

**A CASE STUDY ON CUSTOMER BUYING PROCESS OF
HIGH INVOLVEMENT PRODUCT**
(With reference to computer product in Birgunj Sub-metropolitan City)

Submitted By:

PRAMOD KUMAR YADAV

Thakur Ram Multiple Campus, Birgunj

Campus Roll No. : 112/065

T.U. Regd. No: - 7-2-15-1300-2000.

T.U. Exam Roll No.: 150390

Submitted To:

Office of the Dean

Faculty of Management

Tribhuvan University

**In Partial Fulfillment of the requirements for the
Degree of Master of Business Studies (MBS)**

Birgunj, Nepal

2012

RECOMMENDATION

This is to certify that the thesis

Submitted by:-

PRAMOD KUMAR YADAV

Entitled

A CASE STUDY ON CUSTOMER BUYING PROCESS OF HIGH INVOLVEMENT PRODUCT

(With reference to computer product in Birgunj Sub-metropolitan City)
has been approved as approved by this Department in the prescribed format of the faculty of Management. This thesis is forwarded for the examination.

.....
Dr.Deepak Shakya
(Thesis Supervisor)

.....
Dr.Deepak Shakya
Research Committee
T.R.M. Campus, Birgunj

.....
Campus Chief
T.R.M. Campus, Birgunj

Date: -.....

VIVA-VOCE SHEET

We have conducted the viva-voce examination of the thesis

Submitted by: -

PRAMOD KUMAR YADAV

Entitled: -

**A CASE STUDY ON CUSTOMER BUYING PROCESS OF HIGH INVOLVEMENT PRODUCT
(With reference to computer product in Birgunj Sub-metropolitan City)**

And found the thesis to be original work of the student and written according to the prescribed format. We recommended the thesis to be accepted as partial fulfillment of the requirements for the Master's Degree in Business Studies (MBS)

VIVA-VOCE COMMITTEE

Head of Research Department.....

Member (thesis Supervisor).....

Member (External Expert)

Date: -.....

DECLARATION

I hereby declare that the work reported in this thesis entitled *A case study on customer buying process of high involvement product “With reference to computer product in Birgunj sub-metropolitan city”* submitted to Office of the Dean, Faculty of Management, Tribhuvan University is my independent work done in the form of partial fulfillment of the requirement for the degree of Master in Business Studies under the supervision of Dr. Deepak Shakya Associate Professor of Thakur Ram Multiple Campus, Tribhuvan University.

.....

PRAMOD KUMAR YADAV

Researcher

Thakur Ram Multiple Campus, Birgunj

ACKNOWLEDGEMENT

This is a thesis prepared for analyzing the “A case study on customer buying process of high involvement product” With reference to computer product in Birgunj”. This thesis is prepared as a part of partial fulfillment required by Tribhuvan University as a MBS dissertation.

Firstly, a lots of thanks to Department of Management of T.U. for providing a basis of practical knowledge through research on different subject matters, I would like to express my sincere gratitude to my respected thesis guide Dr. Deepak Shakya, Reader of TRM Campus. The credit goes to him for his warm encouragement and suggestion in spite of his busy schedule. I shall ever indebted of him for his valuable direction and useful suggestion. Also I would like to express my sincere thanks to my respected teachers Mr. K.K. Shah (Reader), Mr. Sanjay Shrestha (Lecturer) of Thakur Ram Multiple Campus for their hearty Co-operation and guide.

The special thanks goes to my parents and all my family members and who always initiate and help me in every step of my study directly and indirectly and provided their valuable contribution to earn this thesis into a grand success.

Finally, I would like to thank Dharendra Chaudhary, and “Photo copy World” for such a nice computer typing, thesis setting and designing in presentable manner.

.....

PRAMOD KUMAR YADAV

Researcher

TABLE OF CONTENT

	Page No.
RECOMMENDATION	I
VIVA-VOCE SHEET	II
DECLARATION	III
ACKNOWLEDGEMENT	IV
TABLE OF CONTENTS	V
LIST OF TABLE	VIII
LIST OF DIAGRAM	IX
LIST OF ABBREVIATION	X
CHAPTER-1: INTRODUCTION	1-11
1.1 Background	1
1.2 High Involvement and Low Involvement	3
1.3 Consumer Buying Process for New Products	3
1.4 Low Involvement versus High Involvement Buying Decisions	4
1.5 Focus of the Study	5
1.6 Statement of the Problem	7
1.7 Objectives of the Study	8
1.8 Significance of the Study	8
1.9 Limitations of the Study	11
1.10 Organization of the Study	11
CHAPTER-2: REVIEW OF LITERATURE	12-52
2.1 What is a Literature Review	12
2.2 What is a Literature Review Not	12
2.3 Components of Literature	13
2.4 Some Models of Consumer Behavior	14
2.5 Buyer Decision Process	18
2.6 The Buyer Decision Process for New Products	22

2.7	Factors influencing Consumer Behavior	22
2.8	Types Buying Behaviors	29
2.9	Variety Seeking Buying Behaviors	30
2.10	Behavior Business Markets	31
2.11	Business Buyer Behavior	33
2.12	Marketing Mix and Customer Buying Behavior	40
2.13	Research on Customer Behavior in Nepal	43

CHAPTER-3: RESEARCH METHODOLOGY **53-61**

3.1	Introduction	53
3.2	Research Design	57
3.3	Nature and Source of Data	57
3.4	Sampling Method	58
3.5	Sampling Unit	58
3.6	Sample Size	58
3.7	Product Sample	58
3.8	Contact Methods	59
3.9	Data Collection Procedure	59
3.10	Data Analysis Method	59

CHAPTER-4: DATA PRESENTATION AND ANALYSIS **62-88**

4.1	Respondent Profile	62
4.2	Need Recognition	68
4.3	Information Sources	71
4.4	Purchase Friend	72
4.5	Evaluation	77
4.6	Purchasing Factor	81
4.7	Brand and Model purchase by oneself recommendation	82
4.8	Influence and Purchase Decision	84
4.9	Post Purchase Behavior	85
4.10	Customer Complaint Behavior	86

4.11	Suggestion Behavior	86
4.12	Major Findings	87

CHAPTER-5: SUMMARY, CONCLUSION &RECOMMENDATION 89-91

5.1	Summary	89
5.2	Conclusion	90
5.3	Recommendation	90

Bibliography

Appendix

LIST OF TABLE

Table no.		Page no.
1.	Age Category	63
2.	Education	63
3.	Marital Status	64
4.	Sex	64
5.	Family Size	65
6.	Occupation	65
7.	Monthly Income	66
8.	Family Life Cycle	67
9.	Social Class	67
10.	Religion	67
11.	Buying Motives	68
12.	Source for Need Recognition	68
13.	Need Recognition	70
14.	Brand Awareness	70
15.	Information Sources	71
16.	Purchase Friend Users	72
17.	Types of Purchase Friends Use	74
18.	Reasons for Using Purchase Friends	76
19.	Brands and Models	77
20.	Evaluation Criteria	78
21.	Purchasing Factor	79
22.	Brand and Model Recommendation	83
23.	Influence of Purchase Decision	84
24.	Reaction of Customers	86
25.	Complaint Behavior	86
26.	Suggestion Behavior	87

LIST OF DIAGRAM

		Page no.
Diagram no.		
1	Marketing Mix	40
2	Marketing Mixing	42

ABBREVIATIONS

BFL	:	Birgunj Finance Limited
ATM	:	Automatic Teller Machine
BAFIO	:	Bank and Financial Institution Ordinance
BEP	:	Break Even Point
B/G	:	Band Guarantee
B.S.	:	Bikram Sambat
C/D RATIO	:	Credit Deposit Ratio
CEO	:	Chief Executive Officer
CIT	:	Central Training Institute
COD	:	Cost of Deposit
CRR	:	Cost Reserve Ratio
CVP ANALYSIS	:	Cost, Volume & Profit Analysis
DP	:	Dividend Payout
F.Y.	:	Fiscal Year
GDP	:	Gross Domestic Product
ICC	:	International Chamber of Commerce
IFICI BANK	:	International Finance Investment & Commerce
L/C	:	Letter of Credit
MD	:	Managing Director
NIDC	:	Nepal Industrial Development Corporati
NRB	:	Nepal Rastra Bank

O/S	:	Outstanding Liability
PO BOX	:	Post Office Box
PP	:	Profit Planning
PPC	:	Profit Planning and Control
RBB	:	Rastriya Banijya Bank
RDB	:	Regional Rural Development Bank
ROA	:	Return on Assets
ROs	:	Regional Offices
RTCs	:	Regional Training Centers
YOF	:	Yield on Fund
VDC	:	Village Development Committee
SFDB	:	Small Farmers Development Bank
SFDP	:	Small Farmer Development Program