

# CHAPTER 1

## INTRODUCTION

### 1.1 Background of the Study

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

A buyer purchase the product only after making sure that the product is exactly same that the buyer wants in every aspect. Then only successful sales closing can be happen. Buyer buying decision completed after the long process. That means the acts of individuals directly involved in obtaining and using economic goods and services, including the decision process that proceed and determine these acts, this is called buyers' behavior.

Consumer decision-making process consists of the activities that the people engaged in when selecting, purchasing and using products and services so as to satisfy needs and desires. Such activities involve mental and emotional process in addition to physical action. It is an attempt to predict either a specific product is to be buying or not. It is concerned with the activities and actions of customer that purchase and use the products.

Every buying behavior and decision making process of buyer differs with each other and buying process may be identical. Generally, the buyer buying process consists of five-stage problem recognition, information search, evaluation of alternatives, purchase and post purchase evaluation. The initial stage of consumer buying process is the problem recognition and it occurs when buyer becomes aware of the fact that there is difference between a desired state and an actual condition. After becoming aware of the problem or need, the buyer searches for the information regarding availability of brands, product features seller's characteristics, process and other relevant aspects. Duration and intensity of search efforts depends on buyer's experience in purchasing and nature of the product to be purchased. During this stage, buyer develops evoked set (the set of brands of product), which then buyer actually consider while making a specific brand choice.

Products in the evoke set have been evaluated on the third stage of buying process. To evaluate the products in the evoked set, a buyer establishes a set of criteria to compare the product characteristics. Using the criteria and considering the importance of each, a buyer rates and eventually ranks the brands in the evoked set. If the evaluation yields, on the next stage is purchase stage. During this stage, consumer selects not only the product or brand to buy but also select seller from the store from which he or she will buy the product .The actual act of purchase occurs during this stage. But, not all decision process lead to a purchase; the individual may terminate the process prior to purchase. After purchase, a buyer starts to evaluate the product and its satisfaction, known as post-purchase evaluation. The outcome of the post-purchase evaluation is either satisfaction or dissatisfaction, which feeds back to other stages of the decision process and influences subsequent purchase.

Though the consumer buying decision process consists of five stages, all the consumers do not always go through all these five stages. The individual may terminate the process during any stage. This depends on the experience involved in purchasing and the nature of the products he or she wants to purchase. Person in high involvement decision process

may omit some of these stages. Whatever is the buying process, it is essential for the modern marketer to know the buying behavior of his or her target customer for the long-term survival that means for the sustainability of the company.

The reality in market is that, the buyer is sovereign; deciding whether to accept or reject a product on the basis of whether or not it meets perceived needs or desires. To meet perceived needs and desire of the buyers, the marketer should understand the buying behavior of the buyer. Understanding of buyer buying behavior is complex and difficult task as it is influenced by many factors. Generally, buyer behavior is influenced by four factors such as:

**Cultural:** Culture, Subculture and Social Class

**Social:** Reference Groups, Family and Social Roles and Status

**Economical:** Income Level, Economic Status and Economy Class

**Personal:** Age, Stage in Lifecycle, Occupation, Economic circumstances, Lifestyle, Personality and Self Concept, and

**Psychological:** Motivation, Perception, Learning, Beliefs and Attitudes

Research of all these factors can provide clues to reach and serve buyers more effectively.

Changing of time influences buyer needs and desires. Hence buyer needs and desires undergo change from time to time. In order to adapt business with changing pace of buyers' needs and desires, it is essential for marketers to conduct research continuously on buyers. Realizing these facts, business enterprises of advance countries have carried out a series of researches on buyer behavior. However such practices of studying buyer buying behavior are rare in our country. Here, an attempt has been made to explore the buying decision making with respect to motorbike purchase in Chitwan district. The research is made in different showrooms of Hero Honda and Yamaha Brand Motorbike in Chitwan district, consulting the customers visited in the show rooms.

## **1.2 Focus of the Study**

There are numbers of dealers dealing with sales of motorbikes like Morang Auto Works (Yamaha), Hansaraj & Hulas Chand (Bajaj), Syakar Company Ltd. (Honda and Hero Honda), and Cosmic Motorcycles etc, which offers different brand of motorbikes. The

success and failure of any firm entirely depends on buyer's reaction to its offerings. It is, therefore essential for the marketer or manufacturer of the products and services to understand the buyers' buying behavior in today's changing and competitive business environment. The world is becoming very much complex and competitive day by day, so the task of marketer is also increased. Therefore to understand buyer behavior, it requires continuous efforts of investigation and exploration of customers. However, such practices of investigation and exploration are rare in the case of Nepal, different multinational companies are spending large sum of money for this valuable purpose.

Being the age of advertisement world, different motorcycle dealers are making the tremendous effort to pull the buyer's attention toward the product. They operate different and attractive schemes to make buyers attractions to their own product. In such circumstance, an effort has been made to explore the fact related to comparative study on buyers buying decision making on purchase of motorbike purchase in Chitwan district, and I have taken reference of Hero Honda and Yamaha Brand motorbikes have been taken as the brands as these brands are most preferred by the buyers.

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

Because of the globalization effects in every sector, such as communication, technology and transportation market becomes very narrow and customers are well informed about the product they needed. After the membership of Nepal in W.T.O it is noticed that the business environment of Nepal will be far much complex and complicated in lack of proper study and research about the given product and services. In recent years, the international business environment has been marked by far reaching changes. In recent years the business environment of Nepal has been changed drastically free and liberal policy have increased the business activities to a great extent throughout the county in one hand, on the other hand the competition is tough. So now almost efforts of the sellers are strictly focused to customer orientation and selling of product. In the competitive market the buyer has the number of choices and freedom of choice in product amongst to many alternative offerings. The buyer has freedom of whether to accept or reject the product, on the basis of either the offer of product as per his choice or not. Thus customer orientation is very much difficult and complex task. So the marketer should understand the buying behavior of buyer. Understanding of buyer buying behavior is influenced by different

external environmental and personal beliefs. Furthermore buyer behavior is dynamic phenomenon.

Today, market becomes very complex and competitive and there is existence of too many alternative products, so, the buyers have freedom in choice. In another part the need and desires of buyer undergo change from time to time. In order to adapt business with changing pace of consumer needs and desires, it is essential for marketers to conduct research continuously on buyers. Realizing this fact, business enterprises of advanced countries have carried out a series of researches on buyer's behavior. However, such practices are rarely found in Nepalese market, here an attempt has been made to study buying decision making with respect to motorbike purchase in Chitwan district and I have taken reference of Hero Honda and Yamaha Brand motorbikes have been taken as reference as these brands are most preferred by the buyers. The study is related to find the answer of the following questions:

- 1) What are the purposes of motorbike purchase in Chitwan district?
- 2) What are the affecting factors of buyers decision making process?
- 3) Which are the areas under which the buyers of motorbike makes decision before selecting a brand?

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

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

dealer in closing sales in respect to know and informed about the buyers need and buying behaviors.

The main objectives of this study are mentioned below as follows: -

- 1) To identify the purpose of motorbike purchase in Chitwan district
- 2) To find out affecting factors of buyers' decision making process.
- 3) To identify the areas under which the buyers of motorbikes makes decision before selecting a brand.

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

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

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

This study is conducted for partial fulfillment of Master's degree in Business Studies. Being a student, this thesis has been prepared in rush of time and in lack of resources. Thus, the study has certain limitations, which are as follows:

- 1) This study is concerned only with the customers of motorbikes purchase in Chitwan district. Very small sample size of population is taken for the study.
- 2) The study is done within the short time period.
- 3) The study is limited due to the time limitation.

- 4) The study is based on judge mental sampling.
- 5) The study is entirely based on the opinions, views and responses of the owner of motorbikes and perspective customers of motorbike purchase visited in the different showrooms in Chitwan district.
- 6) The study is entirely based on primary data and supported by secondary data.

In spite of above mentioned limitations, lots of efforts have been done to make this study more reliable and accurate.

### **1.7 Organization of the study**

Chapter 2 contains the theoretical framework. Chapter 3 discusses the methodology of the study. Chapter 4 will give an analysis of the result. finally in Chapter 5, conclusion will be drawn from the measurement followed by recommendations & limitations.

## CHAPTER 2

### REVIEW OF LITERATURE

#### 2.1 Theoretical Review

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

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

#### 2.2 Buyer Decision Process

Buying decision process starts with the identification of the important steps as outline below:

##### **A. Need Recognition:**

The first step of buying decision making process begins when the buyer recognizes a need of product. Buyers may experience a need themselves or others trigger them. Arousal of a need drives the person into a state of discomfort and anxiety. It is reduced when the consumer acts to satisfy the need.



## **B. Information Search:**

When, a buyer recognizes the need, he or she will search for ways of satisfying his need. Some time searching of information about the needed product may be very costly and requires time and effort also. To fulfill requirement of needed information can be use these several sources;

- a) **Personal Sources:** Family, friends, neighbors, acquaintances etc.
- b) **Commercial Sources:** Advertising, salespeople, dealers, packaging, displays, etc.
- c) **Public Sources:** Mass media, consumer rating organizations, etc.
- d) **Experiential Sources:** Handling, examining, by using the product.

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

## **C. Evaluation of Alternatives:**

The third step of buyer decision process is right evaluation of alternatives. After collecting adequate information about alternatives, buyers review the information, evaluate the alternative, and select the best alternative that best satisfies their needs. Every individual may has own process and system of evaluation of alternatives. The consumer may have to evaluate with single criteria quality of the product or several criteria such as quality, ease of use, size, price etc. In this stage of buying decision process buyer choose best among the good.

## **D. Purchase Decision**

The most important step of buying decision making process is 'purchase decision'. After searching and gathering information and right evaluation of that information regarding the desired product, it is easy to make the purchase decision for the buyer. The buying decision may be positive or negative. In other words buyer may decide to purchase or not to purchase the product. If the decision is to purchase the desired product, then series of related decision must be taken. The buyer must take the decision regarding;

**Brand:** Choice of best brand which gives the optimum satisfaction.

**Payment Methods:** By which mode to pay for the product; full cash payment or partial payment; before payment or after deliver payment; Cash payment or credit payment. Etc.

**Warranties:** The seller gives warranties or not Time period of warranties.

**Delivery:** Delivery service provided or not.

**Installation:** If the product has to install in the factory or site seller provide the installation service or not; cost of installation; complexity for installation. Therefore this stage of purchase decision is crucial for the buyer as well as seller also.

#### **E. Post Purchase Evaluation**

Evaluating the purchase decision; whether the purchase decision was perfect or not; is called post purchase decision of decision making process. And this is the final stage in decision process. After purchase, buyers use the product and evaluate the degree of satisfaction or dissatisfaction. If the product meets the consumer's expectations, they are satisfied; if it exceeds expectations they are delighted. This consequence reinforces future loyalty to the brand. Shrestha, 2002:37, Fundamental of selling.

### **2.3 Influences on the Buying Process**

Everyday buyers make many buying decisions in their life. Number of factors influenced buyers buying process. They can't be control by seller or others totally but it can be take into account. We can classify the factors under three headings as following;

#### **1. Buyer Personal Characteristics:**

Major influencing factor on buying process is buyer's characteristics. Every buyer is from different circumstances and they have hundreds of characteristics in different way. The major characteristics of buyer are explained below as following;

##### *i) Demographic Characteristics:*

Demographic characteristic is the one major characteristic of buyers. Therefore demographics are vital statistics of describing people such as sex, age, and marital status, number of children, education and geographical location. These characteristics indicate

certain buying pattern. People change the products they buy over their lifetimes. So it is important influences on consumer buying process.

**ii) *Socio-economic Characteristics:***

Buyers chose and purchase the product as their economic status in the society. So, buyer's economic status will greatly affect product choice. Buyers can be categorized into social classes based on their income, education and occupation. For example, buyer with higher income is in higher social classes. Social class can be used a predicator of a buyer's buying process. Buyers in high level social class are generally exposed to more information about products and have opportunities to evaluate more alternatives than buyer in low social classes when a purchase decision is made. People living with low socio-economic class has less information or they cannot gather or informed much more about the products they desires and they has to bear limitations for choice from alternatives. It greatly affects the buying decision process.

**iii) *Personality:***

Every people are living with different personality in society. Personality refers to the unique psychological characteristics that lead to relatively consistent and lasting responses to one's own environment. Personality also has important role in buying decision process. Persons purchase the products which match with their own personality and feel comfortable. If product does not match with their personality they are dissatisfy.

**iv) *Life Style:***

Life style refers that how people living, person's activities, interests and opinions in their own different society. So, people coming from the same social class and even occupations may have quite different life styles. Life style is measured by psychographics measuring techniques. People's life style undoubtedly influences their choice of products and their brand preferences. They chose the products and brand according to their own life style. There are no common accepted categories of life style. It has also major role in influencing consumers buying decision making process.

**v) *Learning:***

Each people are learned as their own circumstances and capacity to acquire knowledge. "Learning is Knowledge acquired by systematic study; the possession of such

knowledge” (Excerpted from *Oxford Talking Dictionary*) Learning is more about related with past doing and experiences. Learning may be defined as changes in behavior resulting from previous experiences. Learning theorists say that most human behavior is learned. Learning occurs through the interplay of drives, stimuli, cues, and responses and reinforce. Repeated reinforcement leads to a habit or brand loyalty. Once a habitual behavior pattern has been established, it replaces conscious, willful behavior.

**v) *Beliefs and attitudes:***

Beliefs are mental acceptance of a statement, fact, doctrine, thing, etc., as true or existing and attitudes are settled behaviors as representing feeling or opinion. In other words a belief is a descriptive thought that a person has about something. It may be based on real knowledge, opinion and faith. An attitude describes a person’s relatively consistent evaluations. Beliefs and attitudes are influenced by personal experience and information gained from various personal and impersonal sources. People tend to act on their beliefs and attitudes. People buy product with their positive beliefs and attitudes. If they beliefs negatively no peoples buy the products. Beliefs and attitudes has also vital role in buying process.

**2. Psychological Situation:**

Psychological Situation denotes Motivational factor to buy or not to buy the products. A motive is an internal energizing force that orients a person’s activities towards satisfying a need or achieving a goal. Actions are affected by a set of motives, not just one. If marketers can identify motives then they can better develop a better marketing mix. Persons highly motivated by his/her needs. If the marketer can identify the exact needs of the buyer it will be the main key to be success in the competitive market. MASHLOW identifies the hierarchy of personal needs;

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

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

### **3. Buying Situation:**

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

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

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

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

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

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

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

### **4. Group Influence:**

Human being lives in group and it is also natural by birth. Therefore each buyer belongs to number of groups. These groups include a family, social clubs and organizations and reference groups. The way we think, believe and act is determined to a great extent by

groups. If we act separate then the group; we cannot exist in our society. So we act and behave according to our social group. Buying process is also greatly influenced by our own social groups.

i) ***The Family:***

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

ii) ***Reference Group:***

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

## **2.4 Review of Related Studies**

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

A. Bhandari, (2004), has conducted a research on "*Brand preference study on motorbike with reference to Kathmandu city*".

The objective of the study was:

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

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

The findings of the study were as follows:

1. Hero Honda has been found as the most preferred brand, Yamaha as the second, K-Bajaj as the third, other brands as fourth, Lifan as the fifth and Dayang as the sixth preferred brand respectively.
2. On the basis of profession, Hero Honda has been most popular except in business category. K-Bajaj has been popular in business category.
3. It was found that brand loyalty exists in the motorbike buyers.
4. The price factor has been found as the main factor for brand switching.
5. Hero Honda has been positively perceived in terms of fuel efficiency, resale value and aesthetic looks.
6. Yamaha has been found having high resale value, high power and moderate looks.
7. K-Bajaj has been represented by its fuel efficiency, more after sales services and moderate looks.
8. High power and high aesthetic looks have been found the strong attributes of Lifan brand. It has been found that Lifan disadvantages regard to fuel efficiency and resale value.
9. Dyang brand of motorbike has been found more positive on its aesthetic looks and finance facility.

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

The study has the objectives:

1. Patterns of decision making strategies consumers utilize while making purchase decision of durable goods.
2. The level of pre-purchase information seeking and their correlates.

3. Decision making criteria and rules employed in evaluation of alternatives.

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

The major findings of the study were:

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

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

The objectives of the study were:

1. To identify the purpose of minibus purchase in Bhaktapur district.
2. To identify the areas under which the buyers of minibus make the decision before selecting a brand.
3. To find out affecting factors in buyer’s decision making process.
4. Comparative study of TATA and Ashok Leyland minibus on the basis of views of buyers of these two brands and decision-making process of users to select these two brands.

The study showed that the study is based on primary data and supported by secondary data. Required information was collected from 50 different minibus users of Bhaktapur



district with the assistance of structured questionnaire. The tools used are factor analysis, cluster analysis, discriminant analysis and path analysis.

The major findings of the study were:

1. The minibuses are purchased to be used as public carriers on different routes mentioned by the government and to provide transportation services to students, tourists and others.
2. Different distinct features like fuel consumption, durability, resale value affect buying decision, pick up and other services granted by the dealers.
3. Personal belief strongly affects the buying decision making, in the same manner it is affected by other forces like family, friends, unions and media vehicles like advertisement, publicity etc.
4. Demographic features like age, income, and education also highly influence the buying decision-making. It is found that the choice of the product in different age groups is different and they have their own analysis and interpretation about the product.
5. By the study it is found that TATA minibuses are more fuel efficient than Ashok Leyland whereas Ashok Leyland minibuses are more durable than TATA.
6. TATA minibuses are best fit in hilly regions on the basis of performance whereas Ashok Leyland minibuses are best fit in plain regions.
7. Spare parts and services granted by TATA are more available and reliable than Ashok Leyland minibuses.
8. In overall ranking, after the study and analysis among 50 different users of TATA and Ashok Leyland minibuses with the assistance of different distinct features of these brands. It is concluded that majority of users prefer TATA minibuses than Ashok Leyland minibuses.
9. It is needed to grant after sales service on product and the change the features of the product with respect to the topography of the country is necessary to win the market, enhance demand and finally to win the market share.

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

The objective of the study was:

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

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

The Major findings of study were:

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

Price	1 <sup>st</sup> rank
Resale Value	2 <sup>nd</sup> rank

Model	3 <sup>rd</sup> rank
Spare parts available	4 <sup>th</sup> rank
Brand	5 <sup>th</sup> rank

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

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

## **2.5 Research Gap**

There are numbers of dealers dealing with sales of motorbikes like Morang Auto Works (Yamaha), Hansaraj & Hulas Chand (Bajaj), Syakar Company Ltd. (Honda and Hero Honda), and Cosmic Motorcycles etc, which offers different brand of motorbikes. However, such practices of investigation and exploration are rare in the case of Nepal, different multinational companies are spending large sum of money for this valuable purpose. Being the age of advertisement world, different motorcycle dealers are making the tremendous effort to pull the buyer's attention toward the product. They operate different and attractive schemes to make buyers attractions to their own product. In such circumstance, an effort has been made to explore the fact related to comparative study on buyers buying decision making on purchase of motorbike purchase in Chitwan district,

and I have taken reference of Hero Honda and Yamaha Brand motorbikes have been taken as these brands are most preferred by the buyers. Our comparative study on buyer's decision making on purchase of Hero Honda and Yamaha motorcycle we find out different views of the different writers. As their study in different forms have considered the main factors affects the buyer's buying decision making on purchase of motorbike in Chitwan district are fuel efficiency and price. There wasn't too much emphasized on the model of the bike. However the today's generation mostly looks on the outer features. On the contrast of pre- study, this study highly emphasized not only on fuel efficiency and price but also emphasized on the durability, pickup as well as after sells services. This study is based on the primary data that are acquired through the questionnaire method. In order to make the result of the thesis effective the answers of the responses are analyzed. Hence the study helps to trace out the trend of the generation to be choosy while making decision to purchase a motorbike.

## **CHAPTER 3**

### **RESEARCH METHODOLOGY AND DESIGN**

Research methodology is a tool, which enhances to systematically solve the research problem. Research Methodology facilitates the research work and provides reliability and validity to it. Research methodology employed in this study is presented below.

#### **3.1 Research Design**

Research design is the systematic design collection analysis and reporting of data and findings relevant to a specific situation facing the company and industry.

It is the specification of procedures for collecting and analyzing the data necessary to help, identify or react to the problem or opportunity of the research task. And assist to collect information in order to help identify or react to a problem or opportunity faced by the marketers or researchers. The collected information is important and it has some value as it helps to improve the decision.

Various types of research design can be used for obtaining the research objectives. Descriptive research design is used for this research task. Descriptive research design describes certain phenomena, such as the characteristics of users of a product, the variation in use in terms of age, income, lifestyle etc. Descriptive information provides a sound basis for the solution of given marketing problem. Descriptive research is a fact-finding operation searching for information. It is a type of survey study, which is generally conducted to assess the opinions, behavior, or characteristics of a given population and to describe the situation and events occurring at present. The objective of this study is to examine buyer behavior and decision making process with respect to motorbike purchase in Chitwan district. Descriptive research design has been used in this study because descriptive research is widely conducted to solve various marketing problems.

#### **3.2 Population and Sample**

Population represents, under this study, all the buyers of motorbike in Chitwan district. Sample is the selection of certain number of respondents out of population. Sample is taken out of whole universe. The sample of respondents used in this study constitutes 50

motorbike users and buyers of Chitwan district. The respondents in sample are believed to be the true representative of the population. Proper measures are used to lessen the probable sampling error.

### **3.3 Nature and Sources of Data**

Research can be done using primary data sources or secondary data sources. The required information and data for conducting this study was entirely based on primary sources. Structured questionnaires are developed to obtain the required primary data and information in this study. A comprehensive questionnaire is developed, based on the objectives of the study, which included questions pertaining to the consumer decision-making process and factors influencing consumer buying decision behavior.

### **3.4 Data Collection Procedures**

The data was collected through self-administered structured questionnaires. It was collected at different motorbike showrooms of Hero Honda and Yamaha Brand, especially in showrooms of Hero Honda and Yamaha Brand motorbikes at Parsa, Tandi & Narayanghat. All the respondents were the customers and users of the motorbikes. The respondents were of different age groups, education levels and income levels. The respondents were supported by oral explanation when they did not understand the questionnaire.

### **3.5 Data Analysis Tools**

The responses obtained from the respondents are categorized, tabulated, processed and analyzed by using different data analysis methods and tools. For this questionnaire, data was distributed and collected to make it applicable for presentation and analysis. Presentation of data is done on table form, simple diagram, bar diagram and pie chart. Necessary interpretation and explanation are made whenever needed to clarify the analysis.

## CHAPTER 4

### DATA PRESENTATION AND ANALYSIS

#### 4.1 Purpose of Motorbike Purchase in Chitwan District

In Chitwan district motorbike is very popular private vehicle. The buyers of motorbike are of different categories and they have different purposes of buying motorbikes. The study find out the main purpose of purchasing motorbikes are as follows;

##### 1. To use for regular up and down to office

The main purpose of buying the motorbike is to use for regular up and down to office. In Chitwan district the service of public vehicle is very poor. So, most of the service holders are motivated to buy the motorbikes as their private vehicle.

##### 2. To use for daily business task

People having small business and operating shops in different places in Chitwan district purchase motorbikes to use for their daily business task such as carrying goods from the main markets in core city areas to their own shops. And also using for taking orders and collecting payments from their resellers and retailers situated in different places in Chitwan district.

##### 3. To use for other purpose

The third purpose of motorbikes buying is to use for other purposes such as to use for household purpose, students use motor bikes to go to collage etc.

Saying exactly is very difficult that how many people purchases motorbikes for what purpose. In this study an attempt had been made to find out the purposes of motorbike buyers in Chitwan district with the support of data presentation. Here in this study a lot of effort have been put to find the percentage of people who buys motorbikes for these two main purposes. 50 different people have been taken as respondent having different demographic features and beliefs. And finding of the research is presented below in table and bar diagram.

Among 50 respondent most of the buyer purchase the motor bikes for official use and some buyers purchase the motorbikes for their business purpose also. Out of 50 respondent 30 respondents purchase the motorbikes for office purpose. Because of the public vehicle is not available in every times so the major objective of purchase of motorbike is timely reaches in office. And motorbike is very much helpful for small businessmen also. Among 50 respondent only 15 people are buying motorbikes for their own business. Among 50 respondents only 5 respondents are buying motorbikes for other purpose.

**Table 4.1**

**Purpose of Motorbike Purchase in Chitwan District**

<b>Purpose</b>	<b>No. of Users</b>	<b>% of Users</b>
<b>Offical</b>	24	48
<b>Business</b>	16	32
<b>Other</b>	10	20
<b>Total</b>	<b>50</b>	<b>100</b>

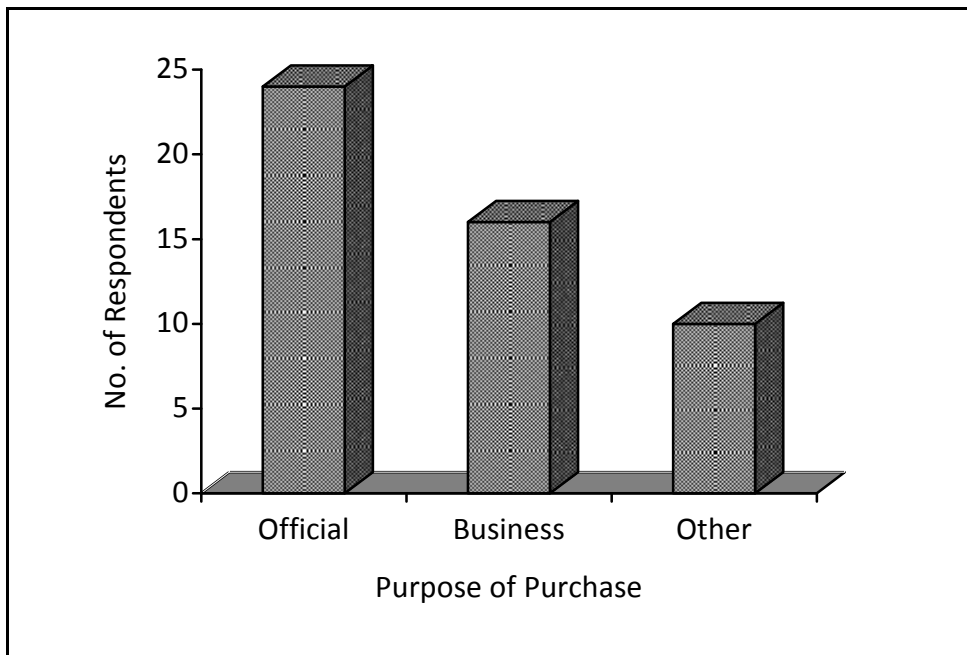
*(Source: Field Survey, 2011)*

Among 50 respondent most of the buyer purchase the motor bikes for official use and some buyers purchase the motorbikes for their business purpose also. Out of 50 respondent 24 respondents purchase the motorbikes for office purpose. Motorbike is very proper vehicle for Chitwan district. The major objective of purchase of motorbike is timely reaches in office. And motorbike is very much helpful for small businessmen also. Among 50 respondent only 16 people are buying motorbikes for their own business. Among 50 respondents only 10 respondents are buying motorbikes for other purpose. The portion of the other purpose of buying motorbike is found very low.



**Figure 4.1**

**Purpose of Motorbike Purchase in Chitwan District**



We can see in the bar diagram percentage of official purpose of buying motorbike is very high. This bar diagram represents the tendency of purpose of buying motorbikes in Chitwan district is 48% for official purpose, the 32% people are buying motorbikes for their own business uses. And the 20% of people are buying motorbikes for other purposes.

#### **4.2 Areas Under Which the Buyer of Motorbike Makes Decision Before Selecting a Particular Brand**

Before making the decision to buying the product people like to know all features of the each product brand. Buyers analyze and evaluate the features of each product and y to match with desired product and select the best fit product. And then only buyer makes decision to buy the particular brand. The main areas of concern of buyers about what attributes they analyze before selecting a particular brand are presented below in table.

**Table 4.2**

**Areas under which the buyer of motorbike makes decision before selecting a particular brand**

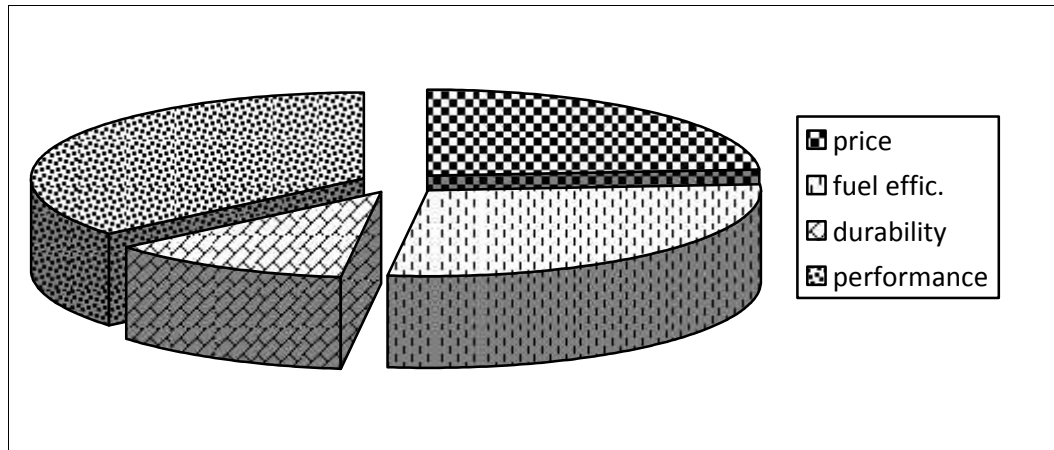
<b>criteria</b>	<b>No. of respondent</b>	<b>Performance of respondent</b>
Price	12	24
Fuel efficiency	14	28
Durability	6	12
Performance	18	36
Total	50	100

*(Source: Field Survey, 2011)*

Before selecting a particular brand of motorbike buyers gives the main criteria of preferences are price of the product, fuel efficiency quality of the product, durability of the product and overall performance of the product. The study shows that most of the motorbike buyers focus on performance of the motorbike. Among 50 respondents 18 respondents focus their preference on performance of the motorbike. Another major point of preferences is fuel efficiency. Most of the buyers of the motorbike users are from median level economic standard so they are more concern about the fuel efficiency of the motorbike. Among 50 respondents 14 respondents focus their preference on fuel efficiency of the motorbike. After performance and fuel efficiency buyers also focus on price of the motorbike. Among 50 respondents 12 respondents are focus on the price of the motorbike. Last but not least a preference of the buyer is the durability of the motorbikes. Among 50 respondents only 6 respondents give their preference of durability of the motorbike.

**Figure 4.2**

**Areas under which the buyer of motorbike makes decision before selecting a particular brand**



We can see the clear picture of the areas under which the buyer of motorbike makes decision before selecting a particular brand. Above picture of pie chart shows the majority of the buyer gives their focus on performance of the motorbike. This research study shows 36% of buyer gives their preference on performance of the motorbike. Preference to fuel efficiency is the second criteria of buying decision making before selecting a particular brand. Buyer gives 32% preferences on fuel efficiency of the motorbike. And 18% preference gives on price of the motorbike and 14% preference gives on the durability of the motorbikes.

### **4.3 Factors Affecting Buyers' Decision Making Process**

Buyers' buying decision making process is affecting from various factors such as Personal Beliefs, Education level, Age Group, Income Levels, Influence of Outsiders and Family, Influence of Media and Others.

#### **4.3.1 Personal Beliefs of the Respondents:**

Personal beliefs of respondents highly influence the buyers buying decision making process. In long period personal beliefs becomes the brand loyalty of the buyer toward the particular product. Therefore this is the important affecting factor of buyers buying decision making process for the seller or company. Majority of decision about accept or reject a particular product largely depends upon the personal belief of the buyer. So to

find out the effect of personal belief in consumer decision-making the statement have been given as “**Yamaha motorbikes consume more fuel than Hero Honda motorbikes.**” The belief of the respondents about this fact is presented in table below;

**Table 4.3**

**Personal Belief of the respondents regarding fuel consumption of Yamaha than Honda Motorbikes**

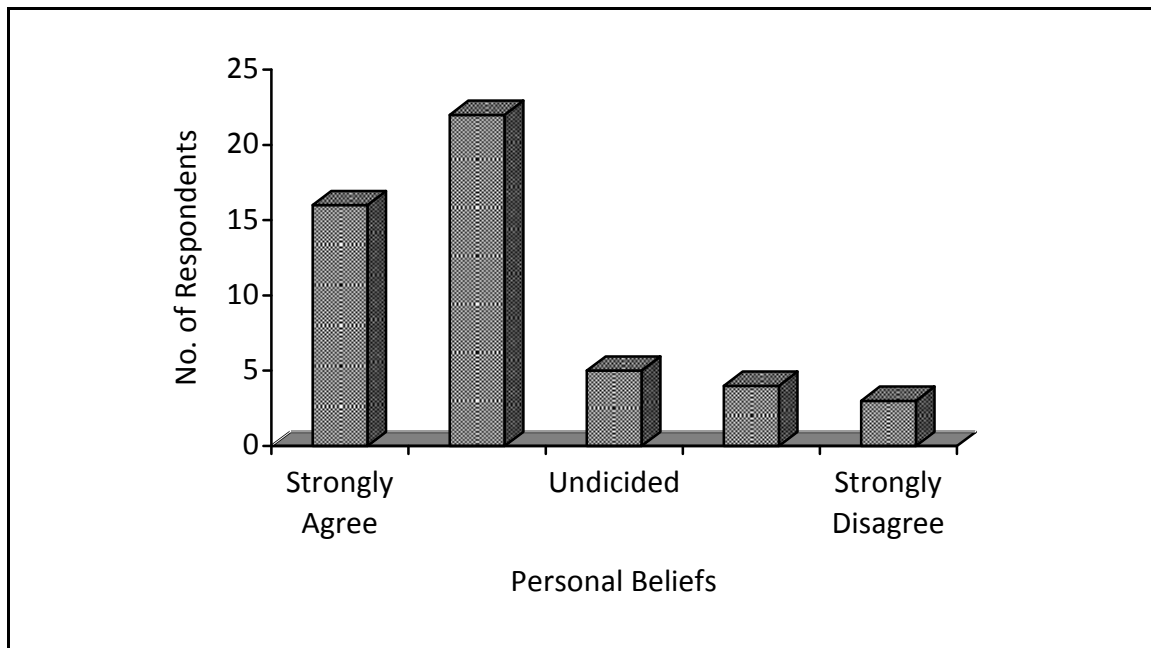
<b>Opinions</b>	<b>No.of Respondent</b>	<b>% in Total</b>
<b>Strongly Agree</b>	16	32
<b>Agree</b>	22	44
<b>Undecided</b>	5	10
<b>Disagree</b>	4	8
<b>Strongly Disagree</b>	3	6
<b>Total</b>	<b>50</b>	<b>100</b>

*(Source: Field Survey, 2011)*

By above table if the motorbikes conditions are perfect Hero Honda motorbikes consumes less fuel then Yamaha motorbikes. The study shows that the people have strong beliefs that motorbike produced by Hero Honda Company is more fuel efficient than motorbike produced by Yamaha Company. Majority of the respondent among 50 has the positive beliefs with the Hero Honda Company then the Yamaha Company regarding fuel efficiency. So the study shows that the demand of the buyers who are giving more emphasis in fuel efficiency of the motorbike is high for Hero Honda motorbike then Yamaha motorbike. According to above table 16 respondents are strongly agree with the statement, 22 respondents are agree with the statement, 5 respondents are undecided, 4 respondent are disagree and 3 respondents are strongly disagree with the given statement. This study shows the public image of Hero Honda is more fuel economical brand.

**Figure 4.3**

**Personal Belief of the respondents regarding Yamaha and Hero Honda Motorbikes**



Above figure show that buyers have great image about the Hero Honda motorbikes as fuel economy motorbike. The study shows that 32% of buyers strongly beliefs that the Hero Honda is fuel efficiency motorbike. And 44% of buyers are agreeing with the fuel efficiency beliefs of the Hero Honda motorbike. Undecided buyers about the fuel efficiency of motorbike are 5% and 8% of buyers has different views and they are not agreeing with the above statement. Strongly disagree with the statement are 6% of motorbike buyers. This is the very low percentage of the motorbike buyers. In this way the given statement is justified by the study. On the other hand beliefs of buyers of the motorbike regarding pickup of the motorbike may result totally different with this result regarding fuel efficiency. Because buyers beliefs in general that “Hero Honda is fuel efficiency motorbike and Yamaha is power motorbike”.

**4.3.2 Influence of Family and Outsiders**

Most of the Nepalese people take suggestions, interact and discuss with their Family, Friends, and Relatives and also with Salesperson before purchasing a high value goods. Here it was tried to find out the facts about the influences of family and outsiders in buyers’ buying decision making process.

**Table 4.4**

**Influences of Family and Outsiders in Buying Decision Making**

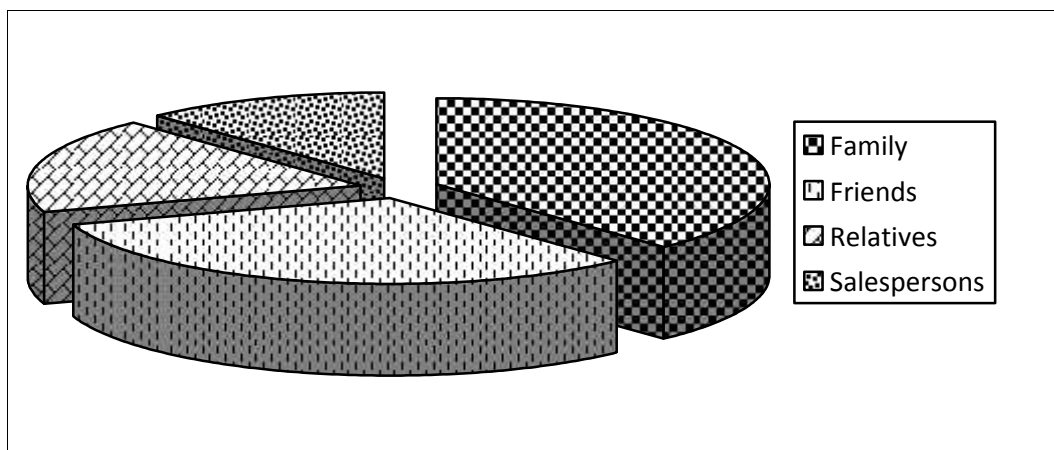
<b>Influencer</b>	<b>No. of Respondents</b>	<b>% in Total</b>
<b>Family</b>	19	38
<b>Friends</b>	16	32
<b>Relatives</b>	9	18
<b>Salespersons</b>	6	12
<b>Total</b>	<b>50</b>	<b>100</b>

*(Source: Field Survey, 2011)*

Above result of table shows that while making decision to select a product, recommendation of family influence is more than other influencing factors. Among 50 different respondents of this study of motorbike purchase in Chitwan District 9 respondents are influenced in buying decision making process by their own family. They buy the motorbike as their family suggest. After then the main influencing factor to buy the motorbike is friends. Among 50 respondent 16 respondents takes suggestions with their friends. Buyers of motorbike also discuss and take suggestions from their relatives also. Out of 50 people 9 people take suggestions from their relatives. And 6 respondents among 50 respondents also take suggestions from the salespersons.

**Figure 4.4**

**Influences of Family and Outsiders in Buying Decision Making**



The chart clearly shows that family has dominant role in buying decision making of the buyer. As the study findings 38 % of family influences. & the second main influencing factor is friends. The percentage of influencing factor friends is 32%. Many buyers like to discuss and take suggestion with their friends. Relatives are also important factor to influence the decision of motorbike buyers and the percentage of this is 18%. Very few persons take suggestions with salespersons for their buying decision. The study shows that only 12% of people take suggestions with salespersons to buy motorbike.

### 4.3.3 Influence of Media and Others

To find out the fact influence of media and other sources in buying decision making process we ask the question to fifty different respondents that – “Which factor initiates you more for your buying decision between Media and Others?” The result is presented below in table.

**Table 4.5**

#### **Influences of Media and Others in Buying Decision Making**

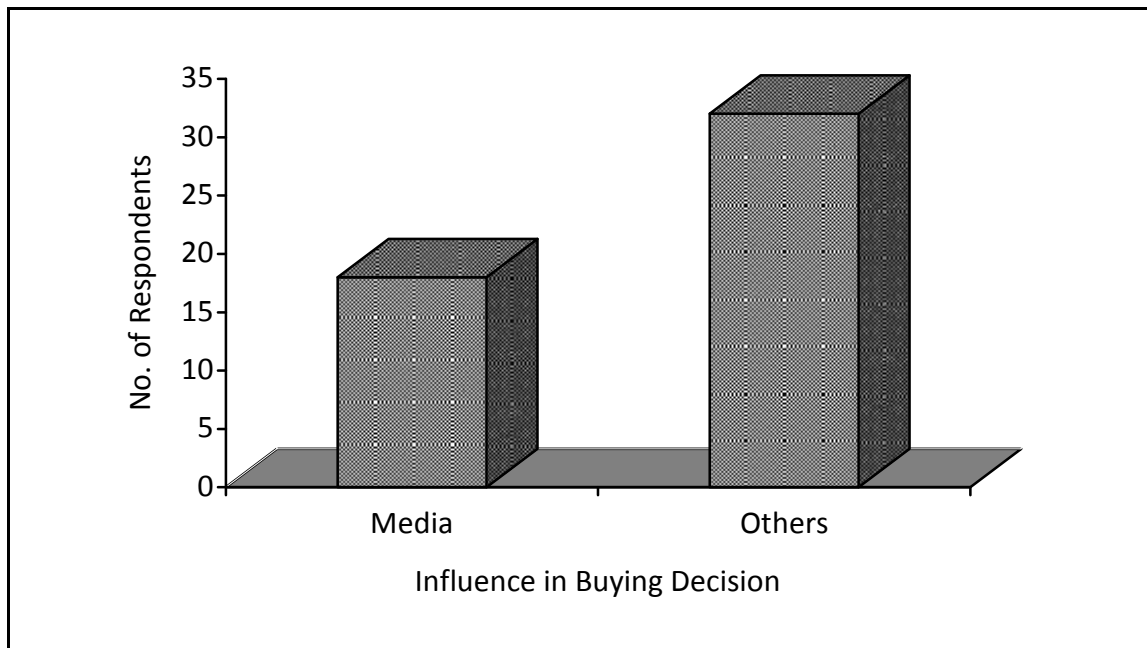
<b>Influencer</b>	<b>No. of Respondents</b>	<b>% in Total</b>
<b>Media</b>	18	36
<b>Others</b>	32	64
<b>Total</b>	50	100

*(Source: Field Survey, 2011)*

The study discloses that majority of buyers are influenced by others sources rather than media. Other sources like family, friends and relatives are playing important role in buying decision making. Among 50 respondents 32 respondents are influenced by other sources in their buying decision making. And second influencer media has also some value. Among 50 respondent of this study 18 respondents are influenced by media such as electronic media ( TV, Radio, Internet etc.) and paper media (News Paper, Magazine and books etc) . The study shows that other source has major role rather than media in buying decision making.

**Figure 4.5**

**Influences of Media and Others in Buying Decision Making**



Above bar diagram figure concludes that buying decision making of the buyer is more affected by the other sources like friend, family, sales person, relatives rather than media like electronic, print media etc. Other sources have 64% effect in buyers buying decision and media has 36% effect in buyers buying decision.

**4.4 Demographic Features that Affects Buying Decision Making Process**

Demographics factors are also important for studying the buyer behavior of buying decision making. The study is also done with the demographics backgrounds. Before going to main topic, a lot views have been taken of respondents to carry out the major demographic features that affect buying decision making process and to make my study easy. The demographic features that are under study here are; Income level, Education level, Age group and Occupation. Demographic features help to simplify the study and find out the popularity of the product having different demographic racial. To achieve or find out the most real findings or results demographic profile of the buyer have been presented and analyzed as follows.



## 4.5 Income Levels of Respondents

The buying decision making is the buyer is highly influences by income level. The income level of the respondent on this study is various as follows.

**Table 4.7**

### **Income Level of Respondents**

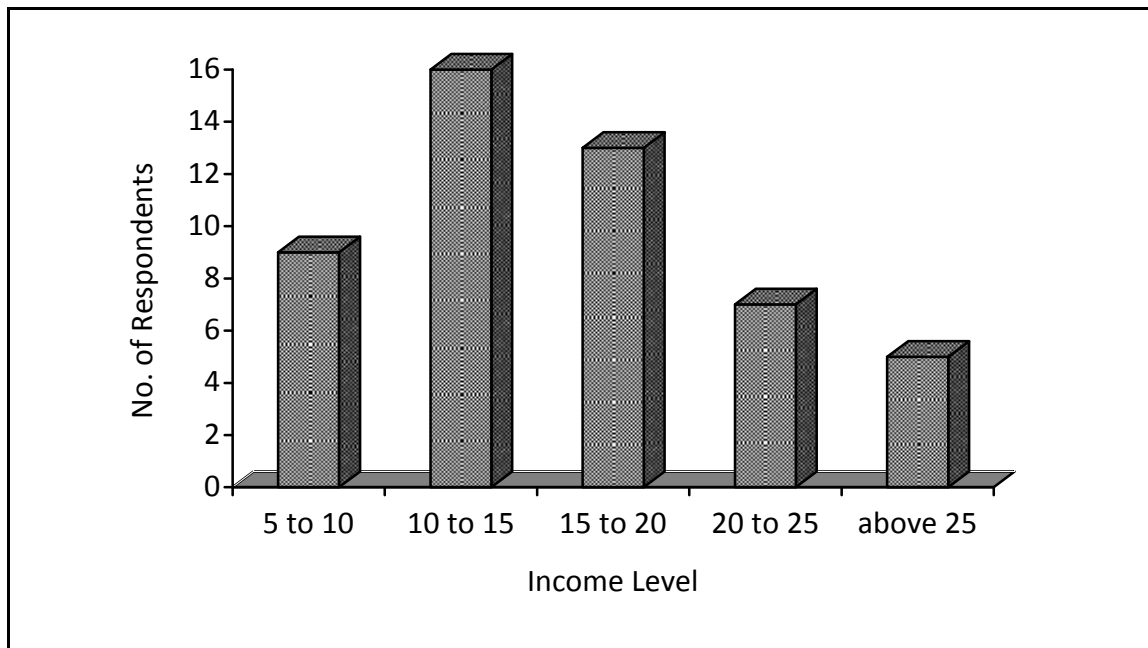
<b>Income '000'</b>	<b>No. of Respondent</b>	<b>% in Total</b>
<b>5 to 10</b>	9	18
<b>10 to 15</b>	16	32
<b>15 to 20</b>	13	26
<b>20 to 25</b>	7	14
<b>above 25</b>	5	10
<b>Total</b>	<b>50</b>	<b>100</b>

*(Source: Field Survey, 2011)*

The above table 4.7 expressed that the majority of buyers having income level in between 10-15 thousands per month. Having income of 5-10 thousands per month is 9 respondents out of 50 respondents. The majority of respondents having income level of 10-15 thousand per months are 16 respondents out of 50 respondents. And income level having 15-20 thousand are 13 and 20-25 thousand per months are 7 respondents out of 50 respondents. Having high level of income above 25 thousand are only 5 respondents out of 50 respondents. This is the very low representation of people of high income level.

**Figure 4.7**

**Income Level of Respondents**



The above figure shows that the maximum percentage of respondents is earning the income between 10-15 thousands and this is 32%. Having earning between the earning levels of 5-10 thousands is 18%. Earning 15-20 thousands per months is 26% and earnings 20-25 thousands is 14%. The high level of income above 25 thousand is only 10% in this study. The study shows that people having income level 10-15 and 15-20 thousands are most of the users of the motorbikes. People with low income level cannot afford the cost of motorbike and people with high income level are not so much interested for motorbikes. Peoples who want to buy motorbike with low and moderate level of income can use finance facility of different finance companies, cooperatives and some banks also. This facility increases the selling of motorbikes largely.

**4.5.1 Age Group of the Respondents**

The buying decision making of the buyer is highly influences by the age group of buyers. Adding the topic age group as another demographic feature is important for this study. Different age groups have different demand and desire of the product by nature.. And it tried to clarify with the help of table and figure below.

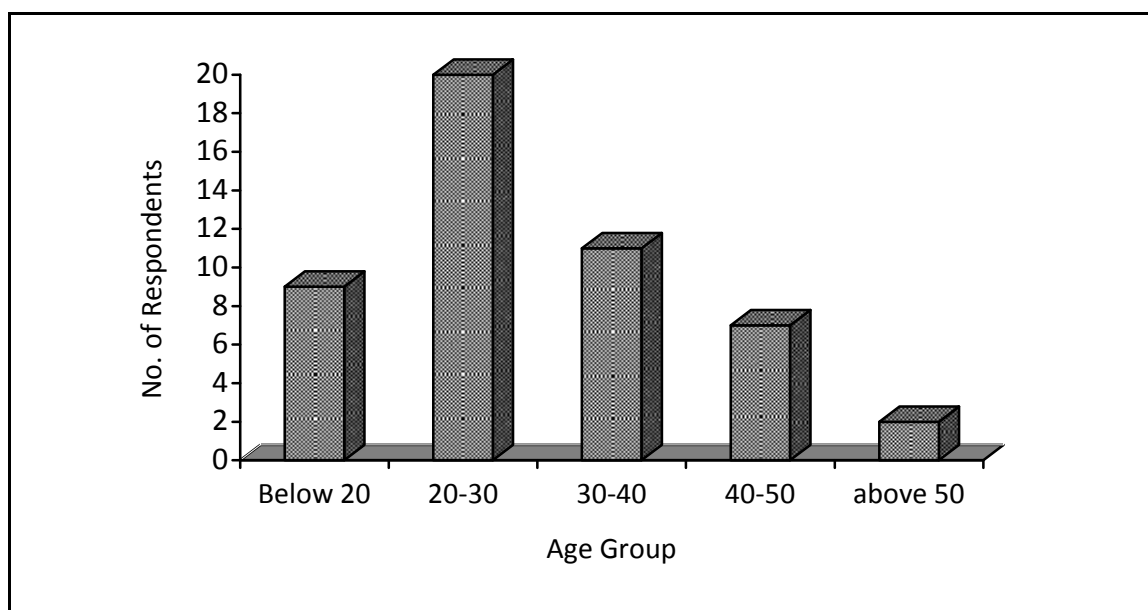
**Table 4.8**  
**Age Groups of the Respondents**

<b>Age Group</b>	<b>No. of Respondents</b>	<b>% in Total</b>
<b>Below 20</b>	9	18
<b>20-30</b>	20	40
<b>30-40</b>	11	22
<b>40-50</b>	7	14
<b>above 50</b>	3	6
<b>Total</b>	<b>50</b>	<b>100</b>

*(Source: Field Survey, 2011)*

The above table shows that the majority of the buyers/respondents are between the age group of 20-30 years and minority in age group above 50 years. The study was conducted with total 50 respondents. The respondents were of age group below 20 years are 9 respondents, age groups of 20-30 years are 20 respondents, age groups of 30-40 years are 11, age groups of 40-50 years are 7 and age groups of above 50 years are only 3 respondents.

**Figure 4.8**  
**Age Groups of the Respondents**



*(Source: Field Survey, 2011)*

Above diagram represents the age group of the respondents. The majority of the respondents are of age group of 20-30 years and it is 40% of all respondents. Age group below 20 years are of 18%, age group of 30-40 years are of 22%, age group of 40-50 years are of 14% and age group of above 50 years are of 6% of buyers. The study shows that almost buyers of the motorbike are youth. Age groups of young stage and old stage represent age low percentage among the total motorbike buyers.

### **Education Level of Respondents**

Educated people takes more decision themselves; they are less dependent to others to making every kind of decision. Therefore another major factor that influences the buying decision making is education level of respondents. To find out the education level of the buyers to find education level was asked. Education level of buyers largely affect their own buying decision making process. The affect of education in buying decision making in table and statistical figure have been tried to so below.

**Table 4.9**

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

<b>Education Level</b>	<b>No. of Respondents</b>	<b>% in Total</b>
<b>Masters Degree</b>	9	18
<b>Graduate</b>	11	22
<b>Intermediate</b>	16	32
<b>S.L.C</b>	8	16
<b>Below S.L.C</b>	6	12
<b>Total</b>	<b>50</b>	<b>100</b>

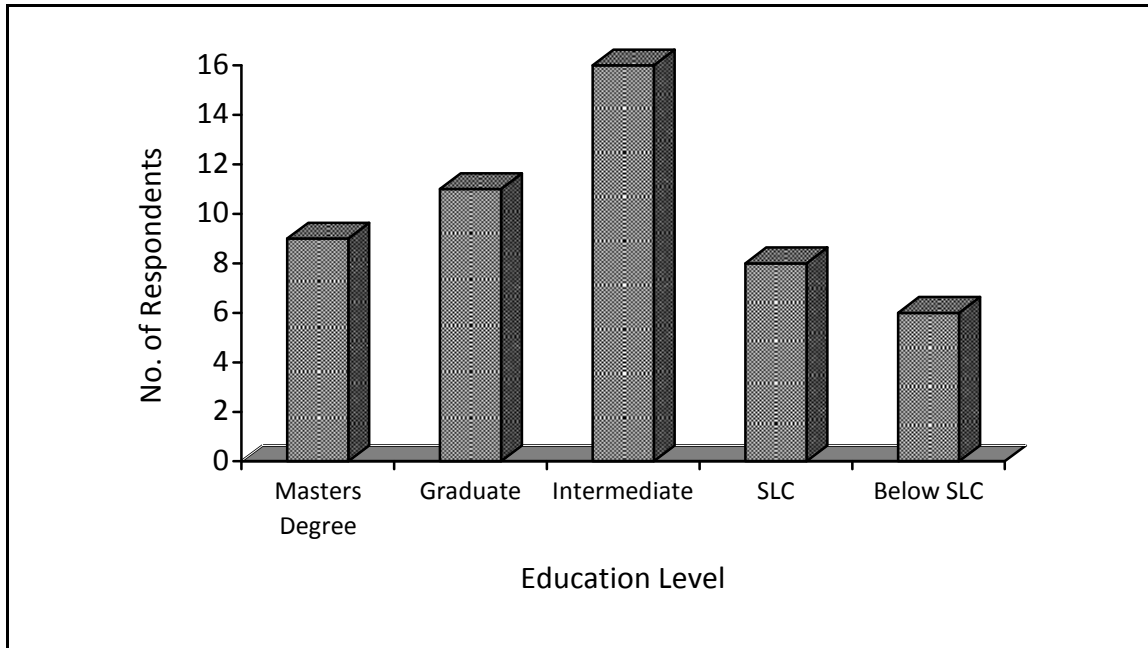
*(Source: Field Survey, 2011)*

Above study represents that most of the buyers are of education level of intermediate. The no. of respondents having intermediate educational level is 16 among total 50 respondents. The higher levels of education having Masters Degree are 9 respondents, and 11 respondents are of Graduate level. Respondents having S.L.C level of education are 8 and low levels of education below S.L.C are of 6 respondents. The study shows that

educated people have certain income and they are involved in various types of earnings jobs or tasks. So they can offer the cost to buy the motorbikes.

**Figure 4.9**

**Education Levels of Respondents**



The above bar diagram shows that the education levels of buyers of motorbike. The buyers of motorbike having high level of education Masters Degree are of 18 %. Having Graduate level of education are of 22% of motorbike buyers. Majority of the buyers are of Intermediate and they are of 32% which represents highest percentage among another education level. The buyer of motorbikes having S.L.C level of education are 16% and having buyers low level of education below S.L.C are of 12% only. The study shows that most of the buyers are educated. And they have their own profession or daily tasks which generates certain level of earnings also. They feel the needs of private vehicle for their regular jobs and they also can bear the cost of the motorbikes. In this way education level of buyers largely affects the demand and buying decision making of motorbikes.

**4.5.2 Occupations of the Respondents**

Occupation of the respondents is also the main affecting factor of buyers buying decision making. Buyers are from different occupations in this study. To find out the occupations of the respondents the question was putted as “what is your occupation? The main occupations of the buyers are: Student, Teacher, Service Holder, Business, Household

and agriculture. The fact figure of occupations of the buyers of motorbikes is defined below with the help of table and bar diagram.

**Table 4.10**

**Occupations of the Respondents**

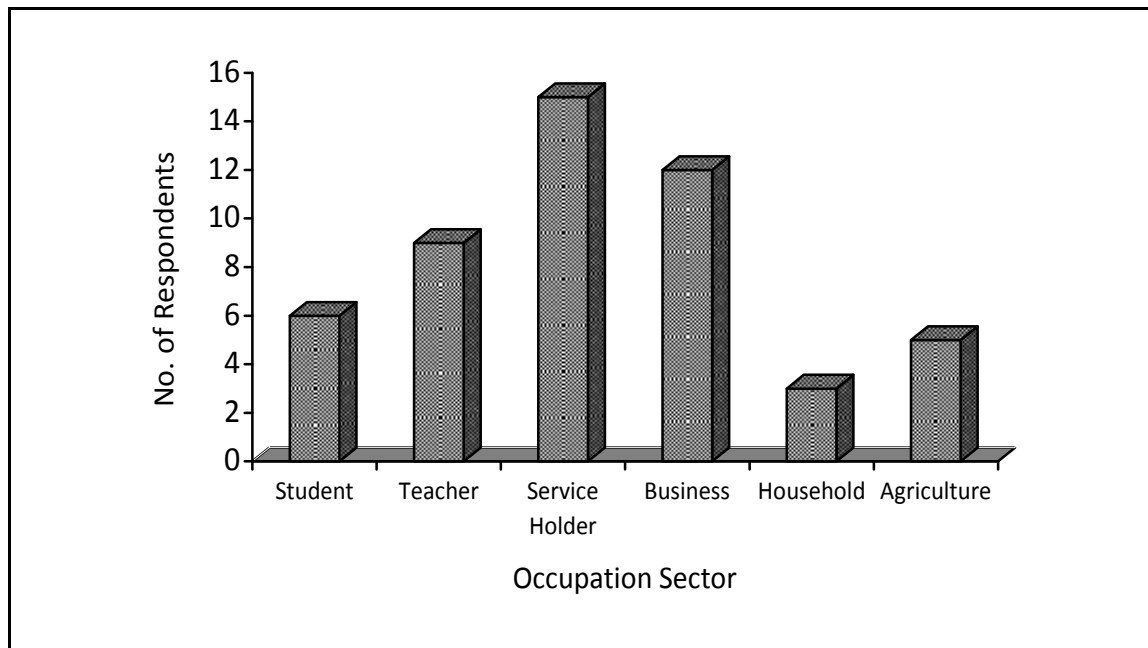
<b>Occupations</b>	<b>No. of Respondents</b>	<b>% in Total</b>
<b>Student</b>	6	12
<b>Teacher</b>	9	18
<b>Service Holder</b>	15	30
<b>Business</b>	12	24
<b>Household</b>	3	6
<b>Agriculture</b>	5	10
<b>Total</b>	<b>50</b>	<b>100</b>

*(Source: Field Survey, 2011)*

The study shows that most of the buyers are from Service Holder and Business occupation. The occupations from the Student are 6 respondents out of 50 respondents and the occupations from the Teacher are 9 respondents. Highest numbers of 15 respondents are from Service Holder occupation. The second largest numbers of 12 respondents are from Business occupation. The respondents from Household are 3 and 5 respondents are from Agriculture occupation. The study indicates that buyers having regular earnings are more offering for the motorbike which helps their regular occupation.

**Figure 4.10**

**Occupations of the Respondents**



Let's see the degree of motorbike users on basis of occupations of the buyers. The buyers from the student occupation are 12%, teachers are 18%. The buyers of the motorbike from the occupation of service holders are 30%, which the highest percentage among all other occupations. The second largest occupations from the buyers of motorbikes are Businessman. The percentage of business occupations is 24%. And 6% are from household and 10% from agriculture occupations buyers buys motorbikes for their uses. Who have no regular earnings they cannot afford motorbikes. Above bar diagram shows that only few percentages of buyers can afford motorbikes from the occupations of students, Household and Agriculture.

With the help of above demographic features the buyers / respondents behave on their buying decision making have been tried to clear. Further it was found that the way of spending habit was different in different income level. Education level helps for quick decision making in selection of particular brand and evaluation of available alternatives. On the other hand it is found that different age groups have different desires and decision-making capacity. The study shows that decision made by teen-agers to purchase a product is quick, immature and emotional whereas decision made by the respondents of mature age group is slow, matured and less emotional. The affect of occupation of the buyers has also important in buying decision making. This study of the demographic features which

affects the buying decision making of buyers helps me vary much during my this study. And the study of demographics features has important role in this overall study.

#### **4.5 Comparative Study of Decision Making in Between Hero Honda and Yamaha Motorbike**

Information about the product on which a study is done is important for the research task. Let's describe the general introduction .Yamaha and Hero Honda motorbike and their dealership in Nepal;

##### **HERO HONDA**

Hero Honda is one of the popular brands of motorbikes. And it is famous in Nepal and its mother country India also. The Syakar Co. Ltd. is the only one distributor of Hero Honda motorbike for Nepal. The company was established on B.S. 13<sup>th</sup> Bhadra 2033 as Syakar Co. Pvt. Ltd. And the company was converted into public limited company by private limited company on 26<sup>th</sup> Ashoj 2055 as Syakar Co. Ltd. The company's main products are:

- 1) Honda Car (Produced in Japan and India) which mother company is in Japan.
- 2) Honda Motorbike (Produced in Japan and India) which mother company is in Japan.
- 3) Honda Power Products: Generator, Lawnmower, Water Pump and Brush Cutter
- 4) Philips Products: Philips Television and Audio Visual System
- 5) Hero Honda Motorbike which mother company is in India.

Syakar Co. ltd. is leading company in all its products in Nepal and it is renowned company in Nepal. It is large selling company of motorbike in Nepal. The company succeeds to capture about more than 40% motorbike market of Nepal. According to the company its quantity of sales is 18000 Hero Honda motorbikes and near about 18000 Honda motorbikes per year in Nepal. The main showroom of the Honda and Hero Honda motorbike is in Kantipath. Hero Honda and Honda showrooms are separated by the company. The main Hero Honda showroom of Kantipath is selling 210 Hero Honda motorbikes per months and main Honda showroom of Kantipath is also selling 200 Honda motorbikes per months. The popular products of the company is "Splendor Plus"



in 100 CC, “Super Splendor” of 125 CC for gents and “Pleasure Scooter” in 100 CC for ladies.55 kilometer/liter and 150 CC of Hero Honda motorbikes gives 40 kilometer/ The main keys to success of the company are:

- 1) Fuel efficiency products, 100 CC of Hero Honda motorbikes gives 60 kilometer/liter , 125 CC of Hero Honda motorbikes gives liter
- 2) Resell value of the Hero Honda Motorbike
- 3) High quality of after sales service
- 4) Genuine spare parts economic than other competitive companies
- 5) Companies own finance facilities having competitive interest rate of 9% with diminishing interest rate which increase the company’s sales by 25% to 30%.

According to the company youth age group of the buyers like “CBZ” motorbike likes very much. The buyers who wants economical brand of motorbike like “Splendor Plus” and “Super Splendor”. The buyers who want luxuries motorbike like “Karisma”. The company has products of having all features likes by all types of motorbike buyers.

Syakar Co. Ltd. offers various types of schemes to its valuable customers such discount offer, coupon scratch offer, free helmet offer, exchange offer etc. mainly on the special occasions; New Year, Dashain and Tihar festival offer etc.

Apart from individual customers company also deal with the corporate customers also. Some corporate customers are; different government offices, banks (Nepal Bank Ltd., Nepal Investment Bank Ltd., Rastriya Banijaya Bank etc.), Private Offices, International Agencies ( Offices of United Nations’ different programs), Different Insurance Companies etc.

The company is starting “Safety Driving Training Course” in Kathmandu Valley in near future about two months. The training is on going nature training which will be conducted direct supervision of Honda Company Japan. This is the genuine and innovative training first time in Nepal. The training will benefits buyers of motorbike very much. The training that is going to start in very near future is appreciable job of the company.

The company is trying to fulfill the requirements, expectations and needs of the buyers such as modern bike, stylish bike, sporty looks, mace wheels bike, self start facility,

Digital Meter, Disk break in both wheels etc. The company is very near to fulfill the desires of its customers. So it is established as leading company in motorbike market of Nepal. The company's close competitors are Yamaha and Bajaj motorbikes.

The Syakar Co. Ltd. is operating its business all over Nepal by different branch offices, dealers and sub dealers.

### **SYAKAR CO.LTD**

<b>1) KATHMANDU VALLEY SHOWROOM</b>			
<b>S.NO.</b>	<b>SHOWROOM</b>	<b>BRAND</b>	
1	Kantipath Showroom	HERO HONDA	
2	Teku Showroom	HERO HONDA	
3	Putalisadak Showroom	HERO HONDA	
4	Kumaripati Showroom	HERO HONDA	
5	Balaju Showroom	HERO HONDA	
6	Kantipath Honda Showroom		HONDA
7	New Putalisadak Showroom		HONDA
8	Batisputali Showroom		HONDA
9	Kupondol Showroom		HONDA
10	Buddha Bari Showrrom		HONDA
<b>KATHMANDU VALLEY DEALERS</b>			
1	New Prakhar Enterprises, Bhaktapur		HONDA
2	Tanani Enterprises, Naya Baneshwor		HONDA
3	Chandeshwori Auto Engg., Banepa		HONDA
4	Prakhar Enterprises, Bhaktapur	HERO HONDA	
5	Face to Face Concern, Chabahail	HERO HONDA	
<b>2) ESTERN SECTOR (BRANCH)</b>			
1	Bhajuratna Engineering & Sales Ltd., Shreepur, Birgunj	HERO HONDA	
2	Bhajuratna Engineering & Sales Ltd., Hetauda	HERO HONDA	

3	Bhajuratna Engineering & Sales Ltd., Biratnagar	HERO HONDA	HONDA
<b>ESTERN SECTOR (DEALERS)</b>			
1	Rishi Ambika Trading Co.Pvt.Ltd., Damak		HONDA
2	Budha Enterprises, Birtamode		HONDA
3	B.K. Enterprises, Janakpur		HONDA
4	Nau-Durga Spare Parts, Biratnagar		HONDA
5	Auto Land, Hetauda		HONDA
6	Shakti Motor, Birgunj		HONDA
7	Om Shatya Sai Suppliers, Ithari		HONDA
8	Milan Impex, Dharan		HONDA
9	Rohit Auto Centre, Malangwa		HONDA
10	Om Shatya Sairam Trading Pvt.Ltd. Damak	HERO HONDA	
11	Sujata Automobiles, Birtamode	HERO HONDA	
12	S & S Automobiles, Birtamode	HERO HONDA	
13	Raman General trading Pvt.Ltd., Janakpur	HERO HONDA	
14	Pallawi General Suppliers, Malangwa	HERO HONDA	
15	Rohit Enterprises, Birgunj	HERO HONDA	
16	Laxmi Trading House, Biratnagar	HERO HONDA	
17	K.S. Traders, Ithari	HERO HONDA	
18	Bhadrakali Mahalaxmi Enterprises, Rajbiraj	HERO HONDA	
19	Swaraj Traders, Hetauda	HERO HONDA	
20	Swastik Auto & Trading Pvt. Ltd. Bardibas	HERO HONDA	
21	Sonali Enterprises, Jaleswor	HERO HONDA	
<b>3) WESTERN SECTOR (BRANCH)</b>			
1	Bhajuratna Engineering & Sales	HERO HONDA	

	Ltd.,Butwal		
2	Bhajuratna Engineering & Sales Ltd., Bhairahwa	HERO HONDA	
3	Bhajuratna Engineering & Sales Ltd., Bharatpur	HERO HONDA	
4	Bhajuratna Engineering & Sales Ltd., Pokhara	HERO HONDA	
<b>WESTERN SECTOR (DEALERS)</b>			
1	Amrit International, Butwal		HONDA
2	Lalit Enterprises, Dang		HONDA
3	Kumari Traders, Dhangadi		HONDA
4	Kuwar Brothers & Sons, Pokhara		HONDA
5	Nagarjune Enterprises, Bhairahwa		HONDA
6	Jayant Enterprises, Nepalgunj		HONDA
7	United Motors Ltd., Narayanghat		HONDA
8	Yadhav Brothers, Baglung		HONDA
9	New Bulbule Auto sales, Surket		HONDA
10	D.R. Traders & Suppliers, Kanchanpur		HONDA
11	Himalayan Auto trading Pvt.Ltd., Butwal	HERO HONDA	
12	K.D. Enterprises, Dang	HERO HONDA	
13	Sujata Trade Link, Dhangadi	HERO HONDA	
14	Tulshi Trade Link, Tikapur	HERO HONDA	
15	International Auto Parts, Pokhara	HERO HONDA	
16	Nagarjune Traders, Bhairahwa	HERO HONDA	
17	M S Traders International	HERO HONDA	
18	Swastik Nepal Pvt.Ltd.	HERO HONDA	
19	Joshi Trade Enterprises & Suppliers,	HERO HONDA	
20	Sabona International, Baglung	HERO HONDA	

Total Hero Honda (Showroom) 36

Total Honda (Showroom) 28

**Total Showroom 64**

(Source: Syakar Co.Ltd., Jyoti Bhavan, Kantipath)

## YAMAHA

Yamaha is also the one of the popular brand of motorbikes. It is famous in Nepal and its mother country India also. Its mother company is “Yamaha Motor India” which is totally owned by “Yamaha Motor Company” of Japan. Morang Auto Works is the only one authorized distributor of Yamaha motorbikes for Nepal. The Morang Auto Works (MAW) was founded in 1964-65 A.D. And the company was established in the main Industrial city of Biratnagar, Nepal. The company is operating its corporate office in Teku Road, Tripureshwor, Kathmandu, Nepal. MAW entered into agencies of automobile ancillary products and took distributorship of various companies like Goodyear Tyres, Mico Bosch, Mahale, Goetze, Talbros Gaskets etc. The company also took over the dealership of Ford tractors in 1973. In the year 1975 Morang Auto Works (MAW) started the Two-wheeler division. In order to support the agency business, participated in joint venture with United Finance Limited (UFL). In the year 1999, Morang Auto Works (MAW) started its Engineering Division With agency of Gensets, Compressors, Weighing Machine and Boilers to cater to the need of Industries. In 2000, Morang Auto Works (MAW) started Construction Equipment Division to cater to the needs and requirements of construction companies. In this the only one dealers of Yamaha motorbikes for Nepal, Morang Auto Works (MAW) has multidimensional trade in Nepal.

The philosophy of Morang Auto Works (MAW) according to its corporate profile is “to deal in quality products of international standard and forma customer base by achieving customer satisfaction through quality after sales service and to assure ours & our partners’ growth through consistent and innovative marketing efforts.” And its slogan is “Building Trust through Service”.

The company’s main products are:

- 1) **Two-Wheeler Division:** Yamaha Motorbike (Produced in Japan and India) which mother company is in India operated by Yamaha Motor Company, Japan.
- 2) **Four-Wheeler Division:** Scoda Car (Produced in Europe) which mother company is in Europe.
- 3) **Agro-Machinery Division:** Escorts, Farmtrac and Powertrac Tractors manufactured by Escorts Ltd., India.

- 4) **Engineering Division:** Power Generator (Greaves Limited), Power Transmission (Greaves Limited), Weighing Solution (Mettler Toledo), Air Solutions (Ingersoll-Rand), Material Handling (Escorts construction Equipment Limited), JCB Earthmoving and Construction Equipments.

Morang Auto Works is also leading company in all its products in Nepal and it is also renowned company in Nepal. It is second large selling company of motorbike in Nepal. The company succeeds to capture about more than 30% motorbike market of Nepal. According to the company its quantity of sales is about 15000 Yamaha motorbikes per year in Nepal. The main showroom of the Yamaha motorbike is in Tripureshwor, Kathmandu. Morang Auto Works is selling about 1 thousand motorbikes in Kathmandu Valley by different showrooms. The popular products of the company is “Gladiator” in 125 CC, and Latest Products are R1, R15, FZ16“.

The main keys to success of the company are:

- 1) Power Bike
- 2) Resell value of the Yamaha Motorbike
- 3) High quality of after sales service
- 4) Genuine spare parts
- 5) Companies own finance facilities

According to the company youth age group of the buyers like Yamaha motorbikes very much.

Morang Auto Works offers various types of schemes to its valuable customers such discount offer, coupon scratch offer, free helmet offer, exchange offer etc. mainly on the special occasions; New Year, Dashain and Tihar festival offer etc.

Apart from individual customers company also deal with the corporate customers also. Some corporate customers are; different government offices, different banks, Private Offices, International Agencies (Offices of United Nations’ different programs) etc.

The company is also trying to fulfill the requirements, expectations and needs of the buyers such as modern bike, stylish bike, sporty looks, mace wheels bike, self start

facility, Digital Meter, Disk break in both wheels etc. The company is very near to fulfill the desires of its customers. So it is established company in motorbike market of Nepal. The company's close competitors are Hero Honda, Honda and Bajaj motorbikes.

The Morang Auto Works is operating its business all over Nepal by different branch offices, dealers and sub dealers.

## **MORANG AUTO WORKS**

<b>1) KATHMANDU VALLEY SHOWROOM</b>		
<b>S.NO.</b>	<b>SHOWROOM</b>	<b>Address</b>
1	Morang Auto Works	Tripureshwor
<b>KATHMANDU VALLEY DEALERS</b>		
2	Risik Automobiles Pvt.	Kumaripati
3	MSK Automobiles	Kantipath
4	Anurama Trade	Chabahil
5	DAS Auto Enterprises	Bhaktapur
<b>KATHMANDU VALLEY TRADE-IN</b>		
6	Shri Chandra Auto	Rato Pool
7	B.N.Pathak Enterprises	Gopikrishna Nagar
8	Manoj Auto Enterprises	Maharajgunj
9	NK Traders	Naya Baneshwor
10	Anurama Trade	Battisputali
11	Golden Nepal Enterprises	Lainchour
12	Kaligandaki	Naya Bazaar
13	Swoyambhu Recondition	Kuleshwor
14	BS Auto Enterprises	Naya Baneshwor
15	Kumari Recondition Workshop	Tutepani
16	D & D Auto Links	Teku
<b>2) ESTERN REGION</b>		
1	P.R. Traders & Suppliers Pvt. Ltd.	Biratnagar

2	Sayapatri Trade Link	Birtamod
3	Gajurmukhi Auto Trade Center	Damak
4	Chandika Automobiles	Rajbiraj
5	Tirupati Auto City	Ithari
6	S & S Auto Centre	Lahan
7	P.R. Traders & Suppliers	Inaruwa
8	S & S Auto Works	Mirchaiya
9	Unique Auto Works	Hile
10	Sumitra Auto Parts	Gaighat
11	Shree Chandika Automobiles	Phattepur
12	New Gajurmukhi Auto Trade Center	Pathari
13	Ishwor Enterprises	Khadbari
<b>3) CENTRAL REGION</b>		
1	Navin Auto Centre	Narayanghat
2	Gautam Auto Works	Birgunj
3	Janaki Auto Centre	Janakpur
4	Om Auto centre	Malangawa
5	S P Amatya Stores	Trishuli
6	Global Auto Works	Banepa
7	Civil Multi Purpose	Dhangadi
8	Navin Auto Centre	Bharatpur
9	Kalika Auto Works	Parsha
10	Ved Auto Mobiles	Gaur
<b>4) WESTERN REGION</b>		
1	VishowaKarma Auto Works	Pokhara
2	Sapana Auto Mobiles Traders	Butwal
3	Gyanendra Auto Works	Palpa
4	Shrestha Auto Workshop	Gorkha



5	New Modern Auto Works	Damauli
6	Nuwakot Auto Works	Syangiha
7	New Baglung Auto Works	Baglung
8	Samara Motorcycle Workshop	Lamjung
9	Lumbini Auto Works	Kawasoti
10	Jai Mata Di Automobiles	Argakhachi
11	Mahalaxmi Automobiles	Chaundrata
12	Manakamana Auto Mobiles	Jitpur
13	New Lumbini Motor Parts	Tamgas
14	Balkrishna Auto Works	Rampur (Palpa)
15	Sapana Auto Mobiles	Bhairahawa
16	Shree Durga Enterprises	Parasi
17	Shrestha Motorcycle Workshop	Ridi
<b>5) MID WESTERN REGION</b>		
1	Shrestha Auto Mobiles	Dang
2	Danish Auto Shop & Suppliers	Surkhet
3	Online Overseas	Nepalgunj
4	Shrestha Automobiles	Tulsipur
5	Swargadwari Automobiles	Pyuthan
<b>6) FAR WESTERN REGION</b>		
1	Sweta trading Concern	Dhangadi
2	Shyamrathi Tradees	Mahendranagar
3	Sweta Trading concern	Tikapur

**Total Showroom    64**

*(Source: Morang Auto Works, Tripureshwor, Kathmandu)*

#### **4.6.1 Number of the buyers of Hero Honda And Yamaha in total respondents on the basis of different distinct features**

Let's try to find out the number of the buyers of Hero Honda and Yamaha motorbikes on the basis of fuel economy, durability, performance, after sales service, spare parts etc. for

comparative study of the two most competitive companies of motorbikes in Kathmandu Valley.

#### 4.6.1.1 Comparison on the basis of Fuel Economy

To find out the choice of the motorbike buyers between Hero Honda and Yamaha motorbike on the basis of fuel economy. For this study 50 respondents of different age groups have been taken for this study within Kathmandu Valley and ask the question on the basis of fuel economy between Hero Honda and Yamaha Motorbike. Which do you feel more fuel economic motorbike? The finding is presented below.

**Table 4.11**

#### **Comparison on the basis of Fuel Economy**

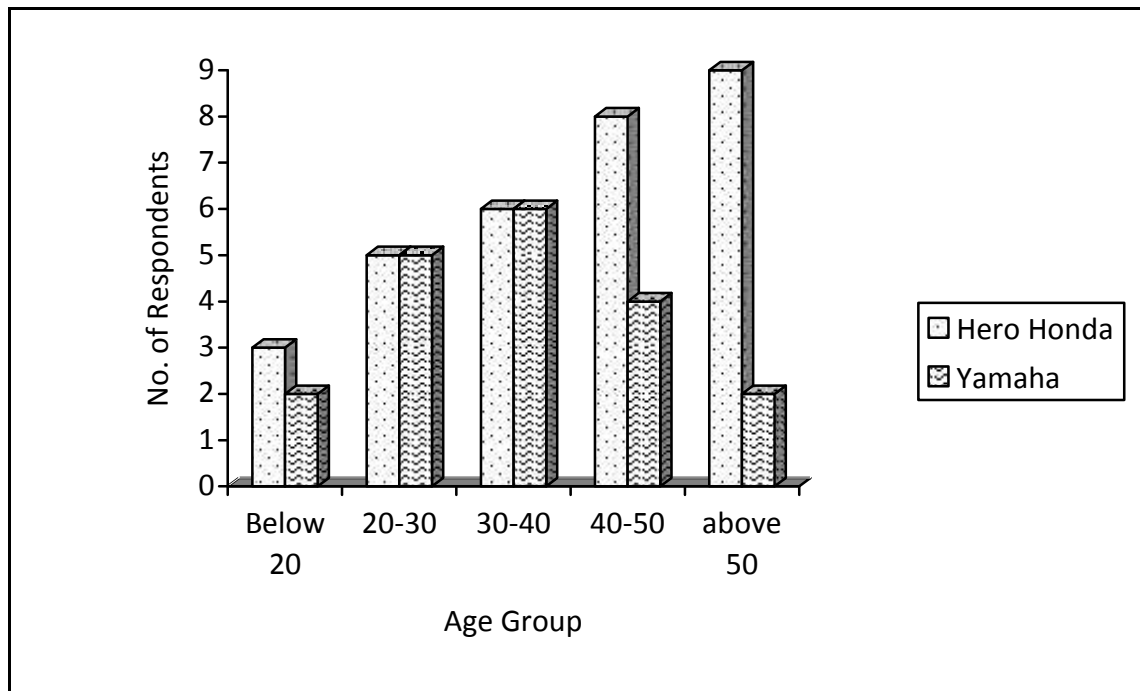
<b>Age Group</b>	<b>Hero Honda</b>	<b>Yamaha</b>	<b>% of Hero Honda</b>	<b>% of Yamaha</b>
<b>below 20</b>	3	2	6	4
<b>20-30</b>	5	5	10	10
<b>30-40</b>	6	6	12	12
<b>40-50</b>	8	4	16	8
<b>above 50</b>	9	2	18	4
<b>Total</b>	<b>31</b>	<b>19</b>	<b>62</b>	<b>38</b>

*(Source: Field Survey, 2011)*

Above table shows that the majority of the buyers like to buy or use Hero Honda motorbikes then Yamaha motorbikes. Total of different age groups among 50 respondents 31 respondent beliefs that Hero Honda motorbike is more fuel economy motorbike and 19 respondents like to use or buy Yamaha on the basis of fuel economy. Between same CC of Hero Honda and Yamaha motorbike, Hero Honda gives more mileage than Yamaha motorbikes.

**Figure 4.11**

**Comparison on the basis of Fuel Economy**



Above figure also clear that most of the buyers like Hero Honda than Yamaha motorbikes on the basis of fuel economy. 62% of buyers like to buy Hero Honda motorbikes and 38% of buyers like to buy Yamaha motorbike on the basis of fuel economy. Hero Honda motorbike is known as fuel economy motorbike. People in Nepal like to buy and use more economical motorbikes and don't like to buy more fuel consuming motorbike. Because the overall economical condition of the Nepalese people is not sound. Most of the people or buyers of Nepal are from low economical level and medium economical level. Having high economical level of people is very few in Nepal.

**4.6.1.2 Comparison on the basis of Durability**

People take lots of time to find the durability of the given products which costs high. So the buyers very much depend on the durability of the products for their buying decision making. The choice of the motorbikes between Hero Honda and Yamaha on the basis of durability is presented below.

**Table 4.12**

**Comparison on the basis of Durability**

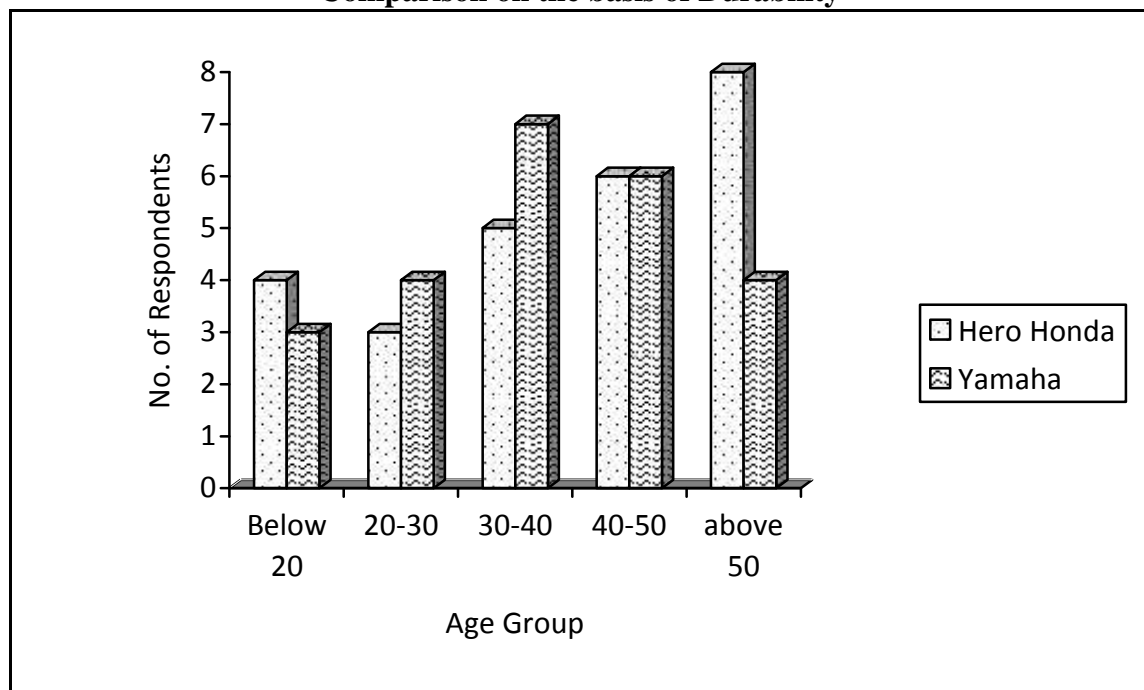
Age Group	Hero Honda	Yamaha	% of Hero Honda	% of Yamaha
below 20	4	3	8	6
20-30	3	4	6	8
30-40	5	7	10	14
40-50	6	6	12	12
above 50	8	4	16	8
<b>Total</b>	<b>26</b>	<b>24</b>	<b>52</b>	<b>48</b>

(Source: Field Survey, 2011)

Above presented table shows the fact figure about the choice of buyers or users of motorbikes on basis of durability between Hero Honda and Yamaha motorbikes. The study shows that the choice of the buyers or users of motorbikes between Hero Honda and Yamaha 26 respondents likes to buy Hero Honda and 24 respondents likes to buy Yamaha motorbikes among 50 respondents. The study shows that the number of buyers of Hero Honda motorbikes is more than the number of buyers of Yamaha motorbikes. But the different is not big between the buyers of Hero Honda and Yamaha motorbikes. Both brands of motorbikes seem as durable as each other. The belief of the buyers on durability of Hero Honda is little bit more than Yamaha motorbikes. When buyers spend big money then everyone looks for the durability of the products. This is the natural behavior of the buyers.

**Figure 4.12**

**Comparison on the basis of Durability**



The figure also clear that the degree of buyers or users of motorbikes on the basis of durability of the motorbike between Hero Honda and Yamaha motorbikes. The total percentage of the buyers or users of Hero Honda motorbikes is 52% and the total percentage of the buyers or users of Yamaha motorbikes is 48%. On the basis of durability both brands of motorbikes are not much more different. It is near about 50-50%. To acquire the above result the question in questionnaires have been put as “which brand of motorbike you feel durable?” among Hero Honda and Yamaha. The study shows the beliefs of the buyers of motorbikes among Hero Honda and Yamaha is not much more different on the basis of Durability. The percentage of the buyers or users of Hero Honda and Yamaha motorbikes is near with each other.

#### **4.6.1.3 Comparison on the basis of Performance**

Performance plays vital role in buyers buying decision between alternatives. It is another main attribute of the automotive equipments. So the buyer gives large consideration to the performance of the product before buying a product. questions about performance have been asked in this study to 50 respondents of Kathmandu Valley; which brand have good pick-up in between Hero Honda and Yamaha motorbikes. The performance of the both motorbikes in city and plain areas and village and hilly areas in the study was focused because it was found that my study. Because I found that the respondents views that both brand of motorbikes gives different performance in city and plain areas and village and hilly areas. So, the study of comparison of Hero Honda and Yamaha motorbikes on the basis of performance have been divided into; i) Performance in city and plain areas and ii) Performance in village and hilly areas.

##### **4.6.1.3.1 Comparison on the basis of Performance in City and Plain Areas**

As the view point of respondents the pick-up of the both Hero Honda and Yamaha motorbikes is different in city areas. To find out the real fact about the performance in City and Plain areas, the question to all 50 respondents was put as; “Performance of Hero Honda is Superior to Yamaha in City and Plain areas. Do you agree with this statement?” the findings of the result are presented below in table and chart.

**Table 4.13**

**Comparison on the basis of Performance in City and Plain Areas**

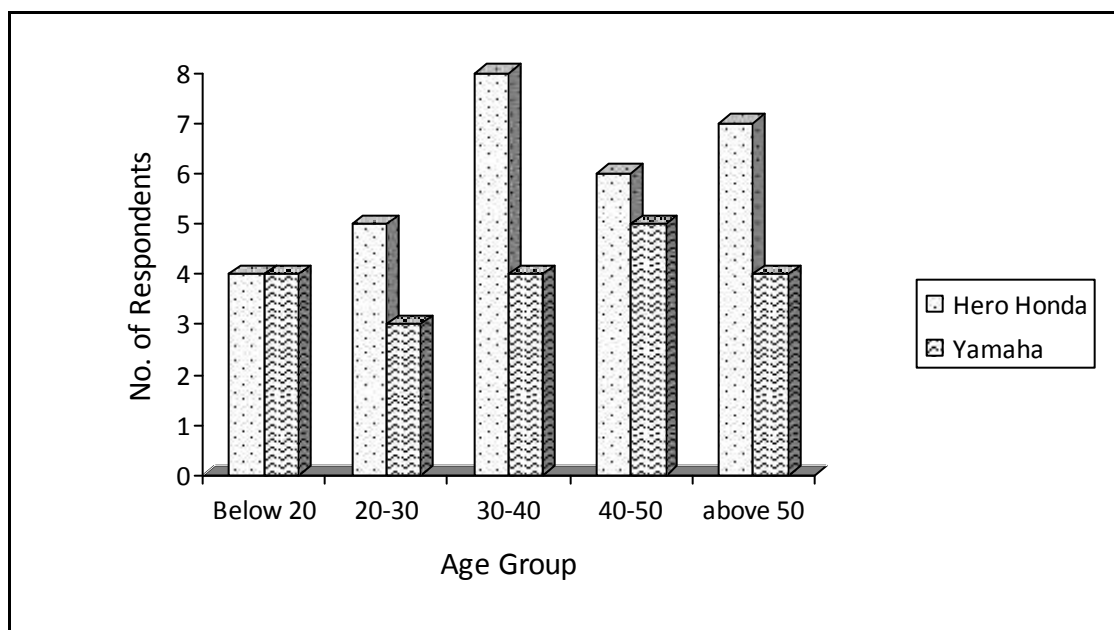
Age Group	Hero Honda	Yamaha	% of Hero Honda	% of Yamaha
<b>below 20</b>	4	4	8	8
<b>20-30</b>	5	3	10	6
<b>30-40</b>	8	4	16	8
<b>40-50</b>	6	5	12	10
<b>above 50</b>	7	4	14	8
<b>Total</b>	<b>30</b>	<b>20</b>	<b>60</b>	<b>40</b>

*(Source: Field Survey, 2011)*

Table 4.13 represents 30 respondents has the view that the performance of the Hero Honda motorbikes is superior to the performance of the Yamaha motorbikes in City and Plain areas. And 20 respondents have the view in favor of Yamaha motorbikes among the 50 respondents regarding the performance in City and Plain areas.

**Figure 4.13**

**Comparison on the basis of Performance in City and Plain Areas**



Above figure shows that most of the buyers have the view that Hero Honda motorbike gives more pick-up or performance than Yamaha motorbikes in City and Plain areas. The degree of respondents in favor to Hero Honda motorbike is 60% and in favor to Yamaha motorbike is 40%. The study shows that buyers live in City and Plain areas want to buy Hero Honda motorbikes where almost roads are plain and black topped.

#### **4.7 Major Findings of the Study**

The major findings of the study titled “**A COMPARATIVE STUDY ON BUYER’S DECISION MAKING ON PURCHASE OF HERO HONDA AND YAHAMA MOTORCYCLES**” will support and play important role for motorbike buyers on their buying decision making. And the major findings of the study also help to the motorbike company to know the perception of the buyers, beliefs of the buyers, requirements of the buyers, demands of the buyers, choice of the buyers, behavior of the buyers and buying decisions making of the buyers. The major findings of the study are presented below based on the above analysis.

- 1) The main purposes of motorbike purchase in Chitwan Valley are to use for regular up and down to office and to use for daily business task. Buying of motorbike purchase for other purpose is low. Because of the poor service of public vehicles and traffic jam of Chitwan valley most of the people are motivated to buy motorbikes.
- 2) To select a particular brand of motorbikes buyer looks for Price, Fuel efficiency, Durability and Performance (Pick-up). Buyer gives their higher preference on Performance and Fuel Efficiency of the particular brand to make buying decision.
- 3) Personal beliefs of the Respondents largely affect the buying decision making. If the personal beliefs is in favor of the product it will has multiple positive effect and if the personal beliefs is negative for the product the affect will be harmful for the product.
- 4) The influencing factor family, friends, relatives, salespersons and unions has also important role in buying decision making of buyers.
- 5) Media: TV, Radio, FM Radio, Newspapers, Booklets, Wallpapers, Pamphlets, Books, Booklets and Promotion (Advertisements) also plays significant role in buying decision making.

- 6) Demographic features like Age Group, Income Level, Occupations and Education level also highly influence the buying decision making. It is found that the choice of the product in different Age Group is different and they have their own analysis and interpretation about the product.
- 7) Buyers are more aware about the fuel efficiency of the motorbike for their buying decision making. The finding of the study is that Hero Honda motorbikes are more fuel efficient than Yamaha motorbikes.
- 8) Buyers also see the durability of the motorbikes for their buying decision making. The finding of the study is that both of the motorbikes Hero Honda and Yamaha are durable. According to the study the choice of the Hero Honda is ahead than the choice of the Yamaha on the basis of durability but the difference is not big.
- 9) The study found that the buyer gives highest emphasis to the performance (Pick-up) the motorbikes. According to the study Hero Honda motorbikes are best fit to City and Plain areas and Yamaha motorbikes are best fit to Village and Hilly areas on the basis of performance.
- 10) The study shows that buyers give importance to After Sales Service; regular servicing facility, cost and quality of spare parts, facility of warranty and guaranty services etc. And the study finds that the After Sales Service provided by Hero Honda Motorbike Company is ahead than Yamaha Motorbike Company.
- 11) The overall ranking of Hero Honda and Yamaha motorbike after the study and analysis on the basis of different distinct features; it is found that the overall ranking of Hero Honda Motorbike Company is greater than the overall ranking of Yamaha Motorbike Company. The study shows that the majority of the buyers prefer Hero Honda motorbikes than Yamaha motorbikes.



## CHAPTER 5

### SUMMARY, CONCLUSION AND RECOMMENDATION

#### 5.1 Summary

The success and failure of the firm largely depends upon the buyers' acts and responses to the product presented by the firm or company in the market. Being success in the market is not an easy task. Company has to win heart of the buyers. So, the seller makes lots of effort to win the heart of the buyers. They have to know and present their products according to the buyers' needs and demands in market. Company has to always up to date about the market demand and its trends. The depth knowledge of the market about the product is crucial for being success in the market. The buyers and consumers acts and responses differently in market according to their age group, education level, occupations, needs, wants and demands, beliefs, preferences, priority etc. The acts and responses of buyer denote the behavior of the buyer or consumer. This action may be positive or negative. Positive actions and responses of the buyer secure success of the firm in future. In the other hand negative actions of the buyers create problem and finally firm fails in marketplace. The life or death of the company mainly depends on the consumers' and buyers' behaviors.

In other hand decision making is not an easy task for consumers and buyers which is one of the most important tasks. And the task must be taken by the buyers before purchasing a product. Without making of decision whether the particular product is to be purchased or not, no consumers and buyers buys the product. Eventually the buyer and consumer create demands for the product; the aggregate of individual consumers or buyers is called as the "market". The success of the firm and company in market largely depends upon the buyers' behavior. If the buyers and consumers make decision to buy the particular product, the product is soled in market and the result of this is positive to the company's and firm's success in market. And if the buyers and consumers make decision not to buy the particular product, the product cannot be soled in market and the result of this is negative to the company's and firm's success in market. In this way company's and firm's success is largely depends upon the consumers' and buyers' decision to buy the particular product or not to buy the particular product. This kind of their acts or responses denotes the buying decision behavior of the buyers or consumers. Buying decisions may

either positive or negative. Positive actions and decision of the buyers secure the future success of the firm and negative actions and decision of the buyers harms the future success of the firm. The dangerous thing is that the whole negative actions of the buyers create problem and play negative role to make the firm failure in the marketplace. That means the acts of individuals directly involved in obtaining and using economic goods and services, including the decision process that proceed and determine these acts, this is called buyers' behavior which is most important to the companies and firms for their success and sustainability in the competitive market.

Decision making is an act of buyers and consumers either a specific product meets their needs, wants and desires or not. If the specific product exactly fulfills the needs, wants and desires the buyers or consumers motivated to act for buying decision. If the specific product does not exactly fulfills the needs, wants and desires the buyers or consumers also does not motivated to act for buying decision. In this case buyers and consumers motivated to search for available different alternatives. The study shows that consumers and buyers takes enough time for taking buying decision according to his/her demand and finally purchase the product after the evaluation of all available different alternatives. Buying decision making process consists of the activities that the people engaged in when selecting, purchasing and using products and services so as to satisfy needs and desires of the buyers. In reality the buyer is sovereign, deciding whether to accept or reject a product on the basis of whether or not it meets perceived needs, wants and desires. To meet perceived needs, wants and desires of the buyers, the marketer must understand the buying decision behavior of the buyers and consumers. Understanding of buyer buying behavior is not easy it is complex and difficult task because buyer buying behavior is affected by so many influencing factors such as age group, education level, occupations, needs, wants and demands, beliefs, preferences, priority etc.

The increasing effect of globalization and technology buyers are enough aware and alert about the products and services. On the view point of marketer and seller the world is becoming very much complex and competitive day by day, so the task of marketer is also increased and not that much easy. Therefore understanding of buyers buying behavior is vital for marketers and sellers. To understand and be up to date buyer buying behavior is not easy task, it requires continuous efforts of research, investigation and exploration of buyers and consumers. However, such practices of research, investigation and exploration of buyers and consumers are rare in the case of Nepal. Some well-known companies are

in practice of doing their research, investigation and exploration of buyers and consumers in few extend. Different multinational companies are spending large sum of money for this purpose because they know very well about the importance of buyers buying behaviors in the company's overall success. Therefore almost efforts of the marketers and sellers are strictly focused to customer orientation and selling of product. In the competitive market the buyer has the number of choices and freedom of choice in product amongst to many alternative offerings in market. The buyer has freedom of whether to accept or reject the particular product on the basis of either the offer of product as per his/her expectations or not. The study also proves that the customer orientation and knowing the fact of buyers buying behavior is not easy it is very much difficult and complex task for the marketer and seller of the product in market.

As we know the importance of knowledge of buyers buying behavior to company and firm and also know that the acquiring knowledge and be up to date of buyers buying behavior is not easy it is very much difficult and complex task. This study will help to understand the buyer buying decision in some extend. The study is also serves as a brick to make clear the buyer behavior problems and solution. The on of the main objective of the study is to identify the purpose of motorbikes purchase in Chitwan district and the finding is majority of the buyers of motorbikes purchase motorbikes for regular up and down to office and then to use for daily business task. Buying motorbike for other purpose is very low. Second objective is to identify the areas under which the buyers of motorbikes make the decision before selecting a brand. The finding of the study is to select a particular brand of motorbikes buyer looks for Price, Fuel efficiency, Durability, Performance (Pick-up) and After Sales Service etc. After this the third objective of the study is to find out affecting factors in buyer's decision making process. And the finding is personal beliefs, family and outsiders (friends, relatives, salespersons and unions), Media: TV, Radio, FM Radio, Newspapers, Booklets, Wallpapers, Pamphlets, Books, Booklets and Promotion (Advertisements) has also important role in buying decision making of buyers. Demographic affecting factors such as Age Group, Income Level, Occupations and Education level also highly influence the buyer's decision making process. Finally the last objective is Comparative study of Hero Honda and Yamaha Brand motorbikes on the basis of views of buyers of these two brands and decision-making process of users to select the particular brands. The study shows that the majority of the buyers prefer Hero Honda motorbikes than Yamaha motorbikes.

To achieve the above mentioned finding, data are collected by the respondents with the help of questionnaires. Data are presented in table and figure form for final analysis to meet the objectives of the study. The lots of efforts are done to make the study genuine and valuable. The study has also so many limitations such as; the study is done with the short time period, the sample size of the study is very small, it only based on the Chitwan district. To minimize the affects of various limitations of the study, enough tasks and efforts is done to complete the study in this final form. The study is very much useful and supportive for both; the company of motorbikes and the buyers of the motorbikes in their own objectives.

## **5.2 Conclusion**

The study is done to acquire the buying decision making behavior of buyers and comparative study of Hero Honda motorbikes and Yamaha motorbikes in Chitwan district. Because of the limitation of the time small sample size is taken from the universe. And the sample size is of fifty respondents out of Chitwan district for the study. The respondents are very much supportive for me during my study. Self administered questionnaires set is distributed to each respondent and data of responses by each respondent have been collected, presented in table and figure forms and finally analyzed the data to achieve the objectives of the study. On the basis of the responses and information collected from the respondents following conclusion has been achieved and presented below:

The majority of the buyers of motorbikes purchase motorbikes for regular up and down to office and to use for daily business and then to use for other purposes. The study shows that most of the people buy motorbike for regular up and down to their own office. And second purpose of motorbikes buying is to use for daily business task. The use of motorbikes for other purpose is limited. Various decisions has been made by the buyer of motorbikes before selecting a particular motorbike brand such as, Price, Fuel efficiency, Durability, Performance (Pick-up) and After Sales Service etc. Buyers buying behavior of decision making is affected by various factors. They are personal belief of respondents, outsiders and family, media etc. if the personal beliefs is in favor to the particular product the impact will be positive and the personal beliefs is not in favor to the particular product the impact will be negative.

Family influence has more roles than outsiders (friends, relatives, salespersons and unions) while making the buying decision of the particular product. The study shows that Impact of media is less to other sources in buying decision making. Media: TV, Radio, FM Radio, Newspapers, , Wallpapers, Pamphlets, Books, Booklets and Promotion (Advertisements) has also important role in buying decision making of buyers. So today companies are spending big volume money in media and promotions. Demographic features such as; Age Group, Income Level, Occupations and Education level also highly influence the buyer's decision making process.

The study concludes that Hero Honda motorbikes are more durable than Yamaha motorbikes on the basis of durability perceptions of the buyers. But the difference is not big. The study shows 52% of buyer beliefs that Hero Honda as durable motorbike and 48% of buyer beliefs that Yamaha as durable motorbike. On the basis of fuel economy Hero Honda motorbikes gives better mileage than Yamaha Motorbikes. The study shows 62% of buyers beliefs that Hero Honda as fuel economy motorbike and 38% of buyers beliefs that Yamaha as fuel economy motorbike. The study find out that the performance of Hero Honda motorbikes is better in City and Plain areas and the percentage of buyers' beliefs is 60%. In other hand the performance of Yamaha motorbikes is better in Village and Hilly areas. According to the study 56% of buyers beliefs that Yamaha has better performance than Hero Honda in Village and Hilly areas.

Buyers give major emphasis on after sales services like; spare parts quality and the cost of spare parts, servicing facility including free servicing, facility of warranty and guaranty etc. The study shows that the quality of After Sales Service is better of Hero Honda Company with 54% of buyers' beliefs and Yamaha Company has also good After Sales Service with 46% of buyers' beliefs. The overall ranking of Hero Honda motorbikes and Yamaha Motorbikes on the basis of distinct features shows that 55% of the buyers believed that Hero Honda motorbikes are best and 45% of buyers believed that Yamaha motorbikes are best. The study shows that market of motorbikes is leading by the Hero Honda Motorbike Company. And Yamaha Motorbike Company has also better position in the motorbike market.

### 5.3 Recommendation

After the over all study and conclusion I have prescribed some recommendation below;

- 1) Most of the buyers purchase motorbikes for regular up and down to office and to use for daily business tasks. The purpose of motorbikes buying for other purposes is very low. So it is suggested that dealers of motorbikes should also covers their sales efforts toward the other purposes of motorbikes buying of buyers to enhance the sales growth of their own product.
- 2) The study found that the buyer of the product desires the product having price economy, low fuel consumption, durability of the product and high performance. Therefore the recommendation is very much important and fruitful that the company and dealers of the vehicle should give high consider to this fact to make the vehicle (motorbike) more competitive and desirable by the buyer. These are also taken as key points for success of the vehicle (motorbike) company.
- 3) Personal belief is strong impulses and motivator of buyer buying decision making. So, the company and dealers should understand the personal beliefs, personal behavior and motivational factors of buyer for effective sales closing, to built high public image and goodwill in marketplace.
- 4) The study shows that Family has strong influence in buyer buying decision making. Therefore before sales presentation the seller has to try to catch the sympathy of family members towards the company and also try to make the image and space in family members' hearts.
- 5) Media and promotions (advertisement) may play important role in buyers buying decision. So company and sellers have to use media and promotions (advertisement) in effective and better way to achieve the positive beliefs and to make the image and space in buyers' hearts.
- 6) According to the study different demographic features of buyer has large affect in the buying decision making of the buyer. Demographic features such as age group, education level, income level and occupations of the buyers bring the difference in choice of the product, priority to the product, selection of brand and pre and post purchase evaluation also. So, the recommendation to the company, seller, marketer

and dealers should understand the behavior and other demographic factors of the buyer and act accordingly to close the sales effectively and to create brand image high in marketplace.

- 7) It is suggested that the buyers who want fuel economical motorbike should purchase Hero Honda motorbikes and buyers who want power bike should purchase Yamaha motorbikes. The company and dealers of the Hero Honda motorbikes should consider the fact about power of the bike and its impact on total sales of the Hero Honda motorbikes. And the company and dealers of the Yamaha motorbikes should consider the fact of fuel efficiency of motorbikes and its impact on total sales of the Yamaha motorbikes.
- 8) The study shows that the durability of both motorbikes Hero Honda and Yamaha is not much more different; Hero Honda is a little bit ahead. So I give the suggestion to the buyers of motorbikes that any one brand of motorbike can be chosen between Hero Honda and Yamaha on the basis of durability. And it is suggested that to the both motorbike companies they can improve the quality of durability to capture the more market of motorbikes. Because the buyer gives big importance to the durability of the motorbikes (vehicles) for their buying decision making.
- 9) It is suggested that buyers should buy Hero Honda motorbikes, who live in city and plain areas and buyers, who live in village and hilly areas should buy Yamaha motorbikes on the basis of performance.
- 10) Buyers give major emphasis on after sales services like; spare parts quality and the cost of spare parts, servicing facility including free servicing, facility of warranty and guarantee. It is suggested that Hero Honda motorbike should be purchased on the basis of better after sales services provided by the company. Yamaha Company is suggested that to improve the after sales service for improving position in the marketplace.
- 11) The overall study shows that the Hero Honda Motorbike Company is ahead than Yamaha Motorbike Company in overall ranking on the basis of different distance features. According to the study Hero Honda motorbikes occupy 55% of motorbike market and Yamaha motorbikes occupy 45% of motorbike market. So, the recommendation to the Hero Honda Motorbike Company and its dealers is that

improve its products quality in every aspect to maintain the market in overall. And the recommendation to the Yamaha Motorbike Company and its dealers is that the company should improve its quality such as fuel efficiency, durability, after sales service and its overall performance to achieve the buyers' positive beliefs towards the company and to cover the market loss and improve in market position.

In this way the study shows that the overall position and ranking of the Hero Honda Motorbike Company is little bit better than the overall position and ranking of the Yamaha Motorbike Company. And the study also shows that the overall market of the both motorbike companies is in good position. The pace to improvement in different features and aspect remains for both companies. Hero Honda market is good enough than the Yamaha market. So, the Yamaha Company has to improve the market situation of its products. Although the room for improvement is always vacant the overall markets of the both companies are in good conditions.



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## QUESTIONNAIRES FOR THE THESIS

**“A Study on Buying Decision Making with Respect To Motorbike Purchase in Kathmandu Valley (With reference to Yamaha and Hero Honda Brand Motorbike)”**

### **Survey of General Purpose and Focus of Motorbikes Buying**

1. What is the main purpose of motorbike purchase?
  - a. To use for regular up and down to office
  - b. To use for daily business task
  - c. To use for other purposes
  
2. What main areas do you focus before selecting a particular brand of motorbikes?
  - a. Price
  - b. Fuel Efficiency
  - c. Durability
  - d. Performance

### **Survey of Affecting Factors of Buyer Decision Making Process**

1. Do you agree with the statement? “Yamaha motorbikes consume more fuel than Hero Honda motorbikes.”
  - a. Strongly Agree
  - b. Agree
  - c. Undecided
  - d. Disagree
  - e. Strongly disagree
  
2. Before selecting a particular brand of motorbike with whom you take the suggestion?
  - a. Family
  - b. Friend
  - c. Salesperson
  - d. Relatives

3. Which factor initiates you more for buying decision between Media and Others?
  - a. Media
  - b. Others
4. How much value you give the media and promotion in your buying decision making?
  - a. Very High
  - b. High
  - c. Moderate
  - d. Low
  - e. Very low

**Survey of Demographic Features that Affect Buying Decision Making Process**

1. What is your net monthly income?
  - a. 5-10
  - b. 10-15
  - c. 15-20
  - d. 20-25
  - e. Above 25
2. How old are you?
  - a. 20-30
  - b. 30-40
  - c. 40-50
  - d. 50-60
  - e. Above 60
3. What is your qualification?
  - a. Master degree
  - b. Graduate
  - c. Intermediate
  - d. S.L.C.
4. What is your occupation?
  - a. Student
  - b. Teacher
  - c. Service Holder
  - d. Business
  - e. Household
  - f. Agriculture

**Survey on Comparative Study of Yamaha and Hero Honda Motorbike**

1. Which do you feel more fuel economic motorbike?
  - a. Hero Honda
  - b. Yamaha

2. Which brand of motorbike you feel more durable?
  - a. Hero Honda
  - b. Yamaha
  
3. " Performance of Hero Honda is superior to Yamaha in City and Plain areas" Do you agree with this statement?
  - a. Yes
  - b. No
  
4. " Performance of Yamaha is superior to Hero Honda in Village and Hilly areas" Do you agree?
  - a. Yes
  - b. No
  
5. Which brand of motorbike provides better After Sales Service?
  - a. Hero Honda
  - b. Yamaha