

# **CONSUMER BEHAVIOUR IN HIGH INVOLVEMENT PRODUCTS IN HETAUDA**

**Submitted By:**

**Kumar Lama**

**Saraswati Multiple Campus**

**T.U. Regd. No.: 7-3-32-1202-2006**

**Roll No.: 54/063**

**Submitted To:**

**Faculty of Management**

**Tribhuvan University**

**In partial fulfillment of the requirements of the Degree of**

**Master of Business Studies (M.B.S.)**

**Thamel, Kathmandu**

**April 2013**

Ref. No.....

## **RECOMMENDATION**

This is to certify that the thesis

Submitted By:

**Kumar Lama**

Entitled

**Consumer Behavior in High Involvement Products in Hetauda**

has been prepared as approved by the Department in the prescribed format of  
Faculty of Management, This thesis is forward for examination.

.....  
Dr. Bagala Basnet  
Supervisor

.....  
Bijaya Prakash Shrestha  
Chairperson, Research  
Committee

.....  
Campus Chief

Date: .....

Ref. No.....

# VIVA – VOCE SHEET

We have conducted the viva- voce examination of the thesis Presented by  
**Kumar Lama**

Entitled

**Consumer Behaviour in High Involvement Products in Hetauda**

and found the thesis to be the original work of the student and written according to prescribed format. We recommend the thesis to be accepted as partial fulfillment of the requirements for Master' Degree in Business (M.B.S.).

## Viva – Voce Committee

Chairperson, Research Committee.....

Member (Thesis Supervisor).....

Member (External Expert).....

Member (Central Department of Management).....

Date: .....

## **DECLARATION**

I, hereby declare that the work reported in this thesis entitled **CONSUMER BEHAVIOUR IN HIGH INVOLVEMENT PRODUCTS IN HETAUDA** submitted to Saraswati Multiple Campus, Faculty of Management, Tribhuvan University, is my original research work done in the form of partial fulfillment of the requirement for the Master's Degree in Business Studies (M.B.S.) under the supervision and guidance of Dr. Bagala Basnet Associate Prof. of Saraswati Multiple Campus.

Kumar Lama

Researcher

T.U. Regd. No: 7-3-32-1202-2006

Saraswati Multiple Campus

## **ACKNOWLEDGEMENT**

It is my great opportunity to complete this thesis under the supervision of Dr. Bagala Basnet, Associate Prof. of Saraswati Multiple Campus, Thamel, Kathmandu. I owe a deep sense of gratitude to her for continuous support patient guidance and eager supervision which enabled me to devote my time in the pursuit of higher learning. I would also like to thank Mr. Bhairav Pokharel, for his guidance to complete this thesis.

My special thanks go to all the reputed authors and previous researchers whose scholarly writings have provided me with the necessary guidance and valuable materials for enrichment of this thesis.

I would like to thank all the respondents who contributed their valuable time filling in my questionnaire.

Eventually, I am thankful to all my friends and family and who have directly or indirectly contributed in the exploration of the subject.

Kumar Lama

# TABLE OF CONTENTS

**Declaration**  
**Acknowledgement**  
**Recommendation**  
**Viva – Voce Sheet**

<b>Contents</b>	<b>Page No.</b>
<b>CHAPTER – I</b>	
<b>INTRODUCTION</b>	<b>1</b>
) General Information of Nepal	1
) Historical Observations	1
) State of Nepalese Economy	2
) Marketing Research In Nepal	3
) Background of the Study	4
) Focus of the Study	10
) Statement of the Problems	11
) Theoretical Framework	12
) Objectives of the Study	13
) Significance of the Study	14
) Limitations of the Study	15
<b>CHAPTER – II</b>	
<b>REVIEW OF LITERATURE</b>	<b>17</b>
) Introduction	17
) Marketing	17
) Marketing Concept	19
) Evolution of Marketing	20
) The Marketing Concept in Nepal	23
) Development of Marketing	24
) Basic Principle of Marketing Concept	25
) Marketing System	25
) Marketing Mix	25
) Conceptual Review	27
) Need for Understanding Consumer Behavior	28
) Factors Influencing Complaint Behavior	29
) Customer Value and Satisfaction	30
) Cost of Lost Customer	33
) Customer Retention	34

)	Consumer Complaint Behavior	35
)	Review of Related Studies	36
)	Consumers' Response on Dissatisfaction	43

### **CHAPTER – III**

#### **RESEARCH METHODOLOGY 48**

)	Research Design	49
)	Nature and Sources of Data	49
)	Population	49
)	Sampling	50
)	Data Collection Procedure	51
)	Data Processing and Analysis	52

### **CHAPTER – IV**

#### **DATA PRESENTATION AND ANALYSIS 53**

)	Presentation and Analysis	53
)	Ownership of High Involvement Products	53
)	Duration of Ownership	54
)	Matching of Expectation with Performance	55
)	Aspects Considered Important	58
)	Satisfaction with Various Aspects of the Product	60
)	Complaint Behavior of Consumers	64
)	Compensation from the Company	65
)	Respondents Suggestions to the Company	69
)	Major Findings	72

### **CHAPTER – V**

#### **SUMMARY, CONCLUSION AND RECOMMENDATION 75**

)	Summary	75
)	Conclusion	76
)	Recommendations	78

#### **BIBLIOGRAPHY 81-82**

## LIST OF TABLES

<b>Title</b>	<b>Page No.</b>
) Characteristics of Buying Decision	7
) Comparative Features of Marketing Concepts	22
) Time of Purchase	54
) Number of Product Possessed by Respondents	55
) Expectation and Performance of the Product	56
) Calculation of Chi-Square	57
) Importance of Attributes	58
) Satisfaction Level of Attributes	61
) Comparison of Importance and Satisfaction Level	63
) Nature of Consumers towards Complaint Behavior	66
) Consumers' Complaints to the Product	67
) Compensation Seekers and Compensation	67
) Compensation Recovered by the Compensated Consumers	68

## LIST OF FIGURES

<b>Title</b>	<b>Page No.</b>
) Consumer Buying Process	5
) Stages of Marketing Development	24
) The Tools of Marketing Mix are known as 4 Ps.	26
) Model of Consumer Complaining Behavior	44
) Importance of Attributes	60
) Satisfaction Level of Attributes	61
) Nature of Consumers towards Complaint Behavior	66
) Compensation Seekers and Compensation	68

## Annex – I