

**BRAND LOYALTY OF CONSUMER PRODUCTS IN BHARATPUR
MUNICIPALITY**

(With Reference to Instant Noodles, Cold Drinks, Lip Care, Hair Shampoo)

By:

**Hari Prasad Chapagai
Birendra Multiple Campus
T.U. Regd. No. 22612-92
Exam Roll No. 190133 (1st Year)
190013 (2nd Year)**

Submitted to:

**Office of the Dean
Faculty of Management
Tribhuvan University**

**In the partial fulfillment of the requirements for the degree of
Master's in Business Studies (MBS)**

**Bharatpur, Chitwan
December, 2013**



TRIBHUVAN UNIVERSITY
BIRENDRA MULTIPLE CAMPUS
 Bharatpur, Chitwan

056 { 520253
 520689
 526159

Fax: 056-520253

DEPARTMENT OF MANAGEMENT

Use Only for Thesis

(Ref):

Date:

RECOMMENDATION

This is to certify that the thesis

Submitted by

Hari Prasad Chapagai

Entitled

**Brand Loyalty of Consumer Products in Bharatpur
 Municipality**

(With Reference to Instant Noodles, Cold Drinks, Lip Care & Hair Shampoo)

has been prepared as approved by this department in the prescribed format
 of faculty of management. This thesis is forwarded for evaluation.

.....
 Damodar Poudel
 Thesis Supervisor

.....
 Baikuntha Pd. Bhusal
 Chairperson, Research Committee

.....
 Sushil Dahal
 Programme Incharge

.....
 Dr. Keshav Bhakta Sapkota
 Campus Chief

Date:



TRIBHUVAN UNIVERSITY
BIRENDRA MULTIPLE CAMPUS
Bharatpur, Chitwan

056 { 520253
520689
526159

Fax: 056-520253

DEPARTMENT OF MANAGEMENT

Use Only for Thesis

(Ref):

Date:

VIVA-VOCE SHEET

We have conducted the Viva-Voce examination of the
Thesis presented by

Hari Prasad Chapagai

Entitled

**Brand Loyalty of Consumer Products in Bharatpur
Municipality**

(With Reference to Instant Noodles, Cold Drinks, Lip Care & Hair Shampoo)

and found the thesis to be the original work of the student and written
according to the prescribed format. We recommended the thesis to be
accepted as partial fulfillment of the requirement for

Master Degree in Business Studies (MBS)

VIVA-VOCE COMMITTEE

Chairperson, Research Committee:

Member (Thesis Advisor):

Member (External Expert):

Date:

DECLARATION

I hereby proclaim that the thesis work entitled **Brand Loyalty of Consumer Products in Bharatpur Municipality (With Reference to Instant Noodles, Cold Drinks, Lip Care & Hair Shampoo)** submitted to Birendra Multiple Campus, Faculty of Management, Tribhuvan University is my original work for the partial fulfillment of the requirement for the Master's Degree of Business Studies (MBS) under the supervision of Damodar Poudel Lecturer of Birendra Multiple Campus, Bharatpur, Chitwan.

Hari Prasad Chapagai

ACKNOWLEDGEMENT

I am pleased to present this thesis entitled, "Brand Loyalty of Consumer Products in Bharatpur Municipality (With Reference to Instant Noodles, Cold Drinks, Lip Care & Hair Shampoo)" in partial fulfillment of the requirement for the degree of master's in Business Studies (MBS). I am thankful to T.U. for providing me such an opportunity to experience the practical knowledge in my subject.

I am greatly indebted to my thesis supervisor Damodar Poudel for his regular and timely guidance for making the research work much analytical and dynamic.

I would like to express my gratitude and thanks to Baikuntha Pd. Bhusal (Chairperson Research Committee), Sushil Dahal (MBS Program Incharge) lecturers of Birendra Multiple Campus, they always encourage and give an idea or valuable advice.

I very sincerely acknowledge my thanks to all my respondents who have spent their valuable time for fulfilling my questionnaires in absence of which the completion of the study would not be possible.

Last but not least, I appreciate C. M. Adhikari of Classic Computer for his expert in designing and who have directly or indirectly contributed in the exploration of the subject.

Date:

.....
Hari Prasad Chapagai
Birendra Multiple Campus

TABLE OF CONTENTS

Recommendation	i
Viva-voce Sheet	ii
Declaration	iii
Acknowledgment	iv
Table of Contents	v-vii
List of Tables	viii
List of Figures	ix
Abbreviations	x
CHAPTER ONE	Page No.
INTRODUCTION	1-8
1.1 General Background of the Study	1
1.2 Focus of the Study	3
1.3 Statement of the Problem	3
1.4 Objectives of the Study	4
1.5 Hypothesis of the Study	5
1.6 Significance of the Study	5
1.7 Limitation of the Study	6
1.8 Organization of the Study	7
CHAPTER TWO	
REVIEW OF LITERATURE	9-32
2.1 Conceptual Framework	9
2.1.1 Brand	10
2.1.2 Brand Name / Brand Mark / Trade Mark	11
2.1.3 Brand of Loyalty	12
2.1.3.1 Brand Loyalty: Perceptual Background	19
2.2 Brand Switching	19
2.2.1 Brand Loyalty Correlation	20
2.2.1.1 Consumer Characteristic	21
2.2.1.2 Shopping Behavior	21
2.2.1.3 Social Influences	21
2.3 Brand Loyalty Model	21

2.3.1 Bernoulli Model	22
2.3.2 Markov Model	24
2.3.3 Linear Programming	26
2.3.4 New Trier Model	26
2.3.5 Probability Diffusion Model	27
2.4 Overview of Previous Research	27
2.5 Research Gap	32
CHAPTER THREE	
RESEARCH AND METHODOLOGY	33-38
3.1 Research Design	33
3.2 Nature and Source of Data	34
3.3 Data Collection Procedure	34
3.4 Population and Sample	34
3.4.1 Variables taken into considerations	35
3.4.2 Basic Features of This Study	36
3.5 Method of Data Analysis and Presentation	37
CHAPTER FOUR	
PRESENTATION AND ANALYSIS OF DATA	39-72
4.1 Introduction	39
4.2 Sex and Brand Loyalty	40
4.2.1 Sex and Brand Loyalty: Shampoo	40
4.2.1.1 Sex and Brand Loyalty on Shampoo Chi-square Test	42
4.2.2 Sex and Brand Loyalty: Instant Noodles	42
4.2.2.1 Sex and Brand Loyalty on Instant Noodle Chi-square Test	44
4.2.3 Sex and Brand Loyalty: Lip Care	45
4.2.3.1 Sex and Brand Loyalty on Lip care Chi-square Test	46
4.2.4 Sex and Brand Loyalty: Cold Drinks	47
4.2.4.1 Sex and Brand Loyalty on Cold drinks Chi-square Test	48
4.3 Age and Brand Loyalty	49
4.3.1 Age and Brand Loyalty on Shampoo	49
4.3.1.1 Age and Brand Loyalty on shampoo Chi-square Test	51

4.3.2 Age and Brand Loyalty: Instant Noodles	51
4.3.2.1 Age and Brand Loyalty on Instant Noodles Chi-squire Test	53
4.3.3 Age and Brand Loyalty: Lip Care	53
4.3.3.1 Age and brand loyalty on Lip Care Chi-square Test	55
4.3.4 Age and Brand Loyalty: Cold Drinks	56
4.3.4.1 Age and Brand Loyalty on Cold drinks Chi-squire	57
4.4 Income and Brand Loyalty	58
4.4.1 Income and Brand Loyalty: Shampoo	59
4.4.1.1 Income and Brand Loyalty on Shampoo Chi-Squire Test	59
4.4.2 Income and Brand Loyalty: Instant Noodles	60
4.4.2.1 Income and Brand Loyalty on Instant Noodles Chi-squire Test	61
4.4.3 Income and Brand Loyalty: Lip Care	62
4.4.3.1 Income and Brand Loyalty on Lip Care Chi-Squire Test	64
4.4.4 Income and Brand Loyalty: Cold drinks	64
4.4.4.1 Income and Brand Loyalty on Cold drinks Chi-Squire Test	65
4.5 Factors Causing Brand Switching	66
4.6 Effects of Incentives in Brand Choice	69
4.7 Major Findings of the Study	70
4.7.1 Finding Regarding Sex Variable	70
4.7.2 Finding Regarding Age Variable	70
4.7.3 Finding Regarding Income Variable	71
4.7.4 Causes of Brand Switching & Incentives in Brand Choice	72
CHAPTER FIVE	
SUMMARY, CONCLUSION AND RECOMMENDATION	73-77
5.1 Summary	73
5.2 Conclusion	75
5.3 Recommendation	76
Bibliography	78-80
Appendices	81-94

LIST OF TABLES

Table No.	Titles	Page No.
2.1	Consumers Brand Beliefs about Computer	23
2.2	Probability of Brand	25
4.1	Sex and Brand Loyalty of Shampoo	40
4.2	Chi-square Calculation of Sex and Brand Loyalty	42
4.3	Sex and Brand Loyalty of Instant Noodle	43
4.4	Chi-square Calculation of Sex and Brand Loyalty	44
4.5	Sex and Brand Loyalty on Lip Care	45
4.6	Chi-square calculation of Sex and Brand Loyalty	46
4.7	Sex and Brand Loyalty of Cold Drinks	47
4.8	Chi-square Calculation of sex and Brand Loyalty	48
4.9	Age Brand Loyalty on Shampoo	49
4.10	Chi-square Calculation of Age and Brand Loyalty	51
4.11	Age and Brand Loyalty on Instant Noodles	52
4.12	Chi-square Calculation of Age and Brand Loyalty	53
4.13	Age and Brand Loyalty on Lip Care	54
4.14	Chi square Calculation of Lip Care and Brand Loyalty	55
4.15	Age and Brand Loyalty on Cold Drinks	56
4.16	Chi-square Calculation of Age and Brand Loyalty	57
4.17	Income and Brand Loyalty on Shampoo	58
4.18	Chi Square Calculation of Income and Brand Loyalty	59
4.19	Income and brand Loyalty: Instant Noodles	60
4.20	Chi square calculation of Income and Brand Loyalty	62
4.21	Income and Brand Loyalty: Lip Care	62
4.22	Chi square Calculation of Income and Brand Loyalty	64
4.23	Income and Brand Loyalty: Cold drinks	64
4.24	Chi square Calculation of Income and Brand Loyalty	66
4.25	Factors Causing Brand Switching	67
4.26	Effects of Incentives in Brand Choice	69

LIST OF FIGURES

Figure No.	Titles	Page No.
4.1	Sex and Brand Loyalty of Shampoo	41
4.2	Sex and Brand Loyalty of Instant Noodle	43
4.3	Sex and Brand Loyalty on Lip Care	45
4.4	Sex and Brand Loyalty of Cold Drinks	47
4.5	Age and Brand Loyalty on Shampoo	50
4.6	Age and Brand Loyalty: Instant Noodles	52
4.7	Age and Brand Loyalty: Lip Care	54
4.8	Age and Brand Loyalty: Cold Drinks	56
4.9	Income and Brand Loyalty on Shampoo	59
4.10	Income and Brand Loyalty: Instant Noodles	61
4.11	Income and Brand Loyalty: Lip Care	63
4.12	Income and Brand Loyalty: Cold drinks	65
4.13	Effects of Incentives in Brand Choice	69

LIST OF ABBREVIATIONS

%	:	Percentage
&	:	And
ADs	:	Advertisements
B.S.	:	Bikram Sambat
Ed.	:	Edition
Eg.	:	Example
Etc.	:	Etcetera
i.e.	:	That is
Ltd.	:	Limited
MBS	:	Master's Degree in Business Studies
No.	:	Number
P.	:	Page
Pvt.	:	Private
Rs.	:	Rupees
TU	:	Tribhuvan University

CHAPTER ONE

INTRODUCTION

1.1 General Background of the Study

The word "Marketing" is derived from the word 'market'. Market is an area for potential exchanges. Thus, it is a group of buyers and sellers interested negotiating, the terms of purchase or sale of goods or services. So it consists of the forces of supply and demand.

In general sense marketing is selling through advertising. However selling and advertising is only the small parts of whole marketing. Marketing helps organization to find out what customers want and also helps to decide what products to make.

Today, the concept of marketing has changed drastically. Marketing must be understood not in the old sense of marketing but in the new sense of satisfying consumer's needs (Kotler and Armstrong, 2007). If the marketer does a good job of understanding customer's needs, develops products that provides superior value and price, distributes and promotes them effectively, he/she will easily sell the products otherwise it is difficult to stay in market.

Globalization, technological change and intense completion are today's environment. Marketing success belongs to those who can deliver what customers are willing to purchase. An organization must determine their vision to satisfy customer's needs and wants through successful marketing. "Marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering and freely exchanging products and services of value with others" (Kotler, 2009).

Marketing is a total system of business activities designed to plan price, promote, and distribute want satisfying products to target market to achieve organizational objectives (Stanton, 2008).

Generally speaking, marketing adds value to goods by changing their ownership and by changing their time and place of consumption (Candiff and Still, 2002).

Above definitions give the importance on product. Product is an element of marketing mix. People generally associate a product with goods and services, but the concept of product is not only goods and services. People are involved in marketing 10 types of entities: goods, services, experiences, events. Persons, places, properties, organization, information and ideas (Kotler, 2009).

A product is "Anything that can be offered to a market for attention, acquisition, use of consumption that might satisfy a want or need. It includes physical objects, services, persons, places, organization and ideas" (Kotler and Armstrong; 2007).

After producing the product it must be identified with a definite brand. To building a brand a number of requirements are demanded like a great deal of time, money, efforts and packaging.

"A brand is name, term, sign, symbol or design of combination of them intended to identify the goods or services of ones seller or group of sellers and differentiate them from those of competitors" (Kotler, 2009).

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

1.2 Focus of the Study

No more research has been carried out so far in Nepal to find out the consumer behavior on branding. Therefore this study has been conducted mainly to measure the loyal consumers on brand. So, this study focuses mainly on the brand and brand loyalty on consumers. For this purpose four different types of low involvement products have selected. The products selected for the study are described below.

Instant Noodles: Very common snacks in Nepal, packed in plastic wrapper with special flavored soup, can be eaten anytime in a day with boiling water and sometime directly from packet.

Cold Drinks: Worldwide common cold drink available every where, every time and everyone can buy and drink easily, made of lemon flavor, soda and many more flavor and packed in plastic bottle, cans, glass bottle etc.

Lip Care : It is used to protect the lips from lip crack which is common problem in winter as well as other season, it is make our lips smooth and soft it is of different brand like Vaseline, Boro Plus, Revlon others etc.

Hair Shampoo: Different types of shampoo are available in market for washing hair, persons preferred it for healthily and strong hair.

1.3 Statement of the Problem

Due to increment of population and improvement of economic condition arising the demand and production up. Highly developed technology has make the world narrow and people can order their requirements from a distant place without leaving their room. Television casting and internet shopping have revolutionized the marketing. This development in the

industrial sector and technology has provided various types of products and brand to consumers.

So, the basic problem of this study is to measure loyal consumer on branding in entire Nepalese market. Marketers are always concerned with real number of consumer and their beliefs and opinions concerning there brand and competing brand.

Following research questions are the problems of this study are presented below.

- a. What are the demographic variables with brand loyalty of consumers by age, sex and income status in Bharatpur Municipality?
- b. Are the consumers of Bharatpur Municipality brand loyal?
- c. What are the causes of brand switching in consumers of Bharatpur Municipality?
- d. Which factors influence of the purchase decision of consumers loyalty?

1.4 Objectives of the Study

Therefore this study is conducted mainly to find out whether or not loyal on branding exists in the Nepalese consumers market. The objective of this study can be listed as follows:

- a. To examine the brand loyalty with demographic variables like age, sex and income status.
- b. To examine the brand consciousness of the consumers in Bharatpur Municipality.
- c. To analyze types of brand loyal consumers in Bharatpur Municipality and analyze its impact on purchase decision.
- d. To examine the factors influencing purchase decision of consumers?

1.5 Hypothesis of the Study

Test of hypothesis is a useful tool to know the significance of the parameters. The objectives of this test are to test the significance regarding the parameters of the population on the basis of sample drawn from the population. In this study;

Null Hypothesis

Hypothesis No. 1

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

Hypothesis No. 2

The Age of the individual does not have significant influences on the brand loyalty.

Hypothesis No. 3

There is no significant difference of consumers and brand of income on the brand loyalty.

1.6 Significance of the Study

Economic condition of country is directly related with the success and failure of the existing units of the different types of industry. Success of the industry will carry the country towards development. Success of there industry is the main function of successful marketing of its products. In the era of cutthroat competition, successful marketing demands an understanding of consumers taste, choice, performance, and loyalty, as the focus of the study 'brand loyalty' the temporal aspect of the consumer behavior. The manufacturers or marketers of the country will be highly benefited by this study. They may use the findings of this study as the

guideline for making strategies for their products, so that they can achieve success.

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

Increment of population and demand helps to increase the industries. So this study "Brand loyalty" is an important study. This study will of course be a valuable guideline to the industrialists, manufactures or marketers of the country. Similarly it would be a valuable reference to the scholars or researcher who is interested in conduction further research about brand loyalty.

1.7 Limitation of the Study

The limitation of this study is follows:

- a. The products included in this study are based on four low involvement products (i.e. instant noodles, cold drinks, lip care, and hair shampoo) this study will not necessarily be applicable to other product.
- b. Sample size is very small in comparison to the population of the study.

- c. This study is entirely based on the views and responses of the consumers.
- d. It is almost impossible to include the whole population in the study. So out of this population 100 consumers are surveyed in Bharatpur Municipality.
- e. Study of loyalty requires a repeat purchase pattern. But in high involvement products have high financial risk, high personal risk and physical; interest, so large number of the items bought is only low involvement products, which are the reason for selecting low involvement products.

1.8 Organization of the Study

This study is divided into five chapters, which are as follow:

Chapter 1: Introduction: Chapter one is the introductory part of the thesis which consists general background, statement of the problem, objectives of the study, significance of the study, focus of the study, hypothesis, and limitation of the study.

Chapter 2: Review of Related Literature: Include review of literature in this chapter the review from books, journals, thesis and independent studies are taken into account.

Chapter 3: Research Methodology: This chapter includes the research design, data collection procedure, sample plan, method to analysis and presentation.

Chapter 4: Data Presentation and Analysis: This is the main body of our research. It includes data presentation interpretation and analysis. In this chapter brand loyalty of different consumer level is analysis.

Chapter 5: Summary, Conclusion and Recommendations: This is the last chapter which includes summary, conclusion and recommendations for further improvement.

At the end of the chapters bibliography and appendices have been incorporated.

CHAPTER TWO

REVIEW OF LITERATURE

2.1 Conceptual Framework

Now Marketing emphasis in society's an ultimately consumer's interest rather than selling. Marketers or produces have shifted their emphasis from production to product, product to selling to consumer and consumer to society respectively. Today the marketing philosophy of all the organization is the societal marketing concept. The societal, marketing concept holds that the organization task is to determine the needs wants and interest of target markets and to deliver the desired satisfaction more effectively and efficiently than competitors in a way that preserves or enhances the consumers and society's well being (Kotler, 2009)

Today all the marketing activities revalue in the consumer and various advancement made in marketing has established the consumer as the solve reign power in the marketing world. So in order to be successful accordance with marketing, products must be produced according to the need of the consumers and interest of the society. " The firms ultimate success depends primarily on how well it performs in the market place" (Terpstra and sarathy 2004:P3) In the modern business world understanding of consumer choice, purchase decision – making process etc. or understanding of consumer behavior is most necessary to become a successful marketer.

Study on consumer behavior has prevailed as an effective measure, helping to develop the successful marketing strategy. This growing need and important part of the behavioral study of the consumer gave birth to"

study on brand loyalty behavior of consumer" as a separate subject of study.

2.1.1 Brand

In the consumer goods market there are many product categories that are represented by numerous brands. Brand involves using identification feature on the product so that buyers can recognize the produced and products manufacture. Brand identifies the seller or marketer, which can be name trade mark, or other symbol. A brand is essentially a seller's promise to deliver a specific set of features, benefits, and services consistently to the buyer. A best brand conveys a warranty of quality.

“The American marketing association defines a brand as "A brand is a name term, sign, symbol, or design, or a combination of them, intended to identity the goods or services of one seller or groups of seller and to differentiate them from those of competitor". (Kotler, 2009)

According to Prof. Philip Kotler brand can convey up to six level of meaning:

- a. Attributes: A brand brings to mind certain attributes.
- b. Benefits: Attributes must be translated into functional and emotional benefits.
- c. Values: The brand also says something about the producers values.
- d. Culture: The brand many represent a certain culture.
- e. Personality: The brand can project a certain personality
- f. User: The suggests the kind of consumer who buyer or user the product.

So the brand is important to the marketer as well as buyers and society. It is important to the marketer in terms of promotion, value building,

product image. Product attributes and benefits, buyers pay the price for the product in order to obtain these. Values on the other hand buyer also highly benefited by the brand because brand gives the identification of produced. So, that they can freely choose the desired product. Marketer of branded products normally provide assurances to buyer that their products are consistent in quality and price. Branded products can get quality certification from normal and international certification agencies. Buyers can confidently exercise their choice among the various brands on the bases of quality certification. Warranties and guarantees.

2.1.2 Brand Name / Brand Mark / Trade Mark

Brand name/brand mark/trade mark may make confusion because they seems similar in terms. A brand name is that part of the brand that can be vocalized and includes letters, words and numbers Wai Wai close up and sunslik, are the brand names. Brand name consists of works letters or numbers which are vocalized.

A brand mark is the part of the brand which appears in the form of a symbol, design or distinctive coloring letter in. Brand mark is the element of the brand that cannot be pronounced but they are equally useful in identification of the product. Brand marks often appear in terms or a sign, symbol, or design (unique letter style of Wai Wai is a brand mark.

On the other hand trademarks is a legal designation indicating that the owner of has exclusive right to use. Brand name and the brand mark and others are prohibited by law from using it. A brand name or a brand mark can be converted into a trademark buy registering concerned apartment of government.

2.1.3 Brand of Loyalty

If consumers think a brand is good in comparison with other available brands in terms of fulfillment needs. Pre-judices, then they develop positive attitude towards a brand and purchase them. If this action is repeatedly happened with a specific brand that is known as brand loyalty. To find out brand loyalty frequently purchasing action of produced class must be required. Brand loyalty is great assets of a company which is not expressed in numerical form of the balance sheet. It is completely unseen but gives result of full enjoyment.

"Brand loyalty" is a temporal aspect of consumer behavior loyalty on branding analyzes whether or not a consumer is loyal to a specific brand or set of brand time a certain period.

Studies on brand loyalty began when researches on consumer's behavior became popular. Today we found most of the products are sold by brand even the vegetable products are sold by brand in developed countries. This increasing use of brand has significantly increased the necessity to understand the brand loyalty behavior of consumer.

Brand loyalty has defined in different way by the different scholars, experts behavioral scientists and researchers. They have used different approaches and criteria to measure brand loyalty behavior approach and some used consumer attitude and some measure brand loyalty behavior approach and some use consumer attitude some used both the, consumer behavior and consumer attitude.

So, many researches have been carried out on brand loyalty in developed and industrialized countries. Different researcher efforts on different bases and have used different measures of brand loyalty. Hence, it seems

very necessary to pay particular attention on definition of the term and approaches to measurement while reviewing the literature.

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

- (a) Undivided loyalty
- (b) Divided loyalty
- (c) Unstable loyalty, and
- (d) No loyalty on branding (Engle and back well, 2002)

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

- (a) Undivided loyalty: If the purchase sequence is AAAA
- (b) Divided loyalty : If the purchase sequence is ABAB
- (c) Unstable loyalty : If the purchase sequence is AABB and
- (d) No loyalty: If the purchase sequence in ABCD

In the place of brand choice sequence leaser guest used preference statement over time as a measurement of brand loyalty. In that year he collected data about the awareness and preference of students. In following studies of these same person 12 and 20 years later he found suggestive evince of high degree of loyalty towards brand names (although not to any specific brand) (Shiftmand and Kanuk, 2000)

From the study of leaser guest it can be conducted that brand loyalty exists even when it is defined as preference statement overtime. Guest '

findings of suggestive evidence of high degree of loyalty towards brand names give more weight to the need of underrating brand loyalty behavior. According to preference statement approach, loyalty on branding is measure on the basis of preference expressed by the consumers to a particular brand over a certain time. But preference statement alone is not real representative of loyalty on branding because what the consumers do in the actual purchase is of equal importance together with what they prefer.

All the definition of brand loyalty stated in previous pages and the researches based definition have focused mainly on the consumer behavior or consumer purchase. There are three approaches to loyalty on branding used by researchers. Brand choice sequence approach as used by George Brown, preference over time as used by Lester G. and proportion of purchase as used by Blastberg and Sen. Blastberg and Sen have extended the proportion of purchase approach to segment that are loyal to nation or private brands as a category as well as specific brands within, each of those categories [Engel and Blackwell]. They found one segment of the population to be high national brand loyal, and found that the proportion of purchase devoted to the favorite brand ranged from about 10 to 100 percent within this segment.

But none of these approaches is enough to clear. The concept of brand loyalty Shiftman & Kanuk comment these definition as from the view point of distinguish between the real brand loyal buyer who is internationally faithful and the spurious brand loyal buyer who repeats a brand purchase because it is displayed more prominently than orders or who flies a specific airlines because its telephone number comes most easily to mind (Shiftman & Kanuk, 2000) Brand loyalty must be defined in the way that it could distinguish between a loyal buyer and spurious loyal

buyer. The spurious loyal buyer's lack any attachment to brand attributes and they can be immediately capture by another brand display is other devices.

The definition of brand loyalty, based on the brand choice sequence approach and preference over the time period of proportion of purchase approach are the operational definition. They do not make any differentiation between spurious loyal buyer and a true loyal buyer. Similarly according to this definition it is difficult to compare the findings. For example even in the same study result many vary according to the approach used. They define brand loyalty in term of consigers behavior or consumer purchase only. In this sense they are based on repeat purchase behavior rather than brand loyalty behavior.

- a. The biased (i.e. non- random)
- b. Behavioral response (i.e. purchase)
- c. Expressed overtime.
- d. By some decision – making unit.
- e. With respect to one or more alternative brand out of as set such brands, and.
- f. Function of psychological (i.e. decision making evaluative process" (Engle and Blackwell, 2004 et al. p. 571)

The theme of Jauoby's definition is loyalty on branding should be measured in terms of the both consumer purchase and consumer preference loyalty on branding is purchase behavior of decision making unit. Such is based on psychological process and is biased for one or more brand for a specific time period. Jauoby's definition is quite able to distinguish between a true loyal buyer and spurious loyal buyer.

Consumer preference approach awareness he/she purchase the same brand repeatedly.

He/ she may buy same brand due to may factors such as psychological commitment, ignorance of other alternative brands and unavailability of other alternative brand or may other factors. Any way it is necessary to know which factors are contributing to loyalty. Another important aspect of Jacoby's definition is that it recognizes that existence of multi-brand mind especially on a specific brand but reality is rather different that loyalty on branding means loyalty one or more brands that the consumers repeatedly purchased the given product category.

Since, reference purchase definition of brand loyalty includes with the consumer preference and the consumer purchase, and put forward a clear concept of brand loyalty. Brand loyalty as a concept is both input and out variables. As an input variable it is the result of the consumer decision. So, researcher have not only define what brand loyalty is but have also endeavored to find out how it develops.

Behavioral scientists believe that brand loyalty initiate from trial purchase product. According to them consumers purchase a particular brand as trial and if this trial satisfied his / her needs and requirements then she/ he purchase the brand repeatedly on the other hand cognitive researcher emphasizes the role of mental process in building brand loyalty. They believe that consumers engage in extensive problem solving behavior involving brands and attribute and brand loyalty is an outcome of mutual process of the consumer. The consumer are not loyal to any brand simply because the brand satisfies their needs, but they are loyal to a specific brand simply because they have developed a positive attitude towards that brand and such an attitude is developed through a decision making process.

But the involvement theories do not agree with cognitive theories and behavioral scientists. Involvement theorists believe that frequent exposure to T.V. Commercials, which are rich in visual clues and symbolism and short in duration. Buttressed by strong in store displays, create type of brand loyalty for low involvement purchase.

The researcher reveal that the loyalty on branding develops early in the life of a person and such loyalty has long lasting effects on the whole life of the person. How ever this way not is true for all the persons. The modern world is characterized by fast changes. Most of the persons who are keeping pace with this world are supposed to change their behavior time by time. The different factors in the environment in which they live have an in exorable impact on their behavior. Hence it is not hundred percent true that impact of loyalty an branding developed at a certain stage of life can be seen even through out the rest of the life.

Thus the studies of loyalty on branding have analyzed what, how and when the loyalty and have presented it as a special phenomenon for scientific analysis and prediction.

Brand loyalty is the result of good brand image and grand preferences and choice. Brand loyalty has many marketing implications.

Consumers who are loyal to the certain brand are available assets and the agency for finance to the manufacturer. Brand loyal consumers also perform the function of advertising and sales promotion once brand loyalty is established the threat from other brands is considerable less than ego involving products. Thus loyalty to the certain brand means assurance of market universe, decreasing burden of sales promotion and assurance from the fear of competitive brands.

An existing base of loyal customers provides enormous sustainable competitive advantages-first it reduces the marketing costs of doing business, since existing customers usually are relatively easy to hold the familiar is comfortable and reassuring ... second the loyalty of existing costumers represents a substantial entry barrier to competitive ... third brand loyalty provides trade leverage ... fourth a relatively large, satisfied customers base provides an image of a brand as an accepted successful enduring product that will include service backup and product improvement, finally brand loyalty provides time to respond to competitive moves it gives firm some breathing room. (Aaker, 2000)

If the consumer are identifiable as loyal and non loyal the market can accordingly be segmented as a loyal consumer market and non- loyal consumer market and separate marketing strategy can be used to each as Engle and Blackwell, says –

"Brand loyalty is one of segmenting a market" (Engle and Blackwell, 2002).

Manufactures always like to know about the market captured by each brand loyalty which product is profitable to produce where it is better to ell and the quality to be produced. Hence the knowledge of brand loyalty is major instrument to make a production plant and employ control mechanism to avoid any future difficulties.

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

2.1.3.1 Brand Loyalty: Perceptual Background

Loyalty in the branding has been studied from so many angles that the concept has been defined based on the measurement methods used. There are four measurements of brand loyalty.

1. Undivided loyalty: Household that purchased the brand A in the sequence of AAAA suggest undivided loyalty.
2. Divided loyalty: Households that purchased the brand A and B in sequence of ABAB suggests divided loyalty.
3. Unstable loyalty: Households that purchased brand A and brand B in the sequence of AABB suggests unstable loyalty.
4. No. Loyalty: Households that purchase different brands in the sequence of ABCD suggest the situation of no loyalty.

2.2 Brand Switching

Consumers habit of constantly shifting from one brand to another is called brand switching. In this sense, brand switching is opposite to brand loyalty a brand loyal consumer is stocked up to specific brand or a set of brands. The buyer who is habitual to brand switching is loyal to no brand. Understanding of why consumers are involved in brand switching behavior is very important for complete understanding of brand loyalty behavior. That's why consumers switch and brand explains to a great extent, why consumers are not brand loyal. There, are many causes of occurrence of brand switching behavior.

"It is not unusual to switch brands simply because of variety seeking". Leigh Mc. Alister and edgov pessimier. Some consumer switch brand because they are dissatisfied with a product, because they are more concerned with price than with brand names. A consumer have bee loyal to a brand for longtime may switch to other brand because of being

dissatisfied or being bored with the brand he has been using for long time similarly if the consumer is more price conscious than brand even slight price-cut in the competitive brands may make him move towards those brands.

But the research studies on brand switching reveal that brand switching is not very much stronger as it is generally thought. In other words brand switching is not very much. A recent study on consumer purchase habits reported that brands with larger market shares have proportionately larger group of loyal buyers.

It follows that intra-personal factors such as dissatisfaction, boredom, price consciousness and aspiration for testing new brand causes brand switch. Similarly, also some external factors like special price deals, coupons, free sample and comparative advertisement many causes of brand switch. But what the researcher show is that "Such a brand switch can not be converted into brand loyalty". The consumers do not keep on sticking up to the brand which they are switched together with the end of such special deals as price cuts free sample coupons etc, consumers return back to their previous brands.

2.2.1 Brand Loyalty Correlation

Brand loyalty correlates mean the various factors that are related or associated with differential agrees of brand loyalty. Brand loyalty correlates explain why brand loyalty varies across products and consumers. The brand loyalty correlates the reason for variation in brand loyalty. In terms of products and consumers. He following brand loyalty correlates has been identified.

2.2.1.1 Consumer Characteristic

Past researches conducted on the relationship between consumer characteristics and brand loyalty have indicated that there is no relationship brand loyalty have indicated that there is no relationship between attitude and brand loyalty while personality shows some effect in brand loyalty. Socio- economic characteristic such as social class and income showed some relationship with brand loyalty in the higher class consumers. Age of the consumer is found to be correlated to brand loyalty, the higher the age of the consumer the stronger is the brand loyalty.

2.2.1.2 Shopping Behavior

Brand loyalty is correlated to the quantity of purchase, i.e. higher the quantity purchased the stronger is the brand loyalty. Research, on the frequency of purchase has indicated no relationship between, this factor and brand loyalty. However it has been found that the differences in inter purchase time has some relationship to brand loyalty. If the time gap between one purchase and second purchase increase the probability of the purchase of the same brand diminishes.

2.2.1.3 Social Influences

Research on social influences on brand loyalty have indicate that there is no relationship between family influence and brand loyalty while reference group is found to be correlated to brand loyalty.

2.3 Brand Loyalty Model

There are various models brand loyalty models, which are using to understand and predict brand loyalty behavior of the consumer. The models helps to identify the factors affecting loyalty behavior of

consumer and predict how such factors are likely affect behavior in the future.

2.3.1 Bernoulli Model

According to Bernoulli model the consumer is supposed to have a constant probability (P) of purchasing the brand under study and the probability of purchasing the brand is determined from aggregate brand choice data. The model also assumes that the facts like consumer's characteristics prior purchase or all external influences etc. have no effect on the probability [Engel and Blackwell 2002]

For example, let the brand under study be. A and all the other brands be 'B' and the probability of purchasing brand 'A' at a purchase occasion, P 'A'. Then according to Bernoulli model P (At) is determined from aggregated brand choices between A and B.

Determining the probability of purchasing a particular brand from aggregate brand choice date. However recognize that certain anticipated or non anticipated circumstances such as limited number of brands available at the store or out of the stock conditions may have affect the probability. For example if the brand under study is available at many stores them the probability of buying that brand may be greater for the consumers who purchase that brand (IBID)

For example, illustrating this concept in connection with the person Ram's (a hypothetical name for illustration) purchase of a computer. Suppose ram has his choice set to four branded computers A, B, C and D.

Assumes that he is interested in four attributes: memory capacity graphic capability, software availability and price. The following table shows his beliefs bout how each brand rates on the four attributes.

Table 2.1

Consumers Brand Beliefs about Computer

Attributes Brands	Memory capacity (40%)	Graphic capability(30%)	Software Availability (20%)	Price (10%)
A	10	8	6	4
B	8	9	8	3
C	6	8	10	6
D	4	3	7	8

In the above table Ram rates brand as follows: memory capacity 10, graphic capability 8, Software availability 6 and price 4. Similarly he has beliefs about the how the others three computes rate on these attributes. The marketer would like to be able to predict which computer Ram will buy.

If one computer, dominated the others on all the criteria we could predict that Ram would choose it but his choice consists of brands that vary in their appeal. If ram wants the most memory capacity he would select brand A if he want best graphic capability he would buy brand B and so on. Some buyer buys only one attributes and can easily predict their choice.

Most of the buyers will consider several attributes and place weights to themes. If the marketer knew the importance weights that ram attached to the for attributes he could predict his computer choice.

Suppose Ram assigned 40% of the importance to the computer memory capacity, to the graphic capability 20% in its software availability and 10% to its price. In this case to find out Ram's perceived value for each computer these weights (i.e. of importance given to the attributer by Ram) are multiplied by his beliefs about each attributes. This leads to the following perceived value.

Computer A $0.4(10)+0.3(8)+0.2(6)+0.1(4) = 8$

Computer B $0.4(8)+0.3(9)+0.2(8)+0.2(8)+0.1(3)=7.8$

Computer C $0.4(6)+0.3(8)+0.2(10)+0.1(6)=7.4$

Computer D $0.4(4)+0.3(3)+0.2(7)+0.1(8)=4.7$

Thus the reliable predict is that Ram will prefer computer A

This model is called the expectancy value model of consumer choice. It is one of several possible models describing consumer evaluate alternatives.

2.3.2 Markov Model

This model assumes that past purchase influence the probability of current purchase. Many models have been building up on this basic assumption and they are known "Markov models" Among these models the most commonly used one is first order Markov model (Boyd and massy, 2002).

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

This model can be better illustrated by a product category having three brands. Let us suppose the following probabilities representing brand choice behavior of consumer in a place.

Table 2.2
Probability of Brand

Last Purchase	Next purchase		
	Next A	Purchase B	C
A	0.80	0.10	0.10
B	0.10	.60	0.30
C	0.30	0.30	0.40

Note: These probabilities are conditional or transitional probabilities of moving from one stage to another in any two consecutive time period and are estimated on the basis of post purchase data for a sample of customers.

The probabilities stated in the table above or the transitional matrix given above shows that the brand purchase in the last purchase exerts great influence on the probabilities that is applicable in the next purchase. If brand A is bought in last purchase it is almost certain to be bought in the next purchase of a consumer purchased brand A during a certain period there is 80% chance that he / she will buy A again during the next purchase 10% chance of buying B and 10% chance of buying C. If the same consumer purchase brand B in place of brand A in the last purchase, then his / her chance of buying brand in the next purchase is 10% that of buying B is 60% and of C is 30%.

The transitional matrix mentioned above which is Markov model assumes to be stationary (i.e. that remain, unchanged through time can be used to predict the future brand-share values for A, B, and C. Furthermore the transitional matrix (probabilities) in the model can be used as one way of measuring both the holding power of a given brand and its ability to attract patronage from other brands. Further the model has been used to estimate the number of periods that will pass before a given brand will be tried.

2.3.3 Linear Programming

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

2.3.4 New Trier Model

The new trier model describes the brand choice behavior of a consumers purchasing a particular brand for the first time. This is also zero order model developed by Aaker.

This model assume that there is a trial period after the initial purchase during which the probability of purchasing the brand for that family remains constant. After, a number of trial purchases the consumer is assumed to reach a decision which gives a new probability of purchasing the brand. The probabilities of purchasing the new brand during and after the trial period differ among individuals. Thus this model is similar to probability diffusion model in many respects and has limited use.

These models offered little insights into the dynamics of brand loyalty and have been abandoned in favor of more realistic model the Marko model.

2.3.5 Probability Diffusion Model

The probability diffusion model proposed by David B. Montgomery is also a zero order model which does not consider purchase event feedback in this model. An individual's response probability is assumed to be non-stationery and different individuals may have different response probabilities.

This model is based on the following assumptions:

- i. The brand choice behavior is described as a dichotomous selection i.e. selection between two brands A and B.
- ii. Each respondent is assumed to have a number of by pathological elements: some are associated with response A and the remainder with response B.
- iii. If a particular response occasion (t) the respondent has i of his N elements associated with response A, his / her probability (pt) of marking response on that occasion is i/N .
- iv. The response elements change between brand A and B among individual over time.

2.4 Overview of Previous Research

Kafle, (2004) "A study of brand loyalty of cold drinks" among the urban and rural people have pointed out that there are only two factors influencing the brand loyalty market share of the grand and response to the promotion scheme. High market share of the brands attracts more

brand loyalty than low market share brands do. Attraction for promotion schemes is thus inversely related to the brand loyalty.

The type of distribution outlet from which the brand is brought is not related to the brand loyalty. There is great similarity between the urban and rural market in the brand loyalty concerned.

Mr. Kafle also added that the brand loyalty cases in both markets were similar with respect to response to promotion schemes. He had also concluded that the high-income groups are attached with the high price brand and the low income groups are attached with the low priced brand however generally the higher income group exhibited a level of brand loyalty different from that of the other classes.

Another researcher, Mr. Ghimire (2006) “A study on branding policy of durable consumer goods”. Though his study of the Nepalese consumers to be moderate. In the finding of his study he states 34% consumer were found highly loyal. His finding relating to brand loyalty seems to be confusing. According to his finding, brand loyalty is differentiated from consumer behavior. Like sticking to a particular brand and waiting for a favorite brand. As a matter of fact brand loyalty itself is an outcome of both sticking up to a particular brand and intention to wait for that in case of unavailability along with positive attitude toward the same brand.

Another study with respect to communication effects to advertising has been made by Giri (2007) the dissertation is “A study on the communication effects of advertising and brand preference of instant noodles.”

The major finding of studies is as follows:

- i. Most of the uneducated people of Kathmandu valley could not say anything about the advertisements.

- ii. All the advertising media available in Nepal, the radio has proved itself a leading one to create awareness customer about the advertised products, edible (safe to eat) goods liked instant noodles after that film/line slide comes orderly.
- iii. In case of the newspaper advertisement the Rara has attracted many customers because of its style of photo presentation while the maggi has attracted its customers with the help of layout headlines.
- iv. The weak side of the newspaper advertisement of the Rara has been headline and topography and photo presentation in case of advertisement of Maggi.
- v. In case of radio advertisement, the Rara has attracted its customers mainly with the help of vocals. After then, comes expression and music while music has played a pleading role to attract the customers incase of maggi's advertisement. After the set of expression and vocal come orderly.
- vi. The newspaper advertisement of the Rara has created more of its gain than in case of the advertisement of the maggi.
- vii. Advertisement qualities of instant noodles have made no change of brand preference.

Mr. Pant (2009) "A study of brand loyalty of Soft drinks" has the following findings:

- i. Nepalese consumers give high importance to brand in both the consumer durable goods and the consumer non- durable goods.
- ii. Most of the consumers are found buying the products brand rather than by inspection.

- iii. Brand awareness of the Nepalese consumers is found to be high.
- iv. Brand loyalty is independent of the consumers store loyalty.
- v. Brand loyal consumers are not to be influenced by special deals such coupons, free samples, discounts etc.
- vi. The brand loyal consumers are found to be least influenced by price activity and advertisement.

Mr. Sharma (2010) has made a study named “the movies stars endorsement in advertisement” this dissertation has the following findings.

- i. The youth of the selected soap brands are highly aware of the brand endorsed by movie stars on non – endorsed brand.
- ii. Message of recall is highly associated with movie stars endorsement in advertising.
- iii. The product quality of advertised brand is found major factor contributing to the believability of the message. the believability of message is depended upon consumers perception and among of the brand .
- iv. An effective advertisement creates association of felling with certain events or certain ways of life styles.
- v. The advertisers have ignored the matching of the product personality with the requirement of the life styles of the stars.
- vi. An effective advertisement is supposed to create positive attitude towards it among the audiences.

The other study on “communication effects of advertisement and brand preference” made by Mr. Baral (2011) has following findings.

- i. Instant noodles are in different product life cycle and they require different media and technologies of advertising in different stages.
- ii. There is a high degree association between brand preference and advertisement qualities.
- iii. The advertisement is still traditional and ordinary in nature and style.
- iv. It is necessary that advertising should be more attractive, informative and enjoyable both readers as well as listener.
- v. Advertising should be constructive for long time impression by making more moral and social responsibility.
- vi. While selecting advertising media the marketer should be unique and distinctive according to the requirement of the target market.

In another study of Mr. Shrestha (2011) “The role advertising in brand choice and product positioning” has the following findings:

- i. Nepal television is the most popular media within Kathmandu valley and radio Nepal holds the 2nd position along with among the youth generation FM broadcasting is also being popular.
- ii. Most of the respondents are in favors of entertaining types of television advertisements.
- iii. Most of the markets are using electronic media to advertise their product such as radio, TV are supposed to be effective media while considering the situation of Nepalese market.

- iv. Advertising is the main source of information about popular brand as well as mostly sensitive subject in the country in course of promotion.
- v. Consideration of different variables while purchasing is not significantly different due to the age, sex, and family size.

2.5 Research Gap

Definitely, a study is conducted to find out certain objectives and that is totally up to the intension of the researcher about what does he/she want to find out and to present those findings in a generalized way. So a research is done in an area where the things which are not covered before by any other studies or the areas may be a new one completely.

Similarly, this study has been also guided by a distinct objectives and it has some distinct features that has been the sole reason for this study to be undertaken.

The research then earlier focused only on the brand loyalty of the cosmetic product. Whereas, this study gives emphasis in sales of the product, brand loyalty as well as the distribution channel of the product. It also focused on the effective medium of the sales promotion. This research deals with the sales position and consumer viewpoint about the product in comparison to other brands in respect to price, packaging and quality. Previous studies in impact, advertisement and brand loyalty of any brand of Kathmandu valley but in this study researcher could hardly analyze the research works in cosmetic products, its various products and its brand loyalty too in Bharatpur Municipality.

CHAPTER THREE

RESEARCH METHODOLOGY

The term 'Research Methodology' is combined term of 'Research' and 'Methodology'. Simply, research refers investigation or, careful, study especially in order to discover new facts or information. On the other hand, a set of methods used in particular area of activity is known as methodology.

Research generates new knowledge, which can be used for different purposes; in other world it is a systematic effort to gain new knowledge. Furthermore, the research is used to build a theory, develops policies, support decision- making and solve problems.

3.1 Research Design

Research design is the outline of a plan to test the hypothesis and the framework of the study. It is also known as the conceptual structural within which research is conducted.

Research designs are invented to enable the researcher to answer research question as validity. Objectively, accurately, and economically as possible (Kelinger 2004).

There are many types of research design such historical research, descriptive research, case study research, field / survey study research, correlations research, departmental research etc.

The present study is exploratory and descriptive in nature. The main aim of this study is to find out brand loyalty behavior or consumers of Nepal with special reference to the Bharatpur Municipality. Therefore, the survey research design is adopted for the study. The consumers of Nepal are surveyed to obtain data and information about the consumer

personality, purchase pattern and attitude to the different brands selected to the stuffy., the data and information collected from the survey to the consumer are rearranged tabulated, analyzed and interprets according to the need to each study for attaining the stated objectives.

3.2 Nature and Source of Data

This is the consumer purchasing behavior and their attitude towards the brand. So the survey method is used to collected data and all the data and information used in this study is primary in nature. And all consumers especially Bharatpur Municipality who are selected for the study are the source of data used in the present study.

3.3 Data Collection Procedure

A well- structured questionnaire is used to collected data required for the study, which is the main instrument of data collection. The questionnaire was carefully designed as well as presented so that could best serve the purpose of this study. Sample of the questionnaire is presented in the appendix.

Altogether 100 questionnaires were distributed an all of them were collection as the questionnaires were filled up at the researcher's own presence, response is assumed to be true maximum attention has been given while up the questionnaire. The respondents were supported by oral explanations in case of their confusion or inability to understand any content in the questionnaire.

3.4 Population and Sample

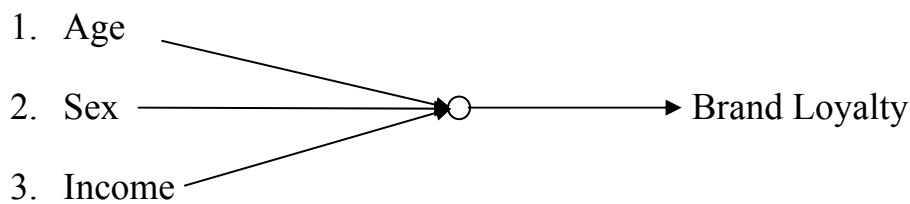
Even though, the sample size is very small in comparison to the population yet sufficient effort have been to make the sample represent the whole population. The 100 numbers of populations included in the sample are therefore, from the different age groups, income groups and

sex. Sampling method used for the study is judgmental sampling. The logic behind using judgmental sampling is this is very small in size of sample in comparison to the population.

3.4.1 Variables taken into considerations

The present study will include the following variables.

i) Independent variables ii) Dependent variables.



1. Age

The age of the consumers determines the types of product demanded and the choice of outlet. Normally Young consumers are fashion conscious while choosing a product. Therefore they frequently switch from one brand to another while middle-aged consumers are status conscious hence they are more, brand loyal than younger consumers. Hence, this factor also greatly affects in brand loyalty so this factor is considered.

2. Sex

Male and female differ very much in their buying behavior. Female are more shopping and bargaining prone and like to visit several shops to compare price quality and service. Where as male show more brand and store loyalty.

3. Income

Income is that factor which directly effects consumers buying process. People with higher income prefer branded and high-quality product.

Where as people with lower income are more prices conscious. Therefore they prefer the products that are cheap and durable.

3.4.2 Basic Features of This Study

This study has been carried out in Chitwan, Bharatpur Municipality. In fact, no study has been carried out so far especially or mainly to find out brand loyalty on low involvement consumer product. This study entitled “Brand loyalty on consumer product in Bharatpur Municipality is therefore important in Nepal.

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

1. This is a quantitative research.
2. All study is based on primary data.
3. The research deals with loyalty on four categories of low involvement consumer products viz. Shampoo, lip care, instant noodle and cold drink.
4. Brand loyalty on different consumer products is analyzed in terms sex age. Income and martial status ages of the respondents are categorized in four groups viz. 15-20, 20-25, 25-30 and 30 above similarly monthly household income is categorized in five group below 5000, 5000-10000,10000-150000, 15000-20000, and 20000 and above.
5. Frequency and percentage are presented in both table and chart.
6. Findings of the study are validated by testing hypothesis on parametric test (Chi-square)
7. Causes of brand–switching on products are calculated tabulated and analyzed which may be very useful for marketers.

3.5 Method of Data Analysis and Presentation

Different analytical and statistical tools is have been used to study the data. The obtained data are presented in various tables diagram and charts with of independence are used to test the program supporting interpretation. Data are tabulated according to the nature of data. Chi-square test of independence is used to test the hypothesis. Percentage analysis method is also used. SPSS software program is implemented for processing of collected data. To get the good results hypothesis is also used in this thesis. χ^2 - Test is a test which describes the magnitude of difference between observed frequencies and the frequencies expected under certain assumptions. With the help of χ^2 test is the possible to find out whether such differences are significant or are insignificant and could have arisen due to fluctuations of sampling. In many cases other assumptions would be made for estimating expected values.

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

Where, O refers to the observed frequency and E refers to the expected frequency.

a) Test of Hypothesis

Hypothesis 1

Null Hypothesis (H₀) : $\bar{X}_1 = \bar{X}_2 = \bar{X}_3$ There is no significant difference in Brand loyalty between male and female.

Alternative Hypothesis (H₁) : $\bar{X}_1 \neq \bar{X}_2 \neq \bar{X}_3$ There is significant difference in Brand loyalty between male and female.

Hypothesis 2

Null Hypothesis (H₀) : $\bar{X}_1 = \bar{X}_2 = \bar{X}_3$ The Age of the individual does not have significant influences on the brand loyalty.

Alternative Hypothesis (H₁) : $\bar{X}_1 \neq \bar{X}_2 \neq \bar{X}_3$ The Age of the individual does significant influences on the brand loyalty.

Hypothesis 3

Null Hypothesis (H₀) : $\bar{X}_1 = \bar{X}_2 = \bar{X}_3$ There is no significant of income on the brand loyalty.

Alternative Hypothesis (H₁) : $\bar{X}_1 \neq \bar{X}_2 \neq \bar{X}_3$ There is significant of income on the brand loyalty.

Hypothesis 4

Null Hypothesis (H₀) : $\bar{X}_1 = \bar{X}_2 = \bar{X}_3$ There is no significant difference in brand loyalty between their sex.

Alternative Hypothesis (H₁) : $\bar{X}_1 \neq \bar{X}_2 \neq \bar{X}_3$ There is significant difference in brand loyalty between their sex.

b) Measurement of Brand Loyalty

Loyalty in the branding has been studies from so many angles that the concept has been defined based on the measurement methods used. There are four measurements of brand loyalty.

1. Undivided Loyalty: If consumer purchased the brand A in the sequence of four times regularly than AAAA suggest undivided loyalty.
2. Divided Loyalty: If consumer purchased the brand last four times A and B only in sequence of ABAB suggests divided loyalty.
3. Unstable loyalty: If consumer purchased brand A two times regularly and brand B also two times regularly in the sequence of AABB suggests unstable loyalty.
4. No Loyalty: If consumer purchase different brands in the sequence of ABCD suggest the situation of no loyalty.

CHAPTER FOUR

PRESENTATION AND ANALYSIS OF DATA

4.1 Introduction

The Previous chapters incorporated introduction of study, review of the literature and research methodology employed in the study respectively. This chapter incorporates data presentation and analysis. The data and information collected from the respondents are analysis. The data and analyzed according to response of respondents are presented, interpreted, and analyzed according to response of respondents on the field survey. All the questionnaires were distributed and collected by the researcher herself. Every questionnaire was thoroughly checked after the collection of all the questionnaires distributed. With the help of the SPSS programmed software all response of consumer are preceded, categorized in their respective disciplines. This chapter analyzes consumer response to brand loyalty in terms of their demographic profile.

There are many approaches to measure brand loyalty. Preference purchase approach has been adopted in this study. Brand loyalty have been measured based on consumers' purchase pattern. To see the purchase pattern respondents were asked the name of brands that which they brought in their last four purchases. For this study propose four consumer products has selected viz. Cold drinks, Hair shampoo, Noodles, Lipcare. Hence, the brand loyalty, which is shown in their respective relationship with chosen demographic variable, is measured based on purchasing pattern of consumers of Bharatpur Municipality.

4.2 Sex and Brand Loyalty

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

4.2.1 Sex and Brand Loyalty: Shampoo

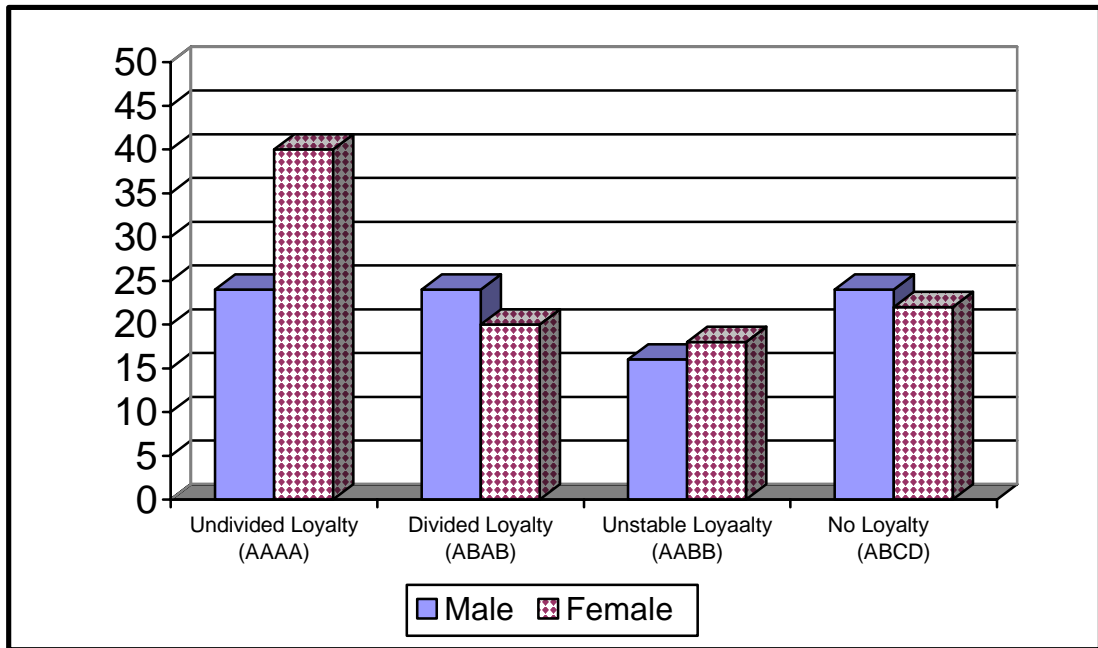
The number of respondent of this product is 100. According to their response Sunsilk, Dabur Batika, Clinic Plus etc. Are the different brands of shampoo available in Nepalese market. In the survey, both male and female respondents were asked to name the shampoo of their last four purchases. Then the loyalty on the specific brand is considered according to their purchase pattern. Total numbers of respondents are categorized into four groups according to their purchase pattern and preference relating to the different brands of shampoo. Table 1 presents the frequency and percentage distribution of respondents by sex and different degree of brand loyalty of shampoo.

Table 4.1
Sex and Brand Loyalty of Shampoo

Brand Loyalty	Male		Female		Total	
	F	%	F	%	F	%
Undivided Loyalty (AAAA)	17	84	20	40	37	37
Divided Loyalty (ABAB)	13	26	10	20	23	23
Unstable Loyalty (AABB)	8	16	9	18	17	17
No Loyalty (ABCD)	12	24	11	22	23	23
Total	50	100	50	100	100	100

Source: Field Survey 2013

Figure 4.1
Sex and Brand Loyalty of Shampoo



Source: Table No. 4.1

Table and chart presented above shows the sex and brand loyalty on shampoo. Among the 100 respondents 37 percent respondent are found strongly loyal on specific brand of shampoo i.e. Sunslik. They have brought same brands AAAA in their last four purchases, they are said to be true loyal buyers. Divided brand loyalty is found in 23 percent of total respondents, they are better to say multi brand loyal as they brought ABAB in their last four purchases. Additional 17 percent respondents are found unstable brand loyal as the brought AABB in their last four purchases and remaining 23 percent respondent are found non loyal because their purchasing pattern do not match with their performance.

In term of the sex, 34 percent male respondents and 40 percent female respondents are strongly loyal on the specific brand of shampoo i.e. Sunslik, whereas 26 percent male respondent and 20 percent female found to be divided brand loyal. 26 percent male and 20 percent female

found to divided loyal. 16 percent male respondent and 18 female respondents are found to be unstable in their purchasing decision. In addition, remaining 24 percent male and 22 percent female respondent are found to be non-loyal any specific brand of shampoo.

4.2.1.1 Sex and Brand Loyalty on Shampoo Chi-square Test

H_0 : There is on significant different in Brand loyalty between male and female.

Table 4.2
Chi-square Calculation of Sex and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	2
Degree of freedom	3
Tabulate value	7.815
Chi square (χ^2) Test statistic	7.366

Source: Appendix II

Since chi square (χ^2) test statistic (7.366) is less than chi square (χ^2) tabulated value (7.815) value; hence this shows that males and females are found to be equally brand loyal in the case of shampoo. There is no significant difference between male and females. Therefore, the null hypothesis has been accepted.

4.2.2 Sex and Brand Loyalty: Instant Noodles

The number of respondent of this product is 100. According to their response wai-wai, Mayos, Rumpum etc. Are the different brands of instant noodles. The frequency and percentage distribution of the response of consumer according to their purchase pattern and preference

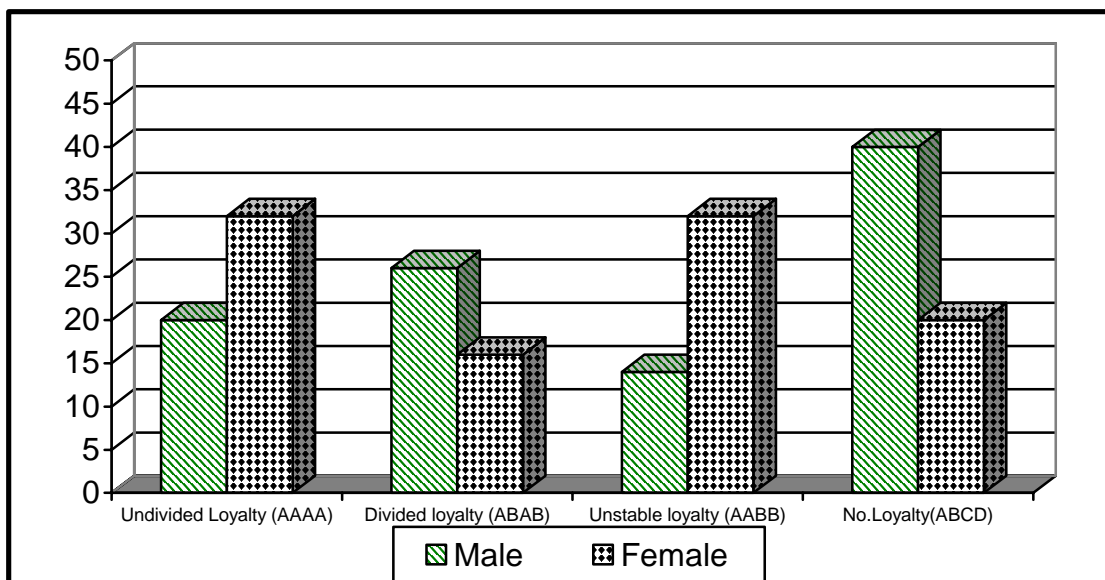
relating to different brand of instant noodle are displayed in the following table.

Table 4.3
Sex and Brand Loyalty of Instant Noodle

Brand Loyalty	Male		Female		Total	
	F	%	F	%	F	%
Undivided Loyalty (AAAA)	10	20	16	32	26	26
Divided Loyalty (ABAB)	13	26	8	16	21	21
Unstable Loyalty (AABB)	7	24	16	32	23	23
No Loyalty (ABCD)	20	40	10	20	30	30
Total	50	100	50	100	100	100

Source: Field Survey 2013

Figure 4.2
Sex and Brand Loyalty of Instant Noodle



Source: Table No. 4.3

Table displays that the majority of the respondents (30) fall if to the purchase pattern of group ABCD i.e. they are not loyal on specific brand

of instant noodle as their purchasing pattern do not match with their preference. 26 percent respondents are found undivided brand loyal i.e. Wai-Wai and 21 percent are found divided loyalty. Remaining 23 percent respondents are found unstable brand loyal.

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

H_0 : There is on significant different in brand loyalty between male and female.

Table 4.4
Chi-square Calculation of Sex and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	2
Degree of freedom	3
Tabulate value	7.815
Chi square test statistic	9.4298

Source: Appendix II

Since chi quire (χ^2) test statistic (9.4298) is more than chi square (χ^2) tabulated value (7.815) value; hence, this shows that males and females are found to be not equally brand loyal in case of instant noodle. There is significant different between male and females. Therefore, the null hypothesis has been rejected.

4.2.3 Sex and Brand Loyalty: Lip Care

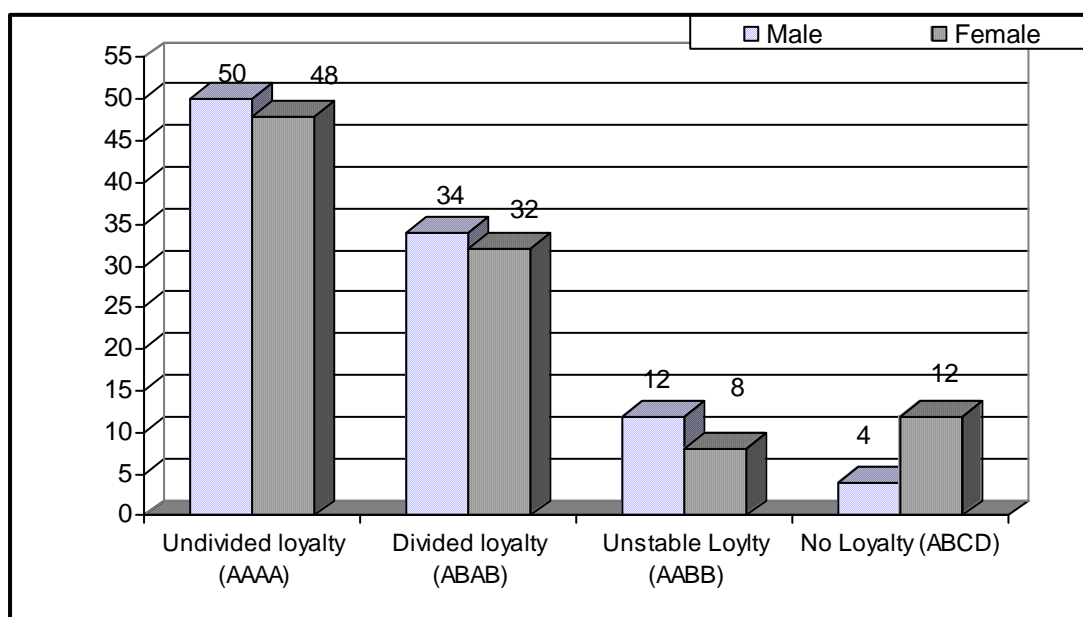
The number of respondent of this product is 100. The response of consumers according to their purchase pattern and preference relation to different brands & flavor of lip care i.e. Vaseline, Boro Plus, Revlon and others are presented in the following table.

Table 4.5
Sex and Brand Loyalty on Lip Care

Brand Loyalty	Male		female		Total	
	F	%	F	%	F	%
Undivided Loyalty (AAAA)	25	50	24	48	49	49
Divided Loyalty (ABAB)	17	34	16	32	33	33
Unstable Loyalty (AABB)	6	12	4	8	10	10
No Loyalty (ABCD)	2	4	6	12	8	8
Total	50	100	50	100	100	100

Source: Field Survey 2013

Figure 4.3
Sex and Brand Loyalty on Lip Care



Source: Table No. 4.5

Given table and chart reveals that majority (49) Respondents are undivided loyalty (AAAA) strongly brand loyal i.e. Vaseline of lip care and divided loyalty (ABAB) are (33). Additional 10 percent respondents are found unstable brand loyalty (AABB) and remaining 8 percent respondent are found No loyalty (ABCD) because their purchasing pattern do not match their preference.

In terms of sex, 50 percent male respondents and 48 percent female respondents are strongly loyal which is Vaseline, whereas 34 percent male and 32 percent female are found to have divided brand loyal additionally 12 percent male respondent and 8 percent female respondents are found to be unstable in terms of brand loyalty. Moreover, remaining 4 percent male and 12 percent female respondent are found to be non-loyal in any specific brand of Lip care.

4.2.3.1 Sex and Brand Loyalty on Lip care Chi-square Test

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

Table 4.6
Chi-square calculation of Sex and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	2
Degree of freedom	3
Tabulate value	7.815
Chi square test statistic	2.4506

Source: Appendix II

Since chi square (χ^2) test statistic (2.4506) is less than chi square (χ^2) tabulated value (7.815) value: hence, this shows and females are found to be equally brand loyal in case of Lip care. There is no significant

different between male and females. Therefore, the hypothesis has been accepted.

4.2.4 Sex and Brand Loyalty: Cold Drinks

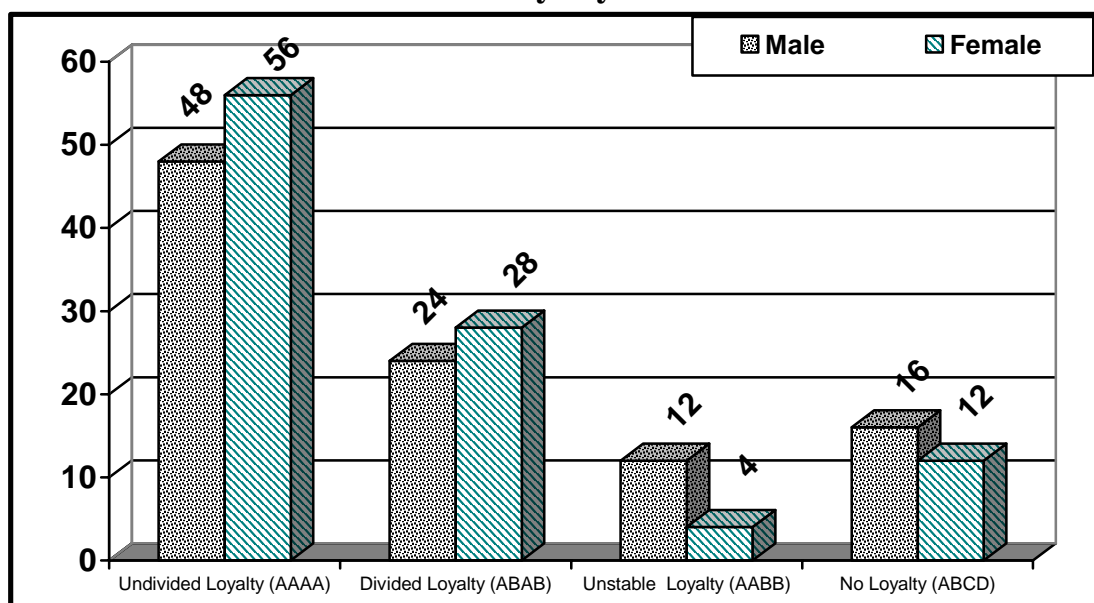
The response off consumer according to their purchase pattern and preference relating to different brands of Cold drinks (Coke, Fanta, Sprite & Pepsi) are presented in the following table.

Table 4.7
Sex and Brand Loyalty of Cold Drinks

Brand Loyalty	Male		Female		Total	
	F	%	F	%	F	%
Undivided Loyalty (AAAA)	24	48	28	56	52	52
Divided Loyalty (ABAB)	12	24	14	28	26	26
Unstable Loyalty (AABB)	6	12	2	4	8	8
No Loyalty (ABCD)	8	16	6	12	14	14
Total	50	100	50	100	100	100

Source: Field Survey 2013

Figure 4.4
Sex and Brand Loyalty of Cold Drinks



Source: Table No. 4.7

Given table and chart shows that 52 percent respondent are found strongly brand loyal in case of cold drinks i.e. Coke. The percentages of divided brand loyal, unstable brand loyal and non-loyal respondents are 26, 8 and 14 percent respectively.

48 percent male respondents and 56 percent female respondents are found strongly loyal on specific brand of Coke, whereas 24 percent male and 28 percent female are found to have divided brand loyal. 12 percent male respondent and 4 percent female respondents are found to be unstable in terms of brand loyalty. And remaining 16 percent male and 12 percent female respondent are found to be non-loyal in any specific brand of cold drinks.

4.2.4.1 Sex and Brand Loyalty on Cold drinks Chi-square Test

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

Table 4.8
Chi-square Calculation of sex and Brand Loyalty

Level of significance	0.05
Number of column	4
Number of row	2
Degree of freedom	3
Tabulate value	7.815
Chi square (χ^2) test statistic	2.747

Source: Appendix II

Since chi square (χ^2) test statistic (2.747) is less than chi square (χ^2) tabulated value (7.815) value; hence, this shows that male and female are found to be equally brand loyal of cold drinks. There is no significant

difference between males and females. Therefore, the null hypothesis has been accepted.

4.3 Age and Brand Loyalty

People's age may be one of the factors that's affect their choice. The choice of young people may not be preferred by the ageing people. Under this topic, consumers' response on brand loyalty in terms of age is analyzed according to the selected product categories. The ages of the respondents ate divided into four groups viz. 14-20, 20-25, 25-30 and above. In the survey, respondents of different age group were asked to name the brand of product of their last four purchases. Then the loyalty on the specific brand is considered according to their purchase pattern and preferences.

4.3.1 Age and Brand Loyalty on Shampoo

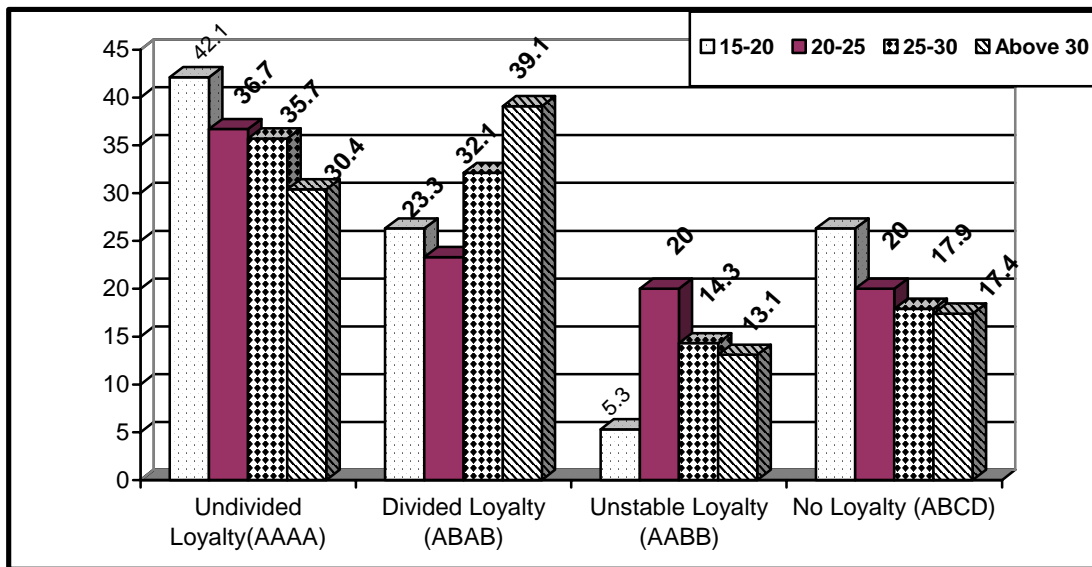
The response of different age group respondent according to their purchase pattern and preference relating to different brands of shampoo are given in the following table.

Table 4.9
Age Brand Loyalty on Shampoo

Brand Loyalty	Age Group								Total	
	15-20		20-25		25-30		Above 30			
	No	%	No	%	No	%	No	%	No	%
Undivided Loyalty	8	42.1	11	36.7	10	35.7	7	30.4	36	36
Divided Loyalty	5	26.3	7	23.3	9	32.1	9	39.1	30	30
Unstable Loyalty	1	5.3	6	20	4	14.3	3	13.1	14	14
No Loyalty	5	26.3	6	20	5	17.9	4	17.4	20	20
Total	19	100	30	28	28	100	23	100	100	100

Source: Field Survey 2013

Figure 4.5
Age and Brand Loyalty on Shampoo



Source: Table No. 4.9

The above table and chart reveals that (42.1%) respondents of 15-20 age group, 36.7 percent respondents of 20-25 age group, 35.7 percent respondents of 25-30 years age group and 30.4 percent respondents of 30 age above age group are found to be undivided loyalty on the specific brand of shampoo i.e. Sunsilk. In the same way 26.3 percent respondents of 15-20, age group, 23.3 percent respondents of 20-25. age group. (32.1) percent respondents of 25-30 years age group and 39.1 percent respondents of 30 and above age group are found to divided brand loyal. Similarly 5.3 percent respondents of 15-20 age group, 20 percent respondents of 20-25 age group. 14.3 percent respondents of 25-30 years age group and 31.1 percent respondents of 30 above age group are found to be unstable in terms of brand loyalty. Lastly, 26.3 percent respondents of 15-20 age group, 20 percent respondents of 20-25 age group, 17.9 percent respondents of 25-30 years age group and 17.4 percent respondents of 30 and above age group are non loyal in any specific brand.

4.3.1.1 Age and Brand Loyalty on shampoo Chi-square Test

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

Table 4.10
Chi-square Calculation of Age and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	4
Degree of freedom	9
Tabulate value	16.9186
Chi square test statistic	3.3353

Since chi-square test (χ^2) statistic (3.3353) is less than chi square (χ^2) tabulated value (16.9186), this shows that there is no relation between age and brand. Therefore, null hypothesis is accepted.

4.3.2 Age and Brand Loyalty: Instant Noodles

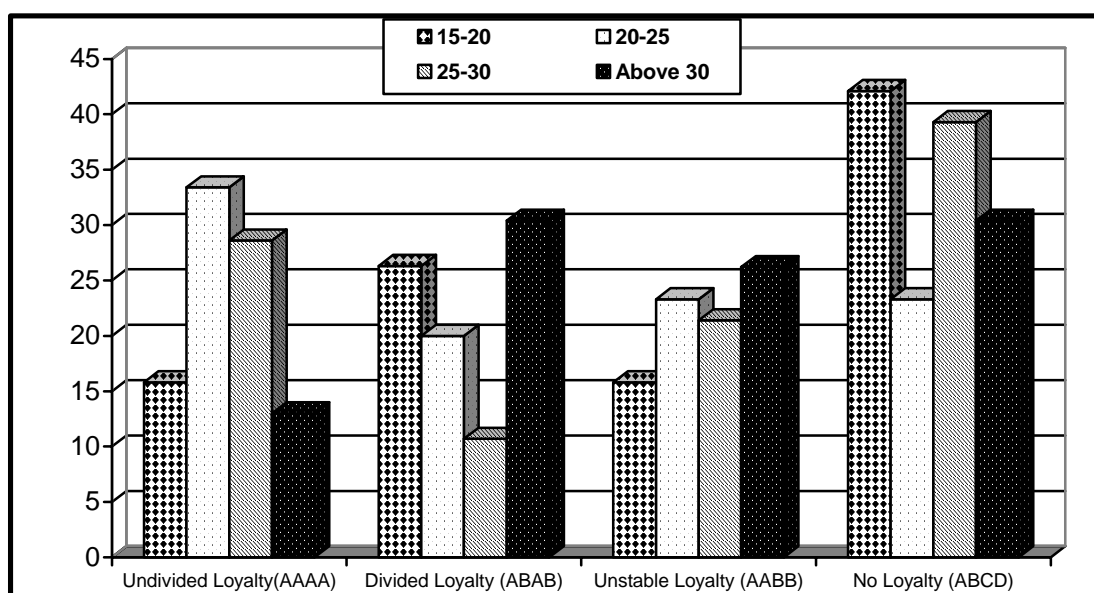
The response of different age group respondent according to their Purchase pattern and preference relating to different brands of Instant noodles ate given in the following table.

Table 4.11
Age and Brand Loyalty on Instant Noodles

Brand Loyalty	Age Group								Total	
	15-20		20-25		25-30		Above 30			
	No	%	No	%	No	%	No	%	No	%
Undivided Loyalty(AAAA)	3	15.8	10	33.4	8	28.6	3	13	24	24
Divided Loyalty (ABAB)	5	26.3	6	20	3	10.7	7	30.4	21	21
Unstable Loyalty (AABB)	3	15.8	7	23.3	6	21.4	6	26.2	22	22
No Loyalty (ABCD)	8	42.1	7	23.3	11	39.3	7	30.4	33	33
Total	19	100	30	100	28	100	23	100	100	100

Source: Field Survey 2013

Figure 4.6
Age and Brand Loyalty: Instant Noodles



Source: Table No. 4.11

The above table and chart presented above reveals that majority of respondents in 15-20 and 25-20 year's age group (42.1% and 39.3% respectively) are no loyalty in any specific brand of Instant noodles whereas in age group 20-25 strongly loyal consumers hold the majority

(33.4%). Similarly, most of the respondents (30.4%) of 30 and above age group seem to be dividedly loyal on the specific brand of instant noodles. Among total 100 respondents, majority belongs to the non-loyal group.

4.3.2.1 Age and Brand Loyalty on Instant Noodles Chi-square Test

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

Table 4.12
Chi-square Calculation of Age and Brand Loyalty

Level of significance	0.05
Number of row	4
number of column	4
Degree of freedom	9
Tabulate value	16.9186
Chi square test statistic	7.9151

Since chi square (χ^2) test statistic (7.9151) is less than chi square (χ^2) tabulated value (16.9186) value; this shows that is no relation between age and brand. Therefore, null hypothesis is accepted.

4.3.3 Age and Brand Loyalty: Lip Care

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

Table 4.13

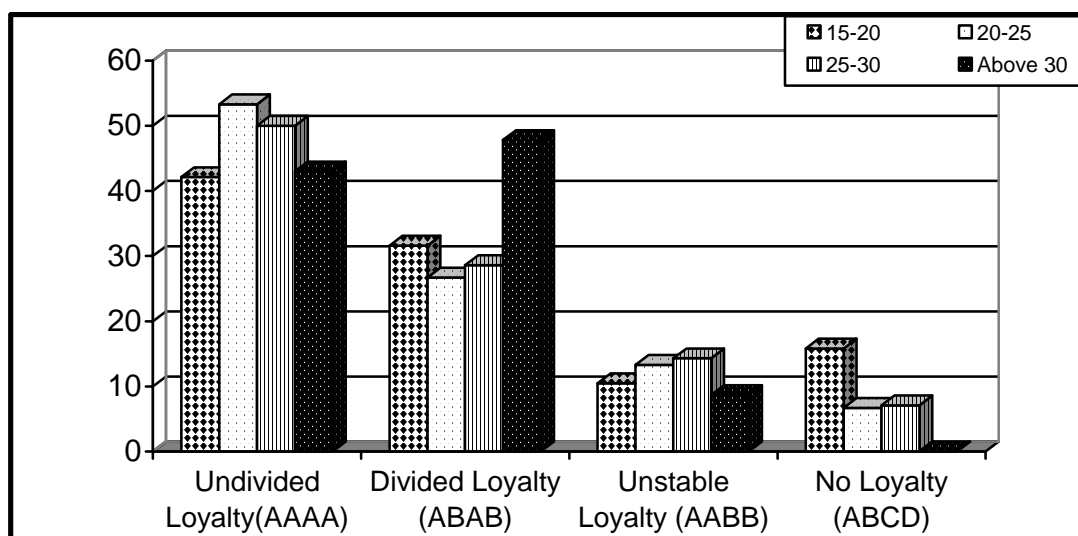
Age and Brand Loyalty on Lip Care

Brand Loyalty	Age Group								Total	
	15-20		20-25		25-30		Above 30			
	No	%	No	%	No	%	No	%	No	%
Undivided Loyalty(AAAA)	8	42.1	16	53.3	14	50	10	43	48	48
Divided Loyalty (ABAB)	6	31.6	8	26.7	8	28.6	11	47.8	33	33
Unstable Loyalty (AABB)	2	10.5	4	13.3	4	14.3	2	8.7	12	12
No Loyalty (ABCD)	3	15.8	2	6.7	2	7.1	0	0	7	7
Total	19	100	30	100	28	100	23	100	100	100

Source: Field Survey 2013

Figure 4.7

Age and Brand Loyalty: Lip Care



Source: Table No. 4.13

The above table and chart reveals that majority (42.1%) respondents of 15-20 age group, 53.3 percent respondent of 20-25 age group, 50 percent respondents of 25-30 years group 43.5 percent respondents of 30 and

above age are found to be undividedly loyal on the specific brand which is Vaseline brand of lip care. In the same way 31.6 percent respondents of 15-20 age group, 26.7 percent respondents of 20-25 age group, (28.6) percent respondents of 25-30 years age group and 47.8 percent respondents of 30 and above age group are found to divided brand loyal. Similarly 10.5 percent respondents of 15-20 age group, 13.3 percent respondents of 20-25 age group, 14.3 percent respondents of 25-30 years age group and 8.7 percent respondents of 30 above age group are found to be unstable in term of brand loyalty. Lastly 15.8 percent respondents of 15-20 age group. 6.7 percent of respondents of 20-25 age group, 7.1 percent of respondents of 2-30 age group and 0 percent respondent of 30 and above age group are non loyal in any specific brand.

4.3.3.1 Age and brand loyalty on Lip Care Chi-square Test

H_0 : Age of the individual does not have significant influence on the brand loyalty.

Table 4.14
Chi square Calculation of Lip Care and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	5
Degree of freedom	12
Tabulate value	16.9186
Chi squire test statistic	5.8755

Since chi-squire (χ^2) test statistic (5.8755) is less than chi squire (χ^2) Tabulated value (16.9186) value; the null hypothesis is accepted. Hence there is no significant difference in any age group on brand loyalty.

4.3.4 Age and Brand Loyalty: Cold Drinks

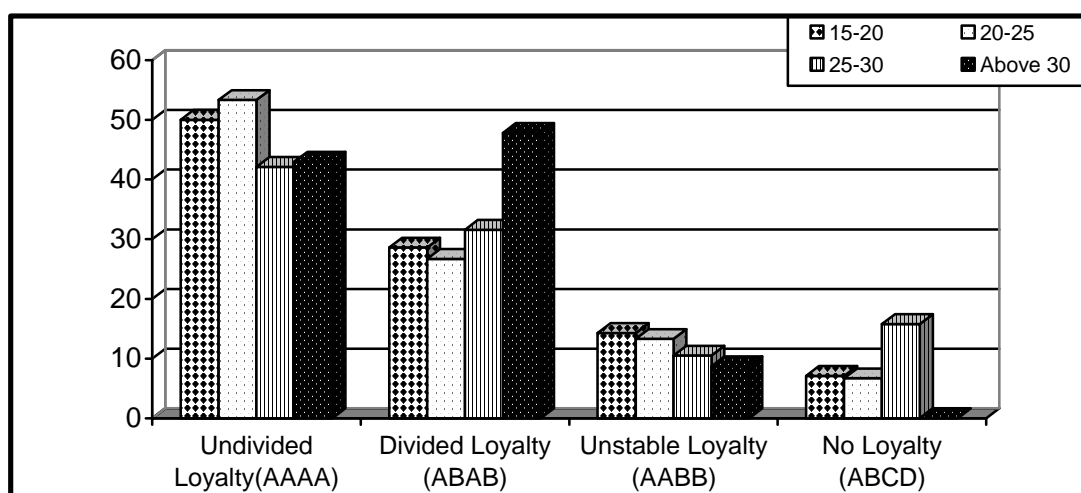
The response of different age group respondent according to their purchase pattern and preference relating to different brands of Cold Drinks are given in the following table.

Table 4.15
Age and Brand Loyalty on Cold Drinks

Brand Loyalty	Age Group								Total	
	15-20		20-25		25-30		Above 30			
	No	%	No	%	No	%	No	%	No	%
Undivided Loyalty(AAAA)	8	42.1	16	53.3	14	50	10	43	48	48
Divided Loyalty (ABAB)	6	31.6	8	26.7	8	28.6	11	47.8	33	33
Unstable Loyalty (AABB)	2	10.5	4	13.3	4	14.3	2	8.7	12	12
No Loyalty (ABCD)	3	15.8	2	6.7	2	7.1	0	0	7	7
Total	19	100	30	100	28	100	23	100	100	100

Source: Field Survey 2013

Figure 4.8
Age and Brand Loyalty: Cold Drinks



Source: Table No. 4.15

The above table and chart reveals that majority 42.1% respondents of 15-20 age group, 53.3% respondent of 20-25 age group, 50 percent respondents of 25-30 years group 43 percent respondents of 30 and above age are found to be undividedly loyal on the specific brand of cold drinks i.e. coke. In the same way 31.6 percent respondents of 15-20, age group, 26.7 percent respondents of 20-25, age group, 28.6 percent respondents of 25-30 years age group and 47.8 percent respondents of 30 and above age group are found to divided brand loyal. Similarly 10.5 percent respondents of 15-20 age group, 13.3 percent respondents of 20-25 age group, 14.3 percent respondents of 25-30 years age group and 8.7 percent respondents of 30 above age group are found to be unstable in term of brand loyalty. Lastly 15.8 percent respondents of 15-20 age group. 6.7 percent of respondents of 20-25 age group, 7.1 percent of respondents of 2-30 age group and 0 percent respondent of 30 and above age group are non loyal in any specific brand.

4.3.4.1 Age and Brand Loyalty on Cold drinks Chi-square

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

Table 4.16
Chi-square Calculation of Age and Brand Loyalty

Level of significance	0.5
Number of row	4
Number of column	4
Degree of freedom	9
Tabulate value	16.9186
Chi square test statistic	5.9569

Since chi-square (χ^2) test statistic (5.9569) is less than chi square (χ^2) tabulated value (16.9186) value; hence, this shows that there is no relation between age and brand. Therefore, null hypothesis is accepted.

4.4 Income and Brand Loyalty

Income is considered the major factor that affects the consumers' choice. Under this topic, degree of loyalty of respondents any specific brand of the product is analyzed according to their monthly household income.

4.4.1 Income and Brand Loyalty: Shampoo

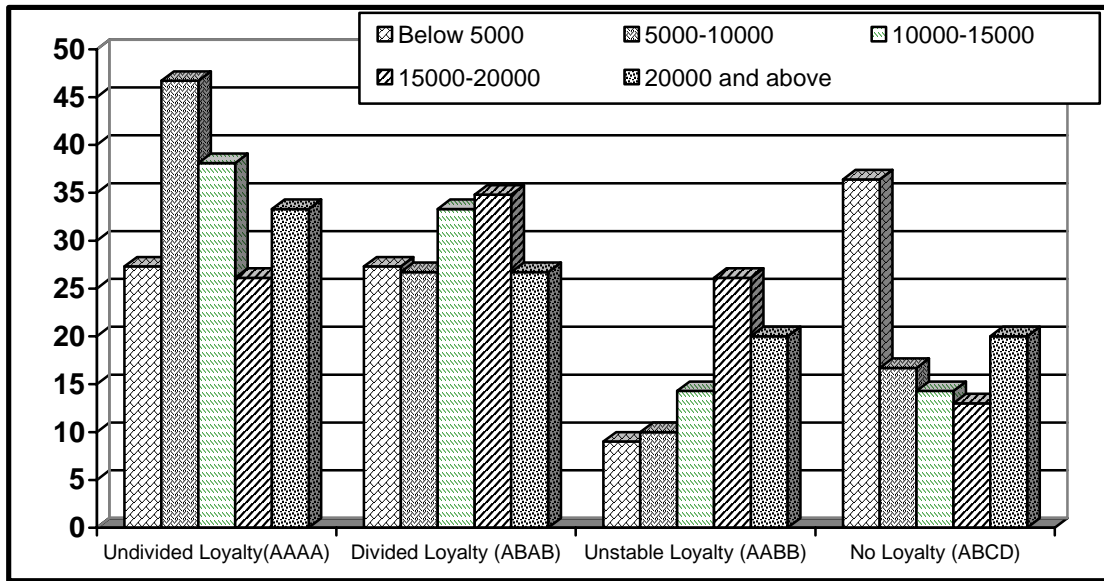
Under this topic brand loyalty of respondents of specific brand of shampoo (Sunsilk, Dabur Vatika, Clinic Plus and others) are analyzed with help of frequency table and bar chart according to their monthly income.

Table 4.17
Income and Brand Loyalty on Shampoo

Brand Loyalty	Monthly Household Income (Rs.)										Total	
	Below 5000		5000 - 10000		10000 - 15000		15000 - 20000		20000 above			
	No	%	No	%	No	%	No	%	No	%	No	%
Undivided Loyalty (AAAA)	3	27.3	14	46.7	8	38.1	6	26.1	5	33.3	36	36
Divided (ABAB)	3	27.3	8	26.7	7	33.3	8	34.8	4	26.7	30	30
Unstable Loyalty (AABB)	1	9	3	10	3	14.3	6	26.1	3	20	16	16
No Loyalty (ABCD)	4	36.4	5	16.7	3	14.3	3	13	3	20	18	18
Total	11	100	30	100	21	100	23	100	15	100	100	100

Source: Field Survey 2013

Figure 4.9
Income and Brand Loyalty on Shampoo



Source: Table No. 4.17

In the above table and chart we can see that majority of respondents (36.4%) below 5000 income group are non-loyal in any specific product of shampoo. But, opposite to this group in the income 5000-1000, 10000-150000 and 20000 and above, strongly loyal respondents held the majority. In the income group 15000-20000, most of the respondents belong to dividedly loyal group.

4.4.1.1 Income and Brand Loyalty on Shampoo Chi-Squire Test

H_0 : there is no effect on income on the brand loyalty.

Table 4.18
Chi Square Calculation of Income and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	5
Degree of freedom	12
Tabulate value	21.0266
Chi squire test statistic	8.9952

Since chi-square (χ^2) test statistic (8.9952) is less than chi-square (χ^2) Tabulated value (21.02606) value; the null hypothesis is accepted. Hence there is no significant difference in any income group on brand loyalty.

4.4.2 Income and Brand Loyalty: Instant Noodles

In the case of product instant noodles, majority of respondents in all income group 20000 and above are non-loyal in any brand. In the income group (20000 and above) strongly loyal respondents constitute the majority (35.5%).

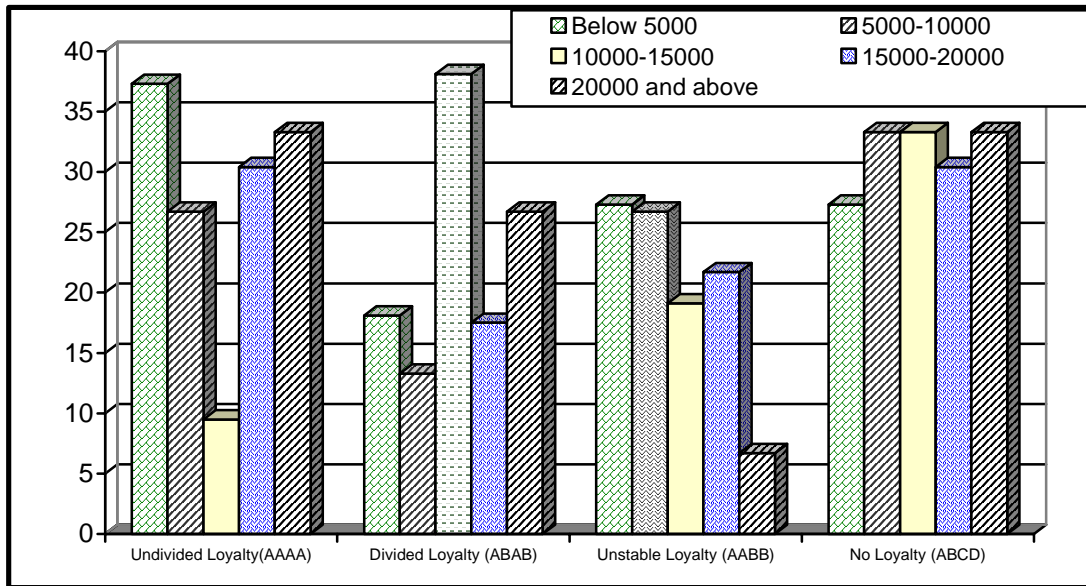
Table 4.19
Income and brand Loyalty: Instant Noodles

Brand	Monthly Household Income (Rs)										Total	
	Below 5000		5000-10000		10000-15000		15000-20000		20000 above			
	No	%	No	%	No	%	No	%	No	%	No	%
Undivided Loyalty (AAAA)	3	37.3	8	26.7	2	9.5	7	30.4	5	33.3	25	25
Divided (ABAB)	2	18.1	4	13.3	8	38.1	4	17.5	4	26.7	22	22
Unstable (AABB)	3	27.3	8	26.7	4	19.1	5	21.7	1	6.7	21	21
No Loyalty (ABCD)	3	27.3	10	33.3	7	33.3	7	30.4	5	33.3	32	32
Total	11	100	30	100	21	100	23	100	15	100	100	100

Source: Field Survey 2013

Figure 4.10

Income and Brand Loyalty: Instant Noodles



Source: Table No. 4.19

The table presented above reveals that majority of respondents of all defined income groups fall in strongly non-loyal categories. 27.3 percentage respondents of below 5000 income group, 33.3 percentage respondents of 5000-10000 income group, 33.3 percentage respondents of 10000-15000 income groups, 30.4 presents of respondents of 15000-20000 income groups and 33.3 percentage of respondents of 20000 and above income groups fall in this categories.

Total percentage of undivided loyal respondents is 25 percentages whereas divided loyal respondents are 22 percent in total. Unstable loyal respondents are 21 percentages in total respondents. It is remarkable that non-loyal respondents are highest in 15000-20000 income groups whereas strongly loyal respondents are highest in 20000 and above.

4.4.2.1 Income and Brand Loyalty on Instant Noodles Chi-square Test

H_0 : There is no effect on income on the brand loyalty

Table 4.20**Chi square calculation of Income and Brand Loyalty**

Level of significance	0.05
Number of row	4
Number of column	5
Degree of freedom	12
Tabulate value	21.02626
Chi square test statistic	9.0035

Since chi square (χ^2) test statistic (9.0035) is less than chi square (χ^2) tabulated value (21.02626) value; the null hypothesis is accepted. Hence there is no significant difference in any income group on brand loyalty.

4.4.3 Income and Brand Loyalty: Lip Care

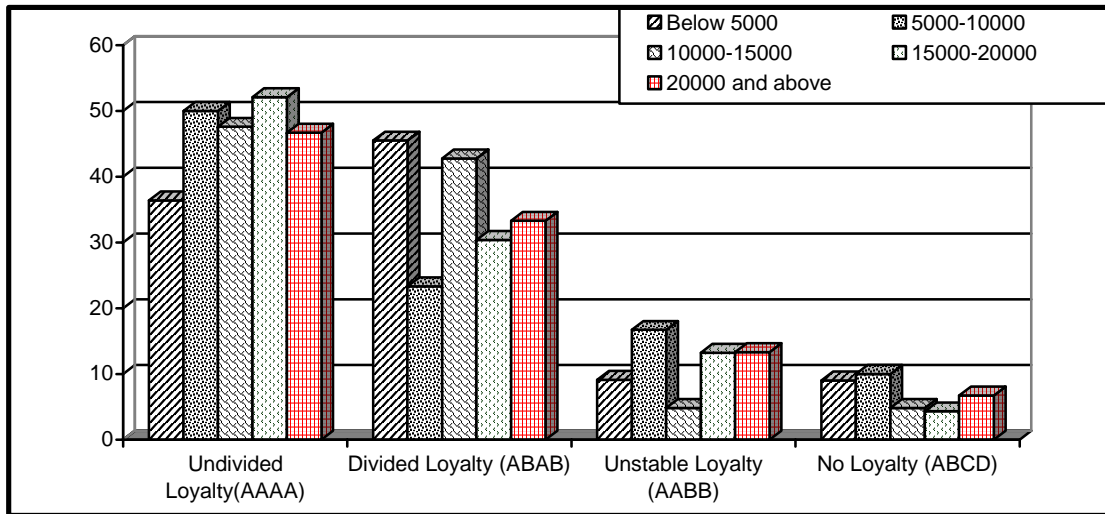
Under this topic brand loyalty of respondents on specific brand of Lip Care are analyzed with the help of frequency table and bar chart according to their monthly household income.

Table 4.21
Income and Brand Loyalty: Lip Care

Brand loyalty	Monthly Household Income (Rs)										Total	
	Below 5000		5000-10000		10000-15000		15000-20000		20000 and above			
	No	%	No	%	No	%	No	%	No	%	No	%
Undivided Loyalty (AAAA)	4	36.4	15	50	10	47.6	12	52.1	7	46.7	48	48
Divided (ABAB)	5	45.5	7	23.3	9	42.8	7	30.4	5	33.3	33	33
Unstable Loyalty (AABB)	1	9.1	5	16.7	1	4.8	3	13.2	2	13.3	12	12
No Loyalty (ABCD)	1	9	3	10	1	4.8	1	4.3	1	6.7	7	7
Total	11	100	30	100	21	100	23	100	15	100	100	100

Source: Field Survey 2013

Figure 4.11
Income and Brand Loyalty: Lip Care



Source: Table No. 4.21

In the above table and chart we can see that among 11 respondents having below 5000 monthly income, 36.4 percent are strongly loyal i.e. Vaseline, 45.5 percent are divided loyal, 9.1 percent are unstable loyal and 9 percent are non loyal on specific brand of Lip Care. Similarly, among 30 respondents having monthly household income 5000-10000, the percentage of strongly loyal person is 50 of dividedly loyal person is 23.3 Unstable and non-loyal respondents of this income group are 16.7 and 10 percent respectively. Among 21 respondents of income category 10000-15000, the percentages of undivided, divided, instable and non-loyal respondents of 15000-20000 income categories, 52.1 percent are strongly loyal and, 30.4 percent are dividedly loyal and 13.2 percent are instable loyal and 4.3 percent are non-loyal. Among 15 respondents having more than 20000 monthly household income, 46.7 percents are strongly, 33.3 percent are dividedly loyal, 13.3, percent are unstable loyal and 6.7 percent are non-loyal on purchasing any specific brand of Lip Care.

4.4.3.1 Income and Brand Loyalty on Lip Care Chi-Squire Test

H₀: There is no effect on income on the brand loyalty.

Table 4.22
Chi square Calculation of Income and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	5
Degree of freedom	12
Tabulate value	21.02626
Chi squire test statistic	4.8755

Since chi-squire (χ^2) test statistic (4.8755) is less than chi squire (χ^2) Tabulated value (21.02626) value; the null hypothesis is accepted. Hence there is no significant difference in any income group on brand loyalty.

4.4.4 Income and Brand Loyalty: Cold drinks

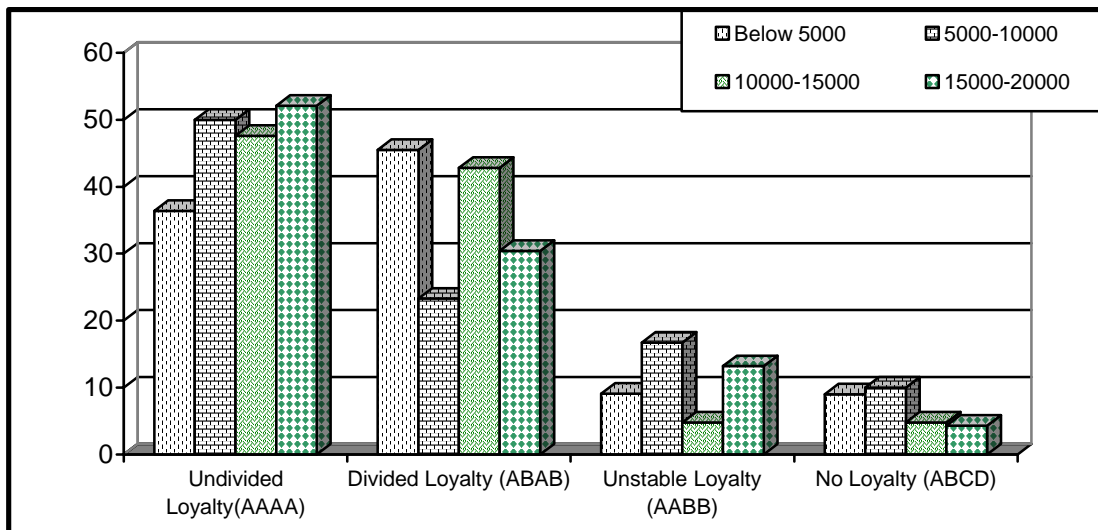
There are various brands of cold drinks available on the market in different retail price. This topic attempts to analyze the use of cold drinks (coke, fanta, sprite & pepsi) respondents according to their monthly household income.

Table 4.23
Income and Brand Loyalty: Cold drinks

Brand loyalty	Monthly Household Income (Rs)										Total	
	Below 5000		5000-10000		10000-15000		15000-20000		20000and above			
	No	%	No	%	No	%	No	%	No	%	No	%
Undivided Loyalty (AAAA)	6	54.5	15	50	11	52.3	11	47.8	10	66.7	53	53
Divided (ABAB)	1	9.1	11	36.7	3	14.3	8	34.8	2	13.3	25	25
Unstable Loyalty AABB)	1	9.1	0	0	4	19.1	3	13.1	1	6.7	9	9
No Loyalty (ABCD)	3	27.3	4	13.3	3	14.3	1	4.3	2	13.3	13	13
Total	11	100	30	100	21	100	23	100	15	100	100	100

Source: Field Survey 2013

Figure 4.12
Income and Brand Loyalty: Cold drinks



Source: Table No. 4.23

The total presented above shows that majority respondent of all defined income groups is strongly loyal category i.e. Coke. 54.5 percent respondents of below 5000 income group, 50% respondents of 5000-10000 income group, 52.3 percent respondent of 10000-15000, 47.8 percent respondents of 15000-20000 income group and 6.7 percent respondents of 20000 and above income group of dividedly loyal is 25. Unstably loyal respondents are only of total respondents. It is remarkable that non-loyal respondents are highest in below 5000 income group whereas strongly loyal respondents are highest in 20000 and above income group.

4.4.4.1 Income and Brand Loyalty on Cold drinks Chi-Square Test

H_0 : There is no effect on income on the brand loyalty.

Table 4.24

Chi square Calculation of Income and Brand Loyalty

Level of significance	0.05
Number of row	4
Number of column	5
Degree of freedom	12
Tabulate value	21.02626
Chi squire test statistic	14.7528

Since chi quire (χ^2) test statistic (14.7528) is less than chi squire (χ^2) Tabulated value (21.02606) value, the null hypothesis is accepted. Hence there is no significant difference in any income group on brand loyalty.

4.5 Factors Causing Brand Switching

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

1. Price of
2. Advertising
3. A desire to test new brand
4. Others

Others, Includes factors like quality, test, sent, smell, availability, health, conscious, from friends and recommendation, purity, suitability fairness, availability near by shop etc. To analyze the factors causing brand

switching, undividedly loyal (AAAA), dividedly loyalty (ABAB) and unstable loyal (AABB) respondents are grouped as brand loyal respondents and rests are defined as non brand loyal respondent. The response of the respondents on the question is presented in the below table.

Table 4.25
Factors Causing Brand Switching

Product	Factors	Brand Loyal	%	Non Brand Loyal	%	Total	%
Shampoo	Price off	23	23	4	4	27	27
	Advertising	28	28	8	8	36	36
	Desire to test New product	11	11	3	3	14	14
	Others	20	20	3	3	23	23
	Total	82	82	18	18	100	100
Instant Noodles	Price off	20	20	9	9	29	29
	Advertising	22	22	12	12	34	34
	Desire to test New product	9	9	5	5	14	14
	others	16	16	7	7	23	23
	Total	67	67	33	33	100	100
Lip care	Price off	37	37	12	12	49	49
	Advertising	27	27	7	7	34	34
	Desire to test New product	9	9	1	1	10	10
	Others	6	6	1	1	7	7
	Total	79	79	21	21	100	100
Cold drinks	Price off	40	40	13	13	53	53
	Advertising	23	23	3	3	26	26
	Desire to test New product	7	7	1	1	8	8
	Others	9	9	4	4	13	13
	Total	79	79	21	21	100	100

Source: Field Survey 2013

The table shows that advertisement is the most effective factor for switching brand of shampoo. 36 percent (28% brand loyal and 8% non-brand loyal) respondents responded that advertising is the factor that inspires them to leave the one brand switch on another brand of shampoo.

Similarly, advertising has effected dominantly for brand switching in the product instant noodles too. 34 percent (22% brand loyal and 12% non-loyal) respondents are found to be affected by advertising campaign to switch the brand of instant noodles. However, in the case of lip care and cold drinks, most of the respondents are affected by the price activities to switch another brand of the product. 41 percent respondents (37% brand loyal and 12% non-loyal respondents) responded that they are highly impressed by the price activities it leave one brand and switch to other brand of lip care. Similarly 53, percent respondents (40% are brand loyal and 13% non-loyal) are found to be affected by price activities to switch their favorite brand of cold drinks. 34 percent (27% brand loyal and 7% non-loyal) respondents of lip care and 26 percent (23% brand loyal and 3% no-loyal) respondents of cold drinks are inspired by advertisement to leave one brand and switch to other. 27 percent (23% brand loyal and 4% non-loyal) respondents of shampoo, 27 percent (20% brand loyal and 7% non-loyal) respondents of instant noodles are affected by price activities (Price off) for brand switching. In the same way 14% percent (11% loyal and 3% non-loyal) respondents of shampoo, 14 percent (13% loyal and 1% non-loyal) respondents of Instant Noodles, 10 percent (9% loyal and 1% non-loyal) respondents of lip care and 8 percent (7% loyal and 1% non-loyal) respondents of cold drinks responded that they were motivated to switch the brand because of a desire to use new production Moreover, rest of the respondents have others reason for brand switching.

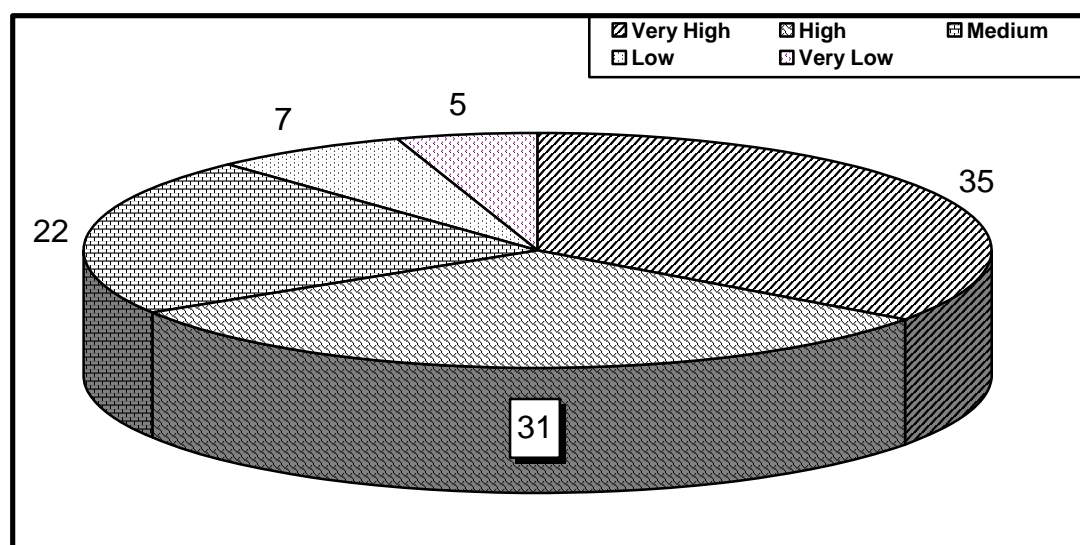
4.6 Effects of Incentives in Brand Choice

Table 4.26
Effects of Incentives in Brand Choice

Effects of Incentives	Frequency	Percent
Very High	35	35
High	31	31
Medium	22	22
Low	7	7
Very Low	5	5
Total	100	100

Source: Field Survey, 2011

Figure 4.13
Effects of Incentives in Brand Choice



Source: Table No. 4.26

The table and chart presented above shows that most of respondents of consumers are affected by incentives like free goods, price off etc. 35 percent of respondents responded that those incentives very highly effects in brand choice. Similarly, 30 percent of respondent replied that the effect is high, 22 percent of respondents have opinion that those incentives have medium effect in brand choice. Very few respondents

(7% and 5% respectively) responded that the effects of the incentives are low and very low. According to respondents received from consumer we can conclude that majority of consumer are effected by incentives like free sample, price off, free coupon, prize, bumper, discount etc. for brand choice.

4.7 Major Findings of the Study

4.7.1 Finding Regarding Sex Variable

1. The greater percent of female are found to have undivided loyalty and divided loyalty. Male are also found undivided loyalty and divided loyalty in case of shampoo. Test shows that there is no difference in brand loyalty between male and female.
2. In case of Instant Noodles grater percentage of female are found to have loyal and male are found to have no loyalty. Test shows that there is significant difference between male and female.
3. Similarly in the case of lip care percentage of loyal respondent are found high. They are equally brand loyal. There is no significant difference in brand loyalty between male and female.
4. In case of cold drinks both male and female respondent are found highly loyal. Among them female are more than male and test statistic shows that there is no different in brand loyalty between male and female.

4.7.2 Finding Regarding Age Variable

1. Under age group 15-20, greater percentages of respondents are found to have divided loyalty and no loyalty in case of shampoo. There is no relation between age and brand loyalty. Greater percentage of respondents is found to have divided loyal among them.

2. In the case of Instant Noodles greater percentage of respondents are found to have no loyalty. Among them greater percentage of respondent of age group 20-25 are found loyal. Test statistics indicates there is no relation between age and brand loyalty.
3. In the case of Cold drinks, most of respondents are found to have undividedly brand loyal i.e. coke. Among them, greater percentage of age group 30 and above, are found more then other group. The test statistics shows that there is no relation between age and brand loyalty.

4.7.3 Finding Regarding Income Variable

1. Under Income group 20000 and above greater percentage of respondent are found to have undividedly loyal i.e. Sunsilk in the case of shampoo. Test statistics show that there is no relation between income and brand loyalty. Statistics show that there is no relation between income and brand loyalty.
2. In the case of Instant Noodles, most of the respondents are to have no loyal. However, among them greater percentage of respondents of income group 20000 and above are found undividedly loyal in the case of noodles. This indicates that there is no relation between income and brand loyalty.
3. In the case of lip care, most of respondents or greater percentages of respondent are found loyal consumer categories. Among them greater percentage of income group 15-30 and above is found more loyal them other.
4. In the case of cold drinks more respondents are found to have undivided loyal. In addition, followed by divided loyal and unstable loyal. This indicates that there is relation between income and brand

loyalty. Test s statistics indicates that greater income group has brand loyal in case of cold drinks.

4.7.4 Causes of Brand Switching & Incentives in Brand Choice

1. Advertising campaign is found to be the dominant factor for brand switching in product shampoo, lip care and instant noodles.
2. In the case of products lip care and cold drinks majority of the people are affected price activities (price off) for brand switching.
3. It is found that incentives like price off, free goods etc, highly affects people to purchase the brand.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMEDATION

Intend of this study is to analyze the brand loyalty of consumer product in Bharatpur Municipality. A brief introduction about the study has been presented in chapter one. In second chapter, various journals, related books, others publication as well as unpublished master degree dissertation have been reviewed. Research methodology has been described in chapter three, while all the available data has been presented and analyzed in chapter four.

5.1 Summary

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

Considering the very realities of the market, this study is a sincere endeavor of finding out brand loyalty of consumer products in Bharatpur Municipality. Besides the main objective of finding out of the brand

loyalty of consumer product in Bharatpur Municipality, the study also contains the attempt of examining the brand awareness in Nepalese consumer and analyzing its impact on purchase decision and to examine the relationship of brand loyalty with demography variables cold drinks, Instant Noodle, Lip care and Shampoo are the four different kinds of consumer goods selected for the study.

This study is based on scientific method of research. All the Nepalese consumers of Bharatpur Municipality are considered population of the study. A sample of 100 consumer are randomly taken out of the population on the basis of convenience sampling basis taking into account that there is an involvement of significant number of respondents with variation in age, sex and income level etc. A well structure questionnaire is the main instrument for collection of required data. All the participants were provided with the questionnaire to give their sincere opinions and were collected after been completed by them.

Under age group 15-20, greater percentages of respondents are found to have divided loyalty and no loyalty in case of shampoo. Instant Noodles greater percentages of respondents are found to have no loyalty. Cold drinks, most of respondents are found to have undividedly brand loyal i.e. Coca Cola. Among them, greater percentage of age group 30 and above, are found more then other group. Under Income group 20000 and above greater percentage of respondent are found to have undividedly loyal i.e. Sunsilk in the case of shampoo. Instant Noodles, most of the respondents are to have no loyal. Most of respondents or greater percentages of respondent are found loyal consumer categories in Lip care. Cold drinks more respondents are found to have undivided loyal. Advertising campaign is found to be the dominant factor for brand switching in product shampoo, lip care and instant noodles.

The data thus collected by the mean of questionnaire are presented, interpreted and analyzed so as to obtain the objective of the study.

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

5.2 Conclusion

Following conclusion are deducted from the study.

Consumers of the Bharatpur Municipality give high importance to brand. They purchase the products based on brand. Most of the consumers have good knowledge about all the brands available in the market.

Brand loyalty varies also product to product and loyalty towards brand is relatively higher in the product that is more frequency needed as compared to those needed or used less frequency. Brand loyalty varies consumer to consumer. Some consumers are more brands loyal than vice versa. No relation between consumers age and brand loyalty was established. Only in case of Instant Noodles, male and female are varies in loyalty. In case of Cold Drinks, higher income group is more loyal on brand of coke.

Most of respondent are influenced by incentive for their brand choice. Most of consumers in Bharatpur Municipalities are found undividedly loyal in specific brand of chosen products categories except in instant noodles.

Greater percentage of the consumer switches the brand in cause of advertising in products shampoo and instant noodle.

In case of Lip care and Cold drinks greater percentage of consumer switches the brand in case of price off.

5.3 Recommendations

Following recommendation is made based on this study.

1. Particulars attention should be given in branding the product, Brand is necessary in almost all type of product.
2. Brand should be distinctive or unique in every type of product. The distinct brand will be very much helpful to differentiate the desire product of the consumer from the other products.
3. Studies on brand loyalty should be made on continuously. Most of consumer showing brand loyalty indicates towards hidden assets of the manufactures or sellers. They should have knowledge of these valuable assets. It will give them effective guideline for developing successful marketing strategy.
4. The product line of the same brand should be increased according to preference of consumers. So that brand switching is discouraged. The quality of product should also be maintained.

The following recommendations are made for the future researchers.

1. Sample size should be larger. Products chosen for the study under brand loyalty are those, which are purchased regularly and repeatedly, and population using such products is very large, therefore small of sample can not accurately resemble the population.
2. The product to be included in the study should be having diversified nature so that each of them represents as many types of product as possible.

3. The questionnaire used in the study should be as short and simple as possible.
4. Effective statistical tools should be used to analyze and interpret collected data.

BIBLIOGRAPHY

Books

- Agrawal, G. R. (2004). *Marketing in Nepal*, Kathmandu: Educational Enterprises (P) Ltd.
- David, A. (2000). *Strategic marketing Management 5th Edition*, John Wiley and Sons Inc. New York.
- Edward, W. C., Richard, R. S. (2002). *Basic Marketing, Concept, Decision, and Strategies*, New Delhi: Prentice Hall of India Pvt. Ltd.
- Fred, N. K. (2004). *Fundamentals of Behavior Research*, New Delhi: 2nd Ed., Surjeet Publications.
- Gupta, S. C. (2008). *Fundamental of Statistics*, New Delhi: Himalayan Publishing House.
- Hareper, W. B. and William F. M. (2006). *Marketing Management, An Analytical Problem Solving Approach*, Tokyo: Mc-Grew Hill Kagakusha Ltd.
- James, F. E. and Blackwell, R. D. (1982). *Consumer Behavior*, U.S.A: Holt Saunder's International Edition.
- John, C. M. (1990). *Consumer Behavior*. New York: Mc-Millian Publishing House Co.
- Koirala, K. D. (2007). *Fundamental of Marketing Decision*, Kathmandu: M. K. Publisher and Distributor.
- Kotler, P. (2009). *Marketing Management*, New Delhi: Himalayan Publishing House.
- Kotler, P. and Armstrong, G. (2007). *Principle of Marketing*, New Delhi: 7th Edition, Prentice Hall of India Pvt. Ltd.

Sherlerker, S. A. (2003). *Marketing Management*, New Delhi: Himalayan Publishing House.

Shiftman, L. G. and Kanuk, L. J. (1990). *Consumer Behavior*, New Delhi: 3rd Ed, Prentice Hall of India Pvt. Ltd.

Shrestha, K. N. and Manandhar, K. D. (2008). *Statistics for Quantitative Technique for Management*, Kathmandu: 3rd Ed, Valley Publishing House.

Wolf, H. K. and Pant, P.R. (2004). *A Hand Book for Social Science Research and Thesis Writing*, Kathmandu: Buddha Academic Enterprise Pvt. Ltd.

Unpublished Thesis

Baral, C. K. (2011). Communication effects of Advertisement and Brand Preference, AN Unpublished MBS Thesis Submitted to Central Department of Management, Faculty of Management, T.U., Kathmandu.

Ghimire, S. B. (2006). *Study on Branding Policy of Durable Consumer Goods*, An Unpublished MBS Thesis submitted to Shankar Dev Campus, Faculty of Management T.U, Kathmandu.

Giri, P. R. (2007). *A Study on the communication effects of Advertising and Brand Preference of Instant Noodles*, An Unpublished MBS Thesis Submitted to SDC, Faculty of Management T.U., Kathmandu.

Kafle, V. (2004). *A Study on Brand Loyalty of Cold Drinks*, AN Unpublished MBS Thesis Submitted to Central Department of Management, Faculty of Management, T.U., Kathmandu.

Panta, Y. (2009). A Study on *Brand Loyalty of Soft Drinks*, AN Unpublished MBS Thesis Submitted to Central Department of Management, Faculty of Management, T.U., Kathmandu.

Sharma, S. K. (2010). *The Movie Stars Endorsement in Advertisement*, An Unpublished MBS Thesis Submitted to Nepal Commerce Campus, Faculty of Management T.U., Kathmandu.

Shrestha, R. K. (2011). *The Role of Advertising in Brand Choice and Product Positioning*, An Unpublished MBS Thesis Submitted to Shankar Dev Campus Faculty of Management T.U., Kathmandu.

Websites:

http://en.wikipedia.org/wiki/hindustan_unilever

http://www.bizearch.com/company/unilever_nepal_ltd_252308.htm

<http://www.adnepal.org.np/index.php>

ANNEX -I

Questionnaire for the research of master of business studies of dissertation survey entitled "Brand Loyalty on consumer product in Bharatpur Municipality".

I am conducting a research study on brand loyalty on consumer product in Bharatpur Municipality. So I request you to co-operate me by filling up this questionnaire. The more accurately and elegantly you fit of this questionnaire the more accurate and meaningful my study will be.

A brand is the name, term, sign or symbol or a combination of them which you use to demand your desired product in the market or which you use to differentiate the product of one producer from that of the other.

Respondent profile:

Name:

Sex: Male: Female:

Age:

Monthly Income	Below 5000	5000- 10000	10000- 15000	15000- 20000	Above 20000
----------------	---------------	----------------	-----------------	-----------------	----------------

Please tick (√) in the answer for which you agree with

1. Which Product you regularly use?

- a. Shampoo b. Instant noodle
- c. Lip care d. Cold -drinks

1.1 For product shampoo.

- a. Do you already decide upon which brand to buy before going to the shop or store to buy it?
 - i. Yes
 - ii. No

b. How do you buy them?

i. By Brand ... iii. By inspection

c. Which shampoo do you use for bathing purpose?

i. Sunslik ... ii. Dabur Vatika ...

iii. Clinic plus ... iv. Others

d. Which brand did you buy in last four purchase.

i. ii. iii. iv.

e. What do you do if your favorite brand is not available?

i. Wait for favorite ii. Buy the alternative.....

1.2 For product Instant Noodles.

a. Do you already decide upon which brand to buy before going to the shop or store to buy it?

i. Yes ii. No.....

b. Which noodles do you eat for the breakfast?

i. Wai Wai ii. Mayos

ii. Rumpum iv. Others

c. Which brand did you buy in last four purchase?

i. ii. iii. iv.

d. What do you do if your favorite brand is not available?

i. Wait for favorite

ii. Buy alternative

1.3 For product Lip Care

a. Do you already decide upon which brand to buy before going to the shop or store to buy it?

i. Yes ii. No.

b. How do you buy them?

i. By Brand ii. By inspection

c. Which lip care do you use for maintaining your lip?

i. Vaseline ii. Boro Plus

iii. Revlon iv. Others

d. Which brand did you buy in the last four purchase?

i. ii. iii. iv.

e. What do you do if your favorite brand is not available?

i. Wait for favorite

ii. Buy the alternative

1.4 For product cold drinks

a. Do you already decide upon which brand to buy before going to the shop or store to buy it?

i. Yes ii. No.

b. How do you buy them?

i. By Brand ii. By inspection

c. Which cold-drinks do you use to drink?

i. Coke ii. Fanta

iii. Sprite iv. Pepsi

d. Which brand did you buy in last four purchase?

i. ii. iii. iv.

e. What do you do if your favorite brand is not available?

i. Wait for favorite

ii. Buy the alternative

2. Which of the following factors makes you leave your favorite brand (The brand you wanted to buy) and switch to another alternatives?

Shampoo:

a. Price off

b. Advertisement campaign

c. A desire to test new product

d. Others

Lip care:

a. Price off

b. Advertisement campaign

c. A desire to test new product

d. Others

Noodles:

a. Price off

b. Advertisement campaign

c. A desire to text new product

d. Other

Cold drinks:

- a. Price off
- b. Advertisements campaign
- c. A desire to test new product
- d. Others

3. To what extent does the incentives (price off, free good ... etc.) affect your brand choice?

- a. Very high
- b. High
- c. Medium
- d. Low
- e. Very low

ANNEX -II

COMPUTATION OF CHI SQUARE

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

Step I: formulation of hypothesis

H₀: Null hypothesis

H₁: Alternative hypothesis

Step II: Set $\alpha = 0.05$

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

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

Calculation of Expected frequency = $\frac{(RowTotal) \times (ColumnTotal)}{Grand Total}$

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

Sex and Brand Loyalty

1. A. Computation of chi-square (χ^2), Sex and brand Loyalty on Shampoo

Observed frequency	Expected frequency	(O-E)	(O-E) ²	(O-E) ² /E
10	13	-3	9	0.6923
13	10.5	2.5	6.25	0.5952
7	11.5	-4.5	20.25	1.7608
20	15	5	25	1.6666
16	13	3	9	0.6923
8	10.5	-2.5	6.25	0.5952
16	11.5	4.5	20.25	1.7608
10	15	-5	25	1.6666
				7.366

1. B. Computation of chi-square (χ^2), Sex and brand Loyalty on Instant Noodles

Observed frequency	Expected frequency	(O-E)	(O-E) ²	(O-E) ² /E
10	13	-3	9	0.6923
13	10.5	2.5	6.25	0.5952
7	11.5	-4.5	20.25	1.7608
20	15	5	25	1.6666
16	13	3	9	0.6923
8	10.5	-2.5	6.25	0.5952
16	11.5	4.5	20.25	1.7608
10	15	-5	25	1.6666
				9.4298

1. C Computation of chi -Square (χ^2), Sex and brand Loyalty on Lip Care

Observed frequency	Expected frequency	(O-E)	(O-E) ²	(O-E) ² /E
25	24.5	0.5	0.25	0.0102
17	16.5	0.5	0.25	0.0151
6	5	1	1	0.20
2	4	-2	4	1
24	24.5	-0.5	0.25	0.0102
16	16.5	-0.5	0.25	0.0151
4	5	-1	1	0.20
6	4	2	4	1
				2.4506

1. D. Computation of chi-square (χ^2), Sex and Brand Loyalty on Cold Drinks

Observed frequency	Expected frequency	(O-E)	(O-E) ²	(O-E) ² /E
24	26	-2	4	0.1538
12	13	-1	1	0.0769
6	4	2	4	1
8	7	1	1	0.1428
28	26	2	4	0.1538
14	13	1	1	0.0769
2	4	-2	4	1
6	7	-1	1	0.1428
				2.747

2. Age and Brand Loyalty

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

Observed frequency	Expected frequency	(O-E)	(O-E) ²	(O-E) ² /E
8	6.84	1.16	1.3456	0.1967
5	5.70	-0.70	0.49	0.0859
1	2.66	-1.66	1.3456	0.5058
5	3.80	1.2	1.095	0.2881
11	10.8	0.20	0.04	0.0037
7	9	-2	4	0.4444
6	4.20	1.80	3.24	0.7714
6	6	0	0	0
10	10.08	-0.08	0.0064	0.0006
9	8.40	0.60	0.36	0.0428
4	3.92	0.08	0.0064	0.0016
5	5.60	-0.60	0.36	0.0642
7	8.28	-1.28	1.63840	0.1978
9	6.90	2.10	4.41	0.6391
3	3.22	-0.220	0.04840	0.0150
4	4.60	-0.60	0.360	0.0782
				3.3353

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

Observed frequency	Expected frequency	(O-E)	(O-E)²	(O-E)²/E
3	4.56	-1.56	2.4336	0.5336
5	3.99	1.01	1.0201	0.2556
3	4.18	-1.18	1.3924	0.3331
8	6.27	1.73	2.9929	0.4773
10	7.2	2.8	7.84	1.0888
6	6.3	-0.3	0.09	0.0142
7	6.6	0.40	0.16	0.0242
7	9.9	-2.90	8.41	0.8494
8	6.72	1.28	1.63840	0.2438
3	5.88	-2.88	8.2944	1.4106
6	6.16	-0.16	0.0256	0.0041
11	9.24	1.76	3.0976	0.3352
3	5.52	-2.52	6.3504	1.1504
7	4.83	2.17	4.7089	0.9749
6	5.06	0.94	0.8836	0.1746
7	7.59	-0.59	0.3481	0.0458
				7.9151

2. C. Computation of Chi-Square (χ^2): Age and Brand Loyalty on Lip Care.

Observed frequency	Expected frequency	(O-E)	(O-E)²	(O-E)²/E
8	9.12	-1.121	1.2544	0.1375
6	6.27	-0.27	0.0729	0.0116
2	2.28	-0.28	0.0784	0.0343
3	1.33	1.67	2.7889	2.0969
16	14.4	1.6	1.3456	0.0934
8	9.9	-1.9	3.61	0.3696
4	3.6	0.40	0.16	0.0444
2	2.1	-0.10	0.01	0.0047
14	13.44	0.56	0.3136	0.0233
8	9.24	-1.24	1.5376	0.1664
4	3.36	0.640	0.4096	0.1219
2	1.96	0.04	0.0016	0.0008
10	11.04	-1.04	1.0816	0.0979
11	7.59	3.41	11.6281	1.5320
2	2.76	-0.76	0.5776	0.2092
0	1.61	-1.61	2.5921	1.61
				5.8755

2. D. Computation of Chi-Square (χ^2); Age and Brand Loyalty on Cold drinks.

Observed frequency	Expected frequency	(O-E)	(O-E)²	(O-E)²/E
8	9.69	-1.69	2.8569	0.2947
5	4.94	0.06	0.0036	0.007
3	1.71	1.29	1.4161	0.8281
3	2.66	0.34	0.11560	0.0434
15	15.3	-0.3	0.09	0.0058
8	7.8	0.20	0.04	0.051
2	2.7	-0.7	0.49	0.1814
5	4.2	0.80	0.64	0.1523
12	14.28	-2.28	5.1984	0.3640
10	7.28	2.72	1.6492	0.2265
3	2.52	0.48	0.230	0.0316
3	3.92	-0.92	0.8464	0.2159
16	11.73	4.27	18.2329	1.5543
3	5.98	-2.98	8.8804	1.4850
1	2.07	-1.07	1.1449	0.5530
3	3.22	-0.22	0.0484	0.0150
				5.9569

3. Income and Brand Loyalty

2. A. Computation of Chi-Square (χ^2), income and Brand Loyalty on Shampoo

Observed frequency	Expected frequency	(O-E)	(O-E) ²	(O-E) ² /E
3	3.96	-0.96	0.9216	0.2327
3	3.3	-0.3	0.09	0.0272
1	1.76	-0.76	3.0976	1.76
4	1.98	2.02	4.0804	2.0608
14	10.8	3.2	10.24	0.9481
8	9	-1	1	0.411
3	4.8	-1.8	3.24	0.675
5	5.4	-0.4	0.16	0.296
8	7.56	0.44	0.1936	0.0256
7	6.3	0.7	0.49	0.0777
3	3.36	-0.36	0.1296	0.0385
3	3.78	-0.78	0.6084	0.1609
6	8.28	-2.28	5.1984	0.6278
8	6.9	1.1	1.21	0.1753
6	3.68	2.32	5.3824	0.4626
3	4.14	-1.14	1.2996	0.3139
5	5.4	-0.4	0.16	0.0296
4	4.5	-0.5	0.25	0.0555
3	2.4	0.6	0.36	0.15
3	2.7	0.3	0.09	0.0333
				8.9952

2.B Computation of Chi-square (χ^2) income and Brand Loyalty on Instant Noodles

Observed frequency	Expected frequency	(O-E)	(O-E)²	(O-E)²/E
3	2.75	0.25	0.0625	0.0227
2	2.42	-0.42	0.1764	0.0728
3	2.31	0.69	0.4761	0.2061
3	3.52	-0.52	0.2704	0.0768
8	7.5	0.5	0.25	0.0333
4	6.6	-2.6	6.76	1.0242
8	6.3	1.7	2.89	4.587
10	9.6	0.4	0.16	0.0166
2	5.25	-2.5	10.5625	2.0119
8	4.62	3.38	11.4244	2.4728
4	4.41	-0.41	0.1681	0.0381
7	6.72	0.28	0.0784	0.0116
7	5.71	1.25	1.5625	0.2717
4	5.06	-1.06	1.1236	0.2220
5	4.83	0.17	0.0289	0.0059
7	7.36	-0.36	0.1296	0.0176
5	3.75	1.25	1.5625	0.4166
4	3.3	0.7	0.49225	0.1484
1	3.15	-2.15	4.6225	1.4674
5	4.8	0.2	0.04	0.00833
				9.0035

2. C. Computation of Chi-square (χ^2), income and Brand Loyalty on Lip Care

Observed frequency	Expected frequency	(O-E)	(O-E)²	(O-E)²/E
4	5.28	-1.28	1.6384	0.3103
5	3.63	1.37	1.8769	0.5170
1	1.32	-0.32	0.1024	0.0775
1	0.72	0.23	0.0529	0.0687
15	1.44	0.6	0.36	0.025
7	9.9	2.9	8.41	0.8494
5	3.6	1.4	1.96	0.5444
3	2.1	0.9	0.81	0.3857
10	10.08	-0.08	0.0064	0.0006
9	6.93	2.07	4.2849	0.6183
1	2.52	1.52	2.3104	0.9186
1	1.47	-0.47	0.2209	0.1502
12	11.04	0.960	0.9216	0.0834
7	7.59	-0.59	0.3481	0.0485
3	2.76	0.24	0.0576	0.0208
1	1.61	-0.61	0.3721	0.2311
7	7.2	-0.2	0.04	0.0055
5	4.95	0.05	0.0025	0.0005
2	1.8	0.20	0.04	0.0222
1	1.05	-0.05	0.0025	0.0023
				4.8755

2. D Computation of Chi-square (χ^2) income and Brand Loyalty on Cold Drinks

Observed frequency	Expected frequency	(O-E)	(O-E)²	(O-E)²/E
6	5.83	0.17	0.0289	0.0049
1	2.75	-1.75	3.0625	1.1136
1	0.99	0.01	0.0001	0.001
3	1.43	1.57	2.4649	1.7237
15	15.9	-0.9	0.81	0.0509
11	7.5	3.5	12.25	1.6333
0	2.7	-2.7	7.29	2.7
-4	3.9	0.1	0.01	0.0025
11	11.13	-0.13	0.0169	0.0015
3	5.25	-2.25	5.0625	0.9642
4	1.89	2.11	4.4521	2.3556
3	2.73	0.27	0.0729	0.0267
11	12.19	-1.19	1.4161	0.1161
8	5.75	2.25	5.0625	0.8804
3	2.07	0.93	0.8649	0.4178
1	2.99	-1.99	3.9601	1.3244
10	7.95	2.05	4.2025	0.5286
2	3.75	-1.57	3.0625	0.8166
1	1.35	-0.35	0.1225	0.0907
2	1.95	0.05	0.0025	0.0012
				14.7528