampur area	13	10%

Source: Consumer Survey 2070

3.4.2 Sampling Procedure.

Convenience sampling method has been used to select the sample from the population. So, the respondents from different groups of consumer (individual and institutional) have been selected on personal contact. The respondents were selected in such a way so that it comprises maximum number from the younger, energetic and income generating age group that is from 25- 35 and 35-45 since this represent the potential group of refrigerator market. Most of the consumers are educated even though few general literate numbers are also taken as the respondents.

3.5 Method of Data Collection

This study is mainly based on primary data. To solve the problem of this study well structured questionnaire is the main instruments used for collection of data. The questionnaires were designed to accomplish the objective of the study. The 140 questionnaire are distributed to the final consumer. Before distribution of the questionnaire, it is present to carry out the objective of the study with easy, respondents

understand and the meaning of every question as well. The sample of the questionnaire is included in the annex no.2. Questionnaires were distributed to consumers on personal contact where the respondents were requested to fill up the objective questionnaire provided. Most of the questionnaire of customer is filled in presence of researcher himself. But few are filled without his involvement. The questionnaire which provided to intuitional buyer is filled by the researcher himself with asking the question orally by them. Personal knowledge of researcher himself on refrigerator field has been also utilized here because researcher is a student of refrigeration and since last 2 decades researcher is connected in this field.

3.6 Data Analyzing Procedure

Questionnaires from respondents were collected and checked thoroughly and among 140 questionnaires, 130 questionnaires were filling up according to the question's objective. The answers of all the respondents were found acceptable according to the question's nature and the similar answers or responses were arranged and keeping in master table according to the question heading and necessary adjustment have been made to obtain the objective of the study.

Collected data is computed and tabulated in different headings for analyzing purpose. All the analysis is made on the basis of the data as presented in the master table. For each questionnaire, different tables have been made. Different responses made by different respondents, were analyzed through percentage, which is brought out of total. Simple graphic representation too has been shown in the analysis process of consumers view to make it more easily understood.

3.7 Methods of Data Analysis

Data analysis means to change raw data in to purified form to enhance understandable presentation that consist of organizing, tabulating and performing statistical analysis and descriptive process and present through different types of analytical tools. They are used in the research in order to draw out the reliable conclusion.

- Percentage analysis
- Simple average and weighted Mean analysis
- Pie chart
- Bar diagram
- Rank correlation
- Chi-square test
- Coefficient of variation and
- Coefficient of correlation

The study mainly aims to find out the behavior towards refrigerator of consumer of Chitwan district. All the above analysis method would be adopted for the presentation of all collected data.

CHAPTER FOUR PRESENTATION AND ANALYSIS OF DATA

The previous chapters provided the conceptual views and format of this study. This chapter is the main heart of the study. In this chapter, the data and information obtained from the questionnaire have been presented and analyzed comparatively keeping the object in mind with the help of field survey at Chitwan district. For this purpose both descriptive and statistical tools and techniques are used. The data collected from the final consumers have been entered, analyzed and interpreted according to the objective of the study. The bar diagrams and pie charts (graphical representation of the calculations) also, have been presented to clarify and specify the actual data.

Although 140 final respondents have responded for the study, but only 130 respondents gave the information which were required for the study from the questionnaire. This step has been taken so as to get the view of consumer, normally who own the Refrigerator. On the basis of the obtained responses, various tables are presented. Homogeneous natures of data have been put in to the same table. The first part of the chapter presents the respondents' profile and remaining section of this chapter describes objective – wise analysis and interpretation of the data. The data are presented and analyzed here under.

4.1 Respondent Profile

The questionnaires based on respondent's profile to obtain information relating to age, sex, income level, marital status, education and profession. The respondents were divided in to two groups i.e. service holder (individual consumers) and business sectors (institutional buyers).

Presentation and analysis to identify the profile of consumer buying behavior:

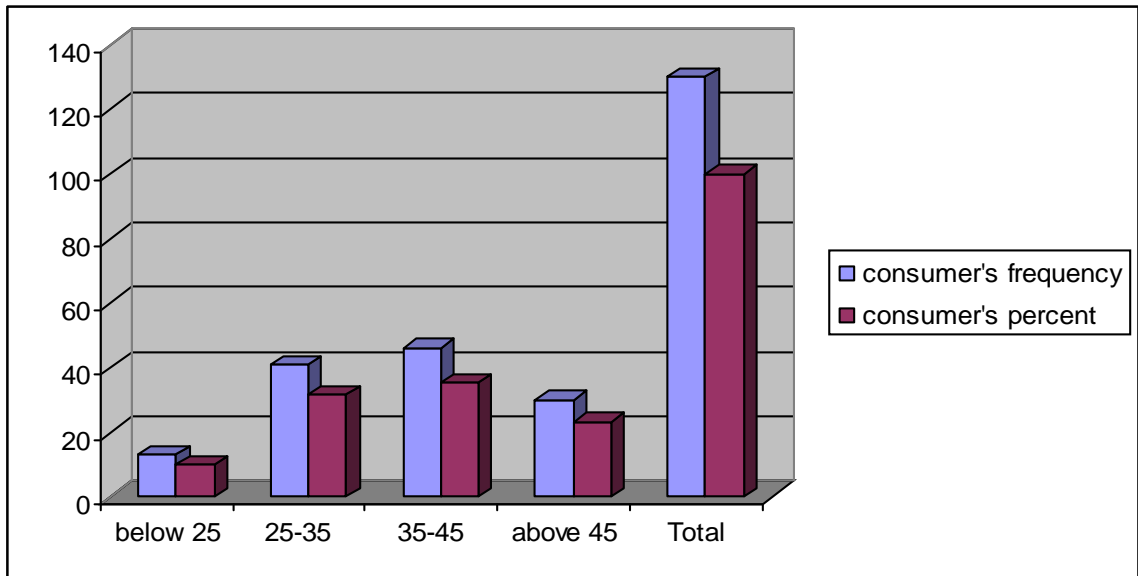
4.1.1 Age group profile

**Table: 4.1.1
Various age and their groups.**

Age Group	Respondents	
	Frequency	Percentage
Less than 25 years	13	10
25-35 years	41	31.54
35-45 years	46	35.38
45 and above	30	23.08
Total	130	100

Source: Consumer Survey 2070

Figure: 4.1.1
Age of consumer



Source: Table: 4.1.1

The above table 4.1.1 and figure 4.1.1 shows that majority of the consumers are the age between 35- 45 years, which is 35.38%, 25-35 age groups are 31.54%, 45 and above age groups are 23.08% and less than 25 age groups are only 10%. The average age of respondent is 37 years (Annex - 5). But, hypothesis (χ^2 tests) shows that buying of Refrigerator is independent upon age group. (Annex – 7).

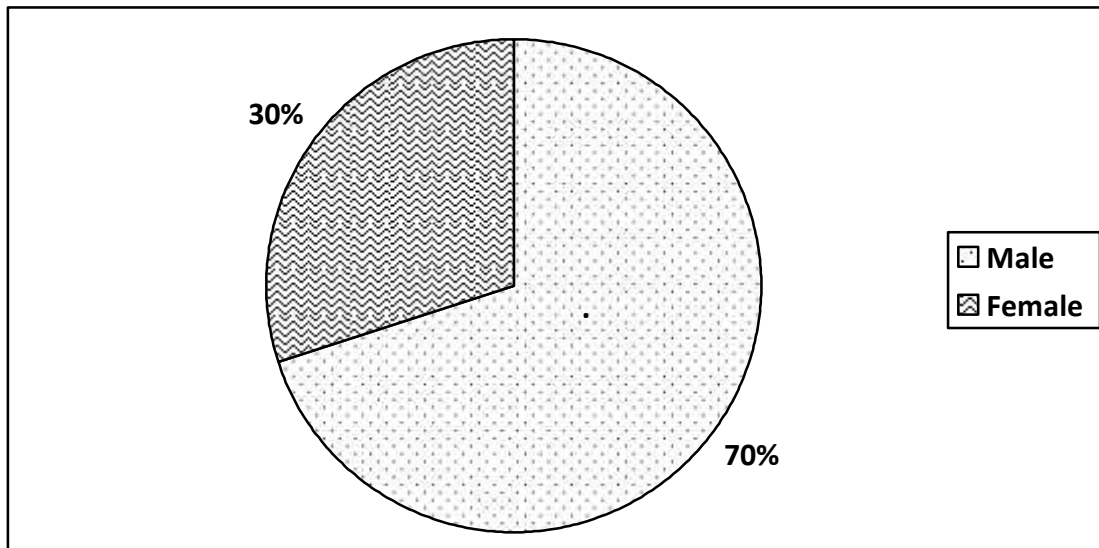
4.1.2 Sex group

Table: 4.1.2
Sex groups of consumer

S.N.	Sex	Frequency		Percentage
		Ind.	Ins.	
1	Male	70	21	70
2	Female	30	9	30
Total		100	30	100

Source: Consumer Survey 2070

Figure: 4.1.2
Sex group of consumer



Source: Table: 4.1.2

Table and figure 4.1.2 deals with the sex group of consumers of Individual and Institutional categories in combine. 91 are male and 39 are female. It seems that male consumers are larger in number Among 130 respondents than female, so male consumers are highly associated to the purchasing phenomenon of the Refrigerator.

4.1.3 Professional profile

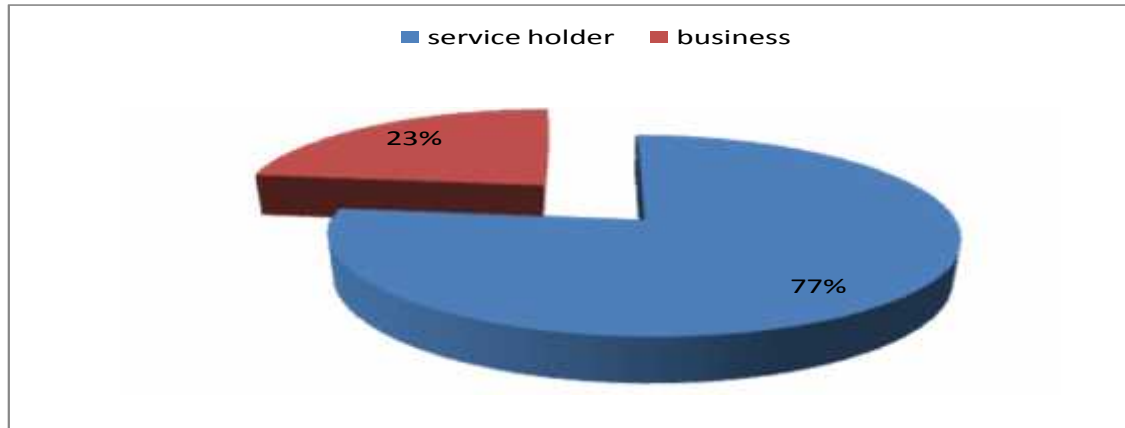
Basically two types of consumers have been taken for this study. They are service holder which represent individual consumers and business sector's buyers which represent institutional buyers. Other types of byres were not found in this survey.

Table: 4.1.3
Different profession of the consumers

Occupation	Frequency	Percentage
Service holder	100	76.92
Business	30	23.08
Others	0	0
Total	130	100

Source: Consumer Survey 2070

Figure: 4.1.3
Professional profile of consumer



Source: Table: 4.1.3

The above table and chart shows that most of the Respondents of Chitwan district are service holders taken from various field of service sectors (as like Engineers, Technicians, Managers, Teachers, service holder students, Accountants, NGO/INGO operators, Bankers, Doctors and ex – Army officers) who buy the gadget for individual purpose. Similarly a business buyer (includes small Dairy owners, Retailers, Restaurants/Hotels owners, and Medical line’s shopkeepers) used for commercial purposes. Among 130 respondents 76.92 % are service holders, and 23.08 % are businessman.

4.1.4 Educational background

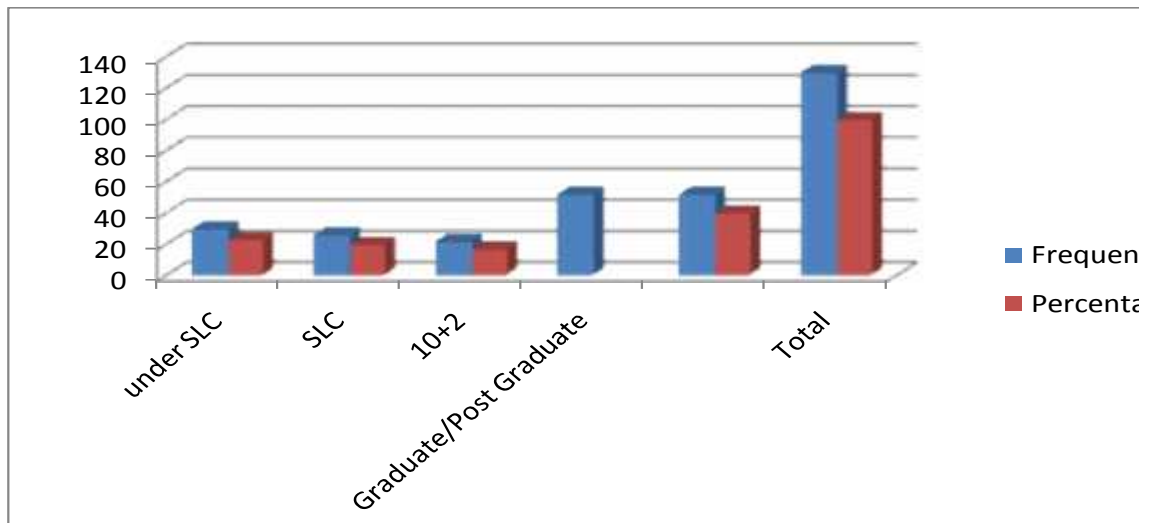
Given table shows the respondents educational profiles.

Table: 4.1.4
Educational profile

Education	Frequency		Percentage
	Ind. Buyers	Ins. buyers	
Under SLC	25	5	23.08
SLC	20	6	20
10+2/PCL	17	5	16.92
Graduate/P.G.	38	14	40
Total	100	30	100

Source: Consumer Survey 2070

Figure: 4.1.4
Educational background of consumer



Source: Table 4.1.4

Above table and figure shows that those respondents of individual and institutional categories who are highly educated occupied the larger number i.e. 52 out of 130 and 40 % of the total population of the survey. Those groups are the more concise and superior buyer of the device, marketers should give little attention to promote and facilitate them even though all other groups are also equally important buyers too. The percentage of under SLC groups, SLC groups, and 10+2/PCL groups are 23.08 %, 20 %, and 16.92 % respectively.

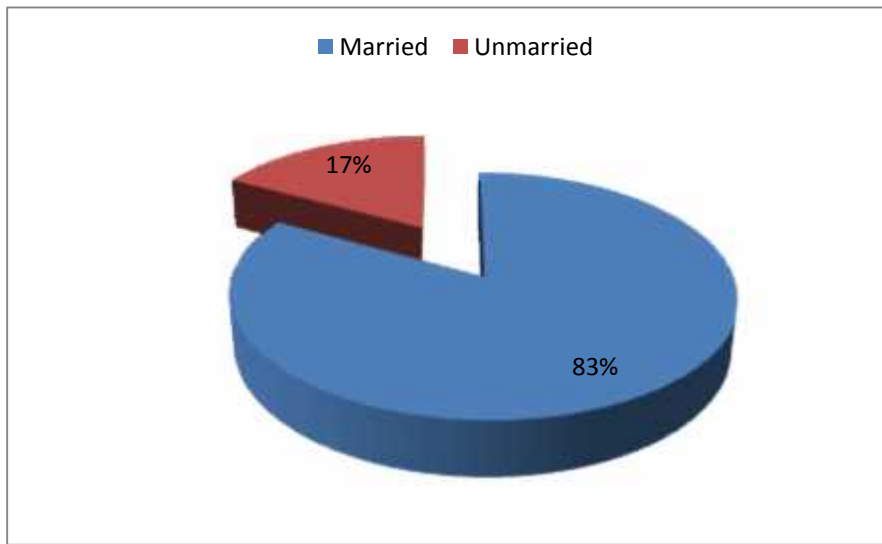
4.1.5 Marital Status.

Table: 4.1.5
Marital status of consumer

Marital status	Consumer's		Percent
	Frequency		
	Service holder	Business buyers	
Married	82	26	83.08
Unmarried	18	4	16.92
Total	100	30	100

Source: Consumer Survey 2070

Figure: 4.1.5
Marital status of consumer



Source: Table 4.1.5

Table: 4.1.5 and figure deals with the marital status of the consumers. Here most of the consumers who seem likely to win the Refrigerator has been taken as sample to get more responding answers regarding the questions asked for in research questionnaire. All the consumers selected as respondents are both male and female and married and unmarried too. Among 130 respondents of service holder consumers and business consumers, 108 are married and 22 are unmarried and their percentage was 83.08 and 16.92 % respectively. It seems that married consumer's number is greater than unmarried consumers.

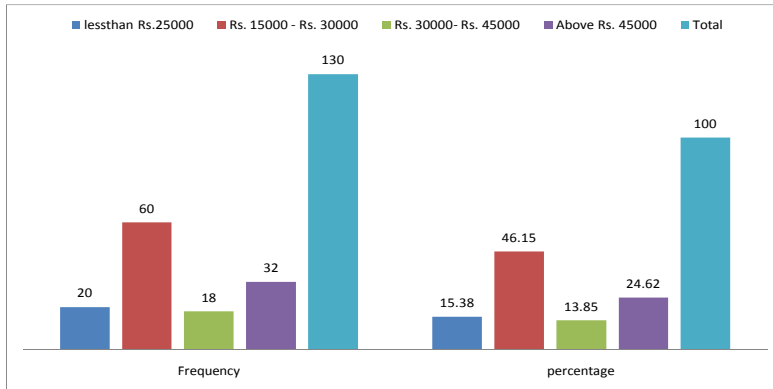
4.1.6 Distribution of respondent's monthly family income.

Table: 4.1.6
Respondent's monthly family income

Income level	Service buyers	Business buyers	Percent
Less than Rs.15000	18	2	15.38
Rs. 15000 – Rs. 30000	45	15	46.15
Rs. 30000 – Rs.45000	13	5	13.85
Above Rs. 45000	24	8	24.62
Total	100	30	100

Source: Consumer Survey 2070

Figure: 4.1.6
Respondent's monthly family income



Source: Table 4.1.6

From this table and chart it seems that both categories of consumers i.e. service sector's and business sector's, the highest income group is in range of Rs.15000 – Rs.30000 with 46.15%, the second group is in above Rs. 45000 ranges with 24.62 %; with 15.38 % falling under less than Rs.15000, and finally 13.85 % is under Rs. 30000 - Rs.45000. Average monthly income of respondent is Rs. 29654.00 (annex- 6). From analysis of variation $CVB < CVS$, It seems that Business sector's buyers have comfortably family income to purchase the refrigerator than the service sectors have. (Annex – 8), By the analysis of coefficient of correlation and its test by P.E., data suggests that both buyers of different income groups are insignificant, so monthly income either higher or lower level does not effect the buying behaviors.(Annex – 9).

4.2 Descriptions of Variables

4.2.1 Possession of refrigerators

Table: 4.2.1
Possession of refrigerator by consumer

Respondent	Frequency	Percentage
Possess	130	100
Not possess	0	0

Source: Consumer Survey 2070

From the above chart it can be said that 100% of the respondents own a refrigerator 100 respondents from individual and 30 respondents from institutional has been taken. Since refrigerator becomes a necessity to the people in part of their daily life, everybody has a refrigerator in their house. Hence, it can be said refrigerator has a potential market growth in Nepal.

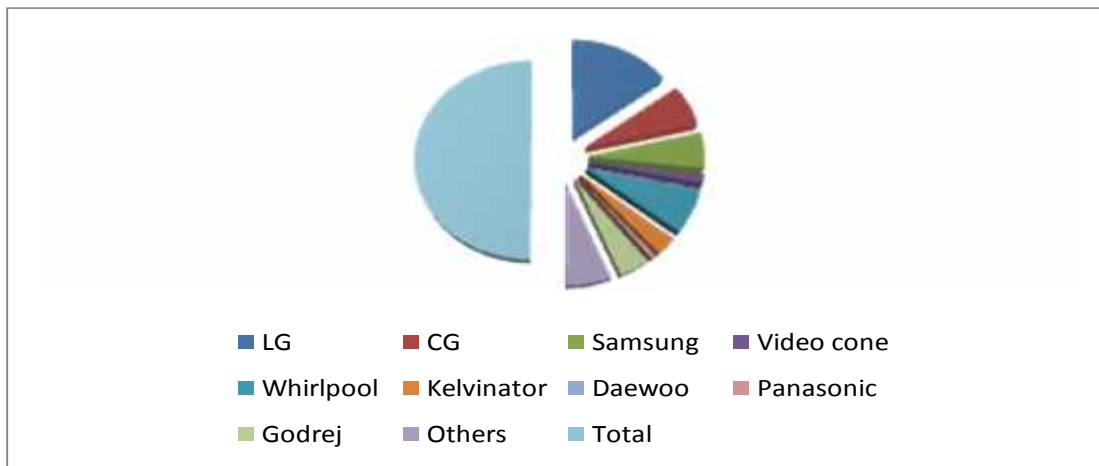
4.2.2 Brand Used by the Respondents

Table: 4.2.2
Used brand by the consumer

Used brand	Frequency		Percentage
	Service holders	Business buyers	
LG	30	8	29.23
CG	14	3	13.08
Samsung	12	3	11.54
Videocon	4	0	3.08
Whirlpool	15	4	14.62
Kelvinator	8	0	6.15
Daewoo	0	0	0
Panasonic	2	0	1.54
Godrej	7	4	8.46
Others	10	6	12.30
Total	100	30	100

Source: Consumer Survey 2070

Figure: 4.2.1
Possession of brand by consumers



Source: Table 4.2.2

From the above table and figure it can be said that highest number of users of both buyers are the ones using LG brand's Refrigerator with 29.23 %. The second is whirlpool users which is 14.62 %. Then third one is CG user which is 13.08 %, Samsung users are in the 4th number with 11.54 %. After that others, Godrej, kelvinator, video cone and Panasonic brand users with 12.30, 8.46, 6.15, 3.08, and 1.54 % respectively. Daewoo brand's consumers are not available in this survey, even though this brand is available in the market for sell.

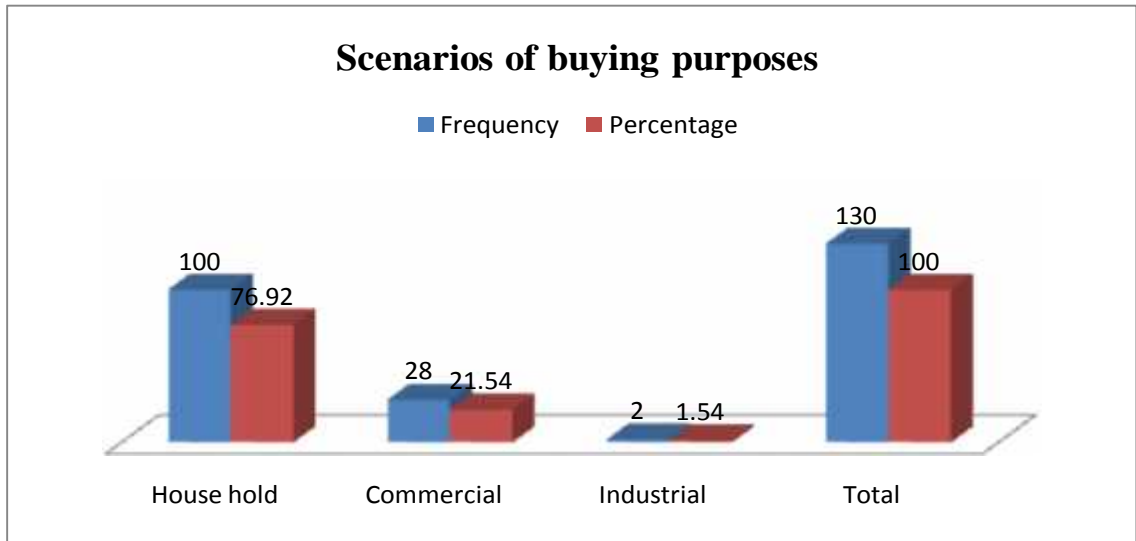
4.2.3 Purpose of buying Refrigerator

Table: 4.2.3
Respondent's purpose of buying

Respondent	House hold	Commercial	Industrial	Total
Frequency	100	28	2	130
Percentage	76.92	21.54	1.54	100

Source: Consumer Survey 2070

Figure: 4.2.2



Source: Table 4.2.3

From above table and figure we know that out of 130 respondents 100 are individual consumers who used their gadget for house hold purpose, 30 consumers are institutional consumers among them 28 consumers used for commercial purpose and 2 are for industrial purpose. Their percentage was 79.92 %, 21.54 % and 1.54 % simultaneously.

4.2.4 Respondents Level of satisfaction with their present brand

Table: 4.2.4

Level of satisfaction	V.S.	S.	N.	N.S.			
Weighted	3	2	1	0	Total	Weighted value	Mean value
Brand user							
LG	10	24	4	-	38	82	2.16
CG	2	10	5	-	17	31	1.82
Samsung	5	10	-	-	15	35	2.34
Video cone	-	2	2	-	4	6	1.5
Whirlpool	7	10	2	-	19	43	2.26
Kelvinator	-	1	5	2	8	7	0.88
Daewoo	-	-	-	-	-	-	-
Panasonic	-	2	-	-	2	4	2.0
Godrej	4	7	-	-	11	26	2.36
Others	4	8	4	-	16	32	2.0

Source: Consumer Survey 2070

According to the questionnaire, filled by respondent of both buyers, they show the similar nature for the level of satisfaction with their present brand of refrigerators. So, researcher gathered both respondents' homogeneous views in the above table. From the analysis the brand Godrej gives comparatively more satisfaction to their existing users. Its mean value is 2.36, which is the nearest value of Samsung i.e. 2.34; hence we can conclude that with the view point of satisfaction level of the brand, both Godrej and Samsung presents approximately equal value. So, these two brands having approximately equal demand. Second satisfied brand is Whirlpool its mean value is 2.26, third one is LG brand its mean value is 2.16, brand Panasonic and 'Others' brand captured equally 4th number with the level of satisfaction to their present users. CG, video cone and Kelvinator are in 5th 6th and 7th number respectively. Daewoo brand's users are not available in this study.

* V.S. = Very satisfied, S. = satisfied, N. = Neutral, N. S. = not satisfied.

4.2.5 Analysis of consumer behavior and Promotional Effect on buying Refrigerator.

Refrigerator is one of the high involvement purchase products. So, purchasing of this gadget, consumer used certain criteria before buying it. They are influenced by different variables as like friends, relatives, advertisement, self experience and other promotional schemes. The buyer behavior of refrigerator and promotional effects on it is analyzed through the table presented below.

Table: 4.2.5
Influenced source of respondents

Influencing factors	No. of respondents and their percentage					
	Rank by service holder			Rank by business buyers		
	Min.No. %	Ave.No. %	Max.No. %	Min.No. %	Ave.No. %	Max.No. %
Family members	0 (0)	15 (15)	30 (30)	0 (0)	10(33.3)	10(33.3)
Relatives	25 (25)	10 (10)	6 (6)	5(16.7)	5 (16.7)	2(6.7)
Friends/neighbors	15 (15)	20 (20)	14 (14)	6 (20)	5 (16.7)	2 (6.7)
Self experience	5 (5)	11 (11)	38 (38)	2 (6.7)	6 (20)	11(36.6)
TV. Ads.	15 (15)	20 (20)	6 (6)	5(16.7)	1 (3.3)	3 (10)
Print Ads.	20 (20)	9 (9)	0 (0)	8(26.6)	1 (3.3)	0 (0)
Buying incentive	20 (20)	15 (15)	6 (6)	4(13.3)	2 (6.7)	2(6.7)
Total	100 (100)	100(100)	100(100)	30(100)	30(100)	30 (100)

Source: Consumer Survey 2070

The above table shows that 38 or 38% of the respondents from service sector's (individual) buyer are self – motivated in buying a Refrigerator and same motivation by business buyer (institutional) is 11 or 36.6 %. In the same way, the second maximum influencing factor is family members for both categories of consumers, their numbers and percentage are 30 (30%) and 10 (33.3 %) respectively. The third major factor for individual buyer is friends /neighbors i.e. 14 and 14 % but for institutional buyers TV advertisement is the same factor i.e. 3 or 10 %. Relatives and buying incentives are the fourth major factors which equally affected the both consumers i.e. 6, (6%) and 2, (6.7%) respectively. TV advertisement's affect is also 6 (6 %) for service sectors buyers but 2, (6.7 %) business buyers are influenced by friends/neighbors. None of consumers were affected by print ads. Likewise, the first average influence factors of service holder are

friends/neighbors and TV advertisement which are equal values of 20, (20 %). Similarly, the first average influencing factors for business buyers are family members i.e. 10, (33.3 %). The least average influence source is print ads, which represent 9 % for service holders and 3.3 % for business buyers. For minimum amount ranking category respondents of service holder influenced higher by relatives 25, (25 %) but for business consumers by friends/neighbors their number is 6 and percentage is 20%. The lower influence factor of minimum category for individual buyer is self experience the value is 5, (5 %) and for institutional buyers the value is 2, (6.7 %).

It is concluded that self experience of awareness creates in the society in this study was the major factor.

4.2.6 Analysis of attributes/features which would make a refrigerator most important to respondents.

**Table: 4.2.6
Criteria used by respondents**

Criteria	Responded rank order of relative importance			
	Individual buyers		Institutional buyers	
	Mean value	Rank	Mean value	Rank
a. Design/looks	4.92	1	5.00	2
b. No frost freezer	7.37	8	5.97	5
c. Locks	7.94	9	8.30	12
d. Price	5.35	2	6.57	8
e. Color	6.71	6	5.93	4
f. Quick F.C.	6.25	5	4.40	1
g. Clean B.D.	8.27	11	7.03	9
h. Year of G	5.68	3	6.26	6
i. After sales service	9.35	13	8.53	13
j. C. of origin	8.19	10	6.37	7
K. Brand Reputation	5.73	4	5.77	3
l. Different C of R.	9.02	12	7.67	11
m. Energy Efficient	6.96	7	7.53	10

Source: Annex 3

The above table 4.2.6 reveals the relative importance of various features/criteria assigned by individual buyers and institutional buyers for the choice of refrigerator. Individual buyers focused their 1st priority to the attributes of design/looks of the gadget; whereas institutional buyers gave their 1st priority to the attribute of quick freezing compartment of the device. The second important attractions for individual buyers were price whereas design/looks are for institutional buyers. The third major attributes for selection of the device was year of guarantee and brand reputation for both individual and institutional buyers respectively. Brand reputation occupied 4th category for individual buyers and colors for the same for institutional buyers. Quick freezing compartment occupied 5th rank for individual buyers but no frost freezer was for institutional consumers. Likewise color shows 6th number category for individual consumers and year of guarantee occupied the same for industrial buyers. Energy efficient stand for 7th position for individual buyers but country of origin captured for the same position for institutional buyers. No frost freezer and price stands for 8th position for individual and institutional consumers respectively. Refrigerators locks indicate 9th number of importance to individual consumers whereas clean back design carried the same value for institutional buyers. Country of origin, clean back design and different compartment of refrigerator focused on 10th, 11th and 12th numbers of importance for their views of individual buyers, similarly for institutional buyers, energy efficient, different compartment of refrigerators and locks represents the ranking number of 10th, 11th and 12th respectively. Both buyers are not satisfied with the marketers after sales service because of their least important or last in the order were 13th ranking number. So according to this study, researcher found poor after sales service for both categories of consumers. For marketers - Improvement will be necessary further to retain lost customer by providing door to door service facilities to their respective consumers.

The computed Spearman's rank correlation coefficient between service holder (individual buyers) and business sector (institutional buyers) is + 0.69, which indicates the highly positive correlation between the opinion of service holder and business man. (Annex: 4)

From the above analysis, it can be concluded that:-

1. Design quality/looks, quick freezing compartment, year of guarantee, brand reputation, colors and price factors are the major factors for the choice of the particular refrigerators for both categories of buyers. Other factors also plays impressive role for choosing the appliances.
2. They conferred the top most priority to the design/ looks and quick freezing compartment and least priority to the after sales service by the service holders and business buyers.

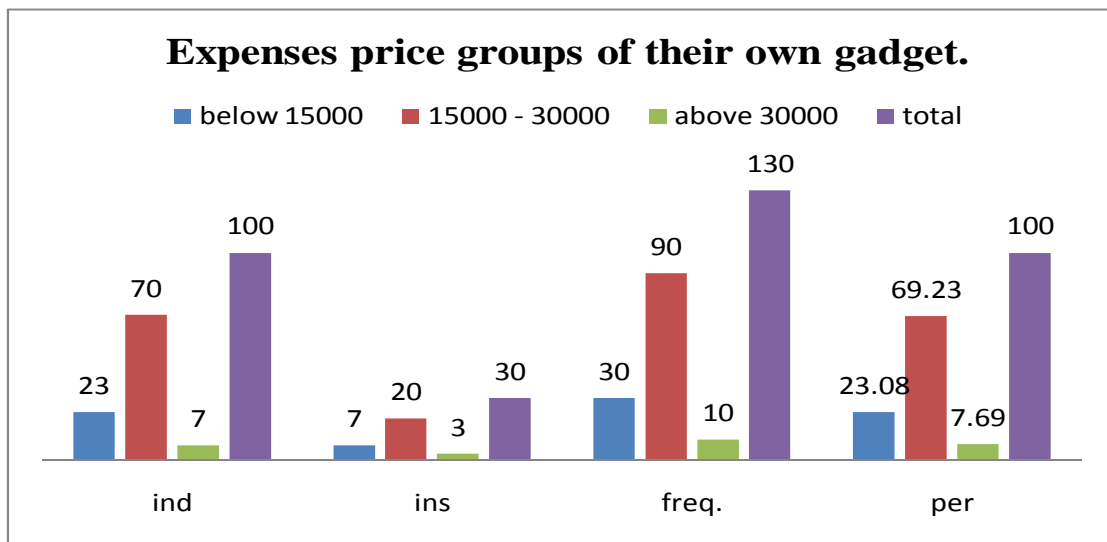
4.2.7 Analysis of different price spends groups of refrigerators possessing by the both categories of consumers.

Table: 4.2.7
Refrigerator’s price, possess by consumers.

Respondents	Service holder	Business buyer	Frequency	Percentage
Below Rs.15000	23	7	30	23.08
Rs.15000- Rs.30000	70	20	90	69.23
Above 30000	7	3	10	7.69
Total	100	30	130	100

Source: Consumer Survey 2070

Figure: 4.2.3



Source: Table 4.2.7

Above table and chart reveals that 69.23 % of total respondent’s refrigerators belongs to Rs. 15000 –Rs. 30000. So majority of the both consumers (i.e. individual and institutional) fall in this price groups. Second largest groups of price belongs to below Rs. 15000, the percentage of that category is 23.08 % out of 100 %. And the least one is above Rs. 30000, 7.69 % respondent’s refrigerators belongs in this group.

4.2.8 Analysis of consumer's interest to replacing existing refrigerator with a good quality one.

Table: 4.2.8

Consumers interest of replacing existing brand.

Criteria	No of respondents	Percentage
Yes	60	46.15
No	70	53.85
Total	130	100

Source: Consumer Survey 2070

While the replacement of existing refrigerator with a good quality one is concerned, 46.15% of the respondents replied 'Yes', whereas 53.85% respondents of the total sample survey responded 'No'. Here business sector's buyers does not to show their interest to replace there existing brand in this survey.

4.2.9 Study of consumer's interest to buy or not to buy second unit in the near future (with in one year) and their preferred brands.

Table: 4.2.9

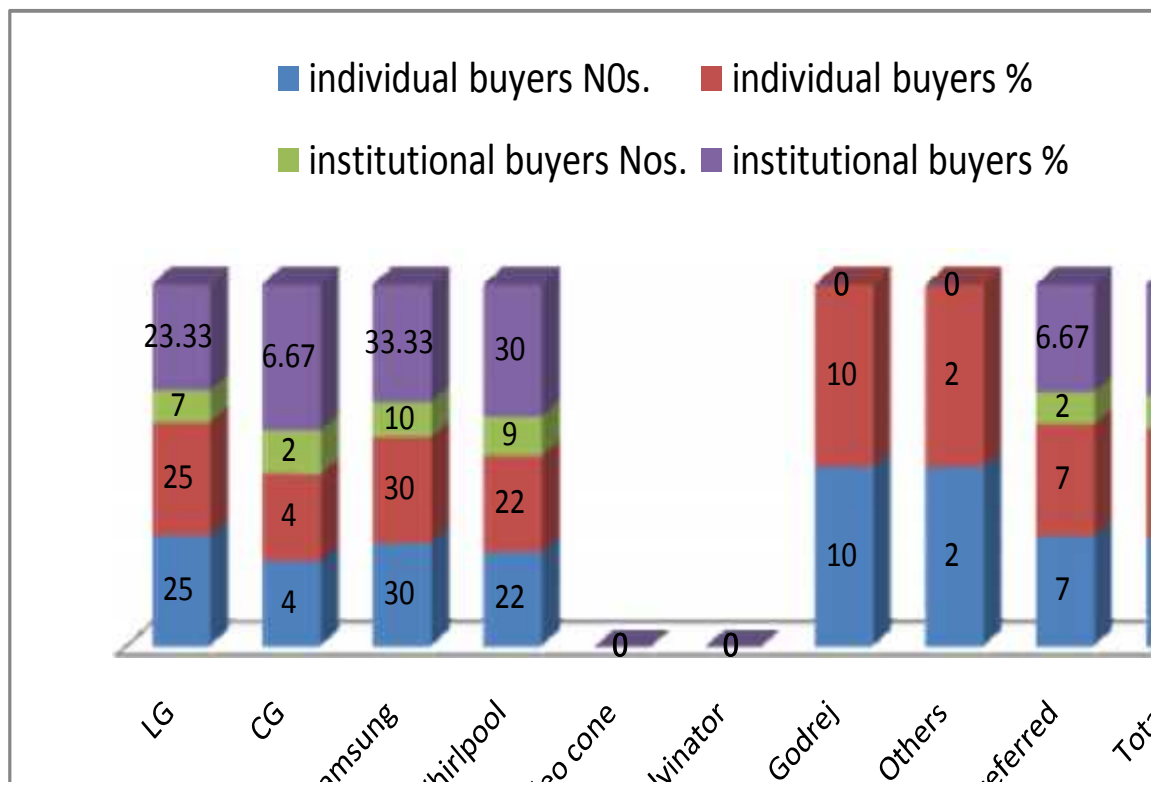
Buy or not to buy second unit and preferred brands.

Brands	Individual buyers		Institutional buyers	
	Freq.	Percent	Freq.	Percent
LG	25	25	7	23.33
CG	4	4	2	6.67
Samsung	30	30	10	33.33
Whirlpool	22	22	9	30
Video cone	0	0	0	0
Kelvinator	0	0	0	0

Godrej	10	10	0	0
Others	2	2	0	0
Not preferred	7	7	2	6.67
Total	100	100	30	100

Source: Consumer Survey 2070

Figure: 4.2.4
Trends of second unit buying and preferred brand



Source: Table 4.2.9

The question was asked for knowing whether the respondents of both users and non users of various brands of refrigerators are interested to buy their refrigerator within a year or not and if want to buy then the reason behind that. From the table and figure it can be said that 30% of individual buyers and 33.33% institutional buyers would like to buy Samsung refrigerator because of brand name reputation, its good quality and from the experience of relatives/friends. The second position is occupied by LG refrigerator, the percentage was 25% and 23.33% respectively for both buyers and the third preferred brand was whirlpool. Its % was 22 and 30 respectively for both buyers and forth one was

Godrej, which occupied 10% out of 100%, only for individual buyers. The last one preferred brand by them was 'others' brand which occupied 2% only for individual buyers. The brand video cone and kelvinator would not be preferred by both categories of buyers. 7% from individual buyers and 6.67% from institutional buyer will not buy any brand in near future. Some of them said that they are satisfied with their present brands; some said that they have no idea and some said that they are not that aware.

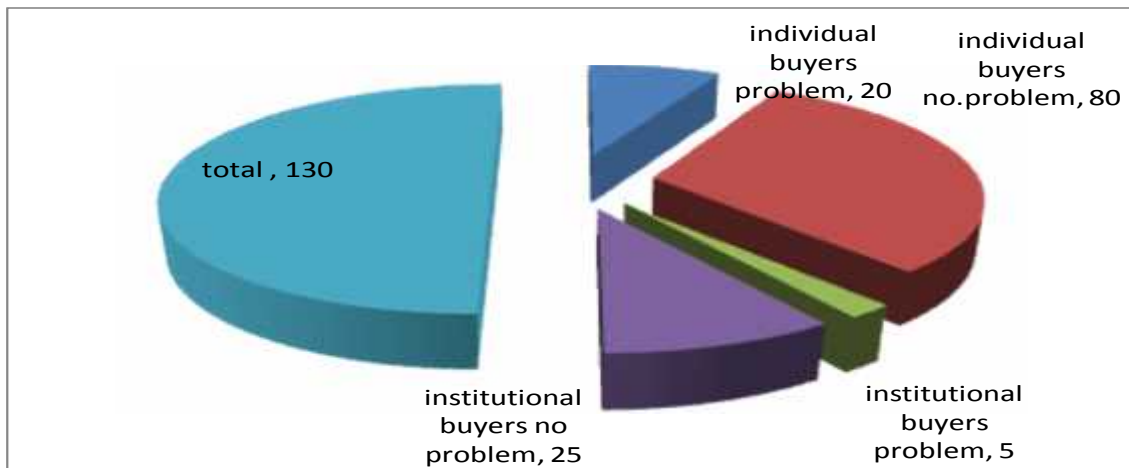
4.2.10 Study of the problems arises in existing brand of refrigerator of the respondents.

Table: 4.2.10
Problem faced in existing brand of refrigerator

	Individual buyers		Institutional buyers		Total
	Faced problem	No problem	Faced problem	No problem	
Nos.	20	80	5	25	130
%	15.38	61.54	3.85	19.23	100

Source: Consumer Survey 2070

Figure: 4.2.5
Problem faced by the consumer in their existing brand



Source: Table 4.2.10

From above table 15.38 % individual buyers and 19.23% institutional buyers faced the problems of their existing brand of the refrigerators where as 61.54 % individual buyers and 19.23 % institutional buyers haven't faced any problems yet on their existing brand.

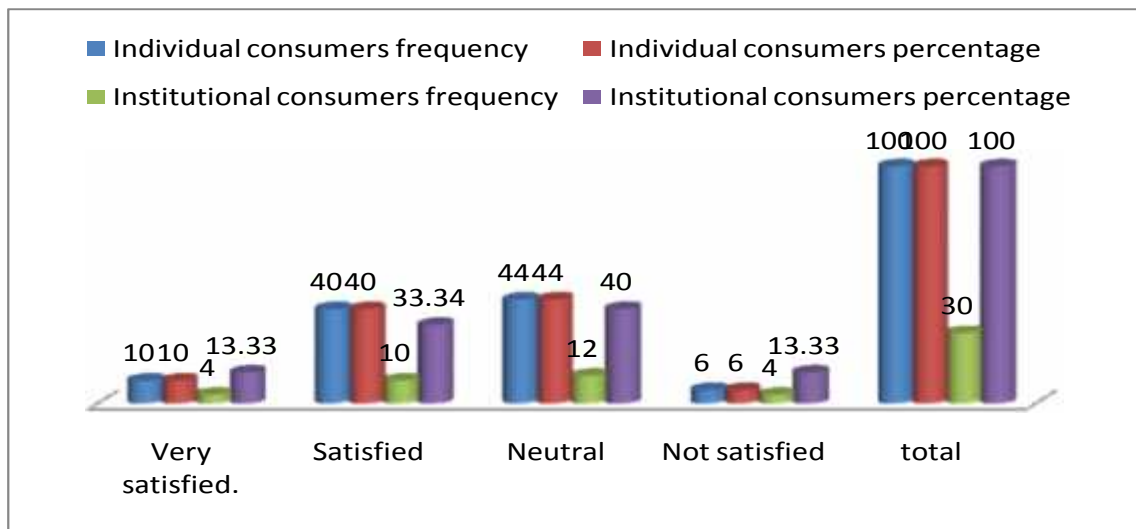
4.2.11 Analysis of company's after sales service and consumers responses.

Table: 4.2.11
Scenario of company's after sales service.

Criteria	Individual consumers		Institutional consumers	
	Frequency	Percentage	Frequency	Percentage
Very satisfied.	10	10	4	13.33
Satisfied	40	40	10	33.34
Neutral	44	44	12	40
Not satisfied	6	6	4	13.33
Total	100	100	30	100

Source: Consumer Survey 2070

Figure: 4.2.6
Scenario of after sales service



Source: Table 4.2.11

Above table and figure reveals that majority of the respondents does not want to comment about the company's after sales service so they response neutral behave about that matter. Such types occupied 44 respondents from individual buyers and 12 from institutional sectors and there total percentage was 44% and 40 % respectively. Few were very satisfied about after sales service of the company their percentage were 10 for individual and 13.33% for institutional respondents. 40 % individual buyers and 33.33 % institutional buyers were satisfied to the companies after sales service but those respondents of both categories were dissatisfied about after sales service of the company, the percentage were 6 and 13.33 % respectively. So, company should make a perfect resolution to provide after sales service to all types of customers frequently and if possible home service too.

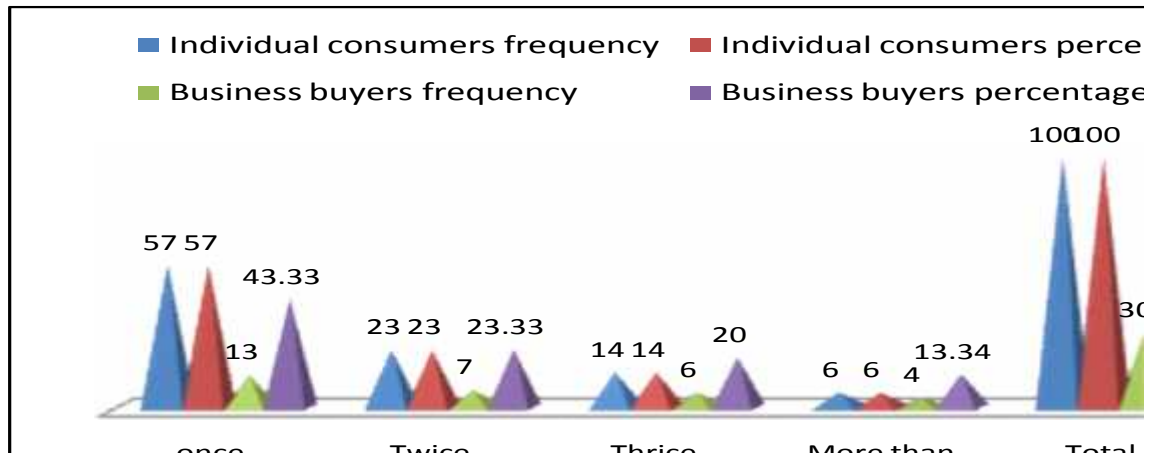
4.2.12 Studies of acquiring information before buying the appliances.

Table: 4.2.12
Visiting for acquiring information to the shop before buying

Criteria	Individual consumers		Business buyers	
	frequency	Percentage	frequency	Percentage
Once	57	57	13	43.33
Twice	23	23	7	23.33
Thrice	14	14	6	20
More than thrice	6	6	4	13.34
Total	100	100	30	100

Source: Consumer Survey 2070

Figure: 4.2.7
Visiting for acquiring information to the shop before buying



Source: Table 4.2.12

Above table and figure informed that most of the respondents were purchased their gadget during their first visit to the related shop because this study shows 57 % of individual (service sectors) respondents and 43.33 % business respondents were influenced by their single visit. 23 % and 23.33 % respondents of individual and business sectors purchased their device after their 2nd visit to the related shop for acquiring required information. Rest off all was visited more than three times for gathering required information about the product before involvement of the purchase.

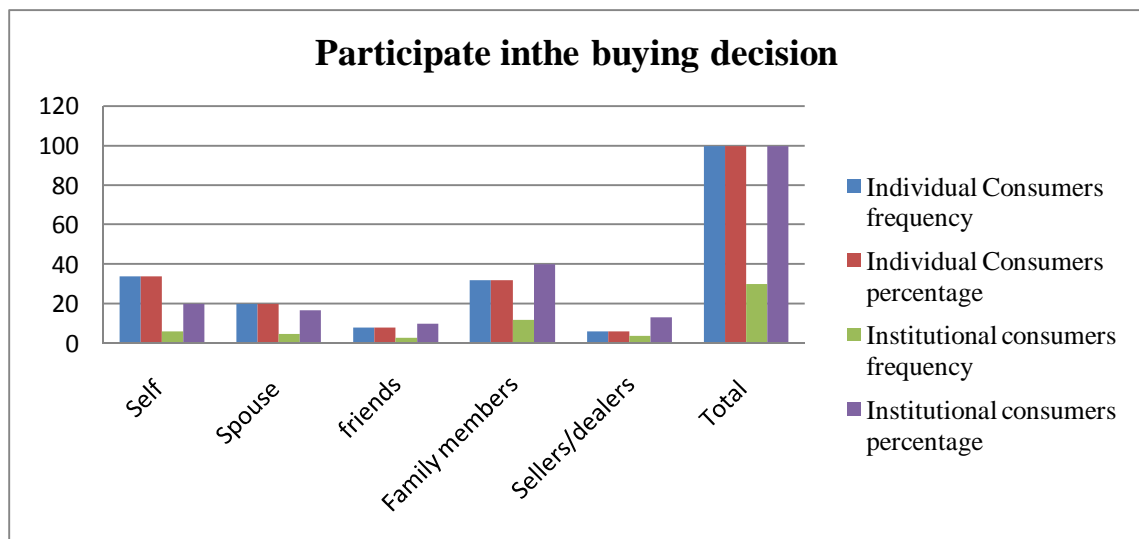
4.2.13 Studies on participation in the buying decision.

Table: 4.2.13
Participation of the respondent's for buying decision.

Criteria	Individual Consumers		Institutional consumers	
	Frequency	Percentage	frequency	percentage
Self	34	34	6	20
Spouse	20	20	5	16.67
friends	8	8	3	10
Family members	32	32	12	40
Sellers/dealers	6	6	4	13.33
Total	100	100	30	100

Source: Consumer Survey 2070

Figure: 4.2.8



Source: Table 4.2.13

Table 4.2.13 states that among 100 individual respondents 34 % are self motivated for the buying decision of the refrigerators and among 30 institutional respondents 20 % of the institutional respondents are also the same. The percentage of participation in the buying decision by spouse of both types of respondents was 20 and 16.67 % respectively. In consultation with friends occupied for the same was 8 and 10 % respectively. The most influenced factor for participation in the buying decision was family members for institutional respondents of 40 % but it was in second rank i.e. 32 % for individual respondents. Sellers and dealers views are the least influencing factors for buying decision making process of the both respondents, such types of respondents occupied 6 % and 13.33 % respectively.

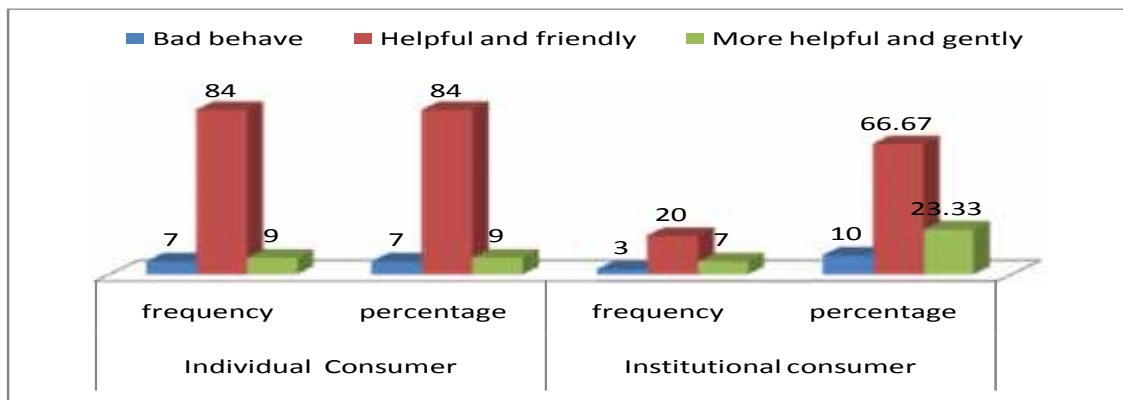
4.2.14 Study of the behavior of the salesman.

Table: 4.2.14
Behavior of the salesman to the consumer

Criteria	Individual Consumer		Institutional consumer	
	frequency	percentage	frequency	percentage
Bad behave	7	7	3	10
Helpful and friendly	84	84	20	66.67
More helpful and gently	9	9	7	23.33
Total	100	100	30	100

Source: Consumer Survey 2070

Figure: 4.2.9
Salesmen behavior



Source: Table 4.2.14

From above table and figure initiate that respondent feels different types of behavior of the salesman, while marketers or salesman promote and providing information about the particular brand. The large group of respondent of Individual and Institutional area found salesmen behave helpful and friendly, that group of respondents occupied 84 % and 66.67 % from both buyers. In one hand 7 % individual and 10 % institutional respondent feels bad behave while they are visited to acquire information about the gadget, on the other hand. 9 % from individual and 23.33 % of institutional respondent found more helpful and gentle behave.

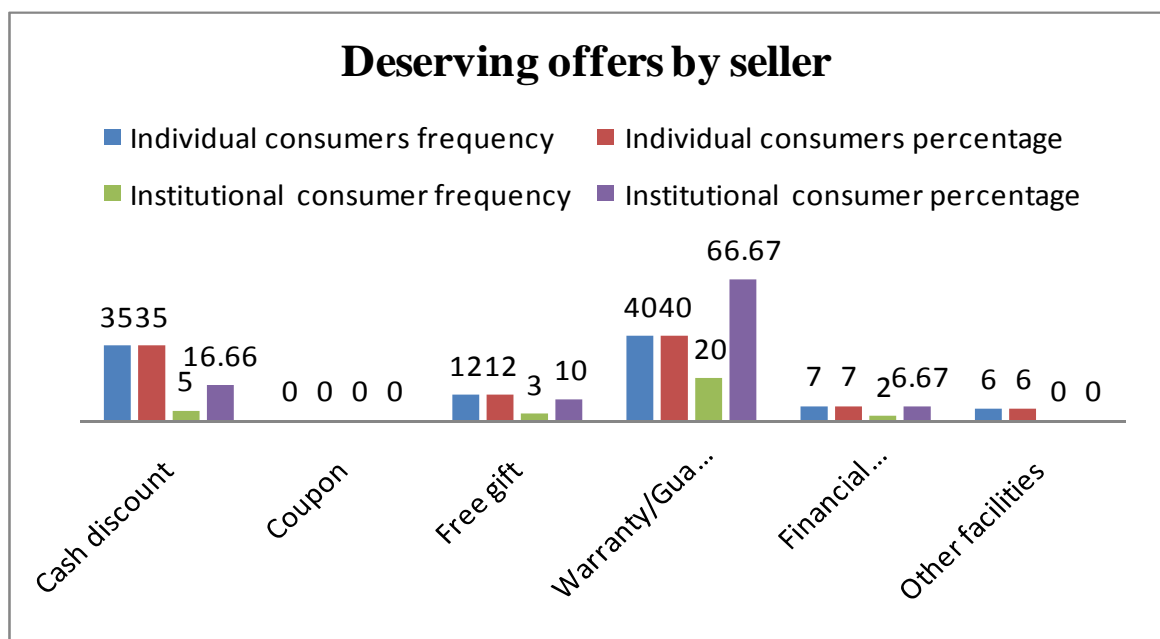
4.2.15 Studies on the offers deserve by the seller.

Table: 4.2.15
Offers deserve by the seller

Criteria	Individual consumers		Institutional consumer	
	Frequency	Percentage	Frequency	Percentage
Cash discount	35	35	5	16.66
Coupon	0	0	0	0
Free gift	12	12	3	10
Warranty/Guarantee	40	40	20	66.67
Financial facilities	7	7	2	6.67
Other facilities	6	6	0	0
Total	100	100	30	100

Source: Consumer Survey 2070

Figure: 4.2.10



Source: Table 4.2.15

From the above table it is clearer that the deserving offer by the seller was influenced more to the buyers or they gave first priority to the warranty/Guarantee second position on the price/cash discount and third one focused by the respondent on free gift, likewise fourth position occupied by the financial facilities and the least important proved by the Institutional buyers for other facilities even though institutional buyers present no any interest for the same.. But both buyers showed no interest in coupon at all. Most of the buyers of individual and institutional were attracted by the offers of warranty/Guarantee.

4.3 Brands Available in Narayangarh and its Periphery

4.3.1 Market Survey:

During market survey researcher found that there are various brand available in the refrigeration market of Narayangarh area and its periphery. Though, marketers are very much interested about this study and provide related information easily with friendly behave, which influence choosing practices to the consumers of Chitwan district and condition of brand availability and tentative price knowledge about different brands and capacity also.

Table: 4.3.1
Available brands in Narayangarh area.

SN	Name Of brand	Type Of door	Model Capacity(liter)	Made	Price In Rs.	Remarks
1	Videocon	Single	VAP104 190L	India	19000	
2	Samsung	Double	RA 1950 190L	South K.	27900	
3	Samsung	Single	185L	South K.	21000	
4	Samsung	Single	190L	South K.	21500	
5	Samsung	Single	RR1915TCAP192L	South K.	22000	
6	Godrej	Single	EDGE280 190L	India	21000	
7	Godrej	Double	210L	India	23000	
8	LG	Single	205KML 180/190L	South K.	21500	
9	LG	Single	195RL4/2013 180L	South K.	22000	
10	LG	Single	190 205 180/185L	South K.	23000	
11	LG	Double	230L	South K.	26500	
12	LG	Single	GL205KLM4 180L	South K.	22900	
13	Sharp	Single	5JK19 EBSL 190L	Indo. A.	23400	
14	Godrej	Single	180/190L	India	19000	
15	Panasonic	Single	180L	India	16200	
16	Whirlpool	Double	230L	India	22000	
17	Whirlpool	Single	190L	India	19000	
18	Whirlpool	Triple	300L	India	48900	
19	CG	Single	180L	India	17000	
20	CG	Single	200L	India	19000	
21	CG	Double	200L	India	21000	
22	Haire	Single	190L	China	18500	
23	Kelvinator	Single	190L	India	15900	
24	Daewoo	Double	230L	South K.	28000	

Source: Annex – 7

As per above table 4.3.1 shows that 11 different brands of refrigerator are easily available in Chitwan district especially in Narayangarh area and its periphery. The different brands having different models are appeared in the market from India, South Korea, China and Indonesia. The refrigerators price varies according to models, numbers of doors size and volume i.e. capacity. Available price range from lower to higher is Rs.

15900 to Rs. 48900. Single door, 190L capacity's kelvinator's price and 300L triple door whirlpool's price is Rs. 15900 and Rs. 48900 respectively.

4.4 Major Findings of the Study

From the field survey and analysis of the Respondents views' following outcomes has been observed.

1. According to age groups most of the respondents are of age 35 – 45 years, and average age of respondent is 37 years which falls in this range, those adult groups are the superior groups and highly influenced for purchasing phenomenon of the refrigerator in Chitwan district. Even though hypothesis suggest that buying of Refrigerator is independent upon age group.
2. Most of the respondents of both groups are male. This survey of Chitwan district represented and reflected as a sample at all that- females were dominated by their counter part males for involving the purchasing of their home appliances.
3. Majority of the respondents of both groups are highly educated i.e. Graduate/post graduate and they occupied 40 % in total. Those groups are more conscious one.
4. 130 respondents of service sector and business in common, reveal that 82.08 % are married and 16.92 % are unmarried. It seems that married consumers are captured greater percentage than unmarried.
5. The highest income group is in range of Rs. 15000 – Rs. 30000 for both individual and institutional respondents who are the potential group of purchaser. They occupied 46.15 % in total. Their mean income value is Rs. 29654.00; even though computation of coefficient - correlation suggests that monthly income either higher or lower level does not affect the buying behavior.
6. 100 % of the respondents own a refrigerator. Since it becomes a necessity to the people in part of their daily life. It can be said refrigerator has a potential market in Nepal.
7. Maximum number of users are those who uses LG refrigerator with 29.23% the second is whirlpool user which is 14.62 %. Then 13.08 % and 11.54 % respectively use C.G. and Samsung refrigerator. It is concluded that more respondent uses LG at present.
8. 100 respondents of service holders buying the refrigerators for their house hold purposes, 28 business respondents for commercial purposes and 2 business respondents are used for industrial purposes.
9. According to the level of the satisfaction, both the individual and institutional respondents were very much satisfied with their present brand Godrej and Samsung because analyses suggest that both brands have approximately equal value.
10. Most of the buyers of both groups make their own choice to buy a refrigerator, the most influencing factor of buying behavior for them are self motivation.

11. Individual buyers focused their 1st priority to the attributes of design/looks of the gadget; whereas institutional buyers gave their 1st priority to the attribute of quick freezing compartment of the device. The second important attraction for individual buyers was price whereas design/looks are for institutional buyers. The third major attributes for selection of the device was year of guarantee and brand reputation for both buyers respectively.
12. 69.23 % of total respondent's Refrigerators belong to Rs. 15000 –Rs. 30000. So majority of the both consumers fall in this price groups.
13. Majority of the individual respondents does not like to replace their existing brand with good quality one but 100% of institutional respondents does not show their interest for the same.
14. Majority of the respondents' individual and institutional would like to buy Samsung refrigerator because of brand name reputation, its good quality and from the experience of relatives/ friends. Whereas 7 % from individual and 6.67 % institutional buyers will not buy any brand in near future.
15. Out of 100 % in common, 61.54 % individual buyers and 19.23 % institutional buyers haven't faced any serious problems yet on their existing brand.
16. Majority of the respondents does not want to comment about the company's after sales service. So, they respond neutral behave about that matter.
17. Most of the respondents have purchased their gadget during their first visit to the related shop to acquire information on brand, model, quality and price.
18. Self consciousness is the key factor for participation in the buying decision for both types of respondents.
19. The large group of respondent of Individual and Institutional area was found salesmen behavior helpful and friendly.
20. Respondents gave first priority to the warranty/Guarantee second position on the price/cash discount and third one focused by the respondent on free gift.
21. Survey of refrigerator market shows that Chitwan is the potential market of refrigerator segments. Different brand and models are easily available in Narayangarh and its periphery. Ultimately researcher found 11 brands of refrigerators with different models.

CHAPTER – FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

The study of consumer behavior is very important for the concerned stakeholders as producer or manufacturer. Without this study marketer can not accomplish their goal. The manufacturer should focus on the product, place, price and promotion based on the consumer buying behavior. Consumers are the king of market; whole market is sustained, developed and survived on the base of consumer's demands, wants and complete satisfaction so this study is divided on different chapters for the accomplished of the targeted objectives. In this study, first chapter is the important one because it is that mirror which reflects the whole study. It enlightens about the focus of the study, objective, importance and limitations as well. The second chapter includes the available literatures on the study of consumer behavior and other related studies, where as third chapter reveals research methodology of the study. All the available data from consumer survey on consumer behavior study are presented and analyzed and the major outcomes of the study have been presented in the Chapter four.

In this concluding chapter the presentation of summary of the study, appropriate conclusions and recommendation on the basis of the main findings, which are derived from the analysis of the primary data on consumer survey, are presented.

5.1 Summary

Consumer behavior has become an integral part of strategic marketing today. Understanding consumer behavior is very effective measure to increase the competitive strength of producer and sellers. However, such practice of investigation and exploration on consumer buying behavior are too rear or entirely absent in Nepalese business perspectives.

In such a condition, an attempt has been made in this work to study the consumer behavior toward refrigerator in Chitwan district. As for the study, this is probably a different and complex as well as first study till 2013 A.D. to obtain the objective of the study and to conform avoid the chances of duplication the researcher have been reviewed supportive text books, journals and the useful previous dissertation in accordance with the principles and doctrines.

Since the standard of living of people in our country is going up, everybody is aware about a brand of a product and wants to buy a qualitative product for a longer period of time. Thus, consumer perception and brand awareness for refrigerator is now become a vital aspect when purchasing a refrigerator. So the study throws light on various features that the manufacturers should concentrate on to attract the prospective buyers.

Probably all available brands of refrigerators are imported in Nepal from India and abroad, no any reputed manufacturers of refrigerator found in Nepal. Here in Nepal only service industries of refrigeration segment were found.

On the basis of interpretation and analysis of collected information(primary data) from service holder (individual) and business (institutional) respondents, the underlying objective of the study are: to analyzed the most preferred brand, to find the potential buyers that actually procures product and attributes used to choose the product; purpose or reason of buying refrigerator used by both consumers individual and institutional, to ascertain important factors affecting to the buying behavior of the consumers of refrigerator, to assess decision made by the consumers while choosing and purchasing the gadget, to study the problem faced by the consumer in his/her existing brand, to appraise the after sales service provided by the company to the consumers, to analyze the buying promotional activities effect to brand choice of the refrigerator in Chitwan district, to assess how the sellers or marketers of refrigerators' helping to the buyers for choosing and buying their needed brand.

To fulfill these objectives, the researcher had conducted a well structured questionnaire survey covered 100 respondents from individual and 30 from institutional. After completion of survey, each and every questionnaire was checked through and data presented in to the table as per relevance of the study. The data and information obtained from the questionnaire have been presented and analyzed comparatively keeping the object in mind with the help of field survey in this study.

Conclusions

On the basis of major findings following conclusions have been drawn:

Adult respondents are most interest to buy refrigerator though hypothesis test suggest that buying of refrigerator is independent upon age group. Most of the respondents are male. Nepalese markets are male dominated for purchasing such type of products. Most of the respondents of individual and institutional are highly educated, these groups are more conscious for purchasing of refrigerator. Most of the respondents are married whose desire is focused more for purchasing the gadget. The highest purchase influencing groups are middle class income groups but analysis of coefficient of correlation reveals that both buyers of different income level are insignificant. Individual user uses refrigerator for household purpose and institutional buyer for commercial purpose. Most of the respondents of both categories are equally satisfied by their existing brand Godrej and Samsung and also doesn't show interest to replace existing brand in near future. Self awareness is the key factor for selection of the brands. Individual consumer focuses their first priority to the design/looks whereas the institutional buyers give more priority to quick freezing compartment. Both of the respondents would like to purchase Samsung refrigerator in near future because of its brand name, good quality and reputation. Most of the respondents of both groups haven't faced any big problem in their refrigerator yet. Majority of the respondent of both group shows neutral behave about after sales service of the company. Most of the respondents purchase their gadget during their first visit and are very happy with the friendly and helpful behavior of the sellers. Warranty/Guarantee is most deserved offer of the respondents. So they want quality product, energy efficient and durability.

5.3 Recommendations

On the basis of conclusion and findings of the study, with reference to the opinions of the users and potential users of refrigerator, the researcher is able to come up with the following recommendations.

1. Majority of the consumers are the age between 35- 45 years. So, it is suggested to the marketers that - should be given more attention of those ultimate groups of customers since they preferred the branded refrigerator most. They should not ignore other age groups too because test of hypothesis suggest that buying of refrigerator is independent upon age group.
2. With consider to brand, most of them (individual and institutional buyers) purchase the LG brand of refrigerators. According to the respondents' demand it is suggested that, marketers should convey the messages to manufacturers about the price of their preferred brand. "it should be revised," making it reasonable and cheap as well as good quality and designed in different capacities.
3. Quality, price model, size, consumption of energy and availability of the refrigerators are seen to be decisive factors regarding the choice of particular device. So it is recommended to the marketers to sell the quality product with reasonable price, good features, latest model, and energy efficient.
4. Most of the respondents feel that even smaller refrigerator can be introduced with minimum capacity than the usual size. Probably no any reputed manufacturers of refrigerators found in Nepal. So, the marketers/importers should convey respondent's opinion to the abroad companies and they can consider this factor and can start producing products with less capacity also.
5. It is suggested that, the company can also increase the durability of their products.
6. According to the respondents' opinions, researcher saw respondents are unable to show any single reaction to any particular brand. Therefore with an 'integrated marketing communication' marketers can build better brand awareness to their ultimate consumers.
7. As regards sex of buyers, a large number of male buyers are highly associated. So, Nepalese resent markets are male dominated for purchasing of such high involvement purchase commodities. Therefore it is suggested that marketers should hold the attention of female buyers by offering to the promotional scheme.
8. Since most of the refrigerator buyers are educated. So it is recommended to marketers that they should give proper attention to upgrade information about quality, model, brand and price of the refrigerators in each interval of time.
9. Marketers are suggested to give warranty/guarantee and price discount offer while they are selling the particular brand of refrigerators.
10. Sellers are recommended to show their behavior as friendly as possible, with their customers.

11. Most of the buyers involved in negotiation because seller always demand high price. Therefore, it is suggested to the sellers that they should be adopt fixed and transparent price policy and stand in a business ethics.
12. Design quality/looks, quick freezing compartment, year of guarantee, brand reputation, colors and price factors are the major factors for the choice of the particular refrigerator for both categories of buyers. Other factors also plays impressive role for choosing the appliances. So marketers should make well strategies to handle their customer for the same.
13. They conferred the top most priority to the design/ looks and quick freezing compartment and least priority to the after sales service. So, for retain lost customers marketers should focus their views to provide after sales service which can be used as pull strategy of promotion to attract them and all customers consider it as main attribute while purchasing the product.
14. The refrigerator companies or marketers have to improve their after sales service at reasonable price which helps to satisfy the customers in a better way.
15. It is suggested to the dealers and re-sellers that, they should make better promotional activities to capture their new customers whose desire is focused to new taste.
16. Majority of the respondents would like to buy Samsung refrigerator in near future because of brand name reputation, its remarkable quality attractive features and from the experience of the relatives/friends. So, marketers should make an effective plan to fulfill the demand of consumer.
17. Most of the respondent wants replacement facility. So, It is suggested to the marketers/sellers that keeping their views in mind and should provide such types of exchange offer after few years of sales.
18. Marketers provide scheme twice a year for their customer.
19. Respondents who are far from market or rural areas suggest home delivery service to them while purchasing the product. So, marketers should keep their attention and give priority to provide safe and easy delivery/transportation service to their ultimate customer.
20. It is suggested that marketers should promote more no. of reputed brands with multifunctional system of household refrigerators.
21. They must have records of their buyers and must keep on enquiring in monthly basis regarding the performance of the system.
22. In this survey basically majority of the consumers are educated and many of them have internet access and many of them suggest to refrigerator marketers that “internet is other sources of gathering information about refrigerators and hence the product should be heavily promoted there.” So marketers should keep their views in their mind while formulating marketing promotional strategies.
23. Finally, it is suggested to the scholars and the researchers to conduct research on buying process of consumers and other relevant aspects regarding refrigerator by taking a large sample.

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Annex – 1

Dear respondent,

Namaskar!

Please find attached herewith the questionnaire for facilitating the research to be conducted for the partial fulfillment of the MBS degree of T.U. You are cordially requested go through the questionnaire, place your view hand over the same to the undersigned after duly completed.

The vision collected from you will be used for the purpose of this research and will be reserved confidential. Your precious co-operation will be highly appreciated and contributing a lot for the complete success of the study.

Yours truly,

Mohan Raj Dhakal
MBS student
Birendra Multiple Campus Chitwan.

Annex – 2

Questionnaire:

1. Do you own the refrigerator?
 Yes No

2. If yes, please mention the brand/ company name.
 - a. LG
 - b. CG
 - c. Samsung
 - d. Video cone
 - e. Whirlpool
 - f. Kelvinator
 - h. Daewoo
 - i. Panasonic
 - j. Godrej
 - k. Others .

3. What is the purpose of buying Refrigerator?
 a. Household use b. Commercial use c. Industrial Use

4. Are you satisfied with your present brand of Refrigerator?
 a. very satisfied b. satisfied c. neutral d. not satisfied

5. How did you find out about the brand choice? (Who influenced you?) Please Rank1 for minimum, 2 for average and 3 for maximum.

Influenced factor	Minimum	Average	Maximum
	1	2	3
Family members			
Relatives			
Friends/neighbors			
Self experience			
TV Advertisement			
Print Ads.			
Buying incentives			

6. What attributes would make a Refrigerator most important to you? Please Rank in order of relative importance i.e. 1 to 13.
 - a. Outer design/look
 - b. No frost freezer
 - c. Locks
 - d. Price
 - e. Color
 - f. Quick freezing compartment
 - g. Clean back designs
 - h. Year of guarantee

- I. After sales service
 - j. Country of origin
 - k. Brand efficient
 - l. Warrenty/gaurrenty
 - m. Energy efficient.
7. Given below are the different price of a refrigerator, please Specify which group your Refrigerator belongs?
- a. Below Rs. 15000.
 - b. Rs.15000 – Rs. 30000
 - c. Above Rs.30000
8. Would you be interested to replace your existing Refrigerator with a good quality one?
- a. Yes
 - b. No
9. If you ever interested to buy second unit in the near future (with in 1 year) which brand would you prefer?
- | | |
|---------------------------------------|--|
| a. LG <input type="checkbox"/> | e. video cone <input type="checkbox"/> |
| b. Cg <input type="checkbox"/> | f. Kelvinator <input type="checkbox"/> |
| c. Samsung <input type="checkbox"/> | g. Godrej <input type="checkbox"/> |
| d. whirlpool <input type="checkbox"/> | h. Others. <input type="checkbox"/> |
- If yes, then the reason -----

- If no, then the reason. -----
10. Have you had any problem with the Refrigerator (current/past?)
- a. Yes
 - b. No
- If yes, what is the problem? Mention. -----

11. What is your experience with the company's service/after sales service?
- a. Very satisfactory
 - b. satisfactory
 - c. Neutral
 - d. Not satisfactory
12. How often did you visit a shop to acquire information on brand, model, price and quality before buying the refrigerator?
- Please tick in one option.
- a. Once
 - b. Twice
 - c. Thrice
 - d. More than Thrice
13. Who participate in the buying decision?
- a. Self
 - b. Spouse
 - c. In consultation with friend
 - d. In consultation with family
 - f. In consultation with sellers/dealers
14. How is the salesman's behavior? For promoting particular brand? Was he helpful for providing information of buying Refrigerator?
- a. Bad behave
 - b. Helpful and friendly behave
 - c. More helpful and gently behave
15. What offers do you deserve from the seller? Please tick in one box.
- a. Price/cash discount
 - b. Coupon
 - c. free gift
 - d. warrenty/gurrantee
 - e. Financing facilities
 - f. If any please specify-----

Respondent Profile:

Name; (Optional):

Address:

Contact no.:

Sex: Male female

Profession: Service holder Businessman Others

Age group:

Less than 25 years 25 – 35 years

35 – 45 years 45 and above

Educational background:

Under SLC

SLC

10+2/PCL

Graduate/post Graduate

Income level per month:

Less than Rs. 15000

Rs.15000- Rs. 30000

Rs.30000- Rs.45000

Above Rs.45000

Marital status:

Married

Unmarried

★ Would you like to suggest anything to Refrigerator marketers? Mention if any.

★ Thank you.

Annex 3

Responses of service holders and business buyers are on various attributes/features and their comparative significance for buying refrigerator.

Criteria	respondents	Rank wise number of respondents													Total	W.V.	M.V.	O.R
		1	2	3	4	5	6	7	8	9	10	11	12	13				
a. Design/looks	Individual buyer	20	18	12	10	0	12	4	4	4	0	6	4	6	100	492	4.92	1
	Institutional buyer	8	6	4	2	0	0	2	0	0	0	2	4	2	30	150	5.00	2
	Total	28	24	16	12	0	12	6	4	4	0	8	8	8	130	642	4.94	1
b. No frost freezer	Individual buyer	2	12	8	6	12	4	8	6	6	7	8	10	11	100	737	7.37	8
	Ins.buyer	0	4	2	6	4	4	2	2	0	1	3	2	0	30	179	5.97	5
	Total	2	16	10	12	16	8	10	8	6	8	11	12	11	130	916	7.05	7
c. Locks	Ind.buyer	3	4	12	8	4	8	7	6	6	4	12	14	12	100	794	7.94	9
	Ins.buyer	2	1	2	2	1	3	1	0	4	2	3	5	4	30	249	8.30	12
	Total	5	5	14	10	5	11	8	6	10	6	15	19	16	130	1043	8.02	11
d. Price	Ind.buyer	10	8	20	14	10	4	8	5	6	6	0	4	100	535	5.35	2	
	Ins.buyer	4	3	2	5	0	2	0	2	3	3	0	2	4	30	197	6.57	8
	Total	14	11	22	19	10	6	8	7	8	9	6	2	8	130	732	5.63	2
e. Color	Ind.buyer	6	8	10	8	14	6	4	10	5	10	5	9	5	100	671	6.71	6
	Ins.buyer	5	3	3	1	2	1	2	3	5	2	1	2	0	30	178	5.93	4
	Total	11	11	13	9	16	7	6	13	10	12	6	11	5	130	850	6.54	6
f. Quick F.C.	Ind.buyer	11	6	12	6	12	13	8	4	8	0	6	4	10	100	625	6.25	5
	Ins.buyer	2	6	6	4	4	3	2	1	0	0	0	2	0	30	132	4.40	1
	Total	13	12	18	10	16	16	10	5	8	0	6	6	10	130	757	5.82	5

g. B.D.	Clean	Ind.buyer	1	0	4	1	15	12	9	16	6	8	8	10	10	100	827	8.27	11
		Ins.buyer	2	0	2	4	4	4	2	2	2	1	0	6	1	30	211	7.03	9
		Total	3	0	6	5	19	16	11	18	8	9	8	16	11	130	1038	7.98	10
h. Year of G.		Ind.buyer	10	12	7	6	12	12	12	12	6	2	5	4	0	100	568	5.68	3
		Ins.buyer	2	0	0	6	4	5	4	2	4	1	2	0	0	30	188	6.26	6
		Total	12	12	7	12	16	17	16	14	10	3	7	4	0	130	756	5.81	4
i. After sales service		Ind.buyer	0	4	4	3	2	4	6	10	15	10	16	2	24	100	935	9.35	13
		Ins.buyer	0	2	2	0	3	2	2	3	3	4	0	3	6	30	256	8.53	13
		Total	0	6	6	3	5	6	8	13	18	14	16	5	30	130	1191	9.16	13
j. C. of origin		Ind.buyer	0	10	6	6	2	4	6	15	12	10	6	12	11	100	819	8.19	10
		Ins.buyer	1	3	2	4	0	4	6	4	1	2	2	0	1	30	191	6.37	7
		Total	1	13	8	10	2	8	12	19	13	12	8	12	12	130	1010	7.77	9
K.Brand Reputation.		Ind.buyer	16	14	10	12	2	6	3	5	6	8	10	4	4	100	573	5.73	4
		Ins.buyer	6	4	1	1	0	3	3	4	2	3	3	0	0	30	173	5.77	3
		Total	22	18	11	13	2	9	6	9	8	11	13	4	4	130	746	5.74	3
l. Different C of R.		Ind.buyer	3	0	3	4	4	6	4	12	10	20	14	10	10	100	902	9.02	12
		Ins.buyer	3	2	0	0	2	0	7	1	3	6	3	3	0	30	230	7.67	11
		Total	6	2	3	4	6	6	11	13	13	26	17	13	10	130	1132	8.69	12
m. Energy Efficient.		Ind.buyer	15	10	8	4	0	10	7	6	4	6	4	14	12	100	696	6.96	7
		Ins.buyer	6	2	0	0	0	4	0	2	6	0	4	0	6	30	226	7.53	10
		Total	21	12	8	4	0	14	7	8	10	6	8	14	18	130	922	7.09	8

Source: consumer survey 2070

Note: A. Design/Looks. B. No frost freezer. C. Locks. D. Price E. color. F. Quick freezing compartment. G. Clean back design. H. Year of guaranty. I. After sales service. J. Country of origin. K. Brand reputation. L. Different compartment of refrigerator. M. Energy efficient.

Annex 4

Calculation and analysis of Spearman rank correlation coefficient [r_s] between the opinion of individual consumers (service holders), and institutional consumers (business buyers) on relative importance of various factors for choosing of the refrigerator.

Let,

R1 = Rank assigned by individual consumers

R2 = Rank assigned by institutional buyers

r_s = Rank correlation coefficient between the variables R1 and R2

d = Difference between the ranks of the corresponding values of R1 and R2

n = numbers of pair of ranks.

Factors (in Q.N. 6)	R1	R2	R1-R2 =D	D ²
a.	1	2	-1	1
b.	8	5	3	9
c.	9	12	-3	9
d.	2	8	-6	36
e.	6	4	2	4
f.	5	1	4	16
g.	11	9	3	9
h.	3	6	-3	9
i.	13	13	0	0
j.	10	7	3	9
k.	4	3	1	1
l.	12	11	1	1

m.	7	10	-3	9
				$D^2 = 113$

The above table gives $D^2 = 113$ and $N = 13$ to compute rank correlation coefficient as:

$$r_s = 1 - \frac{6 \sum D^2}{N(N^2 - 1)}$$

$$= 1 - \frac{6 \times 113}{13(13^2 - 1)}$$

$$= 1 - 0.31$$

$$\dots \quad r_s = 0.69 \Psi 0.$$

The rank correlation coefficient is 0.69 meaning that the direction of degree of relationship between individual and institutional consumer is high positive rank. It means attitude of individual and institutional consumers have high rank.

Annex -5

Calculation of average age of the respondents:

Let, f = frequency i.e. (numbers of respondents)

X = mid point of age groups

... \bar{x} = average age of respondents.

Age groups in yrs	No. of respondents (f)	Mid point (x)	fx
Less than 25	13	20	260
25 – 35	41	30	1260
35 – 45	46	40	1840
45 and above	30	50	1500
Total	N = 130		fX= 4860

$$\begin{aligned}\text{Mean } \bar{x} &= \frac{\sum fx}{N} \\ &= \frac{4860}{130} \\ &= 37\end{aligned}$$

... Average age of respondent is 37 years.

Annex – 6

Calculation of monthly income of respondents:

Let, f = frequency i.e. (monthly income of respondents)

X = mid point of income groups

\bar{x} = average monthly income of respondents

Income level	No. of respondents (f)	Mid point (x)	fx
Less than RS. 15000	20	7500	150000
Rs.15000 – Rs. 30000	60	22500	1350000
Rs. 30000 – Rs. 45000	18	37500	675000
Above Rs. 45000	32	52500	1680000
Total	130		fX =3855000

$$\text{Mean } \bar{x} = \frac{\sum fx}{N}$$

$$= 3855000/130$$

$$\beta \quad 29654$$

... Average monthly income of respondent is Rs. 29654.00

It seems that the maximum no. of purchaser having the average income.

Annex – 7

Chi - square (χ^2) test and Goodness of fit for independence of attributes.

Respondent age (years)	Individual buyers	Business buyers	Total
Less than 25	10	3	13
25 - 35	35	6	41
35 - 45	30	16	46
Above 45	25	5	30
Total	100	30	130

Setup Hypothesis:

Null hypothesis: H_0 : purchasing behavior is not influenced by the age group of respondent, i.e. Buying of Refrigerator is independent upon age group.

Alternative hypothesis: H_1 : purchasing behavior is influenced by the age group of respondent, i.e. Buying of Refrigerator is dependent upon age group.

Age (years)		Ind. buyers	Ins. buyers	Total
$\chi^2 =$ an 25	Observed	10	3	13
	Expected	10	3	13
	$(O-E)^2$	0	0	0
25 - 35	Observed	35	6	41
	Expected	31.54	9.46	41
	$(O-E)^2$	0.38	1.26	1.64
35 - 45	Observed	30	16	46
	Expected	35.38	10.62	46
	$(O-E)^2$	0.82	2.73	3.55
Above 45	Observed	25	5	30
	Expected	23.08	6.92	30
	$(O-E)^2$	0.16	0.53	0.69
Total	Observed	100	30	130
	Expected	100	30	130
	$(O-E)^2$	1.36	4.52	5.88

$$\frac{\sum(O - E)^2}{E}$$

= 5.88 (where sum of the value of four types of age group)

Degree of freedom:

$$d. f. = (r-1) (c -1) = 3$$

Critical value:

The tabulated value of χ^2 at 5% level of significance for 3 d. f. is 7.82

Decision:

Since the calculated value of χ^2 is less than tabulated value of χ^2 the null hypothesis H_0 is accepted. Hence, buying of Refrigerator is independent upon age group.

Annex – 8

Monthly income variation with individual (service) buyers

Income Rs (000)	Mid – point (x)	x^2	Frequency (f)	Fx	fx^2
0 -15	7.5	56.25	18	135	1012.5
15 – 30	22.5	506.25	45	1012.5	22781.25
30 – 45	37.5	1406.25	13	487.5	18281.25
45 - 60	52.5	2756.25	24	1260	66150

$$N = 100$$

$$fx = 2895$$

$$fx^2 = 108225$$

$$\bar{x}_s = 28.95$$

$$\sigma_s = \sqrt{\frac{\sum fx^2}{N} - \left(\frac{\sum fx}{N}\right)^2}$$

$$= \sqrt{\frac{108225}{100} - \left(\frac{2895}{100}\right)^2}$$

$$= 15.62$$

$$CV_s = ?$$

$$CV_s = \frac{\sigma_s}{\bar{x}} \times 100$$

$$= \frac{15.62}{28.95} \times 100$$

$$= 53.95\%$$

Monthly income variation with institutional (Business) buyers

Income Rs (000)	Mid – point x_1	x_1^2	Frequency f_1	f_1x_1	$f_1x_1^2$
0 -15	7.5	56.25	2	15	112.5
15 – 30	22.5	506.25	15	337.5	7593.75
30 – 45	37.5	1406.25	5	187.5	7031.25
45 - 60	52.5	2756.25	8	420	22050

$$N = 30$$

$$f_1x_1 = 960$$

$$f_1 x_1^2 = 36787.5$$

$$\bar{x}_B = 32$$

σ_B

$$\sigma_B = \sqrt{\frac{\sum f x^2}{N} - \left(\frac{\sum f x}{N}\right)^2}$$

$$= 14.22$$

$$CV_B = ?$$

$$CV_B = \frac{\sigma_B}{\bar{x}_B} \times 100$$

$$= 44.44\%$$

Decision:

Here, $CV_S = 53.95\%$

$CV_B = 44.44\%$

So, $CV_B < CV_S$. It seems that Business sector buyers have comfortably family income to purchase the device than the service sectors have.

Annex – 9

Co-efficient of correlation between individual and institutional buyers with their monthly incomes, influence to the buying behaviors:

Correlation - coefficient between service buyers and their monthly income.

Income Rs(000)	Mid value x	Respondent y	xy	x ²	y ²
0 – 15	7.5	18	135	56.25	324
15 – 30	22.5	45	1012.5	506.25	2025
30 - 45	37.5	13	487.5	1406.25	169
45 - 60	52.5	24	1260	2756.25	576

$$x = 120$$

$$y = 100$$

$$xy = 2895$$

$$x^2 = 4725$$

$$y^2 = 3094$$

$$N = 4$$

Coefficient of correlation

$$r_{xy} = \frac{N \sum xy - \sum x \times \sum y}{\sqrt{N \sum x^2 - (\sum x)^2} \sqrt{N \sum y^2 - (\sum y)^2}}$$

$$r_{xy} = \frac{4 \times 2895 - 120 \times 100}{\sqrt{4 \times 4725 - (120)^2} \sqrt{4 \times 3094 - (100)^2}}$$

$$= -0.032$$

a. Test of correlation:

$$\text{i. probable error(P.E.)} = 0.6745 \times \frac{1 - r^2}{\sqrt{n}}$$

$$0.6745 \times \frac{1 - (-0.032)^2}{\sqrt{4}}$$

$$\dots \text{P. E. of individual buyer} = 0.337$$

ii. $6^* \text{ P.E.} > r_{XY}$ i.e. $2.02 > -0.032$, so the value of r is not at all significant.

Correlation - coefficient between business buyers and their monthly income.

Income Rs(000)	Mid value X_1	Respondent Y_1	X_1Y_1	X_1^2	Y_1^2
0 - 15	7.5	2	15	56.25	4
15 - 30	22.5	15	337.5	506.25	225
30 - 45	37.5	5	187.5	1406.25	25
45 - 60	52.5	8	420	2756.25	64

$$x_1 = 120$$

$$y_1 = 30$$

$$X_1Y_1 = 960$$

$$X_1^2 = 4725$$

$$Y_1^2 = 318$$

$$N = 4$$

Coefficient of correlation

$$r_{X_1Y_1} = \frac{N \sum X_1Y_1 - \sum X_1 \times \sum Y_1}{\sqrt{N \sum X_1^2 - (\sum X_1)^2} \sqrt{N \sum Y_1^2 - (\sum Y_1)^2}}$$

$$r_{X_1Y_1} = \frac{4 \times 960 - 120 \times 30}{\sqrt{4 \times 4725 - (120)^2} \sqrt{4 \times 318 - (30)^2}}$$

$$= 0.046$$

b. Test of correlation:

i. probable error(P.E.) = $0.6745 \times \frac{1-r^2 \times x_1 y_1}{\sqrt{n}}$

$$= 0.6745 \times \frac{1-(0.185)^2}{\sqrt{4}}$$

.. P. E. of business buyer = 0.337

ii. $6 * P.E. > r_{X_1Y_1}$ i.e. $2.022 > 0.046$, so the value of r is not at all significant.

Decision:

By the analysis of coefficient of correlation and its test by P.E., data suggests that both buyers of different income groups are insignificant, so monthly income either higher or lower level does not effect the buying behaviors.

Annex – 10

Available of refrigerator's sellers and their details, at Narayanghar and its periphery.

Sn.	Name of the shop	Phone no	Address	established
1.	Sona TV	9845054467	Sahid Chowk NGT.	2052 BS
2.	Shristy Electronics	056528690	Sahid Chowk NGT	2060 BS
3.	Shaja electronics		Sahid chowk NGT	2070 BS
4.	Bhattarai electronics	056532421	Main road NGT	2070 BS
5.	Mani TV	056524735	Milan road NGT	2044 BS
6.	Srihad Traders	9845043402	Milan road NGT	2068 BS
7.	Gaurab Electronics	056522807	Pokhara road NGT	2067 BS
8.	Gangotri Electronics	056524194	Main road NGT	2070 BS
9.	Shivagangaelectronics	05620681	Main road NGT	2050 BS
10	Vijaya emporium		Main road NGT	2065 BS
11	Shuvakamana elects.	056571109	Pulchowk NGT	2069 BS
12.	Laxmi emporium	056521807	Main road NGT	2035 BS
13.	Shree ganesh ele.	056592613	Main road NGT	2058 BS
14.	Kishwor electrincs	05626085	Milan road NGT	2055 BS
15.	Trimurti radio	056571491	Lines chowk NGT	2035 BS
16.	Susma electronics	056571667	Pulchowk NGT	2061 BS
17.	Sanju Air condition	056522451	Junhall road NGT	2057 BS
18.	Panmati electronics	9855059063	Hakim chowk	2064 BS

Source: marketers survey 2070