# CHAPTER - I
# INTRODUCTION

## 1.1 BACKGOUND OF THE STUDY

Nepal is one of the smallest and least developed countries of the world. It is the landlocked country situated between large countries China and India. Nepal is situated between 26022' to 30027' northern latitude and 8004'to 88012' eastern longitude. The country has occupied 147181 square kilometer of land, which constitute 0.03 percent area of the world and 0.3 percent area of Asian continent. National census 2068 has reported the total population to be 26,620,809.(Source: internet)

Majority of population here is agriculture dependent, but the country is gradually shifting its economy from agricultural to other sector, mainly in industrial sector for sustaining its economic life. Due to that, industrial activities are gradually increasing in the country. As a result, numbers of different types of industries have significantly increased in the recent years. With the increase of industries, competition among them has also increased significantly. This has resulted marketing to become more and important since it is the only tool to sell the product they produce and remain competitive in the market.

To general, marketing is selling through advertising which means selling and advertising are the strongest parts of marketing for them. Marketing helps an organization to find out what their customers want. It also helps to decide what products are to be made. The decision is carried on after a long research in the market. Production is the prime activity of every industry and successful marketing of the product is the ultimate goal. Today's marketing environment is characterized by globalization, technological changes, and strong competition. Successful marketers are those who deliver what customers are willing to purchase as well as according to their ability to purchase. For this reason, marketers today conduct many researches to study consumer decisions. Once it is understood, marketers become able to predict and shape their marketing strategies accordingly. Without doubt, marketers who understand markets and consumer behavior have great competitive advantage over other competitors. Therefore, it is obvious that a producing organization or

manufacturer must determine the needs, wants of their customer first and then brings the product in the market accordingly.

According to Prof. Philip Kotler, "Marketing is a social and managerial process by which individuals and groups obtain what they need and what through creating offering and exchanging products of value with others."

Another scholar Prof. William J. Stanton defines marketing as "a total system of business activities designed to plan, price, promote and distribute want-satisfying products to target markets to achieve organizational objectives".

According to E. Jerome McCarthy, "Marketing is the performance of activities that seek to accomplish an organization's objectives by anticipating customer or client's needs and directing a flow of need-satisfying goods and services from producer to customer or client."

Similarly, the American Marketing Association defines marketing as "the process of planning and executing this conception, pricing, promotion and distribution of ideas, goods and services to create exchange that satisfy individuals & organizational goals."

Hence, above definitions of marketing suggest that it consists of some activities consisting of study of consumer needs, products, price & place, promotion to facilitate the exchange that satisfies individual as well as organizational objectives within the social and marketing environment prevailing today. The consumer or customer gets the product he/she wants and the manufacturer or marketer gets the profit with satisfaction. This highlights the importance of product as the whole process of marketing. Product is always an important element of marketing mix. It is more than goods and services as people think it to be.

Nowadays, most of the consumers buy products with the help of brand rather than by inspecting the products. It means, successful marketing of product means successful marketing of the brand of that product. Prof. Kotler defines "A product is anything that can be offered to market to satisfy a want or need." After producing a product, identification of the product should be given. For this, brand is used to identify the

product. Branding constitutes an important part of product. Therefore, building brand requires a great deal of time, money, promotion, packaging, etc. Prof. Kotler further says, "A brand is a name or mark intended to identify the product of one seller or group of sellers and differentiate the product from competing produces

Thus, brand is not only a name given to a product but also a technique by which the quality or the product of various producers are differentiated. Therefore, every manufacturer or marketer is trying its best to make the consumers develop a positive attitude toward the brand of their product and buy that brand repeatedly. To put more precisely, every manufacturer wants and tries their best to make the consumers preferred to the brand of their product. However, quite naturally, all the consumers do not deal or behave with the brands exactly in the way marketers want. In spite of availability of different brands, some consumers keep on sticking up to a particular brand whereas some are indifferent in selection of a brand. Similarly, also others are constantly switching from one brand to other. Every brand has a certain image in the market. Every brand is known for its own feature and quality. So, the consumers; according to their faith, trust on quality and feature, according to the experience of the same or due to another psychological element; prefer one brand to others. If they think a brand is good in terms of quality, price, social status or any other; they develop a positive attitude toward that brand and repeatedly purchase the brand. When this happens i.e., when consumers develop a positive attitude towards the brand and an intention to repurchase, the manufacturer has gained a great asset known as brand preference.

In simple term, brand preference means a consumer's strong faith or belief on a particular brand and, as a result, an intention to repurchase the same brand and buys the same brand repeatedly. The consumer here is said to be brand preferred. A consumer's buyer behavior is influenced by four major factors; cultural, social, personal & psychological factors. These factors cause consumers to develop product and brand preferences. Although many of these factors cannot be directly controlled by marketers, understanding of their impact is essential, as marketing mix strategies can be developed to appeal to the preferences of the target market. While purchasing any product, a consumer goes through a decision process. This process consists of up to five stages; problem recognition, information search, evaluation of alternatives,

purchase decision and post purchase behavior. The length of this decision process will vary, ranging from shorter routine response behavior to limited problem solving and a more comprehensive extensive problem solving. A consumer may not act isolation in the purchase but may influence by any of several people in various roles. The number of people involved in the buying decision increases with the level of involvement and complexity of the buying decision behavior.

Not all consumers will accept new product at the same rate. Marketers will need to aim the initial marketing mix at potential early adopters, especially those identified as opinion leaders in order to increase consumer awareness of the product and sales. They must also understand the adoption process to effectively market to new customers.

Brand preference is the consumer's conscious or unconscious decision, expressed through intention or behavior, to repurchase a brand continually. It occurs because the consumer perceives that the brand offers the right product features, image or level of quality at the right price. Consumer behavior is habitual because habits are safe and familiar. In order to create brand preference, marketers must break consumer habits, help them acquire new habits and reinforce these habits by reminding consumers of the value of their purchase and encourage them to continue purchasing those products in the future.

Aggressive competition is the main characteristic of modern marketing. Competition has been very tough in the Nepalese consumer market. On the one hand, Nepal's own industries are producing different types of products and on the other hand, products of different types are being imported from the other countries. Today, so many brands of even a specific product category are being sold in the Nepalese market. Consequently, Nepalese consumers have many alternatives while buying most of the products. They are no more compelled to buy any particular brand; rather, they are free to choose any brand they think the best from different brands available in the market. This, in turn, has increased the promotional activities in the country. Every producer or marketer in the country is trying their best to prove their product to be the best. This can be observed from the promotional efforts like TV commercials, radio ads, newspaper ads, posters, hording boards, personal selling & other promotional tools etc. calling up

to buy their product. After all, every producer or marketer wants to develop a market share highly preferred to his product or brand. These circumstances prevalent in Nepalese market signify the need of understanding brand preference behavior of a product of the consumer.

Only little research has been conducted so far in Nepal to find out how consumers behave with different brands of product available in the market. So this study is therefore conducted mainly to find out whether Nepalese consumers are brand preferred in the product or not.

Nepal, although known to all as an agricultural country the fact that the relative growth in its industrial sector and the increasing multinational investment plus the growing concern and planning to excel in the latest information technology here has shown to all a new dimension to development. Nepal has seen a significant positive change in its economy as an outcome of the considerable development in the industrial sectors. As a result, a number of industries have significantly increased in the last few years. The foreign trade has also opened a new gate for the ambitious entrepreneurs and businesspersons and has resulted in the availability of variety of product lines for the local consumers.

Whether the product is produced locally or been imported from a foreign nation, its successful marketing is the ultimate goal. This however has been a tougher job for the industries and their marketers today with many of them offering wide ranges of products and the improving technical advancements used to take those products to the ultimate consumers. The marketers therefore have known now that the core product only could not be sold to the people and therefore they properly band, package and label their products. The products need to have their certain name, sign, symbol, design or the combination of all to identify to the buyers.

## 1.2 FOCUS OF THE STUDY

This study has been focused on identifying the perception of Nepalese Consumers on the brands that have been made available to them. Nepal is a growing market with quite a large number of domestically produced goods and relatively larger volume of

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imported goods of various categories. As the marketers' concern for the attainment of a relative market share increases, they simultaneously are more in quest for increasing the number of buyers those buy their products only, each time they make a purchase. In other words, they are always in endeavor to have larger share of buyer preferred to their product. For this, they need to have a distinct identity of their product for which they brand their product. Therefore branding has become a common practice in the Nepalese market too.

Today, almost every product is branded. It has something to identify itself to the ultimate consumes; branding has become a prominent feature of any product. Brand is no only a name give to a product but also a quality of technique that differentiates it from same product category produced by any other producer. The marketers therefore are always in a process of marketing their product such a way that the consumers would develop positive attitude towards their brand and buy their products repeatedly. In other words, the manufacturers/marketers are always in the endeavor to make the consumers "preferred" to their brand. However, quite naturally, all the consumers do not deal or behave with the brands exactly in the way marketers want. In spite of availability of different brands, there are some consumers who keep on sticking up to a particular brand where as some are indifferent in selection of brand. Similarly, also others are constantly switching from one brand to another. Every brand has a certain image in the market. Every brand is known for its own feature and quality. Therefore, the consumers according to their faith or trust on quality and features or according to the experience of the same or due to any other psychological elements prefer one brand to others. Their preferences to the brands develop in terms of quality, price, social status or any other element and this drives them for the repeat purchase of the same. When the consumers develop positive attitude towards the brand and intentions to repurchase, the manufacturers succeed in gaining the assent that we call "brand preference." These circumstances prevailing in the Nepalese market signify the need of understanding the brand-preference behaviors of Nepalese consumers.

This study is therefore to find out the elements that are the key to drive the Nepalese consumers to buy the products repeatedly. This study mainly concentrates on finding out how frequently the attitude of Nepalese consumers change towards the particular product and what are their psychological aspects and products' physical aspects that

cause the change in their attitude. The products selected for the study are low involvement goods. The Nepalese Market has a relatively considerable number of each product type selected. The High involvement goods are not selected for the study because they have higher financial risk and considering the Nepalese market the trend shows long gaps between the two purchases of such products. These aspects make the durable and high involvement goods less appropriate for such a study that needs to be concluded in less time.

This study therefore has been carried out in order to generate conclusive statements on the brand awareness in Nepalese consumers especially those of the urban areas in accordance with the product types selected for the research. The study therefore focuses on finding out the brand preference on the product of Nepalese consumers of urban area.

## 1.3 STATEMENT OF THE PROBLEM

The significant growth of Industrial sector in Nepal has result the set up of various industries in the nation and consecutively the production of wide ranges of consumer products. The world has now become narrower for people leaving in its various parts because of the immense achievement in the fields of transportation and communication. The term narrower not only implies shortening of the physical distances and geographical boundaries but also the political and trade relations. This has caused the import of various products from all over the world thus adding up to the varieties Nepalese consumer could find in their market. The increasing domestic manufacturers and the inflow of foreign goods have extensively increased the competition in the Nepalese market. To sell one's goods, the manufacturers and the marketers must not only project a distinct image of their product but also care a lot in pricing and promotion of it to create a positive attitude on its targeted consumers towards it. The branding of a product complies and associates all such marketing activities.

The products with their respective brand names are meant to create their image in the consumer's mind and make their desires arouse. Therefore, the marketers' sole

purpose is to create and develop a highly consistent market share of brand preferred consumers.

There is an intense competition in the market of each product type selected for the research. Moreover, the Nepalese market therefore has ample complexity in studying the buyer's awareness in respect to these products as these products are purchased repeatedly by various consumer types that could be categorized under various variables such as age, income level, literal status etc.

In view of the complexity of the market of the products selected, this study would seek to find the answers to the following research questions taking into consideration that the basic problem area of this study is to measure the brand preference of Nepalese consumers:

- To analyze consciousness on brand of dairy product consumers..
- To identify the relationship of product wise brand preference with demographic variables like age, sex and income.
- To know the purchasing patterns relating to milk product in buying decision.
- To know the consumers' perceptions on the relevant aspects (price, quality, packaging, advertisement etc) of brand preference?

## 1.4 OBJECTIVE OF THE STUDY

As the product wise brand preference is a temporal aspect of the consumer behavior, it facilities in understanding the consumer behavior. In Nepal very little has been studied on this subject yet. This study hence is being carried out mainly to understand the prevailing brand preference on milk product in Nepalese consumer market.
The objectives of the study can be summarized as under:
- To find out the percentage consumers who are brand conscious on Milk product in Pokhara valley.
- To know the consumer behavior on product and brand with relation to demographic variables like age, sex and income.
- To know about those factors, which affects the consumer buying decision.
- To recommend for actual course of action for marketers to make preferred brand on the relevant aspects like price, quality, packaging, advertisement.

Similarly, this study will be valuable reference to the scholars and researchers who are interested in conducting further researches about "product wise brand preference."

## 1.5 IMPORTANCE OF THE STUDY

The Nepalese market has grown more competitive in the recent years and still in a pace towards the extension and betterment. The success or failure of any of the existing and upcoming units of various industries is directly related to the economic future of country. Their success will make the country economically sound and expedite the overall development. Moreover, success of an industry is the function of successful marketing of its products. In order to succeed in the dynamic and rapidly growing industry, marketers and manufacturers must have the thorough understanding about consumers needs and wants, their tastes, choices and reactions on integral factors like price, quality etc. In short hey must have thorough knowledge of consumer behavior, as the customer satisfaction is the key point of success. Insights such as these make easier for the marketers and manufacturers in selecting the target market and developing appropriate strategies. As the focus of the study is brand preference - a temporal aspect of consumer behavior, the study will be highly beneficial to the marketers and manufacturers. The finding of this study that would draw conclusion on the perception of brand preference about the product in Nepalese consumer will definitely be helpful as a guideline for making marketing strategies to gain success to their favor.

Rapid growth of Nepalese population indicates that there is positive effect on market growth of FMCG Company. This is the opportunity to earn profit and market extension for dairy industries. Growth of sales and profit of agricultural based industries will also helps to minimize the poverty level of under developed country like Nepal. A study of "Product and Brand Preference" of a dairy product company will also helps to other company to formulate their market strategy. This types of study will also gives new contribution for public policy maker about dairy product industries in Nepal.

Only four low involvement consumer products are included in this study i.e., Milk, Yoghurt, Ghee, and Ice-cream. Conclusions derived may not be necessarily applicable

to other products. Sample size is very small in comparison to the population of the study. Only 200 respondents are selected for participation.
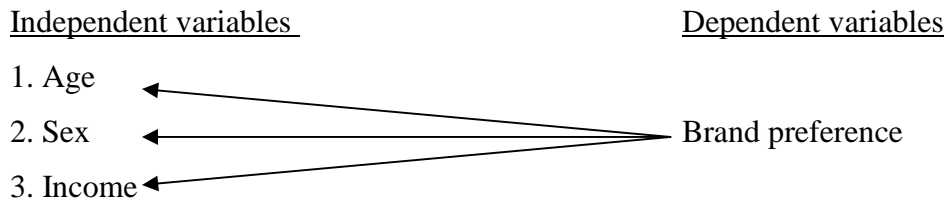
This study is totally based on the views and responses received from consumers of Pokhara valley only. The findings of the study may not be applicable for other products and other parts of the country. In this research, data will be primary in nature. Knowledge of the brand preference assists to understand consumers' attitude toward the brand (i.e. product), and this in turn sheds light on different aspects on the product such as effectiveness of branding policy, advertising policy, consumers' response to price, quality and availability of the produce and consumer' perception of the total image of the manufacturer. Brand preference of the product is also one way of segmenting a market. If the consumers are identified as preferred and non-preferred, market may accordingly be segmented as preferred consumers market and non-preferred consumer market. Brand preference gives sellers or marketers protection from competition and greater control in planning marketing mix on the product. Despite, all these marketing implications of product and brand preference, we do not find much of the published research work on this topic. This study therefore could be to some extent helpful to the marketers and could prove valuable to aspiring scholars interested in carrying out the study on same or similar topics.

## 1.6 LIMITATION OF THE STUDY

Some limitations of the study are summarized as under:
• Four major repeatedly purchased consumer products are chosen for the study and therefore the study will be limited to the products chosen and will not be applicable for the other products.
• The study is entirely based on the response, attitude and reaction of the respondents.
• The study is conducted with the limited sample size that too from the urban area of the nation and therefore is too small in comparison to the population.
• The data analysis is base on the simple statistical tools such as simple mean, ratio, percentages etc.

The present study will include the following variables:

Independent variables                          Dependent variables
1. Age
2. Sex                                                         Brand preference
3. Income

## 1. Age

The Age of the consumers determines the type of product demanded and the choice of outlet. Normally, young consumers are brand conscious while choosing a product. Therefore, they frequently switch from one brand to another. While, middle-aged consumers are status conscious hence they are more brand preferred than younger consumers. Hence, this factor also greatly affects in brand preference. So this factor is considered.

## 2. Sex

Male and female differ very much in their buying behavior. Female are more shopping and bargaining-prone and like to visit several shops to compare price, quality and service. Where as male show more brand and store preference. House wife are mainly involve to purchase to milk product in store.

## 3 Income

Income is that factor which directly effects consumers' buying process. People with higher income prefer branded and high-quality product. Where as people with lower income are more prices conscious. Therefore, they prefer the products that are cheap and durable.

## 1.7 ORGNISATION OF THE STUDY

This study is divided into five chapters:
- The first chapter is an introductory chapter that includes focus of the study. Statement of the problem, importance, objective of the study and the organization of the study.

- The second chapter provides the review of the literature with respect to the subject of study.

- The third chapter explains the research methodology implemented to carry out the study. This explains the population, sample plus data collection processing and procedures employed.

- The fourth chapter incorporates the main body of the study, i.e. data presentation and analysis. This also at the end includes some major findings of the study.

- The fifth chapter provides the conclusions of the study and the recommendations suggested to any person willing to carry out further study in the topic. also assists to understand consumers' attitude toward the brand.(i.e. product) & needs, wants, satisfaction, preference, aspiration and mental horizon or understating the consumer in total is the secret of success today which help the producer or middlemen, decision maker to build the strategy to run their business.

- The bibliography and the appendix are added up to give the report a final touch.

# CHAPTER - II
# REVIEW OF LITERATURE

## 2.1 CONCEPTUAL REVIEW

Marketing is indeed an ancient art; it has been practiced in one form or the other since the days of Adam and Eve. Its emergence as a management discipline, however, is of relatively recent origin. Moreover, within this relatively short period, it has gained a great deal of importance and stature. In fact, today most management thinkers and practitioners the world over regard marketing as the most important of all management functions in any business.

Marketing has been developing together with development in human civilization. If we turn three or four hundred years back to the history of human civilization, we find marketing of that time, by modern standard, relatively uncultured. Craftsmen carried on their business face to face with consumers. They did not need any mechanism, tools or techniques of marketing, as used today, for propagation of qualities of their products and for successful marketing of these products. However, that stage could not last long. Human needs and wants changed. Human aspiration for excellence and better status gave birth to thousands of discoveries, inventions and innovations, and established thousands of units of different types of industry to fulfill those aspirations. These changes in turn not only invented different sophisticated tools and techniques, and effective strategies for successful marketing but also made the marketing a most competitive field.

Today the philosophy of marketing guiding the marketing activity of the organizations has been changed drastically. Originally, companies based their marketing decisions largely on immediate company profit calculations. Then they began to recognize the long-run importance of satisfying consumers' wants. Now they are beginning to factor society's interest in their decision-making.

Today, the marketing philosophy of the organizations is the societal marketing concept. The societal marketing concept holds that "the organization's task is to determine the needs, wants and interest of target markets and to deliver the desired

satisfaction more effectively and efficiently than competitors in a way that preserves or enhances the consumer's and society's well-being."

Thus, today the consumer and the society have been the centre point around which all the marketing activities revolve. The various advancements made in marketing have established the consumers as the sovereign power in the marketing world. Therefore, in order to be successful, products must be produced according to the need of the consumers and interest of the society.

In the modern business world, understanding of consumer choice, purchasing and decision making process, brand preference, factors affecting decision making process, etc, or, say, understanding of consumer behavior is the most necessary to become a successful marketer.

Study of consumer behavior has now been prevailed as an effective measure helping to develop the successful marketing strategy. This growing need and importance of behavioral study of consumer gave birth to brand preference as a separate subject of study.

Brand Preference is a concept of major importance in Marketing. The reason is that brand preference is one of the factors that determine a firm's market share. Market share is an asset in itself, since new entrants in a market face an entry barrier because they lack market share.

However, "Brand preference is a temporal aspect of consumer behavior." (Engel & Blackwell 1982: P. 598) Brand preference analyses whether or not a consumer is preferred.

I had specific brand or set of brands in a certain period. Brand preference is the level of commitment that customers feel toward a given brand, as represented by their continuing purchase of that brand. (Bovee & Thill; source: internet)

Brand preference has also been defined as (1) the biased (i.e. non random), (2) behavioral response (i.e. purchase), (3) expressed over time (4) by some decision

making unit, (5) with reference to one or more alternative brands out of a set of such brands, and is (6) a function of psychological (i.e. decision-making evaluative) process. (Jacoby & Chestnut 1982: P 571). Studies on brand preference began when researches on consumer behavior became popular around late 50s and early 60s. (Engel & Blackwell 1982: P. 598)

The consumers worldwide are not same, and because all aspects of consumer behavior are culture-bound and not subject to more environmental factors but integrated in all of human behavior, there is an increased need to identify and understand this integration. The marketers today have realized that the understanding of consumer behavior is the must and to be in the market they must be offering the consumers what they want. This modern theory has made the sellers become conscious enough to create an image of what they are offering so that the ultimate consumers would identify their product amidst of several likewise made available and thus they have begun to brand their products. Most of the products today are sold by brands. In the developed countries like United Kingdom, United States of America and Japan even vegetable products are sold by brands. This increasing use of brand has significantly increased the necessity to understand the brand preference behavior of the consumers all over the world. Because marketers are concerned with actual consumer purchasing pattern and with consumers' beliefs and opinions concerning their brand and competing brands, today no one denies indispensability of understanding the brand preference behavior for successful marketing of the products. Brand preference, though may seem simple at a glance, it is not a simple concept. Schiffman and Kanuk say, "Just as there are different approaches to the definition and measurement of information processing, so to there are different views as to the definition of brand preference" *(Schiffman & Kanuk 1990: P. 258)*

Different scholars, experts, behavioral scientists and researchers have defined brand preference in different ways and have utilized different approaches and criteria to measure-brand preference. Some have defined brand preference in terms of the both consumer behavior and consumer attitude. Assael (1987), for instance presents brand preference as a commitment due to favorable attitudes learned from past purchased. Wernerfelt (1991) defines it as if a consumer-purchasing pattern depends positively on the last brand purchased. In fact Wernerfelt defines two types of brand preference;

the first is called "inertial" brand preference and the second "cost-based" brand preference. *(Source: Internet)*

By now, many researchers on brand preference have been carried out. But, as stated above they are not based on the same definition nor they have employed the same approach or criteria to measure brand preference. Different researches are based on different definitions and have used different measures of brand preference. Therefore, it seems very much necessary to pay particular attention on definition of the terms and approaches to measurement while reviewing the researches.

One of the earliest studies defined brand preference to the sequence of purchasing a specific brand. *(Engel & Blackwell 1982: P. 566)* The key insight of this definition is that the purchasing pattern of a specific brand determines preference to the brand. This definition classifies brand preferred in four categories:
01. Undivided Preference
02. Divided Preference
03. Unstable Preference
04. No Preference

For example- if A, B, C, D, E, F are the various brands in the particular product category. The consumer of the product could be classified as having the following types of preference:
01. Undivided Preference if the purchase sequence is AAAAAA
02. Divided Preference if the purchase sequence is ABABAB
03. Unstable Preference if the purchase sequence is AAABBB
04. No Preference if the purchase sequence is ABCDEF

Thus, it is obvious that according to this definition brand-choice sequence is the (criteria that measures the brand preference).

Using this definition or adopting brand-choice sequences approach to brand preference, George Brown analyzed the purchase records of 100 households in Chicago Tribune Panel for such frequently purchased items such as coffee, orange juice, soap and margarine, and found that the percentage of households,

demonstrating some degree of preference varied from 54 to 95% depending on the product involved. In fact the percentage of households that undividedly preferred varied from 12 % to 73 % across products. *(Engel & Blackwell 1982: P. 566)*

George Brown's study is an important study on brand preference. This study has proved that brand preference does exist and varies across products. Thus, it justifies the rational of conducting research on brand preference. The contribution made by this study for development of concept of brand preference is considered significant. However, the study suffers from certain shortcomings. The major shortcoming is the definition of brand preference the study has adopted.

Brand Preference if defined according to the sequence of purchasing a specific brand suffers from many practical problems. About the problems Chariton and Ehrenberg, state- The approach has led to few generalizable results, because there is no simple way of summarizing purchase sequences quantitatively. Different consumers buy at different rates. Their purchase sequences are invariably out of phase with one another, and it is difficult to aggregate the buying behavior of one consumer with that of another who buys, say, more frequently. There is also no common time scale for relating any one measure of aggregate behavior to other aspects of buying behavior or to other events in the market place. The purchase sequence approach, therefore, does not facilitate the kinds of comparisons between consumers, brand or product fields that are likely to lead to generalizable results. *(Chariton & Ehrenberg 1973: P. 302-307)* The very problems as described by Chariton and Ehrenberg have made the purchase sequence definition of brand preference of little used today. Finding out merely the existence of brand Preference is not very much effective for developing marketing strategy unless and until it is comparable between consumers and between products leading the generalizable results.

In place of brand-choice sequence, Leaster Guest used preference statement over time as a measure of brand preference in his study carried out in 1941. In 1941, he collected data concerning the brand awareness and preferences of students. In follow-up studies of these same persons twelve and twenty years later he found suggestive evidence of high degree of preference toward brand names. *(Schiffman & Kanuk 1990: P. 260)*

What comes out from the study of Leaster Guest is that brand preference exists even when it is defined as preference statements over time. Guest's findings of suggestive evidence of high degree of preference toward brand names give more weight to the need of understanding brand preference behavior. According to preference statement approach, brand preference is measured based on preferences expressed by the consumers to a particular brand over a certain time. However, preference statement alone is not real representative of brand preference. What the consumers do in the actual purchase is of equal importance together with what they prefer.

"Brand preference is the proportion of total purchases with in a give product category devoted to the most frequently purchased brand or set of brands." *(Engel & Blackwell 1982: P. 567)* This definition employs proportion of purchases as the measure of brand preference. In other words, according to this dentition brand preference is measured based on the proportion of total purchases within a given product category to the most frequently purchased brand or set or brands. Greater the proportion of purchase of a brand or set of brand, higher the preference.

The major advantage of proportion of purchase as a measure of brand preference is that it, i.e. the proportion of purchases, is quantifiable and, therefore is useful in a wide variety of mathematic models. The followers of proportion of purchase definition of brand preference have used it both as a conceptual as well as operational definition. Using this definition of brand preference Cunningham developed the concept of multi-brand preference in various forms such as Dual Band Preference, Triple brand Preference and so on.

Blatberg and Sen have extended the proportion of purchases approach to segments that are preferred to national or private brands as a category as well as specific brand within each of those categories. *(Engel & Blackwell 1982: P. 568)* One segment of population they found to be "high national brand preferred' and found that the proportion of purchases devoted to the favorite brand ranged from about 90 to 100 percent within this segment.

Thus, also the research based on proportion of purchase approach proves the existence of brand preference. Hence, it can be concluded that brand preference does exist but

the study on brand preference does not complete only with this conclusion. Together with this conclusion another question arises - what type of preference? Finding out only the existence of brand preference cannot serve the purpose of the strategy builders unless it is found out what type of preference it is. The preference revealed by different consumers is not the same. The factors causing preference may vary from person to person or consumer to consumer. Similarly, the degree of preference varies across products. Therefore, it is necessary to take into account all the factors causing variations or differences while defining brand preference.

All the definitions of brand preference stated on the previous pages and the researches based on those definitions have focused mainly on the consumer behavior or consumer purchases. There are three approaches to brand preference used by the researchers: brand -choice sequence approach as used by George Brown, Preference over time as used by Leaster Guest, and proportion of purchases as used by Blatberg and Sen. None of these approaches is sufficient to crystallize the concept of brand preference. Commenting on these definitions Schiffrnan and Kanuk states:

"From the view point of cognitive learning theorists, such behavioral definitions lack precision, since they do not distinguish between the real brand preferred buyer who is intentionally faithful, and the spurious brand preferred buyer who repeats a brand purchase because it is the only one available at the store or because it is displayed more prominently than others, or who flies a specific airline because its telephone number comes most easily to mind." *(Schiffman & Kanuk 1990: P. 259)*

Brand preference must be defined in the way that could distinguish between a preferred buyer and a spurious preferred buyer. If the marketers treat both types of buyer alike, they cannot get the desired result because there is a vast difference between a spurious preferred buyer and a true preferred buyer. The spurious preferred buyer lack any attachment to brand attributes and they can be immediately captured by another brand that offers a better deal, a coupon, or enhanced point-of-purchase visibility rough displays and other devices' *(Day quoted from Engel & Blackwell 1982: P.)*

The definitions of brand preference, based on the brand choice sequence approach or preference over time approach or proportion of purchase approach, are the operational

definitions. They do not make any differentiation between a spurious preferred buyer and a true preferred buyer. Similarly, according to these definitions it is difficult to compare and synthesize the findings. For example, even in the same study, results may vary according to the approach used. They define brand preference terms of consumer behavior or consumer purchases only. In this sense, they are definitions of repeat purchase behavior rather than brand preference behavior. Brand preference is something more than repeat purchase. To be truly brand preferred, the consumer must hold a favorable attitude toward the brand in addition to purchasing it repeatedly. *(Engel & Blackwell 1982: P.570)* Definition of brand preference, which has taken into account both the purchasing pattern and the attitudinal factors, can depict the real picture of brand preference. In other words, brand preference can be better measured by the both consumer purchases and consumer preferences rather that only by consumer purchases.

The definition given by Jacoby is considered the best, easiest to understand and most complete of all the definitions based on preference-purchase approach. Jacoby defines the Brand preference as biased behavioral response expressed overtime by some decision-making unit with respect to one or more alternative brands out of a set of such brands, and is a function of psychological process.

The theme of Jacoby's definition is that brand preference should be measured in terms I of both consumer purchases and consumer preferences. Brand preference is purchase behavior of a decision-making unit. Such behavior is based on psychological processes and is biased for one or more brands for a specific time. Jacoby's definition is quite able to distinguish between a true preferred buyer and spurious preferred buyer. Evaluation of consumer purchases explains which specific brand or set of brands a consumer purchases repeatedly where as the evaluation of consumer preferences answers why he repeats purchase of that brand or brands. He may buy the same brand or brands due to many factors such as psychological commitment. Ignorance of other alternative brands, unavailability of other alternative brands, unavailability of other alternative brands at the store, and many other factors too. It is necessary to know which factor is contributing to preference.

Another important aspect of Jacoby's definition is that is recognizes the existence of multi-brand preference. When we speak of brand preference, we concentrate our mind especially on a specific brand. We think that brand preference is the consumer's preference to a specific brand. However, reality is rather different. Brand preference means Preference to one or more brands that the consumer repeatedly purchases of the given product category.

Since preference-purchase definition of brand preference includes both the consumer preference and the consumer purchase, it puts forward a clear-cut concept of brand preference. Brand preference as a concept is both and input variable and output variable. As an input variable, it is the cause of the consumer decision and as an output variable; it is the result of the consumer decision. Hence, understanding of concept of brand preference comes out to be an important toll of developing successful marketing strategy.

Researchers have not only defined what brand preference is but have also endeavored to find out how it i.e. brand preference develops. The question 'How does brand Nepalese buyers are too offered wide ranges of products. Nepal is not an exception to the cut -throat competition that is prevailing in the modern marketing world as its main characteristics. Today not only Nepal's own industries goods but also the huge flow of imported goods into the local market has added up to 'the more brands of a specific product category. This has consequently brought the change in the marketers and consumers perception. The growing product variety has enhanced the increase in their promotional activities too. Every marketer is trying to prove his product the best which could be witnessed from the bombardment of the TV commercials, paper ads, radio jingles, posters, signboards that are calling up to buy the products. After all what a producer and the marketer want is to develop market share highly preferred to his product or brand. The growing Nepalese market too needs to know what its consumers think about the numerous products that it offers them. There has been very less study regarding the this topic and this study therefore is being carried out on the basis of consumers reactions on the various question put across them regarding the selected non-durable consumer goods that would reveal their brand awareness and will give an idea of the Nepalese consumer being brand preferred to the products offered to them.

The selected four non-durable consumer dairy products for the study are as below:

a) **Milk**: Milk is produced naturally from mammal's breast to feed their kids. It is the complete food of the kids to survive in the environment.

b) **Yoghurt**: Yoghurt is a dairy product produced by bacterial fermentation of milk. Generally it contains 3% fat and 8 % SNF.

c) **Ice-Cream**: Ice-cream is a frozen product that is obtained from cow or buffalo milk or a combination there of or from cream and/or without the addition of cane sugar, dextrose liquid glucose and dried liquid glucose, malt dextrin eggs, fruits juices, preserved fruits, nuts, chocolate, edible flavors and permitted food colors. It may contain permitted stabilizer and emulsifier the mixture shall be suitably heated before freezing.

d) **Ghee**: Ghee is 99.5% the complete fat that is extracted from cow or buffalo milk. Ghee is produced after processing of butter that is obtained from separated milk cream. But Butter have only 82.84% of fat and rest other is water.

Preference develops?' has occupied an important place in the literature on brand preference. However, the researchers have not the same attitude toward the development of brand preference. Likewise, on definitions, the researchers have different view on how brand preference develops. *(Schiffman & Kanuk 1990: P. 258)* Behavioral scientists who favor the theory of instrumental conditioning believe that brand preference results from and initial product trial that is reinforced through satisfaction leading to repeat purchase. Consumer purchases a particular brand as a trial and if this very trial can satisfy his need for what he purchased the product makes him repeat the purchase of the same brand.

On the other hand, cognitive researchers emphasize the role of mental process in building brand preference. They believe that consumers engage in extensive problem solving behavior involving brand and attribute comparison leading to a strong brand preference and repeat purchase behavior. In other words, brand preference is an outcome of mental process of the consumer. The consumers are not preferred to a brand simply because the brand satisfies their need. They are preferred to a specific brand or a set of brands because they have developed a positive attitude towards that brand or brands. Such an attitude is developed through a decision making process.

Involvement theorists do not agree with the cognitive theorists and behavioral scientists favoring the theory of instrumental conditioning. Involvements theorists believe that frequent exposure to T.V. commercials that are rich in visual cues, symbolism, and short in duration, buttressed by strong in-store displays creates a type of brand preference for low involvements purchases. Studies on brand preference have also tried to find out when brand preference develops. The research evidence suggests that a great deal of brand preference develops quite in life within the context of family life. One study comparing middle schools all the above are non-durable consumer goods with low involvement. As such, products are repeatedly purchased. These are considered helpful in identifying the perception of Nepalese consumers on the brands offered to them. Children with high-school students found that both groups scored high on the ability to express brand preferences older group had significantly more brand preferences. *(Schiffman& Kanuk 1990: P. 259)* What children learn is apparently quite lasting. A long-term study among children in grades 3 through 11 conducted by Guest found, twenty years later, that about a quarter of the subjects who responded preferred and still used the same brands they did in the earlier study. *(Schiffman & Kanuk 1990: P. 267).* Thus, the researches reveal that the brand preference develops early in the life of a person and such preference has a long lasting effect overall life of the person. However, this may not be true for all the persons. The modern world is characterized by fast change. Most of the persons who are keeping pace with this world are supposed to change their behavior time by time. The different factors in the environment in which they live have an inexorable impact on their behavior. Hence, it is not hundred percent correct that the impact of brand preference developed at a certain stage of life can be seen even throughout the rest of the lifetime. Thus, the studies on brand preference have analyzed what, how and when of brand preference, and have presented it as a special phenomenon for scientific analysis and prediction. Brand preference is the result of good brand image and brand preferences and choice. Brand preference has many marketing implications.

Consumers who are preferred to the certain brands are valuable assets and the agency for finance to the manufacturers. Brand preferred consumers also perform the function of advertising and sales promotion. "Once brand preference is established the treat from other brands is considerably less than in ego involving products." *(Chisnall 1991: P. 26)* Thus, preferred to the certain brand means assurance of market universe,

decreasing burden of sales promotion and assurance from the fear of competitive brands.

Brand Preference is one way of segmenting a market" *(Engel & Blackwell 1982: P.)* If the consumers are identifiable as preferred and non-preferred, the market can accordingly be segmented as preferred consumer market & non-preferred consumer market & separate strategy can be used for each. "The process of allocation of basic demand to competing brands incorporates a number of realistic phenomena. For example, the demand for a particular brand comes from two sources. The initial component represents habitual brand purchase or brand preference. The remaining demand comes from what is termed the potential shifters demand." *(Montgomery & Urban 1990: Pg No. 32)*

Manufacturers always like to know about the market captured by each brand, which product is profitable to produce, which area is better to sell and how much should be produced. In this sense, the understanding of brand preference is a major instrument to make a production plan and employ control mechanism to avoid any future difficulty.

Thus, knowledge of brand preference has been proved an important as well as a successful marketing strategy. That is why the experts suggest brand switching and brand preference studies should be made on a continuous basis.

In short, knowledge of brand preference makes the manufacturers aware of probable future progress and gives warning to take suitable action to avoid any adverse situation likely to prevail in the future.

## 2.2 BRAND SWTICHING

Brand switching means consumer's habit of constantly shifting from one brand to other. In this sense, brand switching is opposite to brand preference. A brand preferred consumer is stuck with the specific brand or sets of brands. The buyer who is habitual to brand switching is preferred to no brand. Understanding why consumers are involved in brand switching behavior is very important for complete understanding of the brand preference behavior.

There are many causes of brand switching behavior. It is not usual to switch brands simply because of variety seeking. Some consumers switch brands because they are dissatisfied or bored with the same product. Where as, others switch brand because they are concerned with price rather than brand names.( Schiffmen and Kunuk 1999 pp 26)

The main causes of Brand switching are:

» Price

» Advertisements

» A desire to test new brand

» Other (Quality, test, recommendation, suitability, fairness, availability, durability
  etc).

Consumers having been preferred to a brand for a long time may switch to other brand because of being dissatisfied or being bored with the brand, he has been using for the long time. Similarly, if the consumers are more prices sensitive, then even a slight discount on the products of competitive brand may make him move towards those brands that offer cheaper products. However, the research on the brand switching reveals that brand switching is not very risky as it is tough. In other words, brand switching is not very much threatening to the manufacturers. A recent study on consumer purchase habits reported that brands with larger market shares have proportionately larger group of preferred buyers.

Thus, it follows that some interpersonal factors such as dissatisfaction, price consciousness and aspiration for testing new brands causes brand switching. Similarly, external factors such as price, deals coupons, free samples etc. cause brand switching. However, the researches show that such brand switching cannot be converted into brand preference. The consumers do not keep in sticking up to the brand that they are switching.(Schiffmen and Kunuk 1999 pp26)

## 2.3 GUIDING PRINCIPLE OF BRANDING

Vortex was developed around a set of guiding principle about branding proven beliefs that introduce every aspect of our approach, services and methodologies.

I.  Branding gives you the means to break out of the appearance of offering commodity or parity services and products and services can achieve this end as effectively.

II.  Branding is neither an art nor a science but a process of improving relationship. It uses elements, processes, system and rules of both science and art. There is no single, simple solution to brand value improvement rather it is an individualized, customized and evolving landscape.

III.  Communications are a critical part but not the sole aspects of branding, strategic branding encompasses a continues of services and system that extends from corporate goals to customer need.

IV.  It is impossible to optimize every branding opportunity effectively. Although all elements are important not all are equal. Focusing a good brand's strongest characteristics will return greater rewards.

V.  Business prospects and grows when leaders find the essence of the situation learn the key devices and those are those are presented with clear and narrow choices. Your brand is the place we start, offering a range of services that will transform your organization into one that has power to move forward.

Brand preferred consumer have the following attitude.

## 2.4 BRAND PREFERENCE CORRELATES

Brand preference correlation means the various factors that are associated or related with the differential degrees of brand preference. Brand preference correlation explains why brand preference varies across the product and consumers. Similarly, brand preference correlations identify the characteristics of brand preferred consumers and distinguish them from the non-preferred ones. Thus, the preferred ties on branding correlation are of high importance for the marketers. Therefore, there must not be any conditions or confusions about the correlation. Correlation must be defined and stated precisely so that the marketer could use them as the guidelines for making strategies. Moreover, this can be better done by improving the weakness of the past attempts and by developing the most scientific and accepted research tradition.

Many researches have been conducted to find out such correlation of brand preference. Engel and Blackwell, after analyzing the findings of around 34

researchers conducted by various scholars and experts, have made the following conclusions:

- Socioeconomic, demographic and psychological variables generally do not distinguish brand preferred consumers from other consumers when traditional definitions of brand preferred have been used.

- When extended definitions of brand preference are used, some socioeconomic, demographic and psychological variables are related to brand preference. However, those relationships tend to be product specific rather than ubiquitous across product categories.

- There is limited evidence that the preference behavior of an informal group leader affects the behavior of the other group members.

- Store preference is commonly associated with brand preference.

- There are some evidences that brand preference is inversely related to the number of store shopped.

- The relationship between amount purchased and the brand preference are uncertain because of contradictory findings.

- There is little evidence that perceived risk is positively related to brand preference.

- Market structure variables, including the extensiveness of distribution and market share of leading brand exert a positive preference on brand preference.

- The effect of the number of the alternative brands, special deals and price activity are uncertain due to contradictory findings.

Thus, the conclusion made by Engel and Blackwell is that even the researchers have found out some factors such as socioeconomic, demography, store preference, number of stores shopped, market share of leading brands and the correlation of brand preference. However, their findings are contradictory concerning to other factors such as amount purchased, inter-purchase time, number of alternative brands etc. It seems that researchers have not yet been reached to any concrete result about what are correlation and non-correlation of brand preference.

Brand preference correlation is the important aspect of the study of preference on branding. Brand preference correlation tells why brand preference varies across

products & consumers. Similarly, brand preference correlation identifies the characteristics of brand preference consumers and distinguishes them from the non-preferred ones. Thus, there must not be any contradiction or confusions about the correlation. Correlation must be defined and stated precisely so that the marketer could use them as the guidelines for making strategies. Moreover, this can be better done by improving the weakness of the past attempts and by developing the most scientific and accepted research tradition.( Engel and Blackwell pp577and 578)

## 2. 5 BRAND PREFERENCE MODEL

A wide variety of models has been employed in an attempt to understand and predict brand preference behavior of the consumer. They identify factors affecting preference behavior and predict how such factors affect behavior in the future.

The model that has been employed to analyze the brand preference behavior is stochastic in nature. Stochastic models predict behavior based on probabilities. That is to say, stochastic models treat the response of the consumer in the market place as the out come of some probabilistic processes. The models recognize that there are many factors such as consumer variable and exogenous variable that determine the out of behavior. Even though these factors or variable are not measured or explicitly included in the model, they are represented by probability distribution and their affect is accounted. So far, most attempts at stochastic modeling have been concerned with predicting brand-switching behavior and the rate of trail and repeat purchasing for new products.( Harper W. Boxd and William F. Massy Marketing management an analytical problem solving Approach, Tokyo, McGraw Hill Kaga-Kusha Ltd. Intl Edn pp 59-60)

### 2.5.1 Bernoulli Model

This is the earliest model of brand preference. In this model, the consumer is assumed to have a constant probability (P) of purchasing the brand under study. The probability is determined from aggregate brand choice data & is assumed independent of all external influences, prior purchases or consumer characteristics. In this model, the probability of purchasing brand A at a particular occasion (T) is represented by P (AT)

This model suggests that there is no feedback from post purchase events. The response function is free to change over time if, however, suggests that number of brands available at a store, special price deals and out of stock situation of the brand influence the probability function. This shows that if brand A becomes available at many stores, then the probability of buying that brand may be greater for the consumers who purchase that brand. There are several variations of the basic Bernoulli model. Although these variations have explicitly considered the heterogeneity in the population, yet they have not abandoned the assumption made by the basic model, i.e. the past purchases have no effect on the present or future purchase probability. (Engel and Blackwell pp581)

**2.5.2 Markov Model**

This model takes the assumption about past purchases; it assumes that past purchases influence the probability of current purchase. Many models have been built up on this assumption and they are known as Markov models. Among these models, the most commonly used one is the first-order Markov model.

The first-order Markov model analyses the impact of short-term consumer learning on the purchases probability. This model assumes that the outcome of the last purchases decision affects the brand choice probability on the next trial but the model denies that except the last one other previous purchase have no effect on the probability. For example, the purchase sequences AB and BB would both lead to the same prediction about probability of purchasing brand 'A' on the next purchases because in the both cases the last purchase is brand 'B'.

The first-order Markov model can be better illustrated by a product category having three brands. Let us suppose the following probabilities representing brand choice behavior of customers in a place.

| Next purchase | Last purchase | | |
|---|---|---|---|
| | A | B | C |
| A | 0.80% | 0.10% | 0.10% |
| B | 0.10% | 0.60% | 0.30% |

The probabilities stated in the table above or the transitional matrix given above show that the brand purchase in the last purchase exerts great influence on the probabilities that is applicable in the net purchase. That is, if a consumer had purchased brand 'A' in last the purchase, it is almost certain that it will be bought in the next purchase. But, if a consumer had purchased brand 'A' during a certain period, there is a 80% chances that he will buy 'A' again during the next purchase, 10% chance of buying 'B' and 10% chances of buying 'C'. If the same consumer had purchased brand 'B' in place of brand 'A' in the last purchase, then his chance of buying brand 'A' in the next purchase is 10% that of buying 'B' is 60% and of 'C' is 30%. The transitional matrix mentioned above which the Markov model assumes to be stationary (i.e. that remain unchanged through time) can be used to predict the future brand-share values for A, B and C. Further, more, the transitional matrix (probabilities) in the model is used as one way of measuring both the holding power of a given brand and its ability to attract patronage from other brands. Further, more, this model has been used to estimate the number of periods that will pass before a given brand will be tried.

However, there are some factors in the first-order Markov model that the other experts point out as the weaknesses of the model. They have challenged the assumptions such as stationary transitional matrix first-order, population homogeneity etc. and have developed other models, tough following the principle of basic Markov model (i.e., previous purchase affects the brand choice probability in the present and future), which are, largely, independent of these assumptions. Some of such models are the second-order Markov models, which consider the effect of last two purchases, models based on non-stationary transitional matrix and the models taking into account the impact of population heterogeneity.( Harper W. Boyd and William F. Massy, Marketing management, pp59-63)

### 2.5.3 Linear Learning Model

The primary concept of this linear learning model is similar to that of Markov model. That is, past purchase affects the future brand-choice. However, this model assumes that the consumer's brand-choice probability changes by a certain amount depending o the outcome of a given brand-choice event (whereas in the Markov model, the probability is set to a predetermined value that depends solely on the outcome of the

event). Suppose that buying brand 'A' raises the probability of buying brand A by 10%. If the probability were 0.70 before a given trail, it would be either 0.75 or 0.65 after the trial, depending on the outcome. Similarly, if the initial probability were 0.40, the same model would produce output probability of 0.50 after the purchase of 'A' and 0.35 after the purchase of 'B'. Thus, linear learning model shows that there is a linear relationship between pre-purchase and post-purchase probabilities. For the first time, Alfred Kuchn applied this model to brand choice data and found that it provided good predictions. Many researchers have tested this model even after Alfred Kuchn and have found the performance of the model rather well in the most of the tests. There are many models so far developed as the modifications to the basic linear learning model. Some of them considered as important are those, which incorporate the effects of external market forces into learning model by making their parameters functions of these forces.( Harper W. Boyd and William f. massy, Marketing Management, Intl. Edn., pp63-65)

## 2.5.4 New Trier Model

The new Trier Model was developed by David A. Akar to model the behavior of a consumer who has purchased a new brand. New brand, here, implies the one that is not used before by a consumer, or if even used before, that is completely forgotten he had used that before.

According to this model, there is a trial period after the initial purchase and the probability of purchasing a particular brand in the future is an outcome of the consumer's experiences relating to that brand in the trial period. In the initial purchase, the probability of purchasing the particular brand is constant for the consumer who bought it. This trial period purchase affects the probability. After the initial purchase, there may be a number of trial-period purchases. The number of such purchases may vary from consumer to consumer. During the very trial-period purchases, the consumer develops a new purchase of the brand that was purchased in the initial purchase; it may also result into rejection of that brand.

Thus, the new Trier model assumes that past purchase do not affect the present or future purchase probability and the probability is non-stationary and varies from

consumer to consumer. Even though the model is considered simple and easier to understand, the assumption of the zero-order processes has limited its use.( James F. Angel and Roger D. Blackwell, pp583-584)

## 2.5.5 Probability Diffusion Model

David Montgomery proposed the probability diffusion model. This model assumes that the past purchases do not affect the brand-choice probability in the time to come. According to this model, an individual's response probability is a function of external environmental factors. The probability is non-stationary and varies from consumer to consumer. Thus, the mechanism of the probability diffusion model is to some extent related to that of the Markov Model.

Above we reviewed some; widely used brand preference models based on the stochastic structure. Based on the principle of stochastic model, these models therefore cannot be free from the problems immanent into the stochastic model. All the stochastic models of brand preference stated above have been applied primarily to the products that are frequently purchased and relatively low priced. These models avoid the issue of multi-brand preference, and neglect the change in stochastic process. Similarly, the effects of heterogeneity and non-stationary are quite confusing in the models.

Moreover, the models demand actual purchase dates that is not always obtainable. Thus, it seems that these models still need some modifications or improvements for their effective use in accurate predictions of brand choice behavior.

## 2.6 REVIEW OF RELATED STUDIES IN NEPAL

In 1952, the first study on brand preference was published by George Brown. This study was conducted on a panel of 100 households. Survey method was used for this study. The survey was conducted on the household purchases of frequently purchased non-durable consumer products goods such as coffee, orange juice, soap and margarine. Households making five or more purchase was placed is one of the four brand preference categories depending on the sequence of brand purchased. Based on

definition of brand choice sequence, Brown noted that households demonstrating some degree of preference varied from 54 to 95 percent depending on this product involved. On the other hand, percentage of the household that were undividedly brand preferred varied from 12 to 73 percent from product to product.

Anuam Vasudeva, in study of band preference among the urban and rural people, have pointed out that there are only two factors influencing the brand preference market share of the brand and the response to the promotion scheme. High market share of the brands attracts more brand preference than low market share brands do. Attraction for promotion schemes is thus inversely related to the brand preference.

The type of distribution out late from which the brand is brought is not related to the brand preference. There is great similarity between the urban and the rural market in the brand preference concern.

He also added that the brand preferred cases in both markets were similar with respect to response to promotion schemes. He had also concluded that the high-income groups attached with the high price brand and the low-income groups attached with the low priced brand. However, generally the higher income group exhibited a level of brand preference different form that of the other classes.( Anuam Vasudeva. www.brandpreference .com)

A dissertation titled *"A study on Brand Loyalty"* carried out by *Mr. Yogesh Panta* in *1993* has addressed the following major objectives:
- To examine the brand awareness of the Nepali Consumer.
- To find if Nepali consumer are brand loyal or not.
- To identify the correlates of Brand loyalty.

Major findings of the study are:
- Nepali consumers are aware of various brands of the products offered.
- The brand loyalty in Nepalese consumers varied as per variables such as age, sex, marital status, family system, education etc.

A dissertation titled *"Marketing of Instant Noodles in Narayangarh"* carried out by *Mrs. Sahanshila Shrestha* in *2002* has addressed the following major objectives:

- To generate the consumer profile of instant noodles.
- To generate the consumer's perception of the quality, taste and other relevant aspects of instant noodles.
- To analyze the sales and market share of instant noodles.

    Major findings of the study are:

The buyers of instant noodles constitute population with variation in terms of correlates such as age, sex, education and family income. In addition, majority of the buyers consume instant noodles, they being the instant and easy item for consumption.

- The consumers are aware of the various brands of instant noodles in the market and they were found to be easily going for the substitute brands upon the unavailability of their favorite brands in the market.
- The well-known brands of the noodles were found to have relatively greater market share than the others.

A dissertation titled *"A brand preference study between Sanmiguel and Tuborg Beer in Kathmandu metropolitan city"* carried out by *Mr.* Santosh Adhikari*,* in *2002* has addressed the following major objectives:

- To examine the buying habit regarding beer and the buying behavior of the consumers.
- To find out the effective advertising media of beer and their impact on the consumers.
- To find out the sales volume of beer in Kathmandu metropolitan city.
- To suggest measures for promotional marketing of Sanmiguel and Tugborg.

Major findings of the study are:
- 42 % are occasional drinkers with 25 % preferring Sanmiguel and 17 % preferring Tuborg out of 100 beer drinkers.
- The advertisement of Tuborg has the highest recall value amongst beer drinkers.

- 55.93 % of beer drinkers preferred to. Drink beer with .friend Sanmiguel stand for 22.58 and Tuborg by 33.35%.
- Brand preference between the two brands Tuborg and Sanmiguel were found to be 56 % and 44% respectively.
- The major attributes for an "Ideal Brand" were found to be: - Taste -77.33%, Price - 13.33 %, Packaging - 5.00%, Promotional campaign 5.0%. Taste and Pricing (factors) attributes were find different to two brands but other factors found similar.
- Tuborg has found to be more popular in terms of different periphery.

A dissertation titled "A study of brand preference in noodles" carried out by *Mr. Dinesh Khanal* in *2003 has* addressed the following major objectives:
- To examine the buying habit regarding the noodles and behavior of the consumer.
- To find out the effective adverting media of noodles and their impact on the consumer.
- To suggest measure for promotional tools. of the noodles product.
- To find out the products' attributes and pricing factor of noodles.

Major findings of the study are:
- The most preferred brand is Wai Wai, Mayos as second, JoJo is least preferred, Rumpum and RaRa are moderately preferred.
- Most of the noodles consumers are found to be in the age group of 15-30 years and most of them preferred the brand Mayos. Respondents below 15 years and above 30 years preferred Wai Wai.
- It has been found that the highly familiar media is T.V and Radio with the age group of below 30 years old of consumer and those consumers who are above 30 years are familiar with hoarding board and newspapers.
- 40% of respondents are found in high effectiveness of advertising media upon consumption of noodles.
- It has been found that if their favorite brand is not available in the marke4 55.33% consumers will buy the second preferred brand.
- The brand Wai Wai has been found in first rank, Mayos second, Rumpum third, Rara fourth, JoJo fifth and other brands in sixth rank in preference.

- It is clearly found that the brand Rara is cheap, Rumpum reasonable, WaiWai expensive irrespective to price.
- Large number of respondents shows the brand-switching tendency in attractive gift/prize program, which is offered

A dissertation titled *"Brand preference study on motorcycle with reference to Kathmandu City"* carried out by *Mr. Yuddha Sagar Bhattarai, in 2004 has* addressed the following major objectives:

Major findings of the study are:

- Hero Honda brand has been found as the most preferred brand, Yamaha as the second, K-Bajaj as the third, Other brands as the fourth, Lifan as the fifth and Dayang as the sixth preferred brand respectively
- On the basis of the age. group, most of respondents have been found in the age group of 25-39 years. Hero Honda is the most preferred brand in the age group of people below 25 and 25-39 years. In the matured segment group 40 and above, Yamaha holds its first position.
- On the basis of the profession, large number of respondents have been found in the category of 'job holder'. In most category of profession, Hero Honda has been popular except in 'business category'. In business category, K-Bajaj has been seen as the popular brand.
- Economic aspect is the primary reason for preference of the motorcycle riders. Saving of time and easy handling of the motorcycle follow it.
- It has been found that there is 'Brand loyalty' on this sector as the motorcycle is purchased rarely.

A dissertation titled *"A study on Brand Preference on instant noodles"* carried out by *Ms. Tara Adhikari Phuyal* in *2006 has* addressed the following major objectives:

- To identify the profiles of customers of specific brand
- To examine the product attributes sought in the motorcycle brand.
- To assess the customers' perception on brand preference

Major findings of the study are:

- Most of the consumers are consuming noodles frequently and from more than years

- The massive consumption of noodles purpose is snacks and the place to consume is restaurant.
- The most preferred brand is Wai Wai, Mayos as second Maggie is leas preferred, Shaka laka Boom and 2 pm are moderate preferred.
-  Most the noodles consumers are found in the age group of 15-30 years old and most of them preferred the brand mayos. Rest consumers are found to be below 15years and above 30yrs old who preferred in this segment.
- The reason for noodles consumption has found easy to consume.

## 2.7 RESEARCH GAP

This study has been carried out in Pokhara valley. In fact, I have conducted the study to find out product wise brand preferred consumer in milk and milk product. This study entitled "Product and Brand preference on milk and milk product" is therefore important in Nepal because it deals about demographic variables like age, sex income etc and it effect on the brand of milk and milk. My research is differ from the above mention research works because I have categorized the brand preference of consumer according to the their income level, and also categorized them by age wise which age of the people are brand preferred on milk product, I have also show the purchase pattern of milk product, how they think of the alternative brands or they compare one milk brand with another milk brand, also categorized them by the sex that who are more brand preferred male or female, also categorized them by the education level, and also many cases I have done likewise brand preference and sales promotion, store preference, brand switching correlates of the product.

# CHAPTER - III
# RESEARCH METHODOLOGY

## 3.1 INTRODUCTION

Industrial activities are gradually increasing in Nepal. Number of units of industries producing different types of consumer durable products and consumer non-durable products are increasing year by year. Similarly, the quantity of such products being imported from abroad is also on increasing. Almost all of these products are marketed with different brands. Most of the manufacturers or marketers/sellers are spending a good deal of money for the promotion of their brands. In other words, promotional activities are also increasing in the country. All these show that marketing in Nepal is developing fast and entering into an era of cutthroat competition. This process of growth is much accelerated by the present governments growing emphasis on privatization and free market economy.

In the context of Nepalese consumer market, this study is carried out mainly to find out preference on branding of the Nepalese consumers. Beside this basic objective, this study has also aimed to identify the factors associated with brand preference and examining the brand awareness of the Nepalese consumers. Studying brand preference is very much necessary to keep pace with the increasing competition in the market. In the competitive modern business world, research on consumer behavior is considered the most essential activity to be conducted on to become a successful marketer.

It is understood that research works are to be much more effective, accurate, useful, and need scientific methods. Hence, this study also employs scientific methods of research. The research methodology employed in the present study is based on primary data as descended below.

Research methodology is the main body of the study; it is the way to solve about research problem systematically. Therefore, research methodology is the research method on techniques to use through the entire study. In other words, research

methodology is the process of arriving at the solution of problem through planned and systematic dealing with collection, analysis and interpretation of the fact and figures.

## 3.2 RESEARCH DESIGN

The research design adopted for this study is descriptive based on survey study. This study mainly aims to find out preference on branding of the Nepalese consumer. Therefore, the survey research design is adopted for the study. The data and information collected from the survey of the consumer are rearranged, tabulated, analyzed, and interpreted according to the need of the study for attaining the stated objectives.

This study is an exploratory study. This study mainly aims to find out preference on branding of the Nepalese consumers. Therefore, the survey research design is adopted for the study. The Nepalese ultimate consumers are extensively surveyed to procure data and information about the consumer's personality, purchasing pattern of different brands of the products selected for the study, and their attitude, responses and reaction relating to the brands. The data and information collected from the survey of the consumer are rearranged, tabulated, analyzed and interpreted according to the need to the study for attaining the stated objectives.

The sampled Nepalese consumers have been extensively surveyed to procure data as per their personality relative to their purchasing pattern with respect to the products selected for the study.

## 3.3 NATURE AND SOURCES OF DATA

The data used are primary in nature. These primary data required for the study are collected from the consumers of Pokhara valley.

## 3.4 POPULATION AND SAMPLE

All the Nepalese ultimate consumers of the products selected for the study are considered as the population of the study. Out of this huge population, a sample of

100 consumers is taken for the study. The consumers thus selected as sample for the study have been randomly picked up on convenience sampling basis taking into consideration that various age groups with proper differentiation on variables such as age, sex, literacy, family system, income level etc. are included.

The brand of milk and milk product of the different companies like Safal, Nova, Rahul, Fresh, Kamadhanu, Pokhreli, Gaurishankar, Nagdanda, Asal, Sahkari, Krishna etc. are taken for the study.

## 3.5 DATA COLLECTION PROCEDURE

Structured questionnaire is used to collect the primary data from the respondents. Personal interview is conducted with the respondents with the help of the questionnaire

## 3.6 DATA PROCESSING, TABULATION AND ANALYSIS

The data collected as per the personal reactions of the consumers taken as the sample have been appropriately organized and then tabulated. The responses of the questions have been tabulated on different tables. Percentage and other computations have been calculated and included in the tables. After that, the data have been analyzed descriptively and statistically. For the purpose of statistical analysis, simple statistical tools are adopted such as simple mean, weighted mean, ratio, percentages etc. Various tools like graph, bar diagrams and pie charts have been used to make the information easily understood by the readers. In brief, the study has been focused in finding the answers to the three core research questions as stated below:

1. How is Brand awareness of the Nepalese Consumers?
2. Are the Nepalese consumers' brands preferred?
3. What are the major correlates of brand preference for Nepalese Consumers?

# CHAPTER - IV
# DATA PRESENTATION AND ANALYSIS

## 4.1 INTRODUCTION

This chapter incorporates the data and information collected from the ultimate consumers that are presented and analyzed for the attainment of the stated objectives of the study. The survey includes the responses of 100 individuals and the analysis and the interpretation of what is found from the study has been explained at the end of the chapter.

The data and information collected from the consumers are presented, interpreted and analyzed according to the research questions formulated for the study. Research questions formulated for the study have been responded by the means of the very analysis and interpretation. Therefore, each research question is reviewed first before the collation of the data for the interpretation and analysis.

## 4.2 BRAND AWARENESS OF NEPALESE CONSUMERS

The first research question formulated for this study is to identify the brand awareness of the Nepalese Consumers in relation to the non-durable consumer goods. For this, the respondents were given a scale to measure the importance of brands to them in milk and milk product. The scale included five points from 1 to 5.1 representing the minimum 1 and 5 representing the maximum. The respondents were asked to tick on the box they thought was the most appropriate. Different respondents have ticked different points 1 to 5. The weighted mean of the consumers' responses concerning to the importance of the brand has been calculated and presented in the table below:

### IMPORTANCE OF BRAND

| Type of the goods | Weighted mean of Importance points |
|---|---|
| Milk and milk product | 3.94 |

The above table reveals that the consumers have given on average 3.94 point for the importance of the brand in milk product (See Appendix:1). According to the scales provided to the respondents and the result observed, their approaches have been nearer to the highest value. This response shows that the Nepalese Consumers give brand high importance in milk and milk product. This shows that the consumers are willing to learn about the brands they are being offered and that brand is an important factor to their purchase.

**Table No: 1**

**Use of Brand in Purchasing Milk and Milk Products**

| S.N. | Name of the Product | Means of Purchase | No. of respondents | Percentage |
|------|---------------------|-------------------|--------------------|------------|
| 1. | Milk | BY Brand | 55 | 56.12% |
|  |  | By Inspection | 25 | 25.51% |
|  |  | By Influence | 18 | 18.37% |
|  |  | **Total** | **98** | **100%** |
| 2. | Yoghurt | BY Brand | 67 | 67% |
|  |  | By Inspection | 22 | 22% |
|  |  | By Influence | 11 | 11% |
|  |  | **Total** | **100** | **100%** |
| 3. | Ice-cream | BY Brand | 71 | 73.96% |
|  |  | By Inspection | 15 | 15.62% |
|  |  | By Influence | 10 | 10.42% |
|  |  | **Total** | **96** | **100%** |
| 4. | Ghee | BY Brand | 41 | 41% |
|  |  | By Inspection | 33 | 33% |
|  |  | By Influence | 26 | 26% |
|  |  | **Total** | **100** | **100%** |

*Source: Field survey 2069.*

The Table No. 1 shows how the Nepalese consumers buy the milk and milk products such as milk, yoghurt, Ice-cream and Ghee in relation to the options provided to them

as by brand, by inspection or by influence. In case of Milk, 56.12% buy it by brand, 25.51% by inspection and 18.37% by influence. In case of Yoghurt 67% buy it by brand, 22% by inspection and 11% by influence. Similarly, in case of Ice-cream 73.96% buy it by brand, 15.62% by inspection and 10.42% by influence. Also, in case of Ghee 41% buy it by brand where as 33% by inspection and 26% by influence. Thus, the use of brand in purchasing the Yoghurt and Ice-cream is higher in comparison to that of the Milk and Ghee. Hence, it can be said that majority of Nepalese consumers while buying Milk, Yoghurt and Ice-cream make purchase decision by brand. Also, while buying the Ghee considerable buyers do make purchased by inspection and influence.

In the previously mentioned, one must not be confused by the terms "brand," "inspection" and "influence." Buying by brand indicates the buying with the complete knowledge of the product/service in terms of name, sign, symbol, term or combination of them which the producer or seller gives to it in order to differentiate it from the products of the other producers and sellers while buying by inspection means buying a product by observation or examinations. And buying by the influence is buying a product because of the recommendation of the second person. For instance, if a consumer, who wants to buy a packet of Milk, goes to a store and asks the keeper for his first choice brand name of milk and then this is buying by brand. But if he asks the keeper to give him a packet of milk and do not specify any brand name then it is considered buying by inspection. Also, if the consumer buys certain product because the keeper suggests him or some other person suggests him that is good then it is buying by influence.

The data presented in Table no. 1 has been presented in the following bar diagram:

**Fig: 1**

**Use of Brand in Purchasing Milk and Milk Products**
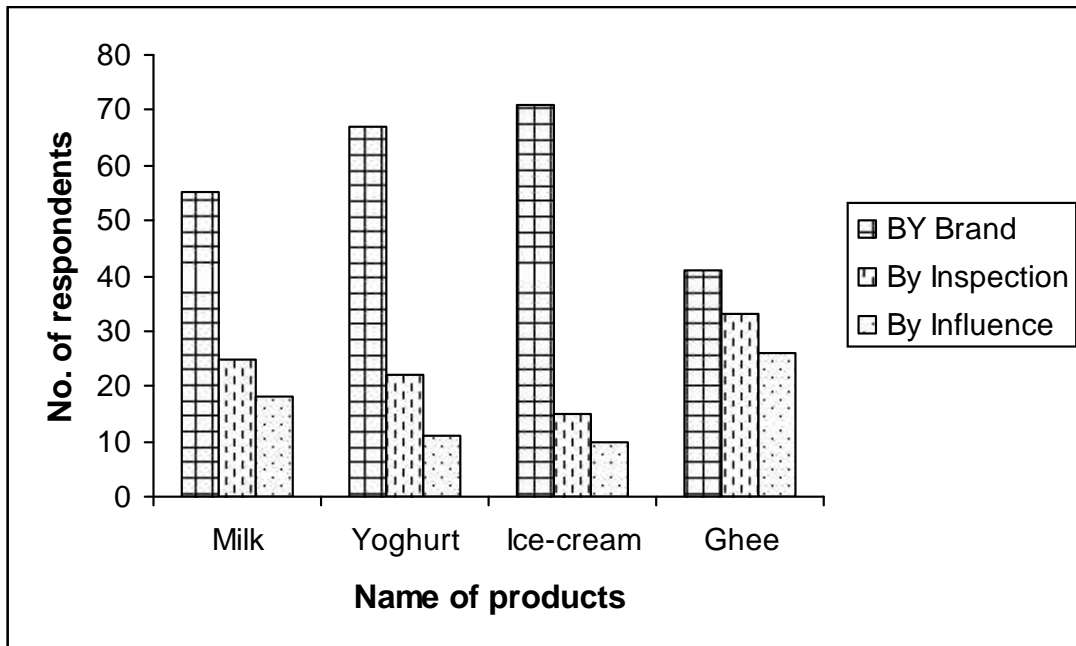


Buying by brand is directly related with brand awareness. A consumer who always buys by brand is supposed to have knowledge of different alternative brands available in the market and the difference between the brand he uses or buys and other alternatives available in the market.

Moreover, the consumers were also asked to name the alternative brands of the above mentioned products available in the market. Majority of the consumers named almost all brands which are currently available in the market.

**Table No: 2**

**Consumers Knowledge about Availability of Alternative Brands of the Product**

| S.N. | Name of the Product | No. of alternative brands known | No. of respondents | Percentage |
|------|---------------------|---------------------------------|--------------------|------------|
| 1. | Milk | 3-5 | 15 | 15.31% |
| | | 5-7 | 32 | 32.65% |
| | | 7 + | 51 | 52.04% |
| | | **Total** | **98** | **100%** |
| 2. | Yoghurt | 3-5 | 15 | 15% |
| | | 5-7 | 26 | 26% |
| | | 7 + | 59 | 59% |
| | | **Total** | **100** | **100%** |
| 3. | Ice-cream | 3-5 | 8 | 8.33% |
| | | 5-7 | 21 | 21.87% |
| | | 7 + | 67 | 69.80% |
| | | **Total** | **96** | **100%** |
| 4. | Ghee | 3-5 | 13 | 13.26% |
| | | 5-7 | 34 | 34.69% |
| | | 7 + | 51 | 52.05% |
| | | **Total** | **98** | **100%** |

*Source: Field Survey 2069*

The table no. 2 shows that the majority of the Nepalese consumers know very well about the different alternative or competing brands of a product. The table depicts that there is no consumer who does not know at least 3 alternative brands. In all the product categories selected for this study maximum number (i.e. more than 52%) of consumers, know most of the brands available in the market.

Knowing the names of the alternative brands or competing brands, though may seem simple, has many implications. It exhibits the consumers' responses to the advertisement campaign launched by the different producers and sellers. Similarly, it also highlights the consumers' watchfulness in the changes taking place in the market.

The data presented in Table no. 2 has been presented in the following bar diagram:

**Fig: 2**

**Consumers Knowledge about Availability of Alternative Brands of the Product**
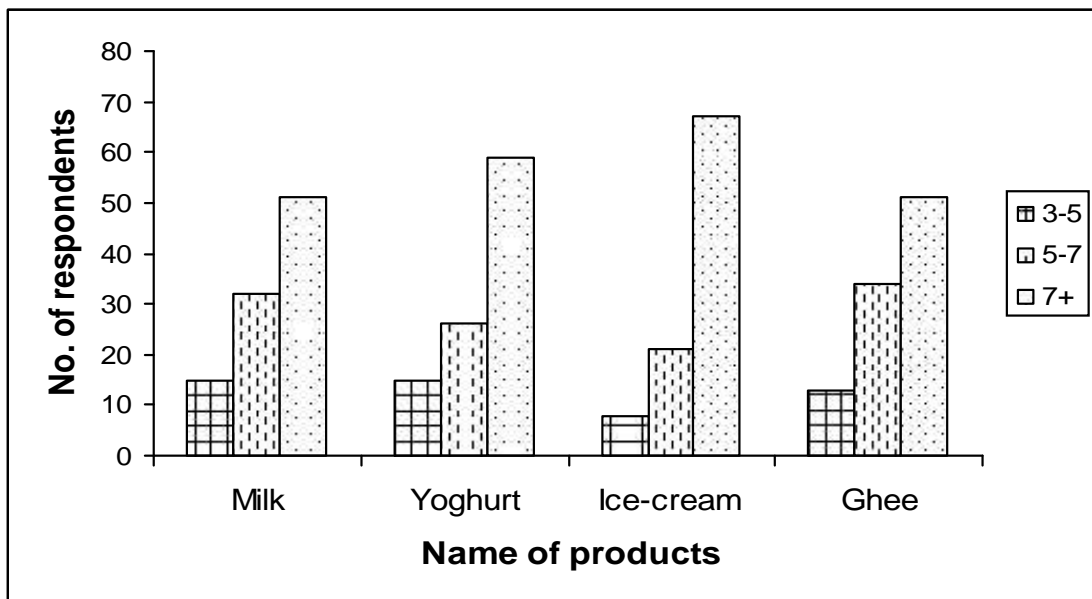


## 4.3 PRODUCT AND BRAND PREFERENCE IN NEPALESE CONSUMERS:

The second question formulated for the study is to find out if the Nepalese consumers are brand preferred or not. Actually, the present study is conducted mainly to answer the very question for which a good deal of efforts has been made to get the answer of this question.

Even though there are many approaches to the measurement of brand preference, we have adopted preference purchase approach in this study. This is to say, the brand preference has been measured based on both consumer's purchase pattern and consumer's preferences. As it has been stated many times earlier, we have selected four products Milk, Yoghurt, Ice-cream and Ghee for the study. Hence, the brand preference of the Nepalese consumers is measured because of their purchasing pattern

and preference order relating to the different brands of these products. To see the purchase pattern consumers were asked to name the brands they bought in their last six purchases. Similarly, to find out the preferred brand they were asked to name their favorite brand of all available in the market. The responses varied from product to product.

Different respondents named different brands they bought in their last six purchases. According to their response DDC, Safal, Nova, Fresh, Rahul, Kamadhanu, Pokhareli, Azabko etc are the different brands of milk and milk product available in the Pokhareli market. The consumers' purchasing pattern is represented by the letters A, B. C, D and E. For example, if a consumer has bought the brand 'Safal' in all the six purchases, his/her purchasing pattern is represented by the letter AAAAAA. Similarly, if he/she had bought the brand 'Rahul' in the first three purchases and 'Nova' in the last three purchases, then his purchasing pattern is represented by the letters AAABBB. The other types of purchasing patterns are also represented in the same manner. The same letters have been used to represent the consumers' preference too. If the consumer prefers the same brand that he/she has bought in the last six purchases, then the same letter or letters have been used to represent preference as well as purchase pattern. But if he prefers any other brand than that bought in the last six purchases, then such preference is represented by any other letter than that used to represent purchase pattern. For, example, if a consumer has bought brand 'Safal' in all the last six purchases but he/she says that his/her most favorite brand is 'DDC', then in such case the purchasing pattern is represented by 'AAAAAA' where as his preference is represented by 'B".

**Milk:**

Altogether 98 respondents responded to the questions relating to Milk. The rest 2 respondents reported that they do not use Milk. In the country like Nepal, demand of Milk, is constant than other two products ie Yoghurt and Ice-Cream mentioned above. Most of the Nepalese people buy it for tea and to drink directly for strong health. So, its demand is almost constant throughout the year. The total consumption of milk in Pokhara valley is 27,000 Ltrs daily. The present research is conducted in the lean season. Therefore, it is expected that the consumers' responses may slightly vary in the flush season from what is presented in the study.

Needless to say Safal, Nova, Fresh Milk, Rahul, Kamadhanu, Pokhareli Dud, Gauri Sanker, Nagdada, Asal, Sahakari, Krishna etc are the various brands of Milk available in the Nepalese market. The following table gives the consumers' preference and purchases relating to the different brands of Milk available in the Nepalese market.

**Table: 3**

**Preferences: Purchase Pattern for Brands of Milk**

| S.N. | Purchasing pattern | Most Preferred Brand | No. of Respondents | Percentage |
|------|--------------------|-----------------------|--------------------|------------|
| 1. | AAAAAA | A | 43 | 43.88% |
| 2. | AAAAABB | A | 7 | 7.14% |
| 3. | ABABAB | AB | 11 | 11.22% |
| 4. | ABCABC | ABC | 8 | 8.16% |
| 5. | ABBCAB | A | 5 | 5.10% |
| 6. | ABCDAA | Indifferent | 7 | 7.14% |
| 7. | ABCDEF | Indifferent | 17 | 17.35% |
| Total | | | 98 | 100% |

*Source: Field Survey 2069.*

The table no. 3 shows that total respondents are divided into seven groups according to their purchase pattern and preference. The first group of the respondents is represented by the purchase pattern AAAAAA and the second group by AAAABB. The most preferred brand of both these groups is A. The consumers falling in the first group are, no doubt, brand-preferred. The consumers falling even in the second group can be treated as brand-preferred because they have consecutively bought the same brand in their last four purchases, which they prefer the most. The number of respondents falling in these two groups is 50 or 51.02% of the total: 43.88% of the first group and 7.14% of the second group. Besides, the consumers falling in the groups ABABAB and ABCABC can also be treated as brand-preferred because the most preferred brands of these groups are AB and ABC respectively. Such a preference can be considered as multi-brand preferred. As it is clearly seen in the table, percentage of multi-brand preferred consumers is 19.38%, i.e. 11.22% of the third group and 8.16% of the forth group. Thus, the total percentage of the brand preferred consumers in Milk comes to be 70.04. Out of this total, 51.02% are one brand preferred and 19.38% are

multi-brand preferred. The remaining 29.60% respondents are non-preferred. Because some of them are indifferent in brand selection while others have not bought the brand which they report as their most preferred brand, they can be considered brand-preferred on the basis of preference alone but not on the basis of both preference and purchase.

**Yoghurt:**

Altogether 100 respondents responded to the questions relating to Yoghurt. In the country like Nepal, demand of Yoghurt is not constant with comparison to the other two products Milk and Ghee. The total demand of Yoghurt in Pokhareli market during the winter season is 1,000 Ltrs daily while that is in summer season is 4,000 Ltrs daily. Most of the Nepalese people take it as a means of averting hot. So, its demand is very high in the hot season in comparison to the cold season. The present research is conducted in the hot season. Therefore, it is expected that the consumers' responses may slightly vary in the cold season from what is presented in the study.

The number of respondents of this product is 100, i.e. cent percent. According to the response Safal, Nova, Fresh Curd, Rahul, Kamadhanu, Pokhareli Curd, Gauri Sanker, Nagdada, Asal, Sahakari, Krishna etc are the various brands of Yoghurt available in the Pokhareli market. That means all those companys who are produce and supply the milk are also produce and supply of Yoghurt. The consumers' responses of purchase pattern and preference relating to these different brands are depicted in the following table.

**Table: 4**

**Preferences: Purchase Pattern for Brands of Yoghurt**

| S.N. | Purchasing pattern | Most Preferred Brand | No. of Respondents | Percentage |
|------|--------------------|----------------------|--------------------|------------|
| 1. | AAAAAA | A | 62 | 43.88% |
| 2. | AAAAABB | A | 5 | 7.14% |
| 3. | ABABAB | AB | 6 | 11.22% |
| 4. | ABCABC | ABC | 2 | 8.16% |
| 5. | ABBAAA | B | 4 | 5.10% |
| 6. | AABCDE | A | 5 | 7.14% |
| 7. | AABBCD | Indifferent | 7 | 17.35% |
| 8. | ABCDEC | Indifferent | 5 | 5% |
| 9. | ABCDDE | Indifferent | 4 | 4% |
| Total | | | 100 | 100% |

The purchase patterns and the most preferred brand in the Table no. 4 are represented in the same fashion as represented in the Table no. 3. Table no. 4 reveals that according to the purchase pattern and the preference order the consumers of Yoghurt are divided in 9 groups. The majority of me consumers fall in the purchase pattern group AAAAAA and for which the favorite brand is 'A'. The number of consumers falling in the group is 62. i.e. 62%. Five consumers (5%) of the total respondents fall in the purchase pattern group AAAAB with brand A as the most preferred brand. From the preference point of view, the consumers falling in both the groups can be treated alike - they are truly preferred to one brand. In other words, 67% (62+5) of the total respondents are truly preferred to any one brand of Yoghurt available in the Pokhareli Market.

Similarly, Eight percent (8%) of the respondents exhibit multi-brand preference. 6% through the purchase pattern ABABAB and 2% through the pattern ABCABC. Consumers falling in both the groups have bought the same brands which they prefer the most. Thus, the total percentage of true preferred buyers of Yoghurt comes out to be 75%. The remaining 25% consumers having purchase patterns ABAAAA, AABCDE, ABCDEC, AABBCD and ABCDDE are considered non preferred buyers because of purchase pattern and preference not matching or because of being indifferent in brand selection. For instance, if we take the purchase pattern AAAAAA and consider brand 'B' as the consumer's most preferred brand then if we consider only the purchase pattern this consumer is said to be highly preferred to the product. But when the purchase pattern is matched with his most preferred brand which is 'B', his preference comes out to be zero. As it is clear that even if he has purchased product A, his most preferred brand is B, not A. Thus, when preference and purchase pattern completely contradicts the result is no preference.

**Ice-Cream:**
The number of respondents responding to the questions relating to Ice-cream is only 96 out of the total 100 questionnaires distributed. Rests four are non users of Ice-cream. The total demand of Ice-Cream in Pokhareli market during the winter season is 100 Ltrs daily while that is in summer season is 600 Ltrs daily. Some people use it as desert item after lunch or dinner. Most of the Nepalese people take it as a means of averting hot. So, its demand is very high in the hot season in comparison to the cold

season. The present research is conducted in the hot season. According to the information given by the respondents the various brands of Ice-Cream are found in the Pokhreli market are Vadilal, n'ds, Azabko, Safal, Fresh, Kamadhanu, Krishna, Panthi, etc. The consumers' responses of purchase and preference relating to the different brands of Ice-cream are presented in the following table:

**Table: 5**

**Preferences: Purchase Pattern for Brands of Ice-Cream**

| S.N. | Purchasing pattern | Most Preferred Brand | No. of Respondents | Percentage |
|------|--------------------|----------------------|--------------------|------------|
| 1. | AAAAAA | A | 56 | 58.33% |
| 2. | AAAAABB | A | 5 | 5.21% |
| 3. | ABABAB | AB | 6 | 6.25% |
| 4. | ABCABC | ABC | 8 | 8.33% |
| 5. | ABBAAA | B | 5 | 5.21% |
| 6. | AABCDE | A | 3 | 3.12% |
| 7. | AABBCD | Indifferent | 4 | 4.17% |
| 8. | ABCDEC | Indifferent | 9 | 9.38% |
| Total | | | 96 | 100% |

*Source: Field Survey 2069.*

Table no. 5 reveals that of the total 96 respondents, 56 are preferred to one brand and 5 are preferred to two brands. Thus, the total number of preferred buyers in Ice-cream is 61, i.e. 63.54% of the total: 58.39% one brand preferred and 5.21% multi-brand preferred. The remaining 38.47% summed up by the purchasing patterns ADBCCB, ABBAAA, ABCDCD, AABDBC, ABBACD and ABCDEF are non preferred buyers. As it is clearly seen in the table, their responses relating to preference and purchase do not meet up the criteria set for brand preference according to the preference-purchase approach to brand preference.

**Ghee:**

In the country like Nepal, demand of Ghee, is constant like milk. The Nepalese people buy Ghee to eat with lunch or dinner to fulfill the requirements of fat in their body for

strong health. So, its demand is almost constant throughout the year. The total consumption of Ghee in Pokhara valley is 12,000kg monthly.

The number of respondents of this product is 100, i.e. cent percent. According to the response Safal, Nova, Fresh, Kamadhanu, Pokhareli, Gauri Sanker, Nagdada, Asal, Sahakari, Krishna etc are the various brands of Ghee available in the Pokhareli market. That means all those companys who are produce and supply the milk are also produce and supply of Ghee. Other of them DDC and Rahul are the major supplier of Ghee in the market.

The following table shows the consumers purchasing pattern and preference relating to the different brands of the Ghee available in the Pokhareli Market.

**Table: 6**
**Preferences: Purchase Pattern for Brands of Ghee**

| S.N. | Purchasing pattern | Most Preferred Brand | No. of Respondents | Percentage |
|------|--------------------|----------------------|--------------------|------------|
| 1. | AAAAAA | A | 57 | 57% |
| 2. | ABABAB | AB | 12 | 12% |
| 3. | AABBAB | AB | 4 | 4% |
| 4. | ABCAAA | AC | 3 | 3% |
| 5. | ABADDA | AD | 7 | 7% |
| 6. | ABACDA | ABC | 5 | 5% |
| 7. | ABCBDA | Indifferent | 4 | 4% |
| 8. | ABCDDE | Indifferent | 3 | 3% |
| 9. | ABCDEF | Indifferent | 5 | 5% |
| Total | | | 100 | 100% |

*Source: Field survey 2069.*

As it is depicted in the Table no. 6, the total number of respondents is divided into nine groups according to their purchase patterns and preference relating- to the different brands of Ghee. The table reveals that of the 100 respondents 57 (i.e. 57%) have bought brand A in all of their last six purchases and the same brand is their most

preferred brand. According to the preference-purchase approach to brand preference such type of consumers are said truly preferred consumers. Hence, 57 percent consumers of Ghee are brand preferred. Brand preference exists also in the other groups of the consumers as seen in the table no. 3. The consumers falling in the brand purchase groups ABABAB and AABBAB are also brand preferred because their most preferred brands are both A and B. As they have both their preferred brands equally in their last six purchases, they are said to be true-preferred buyers. However, such a preference is treated as divided preference or better to say multi-brand preference. The total percentage of consumers showing multi-brand preference is 16%: 12% of the group ABABAB and 4% of the group AABBAB. Thus, the total percentage of brand-preferred consumers in Ghee comes out to be 73% (i.e. 57% 1-brand preferred consumers and 16% multi-brand preferred consumers). The remaining 27% consumers are non-preferred. Because their purchasing pattern do not match with their preference. Although some of them show some degree of preference if the purchasing pattern and the preference are taken separately, such a preference is not a true preference- that is spurious or fake preference.

The table no. 3 reveals that the favorite brands of 3% consumers are A and C while the purchasing pattern is ABAAAC. Here it is clearly seen that the two most preferred brands are not equally bought in last six purchases. Similarly, the purchase pattern includes the brand B that is not preferred brand of the consumers. In the question asked to the respondents, they have answered that all their preferred brands are available in the market. In spite of availability of their preferred brands A and C, these consumers bought the product B because these consumers are not truly preferred to brand A and C. they might have bought the brand B because of brand offering some special deals or because of the brand displayed more prominently or because of any other causes, and might have broken their preference to brand A and C - the preference which they exhibit through their preference. Some degree of such spurious preference can be seen in the purchase pattern ABACDA. But the other purchasing patterns, when matched with the preference, do not show any brand preference. The consumers exhibiting these types purchasing patterns are indifferent in selection of brand, as they have not any favorite brand. Therefore, their purchasing pattern includes different brands. That is to say, they are not preferred to any particular brand or brands, neither by purchase patterns nor by preference.

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Above, we presented data and information on consumers purchase pattern and preference relating to different brands of the products selected for this study. The data and information were interpreted and analyzed and it is found that brand preference does exist in the Nepalese consumer market. That is to say, majority of the Nepalese are brand-preferred in all the categories of product selected for this study. It is also found that such a preference varies significantly across products and consumers. The consumers who exposed the purchasing patterns completely matching with the most preferred brand or brands are considered to be brand-preferred where as the consumers exposing the purchasing patterns (i.e. in their last six purchases) disturbed or intervened by any other brand than that they reported as their most preferred brand, are considered as non preferred consumers.

The preference revealed by all the consumers is not of the same type. It varies in degree from the consumer to consumer. Some consumers are highly preferred that in case of unavailability of their most preferred brand or the brand that they are preferred to, they do not promptly switch to other alternatives or options rather they wait for sometimes with an expectation of getting their favorite brand. On the other hand, also others do not wait in such way and immediately switch to other alternatives available. Engel suggests that one of the most helpful research indicators is to ask, "Which other brands or options would you consider if your favorite were not available?" Entrenched preference is revealed when the answer is 'None - I'll shop further.' (Engel & Blackwell 1990.-P.32) In addition, we have given ample room for this suggestion in this study and have included a question of the same type in the questionnaire. The answers of the respondents who were found preferred according to purchase pattern and preference to the question "Do you purchase an alternative brand of the following products if your favorite brand is out of stock or unavailable?" to be given in either a 'YES' or a 'NO' have been presented in the following table:

**Table no.7**

**Degree of Product wise Preference**

| S.N. | Name of the Product | Switch Alt. Brand | No. of respondents | Percentage |
|------|---------------------|-------------------|--------------------|------------|
| 1. | Milk | Yes | 75 | 76.53% |
| | | No | 23 | 23.47% |
| | | **Total** | **98** | **100%** |
| 2. | Yoghurt | Yes | 75 | 75% |
| | | No | 25 | 25% |
| | | **Total** | **100** | **100%** |
| 3. | Ice-cream | Yes | 82 | 85.42% |
| | | No | 14 | 14.58% |
| | | **Total** | **96** | **100%** |
| 4. | Ghee | Yes | 69 | 69% |
| | | No | 31 | 31% |
| | | **Total** | **100** | **100%** |

*Source: Field Survey 2069*

Table no. 7 reveals whether the respondents who were found brand preferred according to the preference-purchase approach will switch to the alternative brand or not when their preferred brand or the brand they are preferred to is not available in the market. 23.47% of the respondents in Milk, 25% of the Yoghurt, 14.58%o of the Ice-Cream and 31% of the Ghee consumers responded that with 'NO'. This indicates that these many consumers out of the total respondents do not switch to an alternative brand if they do not get their preferred brand in the market; they rather wait for the preferred brand. Thus, the percentage of consumers revealing the highest degree of preference is 31% of that of Ghee, 25% in Yoghurt, 23.47% in Milk and 14.58% only in Ice-Cream.

Here it is relevant to explain the term "wait for the favorite" and "buy the alternative." The products selected for this study are of such nature that they are repeatedly

purchased. Therefore, waiting for favorite does not mean stopping the use of product forever or waiting for very long time. Wait for favorite is used here in the sense of waiting for a time in which the consumer can avoid the use of product without any harm or loss. For example: Suppose a person who is brand preferred to a Ghee "DDC" if goes to purchase his brand and finds out that it is currently unavailable and if he in such a situation decides to waits to buy it the next day or so then this is considered to be waiting for favorite brand. On the other hand, if the consumer cannot wait and he purchases another brand that is available then this is switching to alternative brand. From the above data this is mostly happens in Ice-Cream.

The data presented in Table no. 7 has been presented in the following bar diagram:

**Fig: 3**

**Degree of Preference**
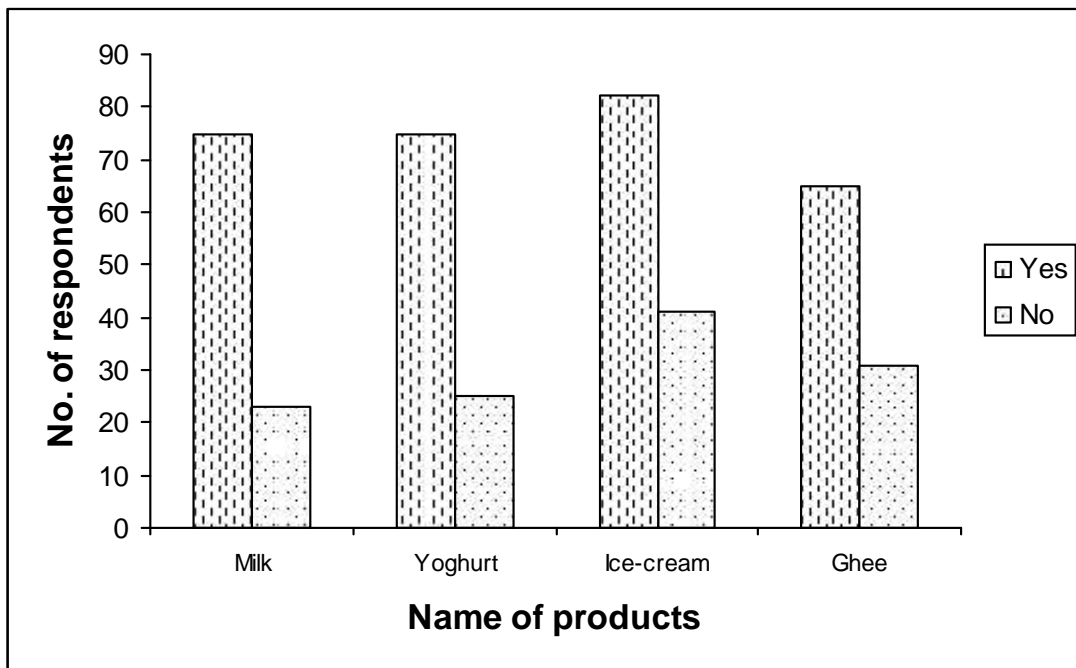


## 4.4 PRODUCT WISE BRAND PREFERENCE AND ITS CORRELATES

The third question formulated for the study is to find out what are the major correlates of the product wise brand preference in the Nepalese market in relation to the products chosen. Brand preference correlates are the factors associated with brand preference. These factors distinguish a brand preferred consumer from a non-preferred one.

Therefore, it is very hard to state exact number of correlates. No research conducted so far has been able to find out a definite number of correlates that are equally applicable to all categories of product. In fact, product wise brand preference correlates vary across products. The factors found as correlate for one type of product may be non-correlate for another type of product. In this study we have included as many factors as possible and have examined deny that whether or not they correlate with product wise brand preference. The factors included are the consumers" personality characteristics such as: sex, age, education, status and market structure characteristics such as: special deals, seller's influence, product display etc. Each of these factors is presented and analyzed in the following pages to find out whether it correlates with product wise brand preference.

**Table no. 8**

**Product wise brand preference and Sex**

| S. N. | Product | Sex | Brand Preferred | | Not Preferred | | Total |
|---|---|---|---|---|---|---|---|
| | | | Number | % | Number | % | |
| 1. | Milk | Male | 30 | 66.67% | 15 | 33.33% | 45 |
| | | Female | 39 | 73.58% | 14 | 26.42% | 53 |
| | | Total | 69 | | 29 | | 98 |
| 2. | Yoghurt | Male | 34 | 73.91% | 12 | 26.09% | 46 |
| | | Female | 41 | 75.93% | 13 | 24.07% | 54 |
| | | Total | 75 | | 25 | | 100 |
| 3. | Ice-Cream | Male | 31 | 70.45% | 13 | 29.55% | 44 |
| | | Female | 36 | 69.23% | 16 | 30.76% | 52 |
| | | Total | 67 | | 29 | | 96 |
| 4. | Ghee | Male | 32 | 68.09% | 15 | 31.91% | 47 |
| | | Female | 44 | 83.02% | 9 | 16.98% | 53 |
| | | Total | 73 | | 27 | | 100 |

*Source: Field survey 2069*

Out of the total respondents, the total number of male and female respondents was 45 and 53 (in total 98) in Milk, 46 and 54 (in total 100) in Yoghurt, 44 and 52 (in total 96) in Ice-cream and 47 and 53 (in total 100) in Ghee respectively. So far as the sex is concerned, the table reveals that the percent of brand-preferred female respondents is higher than that of male respondents in Milk Yoghurt and Ghee where as percentage of male respondents is slightly higher than that of female respondents in Ice-cream. The female respondents are almost all house wife.

In Ice-cream, the percentage of brand preferred female respondents is 69.23% against that of the male is 70.45%, which is 73.58% in milk against that of the male is 66.67%, 75.93% in Yoghurt against that of the male is 73.91, and 83.02% in Ghee against that of the male is 68.09%. Thus, the percentage of female respondents revealing product wise brand preference is higher by 6.91% in Milk, by 2.02% in Yoghurt and by 14.93% in Ghee. However, the percentage of male respondents revealing product wise brand preference is higher by 1.22% in Ice-cream only. Thus, it can be said that the females are more product wise brand preference nature than male in Milk, Yoghurt and Ghee where as the reverse is true in case of Ice-cream.

The data presented in Table no. 8 has been presented in the following bar diagram:

**Fig: 4**

**Product wise brand preference and Sex**

**Table no. 9**

**Product wise brand preference and age**

| S. N. | Product | Age | Brand Preferred | | Not Preferred | | Total |
| | | | Number | % | Number | % | |
|-------|---------|--------|--------|---------|--------|---------|-------|
| 1. | Milk | Below 20 | 23 | 71.88% | 9 | 28.12% | 32 |
| | | 21- 40 | 39 | 78.00% | 11 | 22.00% | 50 |
| | | Above 40 | 13 | 81.25% | 3 | 18.75% | 16 |
| | | Total | 75 | | 23 | | 98 |
| 2. | Yoghurt | Below 20 | 22 | 64.71% | 12 | 35.29% | 34 |
| | | 21- 40 | 35 | 70.00% | 15 | 30.00% | 50 |
| | | Above 40 | 11 | 68.75% | 5 | 31.25% | 16 |
| | | Total | 68 | | 34 | | 100 |
| 3. | Ice-Cream | Below 20 | 26 | 78.79% | 7 | 21.21% | 33 |
| | | 21- 40 | 32 | 62.75% | 19 | 37.25% | 51 |
| | | Above 40 | 7 | 58.33% | 5 | 41.67% | 12 |
| | | Total | 65 | | 31 | | 96 |
| 4. | Ghee | Below 20 | 24 | 70.59% | 10 | 29.41% | 34 |
| | | 21- 40 | 36 | 72.00% | 14 | 28.00% | 50 |
| | | Above 40 | 12 | 75.00% | 6 | 25.00% | 16 |
| | | Total | 73 | | 27 | | 100 |

*Source: Field Survey 2069*

Out of the 100 responses collected, the total number of respondents in each age group namely 'Below 20', '21-40' and 'Above 41' was 34, 50 and 16 respectively. The table no. 9 reveals that the brand preferred respondents belonging to the age group 21-40 and above 40 is high in comparison to other age group divided for the study. Irrespective of product category, out of the total respondents belonging to the age group above 40, more than 68% of the respondents are brand preferred except incase of Ice-cream, which is 58.33%. Also, in case of the age group 21-40, more than 70%

of the respondents are brand preferred in all the products except the Ice-cream in which the brand preferred respondents is 62.75%.

However, in case of the final 2-age group, which is 21-40 and above 41 years, the brand preferred respondents are relatively higher than the non-preferred ones in case of all the products. The difference is much less in case of the Ice-cream in comparison to other products. Thus, this overview suggests that in all the age groups, the brand preferred respondents are more than the non-preferred ones however the brand preferred respondents are found more in the age groups and 21-40 and above 40 rather than those below 20.

The data presented in Table no. 9 has been presented in the following bar diagram:
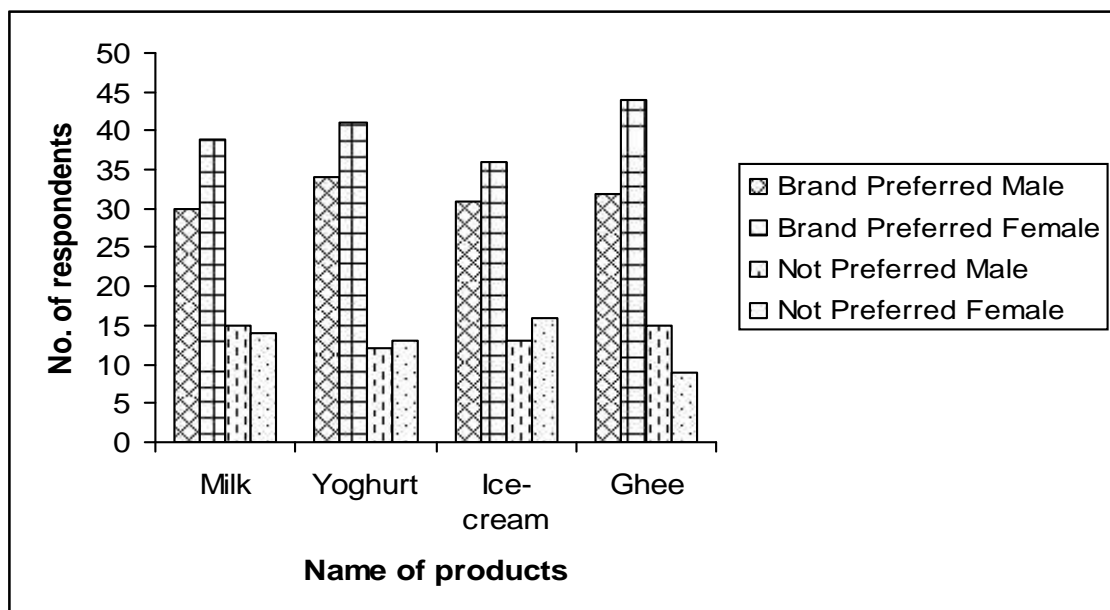
**Fig: 5**

**Product wise brand preference and age**

**Table no. 10**

**Product wise brand preference and Marital Status**

| S. N. | Product | Marital Status | Brand Preferred | | Not Preferred | | Total |
|---|---|---|---|---|---|---|---|
| | | | Number | % | Number | % | |
| 1. | Milk | Married | 39 | 67.24% | 19 | 33.33% | 58 |
| | | Unmarried | 26 | 65.00% | 14 | 35% | 40 |
| | | Total | 65 | | 33 | | 98 |
| 2. | Yoghurt | Married | 43 | 71.67% | 17 | 28.33% | 60 |
| | | Unmarried | 25 | 62.50% | 15 | 37.5% | 40 |
| | | Total | 68 | | 32 | | 100 |
| 3. | Ice-Cream | Married | 39 | 68.42% | 18 | 31.58% | 57 |
| | | Unmarried | 28 | 71.79% | 11 | 28.21% | 39 |
| | | Total | 67 | | 29 | | 96 |
| 4. | Ghee | Married | 41 | 68.33% | 19 | 31.67% | 60 |
| | | Unmarried | 27 | 67.50% | 13 | 32.50% | 40 |
| | | Total | 68 | | 32 | | 100 |

*Source: Field survey 2069.*

Out of the 100 responses collected, 60 respondents were married and 40 were unmarried. Table no. 10 reveals that the relation between marital status and brand preference varies across the products. In case of Ice-cream, the total married respondents, 68.50% are brand preferred while 31.50% are non-preferred. However, from the total unmarried respondents, 71.79% are brand preferred and 28.21% are non-preferred. On the other hand, in case of Milk, the percentage of married respondents who were found brand preferred are exceeds than the unmarried brand preferred respondents by 2.24%. In addition, in case of the Yoghurt, the percentage of married brand preferred respondents is exceeds than the unmarried brand preferred respondents by approximately 9.17%. Similarly, in case of Ghee, the percentage of married

respondents who were found brand preferred are exceeds than the unmarried brand preferred respondents by 0.83%.

Thus, the married consumers of Milk, Yoghurt and Ghee are more brand preferred than the unmarried respondents. However, in case of Ice-cream, the percentage of unmarried brand preferred respondents is exceeds in comparison to the married brand preferred respondents. Thus, the unmarried Ice-cream consumers are more brand preferred than the married ones. Thus the marital status when taken as a correlate of product wise brand preference, the result varies across the products.

The data presented in Table no. 10 has been presented in the following bar diagram:
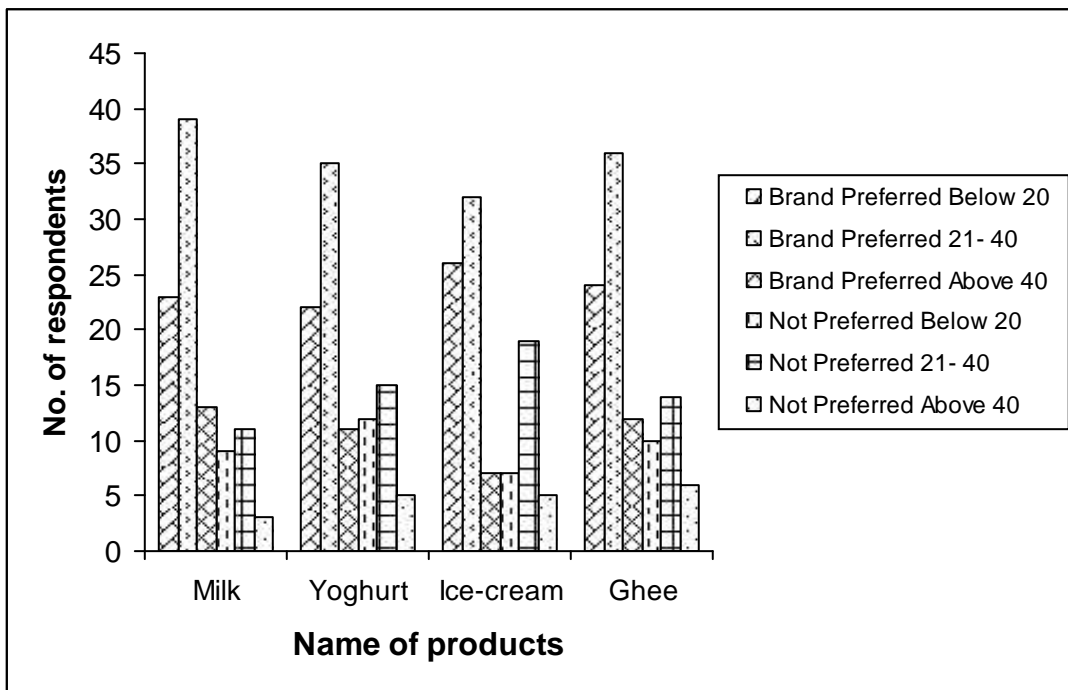
**Fig: 6**

**Product wise brand preference and Marital Status**

**Table no. 11**

**Product wise brand preference and Family System**

| S. N. | Product | Family System | Brand Preferred | | Not Preferred | | Total |
|---|---|---|---|---|---|---|---|
| | | | Number | % | Number | % | |
| 1. | Milk | Nuclear | 48 | 73.85% | 17 | 26.15% | 65 |
| | | Joint | 23 | 69.70% | 10 | 30.30% | 33 |
| | | Total | 71 | | 27 | | 98 |
| 2. | Yoghurt | Nuclear | 49 | 74.24% | 17 | 25.76% | 66 |
| | | Joint | 24 | 70.59% | 10 | 29.41% | 34 |
| | | Total | 73 | | 27 | | 100 |
| 3. | Ice-Cream | Nuclear | 49 | 77.78% | 14 | 22.22% | 63 |
| | | Joint | 23 | 69.70% | 10 | 30.30% | 33 |
| | | Total | 72 | | 34 | | 96 |
| 4. | Ghee | Nuclear | 50 | 75.76% | 16 | 31.67% | 66 |
| | | Joint | 25 | 73.53% | 9 | 26.47% | 34 |
| | | Total | 75 | | 25 | | 100 |

*Source: Field Survey 2069.*

Out of the total 100 questionnaires distributed and responses collected, the total number of respondents belonging to the nuclear family and the joint family was found to be 66 and 34 respectively. The table no. 11 reveals the number of respondents and corresponding percentage of the brand-preferred and non-preferred respondents belonging to these two different family systems namely 'Nuclear' and 'Joint' in different types of product selected for this study. From the table it is clear that the percentage of brand-preferred consumers is significantly higher in nuclear family system than in the joint family system in all the products selected for this study. Thus we can say that there are more brand preferred consumers in nuclear family than in joint family in Milk, Yoghurt, Ice-cream and Ghee.

The data presented in Table no. 11 has been presented in the following bar diagram:
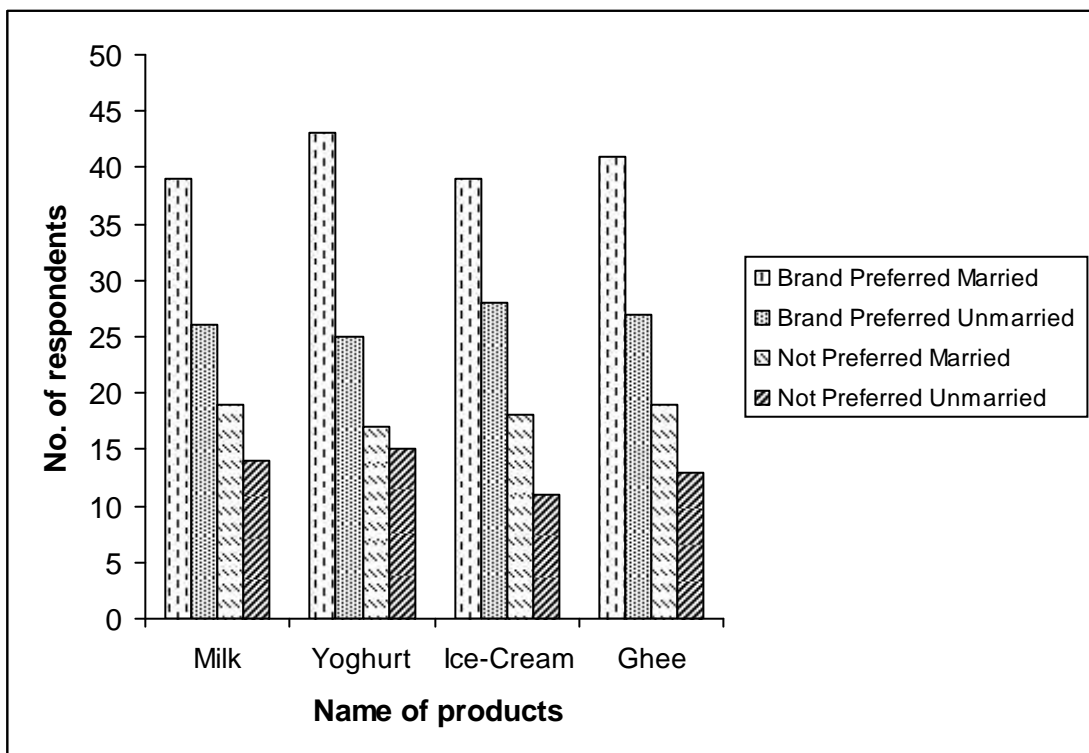
**Fig: 7**

**Product wise brand preference and Family System**

**Table no. 12**

**Product wise brand preference and Monthly Family Income**

| S. N. | Product | Family Income | Brand Preferred | | Not Preferred | | Total |
|---|---|---|---|---|---|---|---|
| | | | Number | % | Number | % | |
| 1. | Milk | 5000-10000 | 11 | 52.38% | 10 | 28.12% | 21 |
| | | 10000-20000 | 42 | 75.00% | 14 | 25.00% | 56 |
| | | Above 20000 | 16 | 76.19% | 5 | 23.81% | 21 |
| | | Total | 69 | | 29 | | 98 |
| 2. | Yoghurt | 5000-10000 | 14 | 60.87% | 9 | 39.13% | 23 |
| | | 10000-20000 | 47 | 83.93% | 9 | 16.07% | 56 |
| | | Above 20000 | 14 | 67.67% | 7 | 33.33% | 21 |
| | | Total | 75 | | 25 | | 100 |
| 3. | Ice-Cream | 5000-10000 | 15 | 57.69% | 11 | 42.31% | 26 |
| | | 10000-20000 | 34 | 66.67% | 17 | 33.33% | 51 |
| | | Above 20000 | 14 | 73.68% | 5 | 26.32% | 19 |
| | | Total | 63 | | 43 | | 96 |
| 4. | Ghee | 5000-10000 | 14 | 60.87% | 9 | 39.13% | 23 |
| | | 10000-20000 | 46 | 82.14% | 10 | 17.86% | 56 |
| | | Above 20000 | 18 | 85.71% | 3 | 14.29% | 21 |
| | | Total | 73 | | 27 | | 100 |

*Source: Field Survey 2069.*

The total number of respondents has been divided into three income groups as per their monthly income in the Nepalese Currency. The table no. 12 reveals that the total percent of brand-preferred and non-preferred respondents belonging to each of the income group in different product categories.

As it is clearly seen in the table, the total respondents in each group and the relative percentage of the brand preferred consumers are higher in high-income groups in all the product groups. In case of Yoghurt, the percentage of brand preferred consumers is 83.93% in the income group 10,000 - 20.000 that Is the highest where as those in the income group 5,000 - 10,000 and more than 20,000 are 60.87% and 66.67% respectively. However, in case of all other products selected, we can see that the percentage of brand preferred consumers has increased with the increase in income level.

Hence, it can be said that the income level of the consumers positively correlates with product wise brand preference in Milk, Ice-cream and Ghee.

The data presented in Table no. 12 has been presented in the following bar diagram:
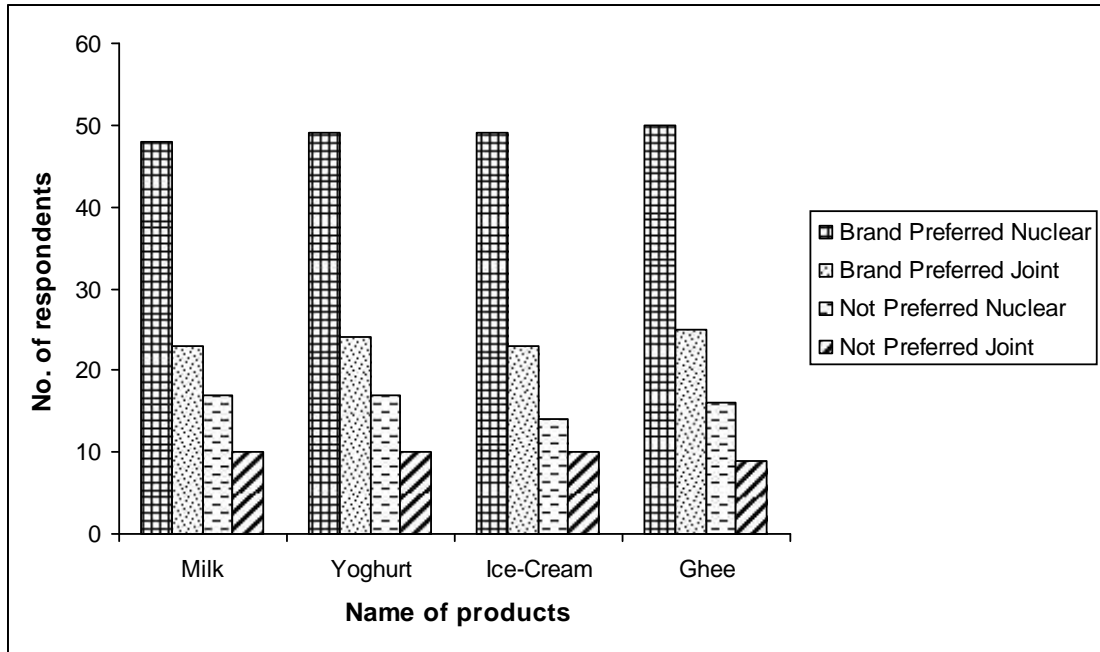
**Fig: 8**

**Product wise brand preference and Monthly Family Income**
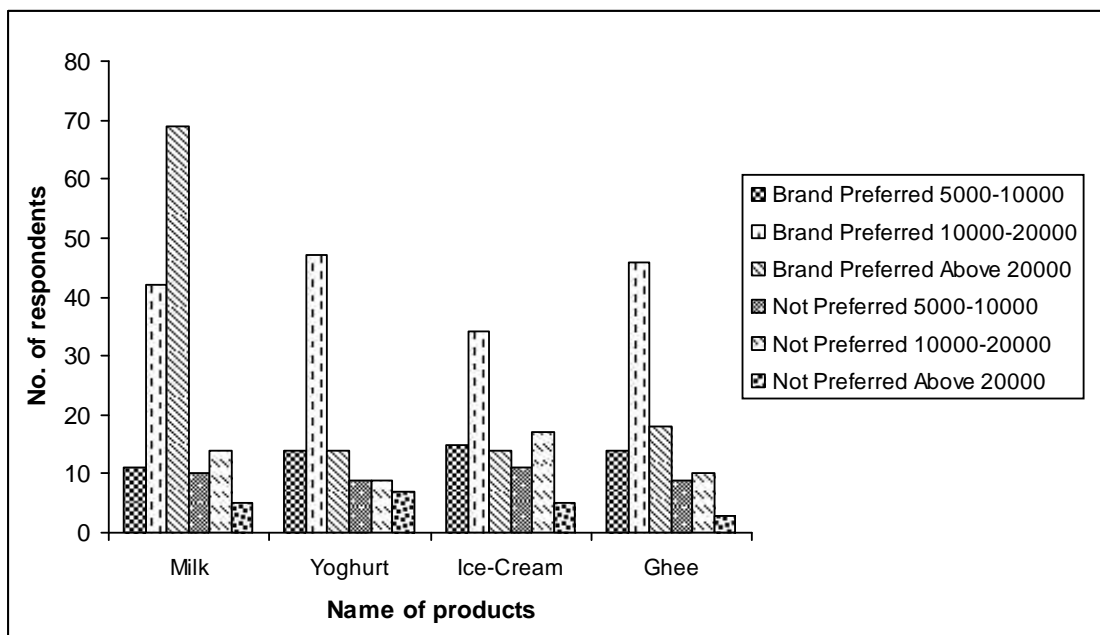
**Table no. 13**

**Product wise Brand Preference and Education**

| S. N. | Product | Education Level | Brand Preferred | | Not Preferred | | Total |
|---|---|---|---|---|---|---|---|
| | | | Number | % | Number | % | |
| **1.** | **Milk** | SLC or below | 13 | 61.90% | 8 | 38.10% | 21 |
| | | 10+2 | 26 | 76.47% | 8 | 23.53% | 34 |
| | | Bachelors | 19 | 73.07% | 7 | 26.93% | 26 |
| | | Masters | 11 | 64.70% | 6 | 35.30% | 17 |
| | | **Total** | **69** | | **29** | | **98** |
| **2.** | **Yoghurt** | SLC or below | 18 | 78.26% | 5 | 21.74% | 23 |
| | | 10+2 | 27 | 79.41% | 7 | 20.59% | 34 |
| | | Bachelors | 20 | 76.92% | 6 | 23.08% | 26 |
| | | Masters | 10 | 58.82% | 7 | 41.18% | 17 |
| | | **Total** | **75** | | **25** | | **100** |
| **3.** | **Ice-Cream** | SLC or below | 13 | 54.17% | 11 | 45.83% | 24 |
| | | 10+2 | 22 | 73.33% | 8 | 26.67% | 30 |
| | | Bachelors | 15 | 62.50% | 9 | 37.50% | 24 |
| | | Masters | 11 | 61.11% | 7 | 38.89% | 18 |
| | | **Total** | **61** | | **35** | | **96** |
| **4.** | **Ghee** | SLC or below | 17 | 73.91% | 6 | 26.09% | 23 |
| | | 10+2 | 27 | 79.41% | 7 | 20.59% | 34 |
| | | Bachelors | 18 | 69.23% | 8 | 30.77% | 26 |
| | | Masters | 11 | 64.70% | 6 | 35.30% | 17 |
| | | **Total** | **73** | | **27** | | **100** |

*Source: Field Survey 2069.*

Table no. 13 shows the total number and percentage of brand preferred and non-preferred respondents divided according to their education level. The table reveals that

education and product wise brand preference has not any signification relation. It is not necessary that a brand -preferred consumer should be better educated. In fact, product wise brand preference is independent of consumers' education. That's why percentage of brand-preferred respondents is neither increasing nor decreasing regularly with increase or decrease in education level rather it is fluctuating over different education levels. For example: let's take Milk in which percentage of brand preferred respondents in the education level S.L.C or below is 61.90% out of total respondents belonging to this level where as the percentage has increased by 15 percent in the intermediate level again gone down by 3 percent in bachelors level and the percentage has significantly decreased by 9 and reached 64.70 in the masters level. The number of respondents in each category reveals the similar trend in respect to the total number of respondents. Similar trend prevails also in other products and can be easily depicted by the Table no. 13.

The data presented in Table no. 13 has been presented in the following bar diagram:

**Fig: 9**

**Product wise Brand Preference and Education**

**Table no. 14**

**Product wise brand preference and Store Preference**

| S. N. | Product | Buying Product From same store | Brand Preferred | | Not Preferred | | Total |
|---|---|---|---|---|---|---|---|
| | | | Number | % | Number | % | |
| 1. | **Milk** | Always | 24 | 82.75% | 5 | 17.25% | 29 |
| | | Often | 26 | 68.42% | 12 | 31.58% | 38 |
| | | Sometimes | 14 | 63.64% | 8 | 36.36% | 22 |
| | | Rarely | 5 | 55.55% | 4 | 44.45% | 9 |
| | | **Total** | **69** | | **29** | | **98** |
| 2. | **Yoghurt** | Always | 22 | 75.86% | 7 | 24.14% | 29 |
| | | Often | 32 | 74.42% | 11 | 25.58% | 43 |
| | | Sometimes | 16 | 72.73% | 6 | 27.27% | 22 |
| | | Rarely | 4 | 66.67% | 2 | 33.33% | 6 |
| | | **Total** | **75** | | **25** | | **100** |
| 3. | **Ice-Cream** | Always | 19 | 73.08% | 7 | 26.92% | 26 |
| | | Often | 25 | 71.43% | 10 | 28.57% | 35 |
| | | Sometimes | 15 | 68.18% | 7 | 31.82% | 22 |
| | | Rarely | 5 | 45.45% | 6 | 54.55% | 11 |
| | | **Total** | **66** | | **30** | | **96** |
| 4. | **Ghee** | Always | 23 | 82.14% | 5 | 17.86% | 28 |
| | | Often | 36 | 76.60% | 11 | 23.40% | 47 |
| | | Sometimes | 12 | 63.16% | 7 | 36.84% | 19 |
| | | Rarely | 2 | 33.33% | 4 | 66.67% | 6 |
| | | **Total** | **73** | | **27** | | **100** |

*Source: Field Survey 2069.*

The table no. 14 depicts that the store preference is positively related with the product wise brand preference all products chosen. Consumers' responses to all products that

the higher the degree of store preference the higher the percentage of brand preferred respondents. The degree of store preference is measured on the basis of the respondents' buying habits of these products from the same store. The variation in this buying habit is represented by the words: 'Always', 'Often', 'Sometimes", and 'Rarely'. The respondents who always buy from the same store are supposed to have been highly store-preferred where as the ones who rarely buy from the same store are supposed to have no store preference at all. The table no. 14 reveals that of the total number of respondents buying always from the same store 82.75 percentage are found to be brand-preferred in Milk, 75.86 percentage are found to be brand preferred in Yoghurt, 73.08 percentage are found to be brand preferred in Ice-cream and 82.14 percentage are found to be brand-preferred in Ghee where as out of the total respondents buying rarely from the same store the brand preferred respondents are 33.33% in Ghee and 45.45% in Ice-cream. Thus, product wise brand preference seems increasing together with increase in store preference and the reverse is equally true.

Store preference seems having no significant impact on product wise brand preference. In all product the total respondents buying the product from same store always, often sometimes and rarely have shows the product wise brand preference character at high percentage. Thus, this shows product wise brand preference is neither increasing nor decreasing with the increase and decrease of the store preference rather it is fluctuating over different degrees of store preference. However, it is true that the respondents who rarely buy from the same store are least brand preferred.

The information and the data presented in the Table no. 14 can be interpreted otherwise. The shopping proneness is inversely related with product wise brand preference. The consumers who rarely shop from the same store or a single store are supposed to be maximum shopping-prone. Consumers who are not shopping-prone shop in a single store or relatively few stores. The Table no. 14 reveals that in all the products selected for the study, of the total respondents buying rarely from the same store the percentage of brand preferred-respondents is significantly low in comparison to the same buying always, often and sometimes. Thus, it shows that more the shopping proneness, less the product wise brand preference.

The data presented in Table no. 14 has been presented in the following bar diagram:

**Fig: 10**

**Product wise brand preference and Store Preference**
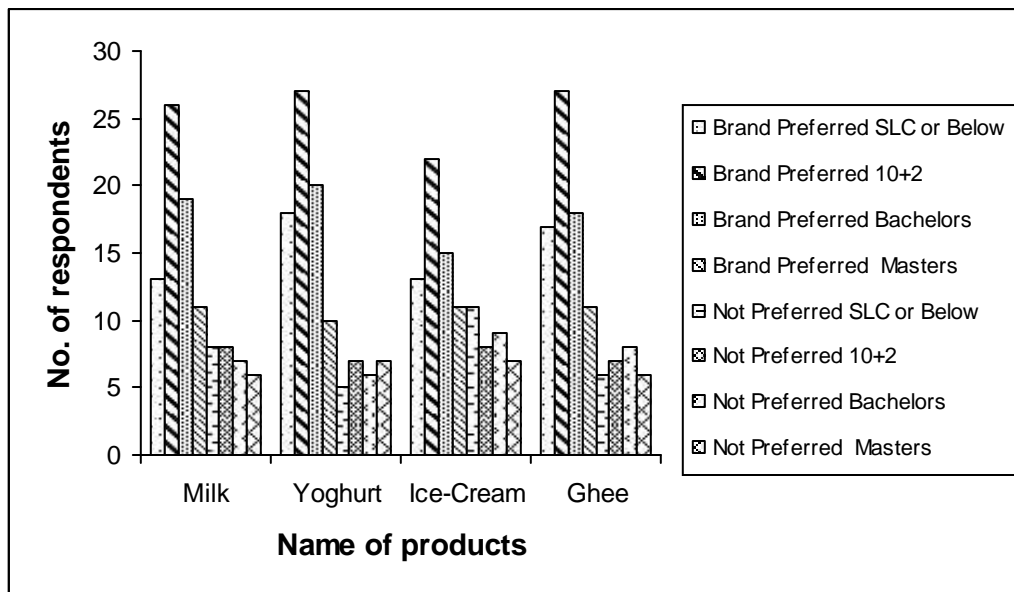


**Table no. 15**

**Product wise brand preference and Favorite Brand of Family Member**

| S.N. | Product | Favorite Brand of the other member of Family | Brand Preferred | Percentage |
|------|---------|---------------------------------------------|-----------------|------------|
| 1. | **Milk** | Same as the respondents' brand | 19 | 27.54% |
| | | Differ from respondents' brand | 50 | 72.46% |
| | | **Total** | **69** | **100%** |
| 2. | **Yoghurt** | Same as the respondents' brand | 45 | 60.00% |
| | | Differ from respondents' brand | 30 | 40.00% |
| | | **Total** | **75** | **100%** |
| 3. | **Ice-cream** | Same as the respondents' brand | 39 | 69.64% |
| | | Differ from respondents' brand | 17 | 30.36% |
| | | **Total** | **56** | **100%** |
| 4. | **Ghee** | Same as the respondents' brand | 61 | 83.56% |
| | | Differ from respondents' brand | 12 | 16.44% |
| | | **Total** | **73** | **100%** |

*Source: Field Survey 2069.*

The table no. 15 shows whether the brand to which the respondent is Preferred is same to that of the other members of the family. In Ghee, the relation between the favorite brand of the respondents and that of the other members of the family seems very close

in amongst the brand Preferred respondents. The favorite brand of 83.56% of the total brand Preferred respondents is same as that of the other members of the family. Similarly, in the case of Ice-cream 69.64% of the brand Preferred respondents have common favorite brand to the other members of the family. On the other hand, in case of Yoghurt, 60% of brand preferred respondents have similar favorites brand as their family members and 40% of them have different favorite brand from their family members. But, in case of Milk only 27.54% of the total brand Preferred respondents have similar favorite brand to the other members of their family and 72.46% differ in favorite brand to the other family members.

Thus, it can be said that the favorite brand of the other members of the family has almost no relation with the product wise brand preference except in case of Ghee and to some extent in case of Ice-cream. In case of Ghee and Ice-cream, the relation is such that the consumer is generally Preferred to the brand which is most repeatedly purchased or the favorite brand of the other members of the family.

The data presented in Table no. 15 has been presented in the following bar diagram:
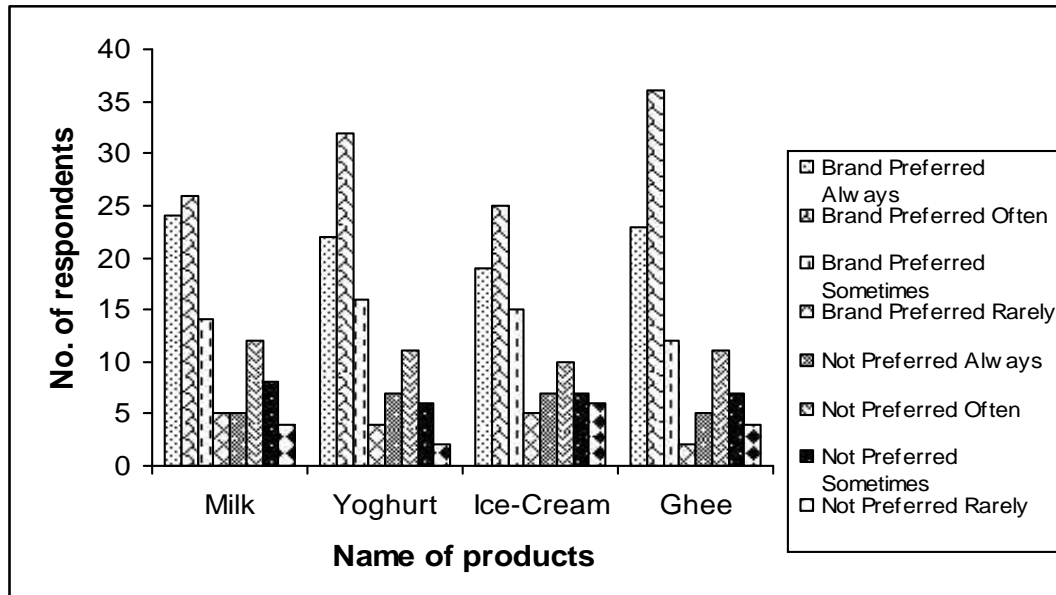
**Fig: 11**

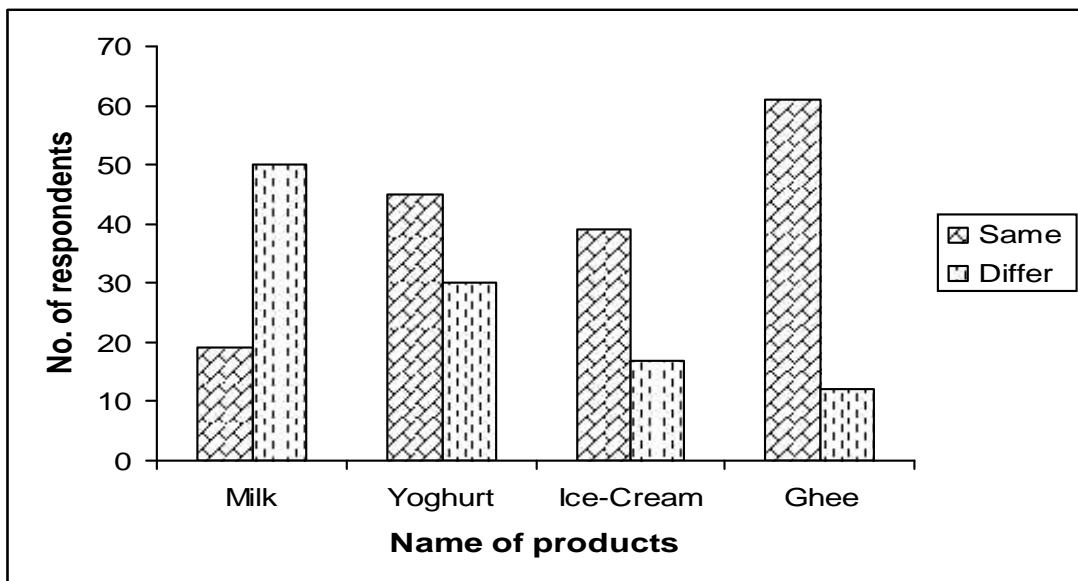**Product wise brand preference and Favorite Brand of Family Member**

**Table no. 16**

**Product wise brand preference and Sales Promotion**

| S. N. | Product | Effects of sales promotion in brand selection | Brand Preferred | | Not Preferred | | Total |
|---|---|---|---|---|---|---|---|
| | | | Number | % | Number | % | |
| 1. | Milk | Affects | 30 | 52.63% | 27 | 47.37% | 57 |
| | | Doesn't Affects | 39 | 95.12% | 2 | 4.88% | 41 |
| | | **Total** | **69** | | **29** | | **98** |
| 2. | Yoghurt | Affects | 25 | 54.35% | 21 | 45.65% | 46 |
| | | Doesn't Affects | 50 | 92.60% | 4 | 7.40% | 54 |
| | | **Total** | **75** | | **25** | | **100** |
| 3. | Ice-Cream | Affects | 12 | 36.36% | 21 | 63.64% | 33 |
| | | Doesn't Affects | 48 | 76.19% | 15 | 23.81% | 63 |
| | | **Total** | **60** | | **36** | | **96** |
| 4. | Ghee | Affects | 11 | 33.33% | 22 | 66.67% | 33 |
| | | Doesn't Affects | 62 | 92.50% | 5 | 7.50% | 67 |
| | | **Total** | **73** | | **27** | | **100** |

*Source: Field Survey 2069.*

The data presented in Table no. 16 is consumers' response to whether or not the sales promotion schemes such as free samples, discounts, coupons etc have any effect on their choice of brands for the respective products. The question was provided with two options "Yes" and "No" as the answers for each category of products. The option "Yes" suggested that the respondents product wise brand preference is affected by the sales promotion schemes of the competitive brands where as the option "No" suggested the opposite. The table depicts that out of the total respondents saying that the sales promotion does not affect their brand choice more than at least 75% are brand Preferred in all product categories.

Hence, it can be concluded that one important characteristic of brand Preferred consumers is not to be affected by the deals like coupons, free samples, discounts etc that are the sales promotion tools.

The data presented in Table no.16 has been presented in the following bar diagram:

**Fig:12**

**Product wise brand preference and Sales Promotion**
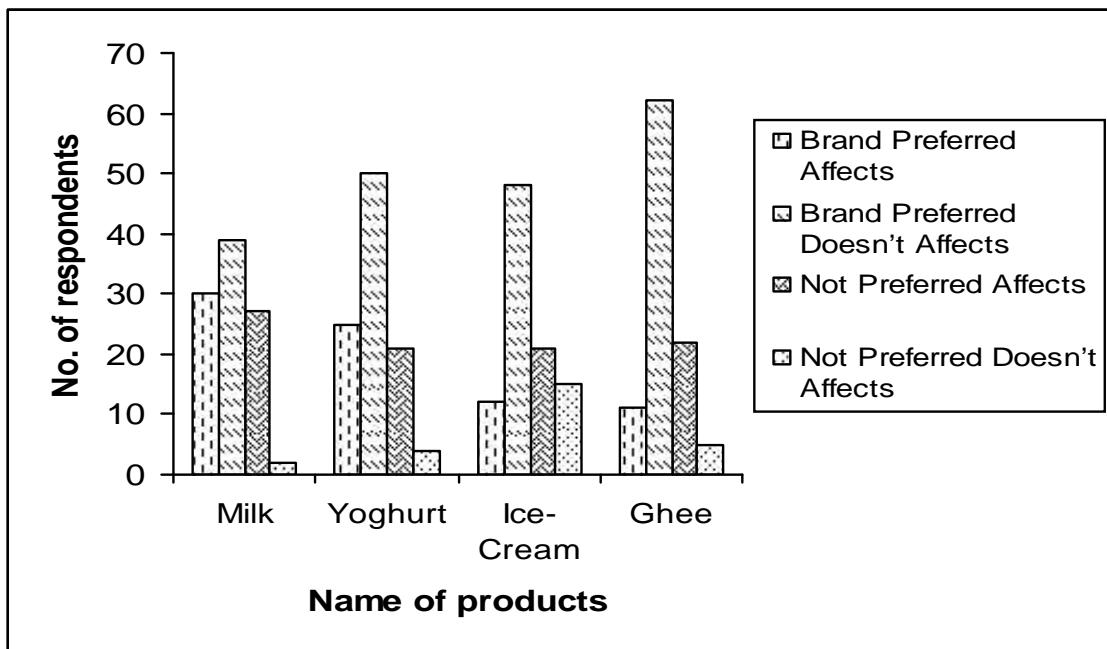


The data presented can also be used to identify the degree of Preference of the respondents. For this, comparisons are to be made between the figures in vertical line unlike the one done in horizontal line for the above-mentioned conclusion. The respondents who chose that sales promotions do not affect the brand selection could be considered more brand Preferred than those who chose the opposite.

**Product wise brand preference and Factors Causing Brand Switching**

| S. N. | Product | Factors | Brand Preferred | | Not Preferred | | Total |
|---|---|---|---|---|---|---|---|
| | | | Number | % | Number | % | |
| 1. | Milk | Price | 6 | 37.5% | 10 | 62.5% | 16 |
| | | Advertisement | 6 | 40% | 9 | 60% | 15 |
| | | A desire to test new | 34 | 85% | 6 | 15% | 40 |
| | | Others | 23 | 85.2% | 4 | 14.8% | 27 |
| | | **Total** | **69** | | **29** | | **98** |
| 2. | Yoghurt | Price | 6 | 40% | 9 | 60% | 15 |
| | | Advertisement | 8 | 47% | 9 | 53% | 17 |
| | | A desire to test new | 42 | 91.30% | 4 | 8.7% | 46 |
| | | Others | 19 | 86.36% | 3 | 13.64% | 22 |
| | | **Total** | **75** | | **25** | | **100** |
| 3. | Ice-Cream | Price | 5 | 29.41% | 12 | 70.59% | 17 |
| | | Advertisement | 8 | 40% | 12 | 60% | 20 |
| | | A desire to test new | 37 | 78.72% | 10 | 21.28% | 47 |
| | | Others | 10 | 83.33% | 2 | 16.67% | 12 |
| | | **Total** | **60** | | **36** | | **96** |
| 4. | Ghee | Price | 10 | 45.50% | 12 | 54.50% | 22 |
| | | Advertisement | 5 | 38.50% | 8 | 61.50% | 13 |
| | | A desire to test new | 39 | 88.60% | 5 | 11.40% | 44 |
| | | Others | 19 | 90.50% | 2 | 9.50% | 21 |
| | | **Total** | **73** | | **27** | | **100** |

*Source: Field Survey 2069.*

The Table no. 17 depicts the response of the participants to the importance of the factors mentioned namely a) price : price rise or price cut in one brand in comparison to other , b) strong advertisement campaign of the other brand, c) desire to test a new brand and d) Others of the above in switching to the other brands. The fourth options 'other' means quality, test, recommendation, suitability, fairness, availability, durability etc.

The factors causing brand switching have been discussed in order to know more about the product wise brand preference correlates because there is a reverse relationship between product wise brand preference and brand switching. This relation has been clearly revealed by the survey outcomes presented in Table no. 17. When the percentage of brand preferred respondents is the highest, that of the non-Preferred respondents is the lowest. The factor that has been accepted by the highest percentage of brand Preferred respondents of causing brand switch has not been accepted by the highest percentage of non-Preferred respondents as the factor causing the brand switch. For example in case of Milk as per above table, from among the total respondents who think price activity cause their brand switch only 37.5% are brand Preferred rest 62.5% are non Preferred. Similarly, in case of advertisement caused only 40% brand preferred respondents to switch to other brands where as it caused 60% non preferred respondents to switch to other brands. In contrary, out of total respondents for whom the desire to test new causes brand switch 85% were found brand Preferred and 85.2% out of the those for whom non of the mentioned factors matter are brand Preferred respondents. The percentage of brand Preferred and non-Preferred respondents discussed in case of Milk is true of all other products as well. Hence, it can be said that the brand Preferred respondent are less influenced by the factors such as price and advertisements. Majority of brand Preferred respondents switch to other brands simply because of their desire to test new. The table also depicts that the factors, which positively correlate with brand switching, correlate negatively with product wise brand preference.

Moreover, the data presented in the Table no. 17 can also be used to measure the degree of product wise brand preference. The respondents those said that none of the

mentioned factors make them switch can be considered more brand Preferred than those who switch brand due to the factors mentioned.

The data presented in Table no. 17 has been presented in the following bar diagram:

**Fig: 13**

**Product wise brand preference and Factors Causing Brand Switching**
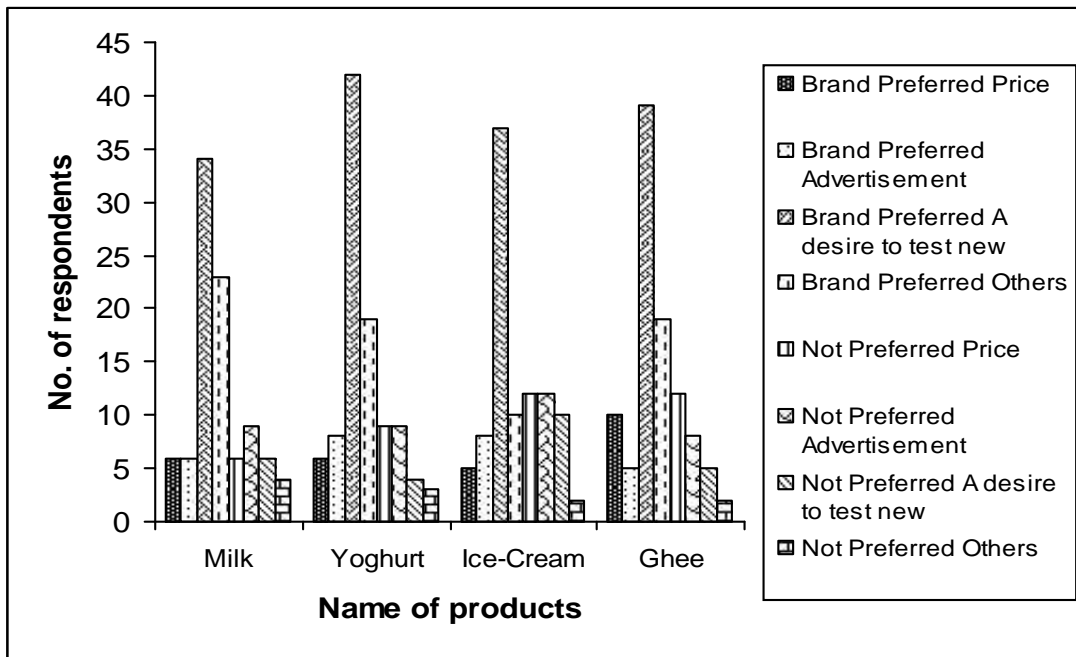


Although product wise brand preference correlates are considered product specific rather than omnipresent across products, yet it cannot be denied that there are some factors or correlates, which are equally applicable for many types of products - though not for all types of products.

**MAJOR FINDINGS:**

The following major finding shave been deduced from the date presentation and analysis made in this chapter:

- It is found that Nepalese consumers give high importance to Brand in the Milk and Milk products. The weighted mean of the various important points given (i.e. from 01 to 05) by the respondents is 3.94
- Most of the consumers are found buying the products selected for this study by brand rather than by inspection or influence. The percentage of consumers who buy by brand is 56% in Milk, 67% in Yoghurt, 74% in Ice-cream and 41% in Ghee.

- In each product selected for the study, at least 64% of the consumers are found to have knowledge of maximum alternative brands available in the market. This shows the high brand awareness in Nepalese Urban consumers.
- Majority of the Nepalese urban consumers are found brand Preferred. The following table depicts the whole findings on product wise brand preference of the same:

**Table no: 18**

**Product wise degree of preference**

| S. N. | Product | Types of Preference | No of Respondents | Percentage |
|-------|---------|---------------------|-------------------|------------|
| 1. | Milk | Strong Preference(a) | 50 | 51.02% |
| | | Moderate Preference(b) | 19 | 19.39% |
| | | Preference(a+b) | 69 | 70.41% |
| | | Non Preference | 29 | 29.59% |
| | | **Total** | **98** | **100%** |
| 2. | Yoghurt | Strong Preference (a) | 67 | 67% |
| | | Moderate Preference (b) | 8 | 8% |
| | | Preference (a+b) | 75 | 75% |
| | | Non Preference | 25 | 25% |
| | | **Total** | **100** | **100%** |
| 3. | Ice-Cream | Strong Preference (a) | 61 | 63.54% |
| | | Moderate Preference (b) | 6 | 6.25% |
| | | Preference (a+b) | 66 | 68.75% |
| | | Non Preference | 30 | 31.25% |
| | | **Total** | **96** | **100%** |
| 4. | Ghee | Strong Preference (a) | 57 | 57% |
| | | Moderate Preference (b) | 16 | 16 |
| | | Preference (a+b) | 73 | 73% |
| | | Non Preference | 27 | 27% |
| | | **Total** | **100** | **100%** |

*Source: Field Survey 2069.*

This table also depicts that from among the total brand preferred respondents, in all the products chosen at least 50% are strongly preferred to their favorite brand.

- Female are found more brand Preferred than male in Milk, Yoghurt and Ghee. However, in Ice-cream male are found more brand Preferred.

- The respondents belonging to the age group below 20 are found to be more brand-Preferred to Ice-cream. In addition, in case of Milk and Ghee the age group of above 40 years shows highest degree of product wise brand preference. The age group between 21-40 is also displays high product wise brand preference for Yoghurt.

- Married consumers are found more brand Preferred than unmarried ones in case of Milk, Yoghurt and Ghee where as in case of Ice-cream unmarried consumers show higher degree of product wise brand preference. However, the unmarried consumers also show significant degree of product wise brand preference in case of these products.

- The nuclear family system shows more product wise brand preference for all the products in comparison to the joint family system. However, some product wise brand preference is observed in case of these products in respondents belonging to the joint family.

- A positive association is found between consumers' income and product wise brand preference in all the products included in the study. Respondents with lower income level are found less brand Preferred.

- No significant relation is observed between Education level and Product wise brand preference. Consumers' education did not show much variation in the degree of their product wise brand preference.

- In all the products, a positive correlation between Product wise brand preference and Store Preference is found. More than 73% of those who are store Preferred are found brand Preferred in the case of these products where as high degree of fluctuation is observed store preference.

- The values in sharing the similar favorite brand as family members or differing from them do not show significant relation between the two. However, in case of Ghee and Ice-cream, higher percentages of brand Preferred consumers share similarity with the family members.

- One of the important characteristics of the Brand Preferred consumers is not to be influenced by the special deals. Out of all brand preferred consumers a very

significant percentage (i.e. at least 76%) are the ones who say that their purchase decisions are not affected by such deals. In case of all products other than Ice-cream, this value exceeds 92%. This supports the inverse relation between Product wise brand preference and effect of special deals.

- For majority of the brand preferred consumers, price activity and advertisements are least influential. The one factor that drives them to purchase another brand is their desire to test new.

# CHAPTER - V
## SUMMARY, CONCLUSION AND RECOMMENDATION

## 5.1 SUMMARY

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

Considering the very realities of the market, this study is a sincere endeavor of finding out product and brand preference of Nepalese consumers and its growth in them over the years if any. Besides the main objective of finding out the product wise brand preference of Nepalese consumers, the study also contains the attempt of examining the brand awareness in Nepalese consumers and analyzing the correlates of product wise brand preference. Milk, Yoghurt, Ice-cream and Ghee are the four different kinds of Dairy products selected for the study.

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

questionnaire are presented, interpreted, and analyzed so as to obtain the objectives of the study.

From the interpretation and analysis of the data, it is found that Nepalese consumers have high degree of brand awareness and most of them are brand Preferred in all the products selected for the study, which has grown significantly in over the years. Similarly, it is also found that the factors such as age, sex, marital status, income level, family system, store Preference, special deals, favorite brand of family members etc are related to product wise brand preference and the direction and degree of the correlation varies across the products.

## 5.2 CONCLUSION

The following conclusions are drawn from the study:
- Nepalese consumers give high importance to the brand in Milk and Milk product.
- Most of the consumers buy the products by brands rather than by inspection or influence.
- Most of the consumers have good knowledge of most of the brands of the selected products available in the market.
- Most of the Nepalese consumers are brand Preferred and the strong Preference to the products selected is higher than moderate Preference and non-Preference.
- Product wise brand preference varies across the consumers.
- Product wise brand preference varies across the products. Relatively high product wise brand preference is found in products that are comparatively bought more frequently.
- The relationship between the consumers' sex and marital status with product wise brand preference is not alike in all the products. The correlation is subject to the product types.
- The consumers of age group above 40 are found relatively more brand Preferred in all the selected products than other age groups. However, the age group 21-40 also showed higher product wise brand preference in case of Yoghurt.
- The consumers belonging to the nuclear family system are comparatively more brand preferred than those belonging to the joint family system.

- Product wise brand preference has positive correlation with Consumers' income level.
- Product wise brand preference has positive correlation with store Preference.
- Product wise brand preference is independent of consumers' education level.
- Brand Preferred consumers are least influenced by special deals like free samples, discount coupons etc and Price activity and advertisement.

## 5.3 RECOMMENDATIONS

Consumers are the sovereign power of the modern marketing world. The products manufactured today are not the ones that the manufacturers want to sell but the ones that the consumers want to buy. Every successful product in the modern marketing world is and embodiment of the consumers' needs, wants prestige, preference, satisfaction, aspiration and mental horizon. Hence, understanding the consumers' needs, wants, satisfaction, preference, aspiration, and mental horizon or understating the consumer in total is the secret of success today. Knowledge of product wise brand preference makes it easier to understand the consumer. Product wise brand preference exposes the consumers' preference, attitude and purchasing pattern relating to different brands of a product available in their market. These factors like preference; attitude-purchasing pattern etc is largely directly or indirectly related with the consumers' satisfaction, social status, earning, aspiration and ambition.

The Nepalese consumer market is rapidly growing. Competition is being tough and tougher together with this growth. Understanding product wise brand preference is a very effective measure to increase the competitive strength of manufacturers or sellers. So, the findings of this study have multifold implications for the Nepalese marketers. The following recommendations are made based on the findings of this study:

- Particular attention should be given in branding the products. Brand is necessary in almost all types of non-durable consumer goods.
- Brand should be distinctive or unique in every types of product. Distinct brand plays significant role in helping the consumer differentiate the desired product from other products.
- Studies on product wise brand preference should be made on continuous basis. Most of the consumers showing product wise brand preference indicate towards

hidden assets of the manufacturers or sellers. They should have knowledge of this valuable asset. It will give them effective guideline for developing successful marketing strategy.

This is an addition to some very limited studies that have been carried out on this subject as a part of academic curriculum. Product wise brand preference is an important and very interesting subject of study for university scholars, manufacturers, and marketers.

Hence, this researcher anticipates that this will encourage further researches on the subject. In spite of the earnest endeavor of the researcher, this study does have some weaknesses and shortcomings. These weaknesses and shortcomings are being explained here with a consideration that they will be dealt beforehand by-anyone attempting for further research on the subject and can be overcome in studies conducted in later days. Furthermore, the following suggestions are suggested to all those willing to carry out any sort of study on the related subject:

- Bigger sample size would be better. The Milk and milk product of which the product wise brand preference in consumers is to be found out are generally those that are repeatedly and most frequently purchased by all. The sample size of this number therefore is too less to be able to accurately resemble the whole population.

- Concentrating on one particular kind of product would yield more study that is detailed and could be greatly beneficial for the organization associated with that product.

- Considering certain time could be better choice to check on the purchase pattern of the consumers. The frequency of purchase of any product differs from one to another and the time constraint of some period such as 03 months, 06 months etc would probably give a better picture.

- Using statistical tools such as correlation analysis, Chi-square test etc could help in obtaining better results of the study.

- Prepare shorter questionnaire with simple language as people find it cumbersome to fill up long questionnaire and it is suggested to convince the respondent on the topic so that they would be tempted to give precise and correct answers.

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APPENDIX -1

| Weight(x) | No. of Respondent(f) | Weight x No. of Respondent(fx) |
|-----------|----------------------|--------------------------------|
| 1 | 5 | 6 |
| 2 | 10 | 20 |
| 3 | 16 | 48 |
| 4 | 20 | 80 |
| 5 | 48 | 240 |
| Total | N=100 | fx= 394 |

We have,

Weighted Mean = $\dfrac{\sum fx}{n}$

$= \dfrac{394}{100}$

$= 3.94$

# QUESTIONNAIRE

## A Study on Product and Brand Preference

This is me Ramchandra Paudel, an M.B.S student at Tribhuwan University, Prithvi Narayan Campus, Pokhara. I am conducting a research study in order to support my Thesis writing on the above-mentioned subject. It would be greatly appreciated if you could kindly co-operate with me by filling up the following questionnaires. The more accurately and explicitly you fill up the answers in the questionnaire, the more precise and conclusive the results would come and thenceforth would make the study meaningful. In this study, the term brand has been defined as a name, term sign, symbol, or a combination of all of them you use to demand your desired product in the market or which you use to differentiate the product of one producer from others.

Please be kind enough to fill up the questionnaire with your invaluable and precise thoughts in accordance with the questions provided. Your answers are to be limited to this study only.

01.     Could you please rate the importance of brand in dairy products preference to your in accordance with the scale provided below?

Minimum                                                                                    Maximum

| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
| Very Low | Low | Medium | High | Very High |

02.     Do you think your market offers you different brands of the given dairy products?

Milk            a) Yes          b) No

Yoghurt        a) Yes          b) No

Ice Cream      a) Yes          b) No

Ghee           a) Yes          b) No

03. How do you buy the following dairy products?

| | | | |
|---|---|---|---|
| Milk | a) By Inspection | b) By Brand | c) By Influence |
| Yoghurt | a) By Inspection | b) By Brand | c) By Influence |
| Ice Cream | a) By Inspection | b) By Brand | c) By Influence |
| Ghee | a) By Inspection | b) By Brand | c) By Influence |

04. Could you please list five products (brand names) on each of the following category that you think are mostly preferred by the consumers?

| | | | | | |
|---|---|---|---|---|---|
| Milk | a) | b) | c) | d) | e) |
| Yoghurt | a) | b) | c) | d) | e) |
| Ice-cream | a) | b) | c) | d) | e) |
| Ghee | a) | b) | c) | d) | e) |

05. What is your most favorite brand in dairy product?

(a) Milk

(b) Yoghurt

(c) Ice-cream

(d) Ghee

06. Name the brands of the following dairy products that you bought in your last few (six) purchases:

(a)　　Milk:

(b)　　Yoghurt

(c)　　Ice-cream

(d)　　Ghee

07. Would you purchase an alternative brand of the following dairy products if your favorite brand is out of stock?

| | |
|---|---|
| Milk | a) Yes  b) No |
| Yoghurt | a) Yes  b) No |
| Ice-cream | a) Yes  b) No |
| Ghee | a) Yes  b) No |

08.  Do you purchase the following dairy products from the same store?

Milk:

      a)  Always     b) Often     c) Sometimes     d) Rarely

Yoghurt:

      a) Always     b) Often     c) Sometimes     d) Rarely

Ice-cream:

      a) Always     b) Often     c) Sometimes     d) Rarely

Ghee:

      a) Always     b) Often     c) Sometimes     d) Rarely

09.  What other brands of the following dairy products are repeated purchased by your family members?

(a)  Milk

(b)  Yoghurt

(c)  Ice-cream

(d)  Ghee:

10.  If other competitive brands offer you special deals like coupons, scheme, surprise gifts etc, would you switch to them?

Milk          a) Yes     b) No

Yoghurt     a) Yes     b) No

Ice-cream    a) Yes     b) No

Ghee         a) Yes     b) No

11.  Which among the following factors do you think could make you leave your favorite brand and switch to other brands?

Milk          a) Price                 b) Desire to test new brands

                 c) Advertisement Campaigns d) none of the stated

Yoghurt     a) Price                 b) Desire to test new brands

                 c) Advertisement Campaigns d) none of the stated

Ice-cream    a) Price                 b) Desire to test new brands

                 c) Advertisement Campaigns d) none of the stated

Ghee          a) Price                 b) Desire to test new brands

                 c) Advertisement Campaigns d) None of the stated

12. Kindly provide with the following personal details:

Sex:     (a) Male                     (b) Female

Age:     (a) Below 20              (b) Between 21-40      (c) Above  40

Marital Status: (a) Married    (b) Unmarried          (c) Divorcee

Education:       (a) S.L.C or below    (b) 10 + 2      (c) Bachelor

                 (d) Master

Family System:       (a) Joint          (b) Nuclear

Family Income (a) 5,000 - 10, 000     (b) 10,000-20,000        (c) More than

                 (In NRs Per Month): 20,000


Thank you for filling up the questionnaire and thus providing me your invaluable support in accomplishing my research.