

CHAPTER - I

INTRODUCTION

1.1 Background of the Study

The study of consumer behavior enables marketers or producers to understand the behavior of users in the market place. Such understanding promotes the business activities among the potential buyers and hence helps to achieve the predetermined goal of an organization.

The term "consumer" refers to the buyers who consume the product/service themselves. In other words they are the ultimate users of products/services. Though the terms customers and consumers are used interchangeably but there is difference in meaning between these two words. Consumer are final users where as customers do not necessarily mean to consume the product/service themselves.

The consumer continues to make evaluation after the purchase has been made. The extent of post purchase evaluation depends on whether the product is high involvement or low involvement product. In low involvement products consumers invest low opportunities cost so the post purchase evaluation is simple or nominal. Where as in high involvement products the entailed opportunities cost is high so consumers continually evaluate their purchase decision.

Market is a want creating and satisfying unit. From the very early of human development era, market started playing its significant role in the day to day life of human being. Today's business can no longer sustain without marketing strategy. Whatever is the marketing strategy it has only one motto i.e. increasing market share through consumer satisfaction. As more be the consumer satisfaction as more will be the market share, so will be the organization's profitability.

Consumer dissatisfaction creates an obstacle in progress of a firm. Dissatisfied consumers stop buying or consuming the product/service and influence others not to go for the same product. Some consumers may complain to the firm for their

dissatisfaction. How the firm takes their complaints, affects heavily the feelings of consumers. If the organization encourages the consumers to make their complaints and seriously listen to them they may turn into satisfied consumers. On the other hand, if the company turns its deaf ears towards the complaints it really initiates to destroy its own existence.

No business in today's world can survive without understanding the consumer's feelings, attitudes and preferences. A firm can of course cheat or deceive consumers for the first time but it is almost impossible to run the business in long run in the same manner. When consumers become aware of the low quality or inferior goods they never seek for the same product in coming days. Better they expand the negative word-of-mouth communication to their colleagues, friends, relatives and others.

Such a negative rumor about an organization or its product can make negative attitude of potential buyers. So every firm has to delight its consumers through the distribution of quality products and services.

Directly or indirectly every firm wants to earn profit. When a consumer becomes satisfied with product or service he/she would likely to be brand loyal. Brand loyalty is considered to be a continuous strong asset of an organization, which generates a large sum of money and equally throws favorable word-of-mouth communication to the potential customers.

The study will be conducted within the Kathmandu valley. High involvement products such as Car, Air conditioner, Washing Machine, Laptop etc. will be selected for our study purpose. This research is going to be conducted mainly for academic purpose. Secondly, it helps to widen the horizon of knowledge.

Generally consumers tend to show their dissatisfaction behavior in high involvement products because in high involvement, high monetary, psychic and time costs are involved. Similarly, opportunity cost is high so consumers become more skeptics about high involvement products. This study will try to find out the main factors

which results consumer satisfaction or dissatisfaction. Factors that encourage satisfying the consumers and factors that lead to dissatisfaction will be high lighted in the study. In the like manner, relationship between consumer's satisfaction and complaining behavior with major durable product attributes such as performance and durability will be studied. Consumers' complaint behavior will be another main part of the study. Consumer's satisfaction, dissatisfaction and complaint behavior help not only to understand the perception of buyers but also to formulate the new marketing strategies to the producers.

1.2 Focus of the Study

This study will be focused on the consumer satisfaction/dissatisfaction and complaint behavior in high involvement products. As I am going to carry out the research in four products which are Car, Air conditioner, Washing machine, laptop, so my main concentration will be on the consumer feelings about the product. How do they take the service of these products? Are they satisfied or not. If they are not satisfied, are they going to complain or not. If yes, what is their way of complaint; such factors/matters will be seen with great attention.

Since the firm which can respect the feelings of consumer can rise in future so this study will try to find out the particular sentiments of users where as they are satisfied or not.

As we know many big organizations establish their own separate Research and Development (R&D) department to know the changing wants of people so that they will be able to fulfill their consumer desires. So they have only one vision that is how to satisfy the consumers and hence give strong support to the existence of an organization. In this background, profitability supported by consumers will, can longer constantly grow. To satisfy a single consumer is much more important than to attract ten potential buyers.

In Nepalese context we have different feelings about the marketers. First they want to attract the consumers but after purchase they do not take care or do not respect the buyers. They are driven by short sightedness (myopia). They are to the large extent unable to understand the buyers' feelings. In such a situation, this study will provide valuable suggestions to marketers and producers about their products, which will ultimately help mounting the prosperity of business and trade in the country. So the researcher wants to focus on consumers' satisfaction dissatisfaction and complaint behavior in high involvement products under this study.

1.3 Statement of the Problem

Many established organizations are disappeared due to their negligence of consumer's feelings. Some are still in the pipeline to be dissolved, where as there are some other organizations that are expanding their business magnificently. Because these organizations always focus on consumers' expectation. They not only merely fulfill consumer expectations but also satisfy their needs and even delight them. So, they are running their business very well. It becomes only possible when they first start understanding the very need of the consumers. Consumers' satisfaction and dissatisfaction are closely being inspected by them with proper settlement to the complaints made by their customers. Therefore no organization can survive in this competitive age without knowing the consumer's satisfaction and dissatisfaction level. Equally they need to solve the consumers' complaints in a very frank way, even in a supporting manner. So the researcher wants to know the consumer satisfaction and dissatisfaction level in high involvement products along with their complaint behavior.

This research will try to find out the satisfaction level of consumers. When consumers are dissatisfied then whether they complain or not will be analyzed under this study. So it supports both consumers and marketers to understand the problem and to solve it. What factors are responsible for dissatisfaction and what determines satisfaction of consumer will be observed in this study? Similarly, dissatisfied consumers do or do not complain against the products, if, complain what is the way of complaining their dissatisfaction.

The researcher will mainly focus on the following questions while carrying out the research. Satisfaction and dissatisfaction level will be traced on the basis of the following questions:

-) How far the consumers are satisfied with the performance of the product?
-) What are the factors that satisfy consumers?
-) What are the factors that dissatisfy consumers?
-) What is the nature of the complaint behavior when dissatisfied?
-) What is the trend in male and female in complaining and not complaining against the product?
-) What is the trend in male and female in getting satisfied and dissatisfied against the use of product?
-) What is the extent of effect on consumer satisfaction/dissatisfaction and consumer complaint due to performance and durability attributes of product after their application by consumers?

1.4 Theoretical Framework

This research is based on general theory of satisfaction/ dissatisfaction of consumer behavior. Satisfaction or dissatisfaction is seen as post purchase behavior in high involvement products. Consumers have certain pre-purchase expectations from a product or service. They compare the product's or service's performance to their prior expectations. If they find the performance higher than their expectations then they are satisfied and if they find the performance lower than their expectations then they are dissatisfied.

Consumers' pre-purchase expectations are in the following three areas:

-) The nature and performance of the product.
-) Monetary costs and efforts to be spent for obtaining the product benefits.
-) Social costs and benefits from the product or service.

After the product is purchased and consumed by consumers their satisfaction, dissatisfaction from the product and their complaining behavior depends upon various attributes of the highly durable products which can be Price, Performance, Durability,

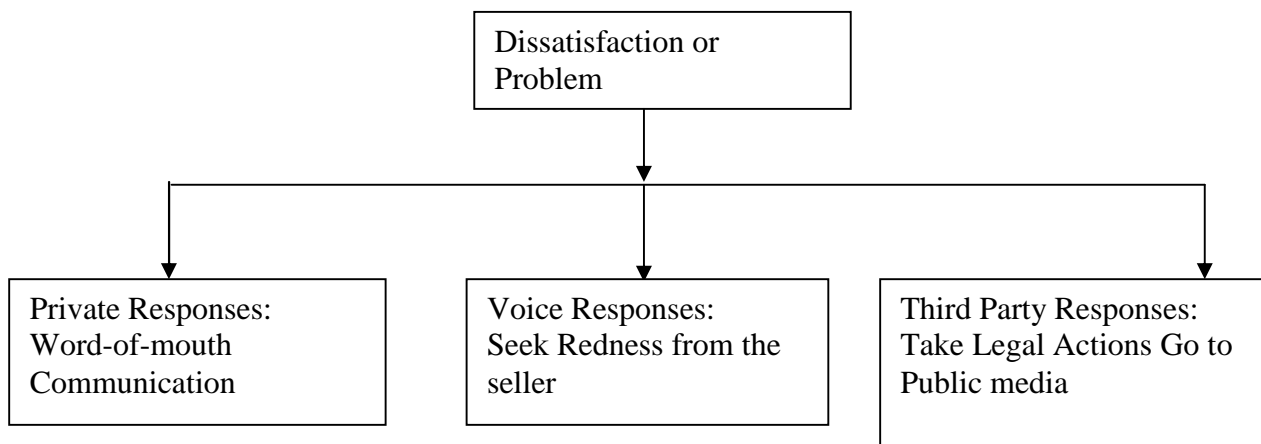
Design, after sales service, warranty etc. Moreover, Primarily, consumer behavior rests upon performance and durability aspects of the highly durable products. So, efforts are made to analyze the relationship that exists between consumer satisfaction, dissatisfaction and complaining behavior with the performance and durability aspects of highly durable products after they are purchased and applied by the consumers. The following relationship exists between consumer behavior and Product attributes.

$$\begin{aligned} \text{Consumer Behavior} &= \text{Consumer Satisfaction} + \text{Consumer Dissatisfaction} \\ &\quad + \text{Consumer Complaint} \\ \text{Consumer Satisfaction} &= \beta_1 + \text{Product Performance} + \text{Product Durability} \\ &\quad + \text{Other Product Attributes} \\ \text{Consumer Dissatisfaction} &= -\beta_1 + \text{Product Performance} + \text{Product Durability} \\ &\quad + \text{Other Product Attributes} \\ \text{Consumer Complaint} &= -\beta_1 + \text{Product Performance} + \text{Product Durability} \\ &\quad + \text{Other Product Attributes} \end{aligned}$$

When consumers become dissatisfied with product or service then they may follow the complaint behavior. Generally people from high socio-economic class easily complain about product. Similarly, severity of dissatisfaction (problem) is positively related to complaint behavior. In the same way, complaining is positively related to perceived retailer responsiveness.

The following figure 1.1 depicts three actions of a dissatisfied consumer:

Figure 1.1
Three Actions of a Dissatisfied Consumer



Source: Singh (1988). The Journal of Marketing. 52(1): 93-107.

1.5 Description of the Items

1. Laptop

Laptop is regarded a portable electronic device which is as beneficial as Computer to the people any time and anywhere. In this 21st century world, there has been breakthrough transformation in the fields of Information and technology and laptop has been taken as an instance to such developments. Laptop has been benefiting to all the classes of people ranging from students, teachers, employee, jobholders, doctors engineers, businessmen etc. Due to its mobility, and easiness, people have now started preferring it then the computers. There has been wide application of laptops in Nepalese society too. Though, it is still taken as a luxurious electronic device, due to its positive features and portability, it is now widely used and applied in most of the business houses and trading centers in Nepalese society. There are various models and brands of laptops introduced with different prices features in the Nepalese market. Some of them are Lenovo, HP Compaq, Fujitsu Notebooks, Dell, Suzuki, MSI, Apple, Toshiba, Acer etc.

2. Car

Car can be defined as a type of vehicle which is generally used as a medium of transportation by individuals and firms. In the context of developing countries like Nepal, Car is still regarded a luxurious item generally unaffordable by middle class and lower middle class households. However, it has become a part of life in the western developed world. However, in the urban areas of our country, there has been wide inclination in the attraction of people to car as their standard of living increases. Due to this, we are witnessing various models and brands of foreign Cars flowing into our Nepalese market in spite of their exorbitant prices and heavy excise duties.

Nepalese market mostly consists Indian, Korean, Malaysian, European, Japanese, American and Chinese Cars. Indian Cars which are available in Nepalese market are Maruti, Mahindra, Tata and Rhino. Similarly, Kia and Hyundai belongs to Korean company. In the like manner, Naza and Proton are from Malaysian company. Askoda, Volkswagen, Opel are the European Cars which are comparatively expensive to

others. Japanese cars are Toyota, Nissan, Mazda, Diahatsu, Mitsubishi and Isuzu. General Motor is an American product. In the same way, Cherry, Zotha, EFO and Jelly are some of the Chinese brands of Cars which can be found in Nepalese market. Comparative to other companies we have noticed that Indian Cars have good market and collaboration in the Nepalese market.

3. Air Conditioner

Air Conditioner can be defined as electronic equipment which helps in normalizing the temperatures of inner rooms or households. Air Conditioner helps people to get adjusted with the cool and hot climate in various parts of the world. In the context of developing countries like Nepal, Air Conditioner is regarded highly luxurious electronic equipment which is generally used mostly in firms, and offices. This is the matter of fact that, general Nepalese citizens can't afford to get benefited from the convenience of Air Conditioner due to its high prices. However, Air Conditioner has already become an integral part in office accommodations in the corporate world. Banks, Government Offices, Trading houses, Show rooms, and other entities have already adopted Air Conditioner to provide convenience to their staffs as well as their clients and visitors. There are various brands of Air Conditioners in Nepalese market with various specifications and features. Sanyo, McQuay, Midea, Samsung, LG etc are some of the popular brands of Air Conditioner available in the Nepalese market.

4. Washing Machine

Washing Machine is luxurious electronic equipment which is used to wash and clean the clothes. It is generally used to save the time in western developed world. However, in the context of Nepalese society, Washing Machine is not applied by general households as manual washing is still prevalent. This equipment is used by high class society having strong source of income with high standard of living. However, due to urbanization and gradual improvement in the standard of living of the people, living in urban areas, we can find few demands for this equipment. In spite of this, this is the matter of fact that demands and use of Washing Machine is confined to urban areas and cities of Nepal alone. Moreover, Washing Machine being explicitly a household

equipment, demands for washing machine is comparatively lower than the demands for Laptops, Air Conditioners and Cars. There are various brands of Washing Machines available in Nepalese market; Samsung, LG, BEKO, IFB, Sharp, Sanyo and Whirlpool are some of its kinds.

1.6 Objectives of the Study

The general objectives of this research will be to identify the satisfaction and dissatisfaction level and complaint behavior of Laptop, Air Conditioner, Car and Washing machine owners. The specific objectives of this research can be illustrated through the following questions:

-) To compare the expectations and performance of various attributes of the products.
-) To evaluate the level of satisfaction/dissatisfaction.
-) To analyze the reasons of satisfaction/dissatisfaction.
-) To examine the nature of complaining by consumers.
-) To identify the responses towards complaints.
-) To identify the effect of consumer satisfied and consumer complaint upon the sales of highly durable products in the Nepalese market.
-) To identify the trend in male and female in getting satisfied and not satisfied against the use of product.
-) To identify the trend in male and female in complaining and not complaining against the use of product.
-) To find out the relationship between performance and durability attributes of product with consumer satisfaction, dissatisfaction and complaining behavior of the consumers.

1.7 Significance of the Study

Today's business world is running with cut throat competition. Trade and business is almost leading the entire society of the world. High performing business houses are not only able to expand their monetary reach but also to uplift the economic status of their host community.

In this competitive age marketers duty does not end with product preparation but it goes long after the sale of product too. They have to not only provide convenience to consumers but also have to delight and satisfy them. It is not the time of pre-purchase respect to lure the buyers. It is the time of 21st century where marketers' role ends long after post-purchase behavior of consumers. Today's manager has to evoke the potential buyers to come to the door of the marketers and has to delight them with the performance of their product/ service so that they (consumers) start spreading positive word-of-mouth communication in the society. As we know that to satisfy a consumer is the best advertising of an organization that works for a long period of time with great enthusiasm but free of cost.

The business and trade grow faster along with the spread of information by the satisfied consumers. So it is very important to satisfy the consumers. When they are dissatisfied at that time, marketer has to ask them the reasons of their dissatisfaction and thus try to solve the problem as properly as possible. Producers have to encourage the customers who come to complain to the firm. They have to seriously listen to each and every complaint made by the consumers and even have to take action to make them happy.

No study is done in this area particularly to disclose marketer's expectation and consumers wants. In this background also, it is very important for the consumers as well as marketers.

1.8 Limitations of the Study

This research is going to be conducted in Kathmandu valley. Satisfaction, dissatisfaction and complaint behavior are going to be observed and analyzed under this study. This study will have the following limitations:

-) The sample size will not be more than 100.
-) The sampling method will be judgmental.

-) The data is collected distributing questionnaires to the customers at retailers as well as wholesalers.
-) 4. The results of the study should not be generalized for other or further studies. It is for academic purpose only.

1.9 Organization of the Study

The Research consists of five chapters and it is organized as follows:

Chapter- I: Introduction

The first chapter deals with brief background of title, statement of the problem, objectives, theoretical framework, importance, description of items, limitations and research question for the study.

Chapter -II: Review of Literature

The second chapter deals with the literature reviews which identify the limitations and outcomes of those studies conducted so far. It also provides the theoretical background of customer satisfaction, dissatisfaction and complaint behavior.

Chapter - III: Research Methodology

The third chapter deals with the research methodology which consists of research design, source of data, data gathering procedure and tools for analysis.

Chapter- IV: Analysis and Presentation of Data

The fourth chapter deals with analysis and presentation of data which consists of financial and statistical analysis. Major findings of the analysis are also listed in this chapter.

Chapter-V: Summary, Conclusion and Recommendation

The final chapter summarizes the whole spectrum of the study and also comprised summary, conclusion and recommendations.

CHAPTER - II

REVIEW OF LITERATURE

2.1 Conceptual Review

After consumers obtain and use a product or service, they will tend to develop feelings of satisfaction or dissatisfaction toward it. Consumer satisfaction has traditionally been defined as "the evaluation rendered that the experience was at least as good as it was supposed to be." This definition was developed around the predominant model used to explain post purchase satisfaction in the 1970s- the expectation disconfirmation model. However, a variety of additional theoretical approaches have been used to explain the formation of consumer satisfaction/dissatisfaction. These include equity theory, attribution theory, and experientially based affective feelings. In addition, the actual performance of a product has been suggested as a possibility.

Because of accumulating evidence that consumer satisfaction is more than just the disconfirmation of an expectation a revised definition of the concept is proposed. Consumer satisfaction/dissatisfaction consists of general feelings that a consumer has developed about a product or service after its purchase. As such, satisfaction is a type of consumer attitude. Feelings of consumer satisfaction/dissatisfaction may result from expectancy disconfirmation as well as from other process, such as equity, attribution, performance evaluation and affect formation (Mowen, 1990: 345).

Factors Influencing Consumer Satisfaction/Dissatisfaction

I. Expectancy Disconfirmations

Richard Oliver has spearheaded research on this subject with his expectancy disconfirmation model. Consumers enter into purchase with expectations of how the product will actually perform once it is used. Researchers have identified three different types of expectations:

-) Equitable Performance - a normative judgment reflecting the performance one ought to receive given the costs and efforts devote to the purchase and use.

- J Ideal performance -the optimum or hoped for "ideal" performance level.
- J Expected Performance - what the performance probably will be.
- J Once the product or service has been purchased and used, outcomes are compared against expectancies.

The consumer satisfaction/dissatisfaction takes one of three different forms:

- J Positive disconfirmation - performance is better than expected.
- J Simple confirmation - performance equals expectations.
- J Negative disconfirmation - performance is worse than expected.

Positive disconfirmation, of course, leads to a response of satisfaction, and the opposite takes place when disconfirmation is negative. Simple confirmation implies a more neutral response which is neither extremely positive nor negative (Engel et. al., 1990: 545-546).

A. Factors influencing expectations

- J Characteristics of the product
- J Promotional Factors
- J Other Products
- J Characteristics of the Consumers

B. Factors Influencing the Perception of Actual Performance

Like the development of expected performance, the perception of actual performance will also be influenced by a number of factors. One way of viewing the formation of beliefs about actual performance is through a type of multi-attribute model - that is, the consumer evaluates the product on a variety of attributes and then assesses its performance on each of the attributes. These evaluations are then combined to form an evaluation of the product's performance level. As some authors have noted, however, ratings of performance level may not coincide with reality. The consumers' prior experiences with the brand and his or her prior attitudes toward the brand may influence the perception of the product's performance. Similarly, it has been found that

expectations of brand performance can actually influence perceptions of the performance (Mowen, 1990:350).

II. Equity Theory

This theory holds that people will analyze the ratio of their outcomes and inputs to the ratio of the outcomes and inputs of the partner in an exchange. If the person perceives that his or her ratio is unfavorable in relation to the other member of the exchange the individual will tend to have feelings of inequity.

The equation below shows these ratios:

$$\frac{\text{Outcomes of A}}{\text{Inputs of A}} \quad \Bigg| \quad \frac{\text{Outcomes of B}}{\text{Inputs of B}}$$

(Source: Adams, 1962:436)

Thus, the outcomes that person A receives from an exchange divided by the inputs of person A to the exchange should equal the outcomes of person B the exchange divided by the inputs of person B to the exchange. To the extent that ratios are perceived an unequal, particularly when unfavorable to the consumer doing the evaluation, dissatisfaction is proposed to result.

III. Attribution Theory

As a group of loosely interrelated social physical principles, attribution theory attempts to explain how people assign causality (e.g., blame or credit) to events on the basis of either their own behavior or the behavior of others. In other words, a person might say, "I contributed to care, Inc. because it really helps people in need," "She tried to persuade me to buy that unknown auto focus camera because she'd make a bigger commission." In attribution theory, the underlying question is why: "Why did I do this," "why did she try to get me to switch brands?" This process of making inferences about one's own or another's behaviors is a major component of attitude formation and change.

Attribution theory describes attitude formation and change as an outgrowth of people's speculations as to their own behavior (self-perception) and experiences (Schiffman and Kanuk, 2000:272).

IV. Actual Product Performance

Some authors have suggested that actual product performance influences satisfaction. They claim that independent of the expectations held, matters of equity, and attribution made, the level of performance will influence satisfaction. Thus even if the person fully expected a product to perform poorly, dissatisfaction would still result if it in fact performed poorly.

A study investigated the effects of performance as well as the impact of attribution, expectations, and equity on satisfaction with a stock market selection. The results revealed that performance, independent of expectations, influenced satisfaction. Using a miniature record player as the type of product, other researchers found that the level of performance, independent of expectations, influenced consumer satisfaction/dissatisfaction.

The stock market study also offered general support for the previously discussed factors that influence satisfaction. Factors leading to higher level of satisfaction included: (1) Higher expectations (2) Expectancy confirmation, (3) Feelings of equity (4) Higher performance and (5) Internal attribution to the consumer. Thus, respondents were more satisfied with the stock when they had higher expectations of its performance, when the performance was high and confirmed the expectancy, when the exchange with broker was equitable and when consumers attributed the outcome to the research they did and decision they made.

V. Consumer's Affective State

Consumer satisfaction/dissatisfaction (CS/D) may also be analyzed from an experiential perspective. Affect and CS/D refers to the concept that the level of CS/D

may be influenced by the positive and negative affective responses that consumers associate with the product or service after its purchase. In one study a researcher investigated the level of satisfaction with automobiles and cable television services after their purchase. The researcher found that two dimensions of affective responses existed in a set of positive feelings and a set of negative feelings. These feelings were found to be independent of each other. Thus, consumers would simultaneously feel both positive and negative about a purchase. One can experience joy, interest and excitement while also feeling anger, disgust and contempt. For example, after purchasing an auto a consumer may feel excited and proud while simultaneously being irritated and unhappy with the sales personnel.

The study also found that measures of CS/D were directly influenced by the affective feelings of the consumers. There is a relationship in which the purchase leads to affective reactions, which in turn lead to feelings of CS/D. Thus, in addition to the cognitive knowledge that expectancies were disconfirmed, the feelings that surround the post acquisition process also appear to affect the satisfaction with a product (Mowen, 1990:352- 353).

Factors Influencing Complaint Behavior

A number of factors have been found to influence whether or not consumers will complain. As noted above the type of product or service involved will influence the tendency to complain. As the cost and social importance of the product rises, the tendency to complain tends to increase.

Authors have suggested that complaint behavior is related to the following variables:

-) The level of dissatisfaction of the consumer
-) The importance of the product to the consumer
-) The amount of benefit to be gained from complaining
-) The personality of the consumer
-) To whom the blame for the problem is attributed
-) The attitude of the consumer toward complaining
-) The resources available to the consumer for complaining

J Previous experience with the product and with complaining

These variables are logically related to complaint behavior. Thus, the greater the dissatisfaction of the consumer, the greater the tendency to complain. Similarly, as the product increases in importance to the consumer, complaint behavior increases. Consumers with a positive attitude toward complaining will complain more. Similarly, if the consumer can attribute the blame for the product or service problem on a specific company or store, complaint behavior is more likely to occur. The ability to complain requires certain resources such as time, the ability to write letters, or the personal power to confront an employee of a firm and make him or her listen to a problem. Previous experience may be associated with increased complaint behavior because people with higher levels of experience know how to go about contacting appropriate authorities and are less bothered by such task (Mowen, 1990: 357).

2.2 Review of Articles from Books and Magazines

The Study of Consumer Behavior

The study of Consumer Behavior is the study of how individuals make decisions to spend their available resources on consumption related items. It includes the study of what they buy, why they buy it, when they buy it, where they buy it, how often they buy it, and how often they use it. Consumer behavior research encompasses all of the behaviors that consumers display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs. For example, a couple may experience dissatisfaction with their choice of an automobile, perhaps because of continuing service problems. They may communicate their dissatisfaction to friends and in turn influence their friends future automobile purchases. They may vow never to buy the same model again limiting their own future selection decisions.

The term consumer is often used to describe two different kinds of consuming entities: the personal consumer and the organizational consumer. The personal consumer buys goods and services for his or her own use, for the use of households, or as a gift for a

friend. In each of these contexts, the goods are bought for final use by individuals, who are referred to as end users or ultimate consumers.

The second category of consumer-the organizational consumer-includes profit and non-profit businesses, government agencies and institutions, all of which must buy products, equipment, and services in order to run their organizations. Manufacturing companies must buy the raw materials and other components needed to manufacture and sell their own products; service companies must buy the office products needed to operate their agencies; government institutions must buy the materials they need to maintain themselves and their population.

Despite the importance of both categories of consumers, individuals and organizations; this research will focus on the individual consumer, who purchases for his or her own personal use or for household use.

Why do we study Consumer Behavior?

Just as consumers and marketers are diverse, the reasons why people study consumer behavior are also diverse. The field of consumer behavior holds great interest for us as consumers, as marketers, and as students of human behavior.

As marketers and future marketers, it is important for us to recognize why and how individuals make their consumption decisions, so that we can make better strategic marketing decisions. If marketers understand consumer behavior, they are able to predict how consumers are likely to react to various informational and environmental cues, and are able to shape their marketing strategies accordingly. Without doubt, marketers who understand consumer behavior have great competitive advantage in the market place.

Consumer behavior was a relatively new field of study in the mid-to-late 1960s. With no history or body of research of its own, the new discipline borrowed heavily from concepts developed in other scientific disciplines, such as psychology (the study of the individual), sociology (the study of groups), social psychology (the study of how an

individual operates in groups), anthropology (the influence of society on the individual) and economics. Many early theories concerning consumer behavior were based on economic theory, on the notion that individuals act rationally to maximize their benefits (satisfactions) in the purchase of goods and services.

The initial thrust of consumer research was from a managerial perspective: marketing managers wanted to know the specific causes of consumer behaviour. They also wanted to know how people receive, store, and use consumption-related information, so that they could design marketing strategies to influence consumption decisions. They regarded the consumer behavior discipline as an applied marketing science; if they could predict consumer behavior, they could influence it. This approach has come to be known as positivism, and consumer researchers primarily concerned with predicting consumer behavior are known as positivists.

The study of consumer behavior from the point of view of understanding consumption behavior and the meanings behind such behavior is called interpretivism. Interpretivists have expanded the boundaries of study to include many subjective aspects of consumer behavior, such as the effects of moods, emotions, and types of situations on consumer behavior; the roles of fantasy, of play, of rituals, even of the sensory pleasures that certain products and services provide. This dual approach to consumer research enables marketers to make better strategic decisions.

There are a number of reasons why the study of consumer behavior developed as a separate marketing discipline. Marketers had long noted that consumers did not always act or react as marketing theory suggested they would. The size of the consumer is vast and constantly expanding. Consumer preferences are changing and becoming highly diversified. Even in industrial markets, where needs for goods and services are always more homogeneous than in consumer markets, buyers were exhibiting diversified preferences and less predictable purchase behavior.

As marketing researchers began to study the buying behavior of consumers, they soon realized that, despite a sometimes "me too" approach to fads and fashion, many consumers rebelled at using the identical products everyone else used. Instead, they preferred differentiated products that they felt reflected their own special needs, personalities, and lifestyles.

To better meet the needs of specific groups of consumers, most marketers adopted a policy of market segmentation, which called for the division of their total potential markets into smaller homogeneous segments for which they could design specific products and promotional campaigns. They also used promotional techniques to vary the image of their products so that they would be perceived as better fulfilling the specific needs of certain target segments- a process now known as positioning. Other reasons of the developing interest in consumer behavior included the rate of new product development, growth of the consumer movement, public policy concerns, environmental concerns, and the growth of both nonprofit marketing and international marketing.

Development of Marketing Concept

The field of consumer behavior is rooted in the marketing concept, a marketing strategy that evolved in the late 1950s, after marketers passed through a series of marketing approaches referred to as the production concept, the product concept, and the selling concept.

When World War-II ended, marketers found they could sell almost any goods they could produce to consumers while the nation's manufacturing facilities were dedicated to the production of war material. This marketing approach is called a production orientation; its implicit marketing objectives are cheap, efficient production and intensive distribution. A production orientation is a feasible marketing strategy when consumers are more interested in obtaining the product than they are in its specific features. When demand exceeds supply, a production orientation can work. Consumers will buy what's available, rather than wait for what they really want.

A production orientation should not be confused with a product orientation, which assumes that consumers will buy the product that offers them the highest quality, the best performance, and the most features. Product orientation leads a company to strive constantly to improve the quality of its product, with a result often referred to as "marketing Myopia"-that is, a focus on the product, rather than on the consumer needs it presumes to satisfy.

A natural evolution from both a production orientation and a product orientation is selling orientation, in which a marketer's primary focus is selling the products that it has unilaterally decided to produce. The implicit assumption in the selling orientation is that consumers are unlikely to buy a product unless they are actively and aggressively persuaded to do so. The problem with a selling orientation is that it does not take consumer satisfaction in account. When consumers are induced to buy products that they don't want or need, and resulting unhappiness is likely to communicate through negative word-of-mouth that may dissuade other potential consumers from making a similar purchase. Furthermore, when the product does not fulfill a consumer need, it is unlikely that a repeat purchase will be forthcoming.

In the late 1950s, some marketers began to realize that they could sell more goods, more easily, if they produced only those goods that they had predetermined consumers would buy. Instead of trying to persuade customers to buy what the firm had already produced, marketing –oriented firms endeavored to produce only products that they had first confirmed consumers would buy. Consumer needs and wants became the firm's primary focus. This consumer-oriented marketing philosophy came to be known as the marketing concept. The key assumption underlying the marketing concept is that, to be successful, a company must determine the needs and wants of specific target markets, and deliver the desired satisfactions better than the competition. The marketing concept is based on the premise that a marketer should make what it can sell, instead of trying to sell what it has made. While the selling concept focused on the needs of the seller, the marketing concept focuses squarely on the needs of the buyer.

To identify unsatisfied consumer needs, companies had to engage in extensive marketing research. In doing so, they discovered that consumers were highly complex individuals, subject to a variety of psychological and social needs quite apart from their survival needs. They discovered that the needs and priorities of different consumer segments differed dramatically and that to design new products and marketing strategies that would fulfill consumer needs they had to study consumers and their consumption behavior in depth. Thus, the marketing concept laid the groundwork for the application of consumer behavior principles to marketing strategy.

The Role of Consumer Research

The consumer research is the methodology used to study consumer behavior. Given the fact that there are two major theoretical perspectives concerning the study of consumer behavior, it is not surprising to find that there is a divergence in theoretical assumptions and, to some extent, in research methodology between the positivist approach and the interpretive approach. Broadly speaking, positivists tend to be objective and empirical, to seek causes for behavior, and to conduct research studies that can be generalized to larger populations. The early consumer researchers, with their strategic management perspective, were largely positivist in their approach.

The research done by interpretivists, on the other hand, tends to be qualitative and based on small samples. Although they tend to view each consumption situation as unique and nonreplicable, interpretivists seek to find common patterns of operative values, meanings and behavior across consumption situations.

History of Consumer Research

The field of consumer research developed as an extension of the field of marketing research. Focusing almost exclusively on consumer behavior rather than on other aspects of the marketing process. Just as the findings of marketing research were used to improve managerial decision making, so too were the findings of consumer research. The initial reason for studying consumer behavior was to enable marketers

to predict how consumers would react to promotional messages, and to understand why they made the purchase decisions they did. Marketers assumed that if they knew everything there was to know about the consumer decision-making process, they could design marketing strategies and promotional messages that would influence the consumer in the desired way. In the belief that marketing was simply applied economics, the economic man theory prevailed-the assumption that consumers are rational decision makers who objectively evaluate the goods and services available to them and select only those that give them the highest utility at the lowest cost.

The Modernist Era

The era in which the field of consumer research developed is known as the modernist era. Researchers who endorse the assumptions upon which modernism is based are called positivists.

The research methods used in positivist research are borrowed primarily from the natural sciences and consist of experiments, survey techniques, and observation. The findings are descriptive, empirical and if collected randomly, can be generalized to larger populations. The data collected are quantitative in nature and lend themselves to sophisticated statistical analysis.

The Development of Motivational Research

Despite their assumptions that consumers were logical problem solvers who engaged in careful thought processes to arrive at their consumption decisions, researchers soon realized that consumers were not always consciously aware of why they made the decisions they did. Even when they were aware of their basic motivations, consumers were not always willing to reveal these reasons.

As early as 1939, a Viennese psychoanalyst named Ernest Ditcher began to use Freudian psychoanalytic techniques to uncover the hidden motivations of consumers. By the late 1950s, his research methodology, which has come to be known as motivational research, was widely adopted by marketers and advertising agencies.

Motivational research, was widely adopted by marketers and advertising agencies. Motivational research methods consist of projective techniques and depth interviews. Motivational research requires highly trained interviewer-analysts to collect data and to analyze research findings. Because sample sizes are necessarily small, findings cannot be generalized to larger populations. Motivational research findings are highly subjective, because they are based on analyst interpretation. Used primarily to obtain new ideas for promotional campaigns, motivational research is considered to be qualitative research.

Combining Quantitative and Qualitative Research for Strategic Marketing Decisions

Aware of the limitations of motivational research findings, some marketers use a combination of quantitative and qualitative research to help make strategic marketing decisions. They use qualitative research findings to discover new ideas and consumer insights, and quantitative research findings to predict consumer actions based on various promotional inputs. Sometimes ideas stemming from qualitative research are tested empirically.

Postmodernism

A number of academicians from the field of consumer behavior, as well as from other social science disciplines from which the consumer behavior field developed, have become more interested in the act of consumption than in the act of buying. They view consumer behavior as a subset of human behavior, and increased understanding as a key to reducing some of the ills associated with consumer behavior, such as drug addiction, shoplifting, alcoholism, and compulsive buying behavior. Interest in consumer experiences has led to the term experientialism, and the researchers who adopt this paradigm are known as experientialists, postmodernists or interpretivists.

Interpretive Research

Interpretivists engage in qualitative research. Among the research methodologies they use are ethnography, semiotics, and depth interviews. Ethnography is technique

borrowed from cultural anthropology, in which the researchers place themselves in the society under study in an effort to absorb the meaning of various cultural practices. Ethnography lends itself easily to the study of all kinds of consumer behavior, including how individuals buy products and services. Interpretivists are also very interested in semiotics-the study of symbols and the meanings they convey. Consumer researchers use semiotics to discover the meanings of various consumption behaviors and rituals. It is important to understand the meanings that nonverbal symbols may hold for the target audience to be certain that the symbols enhance, rather than inhibit, the persuasiveness of the message. Depth interviews are an important part of the interpretive research process. However, interpretive research findings are often unique to the specific researcher/consumer interaction, because sometimes the researcher plays an active role in the interview process. Both interpretive research and positivist research are often used to help make business decisions.

Factors Influencing Consumer Satisfaction/Dissatisfaction

Customer satisfaction is widely used in evaluating business performance both internally and externally. Internally, customer satisfaction is used to monitor performance, allocate resources, and compensate employees. Externally, customer satisfaction provides information to a wide range of interest groups, including customers, competitors, investors, and public policy makers. These parties may use customer satisfaction to assess a firm's quality, degree of vulnerability to competition, value of intangible customer assets, and contribution to general economic welfare.

The antecedents and consequences of customer satisfaction

Customer satisfaction has received considerable attention from researchers in marketing (e.g., Oliver 1980; Churchill and Surprenant, 1982). A review of this research suggests that customer satisfaction is generally construed to be a post consumption evaluation dependent on perceived quality or value, expectations, and confirmation/disconfirmation- the degree(if any) of discrepancy between actual and expected quality. Moreover, customer satisfaction may concern a specific transaction

or pertain to an overall evaluation of a particular brand or firm (Oliver, 1980; Johnson and Fornell, 1991).

If there is a single phenomenon common to studies of customer satisfaction, it is confirmation/disconfirmation (C/D). C/D suggests that customers compare the quality they experience with a norm or standard, such as pre-purchase expectations about a particular product. Any perceived discrepancy between the two leads to increased or decreased satisfaction (Oliver, 1980). Moreover, as might be expected from prospect theory, quality that falls short of expectations has been found to have a greater effect on satisfaction than quality that exceeds expectations (Anderson and Sullivan, 1993).

Expectations are a second direct antecedent of customer satisfaction. Oliver (1980) argues that expectations provide an anchor and C/D provides an adjustment in determining customer satisfaction. In addition, expectations contain information about future quality affecting customer satisfaction and likelihood of repurchase (Anderson, Fornell, and Lehmann, 1993). For example, expectations regarding the continued reliability of an automobile, prompt service for insurance claims, or anticipated but unforeseen benefits of owning a personal computer may affect current satisfaction with a particular supplier.

A third antecedent of customer satisfaction is quality. As might be expected, quality has been shown to have a positive effect on customer satisfaction (Churchill and Surprenant, 1982). In fact; several studies suggest that quality's effect on customer satisfaction is often greater than the effect of either C/D or expectations.

Finally, many important consequences-loyalty, word-of-mouth, complaints have been attributed to customer satisfaction. The most important of these consequences is arguably the positive effect of customer satisfaction on repurchase behavior.

Customer satisfaction is a function of quality, expectations Positive Confirmation/Disconfirmation, and Negative Confirmation/ Disconfirmation. Repurchase likelihood is a function of satisfaction. Expectations are updated after

each consumption experience. Subsequent choices are based on expected satisfaction relative to switching costs.

Competitiveness, as measured by degree of concentration, may affect the level of satisfaction in an industry, as well as the importance of the various antecedents. For example, Fornell and Robinson (1983) find that greater concentration reduces satisfaction. Conversely, as competition increases, firms should deliver higher quality to customers and consequently, higher satisfaction. Moreover, as concentration decreases, satisfaction should increase as customer may search for higher-quality products over time (Anderson and Sullivan, 1993).

Frequency of usage and accumulated experience should influence customer satisfaction. Frequency of usage should imply that customers have relatively accurate priors and have learned which products match their preference. Hence, disconfirmation should be lower, and quality, satisfaction, and repurchase intentions should be higher (Anderson and Sullivan, 1993). Moreover, satisfaction and repurchase intentions should be higher due to customer avoidance of products they dislike over time, as well as habituation and familiarity (Johnston and Fornell, 1991).

Finally, repurchase intentions should also be higher when switching costs are high (Fornell, 1992; Anderson and Sullivan, 1993). Moreover, demand should be less sensitive to customer satisfaction. Hence, firms should have less incentive to provide high quality, and satisfaction should be correspondingly lower.

Consumer Complaint Behavior

Once a consumer perceives that he or she is dissatisfied with a product or service, the problem arises as to what to do about it. Consumer complaint behavior has been defined as a multiple set of actions triggered by perceived dissatisfaction with a purchase episode. Researchers have identified three different sets of actions in which consumers may engage. The three dimensions of complaint behavior are as follows.

1. Do nothing or deal with the retailer in some manner.

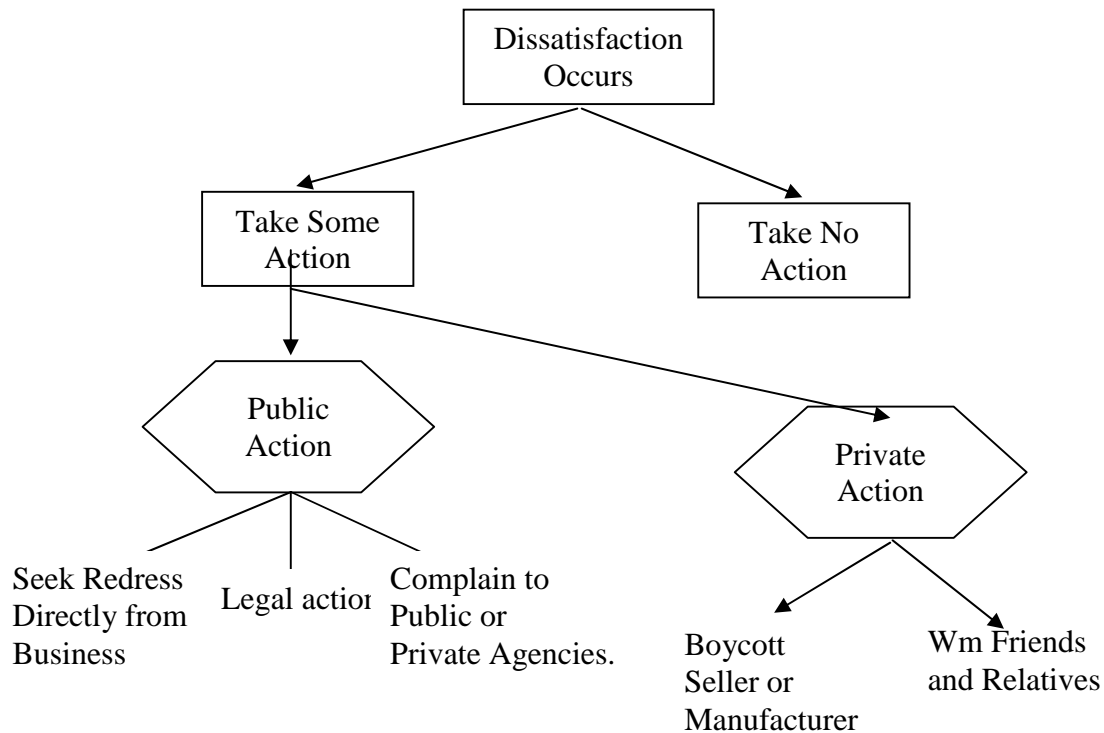
) Forget about incident and do nothing.

-) Definitely complain to the store manager.
 -) Go back or call retailer immediately and ask them to take care of problem.
- 2. Avoid using the retailer again and persuade friends of same.
 -) Decide not to use retailer again.
 -) Speak to friends and relatives about your bad experience.
 -) Convince friends and relatives not to use retailer.
- 3. Take overt action with third parties
 -) Complain to a consumer agency.
 -) Write letter to a local newspaper.
 -) Take some legal action against retailer.

The actions of not patronizing the brand or store, telling friends about the problem, and complaining are straight forward responses to products or service problems. When consumers seek redress to their dissatisfaction, they take steps to obtain some type of refund. The refund could be in the form of money or through a new product.

Figure 2.1

Day & Landon's (1977) Classification of Consumer Complaint Behavior



Source: Singh (1988). *The Journal of Marketing*. 52(1): 93-107.

Study of consumer complaint behavior; however, have shown that a minority of dissatisfied customers actually take overt action to complain. In general, the models of consumer complaint behavior have identified two major purposes for complaining. First, consumers will complain in order to receive an economic loss. They may seek to make an exchange of the problem product for another product. They may seek to get their money back either directly from the company or store or indirectly through legal means. A second reason for engaging to some type of complaint behavior is to rebuild the person's self-image particularly when the self image of a consumer is tied to the purchase. In order to raise his or her self image, the consumer may use negative word - of - mouth communications, may stop buying the brand, may complain to the company or Better Business Bureau or may take legal action (Mowen, 1990: 355-356).

2.3 Review of Related Books Journals and Other Studies

Consumer behavior is relatively a new area of study so there are no sufficient books, journals and articles, however, available resources are quite useful while conducting a research .Researcher has tried to consult as many resources as possible among which some mentionable are as follows:-

Satisfaction is an important element in the evaluation stage. Satisfaction refers to the buyer's state of being adequately rewarded in buying situation for the sacrifice he has made. "Adequacy of satisfaction is a result of matching actual past purchase and consumption experience with the expected reward from the brand in terms of its anticipated potential to satisfy the consumer's motives" (Loudon and Bitta, 1993:579).

"Satisfaction is a kind of stepping away from an experience and evaluating it. One could have a pleasurable experience that caused dissatisfaction because even though pleasurable, it wasn't as pleasurable as it was supposed and expected to be. So satisfaction/dissatisfaction isn't an emotion, it's the evaluation of an emotion"(Loudon and Bitta, 1993:580).

Loudon and Bitta mention that consumers form certain expectations prior to the purchase. These expectations may be about (1) the nature and performance of the product and service (that is, the anticipated benefits to be desired directly from the item), (2) the costs and effects to be expended before obtaining the direct product or service benefits, and (3) the social benefits of cost accruing to the consumer as a result of the purchase (that is the anticipated impact of the purchase on significant others). Advertising may often be an important factor influencing these expectations. Consumer may have a variety of product performance expectations, including what the consumers hope performance will be in terms of an ideal level, what would be fair and equitable given the consumer's expenditure of time and money in obtaining and using the product, and what the consumer expects to actually occur.

Once consumer purchase and use a product, they may then become either satisfied or dissatisfied. Research has uncovered several determinants which appear to influence satisfaction, including demographic variables, personality variables, expectations, and other factors. For example, older consumers tend to have lower expectations and to be more satisfied. Higher education tends to be associated with lower satisfaction. Men tend to be more satisfied than women. The more confidence one has in purchase decision making and the more competence in a given product area, the greater one's satisfaction tends to be. There is also greater satisfaction when relevant others are perceived to be more satisfied. Higher levels of product satisfaction are also indicated by person who are more satisfied with their lives as a whole, and by persons with more favorable attitudes toward the consumer domain, that is, the market place, business firms and consumerism.

The interaction between expectations and actual product performance produces either satisfaction or dissatisfaction. However, there does not appear to be merely a direct relationship between the level of expectations and the level of satisfaction. Instead, a modifying variable known as "disconfirmation of expectations" is brought to be a significant mediator of this situation. When a consumer does not get what is expected, the situation is one of disconfirmation. Such disconfirmation can be of two varieties: a positive disconfirmation occurs when what is received is better than expected, and a

negative disconfirmation occurs when things turn out worse than anticipated. Thus, any situation in which the consumer's judgment is proven wrong is a disconfirmation. Confirmation occurs if the expectations of performance are met. Consumers' expectations from a product, as well as whether these expectations are met, are strong determinants, then, of satisfaction. Although, the cognitive dimension of post purchase evaluation has been stressed here, it is important to recognize that consumers' emotional experiences in connection with product ownership and usage are also important. These positive affective responses need to be stimulated by marketers in the post purchase period in order to enhance consumers' satisfaction and possibly favorable word-of-mouth communication.

The emotional context in which product failure occurs may affect consumers' subsequent information processing. Research on the satisfaction/dissatisfaction process has led to the proposition that disconfirmation is mediated by attribution processing in which consumers seek to understand why product fail. Consumers seek to know three features about the causes of a problem: (1) stability (i.e. is it temporary or permanent?); (2) locus (i.e., is the problem with the consumer or the company?); and (3) controllability (i.e. is the problem within or out-side the control of someone?) Research on attribution also indicates that attributions can lead to specific type of emotional reactions. For instance, if consumers felt a product problem were preventable by the company they might be expected to rather angry. It also appears that the consumer's mood prior to product failure can influence later cognitive and affective reactions. For example, if a consumer is in an angry mood because of the day's events prior to ordering a meal in a restaurant, he is liable to engage in grater attribution processing over a poor meal being served than if the consumer were not in a bad mood. Emotional context, therefore, interacts with disconfirmations affect attribution, which results in certain emotions influencing satisfaction or dissatisfaction.

The result of satisfaction to the consumer from the product or service is that more-favorable post purchase attitudes, higher purchase intentions, and brand loyalty are

likely to be exhibited. That is, the same behavior is likely to be exhibited in a similar purchasing situation. Thus, as long as positive reinforcement takes place, the consumer will tend to continue to purchase the same brand. It is true, however, that consumers will sometimes not follow these established patterns but will purchase differently simply for the sake of novelty. On the other hand, if consumers are dissatisfied, they are likely to exhibit less favorable post purchase attitudes, lower or non-existent purchase intentions, brand switching, complaining behavior, and negative word-of-mouth (Loudon and Bitta, 1993: 579-581).

One of the studies, titled "Dissatisfied consumers who complain to the Better Business Bureau" carried out (Fisher 1999: 531) reveals significant gaps between dissatisfied consumer resolution preferences and companies' resolution offers. Further, the results highlight the highly negative word-of-mouth communication activity and repeat purchase intentions of dissatisfied consumers who complain to the BBB.

This study provides some important implications for managers and executives which are as follows:

a) Go on, say you're Sorry

Customers who are satisfied with the way a complaint is handled can become better customers and sometimes advocates for a particular firm. The best business actively encourages their customers to complain because such actions not only enable the company to solve the customer's problem but provide valuable information as to product and service quality.

b) Start by Saying Sorry

Fisher et. al. express surprise that firms do not offer apologies. Almost all the research into customer's complaints and the experience of practicing managers shows us that saying sorry is a great start to dealing with an upset or disgruntled customer. And in some cases that apology is sufficient to resolve the problem especially when it's a case of bad service.

c) Do the work

Sometimes when consumers want the work done then the company has to do it. So, if you are in business, do the work rather than make excuses about why the work isn't done or is done badly.

d) Offer Reparation

When your customers complain they are not just dissatisfied but have been put out by the need to contact you. The complaining customer has taken time out to call in or ring you. They have gone to some trouble to complain. The least you can do is recognize the inconvenience and offer reparation. Not just a refund but a "no. strings attached" offer of some sort.

e) Think about the next sale not the one you have just made

Fisher et. al., show how damaging it is to fail to sort out a customer complaint. And if your customer is so upset that goes to BBB, the customer will exact revenge. Every person the customer encounters will be regaled with just what a useless shower you and your firms are.

f) Put BBB Out of Business

No, not because they are a bunch of troublemakers, but because you sort out your customers' complaints. If you do that the customer won't need to go to BBB and BBB will lose its reason for existence. Organizations like BBB are only there because too many businesses mistreat their customers.

The finding from this study indicate that companies can ill afford to ignore complaints raised by dissatisfied consumers to the level of BBB involvement, companies face considerable financial risk due to highly of these negatives word-of- mouth communication of these intensely dissatisfied consumers. Therefore, customer service managers should need the results in this study that reveal the inconsistencies between dissatisfied consumers preferred resolution options. And what companies actually offer to them. These data suggest that the companies may make significant progress in dealing with dissatisfied consumers if they train their customer service personnel to

become better communicators who can respond more carefully to each consumer's particular complaint.

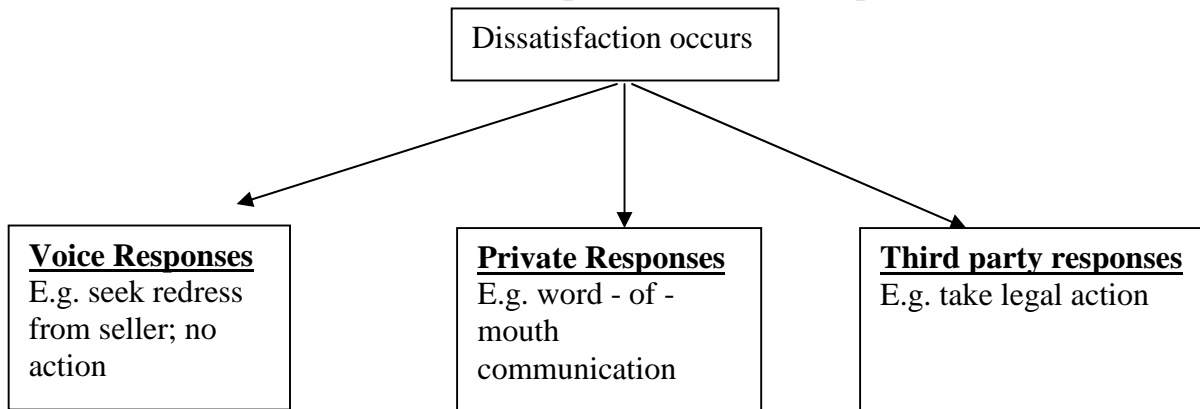
Consumer Complaint Behavior

What happens when consumers experience dissatisfaction? There are several negative outcomes possible. First, consumer may exhibit unfavorable word-of-mouth communication; that is, they tell others about their problem. In fact, studies show that customer tell twice as many people about bad experiences as good ones. Such behavior can severely damage a company's image. Second, consumers may not repurchase the brand. Those who are not fully satisfied with a brand are less likely to repurchase it, than are satisfied buyers. A third action for the consumer is to complain. Several generalizations exist from research on consumer complaining:

-) Complainers tend to be members of more upscale socioeconomic groups than non complainers.
-) The severity of the dissatisfaction or problem is positively related to complaint behavior.
-) Complaining is more likely when there is a more positive perception of retailer responsiveness to customer complaints.

A model of consumer complaining behavior (CCB) is shown below. It illustrates the variety of actions possible. For instance, consumers may complain, not to the seller, but to some formal third parties such as the Better Business Bureau, a newspaper, or the legal system. Second, they may engage in private CCB actions such as telling friends and relatives about the bad experience and changing their own patronage behavior. Third they may voice their complaints to the manufacturer or retailer involved or take no action even when dissatisfied if they are loyal to the seller or believe complaining is pointless.

Figure 2.2
Consumer Complaint Behavior Responses



Source: Singh (1988). The Journal of Marketing. 52(1): 93-107.

Along similar lines one researcher classified dissatisfied consumers into four grouping based on the way they communicate their dissatisfaction: passives, voicers, irates, and activists. The choice of a response style exhibited by consumer is determined by episode-specific variables (such as the probability of obtaining redress, the costs and benefits from complaining actions, and the nature of dissatisfying service) and personality variables. (such as prior experiences, alienation, and attitudes toward complaining). It could be that a consumer may consistently use the same response style in different dissatisfaction contexts over time. Above table presents characteristics of individuals for the four response styles. These style differences imply that retailers could (1) assess the distribution of the four groups among their customer over time to see how they are doing ;(2) institute programs so as to make the voice style a more attractive option, compared to other styles; and (3) focus on corrective strategies for customer alienation because it undermines retailer loyalty and tends to lead to produce irates and activists.

It is important for marketers to realize that complaints are actually opportunities. Simply listening to complaints tremendously boosts brand loyalty. The key is getting buyers to complain to the company rather than telling the typical nine or ten people about their problem. But for everyone who complains, there are twenty-six others who feel the same way but did not voice a complaint.

Two factors deter consumers for complaining to the company. First, it is hard because over culture does not encourage being a whiner. Second, employees don't encourage it because they view it as a personal attack on their self-esteem. Nevertheless, when companies invest money on units that handle complaints and inquiries the average return is over 100 percent for makers of certain consumer durables. Thus, such companies as GE, Coca-Cola and British Airways are investing millions of dollars to improve complaint handling. Programs include toll-free 800-number telephone systems, intensive staff training, liberal refund policies, and even booths where irate customers can complain on videotape.

Auto manufacturers are designing elaborate training procedures and operations manuals for dealership customer-service managers in an effort to help dealers win back dissatisfied customers. Nissan has found, for example, that as many as 20 percent of customers said they could not buy from the same dealership after only six months of ownership. But when dissatisfied customers are allowed to complain the dealer or manufacturer, nearly 20 percent of them change their minds and buy from that dealership again. Another study found that 54 percent of dissatisfied customers who feel that their complaint has been solved will buy from the offending dealer again (Loudon and Bitta, 1993: 581-583).

Complaints, like death and taxes, are inevitable. Even market leaders encounter them. But each grievance represents a chance to correct a flawed process, educate a customer and strengthen loyalty. Multiple studies already show companies with high quality customer service and effective complaint handling process can change a premium as well as increase loyalty. The case for investing in improvements is clear, or so it would seem. Unless decision makers fully understand customer complaint behavior and quantify the return on investment (ROI) of complaint handling, they won't see the link between complaint handling and loyalty and profits, and it's unlikely they will ever allocate adequate resources for change (Goodman, 2006: 28).

Eight factors about customer behavior are keys to understanding the implications of complaint data: (1) Dissatisfied individual and business customers tend not to complain. (2) Complaints often do not directly identify the source or cause of the problem. (3) Retail, field sales and service system filter and discourage complaints. (4) Brand loyalty can be retained by merely getting customers to articulate their problems. (5) Increase the ease of access to the provider can reduce the complaint ratio (also known as the multiplier). (6) The propensity to complain is directly proportional to the damage to the respondent. (7) Complainers tend to be the heaviest users of the product or service (8) Problem experience' especially in the case of those consumers who remain unsatisfied after complaining, results in substantial amounts of negative word-of-mouth (Goodman and Newman, 2003: 51).

William O. Bearden & Richard L. Oliver had conducted a study to explore the relation between the nature of complaint behavior and satisfaction with problem resolution. A simple model depicting interrelationships among several frequently hypothesized antecedents of complaint behavior, private and public complaints, and satisfaction with complaint resolution is proposed. Data were gathered in a 2- wave longitudinal study through the use of a bi-state university omnibus consumer panel; some 292 panel members had participated in both waves. The data had revealed 3 consistent themes: 1. greater problem cost seem to stimulate both forms of complaint behavior, 2. the extent of private complaint behavior is inversely related to satisfaction with the firm's response, and 3. public complaining is positively related to resolution satisfaction.

2.4 Review of Thesis

Research on Consumer Behavior

Although there are some researches conducted on Consumer Behavior, the present research area has not been touched yet. So, the researcher has taken into consideration some researches of consumer behavior which have a bit touched this study area. Among these one research is mentioned below:-

Dipak Raj Sapkota (2002) has carried out a research title, "*Customer Satisfaction in Service Sector*". The major objectives of this study were to investigate the level of satisfaction of customer with Nepalese joint venture commercial banks. Similarly, to identify the reasons/factors responsible for customer satisfaction or dissatisfaction was also another important aspect of objectives. His findings relating to satisfaction of customer reveals that most of the customers are satisfied with the service system of the bank. Some have a bit negative feeling of bank activities blaming that these are not directed towards poor and needy people. They are almost satisfied with employee behavior but in some banks employee behavior is a bit poor. Factors that satisfy/dissatisfy are not clearly mentioned in this thesis.

Ananta Luintel (2008) has carried out a research entitled "*Customer Satisfaction in High Involvement Goods*". The major objectives of this study were to investigate the level of satisfaction as well as dissatisfaction of the customer with reference to high involvement consumable goods. The objective of the study was also to identify the reasons/factors responsible for customer satisfaction or dissatisfaction. The major findings relating to satisfaction of customer reveals that most of the customers are satisfied with quality goods. Some have a bit negative feeling of the goods that these are not of better quality. They are almost satisfied with the goods.

Santosh Lamsal (2006) has carried out a research entitled "*Consumer Satisfaction and Complaint behavior in High Involvement Products*". The major objectives of this study were to investigate the factors that satisfy and dissatisfy consumers and the nature of complaint behavior when dissatisfied. His findings relating to major factors that satisfy and dissatisfy consumers were various product attributes such as price, performance, durability, design and after sales service and not the factors like age, income group, profession, sex etc. Similarly, he has found out that disseminating negative word of mouth to others and seeking compensation from the sellers were the mediums used by consumers to complaint against their dissatisfaction from the product.

Amber Bahadur Gurung (2008) has carried out a research entitled *"Impact of Television Advertising of Cosmetic Products on Consumer's Behavior with Reference to sun silk Shampoo"*. The major objectives of this study were:-

-) To examine the consumers preference on television advertisement.
-) To identify the consumer reactions to the television advertisement.
-) To examine the popularity of the television advertisement.
-) To analyze the effectiveness of the advertisements of cosmetic products.
-) To examine the factors that influence to buy the cosmetic products.

The major findings of the study were:-

-) The female consumers seem to give more priority to musical advertisement than the good wording advertisement than the male. Altogether, they preferred the musical advertisements than the good wording advertisement.
-) From the comparison of male and female respondents, the percentage of women respondents for watching television seems to be higher than male respondents.
-) Female respondents seem to be more concerned with the meaning of advertisement whereas majority of male population is found to be interested to the advertisement.
-) Majority of the respondents used the particular product to fulfill their needs and not due to advertisements.
-) Most of the consumers give the priority or preference to the frequently advertised products than not advertise products.

Reena Baral (2009) has carried out a research entitled *"A Case Study on the Effectiveness of Nepal Television Advertisement on the Consumer Behavior (With special reference to Noodles and Snacks of CG Food (Nepal) limited."*. The major objectives of the study were:-

-) To find out the effectiveness of NTV advertisement on customer purchase behavior.
-) To find out the effectiveness of NTV advertisement on post purchase behavior.

) To find out how the different groups of people perceive the advertisement broadcasted by Nepal Television.

The major findings of the study were:-

) Consumers do not believe in 100% in quality of noodles as they are advertised by the advertiser.

) NTV ads also help consumers to remember the product even after the long time of their purchase and tend them to make the repeat purchase or test purchase.

) Consumer living in Kathmandu valley love to watch News, musical, comedy shows in NTV. So ads displayed in mid of these programs seems to serve well manufacturers wish.

) Consumers mostly seek for rational appeal in any kind of advertisement displayed .In addition to it; they also look for moral and emotional appeal in it.

2.5 Research Gap

With compare to the previous studies on this subject, data of this study has been updated till 2066/67. None of the previous researchers has done Simple, Partial and Multiple Correlation analysis between consumer Satisfaction, Consumer Dissatisfaction, Consumer Complaint and Performance and Durability attributes of the highly durable products so as to find out the relationship between them in the Kathmandu valley. In this research more emphasis has been given on relationship between complaint of the customer and consumers satisfaction. Previous researches carried on the same topic have shown only the level of consumer satisfaction but those researches were silent about the complaint behavior of those consumers and their interrelationship. In this connection, this study contributes something new toward the complaint behavior of the consumers in high involvement products that is not sought yet by surveying the psychology and awareness of consumers while purchasing high involvement products. Effort have been made to find out the trend in male and female on complaining towards the product as well as getting satisfied and dissatisfied against the high durable product after they are applied into their lives. This sort of study identifying the level, trend and impact of consumer behavior is a new and challenging in itself but is also an opportunity to learn and identify the consumers behaviour. More specific studies as to the customers satisfaction for example in the field of marketing issues, is necessary opening up the new and challenging research avenues for researchers.

CHAPTER - III

RESEARCH METHODOLOGY

Research methodology is the process of arriving at the solution of problems through a planned and systematic dealing with the collection, analysis and interpretation of the facts and figure. In simple words, research methodology refers to the various sequential steps to be adopted by a researcher in studying a problem, with certain objectives in view. It is necessary for the researcher to know not only the research methods/techniques but also the methodology. Researchers not only need to know how to develop certain indices on tests, how to calculate the mean, the mode, the research techniques, but they also need to know which of these methods or techniques are relevant and which are not, and what would they mean and indicate and why.

The topic of the problem has been selected as "Consumer Satisfaction dissatisfaction and Complaint Behavior in High Involvement Products." Therefore, here an attempt is made to find out the satisfaction level of consumers over their products. At the same time causes of satisfaction and dissatisfaction are also noticed and hence complaint behavior is checked. Besides this, consumer attitude towards different attributes of the product is also judged. Patterns of behavior shown by consumer are quite useful in the pursuit of success of business in this competitive age. The research methodology employed in the present study is described in this chapter.

3.1 Research Design

This study is exploratory in nature. It is based on the descriptive research design. It mainly aims to find out the satisfaction and dissatisfaction level of consumers of high-involvement products and hence their complaint behavior. For this study, four products namely Laptop, Car, Air conditioners and Washing machine are selected. The survey approach has been adopted to conduct the research. The data and information collected from the survey of the consumer are rearranged, tabulated analyzed and interpreted according to the need of the study for attaining stated objectives. Consumers inside Kathmandu valley are extensively surveyed so as to

procure data and information about consumers, their expectations, importance, and satisfaction and dissatisfaction level along with complaint behavior, towards their products.

3.2 Nature and Sources of Data

The data used in this study are primary in nature. These primary data essential for this study are collected from the Nepalese consumers of the products (i.e. Car, Laptop, Air conditioners and Washing machine) across the Kathmandu valley.

3.3 Population

All the Nepalese consumers residing inside Kathmandu valley, who have at least one of the products among Car, Laptops, Air conditioners and Washing machines and which are bought with in 2 years time period, are considered to be the population of this study. Data indicating the exact number of such consumers is not available.

3.4 Sampling

The above stated population of the study is very large. It is very difficult to include the whole population in this study. Therefore, 100 consumers out of the whole population are selected as a sample. The sampling method used for the study is judgmental (i.e. non random) sampling. Sampling is very small in size as considered to the population.

Even though the sample size is very small in comparison to the population, sufficient efforts have been made to make the sample truly representative of the population and thus present the specific characteristics of the population. Therefore the data collected is comprised of different professionals, age, groups, income groups, education groups and equally of both sexes male and female.

Respondents' Profile

	Number	Percentage
Male	60	60
Female	40	40
Total	100	100

Age category	Number	Percentage
a) 15-25 years	10	10
b) 25-35 "	32	32
c) 35-45 "	36	36
d) 45-55 "	8	8
e) Above 55 years	14	14
Total	100	100

Profession	Number	Percentage
a) Students	5	5
b) Business	25	25
c) Government job	15	15
d) Private job	25	25
e) Teacher	10	10
f) House wife	20	20
Total	100	100

Marital Status	Number	Percentage
Married	80	80
Unmarried	20	20
Total	100	100

Income	Number	Percentage
a) Below Rs. 10,000	5	5
b) Between Rs. 10,000-20,000	15	15
c) Between Rs. 20,000-40,000	30	30
d) Above Rs. 40,000	50	50
Total	100	100

3.5 Data Collection Procedure

A well-structured questionnaire is prepared as the main instrument of the data collection for this study. The questionnaire was most carefully designed as well as pre-tested so that it could best serve the purpose of this study. All questions of the questionnaire are based on close-ended response format except question number 12-, which is open-ended. The questionnaire contained Likert scale (summated scale), dichotomous (i.e. yes/no type) format as well as multiple-choice questions. Altogether 100 questionnaires were distributed all of them are collected. Since it is the interviewer administered survey method, cent percent response became possible. Maximum attention has been given while filling up the questionnaires. The objective of the research, meaning of the question and filling up way were explained before getting response from the respondents.

3.6 Data Processing and Analysis

All the questionnaires were distributed and collected by the researcher himself and were filled up in presence of the respondents so there was no misunderstanding among the respondents about the questionnaire. Each and every questionnaire was thoroughly checked up after the collection and was found correct in filling up style. After gathering the questionnaires, sorting and tabulating was proceeded on. Same responses of the collected questionnaires were put in to one place under the respective heading and the total responses were presented in different table according to the need of the responses. Necessary calculation and adjustments have been made for the attainment of the objectives of the study.

All the analysis is made on the basis of the data as presented in different tables. Data is analyzed both descriptively and statistically as per the need of the research. Simple mean, Percentage, Chi-Square test, Simple correlation and Partial/Multiple Correlation are used as statistical tools.

CHAPTER - IV

DATA PRESENTATION AND ANALYSIS

Data presentation and analysis, the main part of study, is presented in this chapter. The data and information collected from the consumers are presented, analyzed and interpreted in this chapter for attaining the stated objectives of the study. What is found after the analysis and interpretation is given at the end of this chapter.

4.1 Presentation and Analysis

According to the research questions the data and information collected from the consumers are presented, interpreted and analyzed. Many research questions formulated for this study have been answered by means of the very analysis and interpretation. Therefore, each research question is reviewed first before the collected data are presented and analyzed to get the answer of the question.

4.2 Ownership of High Involvement Products

The first research question formulated for this study is "Do you have any one of the following high involvement products –

- a) Air conditioners b) Laptop
- c) Car & d) Washing Machine

As there are four products for this study so this question needs the numbers of products possessed by the respondents. Response from the consumers reveals that maximum number of respondents have Laptop i.e. 44 consumers have Laptop product. Similarly, 27 consumers have Car which is second highest number in rank. Like wise, 17 Consumers have Washing Machine and the least number of products possessed by consumers is Air conditioners i.e. 12 in number.

4.3 Duration of Ownership

Second question asks about the time period that is when did consumer buy it. For this question there are four options to answer: -

- a) 6 months ago
- b) 1 year ago
- c) 1 and ½ years ago &
- d) 2 years ago

In the survey, 7 respondents out of 100 bought their product 2 years ago, where as only 20 respondents got it 1 and ½ year ago. Similarly, 28 Consumers purchased the product one year ago. Likewise Consumers who obtained their product only 6 months ago are 45 in number.

Table 4.1
Time of Purchase

S.N.	Time when did Consumers buy their product	Number	Percentage
1	6 months ago	45	45
2	1 year ago	28	28
3	1 and ½ years ago	20	20
4	2 years ago	7	7
5	Total	100	100

Source: Field Survey, 2010

Table 4.2
Number of product possessed by Respondents

S.N.	Name of product	Number	Percentage
1	Laptop	44	44
2	Car	27	27
3	Washing Machine	17	17
4	Air conditioners	12	12
	Total	100	100

Source: Field Survey, 2010

4.4 Matching of Expectation with the Performance

Research Question formulated for this study is, "To what extent did your expectations match with the performance of the product?" There are two options to be answered to this question which are:

- a) Matched b) Mismatched

Out of 100, 64 respondents, expectations are found to be matched where as only 36 respondents' expectations are mismatched. In this way 40 males and 24 females' expectations are matched; however, 20 males & 16 females' expectation are mismatched.

Figure 4.1

Expectation and Performance of the Product between Male and Female

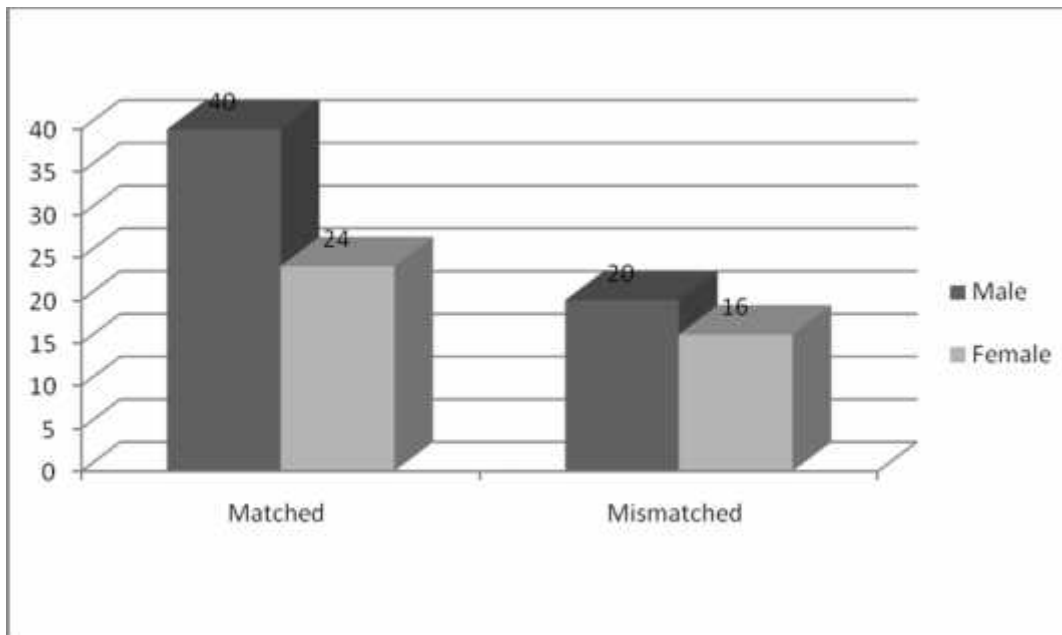


Table 4.3

Expectation and Performance of the Product

Expectations	Male	Percentage	Female	Percentage	Total	%
Matched	40	81.53	24	74.28	64	64
Mismatched	20	18.46	16	25.71	36	36
Total	60	100	40	100	100	100

Source: Field Survey, 2010

Null Hypothesis (H₀)

There is no significant difference between male & female in forming their expectations towards the products.

Alternative Hypothesis (H₁)

There is significant difference between male & female in forming their expectation towards the products.

Test statistics under Ho is

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

Where,

O = Observed frequency

E = Expected frequency

$$E = \frac{RT \times CT}{N}$$

RT = Row Total

CT = Column Total

N = Total number of observation

Table 4.4

Calculation of Chi- Square (χ^2)

O	$E = \frac{RT \times CT}{N}$	O-E	$(O-E)^2$	$\frac{(O-E)^2}{E}$
40	38.40	1.600	2.56	0.0666
24	25.60	1.600	2.56	0.1
20	21.60	1.600	2.56	0.1185
16	14.40	1.600	2.56	0.100
$O \times 100$	$E \times 100$			$\frac{(O-E)^2}{E} \times 0.4628$

Source: Field Survey, 2010

Degree of freedom (d.f)

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

$$= (2-1) (2-1) = 1$$

Here,

Calculated value of Chi-Square (χ^2) = 0.4628. Where as tabulated value of Chi-Square (χ^2) at 0.05 confidence level for 1 degree freedom = 3.84.

Decision

Since calculated value of χ^2 (i.e. 0.4628) is less than tabulated value of χ^2 (i.e. 3.84) so alternative hypothesis (H_1) is rejected and hence null hypothesis (H_0) is accepted.

Therefore, it is concluded that there is no significant difference between male & female in forming their expectations towards various products. That is why male & female are having extremely same kind of expectations towards their product.

4.5 Complaining Behavior against the performance of Highly Durable Products in Kathmandu Valley

Research question formulated for this study is, "Have you ever complained about your product?" There are two options to be answered to this question which are 'Yes' and 'No'. Those who have selected "Yes", they have been provided with four options of complaining behavior which have been analyzed in the later part of the research.

Therefore, we can categorize the no. of consumers into two groups i.e, Yes and No. Out of 100 respondents 29 have lodged complaint against the performance of their respective products.

4.5.1 Complaining Behavior of male and female against Laptop in Kathmandu Valley

There are altogether 44 respondents holding Laptop. Amongst them 28 are male and 16 are female. I have found that 12 respondents have made complaint against the performance of Laptop. Among them, 8 complainers were male and 4 were female.

Table 4.5

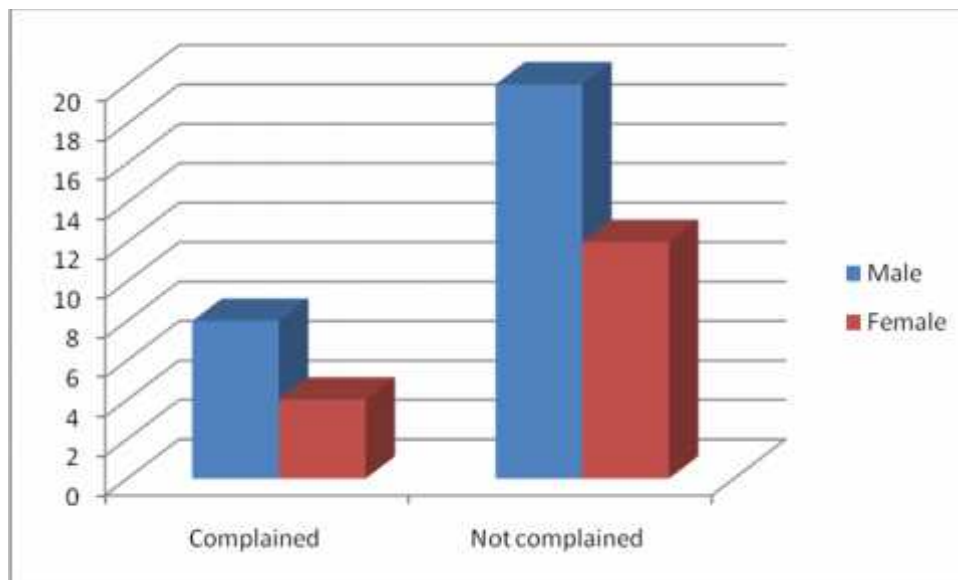
Complaining Behavior against the Performance of Laptop

Complaints	Male	Percentage	Female	Percentage	Total	%
Complained	8	28.57	4	25	12	27.27
Not complained	20	71.42	12	75	32	72.72
Total	28	100	16	100	44	100

Source: Field Survey, 2010

Figure 4.2

Complaining Behavior of Male and Female against the Performance of Laptop



Null Hypothesis (H_0)

There is no significant difference between male & female in complaining against the performance of Laptop.

Alternative Hypothesis (H_1):

There is significant difference between male & female in complaining against the performance of Laptop.

Test statistics under H_0 is

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

Where,

O = Observed frequency

E = Expected frequency

$$E = \frac{RT \times CT}{N}$$

RT = Row Total

CT = Column Total

N = Total number of observation

Table 4.6
Calculation of Chi- Square (χ^2)

O	$E = \frac{RT \times CT}{N}$	O-E	$(O-E)^2$	$\frac{(O-E)^2}{E}$
8	7.64	0.36	0.1296	0.0169
4	4.36	-0.36	0.1296	0.0297
20	20.36	-0.36	0.1296	0.00636
12	11.64	0.36	0.1296	0.0111
$\sum O = 44$	$\sum E = 44$			$\frac{(\sum (O-E)^2)}{E} = 0.064$

Source: Field Survey, 2010

Degree of freedom (d.f)

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

$$= (2-1) (2-1) = 1$$

Here,

Calculated value of Chi-Square (χ^2) = 0.064. Where as tabulated value of Chi-Square (χ^2) at 0.05 confidence level for 1 degree freedom = 3.84.

Decision

Since calculated value of \mathfrak{N} (i.e. 0.064) is less than tabulated value of \mathfrak{N} (i.e. 3.84) so alternative hypothesis (H_1) is rejected and hence null hypothesis (H_0) is accepted.

Therefore, it is concluded that there is no significant difference between male & female in complaining against the performance of laptop. That is why male & female are having extremely same kind of satisfaction and benefits from the performance of Laptop. Complaining behavior is extremely same amongst male and female against the performance of Laptop.

4.5.2 Complaining Behavior of male and female against Car in Kathmandu Valley

Amongst 100 respondents there are 27 car owners. We have found that 22 of them are male and 5 are female. Amongst them altogether 5 have made complaint against the performance of Car. We have found that 4 of them are male and 1 is female.

Table 4.7

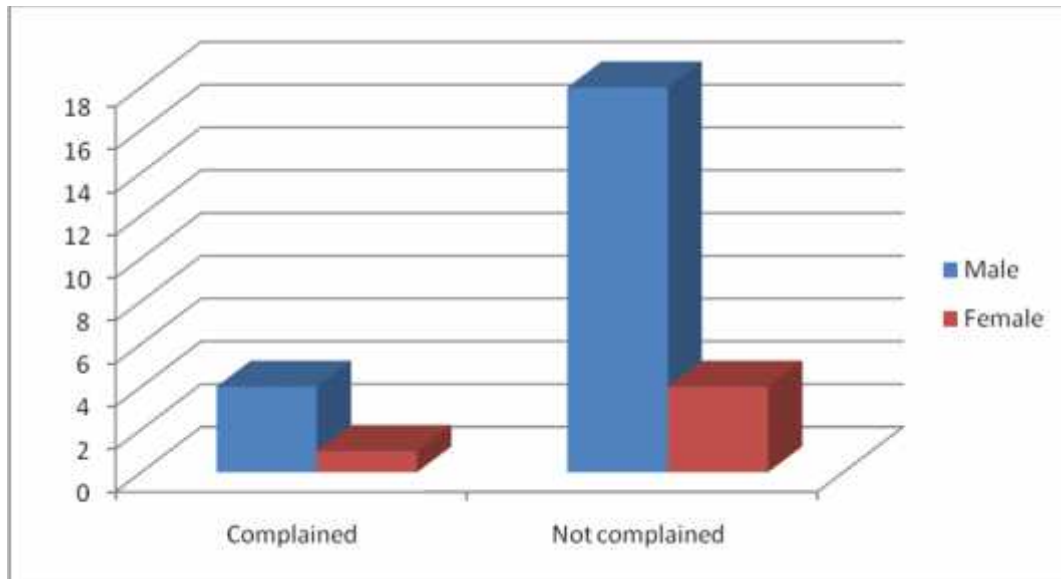
Complaint Behavior against the Performance of Car

Complaints	Male	Percentage	Female	Percentage	Total	%
Complained	4	18.18	1	20	5	18.51
Not complained	18	81.81	4	80	22	81.48
Total	22	100	5	100	27	100

Source: Field Survey, 2010

Figure 4.3

Complaint Behavior of Male and Female against the Performance of Car



Null Hypothesis (H₀)

There is no significant difference between male & female in complaining against the performance of Car.

Alternative Hypothesis (H₁)

There is significant difference between male & female in complaining against the performance of Car.

Test statistics under Ho is

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

Where,

O = Observed frequency

E = Expected frequency

$$X \frac{RT \times CT}{N}$$

RT = Row Total

CT = Column Total

N = Total number of observation

Table 4.8
Calculation of Chi- Square (χ^2)

O	$E = \frac{RT \times CT}{N}$	O-E	$(O-E)^2$	$\frac{(O-E)^2}{E}$
4	4.07	-0.07	0.0049	0.0012
1	0.93	0.07	0.0049	0.0053
18	17.93	0.07	0.0049	0.00027
4	4.07	-0.07	0.0049	0.0012
$O \times 27$	$E \times 27$			$\frac{(O-E)^2}{E} \times 0.00797$

Source: Field Survey, 2010

Degree of freedom (d.f)

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

$$= (2-1) (2-1) = 1$$

Here,

Calculated value of Chi-Square (χ^2) = 0.00797. Where as tabulated value of Chi-Square (χ^2) at 0.05 confidence level for 1 degree freedom = 3.84.

Decision

Since calculated value of χ^2 (i.e. 0.00797) is less than tabulated value of χ^2 (i.e. 3.84) so alternative hypothesis (H_1) is rejected and hence null hypothesis (H_0) is accepted.

Therefore, it is concluded that there is no significant difference between male & female in complaining against the performance of Car. That is why male & female are having almost same kind of satisfaction and benefits from the performance of Car. Similarly, male and female have extremely same kind of complaining behavior against the performance of Car.

4.5.3 Complaining Behavior of male and female against Washing Machine in Kathmandu Valley

Amongst 100 respondents there are 17 Washing machine owners. We have found that 3 of them are male and 14 are female. Amongst them altogether 7 have lodged complaint against the performance of Washing machine. We have found that 6 of them are female and 1 is male.

Table 4.9

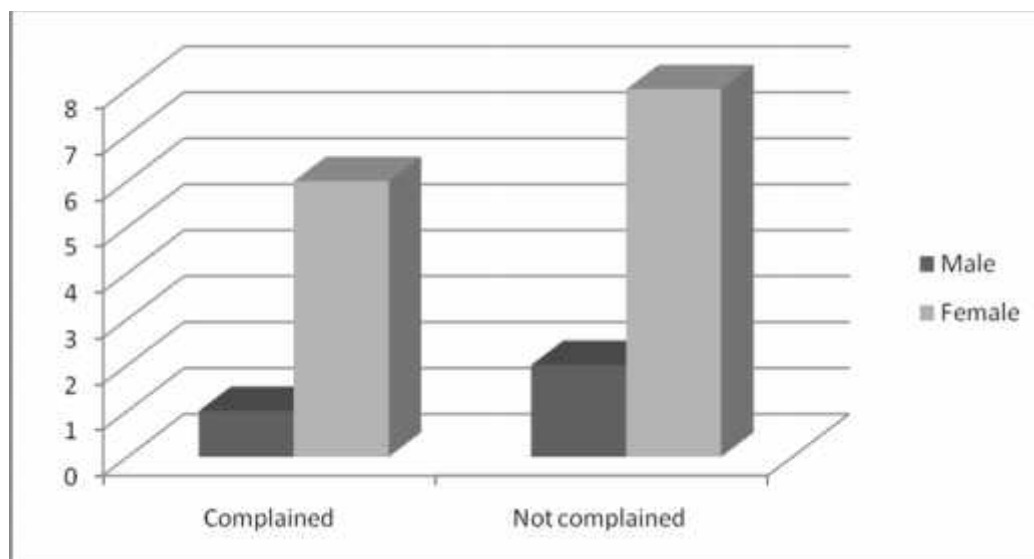
Complaint Behavior against the Performance of Washing Machine

Complaints	Male	Percentage	Female	Percentage	Total	%
Complained	1	33	6	43	7	41.17
Not complained	2	67	8	57	10	58.83
Total	3	100	14	100	17	100

Source: Field Survey, 2010

Figure 4.4

Complaint Behavior of Male and Female against the Performance of Washing Machine



Null Hypothesis (H₀)

There is no significant difference between male & female in complaining against the performance of Washing Machine.

Alternative Hypothesis (H₁)

There is significant difference between male & female in complaining against the performance of Washing machine.

Test statistics under Ho is

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

Where,

O = Observed frequency

E = Expected frequency

$$E = \frac{RT \times CT}{N}$$

RT = Row Total

CT = Column Total

N = Total number of observation

Table 4.10
Calculation of Chi- Square (χ^2)

O	$E = \frac{RT \times CT}{N}$	O-E	$(O-E)^2$	$\frac{(O-E)^2}{E}$
1	1.24	-0.24	0.0576	0.046
6	5.76	0.24	0.0576	0.01
2	1.76	0.24	0.0576	0.033
8	8.24	-0.24	0.0576	0.0069
$\sum O = 17$	$\sum E = 17$			$\frac{\sum (O-E)^2}{E} = 0.096$

Source: Field Survey, 2010

Degree of freedom (d.f)

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

$$= (2-1) (2-1) = 1$$

Here,

Calculated value of Chi-Square (χ^2) = 0.096, Where as tabulated value of Chi-Square (χ^2) at 0.05 confidence level for 1 degree freedom = 3.84.

Decision

Since calculated value of χ^2 (i.e. 0.096) is less than tabulated value of χ^2 (i.e. 3.84) so alternative hypothesis (H_1) is rejected and hence null hypothesis (H_0) is accepted.

Therefore, it is concluded that there is no significant difference between male & female in complaining against the performance of Washing machine. That is why male & female are having extremely same kind of satisfaction and benefits from the performance of Washing machine. Thus, in the case of Washing machine too, male and female possess extremely same kind of complaining behavior.

4.5.4 Complaining Behavior of male and female against Air Conditioner in Kathmandu Valley

Amongst 100 respondents there are 12 Air conditioner owners. We have found that 7 of them are male and 5 are female. Amongst them altogether 5 have lodged complaint against the performance of Air conditioner. We have found that 3 of them are male and 2 are female.

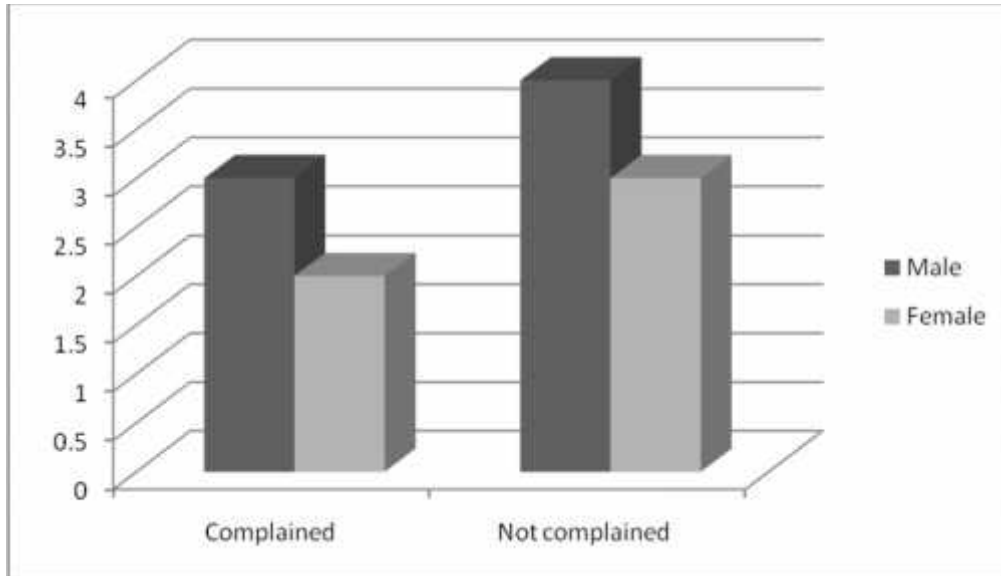
Table 4.11

Complaint Behavior against the Performance of Air Conditioner

Complaints	Male	Percentage	Female	Percentage	Total	%
Complained	3	42.86	2	40	5	41.67
Not complained	4	57.14	3	60	7	58.33
Total	7	100	5	100	12	100

Source: Field Survey, 2010

Figure 4.5
Complaint Behavior of Male and Female against the
Performance of Air Conditioner



Null Hypothesis (H₀)

There is no significant difference between male & female in complaining against the performance of Air conditioner.

Alternative Hypothesis (H₁)

There is significant difference between male & female in complaining against the performance of Air conditioner.

Test statistics under Ho is

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

Where,

O = Observed frequency

E = Expected frequency

$$E = \frac{RT \times CT}{N}$$

RT = Row Total

CT = Column Total

N= Total number of observation

Table 4.12
Calculation of Chi- Square (χ^2)

O	$E = \frac{RT \times CT}{N}$	O-E	$(O-E)^2$	$\frac{(O-E)^2}{E}$
3	2.92	0.08	0.0064	0.00219
2	2.08	-0.08	0.0064	0.00307
4	4.08	-0.08	0.0064	0.00156
3	2.92	0.08	0.0064	0.00219
$O \times 12$	$E \times 12$			$\frac{(O-E)^2}{E} \times 0.0090$

Source: Field Survey, 2010

Degree of freedom (d.f)

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

$$= (2-1) (2-1) = 1$$

Here,

Calculated value of Chi-Square (χ^2) = 0.0090, Where as tabulated value of Chi-Square (χ^2) at 0.05 confidence level for 1 degree freedom = 3.84.

Decision

Since calculated value of χ^2 (i.e. 0.0090) is less than tabulated value of χ^2 (i.e. 3.84) so alternative hypothesis (H_1) is rejected and hence null hypothesis (H_0) is accepted.

Therefore, it is concluded that there is no significant difference between male & female in complaining against the performance of Air conditioner. That is why male & female are having extremely same kind of satisfaction and benefits from the performance of Air conditioner. Thus, male and female possess extremely same kind of complaining behavior against the performance of Air conditioner.

4.6 Consumer Satisfaction & Dissatisfaction against the Performance of Highly Durable Products in Kathmandu Valley

Research Question formulated for this study is, "Are you satisfied or dissatisfied with the performance of the product after its use?" There are two options to be answered to this question which are "Satisfied" and "Dissatisfied".

Therefore, we can categorize the number of consumers into two groups i.e., Satisfied and Dissatisfied. Out of 100 respondents, 64 have been found satisfied with the application of product where as 36 are dissatisfied after their use.

4.6.1 Consumer's Satisfaction and Dissatisfaction against the use of Laptop

Amongst 100 respondents, there are 44 respondents who possess Laptop. Amongst them we have found that 29 of them are satisfied and 15 of them are dissatisfied from the application of product. Amongst satisfied respondents, we found that 18 of them are male and 11 of them are female. Similarly amongst dissatisfied respondents, we have found that 10 of them are male and 5 are female.

Table 4.13

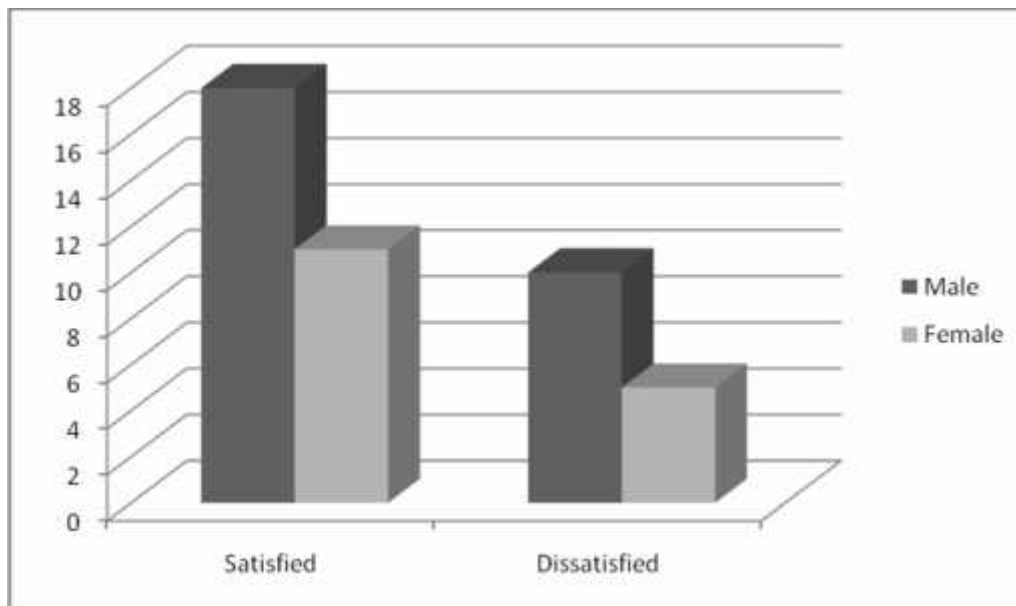
Consumer's Satisfaction and Dissatisfaction against the use of Laptop

Satisfaction	Male	Percentage	Female	Percentage	Total	%
Satisfied	18	64%	11	69%	29	66%
Dissatisfied	10	36%	5	31%	15	34%
Total	28	100%	16	100%	44	100%

Source: Field Survey, 2010

Figure 4.6

Consumer's Satisfaction and Dissatisfaction against the use of Laptop



Null Hypothesis (H₀)

There is no significant difference between male & female in deriving satisfaction from the use of Laptop.

Alternative Hypothesis (H₁):

There is significant difference between male & female in deriving satisfaction from the use of Laptop.

Test statistics under H₀ is

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

Where,

O = Observed frequency

E = Expected frequency

$$X \frac{RT \times CT}{N}$$

RT = Row Total

CT = Column Total

N= Total number of observation

Table 4.14
Calculation of Chi- Square (χ^2)

O	$E = \frac{RT \times CT}{N}$	O-E	$(O-E)^2$	$\frac{(O-E)^2}{E}$
18	18.46	-0.46	0.212	0.0114
11	10.54	0.46	0.212	0.0201
10	9.54	0.46	0.212	0.0222
5	5.46	-0.46	0.212	0.0388
$O \times 44$	$E \times 44$			$\frac{(O-E)^2}{E} \times 0.0925$

Source: Field Survey, 2010

Degree of freedom (d.f)

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

$$= (2-1) (2-1) = 1$$

Here,

Calculated value of Chi-Square (χ^2) = 0.0925, Where as tabulated value of Chi-Square (χ^2) at 0.05 confidence level for 1 degree freedom = 3.84.

Decision

Since calculated value of χ^2 (i.e. 0.0925) is less than tabulated value of χ^2 (i.e. 3.84) so alternative hypothesis (H_1) is rejected and hence null hypothesis (H_0) is accepted.

Therefore, it is concluded that there is no significant difference between male & female in deriving satisfaction from the use of Laptop.

4.6.2 Consumer's Satisfaction and Dissatisfaction against the use of Car

Amongst 100 respondents, there are 27 respondents who possess Car. Amongst them we have found that 20 of them are satisfied and 7 of them are dissatisfied from the application of product. Amongst satisfied respondents, we found that 16 of them are

male and 4 of them are female. Similarly amongst dissatisfied respondents, we have found that 6 of them are male and 1 is female.

Table 4.15

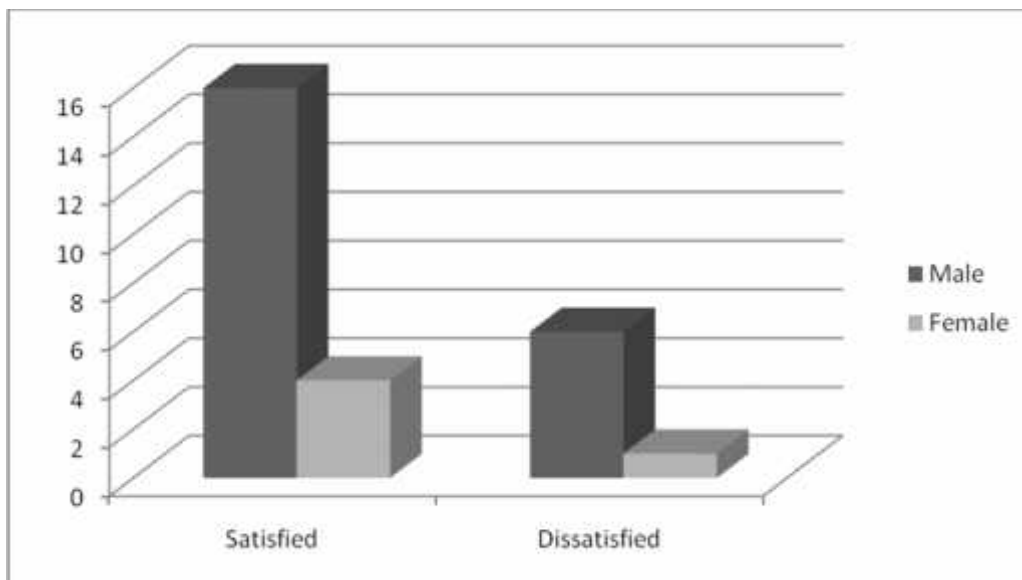
Consumer's Satisfaction and Dissatisfaction against the use of Car

Satisfaction	Male	Percentage	Female	Percentage	Total	%
Satisfied	16	73%	4	80%	20	74%
Dissatisfied	6	27%	1	20%	7	26%
Total	22	100%	5	100%	27	100%

Source: Field Survey, 2010

Figure 4.7

Consumer's Satisfaction and Dissatisfaction against the use of Car



Null Hypothesis (H₀)

There is no significant difference between male & female in deriving satisfaction from the use of Car.

Alternative Hypothesis (H₁)

There is significant difference between male & female in deriving satisfaction from the use of Car.

Test statistics under Ho is

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

Where,

O = Observed frequency

E = Expected frequency

$$E = \frac{RT \times CT}{N}$$

RT = Row Total

CT = Column Total

N = Total number of observation

Table 4.16
Calculation of Chi- Square (χ^2)

O	$E = \frac{RT \times CT}{N}$	O-E	$(O-E)^2$	$\frac{(O-E)^2}{E}$
16	16.30	-0.30	0.09	0.005
4	3.70	0.30	0.09	0.0243
6	5.70	0.30	0.09	0.0157
1	1.30	-0.30	0.09	0.0692
<i>O X27</i>	<i>E X27</i>			$\frac{(O-E)^2}{E} \times 0.1147$

Source: Field Survey, 2010

Degree of freedom (d.f)

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

$$= (2-1) (2-1) = 1$$

Here,

Calculated value of Chi-Square (χ^2) = 0.1147, Where as tabulated value of Chi-Square (χ^2) at 0.05 confidence level for 1 degree freedom = 3.84.

Decision

Since calculated value of \mathfrak{N} (i.e. 0.1147) is less than tabulated value of \mathfrak{N} (i.e. 3.84) so alternative hypothesis (H_1) is rejected and hence null hypothesis (H_0) is accepted.

Therefore, it is concluded that there is no significant difference between male & female in deriving satisfaction from the use of Car.

4.6.3 Consumer's Satisfaction and Dissatisfaction against the use of Washing Machine

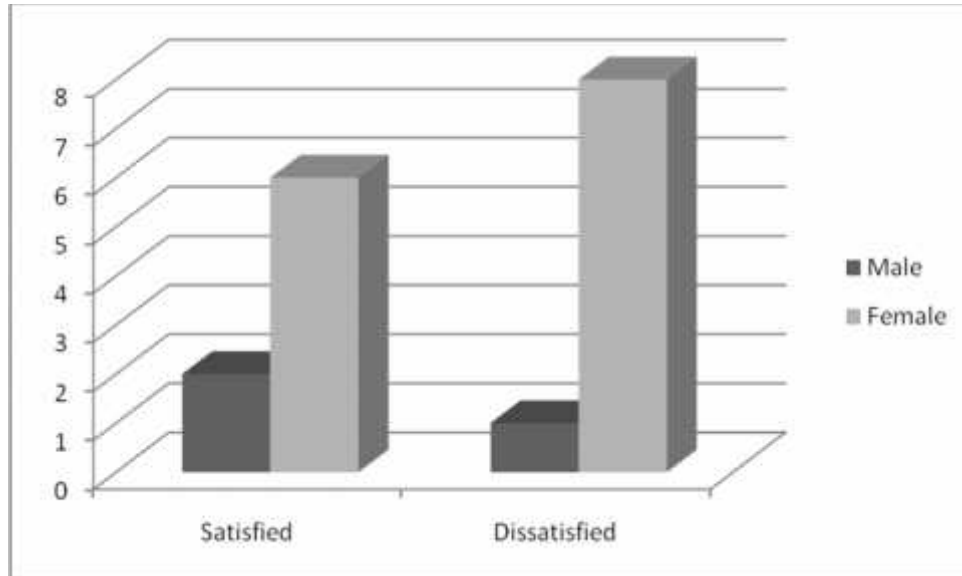
Amongst 100 respondents, there are 17 respondents who possess Washing Machine. Amongst them we have found that 8 of them are satisfied and 9 of them are dissatisfied from the application of product. Amongst satisfied respondents, we found that 2 of them are male and 6 of them are female. Similarly amongst dissatisfied respondents, we have found that 1 of them is male and 8 are female.

Table 4.17
Consumer's Satisfaction and Dissatisfaction against
the use of Washing Machine

Satisfaction	Male	Percentage	Female	Percentage	Total	%
Satisfied	2	67%	6	43%	8	47%
Dissatisfied	1	33%	8	57%	9	53%
Total	3	100%	14	100%	17	100%

Source: Field Survey, 2010

Figure 4.8
Consumer's Satisfaction and Dissatisfaction against
the use of Washing Machine



Null Hypothesis (H₀)

There is no significant difference between male & female in deriving satisfaction from the use of Washing Machine.

Alternative Hypothesis (H₁)

There is significant difference between male & female in deriving satisfaction from the use of Washing Machine.

Test statistics under Ho is

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

Where,

O = Observed frequency

E = Expected frequency

$$E = \frac{RT \times CT}{N}$$

RT = Row Total

CT = Column Total

N= Total number of observation

Table 4.18
Calculation of Chi- Square (χ^2)

O	$E = \frac{RT \times CT}{N}$	O-E	$(O-E)^2$	$\frac{(O-E)^2}{E}$
2	1.41	0.59	0.3481	0.2468
6	6.59	-0.59	0.3481	0.0528
1	1.59	-0.59	0.3481	0.2189
8	7.41	0.59	0.3481	0.0469
$O \times 18$	$E \times 18$			$\frac{(O-E)^2}{E} \times 0.5654$

Source: Field Survey, 2010

Degree of freedom (d.f)

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

$$= (2-1) (2-1) = 1$$

Here,

Calculated value of Chi-Square (χ^2) = 0.5654, Where as tabulated value of Chi-Square (χ^2) at 0.05 confidence level for 1 degree freedom = 3.84.

Decision

Since calculated value of χ^2 (i.e. 0.5654) is less than tabulated value of χ^2 (i.e. 3.84) so alternative hypothesis (H_1) is rejected and hence null hypothesis (H_0) is accepted.

Therefore, it is concluded that there is no significant difference between male & female in deriving satisfaction from the use of Washing Machine.

4.6.4 Consumer's Satisfaction and Dissatisfaction against the use of Air Conditioner

Amongst 100 respondents, there are 12 respondents who possess Air conditioner. Amongst them we have found that 7 of them are satisfied and 5 of them are

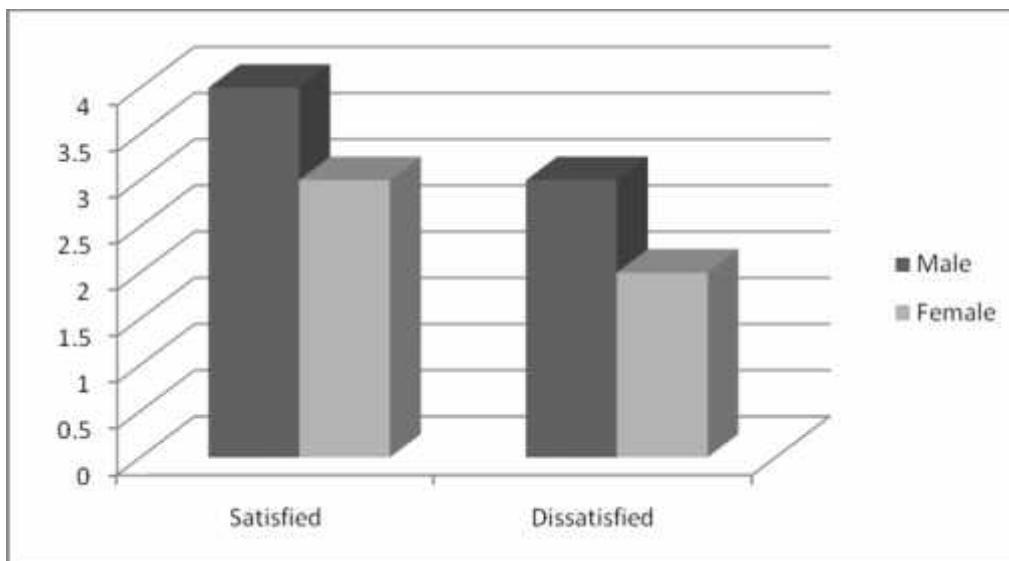
dissatisfied from the application of product. Amongst satisfied respondents, we found that 4 of them are male and 3 of them are female. Similarly amongst dissatisfied respondents, we have found that 3 of them are male and 2 are female.

Table 4.19
Consumer's Satisfaction and Dissatisfaction against
the use of Air Conditioner

Satisfaction	Male	Percentage	Female	Percentage	Total	%
Satisfied	4	57%	3	60%	7	58%
Dissatisfied	3	43%	2	40%	5	42%
Total	7	100%	5	100%	12	100%

Source: Field Survey, 2010

Figure 4.9
Consumer's Satisfaction and Dissatisfaction against
the use of Air Conditioner



Null Hypothesis (H₀)

There is no significant difference between male & female in deriving satisfaction from the use of Air conditioner.

Alternative Hypothesis (H₁)

There is significant difference between male & female in deriving satisfaction from the use of Air conditioner.

Test statistics under H₀ is

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

Where,

O = Observed frequency

E = Expected frequency

$$E = \frac{RT \times CT}{N}$$

RT = Row Total

CT = Column Total

N = Total number of observation

Table 4.20

Calculation of Chi- Square (χ^2)

O	$E = \frac{RT \times CT}{N}$	O-E	$(O-E)^2$	$\frac{(O-E)^2}{E}$
4	4.08	-0.08	0.0064	0.00156
3	2.92	0.08	0.0064	0.00219
3	2.92	0.08	0.0064	0.00219
2	2.08	-0.08	0.0064	0.00307
$\sum O$	$\sum E$			$\frac{(\sum O - \sum E)^2}{\sum E} = 0.00901$

Source: Field Survey, 2010

Degree of freedom (d.f)

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

$$= (2-1) (2-1) = 1$$

Here,

Calculated value of Chi-Square (χ^2) = 0.00901, Where as tabulated value of Chi-Square (χ^2) at 0.05 confidence level for 1 degree freedom = 3.84.

Decision

Since calculated value of χ^2 (i.e. 0.00901) is less than tabulated value of χ^2 (i.e. 3.84) so alternative hypothesis (H_1) is rejected and hence null hypothesis (H_0) is accepted.

Therefore, it is concluded that there is no significant difference between male & female in deriving satisfaction from the use of Air conditioner.

4.7 Relationship between Total Consumer Satisfied and Consumer Satisfaction against Performance and Durability aspects of Highly Durable Products

Research Question formulated for this study is, "If you are satisfied with the application of product, tick the major reason of satisfaction." There are three options available to respondents which are;

- a) Performance b) Durability and c) Other factors.

Therefore, we can categorize the reasons of respondent's satisfaction into three groups i.e., a) Performance b) Durability and c) Other factors. Out of 100 respondents altogether 64 are satisfied, 25 are satisfied due to performance, 22 are due to durability and 17 are due to other product attributes.

Table 4.21

Total Consumer Satisfied and Consumer Satisfaction against Performance and Durability aspects of Highly Durable Products

Durable Products	Total Satisfied Consumers	Satisfied due Performance	Satisfied due Durability	Satisfied due other factors
Laptop	29	12	8	9
Car	20	7	9	4
Washing Machine	8	4	2	2
Air Conditioner	7	2	3	2
Total	64	25	22	17

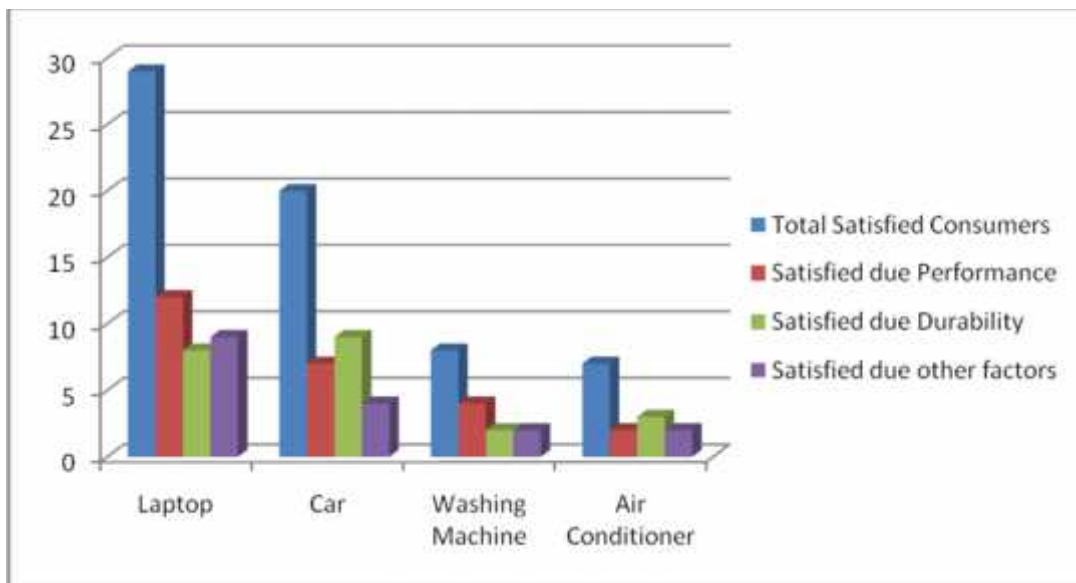
Source: Field Survey, 2010

Here, out of 100 respondents, 29 respondents are satisfied on Laptop.12 of them are satisfied due to good performance of Laptop and 8 of them are satisfied due to long durability of it after its application. And rests 9 are satisfied due to other good attributes of product which might be price, design, after sales service, warranty, exchange offers etc. On Car, I have found 20 respondents are satisfied.7 of them are due to good performance and 9 are due to its long durability.However,4 have expressed their satisfaction due to other good attributes of Product. Similarly, amongst respondents holding Washing Machine, I have found 8 respondents are satisfied.4 of

them are satisfied due to good performance and 2 of them are satisfied due to long durability and rest 2 are satisfied due to other good attributes of the product. Lastly, in the context of Air conditioner, I have found 7 consumers are satisfied, 2 of them are due to good performance, 3 of them are due to long durability and the rest 2 have expressed their satisfaction due to other product attributes.

Figure 4.10

Total Consumer Satisfied and Consumer Satisfaction against Performance and Durability aspects of Highly Durable Products



4.7.1 Partial Correlation Coefficient between Total Consumer satisfied and Consumer satisfaction due to Performance and Durability attributes of Highly Durable Products

I have found the correlation coefficient between total satisfied consumers and consumer satisfied due to performance as $Cor_{12} = 0.979$. Similarly, correlation coefficient between total satisfied consumers and consumer satisfied due durability is $Cor_{13} = 0.877$. In the like manner, I have found correlation coefficient between consumers satisfied due to performance and consumer satisfied due to durability attributes of product as $Cor_{23} = 0.774$. Partial correlation coefficient has been calculated using the following equation,

$$\begin{aligned}
r_{12.3} &= \frac{r_{12} - r_{13} \cdot r_{23}}{\sqrt{1 - r_{13}^2} \sqrt{1 - r_{23}^2}} \\
&= \frac{0.979 - 0.877 \times 0.774}{\sqrt{1 - (0.877)^2} \sqrt{1 - (0.774)^2}} \\
&= \mathbf{0.987}
\end{aligned}$$

Therefore, partial correlation coefficient between total satisfied consumers and consumer satisfied due to performance is $r_{12.3} = 0.987$. Similarly, coefficient of multiple determination between total satisfied consumers and Consumer satisfied due to performance is $r_{12.3}^2 = 0.974$. This shows that 97.40% change in the total consumer satisfied is effected by consumer's satisfaction due to performance attribute of highly durable products keeping constant the effect of other factors. Similarly, partial correlation coefficient between total number of satisfied consumers and consumer satisfied due to durability is calculated with the following equation,

$$\begin{aligned}
r_{13.2} &= \frac{r_{13} - r_{12} \cdot r_{23}}{\sqrt{1 - r_{12}^2} \sqrt{1 - r_{23}^2}} \\
&= \frac{0.877 - 0.979 \times 0.774}{\sqrt{1 - (0.979)^2} \sqrt{1 - (0.774)^2}} \\
&= \mathbf{0.922}
\end{aligned}$$

Thus, partial correlation coefficient between total Consumers satisfied and consumer satisfied due to durability is $r_{13.2} = 0.922$ keeping constant the effect of other factors. Coefficient of multiple determination between total satisfied consumers and consumer satisfied due to durability is $r_{13.2}^2 = 0.850$. This shows that 85% change in total number of consumers satisfied is effected by consumers satisfied due to long durability attributes of durable products keeping constant the effect of other factors.

4.7.2 Multiple Correlation Coefficient between Total Consumer Satisfied and Consumer Satisfaction due to Performance and Durability attributes of Durable Products

$$\begin{aligned}
R_{1.23} &= \sqrt{\frac{r_{12}^2 \Gamma r_{13}^2 Z 2 \cdot r_{12} \cdot r_{23} \cdot r_{13}}{1 Z r_{23}^2}} \\
&= \sqrt{\frac{(0.979)^2 \Gamma (0.877)^2 Z 2 \times 0.979 \times 0.774 \times 0.877}{1 Z (0.774)^2}} \\
&= 0.993
\end{aligned}$$

Multiple correlation coefficient between total satisfied consumers and consumer satisfied due to performance and durability attributes of durable products is $R_{1.23} = 0.993$. Coefficient of multiple determination between total consumer satisfied and consumer satisfied due to performance and durability is $R_{1.23}^2 = 0.986$. This shows that about 98.60% change in the total number of consumers satisfied is determined by no. of consumers satisfied due to good performance and durability of the products. Therefore, we can say that, consumer satisfactions on durable products are almost 98.60% influenced by performance and durability aspects of the highly durable products. Thus, if performance and durability are improved, than durable products can easily compete and get established in our market.

4.8 Relationship between Total Consumer Complaint and Consumer Complaints against inferior performance and durability aspects of the Highly Durable Products

Research Question formulated for this study is, "If you have complained after using the product, tick the reason of complaining". There are three options available to the respondents which are;

- a) Performance b) Durability and c) Other factors.

Therefore, we can categorize the reason of respondents complaints into three groups i.e., a.) Performance b.) Durability c.) Other factors. Out of 100 respondents altogether 29 have complained, 22 have complained due to performance and durability factors and the rest 7 have complained due to other factors.

Table 4.22

Total Consumer Complaint and Consumer Complaints against inferior performance and durability aspects of the Highly Durable Products

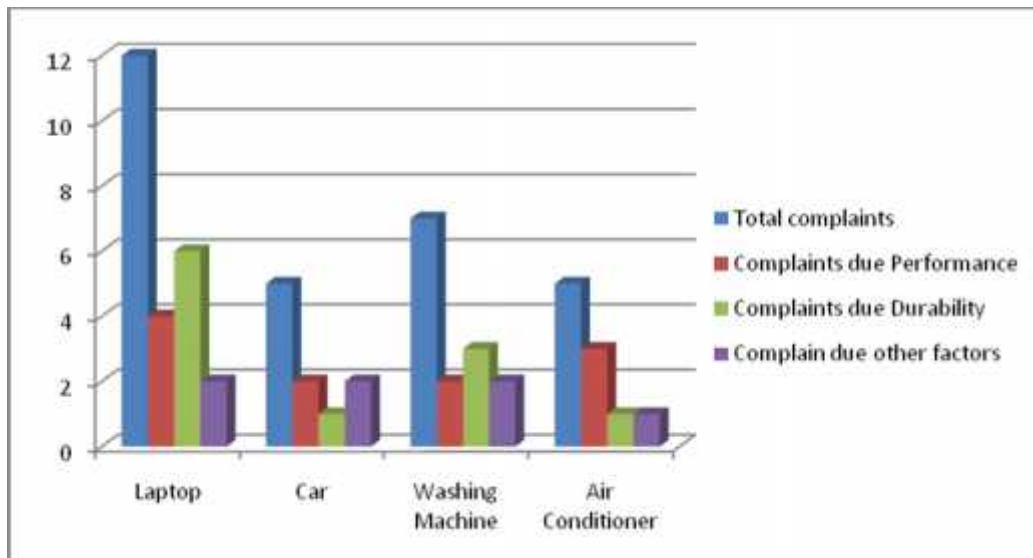
Durable Products	Total complaints	Complaints due Performance	Complaints due Durability	Complain due other factors
Laptop	12	4	6	2
Car	5	2	1	2
Washing Machine	7	2	3	2
Air Conditioner	5	3	1	1
Total	29	11	11	7

Source: Field Survey, 2010

Here, I have found that there are 12 respondents complaining against Laptop which includes 4 complaints against inferior performance, 6 complaints against short durability and 2 complaints against other product attributes which may comprise price, after sales service, design, warranty etc. In the same way, on car, I have found total 5 complainers, 2 are complaining against the performance, 1 is complaining against durability and the rest 2 are complaining against other factors. On Washing Machine, there are 7 complaints made by the respondents, out of which 2 are directed against poor performance, 3 are directed against short durability and the rest 2 are against other product attributes. Lastly, in the context of Air conditioner, I have found 5 respondents complaining, 3 are complaining against performance, 1 is complaining against durability and the rest 1 is complaining against other product attributes.

Figure 4.11

Total Consumer Complaint and Consumer Complaints against inferior performance and durability aspects of the Highly Durable Products



4.8.1 Partial correlation coefficient between Total Consumer Complaints and Consumer Complaints against performance and durability aspects of Highly Durable Products

To find out the relationship between performance and durability attributes of products against the complaining behavior of consumers in highly durable products, statistically I have found the Correlation coefficient between total complaints and complaint against the performance as $cor_{12} = 0.763$. Similarly, Correlation coefficient between total complaints and complaints on durability is $Cor_{13} = 0.992$. In the like manner, Correlation coefficient between complaints on performance and complaints on durability is $Cor_{23} = 0.699$. Calculation of partial correlation coefficient between total complaints and complaint against performance of products is,

$$\begin{aligned}
 r_{12.3} &= \frac{r_{12} - r_{13} \cdot r_{23}}{\sqrt{1 - r_{13}^2} \sqrt{1 - r_{23}^2}} \\
 &= \frac{0.763 - 0.992 \times 0.699}{\sqrt{1 - (0.992)^2} \sqrt{1 - (0.699)^2}} \\
 &= \mathbf{0.778}
 \end{aligned}$$

Therefore, partial correlation coefficient between total complaint and complaints on performance keeping constant the effect of other factors is $r_{12.3} = 0.778$. Similarly, coefficient of multiple determination between total complaint and complaint on performance is $r_{12.3}^2 = 0.605$. This shows that 60.5% change in the total complaint is affected by complaints on performance keeping constant the effect of other factors. Calculation of partial correlation coefficient between total complaints and complaint against the durability attributes of products is,

$$r_{13.2} = \frac{r_{13} - r_{12} \cdot r_{23}}{\sqrt{1 - r_{12}^2} \sqrt{1 - r_{23}^2}}$$

$$= \frac{0.992 - 0.763 \times 0.699}{\sqrt{1 - (0.763)^2} \sqrt{1 - (0.699)^2}}$$

$$= 0.996$$

Therefore, partial correlation coefficient between total complaint and complaints on durability is $r_{13.2} = 0.996$ keeping constant the effect of other factors. Coefficient of multiple determinations between total complaint and complaint on durability is $r_{13.2}^2 = 0.99$. This shows that 99% change in the total complaint is effected by complaints made on durability keeping constant the effect of other factors.

4.8.2 Multiple Correlation Coefficient between Total Consumer Complaints and Consumer Complaints against Performance and Durability attributes of Highly Durable Products

$$R_{1.23} = \sqrt{\frac{r_{12}^2 + r_{13}^2 - 2 \cdot r_{12} \cdot r_{23} \cdot r_{13}}{1 - r_{23}^2}}$$

$$= \sqrt{\frac{(0.763)^2 + (0.992)^2 - 2 \times 0.763 \times 0.699 \times 0.992}{1 - (0.699)^2}}$$

$$= 0.996$$

Multiple correlation coefficient between total complaint and complaints on performance and durability is $R_{1.23} = 0.996$. Coefficient of multiple determination

between total complaints and complaints on performance and durability is $R_{1.23}^2 = 99.20\%$. This shows that about 99.20% change in the total complaint in highly durable products is determined by complaints on performance and durability factors after the application of product by the consumers. This indicates that performance and durability attributes of product is significant to complaining behavior of consumers. Most of consumer's complaints associated with highly durable products are the result of weak performance and durability of products. Moreover, we can say that if performance and durability attributes of durable products could be improved then, complaints can be minimized remarkably.

4.9 Relationship between Total Consumer Dissatisfaction and Consumer Dissatisfaction against Performance and Durability attributes of Highly Durable Products

Research Question formulated for this study is, "If you are dissatisfied after using the product, tick the major reason of dissatisfaction." There are three options available to the respondents which are;

- a) Performance
- b) Durability and
- c) Other factors.

Therefore, we can categorize the reason of consumer dissatisfaction into three groups i.e., a.) Performance b.) Durability and c.) Other factors. Out of 100 respondents, 36 are dissatisfied, 14 are due to performance, 15 are due to durability and 7 are due to other factors.

Table 4.23

Total Consumer Dissatisfaction and Consumer Dissatisfaction against Performance and Durability attributes of Highly Durable Products

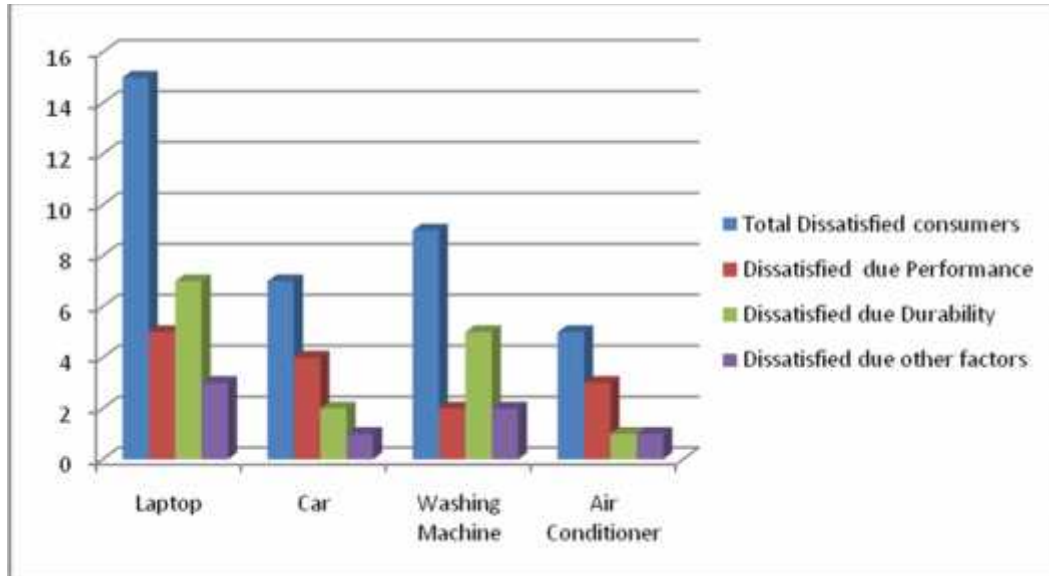
Durable Products	Total Dissatisfied consumers	Dissatisfied due Performance	Dissatisfied due Durability	Dissatisfied due other factors
Laptop	15	5	7	3
Car	7	4	2	1
Washing Machine	9	2	5	2
Air Conditioner	5	3	1	1
TOTAL	36	14	15	7

Source: Field Survey, 2010

Here, I have found that 15 consumers are dissatisfied against the Laptop. Amongst them, 5 have expressed their dissatisfaction against the performance, 7 have shown their dissatisfaction against durability and the rest 3 are dissatisfied due to other factors. On car, 7 have shown their dissatisfaction, 4 are dissatisfied due to inferior performance and 2 are dissatisfied due to short durability and 1 is dissatisfied due to other factors of the product. Similarly, on Washing Machine I have found that 9 consumers are dissatisfied, 2 are due to performance, 5 are due to short durability and the rest 2 are dissatisfied due to other product attributes. Lastly, in the context of Air conditioner, 5 are dissatisfied, 3 are dissatisfied due to performance factor, and 1 is dissatisfied for durability and 1 for other factors each.

Figure 4.12

Total Consumer Dissatisfaction and Consumer Dissatisfaction against Performance and Durability attributes of Highly Durable Products



4.9.1 Partial Correlation Coefficient between Total Consumer Dissatisfied and Consumer Dissatisfaction against Performance and Durability aspects of the Highly Durable Products

I have found the correlation coefficient between total consumers dissatisfied and consumers dissatisfaction against performance as $Cor_{12} = 0.597$. Similarly, Correlation coefficient between total consumer dissatisfied and consumers dissatisfaction against durability is $Cor_{13} = 0.952$. In the like manner, I have found Correlation Coefficient between consumers dissatisfied due to performance and dissatisfied due to durability as $Cor_{23} = 0.328$. Following equation has been used to ascertain partial correlation coefficient between total dissatisfied consumers and consumer dissatisfied due to performance of product

$$r_{12.3} = \frac{r_{12} - r_{13} \cdot r_{23}}{\sqrt{1 - r_{13}^2} \sqrt{1 - r_{23}^2}}$$

$$= \frac{0.597 - 0.952 \times 0.328}{\sqrt{1 - (0.952)^2} \sqrt{1 - (0.328)^2}}$$

$$= 0.986$$

Therefore, partial Correlation coefficient between total consumers dissatisfied and consumers dissatisfaction against performance is $r_{12,3} = 0.986$. Similarly, Coefficient of Multiple determination between total dissatisfied consumers and consumer dissatisfaction against performance is $r_{12,3}^2 = 0.972$. This shows that 97.20% change in the total number of consumer dissatisfaction is affected by consumer dissatisfaction against performance attribute of durable products keeping constant the effect of other factors. Partial correlation coefficient between total dissatisfied consumers and consumer dissatisfied due to durability of highly durable product is calculated with following equation,

$$r_{13,2} = \frac{r_{13} - r_{12} \cdot r_{23}}{\sqrt{1 - r_{12}^2} \sqrt{1 - r_{23}^2}}$$

$$= \frac{0.952 - 0.597 \times 0.328}{\sqrt{1 - (0.597)^2} \sqrt{1 - (0.328)^2}}$$

$$= 0.999$$

Partial Correlation coefficient between total consumers dissatisfied and consumer dissatisfaction due to durability is $r_{13,2} = 0.999$ keeping constant the effect of other factors. Coefficient of Multiple determination between total dissatisfied consumers and consumer's dissatisfaction due to durability is $r_{13,2}^2 = 0.998$. This shows that 99.8% change in total no. of dissatisfied consumers is effected by consumers dissatisfaction due to short durability of highly durable products keeping constant the effect of other factors.

4.9.2 Multiple Correlation Coefficient between Total Dissatisfied Consumers and Consumer Dissatisfaction against Performance and Durability attributes of Highly Durable Products

$$R_{1,23} = \sqrt{\frac{r_{12}^2 + r_{13}^2 - 2 \cdot r_{12} \cdot r_{23} \cdot r_{13}}{1 - r_{23}^2}}$$

$$= \sqrt{\frac{(0.597)^2 + (0.952)^2 - 2 \times 0.597 \times 0.328 \times 0.952}{1 - (0.328)^2}}$$

$$= 0.998$$

Therefore, multiple correlation coefficient between total dissatisfied consumers and consumer dissatisfied due to performance and durability attributes of product is $R_{1.23} = 0.998$. Coefficient of Multiple determination between total consumer dissatisfied and consumer dissatisfied due to durability and performance attributes of product is $R_{1.23}^2 = 0.996$. This shows that about 99.60% change in the total no. of consumers dissatisfied is determined by the no. of consumer dissatisfaction caused due to inferior performance and durability of products. Thus, we can conclude that if performance and durability aspects of products could be improved, we can immensely reduce the volume of dissatisfied consumers in the market.

4.10 Aspects Considered Important

Many questions were asked to the consumers to get the objective of the study. In this context, question no.9 asks about the importance that consumers give to a) Price b) Durability c) Design d) Performance and e) After Sales Service

The consumers surveyed for this study were given Likert scale to measure their degree of importance given to the different attributes of the products. Each scale included five points from 1 to 5. 5 was given for the maximum importance. Consumers were asked to mark tick on the point they think correct or appropriate. Different consumers ticked on different points from 1 to 5. We have calculated means of consumers responses concerning to the importance of different attributes.

Table 4.24
Importance of Attributes

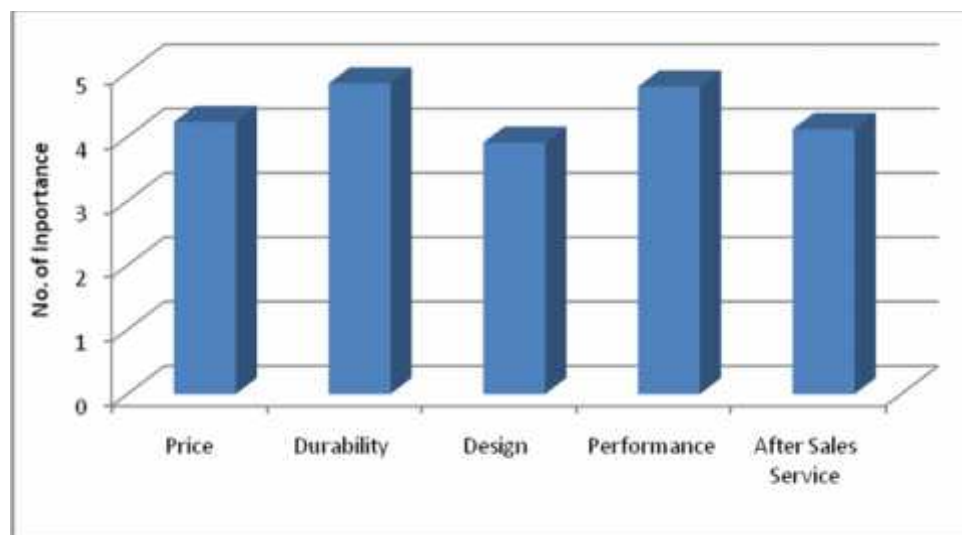
Attributes	Means of Importance
Price	4.23
Durability	4.83
Design	3.91
Performance	4.78
After Sales Service	4.12

Source: Field Survey, 2010

Table 4.24 reveals that consumers give maximum importance to the Durability of the product. The highest mean (4.83) which is very close to the maximum important point i.e. 5

obviously indicates that to what extent of time the product is durable or how many years does a product function is the most concern issue of consumers rather than any other attributes. Similarly, second highest position is held by Performance from the importance point of view. Mean 4.78, which is very close to the Durability, informs that consumers give most importance to the Performance of the product immediately after the Durability. The general perception of people that price plays the most important role in the market place remains no longer true in our study. This study has shown that price holds the third position from the consumers' importance point of view. Scoring 4.23 mean value, price ensures its position after Durability and Performance of the product. With mean 4.12 After sales service got the second last position from the importance point of view still it is more important than design. Because design has the smallest mean which is 3.91 i.e. consumers give the least importance to the design of the product. Though, the comparative description is presented above but except design all other attributes are important from consumers' perception because all other attribute have more than 4 mean values which is very close to the maximum importance point i.e. 5.

Figure 4.13
Importance of Attributes



4.11 Satisfaction with Various Aspects of the Product

The tenth question formulated for the study is "To what extent are you satisfied with

- a) price
- b) durability
- c) design
- d) performance and
- e) after sales service of the product

This question is related to the question No. 9. Question no.9 asks about the importance given to the price, durability, design, performance and after sales service. In connection to that question, it asks about the satisfaction level that consumers obtained from the same attributes (i.e. price, durability, design, performance and after sales service). In this way, it finds out the gap realized between the importance given and satisfaction achieved from those attributes.

This question had Likert Scales from 1 to 5 (1 minimum satisfaction level – 5 maximum satisfaction level). To show the satisfaction level that consumers obtained from different attributes, mean values is calculated and shown in the table no.4.25.

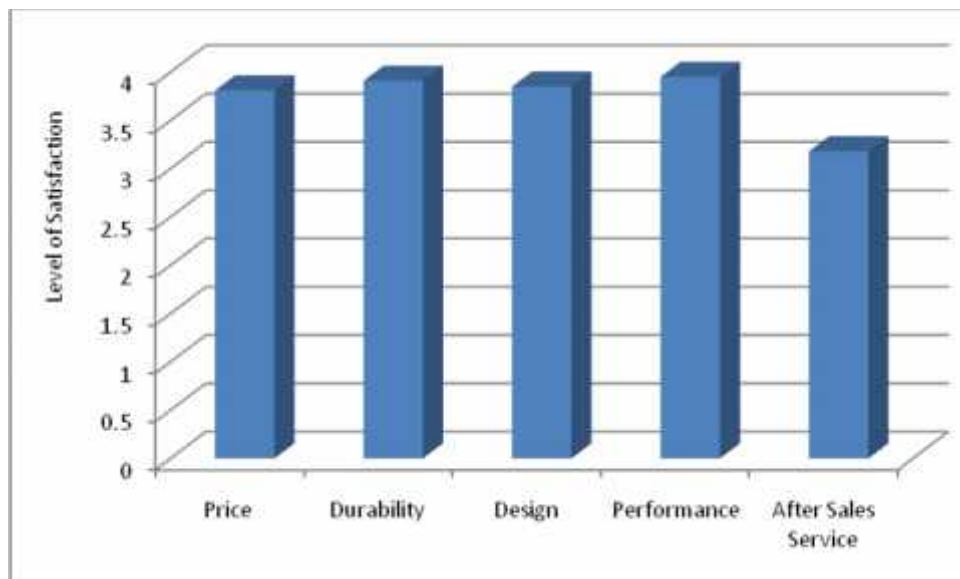
Table 4.25
Satisfaction level of Attributes

Attributes	Means of Satisfaction
Price	3.81
Durability	3.91
Design	3.85
Performance	3.95
After Sales Service	3.18

Source: Field Survey, 2010

Consumers' satisfaction level can be presented in the following bar diagram more clearly.

Figure 4.14
Satisfaction Level of Attributes



From the above table any one can easily find out that consumers are more satisfied with the Performance of the product than other attributes. Performance has 3.95 mean value to hold the first position from the point of view of satisfaction level. Immediately after performance durability holds the second highest position of satisfaction level by scoring 3.91 mean value. It means after performance consumers are more satisfied with the durability of the product. Design has 3.85 mean values, which shows its third position of satisfaction level. In Price, mean value is 3.81 which indicate its fourth position of satisfaction level after design. Holding 3.18 mean value after sales service occupies the last position. Therefore, consumers are more dissatisfied in after sales service than in any other attributes.

Mean value of price, durability, design and performance are closer to the point 4. Thus, it seems that consumers are a bit satisfied with price, durability, design and performance of the product. However, they are not as satisfied as they give importance to these attributes. Except design they give more importance to all other remaining aspects (more than 4 mean values) where as none of the aspects from satisfaction point of view scores more than 4 mean values. So still there is gap between required and acquired level of satisfaction in all aspects. In case of design the importance given to it is Mean 3.91 but satisfaction obtained is Mean 3.85. This shows that there is no much difference between importance given and satisfaction derived on the part of design. From this we can argue that design is the least important part of product from consumer's side in comparison to performance, durability, price and after sales service. Comparison of importance and satisfaction can be together presented in the table below: -

Table 4.26

Comparison of importance and satisfaction level

Attributes	Mean of satisfaction realized	Means of importance given	Difference
Price	3.81	4.23	-0.42
Durability	3.91	4.83	-0.92
Design	3.85	3.91	-0.06

Performance	3.95	4.78	-0.83
After sales service	3.18	4.12	-0.94

Source: Field Survey, 2010

From this table we can easily see the mean values of different attributes in two categories (i.e. importance given and satisfaction realized). All means of importance are greater than the means of satisfaction. Similarly, means of importance are closer to the maximum important point i.e. 5 than the means of satisfaction. All mean values (except design) are above 4 in case of importance given where as none of the means are above 4 in satisfaction level realized. It shows that consumers give more importance to all aspects but in the same way they cannot realize the satisfaction level from those aspects.

From the above table it is seen that Durability got the highest importance level i.e, 4.83 which is more close to the maximum importance point i.e. 5 where as satisfaction realized level is the second highest point in Durability so there is the reasonable gap between importance given to the durability and the satisfaction obtained from it. Consumers give more importance to Durability but they do not get much satisfaction as their expectations. Performance has 4.78 mean value which is also too close to the maximum importance point(5) but the satisfaction realized from the Performance has only 3.95 mean value which is not as close as the importance level. Consumers give more importance to the Performance but get less satisfaction from it. Incase of design consumers get satisfaction close to their expectations but still it is not more close to the maximum level. Price has also clear distinction between required and acquired level. Acquired level (3.81) is less than required level (4.23). After sales service has 4.12 mean value from the importance point of view in contrast to 3.18 mean value from the satisfaction point of view. In this way a difference is realized between the expected and the achieved level of after sales service.

4.12 Complaint Behavior of Consumers

Eleventh question is being asked which needs information about the complaint behavior of the consumers. Whenever consumers' feel dissatisfaction they may complain against the product/service they get. But it is not necessary that all dissatisfied consumer will complain. I have found that, amongst the dissatisfied consumers few do not complain. Among total 36 dissatisfied consumers, only 29 have complained against the product. Remaining 7 respondents did not make any complaints against the product in spite of their dissatisfaction.

Only 29 percent respondents complain about the product remaining 71 percent never complained. It shows the low complaining habit of Nepalese consumers. Even those who complained also used only two options either (a) Tell to other about dissatisfaction or (b) Ask compensation from the seller. No one used legal action and public media. Some 41 percent complainers told to others about dissatisfaction and 59 percent ask compensation from the seller.

Table 4.27

Nature of Consumers towards Complaint Behavior

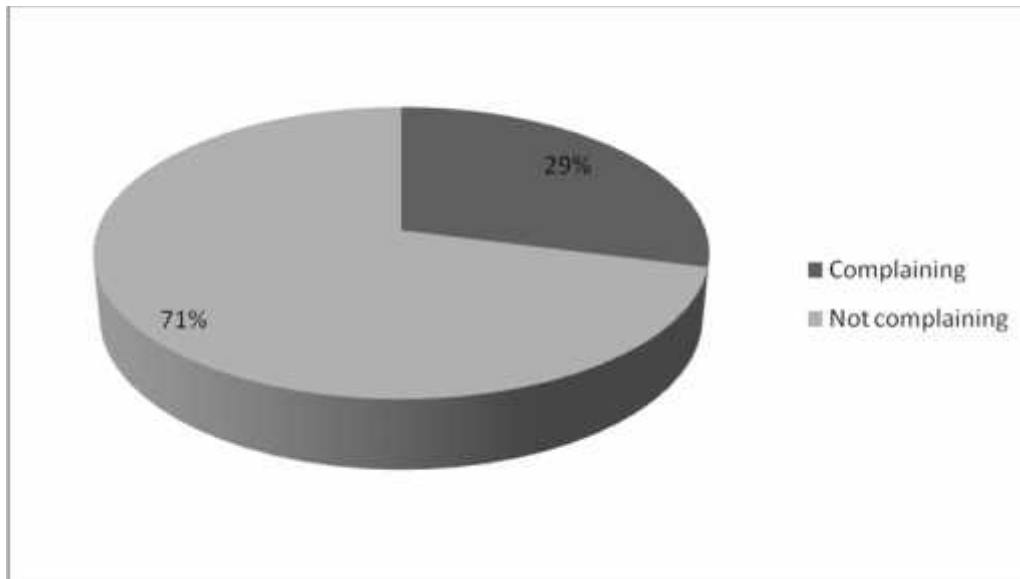
Types of consumers	Number of consumers	Percentage
Complaining	29	29
Not complaining	71	71
Total	100	100

Source: Field Survey, 2010

The table value can be presented in the following pie chart to make it more understandable.

Figure 4.15

Nature of Consumers towards Complaint Behavior



4.13 Compensation from the Company

Out of the total compensation seekers 82 percent got it but remaining 18 percent did not get any compensation. Those who got compensation was only warranty compensation. Monetary, guarantee and social compensation were not entertained to the Nepalese consumers. Neither Nepalese consumers have habit to go to public media nor they take legal action to get compensated against their complaints and dissatisfaction.

What is the complaint behavior of Nepalese consumer? What percentages of consumers do seek for compensation? How do sellers compensate them? The answer to these questions can be presented in the following tables.

Table 4.28

Consumers' Complaints to the Product

Types of complaints made	Number of consumer	Percentage
Tell to the other about dissatisfaction	12	41
Ask compensation from the seller	17	59
Take legal Action	-	
Go to Public Media	-	
Total	29	100

Source: Field Survey, 2010

Table 4.29
Compensation Seekers and Compensation

Consumer	Number of Consumers	Percentage
Compensated	14	82
Not Compensated	3	18
Total	17	100

Source: Field Survey, 2010

Figure 4.16
Compensated and Not Compensated Complaints

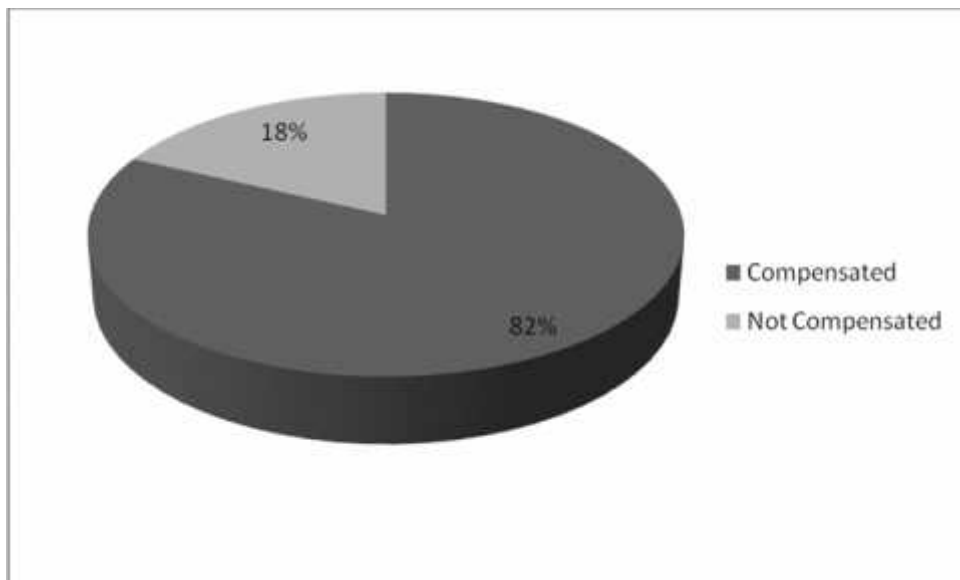


Table 4.30
Compensation Recovered by the Compensated Consumers

Types of compensation	Number of consumer	Percentage
Monetary compensation	-	-
Guarantee compensation	-	-
Warranty compensation	14	100
Social compensation	-	-
Total	14	100

Source: Field Survey, 2010

Here, one must not be confused in the above mentioned term monetary, guarantee, warranty and social compensations. Monetary compensation refers to any part or full

amount of cash payment returned to the buyer by the seller in case of default found in the product. Here, on the basis of injustice occurred to buyer a sum of money is paid back to the consumer. Guarantee compensation ensures the buyer that if any default is found in the product then it will be exchanged to the better one with free of cost. In this case, buyer feels safe because he/she can immediately change the product with another if any weakness is found in it. Warranty compensation does not change the product but it only changes the part of product which does not work smoothly. So, here only parts are either changed or repaired without any payment. Social compensation indicates any excuse, apology, sorry or regret that company or seller asks to the buyer whenever consumer gets offset because of the defaulted product. Here, the company (or seller) apologizes through the public media or any other sources where ordinary people have easy access.

4.14 Respondents' Suggestions to the Company

“What is your suggestion to the company?” this is the last question formulated for this study. Some respondents have given no suggestion to the company. Some have presented more than one suggestions. Those who gave suggestion are also mainly concentrated on the quality, durability, good performance as well as originality of the product.

The suggestions presented by the consumers to the different products are summarized below product wise.

(A) Laptop

Laptop is one among four products of our study. Laptop owners have presented many suggestions to the company (or seller), which are pointed as follows:

-) Improve quality, durability and design of the product.
-) Use original spare parts of same brand rather than using different brands.
-) Promise what you can deliver specialty in case of after sales service, originality of spare parts and timely delivery.
-) Change tiny spare parts without charging extra money from the buyer.
-) Keep as many programs as possible while selling the product.

-) While selling through installment basis many obstructions emerge out so try to minimize such hurdles.
-) Make after sales service available throughout the country no matter wherever be the purchasing point.
-) Improvise bags, carrier and charger for comfort use.
-) Free Antivirus program should be given.
-) Guarantee in the battery must be provided.
-) Original Windows vista should be installed.
-) Battery life has to be longer.
-) Laptop must possess smooth and silk design.
-) Performance of laptops must be faster.
-) Laptops must be durable.

(B) Air Conditioners

Air conditioner is the second product under our study. As in Laptop we got many suggestions in Air conditioner too. Some of the very realistic ones are as follows:

-) Produce advance quality of Air conditioners along with the attractive model.
-) Make after sales service available at user's home.
-) Use original spare and parts of same brand rather than using different brands.
-) Auto function should be introduced so that A/C can change the temperature of rooms according to the increase and decrease in temperatures in outside environment.
-) Keep as many programs as possible while selling the product
-) Promise what you can perform in case of quality, durability, warranty and guarantee too.
-) One time free gas installation should be provided.
-) Nepali letters should be introduced in Remote.
-) Easy notation and functions should be installed in the A/C and Remote.
-) Hang up problem should not occur i.e. AC should continuously run.
-) Cheap with extra performance will be our attractive point.

-)] Responsibility towards customer should be seriously implemented without cheating them.
-)] Air Conditioners must be environment friendly with Zero Ozone Depletion.
-)] Air Conditioner must save the powers with better performance.
-)] It must possess good warranty to consumers.
-)] Its spare parts must be easily available with cheaper prices.
-)] It should be delivered on time in case of purchase by consumers.

(C) Washing machine

Washing machine is also the product of our study area for which we have many suggestions from respondents. Some of the important suggestions are as follows:

-)] Catalogues and buttons in Washing machine must be easily understandable by commoners.
-)] After sales service at home must be provided in time.
-)] Performance, Quality, durability and design should be superior one.
-)] Washing machine should be started in one touch.
-)] Use original spare parts to earn the good will among the potential customers too.
-)] Exchange offers should be included so that buyer can entertain such facility.
-)] Expand the warranty time period.
-)] Free detergent must be provided for some time.
-)] Offer some gift hampers.
-)] It must save power.
-)] It must be delivered on time.
-)] It must possess quality of consuming less water.
-)] It's spare parts must be easily available in the market.
-)] It must possess free servicing facility.
-)] It must be cheaper as other household products so that commoners also could get benefited from it.
-)] It must be durable for a long period of time.

(D) Car

It is the last product of our study. It has also some useful suggestions that can be presented as:

-) Quality, durability and performance should be ensured.
-) Easy financing system must be introduced rather than following lengthy and boring way, so that commoners may also install the product.
-) While selling the product seller should disclose the different characteristics of various brands to the customers.
-) Free test drive must be provided to the customers.
-) After sales service should be reliable.
-) A/C, Music system, air bag and central heating system should be installed.
-) It should be cheaper and affordable even to lower middle class families.
-) Use original spare parts to earn the goodwill among the potential customers too.
-) Exchange offers should be included so that buyer can entertain such facility.
-) Some gift hampers must be provided to the customers while buying the Car.
-) Price must be cheaper with much specification comparative to others.
-) It must give more mileage.
-) Spare parts of Car must be readily available and their prices must be cheaper.
-) Cars must possess high resale value.
-) Free servicing facility must be extended.

4.15 Major Findings

The major findings of the data presentation and analysis made in this chapter are listed below:-

1. Male and female do not differ in terms of their expectation formation. Both have extremely similar kind of expectation from the product before purchase.
2. Satisfaction/dissatisfaction does not get affected through sex, income group, age category and marital status & better- educated people do complain more than uneducated ones.

3. There is no significant difference in complaining against the performance of product between male and female. Both male and female have extremely similar kind of complaining behavior against the performance of durable products.
4. There is no significant difference between male and female in getting satisfied and dissatisfied against the application of product. Both have extremely similar kind of behavior in getting satisfied and dissatisfied against the performance of product after their use.
5. About 97.40% change in the Total volume of Consumer Satisfaction is effected by the number of consumer satisfied due to Performance aspect of the highly durable products in Kathmandu valley.
6. About 85% change in the Total volume of Consumer satisfaction is effected by the number of consumer satisfied due to durability aspect of the highly durable products in Kathmandu valley.
7. The Total volume of Consumer satisfied is influenced to the extent of 98.60% by the performance and durability attributes of the highly durable products. Hence, we can say that if performance and durability could be improved ratio of satisfied consumers can be increased immensely.
8. About 60.5% change in the Total number of Consumer complaint is determined by the no. of consumer complaint against performance attributes of the highly durable products in Kathmandu valley.
9. About 99% change in the Total volume of Consumer complaint is determined by the volume of consumer complaint against durability aspects of the highly durable products in Kathmandu valley.
10. Combined effect of complaints on performance and durability is 99.20% to the total no. of consumer complaints in highly durable products. Thus, we can say that, if performance and durability are improved, then there would be immense declination in the rate of consumer complaints in durable product in our market.
11. Total Consumer dissatisfaction is effected to the extent of 97.20% by the volume of consumer dissatisfied due to performance attributes of highly durable products in Kathmandu valley.

12. Total Consumer dissatisfaction is effected to the extent of 99.8% by the volume of consumer dissatisfied due to durability aspects of highly durable products in Kathmandu valley.
13. Lastly, I have found that almost 99.60% change in the number of consumer dissatisfactions are the results of performance and durability attributes of the highly durable products in Kathmandu valley. Therefore, rate of dissatisfied consumers can be brought down by improving the performance and durability aspects of the durable products.
14. Majority of the consumers think durability as the most important part of the product. Mean 4.83 reveals the same fact.
15. Performance is the second most important aspect of the product with mean 4.78, only then; price comes in their priority subsequently.
16. Most of the consumers are found indifferent towards the design of the product where as after sales service is found to be inadequate and even absent in some cases.
17. It is found that none of the consumers are fully satisfied with all aspects of the product; of course, some are satisfied to the large extent with one or two aspects.
18. As compared to the other aspects Nepalese consumers are more satisfied with the performance of the product. Mean 3.95 indicates the same meaning.
19. Durability is found to take second position in satisfaction level with mean 3.91 as compared to the all aspects of the product.
20. It is also found that after sales service of product has the largest gap (i.e,-0.94) between the expected and the actual level of service.
21. Only one third of consumers are found to complain against the product. Remaining two third are found to maintain their silence irrespective of their satisfaction & dissatisfaction from the use of product.
22. Majority of the compensation seekers are found to be compensated through warranty compensation. Monetary, Guarantee and Social compensation are not entertained.
23. Some 18 percent compensation seekers got nothing regardless of their voice.

24. Among four products, none of product sellers are found to offer either monetary or guarantee or social compensation.
25. Almost all of the consumers are found to emphasize on durability, performance, price, quality and after sales service of the product.
26. Most of the consumers are found to be quite dissatisfied with the after sales service and the behavior of the seller after purchase.
27. False promise is found to be quite irritating to the consumers.
28. Clarity, originality and the true commitment are found to be the consumer's desires and expectations from the sellers.

CHAPTER - V

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

Modern facilities are becoming more accessible day by day to the ordinary people of our country. Some years ago Car was the product associated with the affluent group of the society. Washing machine was used to appear in only some houses of the society. So was the case of A/C and Laptop too. But now the time has changed. We can see Car, Laptop, A/C and Washing machine users gradually increasing with the rapid urbanization of our country. At least one product among those can easily be found out in each and every house of the city. Even in villages these products have started appearing gradually. These four products are found with different brands in the market. There are many users of such products in our urban society. There is one proverb, "It is better to satisfy one consumer rather than attracting ten potential customers." So every organization has to satisfy its customers to achieve its goals, those who satisfy the consumers can expand their market share and hence be in profit.

As it is commonly accepted that without winning the heart of consumer, no business can go far. Therefore, the main objective of this study is to find the satisfaction, dissatisfaction and complaint behavior of Nepalese consumers. Besides the main objective, attempts have been made to know consumer's expectations, their interest and their own needs associated with these products. What is their satisfaction/dissatisfaction level? If they are dissatisfied, did they make any effort to compensate themselves through complaint behavior or not and what are the reasons behind their satisfaction, dissatisfaction and complaints. This study is mainly concentrated on these very aspects of consumers.

This study is based on scientific method of research. All the Nepalese consumers inside Kathmandu valley who have at least one product among Laptop, Air conditioners, Car, and Washing Machine are considered population of the study. A sample of 100 consumers is taken out from the population on the basis of judgmental

sampling. For the collection of data, requires for the study, a well structured questionnaire as the main instrument is prepared. Altogether 100 questionnaires were distributed across the Kathmandu valley and all of them were collected.

The data and information collected by means of the questionnaires are presented, interpreted and analyzed so as to attain the stated objectives of the study. In this way the interpretation and analysis of the data and information collected from the consumers enables to find the very feeling of the consumers towards the products. It helps to unveil the hidden aspects of consumers. In the due course of our attempt some important views have come to know. As it is found that Nepalese consumers are a bit satisfied with the performance and the durability of the product they had. Less than this they are satisfied with the design and price of the product where as after sales service remains dissatisfied aspect of their products as compared to others. Similarly a gap is realized between expectation and actual performance of the product. Actual performance is found lesser than expected performance in almost all the attributes of durable products. Male and female do not differ in terms of their expectations, deriving satisfaction and dissatisfaction and complaining against the durable products. Similarly marital status, age, income group and profession do not distinguish in terms of satisfaction and dissatisfaction. It is also found that performance and durability attributes of the durable products have strong influence upon consumer's satisfaction, dissatisfaction and complaining behaviors than any other attributes of the product. Educated people more complain than uneducated ones. In spite of the dissatisfaction from the product all the dissatisfied consumers do not complain against the product. A small numbers of consumers complain against the product. Those who complain and seek compensation get only warranty compensation. Nepalese consumers are still far from the reach of monetary, guarantee and social compensation.

5.2 Conclusion

As per the evaluation, interpretation and findings of the research the following conclusion has been derived from this study.

Every consumer has certain prior expectations while buying any products or services. If these prior expectations match with the performance then they get satisfaction while mismatch of the expectation with performance make them dissatisfied. Consumers mainly see on the performance and durability aspects of the products rather than looking on any other sides. In this way performance and durability becomes the most concern issue of consumers in the products. Price and design of the product also attract consumer attention while buying the product.

Consumers respect the true promise made by the sellers where as false promise not only dissatisfies them but also irritate. Consumers still smell a rat over aspects like after sales service, warranty and guarantee of the products. Sellers are not yet become alert about such matters so they are still engaged in making false promises. Not promising is far better than making false promise. Though, it is quite difficult to give full satisfaction to the consumers but sellers' honest and polite behavior can, of course, help to decrease the dissatisfaction level of the consumers.

Satisfaction/dissatisfaction is caused by the comparison made between expectation and performance of the product and effectiveness of various products attributes like performance, durability, design, price and after sales service but not the factors like income, age, education and sex etc. Performance and durability attributes of the durable products plays significant role in determining consumers satisfaction, dissatisfaction and complaining behavior against the durable products. Clarity in saying, originality of the spare parts and true commitments are the very things which consumers want from the sellers and of course, that ensure the satisfaction to the large extent. Education and status do not claim satisfaction but can invite some complaints over the products a bit easily than the uneducated consumers.

5.3 Recommendations

Consumer is the king. This is the philosophy of modern business. Consumers are the sovereign power of the modern marketing world. Success and failure of every business is totally dependent on consumers' response. Every successful product in this

world is an embodiment of the consumers' needs, wants, prestige preference, satisfaction, aspiration and mental horizon. Hence, understanding the consumers' needs, wants, satisfaction, preference, aspiration and mental horizon is the key to success today. So some of the recommendations that will be useful to the marketers as well as producers of the products are presented as follows: -

1. Special attention should be given to the performance and durability of the product.
2. Promise should be performed specially in case of after sales service warranty and other facilities.
3. Clarity of commitment, originality of spare parts and performance of true promise must be ensured to the consumer so that they will be aware of the things.
4. Markets should try to disseminate as more information's as possible. While selling the product they should disclose the distinguished characteristics of brands available in the market.
5. While selling any products either through installment or through financing, process wise hurdles should be eliminated to facilitate the consumers' transaction.
6. Rather than sustaining the consumer only in warranty compensation marketers should start providing monetary, guarantee as well as social compensation as per the requirements of the consumers.
7. Consumers are frustrated by the indifferent feelings of sellers after sales. So they should respect consumers feeling even long after the sale of the product.
8. Air conditioners and Washing machine are difficult to carry here and there so after sales service should be provided at home if possible.
9. Tiny spare parts should be changed with free of cost to win the heart of the consumers.
10. Seller should provide easily understandable menu, continuous guidelines and information to the users so that no difficulty will lie with the operation of the product.
11. A product bought inside Nepal should be provided after sales service through out the country wherever be the point of purchase.

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ANNEXURE

Annex - 1

Correlation coefficient between Total satisfied consumers and consumers satisfaction due to performance and durability attributes of products

Durable Products	Total Satisfied Consumers (X ₁)	Satisfied Consumers due provenance (X ₂)	Satisfied Consumers due durability (x ₃)
Laptop	29	12	8
Car	20	7	9
Washing Machine	8	4	2
A/C	7	2	3
	∑x ₁ = 64	∑x ₂ = 25	∑x ₃ = 22

$$\bar{X}_1 = \frac{\sum x_1}{n} = \frac{64}{4} = 16$$

$$\bar{X}_2 = \frac{\sum x_2}{n} = \frac{25}{4} = 6.25$$

$$\bar{X}_3 = \frac{\sum x_3}{n} = \frac{22}{4} = 5.5$$

$\frac{\sum x_1}{n}$	$\frac{\sum x_2}{n}$	$\frac{\sum x_3}{n}$	$\sum x_1 \cdot x_2$	$\sum x_2 \cdot x_3$	$\sum x_1 \cdot x_3$	$\sum x_1^2$	$\sum x_2^2$	$\sum x_3^2$
13	5.75	2.5	74.75	14.375	32.5	169	33.0625	6.25
4	0.75	3.5	3	2.625	14	16	0.5625	12.25
-8	-2.25	-3.5	18	7.875	28	64	5.0625	12.25
-9	-4.25	-2.5	38.25	10.625	22.5	81	18.0625	6.25
			$\sum x_1 \cdot x_2 = 134$	$\sum x_2 \cdot x_3 = 35.5$	$\sum x_1 \cdot x_3 = 97$	$\sum x_1^2 = 330$	$\sum x_2^2 = 56.75$	$\sum x_3^2 = 37$

$$r_{12} = \frac{\sum x_1 \cdot x_2}{\sqrt{\sum x_1^2} \sqrt{\sum x_2^2}} = \frac{134}{\sqrt{330} \sqrt{56.75}} = \frac{134}{18.16 \times 7.53}$$

$$= \frac{134}{136.50} = 0.979$$

Therefore, Correlation Coefficient between Total Satisfied Consumers and Consumers Satisfaction due to Performance attribute of durable products is $Cor_{12}=0.979$.

$$r_{23} = \frac{\phi_{X_2 \cdot X_3}}{\sqrt{\phi_{X_2}^2} \sqrt{\phi_{X_3}^2}} = \frac{35.5}{\sqrt{56.75} \sqrt{37}} = \frac{35.5}{7.53 \times 6.08}$$

$$= \frac{35.5}{45.803} = 0.774$$

Therefore, Correlation Coefficient between Consumers Satisfaction due to Performance and Consumers Satisfaction due to Durability attribute of durable products is $Cor_{23}=0.774$.

$$r_{13} = \frac{\phi_{X_1 \cdot X_3}}{\sqrt{\phi_{X_1}^2} \sqrt{\phi_{X_3}^2}} = \frac{97}{\sqrt{330} \sqrt{37}} = \frac{97}{18.16 \times 6.082}$$

$$= \frac{97}{110.493} = 0.877$$

Therefore, Correlation Coefficient between Total Satisfied Consumers and Consumers Satisfaction due to Durability attribute of durable products is $Cor_{13}=0.877$.

Correlation coefficient between Total Consumers Complaints and Consumer Complaints against Performance and Durability attributes of Products.

Durable Products	Total Complaints (X_1)	Consumers due provenance (X_2)	Complaints due durability (x_3)
Laptop	12	4	6
Car	5	2	1
Washing Machine	7	2	3
A/C	5	3	1
	$\phi_{X_1} = 29$	$\phi_{X_2} = 11$	$\phi_{X_3} = 11$

$$\bar{X}_1 = \frac{\phi_{X_1}}{4} = \frac{29}{4} = 7.25$$

$$\bar{X}_2 = \frac{\phi_{X_2}}{4} = \frac{11}{4} = 2.75$$

$$\bar{X}_3 = \frac{\phi_{X_3}}{4} = \frac{11}{4} = 2.75$$

$\frac{x_1 - \bar{x}_1}{s_1}$	$\frac{x_2 - \bar{x}_2}{s_2}$	$\frac{x_3 - \bar{x}_3}{s_3}$	$x_1 \cdot x_2$	$x_2 \cdot x_3$	$x_1 \cdot x_3$	$\sum \frac{x_1^2}{s_1^2}$	$\sum \frac{x_2^2}{s_2^2}$	$\sum \frac{x_3^2}{s_3^2}$
4.750	1.250	3.250	5.938	4.063	15.438	22.563	1.563	10.563
-2.250	-0.750	-1.750	1.688	1.313	3.938	5.063	0.563	3.063
-0.250	-0.750	0.250	0.188	-0.188	-0.063	0.063	0.563	0.063
-2.250	0.250	-1.750	-0.563	-0.438	3.938	5.063	0.063	3.063
			$\sum \frac{x_1 \cdot x_2}{s_1 \cdot s_2} =$	$\sum \frac{x_2 \cdot x_3}{s_2 \cdot s_3} =$	$\sum \frac{x_1 \cdot x_3}{s_1 \cdot s_3} =$	$\phi_{x_1}^2 =$	$\phi_{x_2}^2 =$	$\phi_{x_3}^2 =$
			7.251	4.750	23.251	32.752	2.752	16.752

$$r_{12} = \frac{\phi_{x_1 \cdot x_2}}{\sqrt{\phi_{x_1}^2} \sqrt{\phi_{x_2}^2}} = \frac{7.251}{\sqrt{32.752} \sqrt{2.752}} = \frac{7.251}{5.7229 \times 1.6589}$$

$$= \frac{7.251}{9.424} = 0.763$$

Therefore, Correlation Coefficient between Total Consumers Complaints and Consumers Complaints against Performance attribute of durable products is $Cor_{12}=0.763$.

$$r_{23} = \frac{\phi_{x_2 \cdot x_3}}{\sqrt{\phi_{x_2}^2} \sqrt{\phi_{x_3}^2}} = \frac{4.750}{\sqrt{2.752} \sqrt{16.752}} = \frac{4.750}{1.6589 \times 4.0929}$$

$$= \frac{4.750}{6.790} = 0.699$$

Therefore, Correlation Coefficient between Consumers Complaints against Performance and Consumers Complaints against Durability attributes of durable products is $Cor_{23}=0.699$.

$$r_{13} = \frac{\phi_{x_1 \cdot x_3}}{\sqrt{\phi_{x_1}^2} \sqrt{\phi_{x_3}^2}} = \frac{23.251}{\sqrt{32.752} \sqrt{16.752}} = \frac{23.251}{5.7229 \times 4.0929}$$

$$= \frac{23.251}{23.423} = 0.992$$

Therefore, Correlation Coefficient between Total Consumers Complaints and Consumers Complaints against Durability attribute of durable products is $Cor_{13}=0.992$.

Correlation coefficient between Total Dissatisfied and consumer dissatisfied due Performance and Durability of Products

Durable Products	Total Dissatisfied Consumers (X_1)	Dissatisfied due to performance (X_2)	Dissatisfied due durability (x_3)
Laptop	15	5	7
Car	7	4	2
Washing Machine	9	2	5
A/C	5	3	1
	$\phi x_1 = 36$	$\phi x_2 = 14$	$\phi x_3 = 15$

$$\bar{X}_1 = \frac{\phi x_1}{4} = \frac{36}{4} = 9$$

$$\bar{X}_2 = \frac{\phi x_2}{4} = \frac{14}{4} = 3.5$$

$$\bar{X}_3 = \frac{\phi x_3}{4} = \frac{15}{4} = 3.75$$

$\frac{x_1 - \bar{x}_1}{s_1}$	$\frac{x_2 - \bar{x}_2}{s_2}$	$\frac{x_3 - \bar{x}_3}{s_3}$	$x_1 \cdot x_2$	$x_2 \cdot x_3$	$x_1 \cdot x_3$	$\frac{x_1^2}{s_1^2}$	$\frac{x_2^2}{s_2^2}$	$\frac{x_3^2}{s_3^2}$
6	1.5	3.25	9	4.875	19.5	36	2.25	10.5625
-2	0.5	-1.75	-1	-0.875	3.5	4	0.25	3.0625
0	-1.5	1.25	0	-1.875	0	0	2.25	1.5625
4	-0.5	-2.75	2	1.375	11	16	0.25	7.5625
			$\sum x_1 \cdot x_2 = 10$	$\sum x_2 \cdot x_3 = 3.5$	$\sum x_1 \cdot x_3 = 34$	$\sum \frac{x_1^2}{s_1^2} = 56$	$\sum \frac{x_2^2}{s_2^2} = 5$	$\sum \frac{x_3^2}{s_3^2} = 22.75$

$$r_{12} = \frac{\phi x_1 \cdot x_2}{\sqrt{\phi x_1^2} \sqrt{\phi x_2^2}} = \frac{10}{\sqrt{54} \sqrt{5}} = \frac{10}{7.4833 \times 2.2360}$$

$$= \frac{10}{16.7331} = 0.597$$

Therefore, Correlation Coefficient between Total Dissatisfied Consumers and Consumers Dissatisfaction against Performance attribute of durable products is $Cor_{12}=0.597$.

$$\begin{aligned}
 r_{23} &= \frac{\phi_{X_2, X_3}}{\sqrt{\phi_{X_2}} \sqrt{\phi_{X_3}}} = \frac{3.5}{\sqrt{5} \sqrt{22.75}} = \frac{3.5}{2.2360 \times 4.7696} \\
 &= \frac{3.5}{10.6650} = 0.328
 \end{aligned}$$

Therefore, Correlation Coefficient between Consumers Dissatisfaction against Performance and Consumers Dissatisfaction against Durability attribute of durable products is $Cor_{23}=0.328$.

$$\begin{aligned}
 r_{13} &= \frac{\phi_{X_1, X_3}}{\sqrt{\phi_{X_1}} \sqrt{\phi_{X_3}}} = \frac{34}{\sqrt{56} \sqrt{22.75}} = \frac{34}{7.4833 \times 4.7696} \\
 &= \frac{34}{35.6930} = 0.952
 \end{aligned}$$

Therefore, Correlation Coefficient between Total Dissatisfied Consumers and Consumers Dissatisfaction against Durability attribute of durable products is $Cor_{13}=0.952$.

Annex 2

Questionnaire

Dear Respondent,

I am Abiraj Shrestha, student of Master of Business Studies at Shanker Dev Campus, Tribhuvan University. I am going to conduct a study to measure satisfaction and complaint behavior in high involvement products. So, you are kindly requested to mark tick () for the following statements to show your degree of agreement or disagreement.

1. Do you have any one of the following high involvement products?

- | | |
|------------------------------|-----------------------------|
| a. Car | b. Laptop |
| c.AC | d. Washing Machine |
| Yes <input type="checkbox"/> | No <input type="checkbox"/> |

2. When did you buy it?

- | | |
|----------------------------------|----------------|
| a. 6 months ago | b. 1 year ago |
| c. 1 and $\frac{1}{2}$ years ago | d. 2 years ago |

3. Did your expectations match with the performance of the product?

- | | |
|------------|--------------------------|
| Matched | <input type="checkbox"/> |
| Mismatched | <input type="checkbox"/> |

4. Have you ever got compensation from the company?

- Yes No

If yes, what kind of compensation did you get?

- | | |
|----------------------------------|--------------------------|
| Monetary compensation | <input type="checkbox"/> |
| Guarantee compensation | <input type="checkbox"/> |
| Warranty compensation | <input type="checkbox"/> |
| Social compensation (excuse etc) | <input type="checkbox"/> |

11. Have you ever complained about your product?

Yes

No

If yes, what is your complaint behavior?

- i) Tell to others about dissatisfaction.
- ii) Ask compensation from the seller.
- iii) Take legal action.
- iv) Go to the public media.

12. What is your Suggestion to the company?

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GENERAL INFORMATION

Name.....

Gender:- Male Female

Age Category: a) 15-25 years
b) 25-35 years
c) 35-45 years
d) 45-55 years
e) Above 55 years

Profession:-

Place of Residence

Marital Status: -

Income Group (Monthly)

a. Below Rs.10,000
b. Between Rs.10,000-20,000
c. Between Rs.20,000-40,000
d. Above Rs.40,000

*** Thank You ***