

CHAPTER – I

INRODUCTION

1.1 Background of the Study

Nepal lies in the northern hemisphere of the earth and it is Himalayan Country of South Asia extending at the range of 26° 22" to 30° 27" East and 80° 4" to 88° 12" North. It is a land- locked country surrounded by Indian Territory in three sides that East, West & South and China territory in the North. It has the area of 1, 47,181 square kilometer. The length and breadth roughly extends to be 885 km and 193 in average respectively.

Nepal is still following a traditional style of business and is not able to reach in high professional level. We need more human resources and business expertise in area such as management, accounting and auditing. At the moment, Nepal is in the transition stage where industries are trying to take a big leap from traditional to modern style of handling business. However, the process is very slow and the major factor is posing a barrier in development of all sectors is corruption in public service which needs to be curbed. This is the scenario of the Nepalese business environment.

World is on the way of running in 21st century. Nepal became the member of WTO on 2003 A D (B.S.2060). Nepal is a landlocked as well as least developed country. More than 85 percent people are still in rural areas and most of them are not getting minimum physical facilities that are necessary for human being because of under development and their poverty. The annual per- capita income of Nepal is just US\$ 260 (WBR,

2006). It's economy is dependent on traditional agriculture. The agriculture plays major role in the Nepalese economy.

Due to the globalization of the business, the world has become small. A company can easily set access to the market of the other parts of the world and can achieve his goals. The companies are facing various challenges to market to their products over the years. Thrust has shifted from efficient production to the shift marketing, marketing department. In return, it had developed different techniques to the market products. In this modern marketing era, every marketer should under the consumer's satisfaction. Companies are adopting many marketing policies and strategies to increase the sales.

Consumer is the king of the business. The success and failure of any business entirely depends on consumer's reaction to a firm's marketing mix or strategies. Firm's marketing mix or strategies should be designed in such a way that satisfies consumers need and wants. To design an effective marketing strategy that satisfies consumer unsatisfied need and wants, a firm should know the buying behaviour of consumers because understanding consumer buying behaviour is an important task for today's marketers.

Consumer behaviour may be defined as the decision process and physical activity individuals engage in when evaluating, acquiring, using or disposing of goods and services. (Loudon & Della Bitta, 1993, p.5)

However, the buying behaviour of consumer differs from one to another. Their buying process may be identical. Generally, the consumer buying process consists of five stages which are problem recognition,

information search, evaluation of alternatives, purchase and post purchase evaluation.

The initial stage of consumer's buying process is the problem recognition and it occurs when a buyer becomes aware of the fact that there is difference between a desired and an actual condition. After becoming aware of the problem or need, the consumer searches for information regarding availability of brands, product features, seller's characteristics, process and other relevant aspects. Duration and intensity of search efforts depends on buyer's experience in purchasing and nature of the product to be purchased. During this stage, however, consumer has developed evoked set-the set of brands of a product which the buyer actually considers while making a specific brand choice.

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

other stages of the decision process and influences subsequent purchase. (Narayan & Markin, 1975, p.7-11)

Though, the consumer buying decision process consists of five stages. All the consumers don't go always through all these five stages. The individual may terminate the process during any stage. This depends on the experience of consumer involved in purchasing and the nature of the products he or she wants to purchase. Persons in high -involvement decision process may omit some of these stages. Whatever be the buying process, it is essential for the modern marketer to know the buying behaviour of his or her target for the long -term survival.

In recent years, the international business environment has been marked by far -reaching changes. In the last few years, the business environment of Nepal has been changed drastically. An implementation of one window system for both domestic and foreign investors and adoption of free and liberal trade policy have increased the business activities to a great extent throughout the country. Consequently, business has become more complex and competitive. To survive in such a changing and competitive business environment, all the activities of the business must be focused on the consumer. (Koirala 2048, p.33)

In reality, the consumer is sovereign, deciding whether to accept or reject a product on the basis of whether or not it meets perceived needs and desires. To meet perceived needs and desires of the consumers, the marketer should understand the buying behaviour of consumers. However, understanding of consumer buying behaviour is a complex and difficult task as it is influenced by many factors.

Generally, consumer behaviour is influenced by four factors which are cultural (Culture, subculture and social class), social (reference groups, family and social roles and statuses), personal (age, stage in the life cycle, occupation, economic circumstances, lifestyle, personality and self - concept), and psychological (motivation, perception, learning, beliefs and attitudes) (Kotler, 2003, p.198). Research into all these factors can provide clues to reach and serve consumers more effectively.

Consumer's needs and desires undergo change from time to time. In order to adopt business with the changing of consumer's needs and desires. It is essential for marketers to conduct research continuously on consumer. Realizing this fact, business enterprises of advanced countries have carried out a series of researches on consumer behaviour. However, such practices of studying in consumer behaviour with respect to decision making process of motorbike purchase in Nepalgunj city has been studied here.

1.2 Significance of the study

Industrialization play vital role in development of every country. The countries which are industrialized have many competitors occurring among industries to sell their product in the market. To success from the competition, it needs proper marketing management and policy. Nepal is dependent on agriculture as well as in the process of industrialization slowly. Whether it is agriculture or industrial sector, marketing plays very important role in drawing attention in consumer toward the products and improper making policy and its efficiency serves as hindrance to the growth of the economy. By accumulating inventories or reducing the output of the forms, which retards or even negates the growth of the economy.

There are number of showrooms and dealers which sells different brand of products. The success and failure of any business firm entirely depends on consumer's reaction to its offerings. It is therefore essential for the marketer or manufacture of the products and services to understand the consumer buying behaviour in today's changing and comparative business environment.

Understanding consumer behaviour has become more complex and complicated day by day. It requires continuous efforts of investigation and exploration of consumer. However, such practice of investigation and exploration on consumer buying behaviour are too rare or entirely absent in Nepalese business perspective.

In such a circumstance, an attempt has been made in this work to study the consumer behaviour with respect to decision making process of motorbike purchase in Nepalgunj city. This study may be helpful to the thesis writer, marketing students and other researcher who are related with it. I would be helpful to the motor bike dealers company as well as marketer who buy and sell the different brands of motor bike. And it may also be helpful to future researchers and students to know about different brands of motorbike. The major findings of the study will be based on survey of consumer's preference in motorbike, potential consumer, and feeling about price, brand, and mileage of the motorbike. It is important for all the people who are related with motorbike. So, it will be helpful for them to plan effective marketing strategy/policy.

1.3 Statement of the Problem

Previously, market was not so competitive. There were only limited brands in the market. But today, competition is very high due to many motorbike companies are involved in to produce motorbike.

Now a days, motorbike companies are increasing rapidly in the world market and in developing countries like Nepal. Demand of motorbike is increasing day by day. Many new industries are engaged to fulfill this demand. There is high competition among motorbike for trying to make economic, mileage as well as good looks in motorbike. To reach in the market, they have to adopt new product policy.

Kathmandu is the capital of Nepal, where we have to make sure that the product reaches to all areas and places. Where there are no proper facilities of services it is difficult to serve in markets because the costs of motorbikes are very high and there is general trend of strong dominance of traders in Nepal. It is very different from neighbour country of Indian market in terms of control over the business. Here, traders have their own rules and regulation and buyers have to follow them. That is the major problems of motorbike companies.

In recent years, the international business environment has been marked by far -reaching changes. In the last few years, the business environment of Nepal has been changed drastically. An implementation of one window system for both domestic and foreign investors and adoption of free and liberal trade policy have increased the business activities to a great extent throughout the country. Consequently, business has become more complex and competitive. To survive in such a changing and

competitive business environment, all activities of the business must be focused on the consumer.

In reality, the consumer is sovereign, deciding whether to accept or reject a product on the basis of whether not it meets perceived needs and desires. To meet perceived needs and desires of the consumers, the marketer should understand the buying behaviour of consumer. However, understanding of consumer buying behaviour is a complex and difficult task as it is influenced by many factors such as cultural, social, personal and psychological. In addition, consumer behaviour is a changing phenomenon.

In the context of Nepalgunj city, consumers are purchasing the motorbike but not so aware about it. Most of people can't choose the motorbike that which brand is better for purchase. Some consumer used to purchase motorbike by seeing others and some people purchased by the attraction of the advertisement. But, some of the young people used to purchase the motorbike and they changed their motorbike's looks and they ride in the market. Being the difference prices and model of motorbike, people get confuse for to select the right brand of the motorbike which are the main problems in this city.

Consumer's needs and desires undergo change from time to time. In order to adopt business with the changing of consumer's needs and desires, it is essential for marketers to conduct research continuously on consumers. Realizing this fact, business enterprises of advanced countries have carried out a series of research on consumer behaviour. However, such practices of studying consumer buying behaviour are rare in our country. Here, an attempt has been made to study the consumer behaviour with

respect to decision making process of motorbike purchase in Nepalgunj city.

1.4 Objectives of the Study

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In such a circumstances, an attempt has been made in this work to study consumer behaviour with respect to decision -making process of motorbike purchase in Nepalgunj city.

The specific objectives of this study are as follows.

-) To find out the consumer's preference to motorbike in comparison to other vehicles.
-) To trace out the trends of buying on the basis of opinion on price, brand & model of Motorbike.
-) To find out the consumers behaviour towards the purchase of Motorbikes.
-) To find out the decision making process applied while purchasing Motorbike.
-) To find out the influencing factors to the consumer while buying Motorbike.

1.5 Limitation of the Study

This research is conducted for partial fulfillment of master degree in business studies. The research being a student has very limited time and resources. Thus, the study has certain limitations which are as follows:

-) Consumer's decision-making process is studied with motorbike as a product. Thus, the result of this study will be more applicable to this product only.
-) This study is confined only in Nepalgunj city. All the respondents for this study were taken from Nepalgunj city. Thus, sample taken for the study is small in comparison to the population of the study.
-) The study is entirely based on the opinions, views and responses of the respondents. Opinions of the respondents are taken as a sense of truth, which may not be correct at all time due to changing behavior of customers.

In spite of these limitations, an effort has been made to make this study more accurate.

1.6 Organization of the study

The study has been organized under five chapters. Chapter one contains background of the study, significance of the study, statement of the problem, objective of the study and limitation of the study.

The second chapter is designed to examine the review of related literature. Especially, the consumer's decision process and factors influencing buyer's behaviour is the main concern of review. Other relevant past studies also has been reviewed.

The third chapter describes the methodological aspect of the study. It contains research design, population and sample, nature and sources of data, data collection procedure and data analysis tools.

The fourth chapter incorporates the main body of the study i.e.,-data presentation and analysis. This chapter highlights the objective wise data presentation, analysis and interpretation. Major finding of this study are also presented in this chapter.

Finally, a summary, conclusion and recommendations are presented in chapter five.

CHAPTER- II

LITERATURE REVIEW

2.1 Introduction

This chapter reviews the concepts concerning the subject matter that are written on text books on one hand. On the other hand, this chapter reviews the previous studies which are related to the subject matter of this study. So, a brief review of some project works and some thesis is done. In addition to that review of articles that are published in magazines, newsletters etc. are also done.

The purpose of literature review is to find out what research studies have been conducted in one's chosen field of study, and what remains to be done. It provides the foundation for developing a comprehensive theoretical framework from which hypothesis can be developed for testing. The literature survey also minimized the risk of pursuing the dead- ends in research (Howard K. Wolf & Panta, Prem Raj, 1999, p.30).

Consumer decision process has remained important area of theoretical and empirical research for long .The understanding of why consumers behave as they do and the reasons there for has tremendous implications for both the marketers and the public policy makers. While this understanding is likely to help marketers match their marketing mix with the needs of different consumer segments. It can also enable public policy makers formulate such consumer programs and mandatory regulations for business as deemed necessary to promote consumer welfare.

The research in the area of consumer behaviour received added significance in a product market environment like that of Nepal characterized by low level of education, lack of buying alternatives and biased sources of information.

The present study is an attempt in this direction aimed at examining the consumer behavior with respect to decision - making process of motorbike purchase in Nepalgunj city. In order to provide a framework for this study, available literature on different components of consumer decision process has been reviewed and presented in subsequent heading in this chapter.

2.2 Consumer Behaviour

Consumers are people who buy and use products and services in order to satisfy their personal needs and wants. Generally, consumer's behaviour is concerned with the activities of people that purchase and use economic goods and services. It can be defined as the acts of individuals directly involved in obtaining and using economic goods and services.

Consumer behaviour is the study of the decision making units and processes involved in acquiring, consuming and disposing of goods, services, experiences and ideas. (Mowen, J.C 1990 p.283).

To study about the behaviours of consumers, marketing managers have developed seven questions to turn to consumer research for answer. They are as follows:

<i>Who constitutes the market?</i>	<i>Occupants</i>
<i>What does the market buy?</i>	<i>Objects</i>
<i>Why does the market buy?</i>	<i>Objectives</i>

<i>Who participates in the buying?</i>	<i>Organizations</i>
<i>How does the market buy?</i>	<i>Operations</i>
<i>When does the market buy?</i>	<i>Occasions</i>
<i>Where does the market buy?</i>	<i>Outlets</i>

Hence, these 7 O's are more important to study the consumer's behaviour. Always buyer's behaviour deals primarily with the behaviours of individuals. It is multi-disciplinary approach because this studies psychology, sociology, cultural, economics etc. It is also concerned with factors that influence product purchase decisions and product usage.

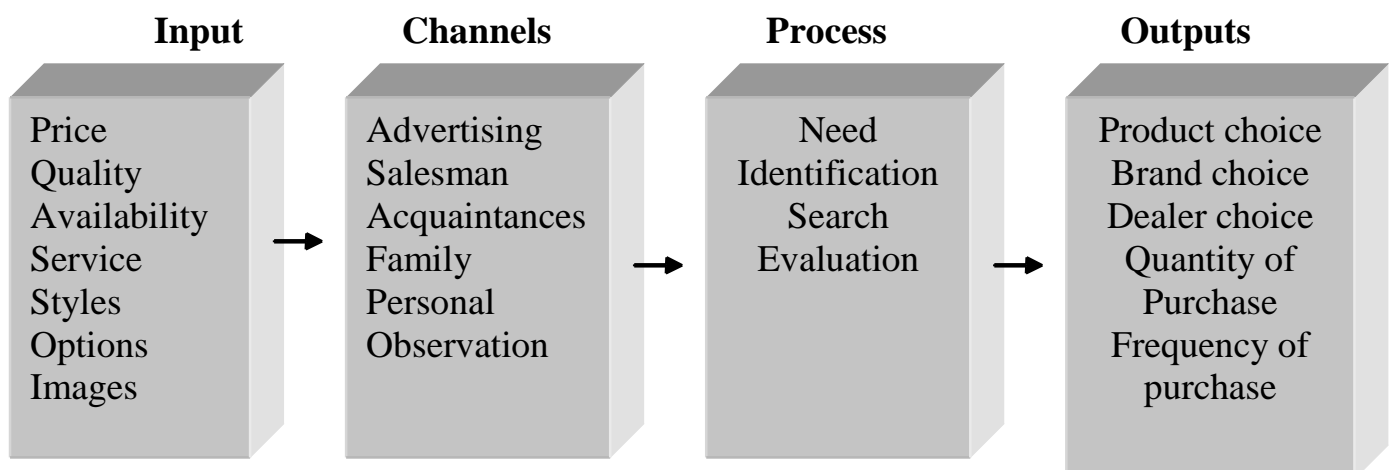
consumer's behaviours can be studied into 3 levels:

1 Individual Level: In this level, focus of study is individuals purchasing decision related with psychology, perception, personality etc.

2. Micro Level: Under this level consumer's behaviour can be studied as interpersonal and institutional factor located outside the individual regarding reference group, peer group etc.

3. Macro Level: In this Level, studies can be done in broad way.

Influence of branding as well as environmental forces can also be studied here. Consumer behaviour is also an input-output system. It can be shown as follows:



2.3 Consumer Decision Process

One of the important and traditional areas of study in consumer behaviour has been the consumer decision making process leading to product /service purchase. The study of consumer decision - making involves the analysis of how people choose between two or more alternative acquisitions and of the processes that take place before and after the choice. (Mowen, J. C. 1990, p.283)

At the most complex level, consumer decision- making process consists of a series of five stages. The five stage of decision making process while purchasing the product are problem recognition, search, alternative evaluation, choice and post acquisition which has shown in figure as below.

A Generic Flowchart of the Consumer Decision Process

Figure No. 2.1

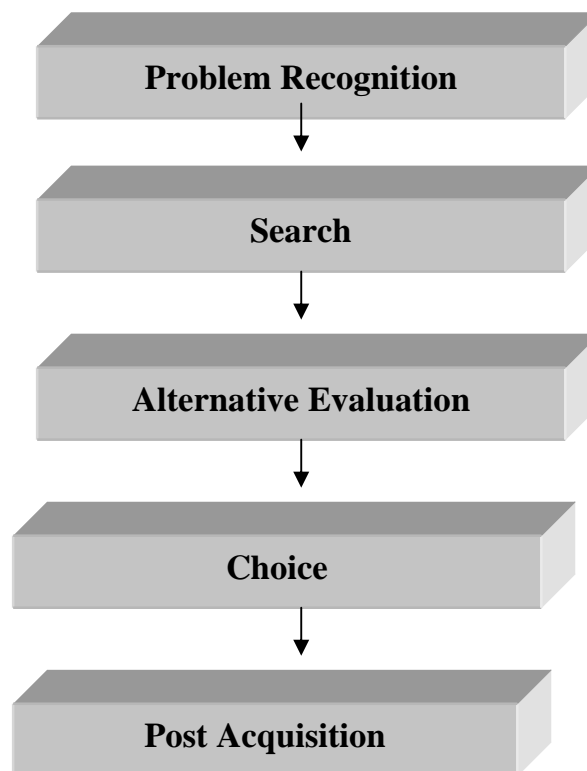


Figure: Showing the consumer decision process

2.3.1 Problem Recognition

Problem recognition occurs when a discrepancy develops between an actual and a desired state of being. In essence, problem recognition occurs when a need state is felt. Typically researchers seek to identify consumer problems by analyzing the factors that act to widen the gap between the actual state and the desired state. Thus, if the satisfaction with the actual state decreases, or if the level of the desired state increases, a problem may be recognized that propels a consumer to action.

2.3.2 Consumer Search Behaviour

After a consumer identifies a problem of sufficient magnitude to propel him or her to action, search process is begun to acquire information about products or services that may eliminate the problem. The investigation of the consumer search process is highly important to marketers. In particular, it influences a company's promotion and distribution strategies.

Researchers have found that two types of consumer search process exist- internal search and external search. Internal search involves the consumer attempting to retrieve from long term memory information in products or services that will help to solve a problem. In contrast, external search involves the acquisition of information from outside sources, such as friends, advertisements, packaging, sales personnel, and so on.

2.3.3 Alternative Evaluation

In the evaluation stage of the action process, the consumer compares the brand identified as potentially capable of solving the problem that initiated the decision process. When the brands are

compared, the consumer may form beliefs, attitudes and the development of beliefs, attitudes and intentions are closely related. The result of alternative evaluation of high-involvement goods is generally lengthy comparative to low-involvement goods.

2.3.4 Consumer Choice Process

After engaging in an evaluation of the alternatives, the consumer's next step in the decision making process is to make a choice among alternatives. Consumers make a variety of different types of choices. They can choose among alternative brands or services and they can make choices among stores. How consumers go about making choices is strongly influenced by the type of decision process in which they are engaged. Good evidence exists that the choice process differs if consumer use a high involvement approach as compared to a low-involvement approach. When consumers are highly involved in the purchase, they will tend to engage in a lengthy decision -making process. In such a high -involvement purchase, consumers are described as moving through each of the five stages of the action process in a sequential manner.

In contrast, when consumers perceive little personal importance in the purchase then, they will move through a limited decision process. The search stage will be minimized. In addition, the alternative evaluation stage may be largely skipped. Finally, in limited decision making the choice process will be much simpler than in high -involvement conditions.

2.3.5 Post Acquisition Process

The post acquisition phase of the consumer buying process consists of four stages acquisition consumption /usage, the formation of post acquisition purchase satisfaction dissatisfaction, consumer complaint behaviour and product disposition. The post acquisition phase has a major impact on whether consumers will repurchase the product or service. In addition, expectations of how they will be treated in the post acquisition phase may influence actual buying decision. (Mowen, 1990, p.285-375)

2.4 Factors Influencing Consumer Behaviour

A consumer's buying behaviour can be influenced by many factors. Most of these factors are out of control and beyond the hands of marketing. However, they have to be considered while trying to understand the complex buying behaviour. The main factors which influences to the consumers while purchasing products or services are cultural, social, personal and psychological factors. Research into all these factors can provide clues to reach and serve consumers more effectively. These factors can be described as under.

2.4.1 Cultural Factors

Cultural, subculture and social class are particularly important in buying behaviour.

) Culture:

Culture is the fundamental determinant of a person's wants and behavior. The growing child acquires a set of values, perceptions preferences and behavior through his or her family and other key institutions. Each culture

consists of smaller subcultures that provide more specific identification and socialization for their members.

) ***Subculture:***

Each culture will contain smaller groups of subculture that provide more specific identification and socialization for its members. These subcultures include nationalities, religions, racial groups and geographic regions. When subcultures grow large and affluent enough, companies often design specialized marketing program to serve them.

) ***Social class:***

Social class reflects not only income. But other indications such as occupation, education and area of residence. These members share similar values, interests and behaviour. Social classes differ in dress, speech patterns, and recreational preferences and many areas including clothing home furnishings, leisure activities and automobiles.

2.4.2 Social factors

In addition to cultural factors, a consumer's behavior is influenced by such social factors as reference groups, family and social roles & statuses. These factors can be described as below.

) ***Reference groups:***

A person's reference groups consist of all the groups that have a direct or indirect influence on the person's attitudes or behaviour. Groups having a direct influence on a person are called membership groups. Some membership groups are primary group, such a family, friends, neighbours and co-workers with whom the person interacts continuously and

informally. People also belong to seconding groups, such as religious, professional and trade union groups which tend to be more formal and require less continuous interaction.

) ***Family:***

The family is the most important consumer-buying organization in society and family members constitute the most influential primary reference group. The family has been researched extensively. We can distinguish between two families in the buyer's life .The family of orientation consists of parents and siblings. From parents a personal acquires an orientation toward religion, politics and economics and a sense of personal ambition, self -worth and love. Even if the buyer no longer interacts very much with his or her parents, their influence on the buyer's behaviour can be significant.

) ***Roles and statuses:***

A person participates in many groups- family, clubs, and organizations. The person's position in each group can be defined in terms of role and status. A role consists of the activities a person is expected to perform. Each role carries a status.

2.4.3 Personal Factors

A buyer's decisions are also influence by personal characteristics. These include the buyer's age and stage in the life cycle, occupation, economic circumstances, lifestyle and personality and self -concept.

) *Age and stage in the life cycle:*

People buy different goods and services over a life time. They eat baby food in the early years, most foods in the growing and mature years and special diets in the later years. Taste in clothes, furniture and recreation is also age related. Marketers often choose life -cycle groups as their target markets.

) *Occupation:*

Occupation also influences consumption patterns. A blue -collar worker will buy work clothes, work shoes and lunch boxes. A company president will buy expensive suits, air travel and country club membership. Marketers try to identify the occupational groups that have above-average interest in their products and services.

) *Economic circumstance:*

Product choice is greatly affected by economic circumstance such as spend able income, saving and assets, debts, borrowing power and attitudes towards sending and saving. Marketers of incomes -sensitive goods continuously monitor trends in personal income, savings and interest rates.

) *Lifestyle:*

People from the same subculture, social class and occupation may lead quite different life style. A lifestyle is a person's pattern of living in the world as expressed in activities, interests and opinions. Lifestyle portrays the "whole person" interacting with his or her environment. Marketers search for relationships between their products and lifestyle groups.

) ***Personality and self -concept:***

Each person has personality characteristics that influence his or her buying behaviour. By personality, we mean a set of distinguishing human psychological traits that lead to relatively consistent and enduring responses to environmental stimuli. Personality is often described in terms of such traits as self confidence, dominance, autonomy, sociability, defensiveness and adaptability. Personality can be a useful variable in analyzing consumers brand choices. The idea is that brands also have personalities and that consumers are likely to choose brands whose personalities match their own.

Personality may be defined as the person's distinguishing psychological characteristics that lead to relatively consistent and enduring responses to his/her own environment (Nair Suja Raj, 2001).

2.4.4 Psychological Factors:

It is also a major factor which influencing consumer buying behaviour decision directly or indirectly. For the purpose of understanding consumer's buying behaviour these factors should be known very well.

A person's buying choices are influenced by four major psychological factors which are motivation, perception, learning and belief & attitudes. These factors are described as under.

) **Motivation:**

A person has many needs at any given time. Some needs arise from physiological states of tension such as hunger, thirst or discomfort. Other needs arise from psychological states of tension such as the need of recognition, esteem or belonging. A need becomes a motive when it is

aroused to sufficient level of internist. A motive is a need that is sufficiently pressing to drive the person to act. In motivation it derives from Maslow's Hierarchy of Needs which has follows the person needs step by step. These steps are Physiological needs, safety needs, social needs, esteem needs and last is self actualization needs. This needs are shown as below in figure.

A Generic Flowchart of the Maslow's hierarchy of needs.

Figure No. 2.2

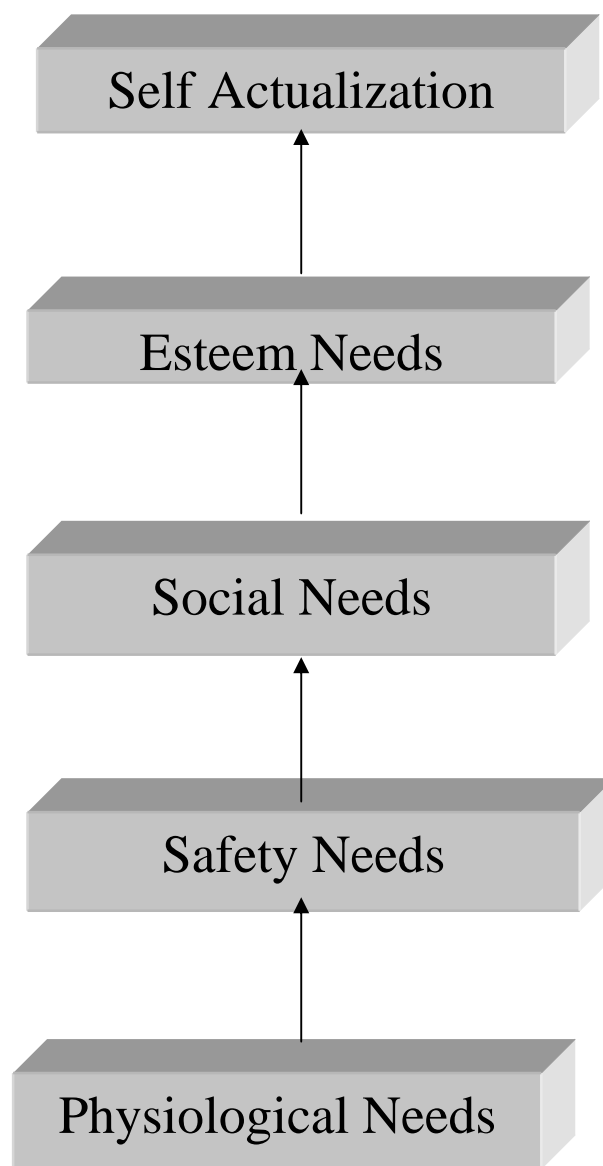


Figure: showing the consumer decision process

) ***Perception:***

A motivated person is ready to act. How the motivated person actually acts is influenced by his or her perception of the situation. Perception is the process by which an individual selects, organizes and interprets information inputs to create a meaningful picture of the world. Perceptions can vary widely among individuals exposed to the same reality.

) ***Learning:***

When people act, they learn. Learning involves changes in an individual's behaviour arising from experience. Most human behaviour is learned. Learning theorists believe that learning is produced through the interplay of drives, stimuli, cues, responses and reinforcement. Learning theory teaches marketers that they can build up demand for a product by associating it with strong drives, using motivating cues and providing positive reinforcement.

) ***Beliefs and Attitudes:***

Through doing and learning, people acquire beliefs and attitudes. These in turn influence buying behaviour. A belief is a descriptive thought that a person holds about something. People's belief about a product or brand influences their buying decisions. Marketers are interested in the beliefs people carry in their heads about their products and brands. Brand beliefs exist in consumer's memory.

Attitudes lead people to behave in a consistent way toward similar objects. Consumer's attitude towards firm and products strongly influence the success or failure of that organization's marketing strategy. When consumers have strong negative attitudes about one or more aspects of a

firm's marketing practices, they not only stop using the product but also may stop their relatives and friends from using it. Since attitude can play such an important part in determining consumer behaviour, marketer should measure consumer attitudes toward such dimension as prices, package designs, brand name, advertisement, etc.(Kotler, 2003, p.183-198)

2.5 Consumer Satisfaction

First of all we have to know about the meaning of consumer satisfaction. So, consumer satisfaction is defined as it is a person's feeling of pleasure or disappointment resulting from comparing a product's perceived performance or outcome in relation to his or her expectation. As this meaning makes clear satisfaction is a function of perceived performance and expectations (Liu, Chang-Yung). If the performance falls short of expectations, the consumer will be dissatisfied. When the performance exceeds the expectation, the consumer is highly satisfied. Maybe the marketers are aiming for high satisfaction because consumers who are just satisfied still find it easy to divert when a better offer comes along. Those who are highly satisfied are much less ready to divert. High satisfaction of delight creates an emotional bond with the brand, not just a rational performance.

2.6 Review of Related Studies

Under this segment, previous thesis of Tribhuvan University has been reviewed. The unpublished literatures found relevant to the study are as follows:

2.6.1 Dahal, M.P (1994), conducted a research study on *"patterns of consumer decision making process while purchasing high involvement goods in Nepal"* with the objective of:

-) Patterns of decision making strategies consumer utilize while making purchase of a durable goods.
-) The Level of pre purchase information seeking and their correlates.
-) Size of the choice set.
-) Decision making criteria and rules employed in evaluation of alternatives.

The study was based strictly on primary data. All the required information was collected from 300 respondents of Kathmandu district with the help of a structured questionnaire. The analytical tools included the factor analysis, cluster analysis, discriminate analysis and path analysis. The major findings of the study were:

-) Though not very extensive, the Nepalese buyers undertake information search with greater emphasis upon dealer and interpersonal sources in information.

-) Sources of information available to Nepalese buyers have five dimension brochures, test -drive advertisements, interpersonal source and dealer visit.
-) Nepalese buyers have rather small -evoked set size for both the makes and model.
-) Total search effort was positively related with education, but it was negatively related with prior preference for manufacturer and model.

2.6.2 Baniya, L.B. (1994), conducted a research study on, "*A study of buyer behaviour in pokhara with special reference to cross-cultural buying pattern*" with the objective of:

-) To find out the brand pattern and purchase frequency of the clothing and the grocery products for the british - Gurkhas and the local people.
-) To examine the store name awareness, purchase location and types of store used by the British-Gukhas and the local people for the purchase of clothing and grocery.
-) To determine the criteria used by the British -Gurkhas and the local people for choosing a particular product, brand store and their rank of order of importance,
-) To find out the attitude of the British -Gurkhas and the local people towards bargaining.

One hundred respondents were selected for the study. This study was based on primary data and all the required data were collected from 50

British -Gorkhas and 50 local people. For the statistical analysis, statistical tool such as percentage, rank, spearman's rank correlation coefficient were used. The major findings of his study were:

-) The purchase frequency of the grocery for the British -Gurkhas and the local people were similar to large extent.
-) Majority of British -Gorkhas use foreign brands as well as large number of local people adopts similar approach.
-) Awareness levels of British - Gurkhas are high on grocery items, but in case of clothing, it was found low in comparisons to local people.
-) As far as the criteria used to choose a product is concerned, quality and price are in the high profile of ranking.
-) Both British-Gorkhas and local people have almost similar attitude towards bargaining.

2.6.3 Shrestha, Rajendra Krishna (1997), "*The Role of Advertising in Brand choice and product positioning*" (*Soft drinks and Noodles*)

The study has reached to the following conclusion:

-) Advertising has been established as an important tool both in high involvement and low involvement goods. Advertising importance to consumer's goods is comparatively than industrial goods.
-) Consumer gets knowledge about products through different media of advertising. Advertising is considered as the primarily source of information.

-) The instant noodles and soft drink advertisements are found mostly appealing to the confine about financial presentation.
-) Advertising believability is found satisfactory.
-) The role of advertising in course of changing brand is important but not ultimate.
-) The advertising, which presents the product as better quality and advertisement, which is entertaining in stile, is liked.
-) The major reasons of brand switching are the taste of the product.

Advertising is lifeblood of modern marketing especially in case of promotion. Just advertising doesn't work the consumer frequent purchases (brand loyal). The success of any product is dependent upon the post purchase of consumer. Post purchase behaviour largely determined by the satisfaction received from consumption. To make advertising role more effective, the advertisement should be more creative and unique is design or style with truthful information. Further more an excellent qualitative product with reasonable price is essential for it's success.

2.6.4 Palungwa, S. (2003), conducted a research study on

"A study on personal computer buyer behaviour" with the objectives of:

-) To analyze the level of buyer awareness about personal computer.
-) To ascertain brand preference of buyers.
-) To analyze the purpose of buying personal computer.

-) To analyze the level of expenditure that a buyer is ready to spend on personal computer.
-) To provide suitable suggestions.

Fifty respondents were selected from Kathmandu valley. On those samples were included who had acquired personal computer. Random and convenience sampling method was used in this study. The data were collected through a self - administered questionnaire survey in Kathmandu valley manually at convenient time. The major findings of this study were as follows:

-) The respondents from Kathmandu valley preferred assembled personal computer than branded personal computer.
-) One of the important finding was that time efficiency was basic motivating factor for personal computer user.
-) The respondents had their priority for personal and family use of personal computer.
-) Respondents were price sensitive: they are dependent on process of purchasing personal computer.
-) People with higher income and education were the prominent buyer of the personal computer.
-) The buyers were ready to spend more than thirty -five thousand rupees on a personal computer and were highly conscious of quality of the product.

2.6.5 Bhandari , Y.S (2004) conducted a research study on
"Brand preference study on motorbike with reference to
Kathmandu city" with the objective of:

-) To identify the profiles of customer of specific brand.
-) To examine the product attributes sought in the motorbike brand.
-) To assess the customer's perception on brand preference.

The research was mainly based on primary data. Motorbike was chosen as the sample product. The sample of the respondents used in this study constitutes 120 motorbike riders of Kathmandu city. The research findings of the study were as follows.

-) Hero Honda brand has been found as the most preferred brand. Yamaha as the second, K-Bajaj as the third, others brand as the fourth, Lifan as the fifth and Dayang as the sixth preferred brand respectively.
-) On the basis of profession. Hero Honda has been most popular except in business category. K-Bajaj has been popular in business category.
-) It was found that brand loyalty exists in the motorbike buyer.
-) The price factor has been found as the main factor for brand switching.
-) Hero Honda has been positively perceived in terms of fuel efficiency, resale value and aesthetic looks.
-) Yamaha has been found having high resale value, high power and moderate looks.
-) K-Bajaj has been represented by its fuel efficiency, more after sales services and moderate looks.

- J High power and high aesthetic looks have been found as the strong attributes of Lifan brand. It has been found that Lifan has disadvantages with regard to fuel efficiency and resale value.
- J Dayang brand of motorbike has been found more positive on its aesthetic looks and finance facility.

2.6.6 Acharya, Narayan Prasad (2005) "*The study of Consumer Attitude*"(Wai- Wai Noodle at Bhaktapur Municipality)

The study concluded the following points:

- J Consumer's attitude highly positive towards Wai Wai noodle.
- J Bhaktapur Municipality is one of the pivotal sectors of wai wai due to population, consumer's attitude and so on.
- J Consumer's attitude is timely changing towards the products.
- J Consumers attitude basically towards the Wai Wai noodle is fascinated for its taste.
- J Wai Wai is popular because of different kinds of (chicken to vegetable) flavour available.

Consumer attitude is crucial role-plays for any products because attitudes are changing not predicted. But effective promotion tools and social effective activities will definitely turn to positive attitude towards products.

2.7 Motorcycle History

Motorcycle history begins in the second half of the 19th century. Motorcycle are descended from the "safety bicycle" a bicycle with front and rear wheels of the same size and a pedal crank mechanism to drive the rear wheel. The motorcycle history has mentioned as below.

1. Early milestones

-) Petroleum power
-) Steam power
-) first commercial products

2. The 20th century

-) Before world war 2nd
-) After world war 2nd
-) Japanese dominance

3. The present

1. Early milestones

-) **Petroleum power:**

The inspiration for the earliest dirt bike, and arguably the first motorcycle, was designed and built by the German inventors Gottlieb Daimler and Wilhelm Maybach in Bad Cannstatt (since 1905 a city district of Stuttgart) in 1885. The first Petroleum-powered vehicle, it was essentially a motorized bicycle, although the inventors called their invention the *Reitwagen* ("riding car"). They had not set out to create a

vehicle form but to build a simple carriage for the engine, which was the focus of their endeavours.

) **Steam power**

In 1868, the French engineer Louis-Guillaume Perreaux patented a similar steam-powered vehicle, which was probably invented independent of Ropers. In this case, although a patent exists that is dated 1868, nothing indicates the invention had been operable before 1871. Nevertheless, these steam-powered vehicles were invented prior to the first petroleum-powered motorcycle.

) **First commercial products**

In the decade from the late 1880s, dozens of designs and machines emerged, particularly in France, Germany & England. And soon spread to America. During this early period of motorcycle history, there were many manufacturers since bicycle makers were adapting their designs for the new internal combustion engine.

In 1894, the Hildebrand & Wolfmüller became the first motorcycle available to the public for purchase. The first known motorcycle in the United States was said to be brought to New York by a French circus performer in 1895. It weighed about 200lb (91 kg) and was capable of 40 mph (64km/h) on a level surface.

2. The 20th century

) **Before 2nd world war**

In 1898, English bicycle maker Triumph decided to extend its focus to include motorcycles and by 1902, the company had produced its first motorcycle—a bicycle fitted with a Belgian-built engine. In 1903, as

Triumph's motorcycle sales topped 500, the American company Harley-Davidson started producing motorcycles.

In 1904, the Indian Motorcycle Manufacturing Company, which had been founded by two former bicycle racers, designed the so called "diamond framed" Indian Single, whose engine was built by the Aurora Firm in Illinois. The single was made available in the deep red color that would become Indian's trademark. By then, Indian's production was up to over 5000 bikes annually and would rise to 32000, it's best ever in 1913.

During this period, experimentation and innovation were driven by the popular new sport of motorcycle racing with its incentive to produce tough, fast, reliable machines. These enhancements quickly founded their way to the public's machines.

In Europe, production demands driven by the build up to World War II included motorcycles for military use and BSA supplied 126000 M20 motorcycles to the British armed forces starting in 1937 and continuing until 1950.

) After World War 2nd

After the Second World War, some American veterans found a replacement for the camaraderie, excitement, danger and speed of life at war in motorcycles. Grouped into loosely organized clubs, motorcycle riders in the U.S. created a new social institution.

In Europe, on the other hand post-war motorcycle producers were more concerned with designing practical, economical transportation than the social aspects or "biker" image.

The motorcycle also became a recreational machine for sport and leisure, a vehicle for carefree youth, not essential transportation for the mature family man or women, and the Japanese were able to produce modern designs, more quickly, more cheaply and better quality than their competitors. Their motorbikes were more stylish and more reliable. So, the British manufactures fell behind as mass- market producers.

The Suzuki Motor Company Ltd. Kawasaki heavy Industries and the Yamaha Motor Corporation each started producing motorcycles in the 1950s. Meanwhile, the sun was setting on British dominion over the big-displacement motorbike market.

) Japanese dominance

The excellence of Japanese motorcycles caused similar effects in all "Western" market: many Italian bike firms either went bust or only just managed to survive. Also as a result, in Germany, BMW's worldwide sales sagged in the 1960s but came back strongly with the introduction of a completely redesigned "slash-5" series for model year 1970.

From the 1960s through the 1990s, small two- stroke motorcycles were popular in worldwide. Partly as a result of the East Germany Walter Kaden's engine work in the 1950s. Later acquired by Suzuki via stolen plans supplied by MZ rider Ernst Degner, who defected to the West in 1961 part way through a race at the Nuerburgring.

3. The Present

Today the Japanese manufacturers, Honda, Kawasaki, Suzuki and Yamaha dominate the large motorcycle industry. Although, Harley-Davidson still maintains a high degree of popularity particularly in the United States.

Currently, the largest motorcycle market is the small machines market for the developing world, hence the claim from Indian Hero Honda to be the world's new biggest bike firm. India has also been home to the Enfield Cycle Company's Royal Enfield since 1995. Enfield Indian still makes updated versions of the 1995 Royal Enfield Bullet motorcycle.

There is a large demand for small and cheap motorcycles in the "developing world" and many of the firms meeting that demand now also compete in "developed" markets, such as China's Hongdou, which makes a version of Honda's venerable CG125.

CHAPTER- III

RESEARCH METHODOLOGY

Research methodology is a way to solve the research problem systematically. It facilitates the research work and provides reliability and validity to it. Research methodology employed in this study is presented below.

3.1 Research Design

Research design is a plan, structure, and strategy of investigation conceived so as to obtain answer to research questions and to control variance. (Kerlinger, F.N.2002, p300)

Descriptive research is a fact-finding operation searching for adequate information .It is a type of survey study, which is generally conducted to assess the opinions, behaviour or characteristics of a given population and to describe the situation and events occurring at present. (Boyed, 2002, p128)

It is the specification of methods and procedure for acquiring the information needed. In this study descriptive research design is adopted. This study is an exploratory type of study. The main objective of this study is to examine consumer behaviour with respect to decision- making process of motorbike purchase in Nepalgunj city. Descriptive research is widely conducted to solve various marketing problems. Thus, a descriptive survey research design is applied for this study.

3.2 Nature and Sources of Data

The information and data required for conducting the study was entirely based on primary source. Primary information and data were gathered through structured questionnaire. Based on the objectives of the study, a comprehensive questionnaire was developed which included questions pertaining to consumer decision - making process and factors influencing consumer behaviour.

3.3 Data Collection Procedure

The questionnaire was distributed to respondents through personal contact and the researcher also collected information through personal interview with dealers and consumers of Nepalgunj city.

During the time of research some consumers were unable to fill the answer. At that condition the researcher helped to answer the questionnaire and oral conversation with the distributor, dealers and consumers. The questionnaires were distributed to the consumers and businessman of the Nepalgunj city for the collection of necessary informations. Some business-men and consumers have been orally interviewed.

3.4 Population and Sampling

Population consists of total motorbike owner in Nepalgunj city for this study. It includes well-defined number of the motorbike owner. Sample is the selection of certain number of respondents out of population. Sample is taken out of whole universe.

The sample of respondents used in this study constitutes 50 motorbike buyers of Nepalgunj city. Nepalgunj city was chosen the geographical region to draw the sample form of the motorbike. The respondent samples are believed to be the true representative of the population.

3.5 Data Processing

All the questionnaire were distributed and collected by the researcher him self. So, there was not any delay in collection of questionnaire, which was distributed among the respondents. Every questionnaire was thoroughly checked after the collection and was found correct in style of filling. The same responses of the collected questionnaires were put into one place under the respective heading and the total responses were counted. The total responses were presented in one master table with the help of the data of the master table, necessary presentation have been made for attaining the objectives of the study. All the analysis is made on the basis of the data presented in the master table.

3.6 Data Presentation & analysis

To answer the research questions and to achieve objectives; informations and datas collected are systematically and properly analyzed. The collected informations are concerned with the objectives of the study.

After its collection, datas are presented and interpreted in different headings. Purposed data has been presented clearly and vividly in table, percentage, diagram and pie-chart according to the nature of the data which are available in the primary form.

Data are analyzed both descriptively & statistically. For statistical analysis, required tools such as percentage, pie-chart and diagrams etc. are adopted.

CHAPTER - IV

DATA PRESENTATION AND ANALYSIS

In this chapter, the data and information obtained from the questionnaire have been presented and analyzed comparatively keeping the objective in mind. This chapter has been organized into three sections. In the first section, decision-making process of motorbike owners has been discussed where as with the second section the factors that influence the consumer buying behaviour of motorbike in Nepalgunj city were analyzed and in the last section, profile of the motorbike buyers has been pointed out.

4.1 Decision-making Process of Motorbike Owners

In this section, an attempt has been made to identify decision-making process while making a motorbike purchase. For this purpose, questions relating to problem recognition, consumer search behaviour, alternative evaluation, consumer choice process and post acquisition process have been employed. The present analysis has been done on the basis of responses provided by the responses of the respondents were collected from the main area of the Nepalgunj city.

4.1.1 Problem Recognition

In this section, three sets of question have been asked to the consumer to find out the consumer's preference to the motorbike in comparison to other vehicles.

Table 4.1 shows the actual result of the respondents.

Table 4.1
Reasons for preferring motorbike

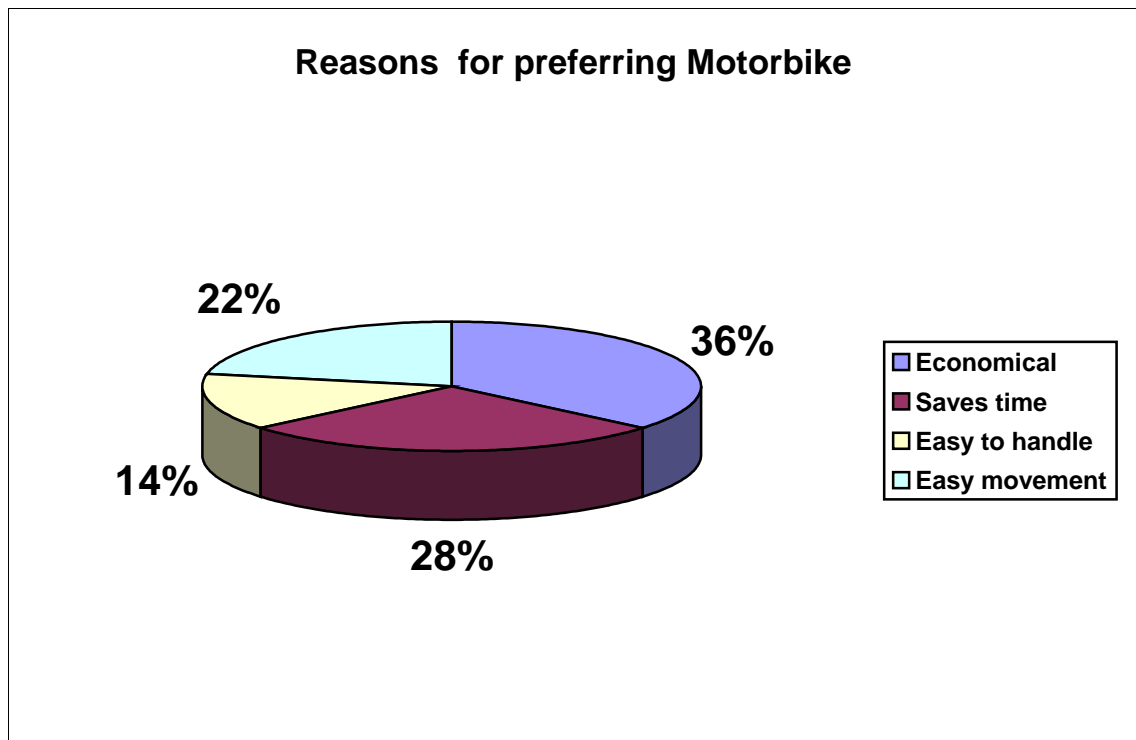
Reason	No of respondents	Percentage
It is economical	18	36
It saves time	14	28
It is easy to handle	7	14
Easy movement	11	22
Total	50	100

Source: Field Survey-2065

Table 4.1 shows that respondent are preferring motorbike to other vehicles. Most of the respondents prefer motorbike as it is economical which is 36 percentage. It followed time save 28 percentages easy to move 22 percentage an easy to handle 14 percentage. It is evident that majority of the motorbike owners of the Nepalgunj city have perceived more economical, time save, easy to movement and easy to handle to use motorbike as compared to other vehicles.

The reasons for preferring motorbike have been illustrated in following figure.

Figure: 4.1
Reasons for Preferring Motorbike



It can easily be said that most of the people prefer motorbike for saving their time and felt easy to movement as well as handle it.

The question was asked to find out the purpose of motorbike riding.

Table 4.2 reflects the purpose of motorbike riding.

Table 4.2

Purpose of Motorbike Riding

Purpose	No of responding	Percentage
Transportation	35	70
Pleasure	6	12
Status	2	4
Interest	7	14
Total	50	100

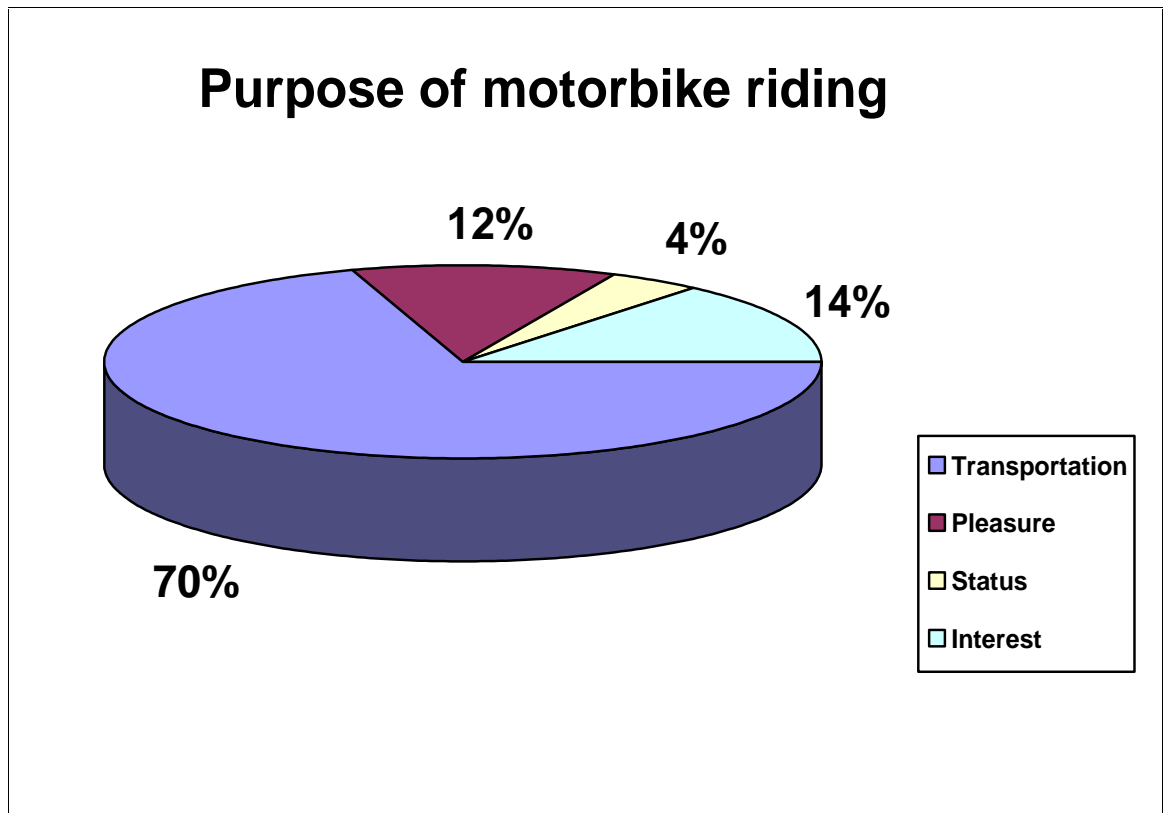
Source: Field Survey-2065

Table 4.2 clearly shows that the purpose of motorbike riding is for the purpose of transportation which has 70 percentage followed by interest 14 percentage, pleasure 12 percentage and for status 4 percentage. It is noticeable that the higher proportions of respondents that purchase motorbike are for transportation and interest in Nepalgunj city.

Purpose to purchase motorbike in Nepalgunj city has been presented in figure 4.2.

Figure 4.2

Purpose of motorbike riding



Consumer purchases motorbike for the purpose of transportation, Pleasure, status & interest. According to the above pie chart, it demonstrates that the large number of consumers purchases motorbike for the purpose of transportation while there are few consumers who purchase motorbike for status which has 4 percentage only.

The responses to the question regarding effect of advertisement on problem recognition, respondents were responded in different ways which is presented in table 4.3.

Table 4.3

Advertising effect on Problem Recognition

Options	No of respondent	Percentage
Very high	2	4
High	12	24
Moderate	22	44
Low	5	10
Very low	9	18
Total	50	100

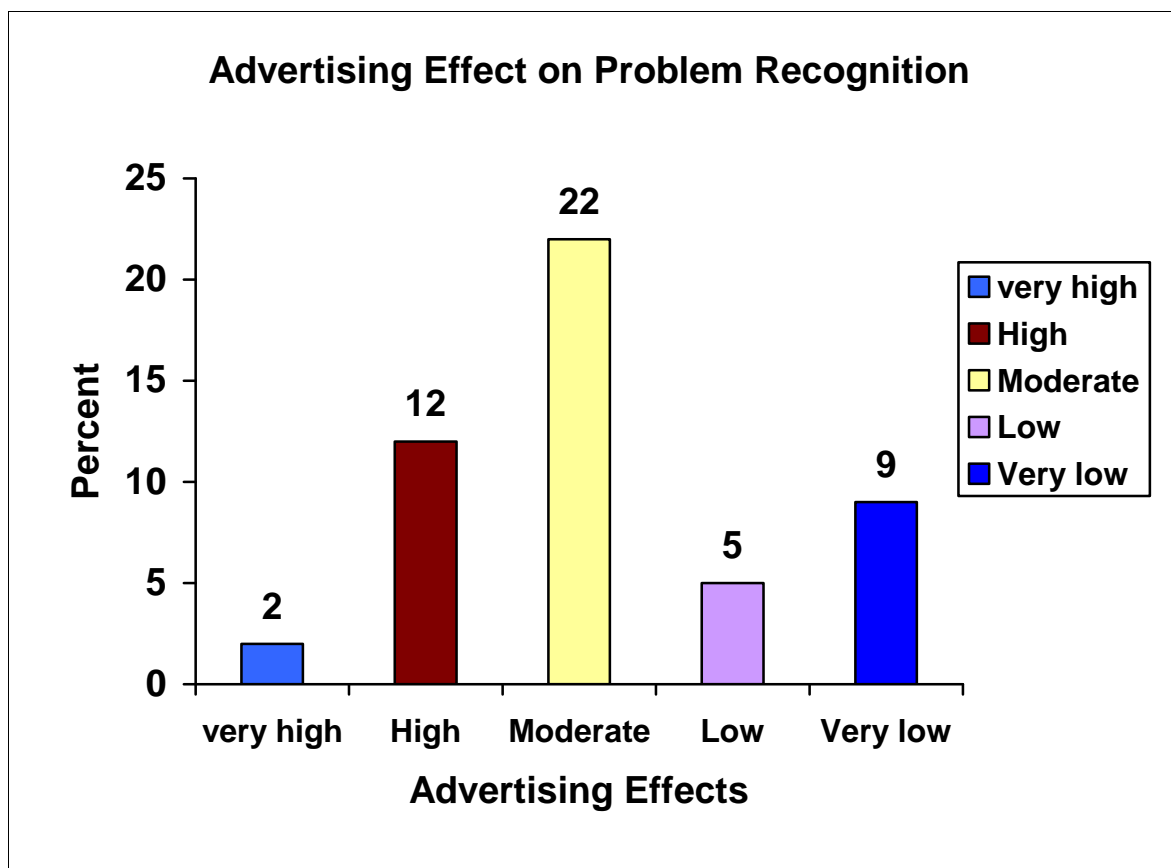
Source: Field Survey-2065

The tables 4.3, shows that 44 percentage of respondents were moderately affected by advertisement on problem recognition. Where as 24 percentage affected highly, 18 percentage very low and 10 percentage are low respectively.

Figure 4.3 represents the data more clearly.

Figure 4.3

Advertising Effect on Problem Recognition



The figure 4.3 shows that the moderate effect in the Advertising on problem recognition in Motorbike was high 22 percentage followed by higher 12 percentage, very low 9 percentage, low 5 percentage and very high 2 percentage. It can problem recognition is not so high in Nepalgunj city.

4.1.2 Consumer Search Behaviour

To study the search behaviour of consumer in Nepalgunj city, three sets of questions were asked to the consumers. The first question was asked to find out how the consumers first happened to know the model of motorbike they bought. Responses of the respondents have been discussed in Table 4.4 .

Table 4.4

Sources of first-hand Information

Sources	No of responding	Percentage
Friends	14	28
Family	12	24
Advertisement	18	36
Show room	6	12
Total	50	100

Source: Field Survey-2065

Table 4.4 shows that 36 percentage of the respondents first happened to know about the motorbike they bought through advertisement followed by 28 percentage by friends, 24 percentage by family members and 12 percentage happened to see it in a dealer's show room.

Further sources of first hand information have been presented in figure 4.4.

Figure 4.4

Source of First-hand Information

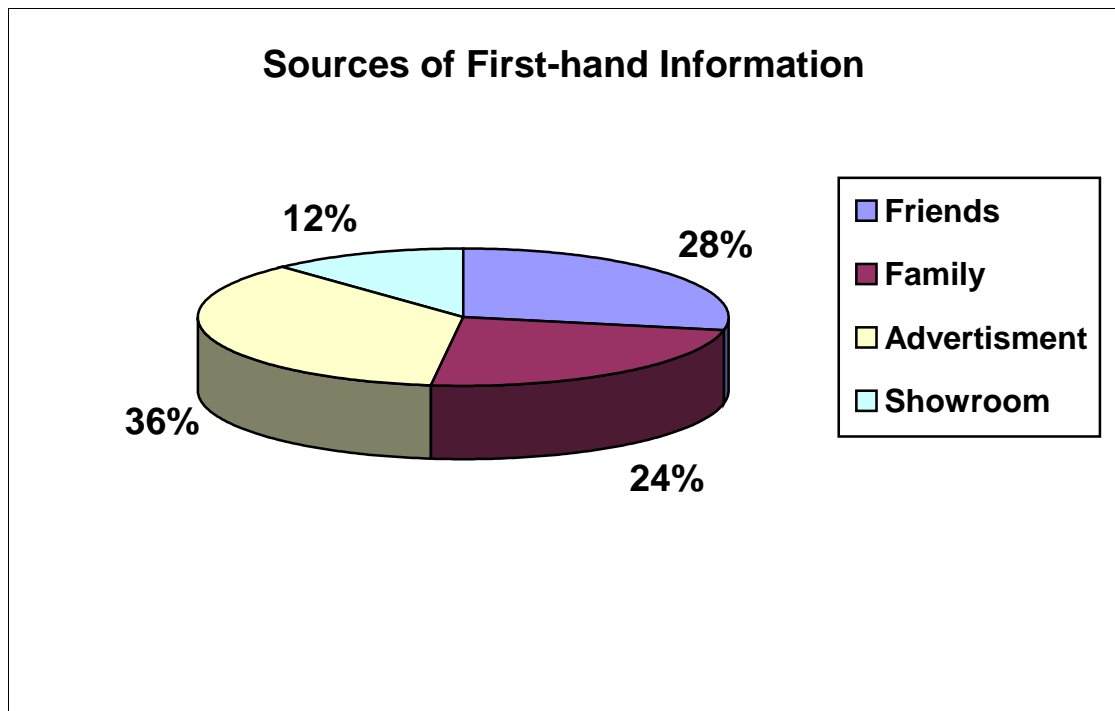


Figure 4.4 clearly predicts that the first source of the consumers to know about motorbike is through advertisement which is 36 percentage. It has followed by friends by 28 percentage. Family 24 percentage and showroom 12 percentage. It can be stated that advertisement has played the significant role to have more information for purchasing motorbike while show room has very low role.

The question was asked to find out information sought to the buyers before purchasing a motorbike and responses of respondents as presented in table 4.5

Table 4.5
Information Sought on Motorbike

Information Sought	No of respondents	Percent
Features	16	32
Performance	24	48
Price	8	16
After-sale service	2	4
Total	50	100

Source: Field Survey-2065

Table 4.5 represents information sought by respondents on motorbike. 48 percentage of respondents sought information on performance of a motorbike like mileage, ride frequency of repair, etc. Similarly, 32 percentage of respondents look information on features like electric start, disc brakes, looks, etc. and 16 percentage look for price. Only 4 percentage of respondents look for after-sale service.

It has been explained more clearly in figure 4.5.

Figure 4.5

Information Sought on Motorbike

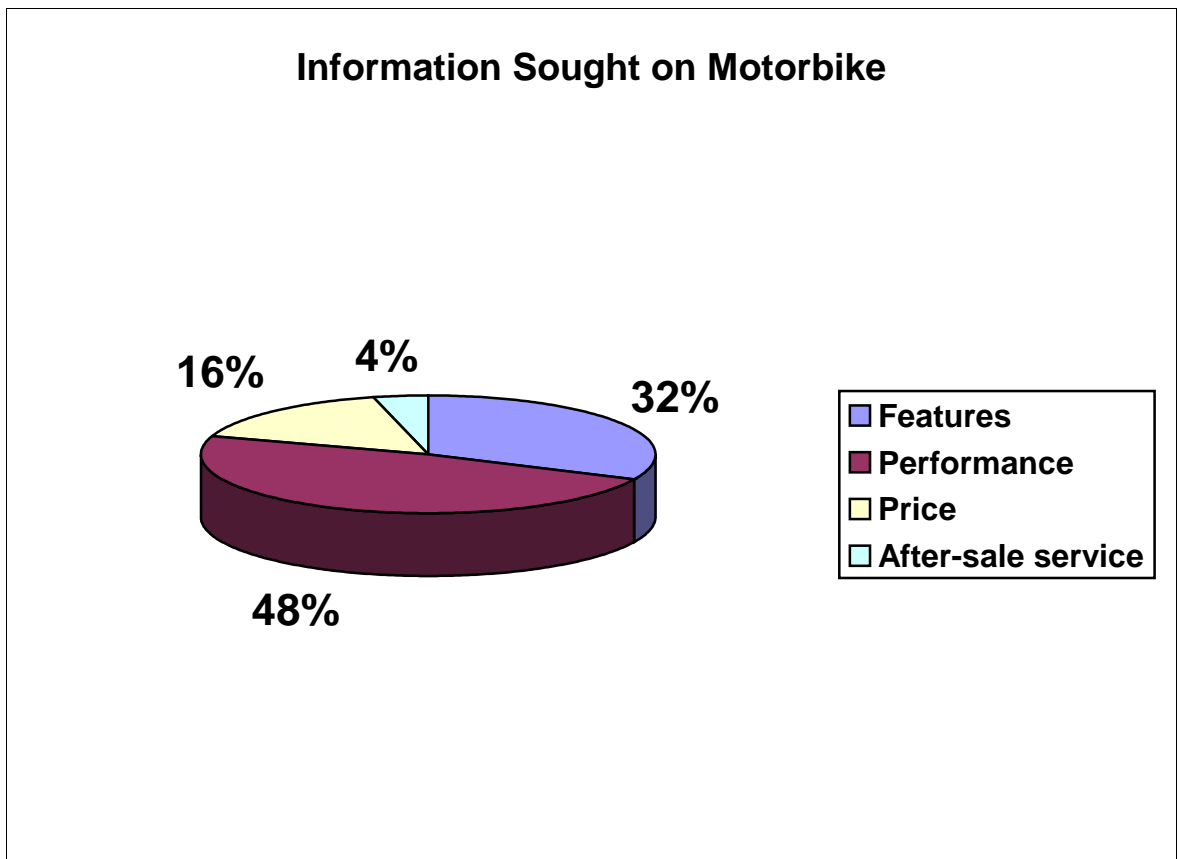


Figure 4.5 predicts that the most of the respondents i.e. 48 percentage sought information on performance of a motorbike like mileage, ride frequency of repair while very few respondents i.e. 4 percentage sought information on price of motorbike.

Next question was asked to find out the sources of information consumers used while purchasing a motorbike. Respondents were asked to rank in different sources of information they used which has shown in table 4.6.

Table 4.6

Ranking Sources of information used by the Consumers

Rank Factor	1st		2nd		3rd		4th		5th		Weighted Average	Rank
	No	%	No	%	No	%	No	%	%	No		
TV	14	28	9	18	7	14	8	16	12	24	3.1	2
Friends	13	26	18	36	8	16	8	16	3	6	3.6	1
Dealers	6	12	10	20	14	28	12	24	8	16	2.88	3
Brochure	5	10	8	16	12	24	9	18	16	32	2.54	4
Test driving	12	24	5	10	9	18	13	26	11	22	2.88	3
	50	100	50	100	50	100	50	100	50	100		

Source: Field Survey-2065

As shown in the table 4.6, respondents have given rank to the sources of information they used while purchasing a motorbike. Friends & family are the most used sources of information that is in the first rank, followed by TV in the second rank. Similarly, Visit to dealers & Test driving is in the third rank and finally manufacture's brochure is in the last rank.

4.1.3 Alternative Evaluation

To point out the consumer's evaluation criteria, two sets of question have been asked. The first question was asked to identify the criteria one can possibly use while checking different models of motorbike. Table 4.7 shows the responses of the respondents.

Table 4.7

Criteria used while selecting different Models

Criteria	No of responding	Percentage
Price	12	24
Mileage	14	28
Looks	4	8
Resale value	10	20
Warranty	3	6
After sale service	4	8
Credit facility	3	6
Total	50	100

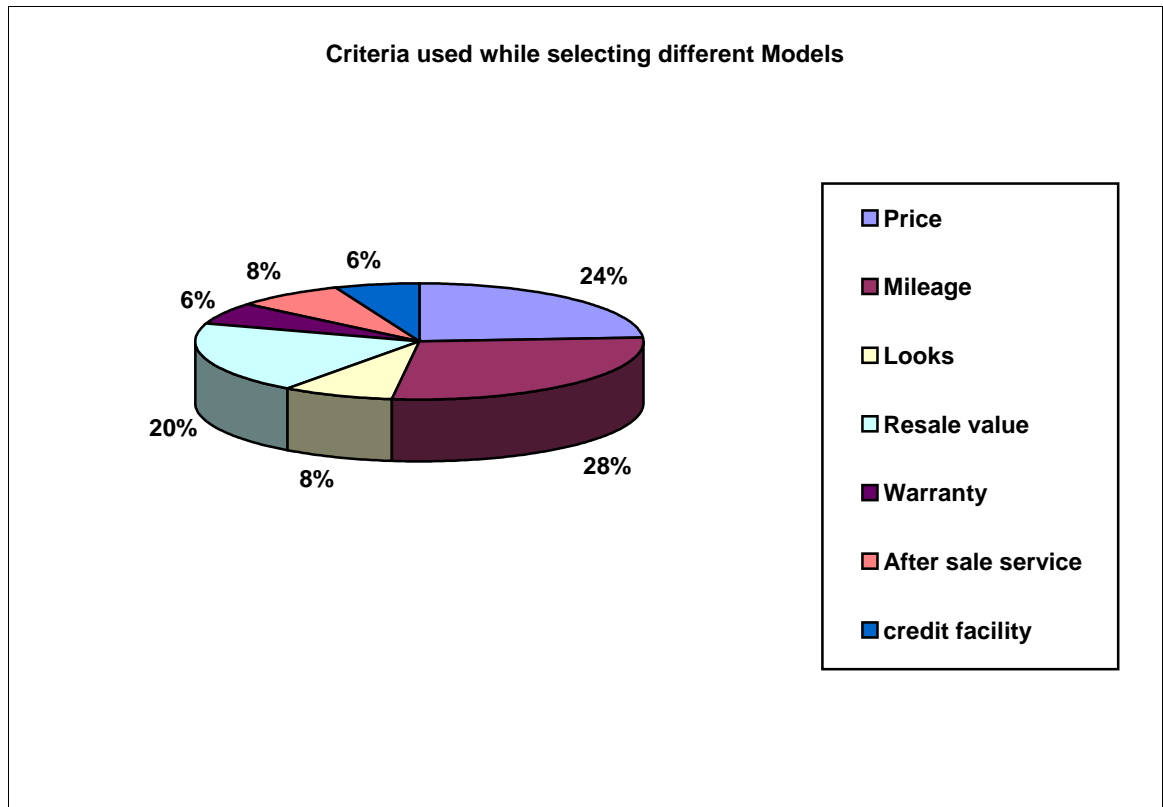
Source: Field Survey-2065

Table 4.7 Illustrates that the motorbike buyers first look for mileage while evaluating different models of motorbikes which is 28 percentage. It is followed by price with 24 percentage, resale value with 20 percentage, looks and after sale service with 8 percentage and credit facility and warranty with 6 percentage respectively.

Further, the responses or respondents are presented in figure 4.6 for better understanding.

Figure 4.6

Criteria used while selecting different Models



There are different models of motorbike in the market. Consumer use some criteria while selecting different models which are price, mileage, looks, warranty, After sales service & credit facility. So, the above given pie chart 4.6, predicts that 24 percent respondents are used mileage criteria when they purchase motorbike while 6 percent used the criteria of warranty.

The question has asked to find out the recommendation used by the buyers while selecting the model of the motorbike.

Table 4.8 shows the result of the respondents.

Table 4.8
Recommendation used by the Consumers

Recommendation	No of responding	Percentage
Friends	25	50
Family Members	20	40
Salesperson	3	6
Relatives	2	4
Total	50	100

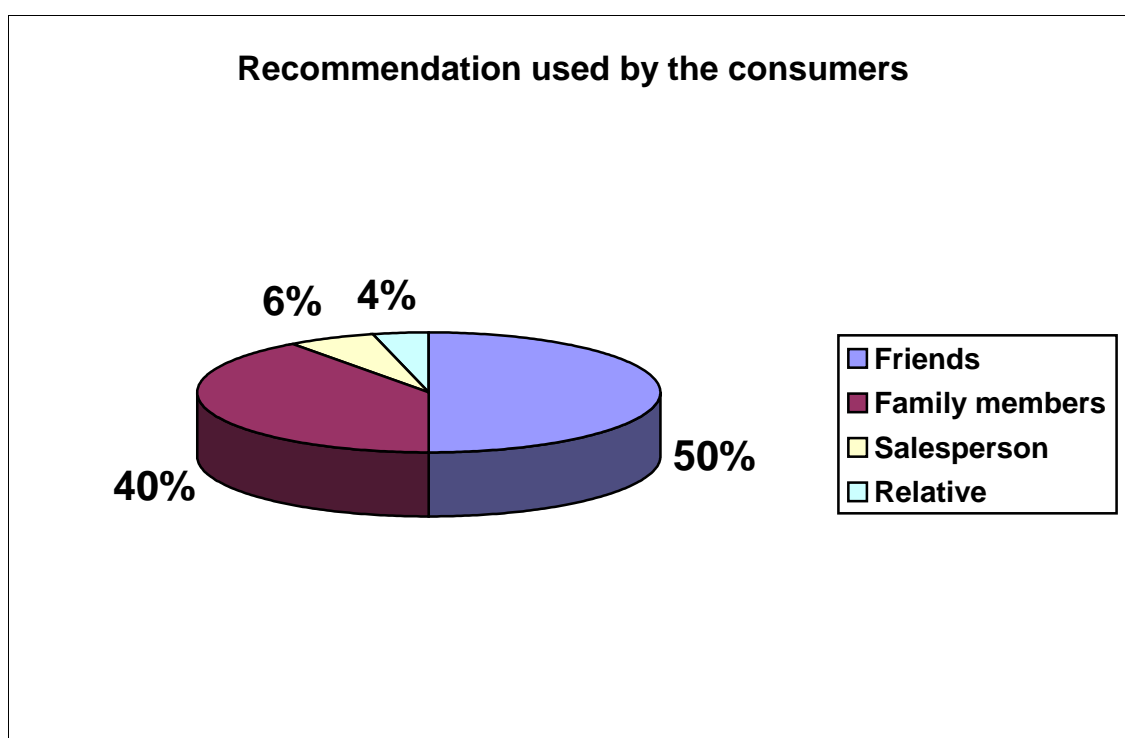
Source: Field Survey-2065

Table 4.8 shows the recommendation used by the respondents while purchasing a motorbike. It is clearly seen from the table that 50 percentage of the respondents use friend as a recommendation. Source only 4 percentage of respondents use relatives, which is the least source used for recommendation. Similarly, use of family members as recommendation is 40 percentage and salesperson is 6 percentage respectively.

The data has been presented in figure 4.7.

Figure 4.7

Recommendation used by the Consumers



The above pie chart declares that there are large numbers who gives suggestion are friends whose percentage is 50, while there is least numbers who give suggestion are relatives whose percentage has 4 only.

4.1.4 Consumer Choice process

In this section, two sets of question have been presented and analyzed to identify consumer's choice process. The first question deals with the factors influencing consumer choice process. Respondents have been asked to rank the factors influencing their choice process.

Table 4.9 shows the result of the respondents.

Table 4.9

Factors Influencing Consumer Choice

Rank Factor	1st		2nd		3rd		4th		5th		Weighted Average	Rank
	No	%	No.	%	No	%	No	%	No	%		
Price	15	30	10	20	9	18	10	20	6	12	3.36	2
Brand	6	12	13	26	14	28	10	20	7	14	3.02	3
Model	12	24	3	6	15	30	9	18	11	22	2.78	4
Spare Parts	5	24	9	18	4	8	13	26	12	24	3.68	1
Resale value	5	10	15	30	8	16	8	16	14	28	2.78	4
Total	50	100	50	100	50	100	50	100	50	100		

Source: Field Survey-2065

In the table 4.9, respondents have given rank to the factors influencing consumer choice process while purchasing a motorbike. As shown in the table, spare parts is the most important factor influencing consumer buying decision which is in the first rank. Price of a motorbike is in the second rank. Similarly, brand of a motorbike is in the third rank followed by model & resale value available in the fourth rank. According to the sample collected, spare parts have been found as the most influencing factor in consumer choice process of a motorbike.

Under consumer choice process, the second set of question has been asked to identify how attitude of others affect while making a product choice. Attitude of friends, family members and relatives also influences consumer decision -making process. Thus, the respondents were asked to identify how attitude to others influences consumer choice process.

Table 4.10 shows the result of the respondents.

Table 4.10

Attitude of others influencing Consumer Choice process

Options	No of responding	Percentage
Very high	5	10
High	14	28
Moderate	9	18
Low	9	18
Very low	13	26
Total	50	100

Source: Field Survey-2065

Shows that in the table 4.10, 28 percentage of respondents were highly affected by attitude of others on consumer choice process which was closely followed by 26 percentage who had very low effect. Similarly, 18 percentage of respondents had moderate effect as well as 18 percentage respondents had low effect on attitude of others. Attitude and decision making process of consumers have been presented in figure 4.8 represents the data more clearly.

Figure 4.8

Attitude of others influencing Consumer Choice Process

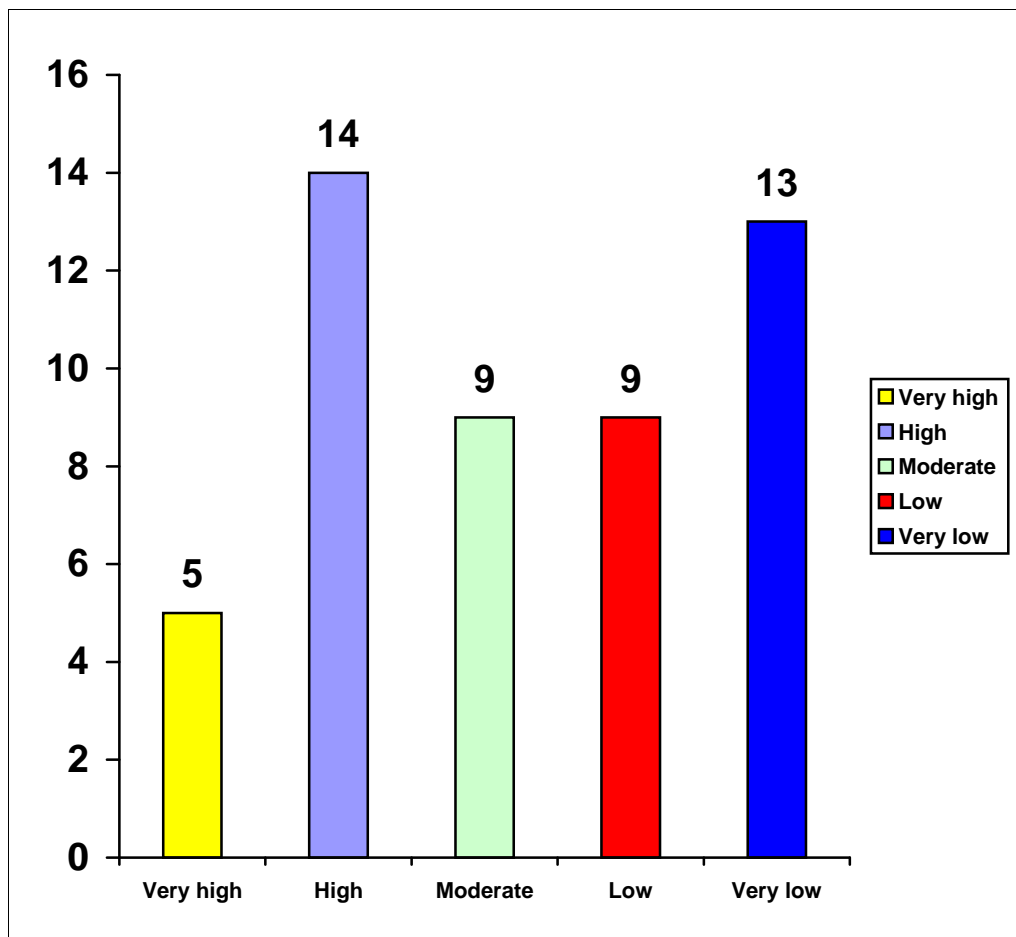


Figure 4.8 clearly shows that the choice process has influenced by the opinion or consumer. Have was the proportions of their ranks are very close.

4.1.5 Post Acquisition Process

For finding out post acquisition process, the consumers were asked how well they were satisfied with their motorbike. In this process consumers declared that whether they were satisfied or dissatisfied after they purchased from the dealers. The result can be shown as bellow in the table.

Table 4.11
Satisfaction Level of Respondents

Satisfaction Level	No of responding	Percentage
Full satisfied	8	16
Satisfied	27	54
Just Satisfied	13	26
Dissatisfied	2	4
Total	50	100

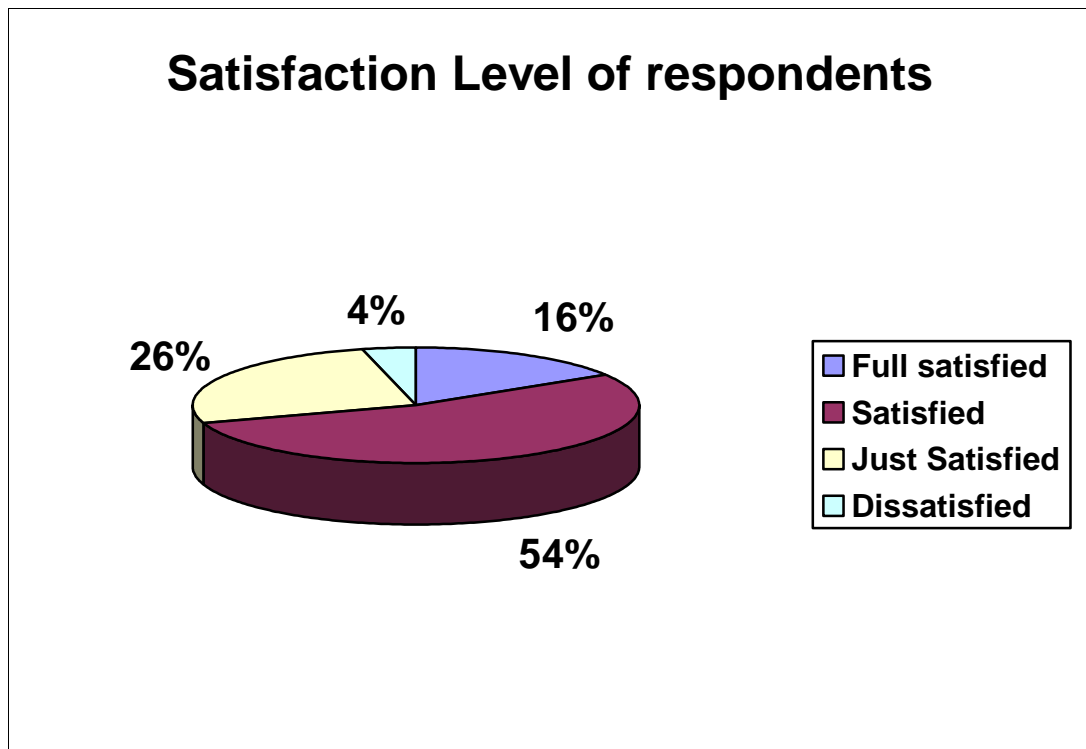
Source: Field Survey-2065

Table 4.11 shows the satisfaction level of respondents after the purchase of motorbike. It is related with the post acquisition process of the respondents. It is found that 54 percentage of respondents are satisfied with the purchase of their motorbike. Similarly, 26 percentage of respondents are just satisfied with their decision. But, 16 percentage of respondents are full satisfied with their motorbike as well as 4 percentage are dissatisfied. The satisfaction level of respondents was high according to the sample collected.

The data has been presented by pie chart in figure 4.9 for better understanding.

Figure 4.9

Satisfaction Level of Respondents



It is evident from the figure 4.9 that most of the consumers were satisfied after the purchasing of motorbike.

4.2 Presentation and Analysis to Examine the Factors Influencing Consumer Behaviour.

The second objective of this study is to find out factors influencing consumer behaviour. A consumer's buying behaviour is influenced by social, personal, cultural and psychological factors. Research into all these factors can provide clues to reach and serve consumers more effectively. To achieve this objective, questions relating to factors

influencing consumer behaviour have been employed. The analysis has been done based on responses provided by the respondents.

4.2.1 Personal Belief of Respondents

A buyer's decision is influenced by personal characteristics. A statement stating, "*Japanes motorbike are better than motorbike manufactured in other countries;*" was presented to respondents.

Table 4.12 shows the result of the respondents.

Table 4.12

Personal Belief of Respondents regarding Japanese Motorbike

Satisfaction Level	No of responding	Percentage
Strongly agree	2	4
Agree	5	10
Undecided	5	10
Disagree	27	54
Strongly disagree	11	22
Total	50	100

Source: Field Survey-2065

As shown in the table 4.12, 54 percentage of respondents disagree with the statement that Japanese motorbikes are better than motorbike manufactured in other countries. Similarly, 22 percentage of the respondents Strongly disagree with the statement, 10 percentage Undecided, 10 percentage Agree and 4 percentage are Strongly agree.

The data has been presented in the figure 4.10.

Figure 4.10

**Personal belief of Respondents regarding
Japanes Motorbike**

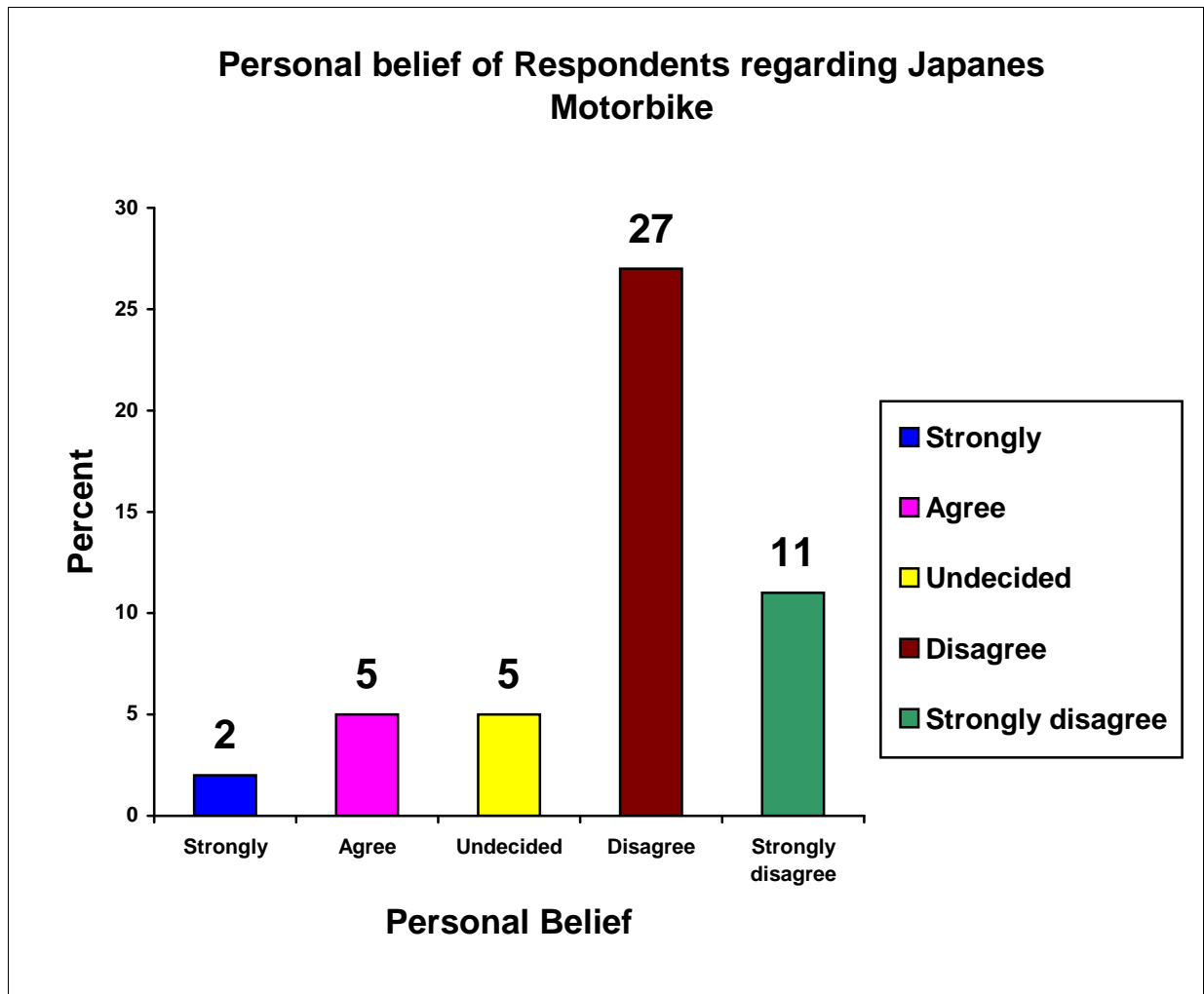


Figure 4.10. clearly shows that the percentage of the disagreed respondents is high i.e. 27 percentage than the agreed which is 5 percentage, undecided also 5 percentage and strongly has less i.e. 2 percentage.

4.2.2 Factors Influencing Consumer Behaviour

In this section, an attempt has been made to identify factors influencing consumer behaviour. Respondents have been asked to rank the factors influencing consumer behaviour. Table 4.13 shows the result of the respondents.

Table 4.13

Factors Influencing Consumer Behaviour

Rank Factor	1st		2nd		3rd		4th		Weighted Average	Rank
	No.	%	No.	%	No.	%	No.	%		
Social	10	20	21	42	9	18	10	20	5.76	1
Personal	19	58	12	24	5	10	4	8	5.58	2
Cultural	5	10	7	14	19	38	19	38	3.04	4
Psychological	6	12	10	20	17	34	17	34	3.62	3
Total	50	100	50	100	50	100	50	100		

Source: Field Survey-2065

As shown in the table 4.13, respondents have given rank to the factors influencing consumer behaviour while purchasing a motorbike. It is clearly seen from the table that social factor like friends, family members and neighbours is in the first rank. A personal factor like interest, occupation and lifestyle is the most important factor influencing consumer behaviour which is in the second rank. Similarly, Psychological factors like nationality, religion e.t.c in the third rank. A cultural factor is in the last rank.

4.3 Presentation and Analysis to Identify the Profile of the Consumers

The final objective of this study is to find out the profile of the motorbike owners. In this Section, questions have been asked to obtain demographic information relating to general education level, occupation and age of the respondents. The responses to these questions are presented in the respective tables.

4.3.1 Educational Level of Respondents

All the respondents have been classified into four categories based on their education level.

Table 4.14 shows the analysis of respondents in terms of highest level of education.

Table 4.14

Educational Level of Respondents

Educational level	No of responding	Percentage
SLC	1	2
Intermediate	14	28
Graduate	27	58
Post Graduate	8	16
Total	50	100

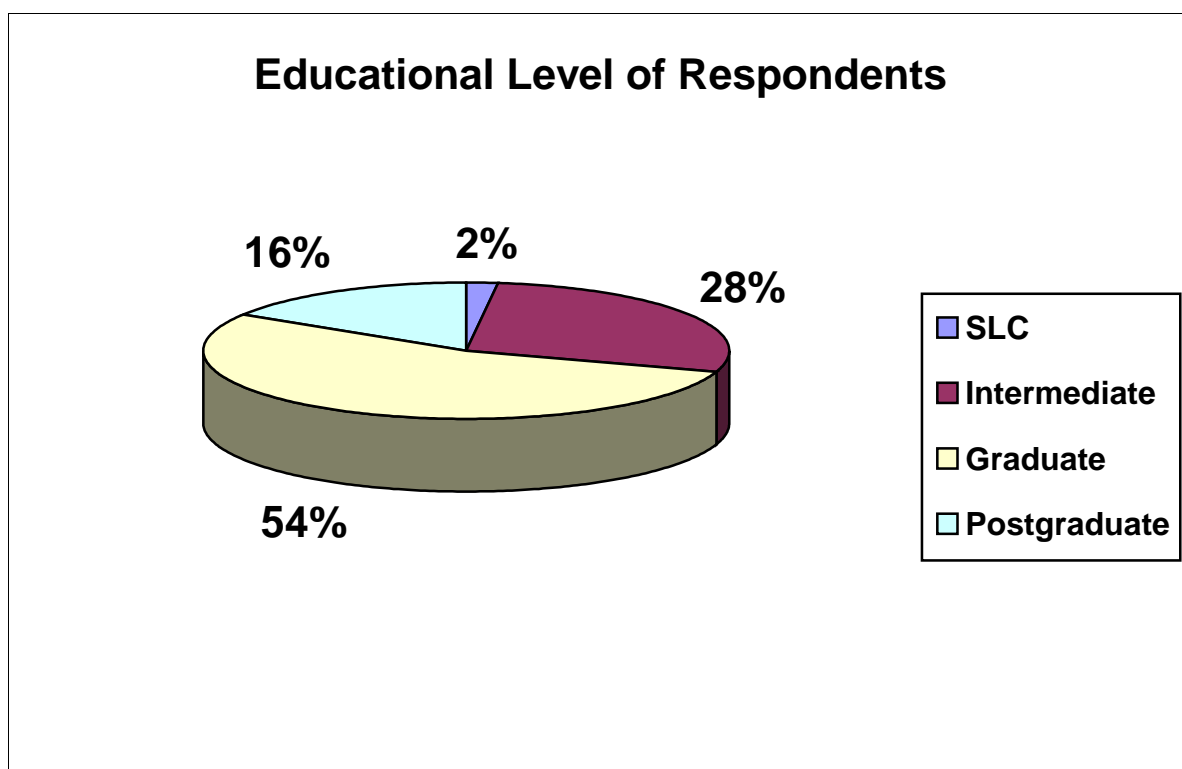
Source: Field Survey-2065

Table 4.14 shows the education level of respondents. It is found that 54 percentage respondents are graduate. 28 percentage have completed intermediate level. 16 percentage are post graduate and only 2 percentage have SLC as the highest level of education.

The data has been presented in figure 4.11.

Figure 4.11

Educational Level of Respondents



The above figure denotes that most of respondents have Graduate level. Education followed by intermediate 28 percentage, post graduate 16 percentage and S.L.C is 2 percentage.

4.3.2 Current Occupation of Respondents

All the respondents have been divided into four categories based on their current occupation.

Table 4.15 shows the analysis of respondents in terms of their respective occupation.

Table 4.15

Current Occupation of Respondents

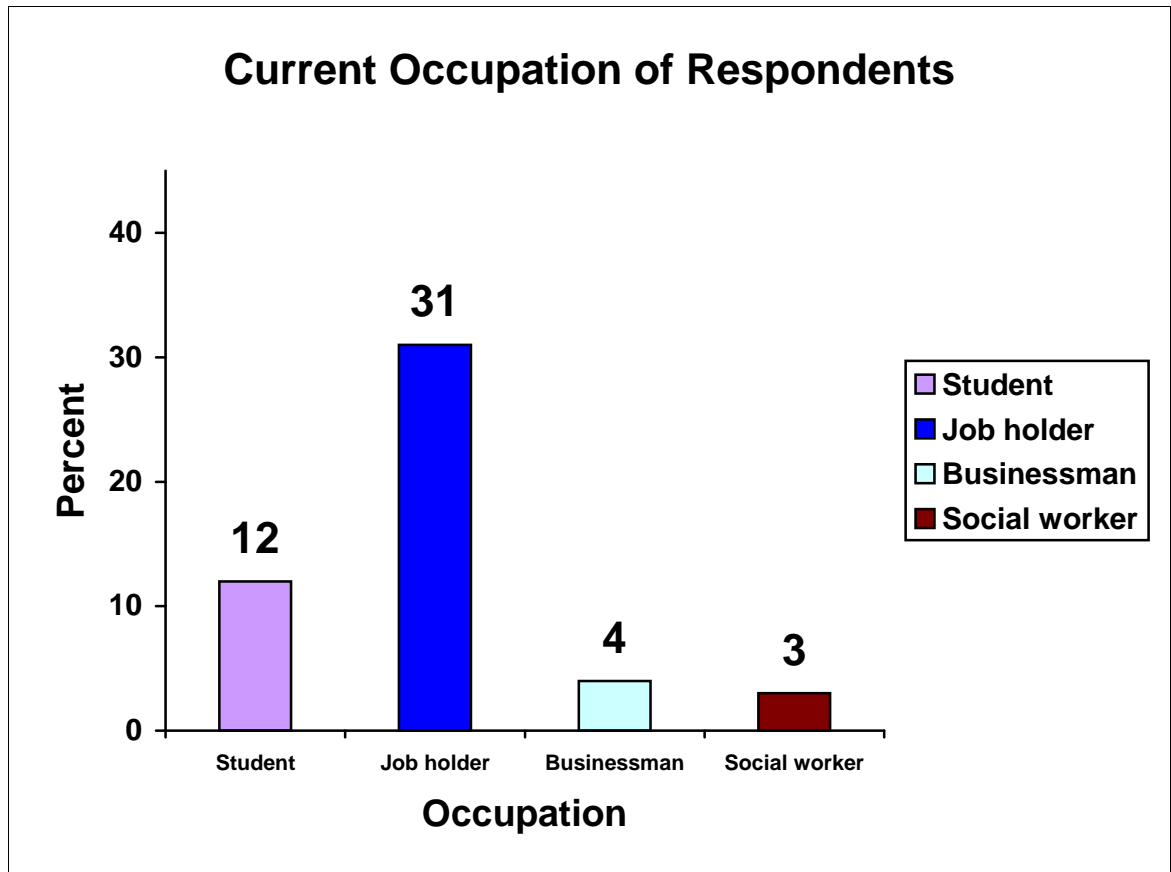
Current occupation	No of responding	Percentage
Student	12	24
Job holder	31	62
Businessman	4	8
Social worker	3	6
Total	50	100

Source: Field Survey-2065

Table 4.15 shows 62 percentage of respondents are jobholder, 24 percentage are student, 8 percentage are businessman and 6 percentage are social worker. According to the sample collected, most of the respondents are found to be a jobholder. The current occupation can be shown by following pie chart for better understanding

Figure 4.12

Current Occupation of Respondents



The above figure shows for current occupation (Student, Job holder, Businessman, Social worker) of the respondents in the Nepalgunj city. So, the above given bar diagram declares that there are maximum numbers of respondents who are job holders in the current occupation. And minimum numbers of respondents are in the occupation of social workers.

4.3.3 Age Group of Respondents

All the respondents have been divided into four categories based on their age group. Table 4.16 shows the analysis of respondents in terms of their age group.

Table 4.16

Age Group of Respondents

Age group	No of responding	Percentage
18-29	18	36
30-39	23	46
40-49	8	16
50 or above	1	2
Total	50	100

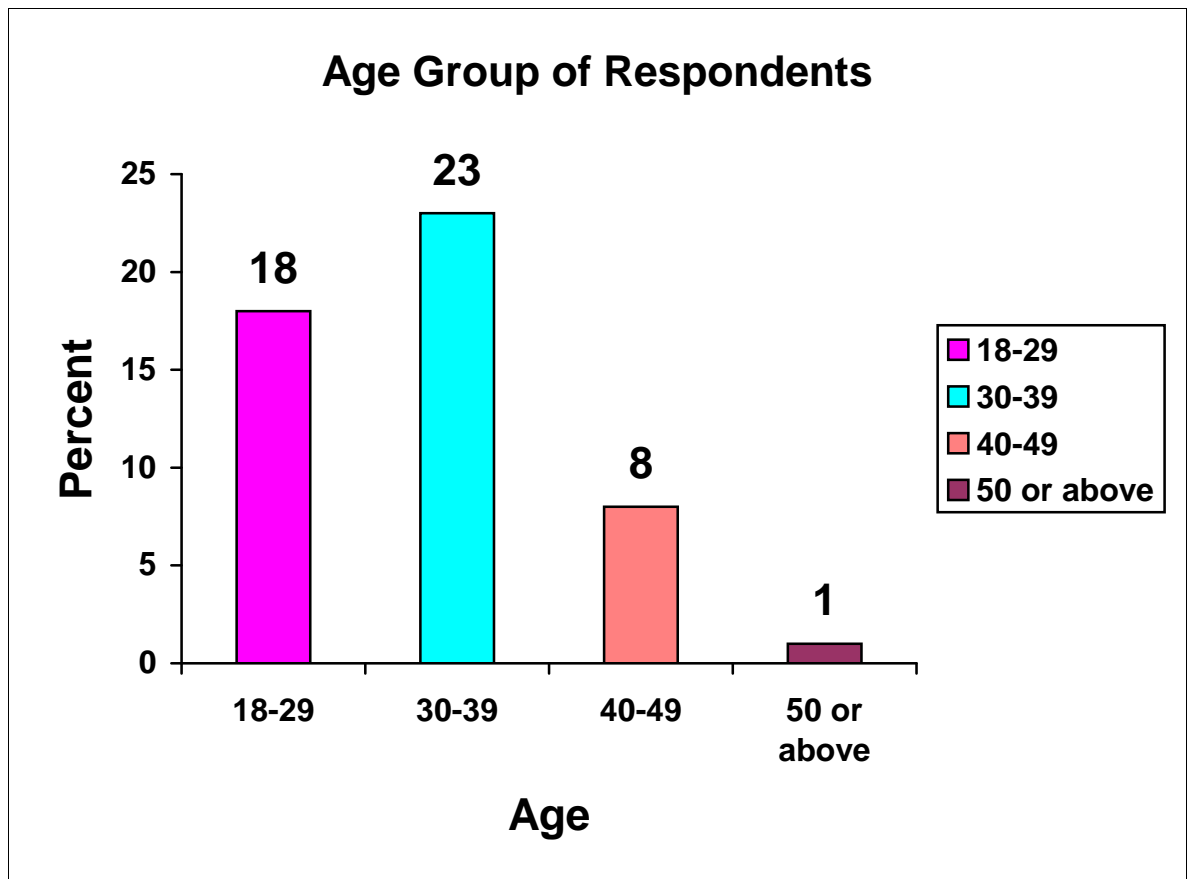
Source: Field Survey-2065

Table 4.16 shows the age group of respondents. Most of the respondents fall in the age group of 30-29 which is 46 percentage. It is followed by the age group of 18-29 which is 36 percentage and 40-49 which is 16 percentage. Only 2 percentage of respondents are found to be in the age group of 50 or above.

The most active buying age group according to the above data is 30-39 years.

The data has been presented in the figure 4.13 for better understanding.

Figure 4.13
Age Group of Respondents



The figure 4.13 predicts that the age groups in between 30-39 have been purchased and ride the motorbike in Nepalgunj city has the maximum number while the age group in between 50 or above has the least number which is 2 percentage only.

4.4 Major Finding

Based on the analysis of respondents on consumer behaviour with respect to decision-making process of motorbike purchase in Nepalgunj city, the major findings of the study has been presented below:

1. The respondents preferred motorbike in comparison to other vehicles, as it is economical. Only few respondents have been found to prefer motorbike for its easy handling.
2. A large number of motorbike riders used motorbike for the purpose of transportation. While the other used it for interest, pleasure and status respectively.
3. The study has found out that advertising has moderate effect on problem recognition.
4. The respondents first happened to know about the model of motorbike they bought through advertisement.
5. Performance of motorbike like mileage, ride and frequency to repair are the most sought information by the respondents in the consumer search behaviour.
6. Respondents have given rank to different sources of information they used while

) Friends and family	————→	1st rank
) TV advertisement	————→	2nd rank
) Test-driving	————→	3rd rank

) Visit to dealers	————→	3rd rank
) Manufacturer's brochure	————→	4th rank

7. In the alternative evaluation process, the motorbike buyers first looked for mileage while evaluating different models of motorbikes. Only few respondents considered warranty and credit facility in alternative evaluation process.
8. Friends are the most used source for recommendation while evaluating different model of motorbikes.
9. Respondents have given rank to the factors influencing consumer choice process while purchasing a motorbike, which are as follows.

) Spare parts available	————→	1st rank
) Price	————→	2nd rank
) Brand	————→	3rd rank
) Model	————→	4th rank
) Resale value	————→	4th rank

10. The study has found that attitude of others highly affect the consumers in their buying decision process.
11. The respondents disagree with the statement that Japanese motorbikes are better than motorbike manufacture in other countries.
12. Respondents have given rank to different factors influencing consumer behaviour which are as follow:

) Social factor	————→	1st rank
) Personal factor	————→	2nd rank
) Psychological factor	————→	3rd rank
) Cultural factor	————→	4th rank

13. On the basis of education level, large numbers of respondents have been found to be in the graduate level. Only few respondents have SLC as highest level of education.
14. The current occupation of most of the respondents is found to be jobholder. So, most of the jobholder seems to use motorbike for transportation.
15. On the basis of age group, most of the respondents have been found to be in the age group of 30-39 years. Thus, the most active buying age group according to the study is 30-39 years.
16. The advertisement has effects as a large number of respondents are found to purchase motorbike when they need. The study however showed that although consumers purchase motorbike when the need arises, advertisements have played a very strong role in the choice of motorbike.

CHAPTER -V

SUMMARY, CONCLUSION & RECOMMENDATION

5.1 Summary

One of the important and traditional areas of study in consumer behaviour has been the consumer decision -making process leading to product purchase. The study of consumer decision - making involves the analysis of how people choose between two or more alternative acquisitions and the process that take place before and after the choice.

The success and failure of any business entirely depends on consumer's reaction to a firm's marketing mix or strategies. It is therefore essential for the marketer to understand the consumer buying behaviour for long - term survival in today's changing and competitive business environment.

Consumer behaviour may be defined as the decision process and physical activity individuals engage in when evaluating, acquiring, using or disposing of goods and services. But understanding of consumer behaviour has become more complex and complicated day by day. It requires continuous efforts of investigation on consumer buying behaviour are too rare or entirely absent in Nepalese business perspectives.

In such a circumstances, an attempt has been made in this work to study consumer behaviour with respect to decision- making process of

motorbike purchase in Nepalgunj City. The study is aimed at determining decision - making process of motorbike purchase, determine factors influencing consume behaviour and studying profile of the consumers.

The sample of respondents used in this study constitutes 50 motorbike buyers of Nepalgunj city. Nepalgunj city was chosen the geographical region to draw the sample from because the motorbike traffic here is tremendous compared to any other district. The information and data required for conducting the study was entirely based on primary source. Primary information and data were gathered through structured questionnaire. Based on the objectives of the study, a comprehensive questionnaire was developed which included questions pertaining to consumer decision - making process and factors influencing consumer behaviour.

The first objective of the study has been made to identify decision - making process while making a motorbike purchase. For this purpose, questions relating to problem recognition, consumer search behaviour, alternative evaluation, consumer choice process and post acquisition process have been employed. The analysis has been done on the basis of responses provided by the respondents.

Another stream of research in this has focused at finding out factors influencing consumer behaviour. A consumer buying behaviour is influencing by social, personal, cultural and psychological factors. Research into all these factors can provide clue to reach and serve consumers more effectively. To achieve this objective, questions

relating to factors influencing consumer behaviour have been employed.

The final objective of this study has focused at finding out the profile of the motorbike owners. In this section, question has been asked to obtain demographic information relating to gender, education level, occupation and age of the respondents.

Presentation and analysis of data on each of these objectives have been done on the basis of responses provided by the respondents.

5.2 Conclusion

This study has been undertaken to identify consumer behaviour with respect to decision-making process of motorbike purchase in Nepalgunj city. Responses of various respondents have been collected, presented and analyzed. Based on these information following conclusions can be made.

1. Motorbike has become the best means of transportation in comparison to other vehicles as it is economic, it saves time, it is easy to handle and it is easy to ride in crowded streets.
2. Nepalese consumers are moderately affected by advertisement on problem recognition.
3. Performance of motorbike like mileage, ride and frequency of repair are the most sought information by the respondents in the consumer search behaviour.

4. Friend & family are the most used source of information while purchasing a motorbike.
5. Nepalese consumers use friends as recommendation while evaluating different model of motorbikes.
6. Spare Parts is the most influencing factor in consumer choice process.
7. Social factor like family, roles and statuses is the most influencing factor in consumer behaviour.
8. Jobholders are the main customers of a motorbike. Similarly, active segment of motorbike owners is in the age group of 30-39 years.

5.3 Recommendations

The study has shown that different consumers go through different decision-making process while purchasing a motorbike. Similarly, their behaviour is influenced by different factors situations. On the basis of major findings of the study, following recommendations have been made.

1. The most sought information on a motorbike is its performance like mileage, ride and frequency of repair. So, it is suggested to give high preference on performance of a motorbike.
2. Friends should be highly exploited while providing information to the potential buyers.
3. The study has found that Nepalese buyers mostly use friends as recommendation. So, it is suggested to provide goods after-sale

service to its buyers so that they can exchange satisfaction level with the potential consumer.

4. Competitive price should be charged to influence consumer choice process.
5. According to this study, the most influencing factor in consumer behaviour is Social factor like family, roles and statuses. So, the manufacturers should give high priority to social factor of the potential consumers.
6. The most active buying age group is 30-39 years. So, the preference of the youth should be highly considered.

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Appendix-1

A survey on Motorbike buyers

I am Ms.Pancham Gurung a student of Mahendra Multiple Campus Nepalgunj, Management Department T.U. I am writing a thesis for the partial fulfillment of the requirement of Master Degree in Business Studies. Right now, I need of your help regarding some information as to consumer behaviour of Motorbike buyers in Nepalgunj. In this connection, I have presented some questioners for you to be filled up. I assure you that the information provided by you will be kept confidential and used only for my research purpose.

Name:

Age:

Place:

Education:

Sex:

Profession:

1. Why do you prefer motorbike in comparison to other vehicles?

a. It is economical

☐

c. It is easy to handle

☐

b. It saves time

☐

d. Easy movement in crowded streets

☐

2. What is the purpose of motorbike riding?

a. Transportation

☐

c. Status

☐

b. Pleasure

☐

d. Interest

☐

3. In what extent did you desire to own a motorbike watching an advertisement?

a. Very High

☐

d. Low

☐

b. High

☐

e. Very Low

☐

c. Moderate

☐

4. How did you happen to know first about the model of motorbike you bought?

- a. My friends told me. ☐
- b. My family member/relative told me. ☐
- c. I saw its in advertisement. ☐
- d. I happened to see it in a dealer's show room. ☐

5. Please tell me about the kind of information you sought about motorbike before you bought your motorbike?

- a. Features-electric start, disc brakes, looks ☐
- b. Performance - mileage, ride, frequency of repair ☐
- c. Price ☐
- d. After -sale service ☐

6. Which of the following sources of information did you use to collect information prior to purchase of your motorbike? Please rank the sources of information, 1 being the highest.

- | | | | | | |
|----------------------------|---|---|---|---|---|
| a. TV advertisement | 1 | 2 | 3 | 4 | 5 |
| b. Friends/family | 1 | 2 | 3 | 4 | 5 |
| c. Visit to dealers | 1 | 2 | 3 | 4 | 5 |
| d. Manufacturer's brochure | 1 | 2 | 3 | 4 | 5 |
| e. Test driving | 1 | 2 | 3 | 4 | 5 |

7. The list below presents a number of criteria one can possibly use while checking different models of motorbike. Please check the criteria you used while evaluating different models of motorbikes.

- | | | | |
|-----------------|--------------------------|-----------------------|--------------------------|
| a. Price | <input type="checkbox"/> | e. Warranty | <input type="checkbox"/> |
| b. Mileage | <input type="checkbox"/> | f. After-sale service | <input type="checkbox"/> |
| c. Looks | <input type="checkbox"/> | g. Credit facility | <input type="checkbox"/> |
| d. Resale value | <input type="checkbox"/> | | |

8. The model of motorbike you bought recommended by?

- | | | | |
|------------------|--------------------------|----------------|--------------------------|
| a. Friend | <input type="checkbox"/> | c. Salesperson | <input type="checkbox"/> |
| b. Family member | <input type="checkbox"/> | d. Relative | <input type="checkbox"/> |

9. What are the factors influencing your buying decision? Please rank the factors, 1 being the highest.

a. Price	1	2	3	4	5
b. Brand	1	2	3	4	5
c. Model	1	2	3	4	5
d. Spare parts available	1	2	3	4	5
e. Resale value	1	2	3	4	5

10. To what degree do the factors below affect in your buying decision? Please tick one of the number, 1 being the highest.

a. Attitude of others	1	2	3	4	5
b. Situational factors	1	2	3	4	5

11. Did you go alone or with someone you knew when you went to buy a motorbike?

a. Alone ☐ b. With someone ☐

12. Why have you chosen to go with someone you know?

- a. To help in deciding which motorbike to buy ☐
- b. To get discount from the dealer ☐
- c. To get his/her help in inspecting different models ☐
- d. To make sure I make the right decision ☐

13. How well are you satisfied or dissatisfied with your motorbike?

- a. Delighted ☐ d. Dissatisfied ☐
- b. Satisfied ☐ e. Disappointed ☐
- c. Just satisfied ☐

14. Are you using your motorbike for purpose you bought?

a. Yes ☐ b. No ☐

15. If no, what actions have you taken?

- a. Sold it ☐ b. Exchanged it ☐
- c. Looking for sale ☐

16. Following are some personal belief statement. Please indicate your agreement or disagreement with each statement, where 1 indicate you highly agree.

a. Japanese motorbikes are better than motorbike manufactured in other countries.

1 2 3 4 5

b. Price of a motorbike reflects its quality.

1 2 3 4 5

17. What is your current occupation?

a. Student ☐

c. Businessman ☐

b. Job ☐

d. Social worker ☐

18. What is your age in between?

a.16-25 ☐

b. 26- 35 ☐

c.36- 45 ☐

d. 45-55 ☐

e. 55 and above ☐

19. Which brand do you preferred?

a.Yamaha ☐

b. K-baja ☐

c. Tvs. ☐

d. Hero -honda ☐

e. Knetik ☐

20. Do you have any precious recommendation for the better decision-making process of purchasing the motorbike?

.....

THANKING YOU

Appendix -2

Ranking Sources of information used by the Consumers

Sources	Weighted mean	Rank
TV	$\frac{14 \times 5 + 9 \times 4 + 7 \times 3 + 8 \times 2 + 12 \times 1}{50} = 3.1$	2
Friends	$\frac{13 \times 5 + 18 \times 4 + 8 \times 3 + 8 \times 2 + 3 \times 1}{50} = 3.6$	1
Dealers	$\frac{6 \times 5 + 10 \times 4 + 14 \times 3 + 12 \times 2 + 8 \times 1}{50} = 2.88$	3
Brochure	$\frac{5 \times 5 + 8 \times 4 + 12 \times 3 + 9 \times 2 + 16 \times 1}{50} = 2.54$	4
Test driving	$\frac{12 \times 5 + 5 \times 4 + 9 \times 3 + 13 \times 2 + 11 \times 1}{50} = 2.88$	3

Appendix - 3

Factors Influencing Consumer Choice

Sources	Weighted mean	Rank
Price	$\frac{15 \times 5 + 10 \times 4 + 9 \times 3 + 10 \times 2 + 6 \times 1}{50} = 3.36$	2
Brand	$\frac{6 \times 5 + 13 \times 4 + 14 \times 3 + 10 \times 2 + 7 \times 1}{50} = 3.02$	3
Model	$\frac{2 \times 5 + 3 \times 4 + 15 \times 3 + 9 \times 2 + 11 \times 1}{50} = 2.78$	4
Spare Parts	$\frac{5 \times 5 + 9 \times 4 + 4 \times 3 + 13 \times 2 + 12 \times 1}{50} = 3.68$	1
Resale value	$\frac{5 \times 5 + 15 \times 4 + 8 \times 3 + 8 \times 2 + 14 \times 1}{50} = 2.78$	4

Appendix - 4

Factors Influencing Consumer Behaviour

Factors	Weighted mean	Rank
Social	$\frac{10 \times 5 + 21 \times 4 + 42 \times 3 + 9 \times 2 + 10 \times 1}{50} = 5.76$	1
Personal	$\frac{29 \times 5 + 12 \times 4 + 24 \times 3 + 5 \times 2 + 4 \times 1}{50} = 5.58$	2
Cultural	$\frac{5 \times 5 + 7 \times 4 + 14 \times 3 + 19 \times 2 + 19 \times 1}{50} = 3.04$	4
Psychological	$\frac{6 \times 5 + 10 \times 4 + 20 \times 3 + 17 \times 2 + 17 \times 1}{50} = 3.62$	3