

CHAPTER - I

INTRODUCTION

1.1 Background of the Study

The essence of the marketing is that it enables an organization to find out what the customers need and also helps to decide, what product to make. Today's marketing environment is characterized by globalization technical change and intense competition and successful marketers are those who deliver, what customers are willing to purchase as well as purchasing ability. For this reasons marketers today conduct many research and development of study consumer behavior so as to recognize why how individual makes their consumer decision. Once, it is understood marketers become able to predict and shape their marketing strategies accordingly without doubt, marketers who understand market and consumer behaviors have great competitive expertise in the market place so it is obvious that a producing organization and manufactures. Must determine the attitude, needs and wants and their customers first and their bring product in the market according.

“Marketing is a social and managerial process by which individuals and group obtain what they need and through creating offering exchanging product of value with others” (Kotler, 1998: 9).

“Marketing is a total system of business activities designed to plan, price, promote and distribute and satisfying product to target market to achieve organizational objectives” (Staton, 1999).

Similarly the American marketing association defines,” Marketing as the process of planning of executing this conception pricing promotions and distribution ideas

goods of service to create exchange that satisfy individuals and organizational objectives. The main focus is being on consumer need satisfaction as well as markets profit” (AMA Chicago USA 1995).

Perhaps the most distinctive skill of professional marketers is their ability to create, maintain, protect and enhance brands. Marketers say, “Branding is the art and cornerstone of marketing.” A brand is a name, term, sign, symbol or design or a combination of them intended to identify the goods or service of seller or group of sellers of to differentiate them from those of competitors.

A brand is an offering from a known source. A brand name carries many associations in the mind of customers. These associations make up the brand image. All companies strive to build brand strength is a strong and an over able brand image. Smart companies when they first become acquitted with the product category and brand what their brands believes and how they make their brand choice, how statistical they are after purchase.

Hence above definition of marketing suggests that it consists of some activities of consisting of study is consumer needs, products, price, place, promotion to facilitate as well as organizational objectives with in the social and marketing environment prevailing today. The consumer gets the profit with satisfaction highlighting the importance of product is the whole process of marketing. Product is always an important element of the marketing mix. It is more than goods and service as people think it to be a product consists of goods, service, ideas and experience events place personalities and organizations. Prof. Philip Kotler defines,” A product as anything that can be offered to the market to satisfy wants or needs.”

Research area selected for our study is Bharatpur Municipality, Chitwan the centre hubs and developing commercial town of Nepal. It is situated in the middle of the country along with the Mahendra Highway the any national highway linking eastern region with for western region of the country. Further, it has been linked to the capital of Nepal with Prithvi Highway. This almost every traveler heading towards different park of Nepal passes through Narayangarh, the major city of Chitwan district.

1.1.1 Brief Introduction of the Study Site

Bharatpur Municipality is located in the bank of Narayani River in Chitwan district. It is headquarter and commercial centre of Chitwan, District. It has the vocational advantage being centre point of East-West Highway and Kathmandu-Birgunj Highway. Altitude of this municipality is 251 meter from mean sea level.

The population of Bharatpur municipality according to recent Census is as follows.

S. No.	Municipality	Household	Population			Area (Sq. Km.)	Population Density (Per Sq. Km.)
			Male	Female	Total		
1	Bharatpur	19922	45858	43465	89323	162.16	550.83

(Source: CBS, 2002)

1.1.2 Marketing: An Overview

A century age, most firms were production oriented business philosophy stressing efficiency in product using a quality product was the root causes of the altitude towards marketing that, “A good product will sell itself automatically.” The essence of the production era of marketing was reflected in a settlement made 100

years ago by the philosopher. Ralph Waldo Emerson emerged when he said, "If a man writes a better book, preaches a better sermon or makes a better mousetrap than his neighbor, through he builds, his house in the wood, the world will make a better path to his door." As production techniques become more sophisticated & output expanded magnificently, manufacturers began to increase the emphasis of effective sales force to find customers for their product. In this era firms try to match the output to customers. Theodore Levitt pointed out Marketing is the different from selling as chemistry is from alchemy, astronomy from astrology, chess from checkers." Focus of marketing in last decade has shifted from producers to consumers. Consumers are regarded as the 'nucleus' to all marketing activities. The reason for this shift was due to the realization of the fact that a quality product is not successful until it is effectively marketed. Marketing management has undergone a phenomenal metamorphosis these days.

In the present days, marketing concept concentrates on the following aspects:

- J Maximizing consumption
- J Maximizing consumer's satisfaction
- J Maximizing choice
- J maximizing quality of work life

The essence of marketing is that enables an organization to find out what the customer's need. And it is also help to decide what product to make. Today's marketing environment is characterized by globalization, technological change and intense competition. Successful marketers are those who deliver what customers willing to purchase as well as ability to produce the same. For this reason, marketers today conduct many researches to study consumer behavior so as to recognize why and how individuals make their consumers decision. Once it is understood marketers become able to predict and shape their marketing strategies accordingly.

“The process of planning and executing this conception, pricing, promotion and distribution of ideas, goods, services to create exchanges that satisfy individuals and organizational objectives. The main focus is being on consumer need satisfaction as well as profit.”

1.1.3 Market, Marketing, Consumer and Consumer Behavior

The market may mean a public place for the purpose of buying and selling. But in modern marketing concept this word ‘Market’ has a broader significance. So a market means a group of people with needs and wants or may be both. Needs and wants alone may not induce an individual to buy. For this he would need money to buying power. Even with money sometimes people may not want to spend it. Therefore willingness to spend is also equally important.

Similarly, marketing we know only buying selling activities but in actual marketing means before production and after sales service of all activities are included. Therefore marketing is the system of business activities design to plan, price, promote and distribute something of value want and satisfying goods and services to the market present and potential household consumers or individual user.

Generally, consumer is the main artist of the marketing activities. Consumer starts and ends with marketing process. Marketing starts with the identification of a specific name on the part of the consumer and ends with the satisfaction of that needs. Thus, the consumer is the found both at the beginning and at the end of marketing process. Therefore the consumer is the sovereign power in the modern business world. The success and failure of business depends upon the consumer reaction towards company’s marketing action of marketing mix (Kotler, 1999). So the consumer behavior is an integral part of marketing. The basic philosophy of the marketing is to achieve organizational success through consumer satisfaction

in the dynamic competitive environment. Not only this but even consumer satisfaction depends upon the degree of satisfying various categories of needs such as stated needs, unstated needs, real needs, secret needs, delighted needs. Consumer satisfaction can be referred as the difference between consumer spent for what he or she gets. What he or she gets is the utility derived from the product or service he or she uses. Similarly, what he or she spent is the costs that he or she bears in course of deriving expected utility or value. Marketers, therefore must have to study and analyze consumer behavior so that, they will be able to exploits the prevailing opportunity and shoulder the threats and challenges. In course of that, they have to find out behavioral conduct of consumers that they show during pre-buying phase. Keeping all these into consideration, consumer behavior can be understood as acquiring, using, and disposing of product and services.

1.2 Focus of the Study

The present study tries to focus on the marketing of the Mayos noodles in Bharatpur municipality. Mayos noodles are packaged fast food item- Usually they are sold in 75 Gms packets. It can be used at breakfast, lunch or dinner and even as Snacks. Because of changing food habits and lifestyle, the consumption of Mayos noodles is increasing day by day. The taste of Mayos noodles is flavored by Nepalese tongue and it is also fast and easy to prepare. Therefore many companies have entered in the noodles industry and there is fierce competition among them.

In this modern marketing era, every marketer should understand the consumer's satisfaction which creates the behavior of consumers. In this era of cutthroat competition, successful marketing of the products can only be done reflected understanding of consumer tastes, choice reference or, say consumer behavior. As the focus of this study is "marketing, usage pattern, attitude and image of Mayos

Noodles” The manufactures or marketers of the Mayos Noodles will be benefited by the study.

In this study and attempt will be made to examine the present marketing situation of noodles produced by three main noodles manufacturing companies. There are fast foods Pvt. Ltd. - Wai Wai, Gol Mol, Himalayan snacks and Noodles Pvt. Ltd. Mayos, Shakalaka Boom, Ruchi, Asian Thai food Pvt. Ltd. – 2 pm, Rumpum, Phataphat.

This study will examine the present marketing scenario of noodles in Bharatpur Municipality, Chitwan and try to find out the marketing variables attaching the Mayos noodles. The research also focused on the role played by attitude, image and usage pattern of the Mayos Noodles.

1.3 Statement of the Problem

The stiff competition in the marketing of Mayos Noodles has focused the marketers to adopt a verity of marketing tools and techniques in the market place. The manufactures in a variety of media are different types of advertisement. As a result of competition between new established companies, industries are developing rapidly. This development in industrial sector has provided different types of brand of even for same product. Every product is made for the fulfillment of same needs and wants. Products are used or consumed by the consumers in different way and indifferent occasions. Customers want different attributes from the same product. Therefore usage pattern, brand positioning and brand image are also important to be taken into account.

We can see different brand of the noodles in the market such as Shaklaka Boom, Wai Wai, Mayos, Rumpum, Jojo, Hurrey etc. The competition is very fierce in

noodles market. In Nepal we say that the term ‘cut throat competition’ is most suitable for this industry.

Mayos Noodles are the mostly advertised product. Large amount of money is spent on the promotion of this product. Nepalese customers are provided with different brands and they are quite free to choose the one they think the best.

It is essential for companies to know about their customers, their choice and preference. For regular sales and distribution of Mayos Noodles, we must know about which is the best advertising media can be more effective? Therefore the problems encompassed by this study are as follows:

1. What is the consumers’ perception and consumption behavior of Mayos Noodles in Bharatpur Municipality?
2. What are the major problems faced by consumer in purchasing Mayos Noodles?
3. What are the conditions of consumer attitude to other Noodles and Mayos Noodles?
4. What are the marketing strategies being adopted by the marketers of Mayos Noodles in the study area?

1.4 Objectives of the Study

The overall objectives of the study are to identify and evaluate consumer attitude of ‘Mayos Instant Noodles’. The specific objectives are;

1. To examine the consumers perception and behaviors in the purchase of “Mayos Instant Noodles”
2. To find the best promotional measures for Mayos Noodles.
3. To obtain the consumer’s opinion about various aspects (Price, quality, taste, distribution system, packaging, promotional etc.)
4. To examine consumption pattern of Mayos Noodles.

1.5 Significance of the Study

The study about consumer buying behavior towards Mayos Instant Noodles has special significance:

I) To the Marketing Manager

It may help the concerned marketing manager to understand better about their consumer and their by design better marketing strategy for the study area.

II) To the Producer

It definitely help the producer to produce Mayos Noodles, which demands an understanding of consumer's taste, choice, preference.

III) To the Consumer

It helps the consumer to select the best product.

1.6 Limitation of the Study

This study has been strictly limited to Chitwan and the finding from this study may not apply totally for the national character.

-) This study has been predominantly based on primary information collected through a questionnaire survey of limited number of individuals and retailers.
-) Therefore the finding of this study is affected to some extent by the small size of the sample.
-) Limited time given by the TU for the submission of thesis.
-) The study is limited in the partial fulfillment of the requirements for the degree of master of business study.

1.7 Organization of the Study

The study has been divided into main five chapters. They are as follows:

Chapter – I Introduction

The first chapter deals on the background of the study, statement of the problem, objective of the study, importance of the study and limitation of the study.

Chapter – II Review of Literature

The second chapter includes the review of related literature.

Chapter – III Research Methodology

It includes the research design, sample selection, methods of data collection and method of analysis.

Chapter – IV Presentation and Analysis of Data

The fourth chapter includes the presentation and analysis of data. The major findings of the study are also the last of this chapter.

Chapter – V Summary, Recommendation and conclusion

Finally, the fifth chapter deals with summary, conclusion and recommendation of the study.

Bibliography and other appendices are presented at the end of the study report.

CHAPTER - II

REVIEW OF LITERATURE

The previous chapter highlighted the concept, problems, objectives and focus of the study. This chapter, review of literature is the theoretical framework that provides the bases and inputs for this study purpose.

This thesis is mainly based on the field of consumer behavior. Consumer behavior is being one of the vital part of the marketing is no doubt of great importance for a manufacturing company to make excellence sales plan. Realizing the importance of study of consumer behavior in Bharatpur Municipality this thesis has been started. So to demonstrate how the overall marketing & sales management is affected by study of consumer behavior, all the possible means has been used.

This thesis is based on effect of study of consumer behavior on market share of product. So, related articles, different books, encyclopedia, internet search, as well as previous studies related to same subject have been consulted to make it more reliable. Besides, books related to marketing and current market situation too has been analyzed.

Though, consumer behavior is not common field. Still people are writing on since last decades. So, earlier reports too have been reviewed & new horizon of study of consumer behavior has been made clearer. But study towards Mayos Noodles is the first time done in Bharatpur Municipality, Chitwan being the central part of Nepal; the survey will be more beneficial.

While reviewing different books & literature, some of the basic things & knowledge about consumer behavior seemed to be mentionable in the thesis context.

Similarly, all related previous studies has been collected and analyzed so as to find out how consumer behavior making its field broader & how is it working more. So, a related previous study too has been highlighted here for everyone's expediency.

For the study purpose, literature has been reviewed in term of two different levels:

Conceptual Review

This portion includes relation to be the subject matter of reviewing the book and internet publication.

Review of Previous Studies

In this part, previous thesis, research article and project work are reviewed.

2.1 Conceptual Review

2.1.1 Consumer

The term consumer is often used to describe two different kinds of consuming entities. The personal consumer and the organizational consumer (Schiffman and Kanuk, 2002). The professional consumer buys goods and services for his/her own use, for the use of household or as a gift for the 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 business, government agencies and institutions. All of which must buy products, equipment and services in order to run their organization. Manufacturing company must buy the raw materials and other components needed

to manufacture and sell their own products, services. Companies must buy the necessary equipment to render the service they sell, government agencies must buy the office products needed to operate their agencies, and institutions must buy the materials they needed to maintain themselves and their populations.

2.1.2 Consumer Behavior

In simple terms, Consumer behavior means the behavior which consumer shows before or after purchase as well as the process of purchasing.

According to L.G., the terms consumer behavior can be defined as the behavior that the consumer display in searching for, purchasing, evaluating and disposing of products, services and ideas which they expect will satisfy their needs (Schiffman and Kanuk, 2002).

The study of the consumer behavior is the study of how individuals make decision to spend their available resource (time, money, efforts) 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 they buy it and how often they use it. Take the simple product toothpaste. Consumer researchers want to know what type of toothpaste consumer buy (gel, regular, stripped, in tube, with a pump) ; what brand (national brand, private brand, generic brand); why they buy it (to prevent cavities, to remove stains, to brighter or white teeth, to use it as a mouth wash, to attract romance); where they buy it (super market, drug store, convenience store); how often they use it (when they wake up, after each meal, when they go to bed, of any combination thereof); and how often they buy it (weekly, monthly).

J.C. Mowen defines consumer behavior as the study of the decision making units and processes involved in acquiring, consuming, and deposing of goods, services, experiences and ideas (Mowen, 1999: 5).

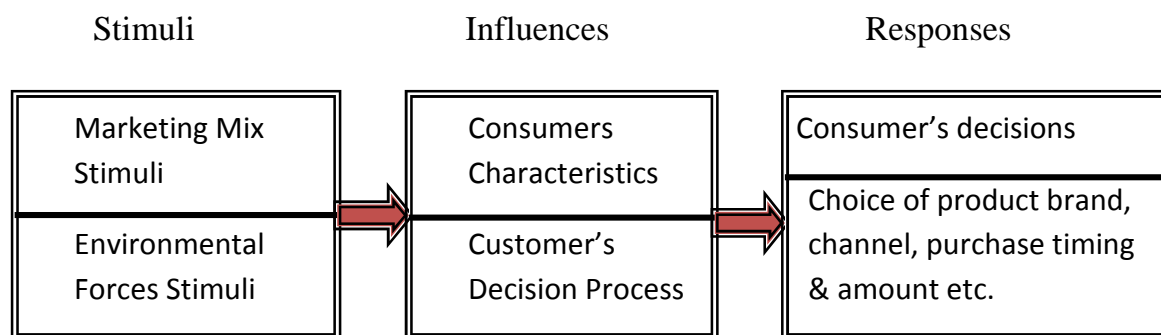
Consumer behavior is the study of how people buy, when they buy and they buy. It blends elements from psychology, Sociology, Socio-psychology, anthropology and economics. It attempts to understand the buyer decision making process, both individually and in groups, it studies characteristics of individual consumers such as demographics, psychographics, and behavioral variables in an attempt to understand people’s wants. It also tries to assess influences in the consumer from group such as family, friends, reference groups, and society in general.

Belch and Belch define consumer behavior as ‘the process and activities people engage in when searching for, selecting, purchasing, using, evaluating, and disposing of products and services so as to satisfy their needs and desires’ ([http://en.wikipedia.org/wiki/consumer behavior](http://en.wikipedia.org/wiki/consumer_behavior)).

2.1.3 Model of Consumer Behavior (Dr. Givinda Ram Agrawal, 2001:164)

Figure 2.1

Model of Consumer Behavior



Source: Agrawal, 2001: 164

1. Stimuli

Consumers are stimulated by:

- a) Marketing mix consist of product, price, place and promotion variables.

b) Environmental forces consisting of political, economics, technological & socio-cultural variables.

2. Influences:

Consumer behavior influenced by –

a. Consumer Characteristics: They consist of

Culture: It determines person's wants & behavior. Each culture consists subculture-nationalities, religions, racial groups. Social class is also important for consumer behavior.

Social: They are: reference groups, family, social rules and status.

Personal: They are: age and stage of life cycle, occupation, income, lifestyle, personality.

Psychological: They are: Motivation, Perception, Learning, Believes, and attitudes.

b. Consumers Decisions Process: It consists of:

-) Problem recognizing
-) Information search
-) Evaluation of alternatives
-) Purchase decision
-) Post purchase behavior

3. Responses

They are consumer decision about:

-) Product choice
-) Brand choice
-) Channel choice
-) Purchase timing

) Purchase amount

Marketers can influence consumer behavior. They cannot control it.

Consumers are faced by the decision to buy or not to buy several times a day. It is important to understand how they actually make their buying decisions. Consumer buying process influences consumer behavior for making buying decisions.

Consumer behavior varies with the type of buying decision.

Buying decisions can be classified into:

- a. Low involvement purchase
- b. High involvement purchase

a. Low Involvement Purchase (Habitual Behavior)

It involves routine decision making. Products are repeatedly purchase as a habit. Many brands, low risk, small amount of money, short purchase time, passive interest in product information, positive attitude towards the product, short term product benefits & limited interest in the product characterize low involvement purchase. Examples are a cup of tea, tube of toothpaste.

b. High Involvement Purchase

It involves extensive decision making. The buying behavior in complex: few brand, high risk, large amount of money, long purchase time, active interest in product information, uncertain attitude towards the product. Long term product benefit and high interest in the product characterize high involvement purchase. Examples are; car, motorcycle, house, computer etc.

Table 2.1
Characteristics of Buying Decisions

Characteristics	Low involvement purchase	High involvement purchase
1. Brand of the product	Many	Few
2. Level of buying risk	Low	High
3. Amount of money involved	Small	Large
4. Purchase time needed	Short	Long
5. Interest in product information	Passive	Active
6. Attitude towards the product	Positive	Uncertain
7. Product benefits	Short term	Long term
8. Interest in the product	Limited	High

Source: Agrawal, 2001: 166

) Buying Roles

Roles that people play in buying decision can be:

- a. Initiator: First to suggest the idea of buying the product
- b. Influencer: Gives advice to influence decision.
- c. Decider: Decides about buying.
- d. Buyer: Makes the actual purchase.
- e. User: Uses the product.

Basic Model of Consumer Decision Making

(http://en.wikipedia.org/wiki/Consumer_behavior)

Stage	Brief description	Relevant internal psychological process
Problem recognition	The consumer perceives a need and becomes motivated to solve a problem	Motivation
Information search	The consumer searches for information required to make a purchase decision.	Perception
Alternative evaluation	The consumer compares various brands and products.	Attitude formation
Purchase decision	The consumer decides which brand to purchase	Integration
Post-purchase evaluation	The consumer evaluates their purchase decision	Learning

Problem Recognition

Problem recognition results when there is a difference between one's desired state and one's actual state. Consumers are motivated to address this discrepancy and therefore they commence the buying process.

Source of problem recognition include:

-) An item is out of stock
-) Dissatisfaction with current product or service
-) Consumer needs and wants
-) Related products/purchases
-) Marketer-induced

) New products

The relevant internal psychological process that is associated with problem recognition is motivation. A motive is a factor that compels action. Belch and Belch (2007) provide an explanation of motivation based on Maslow's hierarchy of needs and Freud's psychoanalytic theory.

Information Search

Once the consumer has recognized a problem, they search for information on products and services that can solve that problem. Belch and Belch (2007) explain that consumer undertake both an internal (memory) and an external search.

Sources of information include:

-) Personal sources
-) Commercial sources
-) Public sources
-) Personal experiences

The relevant internal psychological process that is associated with information search is perception. Perception is defined as 'the process by which an individual receives, selects, organizes and interprets information to create a meaningful picture of the world'.

The selective perception process stage description selective exposure consumers select which promotional messages they will pay attention to Selective comprehension consumer interpret message in line with their beliefs, attitudes, motives and experiences selective retention consumers remember messages that are more meaningful or important to them.

You should consider the implications of this process on the development of an effective promotional strategy. First, which sources of information are more effective for the brand and second, what type of message and media strategy will increase the likelihood that consumers are exposed to our message, that they will pay attention to the message, that they will understand the message, and remember our message.

Alternative Evaluation

At this time the consumer compares the brands and products that are in their evoked set. How can the marketing organization increase the likelihood that their brand is part of the consumer's evoked (consideration) set? Consumers evaluate alternatives in terms of the functional and psychological benefits that they offer. The marketing organization needs to understand what benefits consumers are seeking and therefore which attributes are most important in terms of making a decision.

The relevant internal psychological process that is associated with the alternative evaluation stage is attitude formation. Belch and Belch (2007: 117) note that attitude are 'learned predispositions' towards an object. Attributes comprise both cognitive and effective elements – that is both what you think and how you feel about something. The multi-attribute attitude model explains how consumers evaluate alternatives on a range of attributes. Belch and Belch (2007) identify a number of strategies that can be used to influence the process (attitude change strategies). Finally, there is a range of ways that consumers apply criteria to make decisions. Belch and Belch (2007) explain how information is integrated and how decision rules are made including the use of heuristics. The marketing organization should know how consumers evaluate alternatives on silent or important attributes and make their buying decision.

Purchase Decision

Once the alternatives have been evaluated the consumer is ready to make a purchase decision. Sometime purchase intension does not result in an actual purchase. The marketing organization must facilitate the consumer to act on their purchase intention. The provision of credit or payment terms may encourage purchase, or a sales promotion such as the opportunity to receive a premium or enter a competition may provide an intensive to buy now. The relevant psychology process that is associated with purchase decision is integration.

Post Purchase Evaluation

Once the consumer has purchased and used the product, they will evaluate their purchasing decision. They compare the producer's performance with their expectations. If the product does not perform as expected they will experience post purchase dissatisfaction. When consumers purchase high involvement products, that are more expensive products for which they expose a greater purchasing effort in terms of time and search, they usually experience some level of discomfort after the purchase. That is, they experience some doubt that they made the right choice. This situation called 'cognitive dissonance'. You should consider the implication of post purchase for the marketing organization. How can the marketing organization minimize the likelihood of post purchase dissatisfaction and/or cognitive dissonance?

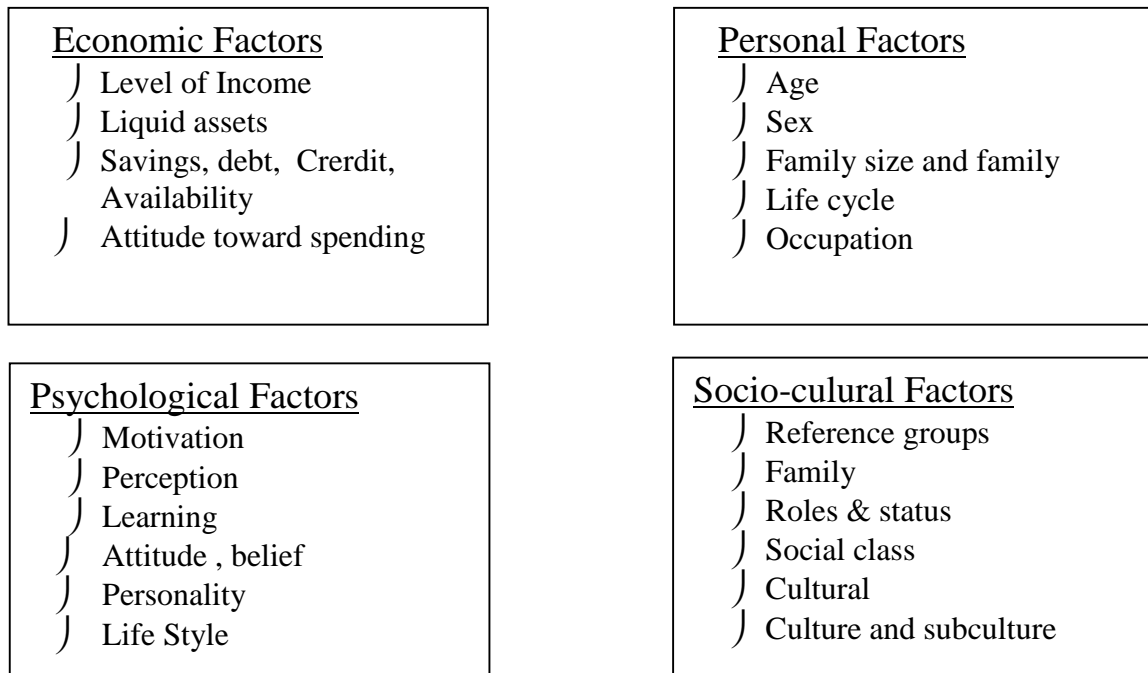
The relevant internal psychological process that is associated with post purchase evaluation is learning according to Belch and Belch (2007) discusses two basic approaches to learning theory behavioral and cognitive learning theory. Behavior learning theory proposes that stimuli from the environment influence behavior.

Factors Affecting Consumer Buying Decision

Consumer behavior is influenced by economic, personal, psychological, and socio-cultural factors.

Figure 2.2

Consumer Behavior Influencing Factors



Source: Agrawal, 2001:169

Economic Factors

Economic factors greatly affect buying decisions. They consist of:

i) Level of Income

The ability to spend is determined by the level of spend able income. Product choice of income sensitive products is very much dependent on income level.

ii) Liquid Assets

Consumers who don't have regular income may posses liquid assets like gold and shares. They provide spending power to the consumer.

iii) Saving, Debt and Credit Availability

They all affect consumer expenditure levels. High saving result in lower interest rates, credit availability by bank becomes cheaper through lower interest rates. This increases the level of consumer spending.

Table 2.2
Changing Consumer Expenditure in Nepal

Particulars	1984 (%)	1996 (%)
Food and Drinks	62.6	53.2
Others	37.4	46.8
Total Expenditure	100	100
House Rent	12.7	14.9
Education	4.0	7.0
Health	4.6	8.0
Cigarettes	2.0	1.7
Rice	24.0	14.0
Restaurant	5.0	7.0

Source: Agrawal, 2001: 170

iv) Attitude Toward Spending

Negative attitude towards spending adversely affects the willingness of the consumers to spend. This influences the product choice.

Personal Factors: (Demographic Factors)

Personal factors consist of:

i) Age

Consumers buy different products according to age group. Their taste in food, cloths, recreation is age-related. Young consumers like to experiment new products and wear jeans. Older consumer prefers brand loyalty and dress conservatively.

ii) Sex

Male and female exhibit many differences in their buying behavior. Their needs also vary.

iii) Family Size and Family Life Cycle

Family size determines the level of expenditure and product choice. Buying decisions in larger families favor brand loyalty.

The family life cycle influences spending pattern. Product interests differ according to the stage in family life cycle: singles, bachelors, married, married with children and old.

iv) Occupation

Occupation influences the consumption pattern. Factory workers buy work clothes, bank managers buy expensive suits. Professional people generally dress properly.

Psychological Factors

Psychological factors consist of motivation, perception, learning, attitude, personality and lifestyle.

I) Motivation

A motive is a pressing need that drives consumers to seek satisfaction. It directs them to act towards goal-oriented behavior to reduce tension. Motives motivate consumers. Motivation is an activated state within the consumer that leads to goal-oriented behavior. A motivated consumer is ready to act. Various theories of motivation are:

a. Freud's theory of Motivation (Sigmund Freud)

This theory stated that unconscious motives influence consumer behavior. Consumers repress many urges in the process of growing up and socialization. These urges are never eliminated and unconsciously motivate consumer behavior.

In-Depth interviews with a few dozen consumers are conducted to uncover unconscious motives triggered by a product.

Freud’s theory is based on the “hedonistic principle”. It advocates that most human behavior originate from sex drive (libido)

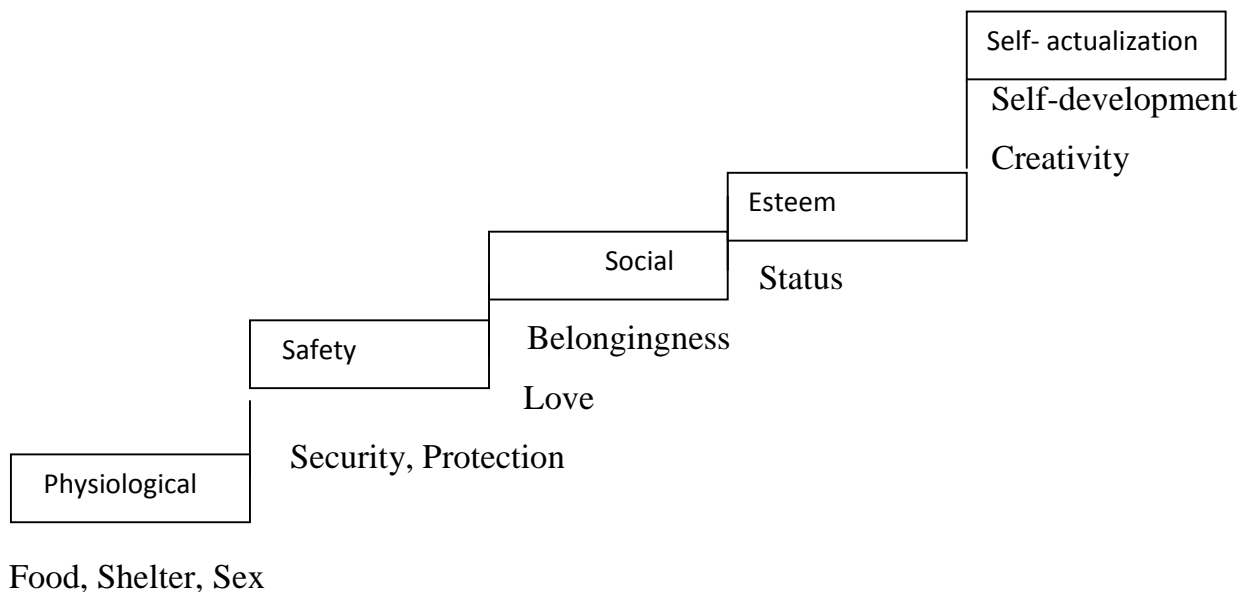
b. Maslow’s theory of Motivation (Abraham Maslow)

This theory states that:

) There is a hierarchy of consumer needs. They range from the most pressing to the least pressing. Consumers take a step-by-step approach and satisfy most pressing needs first.

) Satisfied needs do not motivate. Unfulfilled needs influence consumer behavior. The strength of the need depends on hungry person is not much concerned about his prestige. Creative persons like poets and artists are more concerned about self-development. The needs have been classified in a hierarchy as follows:

Figure 2.3
Maslow’s Hierarchy of Needs



) **Psychological Needs**

They are the lowest level of needs and assume top priority. They include basic survival needs such as food, water, clothing, shelter, sex etc.

) **Safety Needs**

They consist of needs for protection from physical harm, ill-health, and economic deprivation. When consumer feel threatened, satisfy becomes an important needs. For examples, government employee in Nepal feels economic safety through provident fund. Nation health insurance provides health security in England and Scandinavian countries.

) **Social Needs**

They consist of needs for sense of belongingness, love, affiliation and friendship. Nepalese consumers tend to be highly influenced by social needs. Newars belong to various: “Guthis” to satisfy their social needs.

) **Esteem Needs**

They consist of needs for recognition, respect, status, and self-esteem. This is a higher level need. A “Boss” in Nepal expects”Namaste” from his subordinates. Consumers act to “keep up with the Jones” to satisfy such needs. In Nepal, parents send their children to private boarding schools to “keep up with their neighbors”.

) **Self-Actualization Needs**

These are the highest level of needs. They consist of needs for self development, creativity, talent utilization and self-fulfillment. A teacher’s need to write an effective textbook or a student’s needs to secure first division are examples of such needs.

Maslow’s theory (Dr.Govinda Ram Agrawal, 2001, p-173) is a useful guide for understanding which types of needs motives consumers.

C. Herzberg’s Theory of Motivation

This theory is based on two factors

-) **Dissatisfier** or hygiene factors. They do not motive but cause dissatisfaction when not present. They consist of lower level of needs for survival, satisfy and belongingness.
-) **Satisfiers** or motivating factors. They motivate and provide satisfaction. They consist of higher level needs for esteem and self –actualization.

Table 2.3

Herzberg’s Theory of Motivation

Dissatisfiers (Hygiene Factors)	Satisfier (Motivating Factors)
Company policy and administration	Achievements
Technical supervision	Recognition
Interpersonal relations	Advancement
Salary	The work itself
Job security	Possibility of personal growth
Personal life	Responsibility
Work condition	
Status	

Source: Agrawal, 2001: 174

Marketers should identify dissatisfies and avoid them. They should identify satisfiers and supply them to influence product choices.

This theory needs to be carefully applied in the Nepalese market where lower level needs, especially social needs, are important for motivating consumers.

II) Perception

Perception influences how the motivated consumer actually acts. Perception is the process of selecting, organizing, and interpreting information inputs by an individual to produce meaning. Consumers receive information through the five senses; see, hear, taste, smell, and touch. Perception gives meaning to information.

Consumers perceive the same situation differently because of:

- J Selective attention: Consumers are selective in noticing information. They are more likely to notice stimuli that relate to their current needs.
- J Selective distortion: Consumers distort information to suit their perceptions. They hear what they want to hear.
- J Selective retention: Consumer tends to retain information that supports their attitudes and beliefs. They want to continue believing in what they believe. They retain a small fraction of information in their long term memory. Perception influences consumer behavior because it gives meaning to market stimuli. Marketers must understand how the consumers see the world around them. They should help their customers perceive their marketing mix in a positive way.

III) Learning

When consumers act, they learn. Learning is changes in an individual's behavior resulting from information and experience. Most human behavior is learned. There are various theories of learning.

a) Stimulus-Response Theory of Learning

According to Stimulus-Response theory learning occurs when

- J A person responds to some stimulus by behaving in a particular way.

-) The person is rewarded for a correct response or punished for an incorrect one.

b) Modern Theory of Learning

In modern theories of learning, four characters are essential to learning:

-) Drive: A strong internal stimulus requiring action.
-) Cues: Minor stimuli that determine the response. They are present in the environment.
-) Reaction: Person's reaction to drive and cues.
-) Reinforcement: If the result when the response is rewarding. It can be positive or negative. Repeated reinforcement leads to a habit or brand loyalty. Marketers should help consumers learn about their marketing mixes and positively reinforce them to be loyal to the brand.

IV) Attitude and Belief

- a. Attitudes: Attitudes reflect like and dislikes of consumers. An attitude is a person's learned predisposition to respond toward some object in a consistently favorable or unfavorable way. Personal experiences, environment and situations mould the attitudes. They are learned, have consistency, and their either favorable or unfavorable about objects.

Attitude influences consumer behavior (Dr. Govinda Ram Agrawal, 2001, p-173.). Generally, it is easy to change products than it is to change consumer's attitudes. Marketers should fit products into existing attitudes.

- b. Belief: A belief is 'a descriptive thought that a consumer holds about something'. It may be based on knowledge, opinion or faith. Beliefs make up product and brand images.

V) Personality

Personality is an individual's psychological traits that lead to enduring behavioral responses. Personality traits can be:

-) Dominance or autonomy
-) Self confidence or dependency
-) Extrovert or introvert (Sociability)
-) Adoptability or dogmatism
-) Aggressive or friendly

Consumer personalities are reflected in the cloths they wear, vehicles they use, restaurant they eat, and jewelry they wear.

Personality traits do influence consumer behavior. But not much is known about how they influence behavior.

VI) Life Style

Life style is a person's pattern of living reflected in his activities, interest and opinions.

Activities: Work, hobbies, vacation, shopping, sports etc.

Interest: Family, home, job, fashion, food etc.

Opinions: Self, society, politics, business, products, etc.

Life style is an important viable for understanding how consumer spend their time, what are their interest, and what are their opinion about self and broad issues. It influences product needs and brand choices.

-) Psychographics is the science of measuring and categorizing consumer life style.

Socio-Cultural Factors

Social factors are influences that other people exert on consumer behavior. They consist of reference groups, family and social class.

1) Reference Groups

Reference groups consist of groups that have a direct or indirect influence on the consumer's attributes or behavior. They serve as points of reference on the consumer's judgment.

Reference groups influence consumer behavior in three ways:

- a. They expose consumer to new behavior and lifestyles by providing information.
- b. They influence consumer's value and attributes.
- c. They provide norms for consumer behavior. They create pressure for conformity to norms.

Reference groups can be of three types:

- a. Membership groups: A person holds membership of the group and has regular face-to-face contact. For example: family, co-workers, religious, professional, trade union groups.
- b. Aspiration groups: A person aspires to join the group but is not the member of the group. For example: a student may hope to become a member of the institute of chartered Accountants of Nepal.
- c. Dissociate groups: A person rejects the values, attitudes and behavior of the group. For example, a student may want to avoid relationship with "Hare ram group".

Reference groups influence product and brand choices. Marketers should identify the reference groups of their target consumers to develop marketing mixes.

Advertisers use well known athletes, musicians, actors, and professionally successful people to influence consumers who admire them and view them as opinion leaders.

2) Family

Two or more persons related by blood, marriage or adoption who reside together constitute a family.

The role (activities) performed by each member influences family purchase decision. The various roles are:

- a. Initiator: Suggest the idea for the product.
- b. Influencer: Provides information and advice about the product.
- c. Decider: Makes the buying decision.
- d. Buyer: Makes the actual purchase of product.
- e. Users: Uses or consumer the product.

The role changes with changes in household responsibilities, social values and employment patterns. In USA, children make decision breakfast cereal. In joint families of Nepal, the head of the household makes most of the purchase decisions.

Marketers should design marketing mix to target members who make key buying decisions.

3) Social Class

Ranking within a society determined by its member constitutes social class. It can be upper, middle and lower. It indicated preferences and lifestyle. Members share similar values, interest and behavior, social class reflects income, occupation, education and area of residence.

There are substantial differences in the buying behavior among classes. Marketing mixes need to be tailored to the specific social classes. Buying behavior of consumer is strongly influenced by the class to which they belong or to which they aspire. Nepal has a rigid social satisfaction. Yet, many lower class consumers aspire to move up to middle class, and middle class consumers to upper class.

4) Roles and Status

) Role: It consists of activities that a person is expected to perform in many groups. Consumers perform many role.

Consumers choose product that communicate their role in the society.

) Status: It provided by the role.

Products provide status symbol.

Cultural

Cultural factors that influence consumer behavior consist of culture and subcultures:

i) Culture

Culture is represented by symbols artifacts created by a society and handed down from generation to generation. The symbol may be values, attitudes, beliefs, language, and religion. They can be also tools, products, work of arts, houses etc.

Culture reflects the ways people choose to live together.

Culture is learned behavior. It changes over time. Cross cultural influences and new challenges in the society influence consumer behavior. Food habits are very much influenced by cultural norms.

Marketers should offer marketing mixes to fit cultural norms. Cultural changes should be carefully taken into account for modifying marketing mixes.

ii) Subculture

Each culture consists of smaller subcultures. Subculture is subdivision of culture based on homogeneous Characteristics such as religion, language, race, caste. Ethnicity etc.

Subcultures provide more specific identification and socialization for its members. They search as important marketing segments. Marketers should design marketing mixes tailored to the needs of specific subcultures.

Evolution/History of Consumer Behavior

Consumer behavior was relatively new field of study in the mid-to-late 1960s (Leon G Schiffman, Leslie Lazar). With no history or body of research of its own," the new discipline borrowed heavily from concepts developed in other scientific discipline, such as psychology (the study of the individual), sociology (the study of groups), socio-psychology (the study of how 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 individual 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 behavior. 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. The approach has come to be known as positivism and consumer researchers primarily concerned with predicting consumer behavior are known as positivists.

Given the interdisciplinary background in which the consumer behavior discipline is rooted, it is not surprising that academicians from a variety of contributing disciplines, including marketing itself, have become interested in the study of consumer behavior, not necessarily from the managerial or applied perspective, but simply to understand the consumer better. The study of consumer behavior from the point of view of understanding consumption behavior & the meaning behind such behavior is called interpretive, (sometimes referred to as post modernism). 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 pleasure that certain products & services provide. Many interpretivists consider each purchase experience unique because of the diverse set of variables at play at that one particular moment in time. Because of its focus on the consumption experiences, the interpretive approach is also known as “experimentalism”.

Why the field of consumer behavior developed?

There is no. 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 markets in this country was vast and constantly expanding. Billions of dollars were being spent on goods & services by tens of millions of people. Consumer preferences were changing and becoming highly diversified. Even in industrial markets, where needs for goods and services were always more

homogeneous than in consumer markets, buyers were exhibiting diversified preferences and less predictable purchase behavior.

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

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

There is a case study about the Consumer Buying Behavior regarding Rolling Stone (Stanton, Etzel and Walker, 1996:153).

On November 9, 1997, the first issue of Rolling Stone hit the newsstands. It was 24 pages, printed in black & white and sold for a quarter. Its founder, Jann wanner, described *Rolling Stone* as “Sort of a magazine and a sort of a newspaper” about music and the things and attributes that music embraces. Only 6,000 copies of the first issue were sold.

From that humble beginning a major publication was born. Now, after appearing every 2 weeks for over 25 years and with a circulation of over 1.2 million, questions are being raised about *Rolling Stone's* future.

Rolling Stone began a chronicler of rock music in the rebellious 1960s. It quickly became the bible of the antiestablishment music, drugs, and youth culture. Beginning in the early 1970s, the focus of the magazine expanded to include investigative reporting and interviews with youth-oriented celebrities, personality's profiles, fiction and reports on rock-related films, books and music videos. In 1982, Rolling Stone was compared to Atlantic, Esquire and Harper's for the quality and boldness of its coverage of domestic and foreign affairs. It was distinguished from news weeklies by the depth of its reporting and more traditional political magazines such as the New Republic by the breadth of topics covered.

Despite annual revenues an over \$30 millions by the mid-1980s there was a concern that the primary markets for *Rolling Stone* was disappearing. Through the demographics of the target audience of reader had not changed (male, aged 18-34, with some college education), its self-image had. The original reader was depicted in blue jeans, with long hair that he didn't wash very often and very politicized against the establishment. The reader of the 1980s was characterized as having short hair, being interested in his career, with money to spend, and seeking opportunities to express his individuality.

Reader's interests were shifting from music and politics to making a living and careers goals.

The magazine changed too. It began as double folded black-and-white newsprint, a form consistent with its counterculture image. Now it has the look of a

traditional magazine with glossy cover, four colors, and a trimmed and stapled format. The mix of advertiser in the magazine also reflected the shift. In the use beginning it was mainly records and related music business. By mid-1980s there were ads for cars, tobacco, alcoholic, beverages, clothing, and personal care products.

Despite its sales of over a million copies per issue, advertisers were not particularly enthusiastic about magazine. They viewed the reader as more likely to be a social dropout than a mainstream consumer. To overcome advertiser's perceptions that the readers hadn't changed their lifestyles since the 1960s, Rolling stone came up with an ad campaign directed toward advertisers. The campaign contrasted photo images of the 1960s reader labeled "perceptions" with those of the 1980s labeled "reality". For examples, one shows "perception" as an aging hippie driving a VW bus decorated with psychedelic peace symbols, while "reality" depicts a yuppie behind the wheel of a For Mustang GT. The ads apparently caused advertisers to look at the magazine in a new light, since they were followed by six consecutive years of ad sales growth.

What are the concerns today? The number of ad pages decline in 1991 and, while the total number of copies sold remained constant, newsstand sales went down nearly 20 percent. Why? First, music makers have sifted their advertising budgets from print to MTV, drastically reducing the measure source of revenue. Second, the competition has intensified. New magazine such as spin and Details that focus on the hardcore music segment appeared and some mainstream publications such as People and Environment Weekly have expanded their music coverage. Third, in the view of many, the-editorial policy has softened to be less daring and more conformist than in the past. Rolling stone's reputation was built on rock music criticism and scorching cultural critiques, but its coverage has become more moderate and less controversial. Finally, the preference of Jann Wenner for the rock era over more contemporary music and recent cover stories on Jimi Hendrix,

Jim Morrison, and Rod Stewart have led to suggestions that the magazine is dated. According to a former editor, *Rolling Stone* has become more a "taste tracker" than the taste maker it once was.

By the late 1960s *Rolling Stone* was a hit, but despite a successful formula it has experienced any changes over the years. What made the changes necessary?

Rolling Stone continues the roll along, with sales of 1.2 million copies per issue, the magazine ranks among the top 60 in U.S. in circulation, but today's version is a far cry from the product that first appeared in 1969. Each time a change was detected in its additional content, appearance, or mix of advertisers, critics were quick to point out that the magazine had lost its direction. However much of *Rolling Stone's* continued success can be attributed to understanding and adapting to its audience.

The magazine has held a large group of its core readers while also attracting a younger segment. In fact, 45% of the readers are 18-to-24-years-old men. Editor and publisher Jan Wenner has an explanation *Rolling Stone's* for ability to reach a broad audience. He says there was a much bigger "generation gap" between college students and their parents in the 1960s. One magazine could not be popular with both groups. Today the situation has changed. The interest, value and beliefs of parents and young adults are more similar. So the magazine can appeal to both groups by becoming less daring and more conformist, but still dealing with timely topics (for example., it was the first major magazine to take a serious look at the AIDS crisis) and music news.

The editorial transition from the 1960s to the 1990s has been accompanied by a number of changes. As the audience broadened, so did the mix of advertisers. By 1986s, the number one category was automotive, followed by fashion, sporting

goods, and food. In the past the instincts of the editors were relied on for cover stories. However, keeping in touch with the interests and tastes of a more diverse audience requires a greater use of research. As a result, editorial instincts are now supplemented by the opinion of the focus groups.

Selling the magazine has also changed. As subscription became a more important part of circulation, it was necessary to find ways to reach the target audience. Direct mail is not effective for young man. Because they are away at college or move frequently, mailing lists are inaccurate. They are also less attentive to mail than are other segments. To solve the problem of reaching this market, *Rolling Stone* runs direct response television advertising. Young men watch a lot of TV and tend to be spontaneous in their behavior. Ads between midnight and five in the morning featuring an appealing spokesperson (they've used Paul Scharffer, David Letterman's sidekick) have been very productive and cost effective.

What does the future hold? Given the popularity of the American music, the international marketing offers additional opportunities for *Rolling Stone*. The magazine is currently published in Australia, other markets are being explored.

1. How has the role of social and group forces changed with regard to the purchase of *Rolling Stone*?
2. What trends and developments in consumer buying behavior are likely to influence the future of *Rolling Stone*?

2.1.4 Modern History of Consumer Behavior

In recent years, some efforts have been made by marketing scholars to build buyer behavior models totally from the marketing man standpoint. The Nicosia and the Howard and Seth model are two important models in the category (Ramaswami,183). Both of them belong to the category called the system model, where the human being is analyzed as a system with stimuli as the input to the system and behavior as the output of the system.

Francesco Nicosia, an expert in consumer motivation and behavior put forward his model of buying behavior in 1966. The model tries to establish the linkages between a firm and its consumer- how the activities of the firm influence the consumer and result in his decision to buy. The messages from the firm first influence the predisposition of the consumer towards the product. Depending on the situation, he develops the certain attitude towards the product. It may lead to a search for the product or an evaluation of the product. If these steps have a positive impact on him, it may result in a decision to buy. This is the sum and substance of the activity explanations in the Nicosia model. The Nicosia model groups these activities into four basic fields.

Field one has two sub-fields – the firm's attributes and the consumer's attributes. An advertising message from the firm reaches the consumer's attributes. Depending on this becomes the input for field two. Field two is the area of search and evaluation of the advertised product and other alternatives. If this process results in a motivation to buy, it becomes the input for Field Three. Field three consists of the act of purchase. And field four consists of the use of the purchased item. There is an output from Field four – feedback of sales results to the firm.

John Haward and Jagdish Sheth put forward the Howard and Sheth model in 1969, in their publication entitled "The theory of Buying Behavior". The logic of the model runs like this: There are inputs in the form of stimuli. There are outputs beginning with attention to a given stimulus and ending with purchase. In between the inputs and the outputs there are variables affecting perception and learning. These variables are termed "hypothetical" since they cannot be directly measured at the time of occurrence.

Over the years, several other models have also been put forward, with the intension of explaining buyer behavior. All these models have certain merits as well as limitations. They do not fully explain the complex subject of buyer behavior. Nor do they establish a straight input-output equation on buyer behavior. They merely explain the undercurrents of human behavior from different angles and premises. But these models will certainly be helpful in gaining at least a partial insight into buyer behavior.

2.1.5 Consumer Behavior History in Nepal

Consumer behavior has generally remained a dark area of marketing in Nepal. Marketers have given very little attention to who, what, why, when, where, and how of consumer buyer. Very little marketing research has been done on this aspect. The following factors characterized buyer behavior in Nepal's marketing.

1. Consumer behavior has not been properly taken into account while creating and offering market mixes.
2. Indian and foreign competitors have been actors in talking the advantage of new market opportunities in Nepal because Nepalese marketers lack knowledge of consumer behavior.
3. Product positioning has remained largely neglected because of the lack of knowledge about the behavior of niches.
4. Marketers know very little about consumer behavior about at every stage of the consumer buying process. The post purchase stage is hardly considered to build life customers. The disposal aspect is utterly neglected which has created serious environment problems due to the rising levels of pollution. It has adversely affected the tourism market as well.
5. Marketers have not given proper attention to the psychological and social factors that influence consumer behavior. Economic, demographic and cultural factors have been dominant in the design of the marketing mixes.
6. The marketing resources have not been efficiently utilized.

7. In recent years, the advent of global enterprises and cable television in Nepal has brought some consciousness about the need for better understanding of buyer behavior. They have been using personality, Life style, motivation and reference group factors in designing their advertising message. The growth of marketing research organizations is also likely to promote marketing research about buyer behavior of Nepalese consumers in the years to come.

2.1.6 Why we study Consumer Behavior?

Just as consumer and marketers are diverse, the reasons why people study consumer behavior are also diverse (Schiffman and Kanuk, 7). The field of consumer behavior holds great interest for us as consumer, as marketers, and as students of human behavior.

As consumers, we benefit from insights into our own consumption-related decisions. What we buy, why we buy, how we buy, and the promotional influences that persuade us to buy. The study of consumer behavior enables us to become better that is wiser consumers.

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 information & 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.

As students of human behavior, we are concerned with understanding consumer behavior, with gaining insights into why individuals act in certain consumption-related ways and with learning what internal & external influences impel them to act as they do. Indeed, the desire for understanding consumption related human behavior has led to a diversity of theoretical approaches to its study.

2.1.7 Historical Background of Noodles

At first, noodles came from China in the name of Chawmein or “Chau Chau” and from Italy in the name of Spaghetti. Similarly it is pronounced as Featuching and Cut Macroni by Italians. Thus it is considered as of Mongolian origin. China and Italy started this food as their main meal in different names and they prepared it in different varieties. Its shape, qualities and preparation techniques are differ in each country. After introducing of noodles in China in 17th century gradually it was introduced in Burma, Japan, Thailand and South Asian country. Possibilities of immediate consumption are the main cause of development noodles. Japan claimed the noodles made of buck wheat as suba in Japan, this food brought a great change in the kitchen as instant food. After that this food becomes popular in western countries especially in France, Italy and England as one of the best foods. There are 50-60 varieties noodles (instant noodles) in Japan. More than 200 industries are producing more than 11 lakh of noodles in single sift per day. These products are exported in most of the countries of the world. The development of instant noodles started only around 1952 A.D. with Japanese technology. In the history of instant noodles there is a parable about it “fashion” from Paris “Jazz” from American instant noodles from Japan.

2.1.8 Noodles History in Nepal

Origin of noodles in Nepal is new before 2017 B.S. Nepali peoples those who went abroad used it in foreign countries. When Chinese and Tibetan businessmen came from China they introduced noodles in Nepal. After that a few restaurants started to sell noodles due to increases in interest in noodles. National trading

limited imported 1st lot of equipment of plain noodles in 2032 B.S. In the contest of Nepal, people consume noodles by pronouncing “ chau chau” before two decades there is only plain noodles called sinkee chau chau in the market. Though Gandaki Noodles Company was established at 2029 B.S. in small scale cottage industry, the production activities were established at 2035 B.S. There was not any industry to produce noodles in instant nature before Gandaki Noodles produced it. People consume it generally in Chinese style because noodles were introduced here by Chinese people. At present some people make noodles in their home for self use. Different factories use different materials to make it but in genral noodles is made from wheat flour, egg, beaking powder, salt, herbs etc. There are some vegetarian noodles is also producing/available in the market place. Now days there are so many varities in our country Nepal. There is a cut-throat competition among the different noodles. Nepal Thai foods (CG foods) has firstly produced WaiWai and then GolMol, Sathi, Wah Wah , Mimi, Big Mimi, WaiWai premium, Mama 100, Waiwai quick with chicken pizza, Waiwai chicken tanduri, Waiwai mutton (white noodles with 2 seasoning inside) etc. Recently, it has launched Waiwai (Sarbaguna sampanna 20% extra protein). Himalayan snacks and noodles has firstly produced Mayos which means mines as well as yours and then it started to launch Lekali, Hurrrey, Yes papa, Ruchi, Shakalaka boom (specially for kids) etc. We still find Rara of Gandaki noodles in the market. Pokhara noodles Pvt. Ltd. has launched Rambha, Jojo and city noodles. Asian Thai food pvt. Ltd. Has produced Rumpum, Phuchhe, Lot pot, 2 pm and Phataphat etc. Kanchanjungha process food has launched U-key. Everest noodles has launched Aaha, Aaha 50/50. Smart food & snacks Pvt. Ltd. has launched Yum Yum, ABC. We also find hits, femee, khaja, Rodhi, Mama Noodles of different noodles company. Multifoods industries have launched Min min, Min Min Khaja,etc. Him shree food pvt. Ltd has launched Phewa noodles. Multifood industries have launched Marry instant noodles which are made with out ajino moto. We have also seen a new noodles in our market i.e.

J-mee instant noodles, leader instant noodles etc. Certainly we will see the different noodles in future.

2.1.9 Himalayan Snacks & Noodles and MAYOS Noodles

Himalayan Snacks & Noodles Pvt. Ltd. (HSNPL), one of the ventures of Khetan Group, started productions of its flagship brand Mayos Instantant Noodles on 26th Aswin 2057. Its Board of Directors includes Mr. Rajendra Khetan, Mr. P.P. Khetan and Mr. C.P. Khetan.

The plant is established at Banepa, Kavrepalnchowk – 30 km. east from Kathmandu Valley and is spread over 4 acres of land. Instant noodles are produced here **under technical collaboration with Thailand’s number one noodles manufacturer, Thai President Food Plc.** The plant is furnished with state-of-the-art Japanese machinery form Fuji and packing machine from Tokiwa, Japan. At present the production capacity is 49.3 metric tons per day.

After five years in the market, the company has been successfully in increasing its market share to approximately 44% of the total noodle industry of Nepal. The company is No. 1 in 75 gm and also 50 gm segments. The company provides direct employment to 323 people and indirectly to 1000 more.

Mayos instant noodles, the flagship brand of Himlayan Snacks & Noodles, was introduced in the Nepali market on 20th October 2000 (26th Shrawan 2057) and weights 75 gms. Mayos is a premium product, prepared using superiiou quality ingredients under international standard production system.

Mayos is one of the highest selling brand in the Nepalese market with 17% of the total market share in the brown noodles segment. It is available in both chicken

and vegetable flavours with nutritional value per pack at 363 calorie and 347.6 calorie respectively.

Mayos has been exported to various parts of India, Bhutan and Middle-East since October 2001.

2.1.10 Classification of Nepal made noodles

According to these discussion and evaluation of experts and concerned technicians, we categories the Nepal made noodles are as follows.

1. According to Segment

I. Premium brown segment

) Mayos, Wai Wai, 2 pm, Wai Wai quick, YumYum, ABC

II. White segment

) Mayos, Sangrila, Lekali, Rara, Rumba, Wai Wai express.

II. Main stream segment

) Sakalaka boom, Treat tenz, Rum Pum

2. According to Offer

I. Buy two get one free

) Ruchi, Golmol, Preeti, Phataphat,, Jojo, Big mimi, Lekali

II. Cash and coupon

) Cash (1-100,000), T.V., Motorbike Moyos, Wai Wai, 2 Pm, Aaha etc.

3. According to Brand

I. Domestic brand

) Ruchi, Golmol, Preeti, Phataphat, Jojo, Big mimi, Lekali, Sangrila, Rara, Rumba, 2 pm, Pet puja, Shakalaka Boom, Fewa, Bingo etc.

) Wai Wai, Mayos, Rumpum

I. Foreign brand

4. According to Soup Base

I. Chicken Flavored

) Wai Wai, Mayos, Rumpum, Mama, Golmol, Preeti, Big Mimi, Fewa, Bingo, Yum Yum etc.

II. Vegetable Flavored

) Wai Wai, ABC, Mayos, Wai Wai quick, 2 pm etc.

5. According to Spice

I. Without Spice

) Hurrey, Jhilke, Mimi, Sathi, Rintin, Jocker, Phuchhe, Tictic, Aaha 50, Minmin Khaja, Alpha etc.

II. with Spice

) Dohori, Taj, Rintin, 2 minute

2.2 Review of Previous Studies

Ranjana Pradhan (2006), has conducted a study on "*Consumer Buying Behavior on Beer*". Specific objectives of the study were:

) To find out the target group of beer

) To examine the perception of consumer regarding different attributes of beer.

) To identify the suitable sources of information about beer.

) To ascertain the ranking (according to perception of consumer) of different brands available at beer market of Chitwan district.

) To examine the effectiveness of product, place, price & promotion for marketing of beer.

- J According to occupation, most of the respondents are student i.e 42%. Although they are students and doing part time job. Second highest no. of respondents is businessman i.e. 34%. Service holders are 22% and others are 2%.
- J According to income, no. of respondents are most having salary above Rs. 9,000/- i.e. 42.9%, salary having 7 to 9 thousand are 20%, 6 to 7 thousand are 14.3%, 3 to 5 thousand are 11.4% and 2 to 3 thousand are 11.4%.
- J According to brand preference, highest no. of respondents prefers Tuborg i.e. 80%, Second highest preferred brand is Carlsberg i.e. 10%, Everest and Sanmiguel comes under 3rd preferred brand i.e. 4% each. Other brands come under 2%.
- J Among 100% respondents 36% consumes beer once in a fortnight, 28% consumes once in a week, 16% consumes twice in a week, 10% consumes twice in a week and another 10% consumes everyday. Most of the respondents consume beer once in a fortnight.
- J Among 100% respondents 80% consumes less than 5 bottles in a week. 11% consumes 5 to 10 bottles, 8% consumes 10 to 15 bottles per week. Most of the respondents consume less than 5 bottles in a week.
- J According to the place of drinking beer most of the respondents consumes beer at restaurant i.e. 52%, 16% consumes at home, another 16% consumes at party and 12% consumes at hotel.
- J Most of the respondents select the particular brand due to taste i.e. 78%, 20% select their brand due to their brand image,. Only 2% select their brand due to price and no one is interested to packaging.
- J Most of the consumer consuming Tuborg prefers Sanmiguel as second brands then carlsberg, Iceberg, Everest and Gorkha respectively.

- J Brand satisfaction is high in Tuborg although very satisfied are low in no. Respondents who stand at neutral are very low in no. compared to total respondent. It seems respondents are satisfied with their brand.
- J The most effective media for advertisement of beer is Hoarding/Neon and second effective media is print media.
- J The brand mostly selling by retailer is Tuborg and Everest.
- J The reason of not selling other brands by retailer is due to low demand and unavailability.
- J The brand of beer given by retailer when customers first ask for beer is Tuborg.
- J The reason of selling particular brand is due to high demand.
- J The brand providing more profit margins in Everest.
- J The most appropriate size of bottle the retailers preferred is 650 ml.

Surendra Neupane (2003) has conducted the study on "*Cold Drink Consumer Behavior in Kathmandu Valley*". The main objectives of the study were:

- J To find brand preferences of consumers and the factors that develops such preferences.
- J To evaluate the role of advertising in product positioning from the consumer perspective.
- J To examine consumption pattern of cold drinks.
- J To determine the store where from consumer want to buy the cold drinks conveniently.

The Findings of the study were:

- J The entire sample consumers have drinking habit of cold drinks.
- J Coca Cola brand has its domination over Pepsi cola and other brands.

- J All of the respondents have frequent drinking habit and there is no difference between the drinking habit of married and unmarried consumers.
- J Coca Cola brand is the most preferred brand of cold drinks in Kathmandu valley.
- J Most of the consumer's government service holder, teacher, businessman and student prefer Coca Cola brand and Pepsi cola is more popular among private service holders.
- J Most of the consumers drink once a day, they buy only one unit of cold drinks at a time and they take decision during buying.

Narayan Prasad Sapkota (2001), has conducted a study on "*Consumer Attitude Towards Wai-Wai Instant Noodles*". The specific objectives of the study were:

- J To taste the two consumers market (end-use and institutional market) of Wai-Wai noodles in the Bhaktapur municipality.
- J To obtain the consumers opinion about various aspect.
- J To compare the consumers attitude of Wai-Wai with other brands.
- J To improve consumers attitude towards Wai-Wai noodles.

The Findings of the study were:

- J To consumption of Wai-Wai noodles in the Bhaktapur Municipality is very high.
- J Most of the consumers use noodles as snack, where as very few take it as main meal.
- J In the market competition, Wai-Wai is in the top position and behind it is Mayos.
- J The consumer's attitude is negative to the price of Wai-Wai noodles but it is positive to its quality and packaging.
- J In the course of life cycle, Wai-Wai is now in the phase of growth or maturity, which is sensitive and conductive step for the market.

Krishna Chandra Sapkota (2006), has conducted a research study on "*Brand Preference on Beer*" with reference to Bharatpur Municipality. The objectives of the research were:

-) To examine the consumer behavior and purpose of beer consumption.
-) To identify the most preferred brand of beer.
-) To obtain the consumer opinion on different brands of beer's attribute in terms of brand name, taste, price, quality, availability and advertising aspects regarding brand preference.
-) To find out the effective promotional tools for beer advertising and impact of advertisement.
-) To obtain the consumer's average switching habit and the reason of brand switch.

The research study was based on primary as well as secondary data. For the primary data collection, 100 respondents were selected on the basis of stratified random sampling and questionnaires were served to respondents.

The research findings of the study are –

-) Most of the consumer of Bharatpur Municipality preferred Tuborg brand (59%), second is Carlsberg (23%), third preferred Everest (12%) and fourth is Sanmiguel (6%) respectively.
-) On the basis of age large number of consumer found under the age of 16-35., that is 60%. Tuborg Brand is the most preferred, Carlsberg second and Everest places the third position in this age group. Over 36-55 age group, Tuborg is most preferred, Sanmiguel 2nd and Carlsberg places the third position.
-) Most of the respondent's expectation factors in future in future in beers- It was found that 33% consumer are focused on price decreases, followed by 28% for the quality improvement, by 15% focused on mini size, 11%

packaging in paper cane, plastic bottles respectively and rest of are not so significant.

- J The main reason of brand switching is desire to taste new brand with 58% followed by 22 % unavailability of favorite brand and third is price factors.
- J On the basis of advertisement media poster and hoarding board stands on 1st position, electronic sign board was occupied 2nd position and wall painting and magazines third position.

Sima Singh (2008), in her thesis, “*A study on Brand Loyalty on Nondurable Product*”, has the main objective to evaluate the brand loyalty on nondurable products. The other specific objectives are;

- J To find out the brand loyalty
- J To know the consumer behavior on Non durable Product
- J To make the guideline for making marketing strategies
- J Similarly this study will be valuable reference to he scholars and researchers.

The major findings of the study are;

- J Nepalese consumers give high importance to Brand in the consumer non-durable goods. The weighted mean of the various important points given (i.e. from 01 to 05) by the respondent is 3.94
- J Most of the consumers are found buying the products selected for this study by brand rather than by inspection or influences. The percentage of consumers who buy by brand is 70% in Cold Drink, 74% in instant noodles. 52 % in Hair Oil and 60% in Shampoo.
- J In each product selected for the study, at least 64% of the consumer are found to have knowledge of maximum alternative brands available in the market. This shows the high brand awareness in Nepalese Urban consumers.
- J Majority of the Nepalese urban consumers are found brand loyal.

Prakash Kayastha (2009), in his thesis, “*Brand Loyalty on Consumer Product*” has the main objective to trace the brand loyalty on consumer product in Kathmandu.

The other specific objectives are;

-) To identify the relationship of brand loyalty with demographic variables like age, sex and income.
-) To find out the number of brand loyal consumers or percentage of brand loyal consumer.
-) To recommend important measures that would help the develop marketing strategies and for conducting further researchers on loyalty on branding in future.

The major findings of the study are;

-) In case of mineral water greater % of female are found to have loyal and most of male are found to have no loyalty. Test shows that there are significant difference between male and female.
-) Similarly in the case of toothpaste % of loyal respondent are found high. They are equally brand loyal. There is no significant difference in brand loyalty between male and female.
-) In the case of Shampoo, male and female are found to have equally loyal tests however that there is no difference in brand loyalty between male and female.
-) In case of hair oil male and female respondent are found highly loyal. Among them female are more than and test statistics shows that there is no difference in brand loyalty between male and female.
-) Under age group 15-20, greater % of respondent are found to have divided loyalty and then found to have no loyalty in case of soap.

- J There is no relation between age and brand loyalty. Greater % of respondent is found to have divided loyal among them.
- J Most of the respondent are found to have undividedly loyal in case of shampoo. This indicates that, they are conscious in the case of shampoo. Test statistics shows that there is no relation between age and brand loyalty.
- J In the case of Mineral water greater % of respondent are found to have loyalty. Among them greater % of respondent of age group 20-25 are found loyal. Test statistics indicates that there is no relation between age and brand loyalty.
- J In the case of hair oil most of respondent are found have to undividedly brand loyal. Among them greater % of age group 30 and above, are found more loyal then other group. The test statistics shows that there is no relation between age and brand loyalty.
- J In the case of shampoo greater % respondent of income group are found to have undividedly brand loyal. In this case most of respondent are fall in to undividedly brand loyal. And test statistics show that is no relation between income and brand loyalty.

Rajesh Bhandari (2010) in his study "*A Study on Market Situation of Brand WAI WAI in Kathmandu Valley*" has the main objective to measure the impact of market situation. The other objective of the study was to find out the To face the above problems this study is conducted with the following objectives:

- J To find out the selling position of 'Wai Wai' in comparison to other brands.
- J To study the consumer view about the 'Wai Wai' and other brands i.e. price, pack and quality.
- J To study about the promotional activities of Wai Wai .
- J To present company scenario of marketing in Kathmandu.

Major Findings

-) Distributors themselves go in the market to give the service for concerned. Most of retailer purchases 'Wai Wai' by dealers.
-) Payment is not very strong of 'Wai Wai' 56% (52) shopkeepers say its payment in middle.
-) Most retailers purchase Noodles even 'Wai Wai' in case. If given credit facilities they have no confidence to increase sales (63% (58)retailers].
-) According to shopkeeper Noodles market is increasing 10 to 25% yearly. Although 20% say that its market is same like previous.
-) Most of consumers are coming to purchase Noodles by taking the brand's name. If consumers could not found their own brand shopkeepers suggest carrying another brand. Rate of suggestion is 91%.

2.3 Research Gap

Most of the researcher tried to study consumer behavior on different products. However the researcher found that, they are not fully concerned with the consumers' behavior towards the products. Mainly they are collecting the attitude of the consumer not only the behavioral issues with regards to the consumers' point of view. Like wise the researcher has not yet found any research tries to conduct this research.

In this dissertation, Researcher tries to study more to find out the consumer behavior towards Mayos noodles in Bharatpur Municipality. Furthermore, in this dissertation researcher has used chi-square test as statistical tool to find the independency and dependency of age group for the quantity of Mayos noodles consumed.

CHAPTER - III

RESEARCH METHODOLOGY

Research is the process of investigation. An examination of a subject from different points of view, it is not just a trip to the library to pick up a stack of materials, or picking the first five hits from a computer search. Research is a hunt for the truth. It is getting to know a subject by reading up on it, reflecting, playing with the ideas, choosing the areas that interest you and following up on them. Research is the way you educate yourself.

Research is the creation of new knowledge. It can be categorized into three distinct types: basic, strategic and applied. Basic or blue sky research is the pursuit of the new knowledge with out any assumption about what it might lead to –essentially knowledge for it own sake. Strategic research is the new knowledge which might, in principle, have a practical application but without a precise view of the timescale or nature of the application. Applied research is knowledge which is developed with a specific objective in mind, particularly the conversion of existing knowledge into products, processes and technologies.

Often people think of research in terms of science and technology, but research takes place in every area of academic study. Research in to our culture, our business practice or our economy can be as important as business and scientific research.

Similarly, a research methodology is the plan of action that is carried out in systematic manner. Research methodology refers to the various sequential steps to be adopted by researcher in studying with certain objective/objectives in view.

Therefore, this chapter deals with the following aspects of methodology.

-) Research design
-) Population and sampling
-) Source of data
-) Data collection procedures
-) Data processing and tabulation
-) Methods of analysis

3.1 Research Design

Research design is the plan structure and strategy of investigation conceived so as to obtain answer to research question and to control variance. It helps to researcher to obtain answer to the question of research and also helps him to control experimental, extraneous and error variance of particular research problem under study.

This study is based on more descriptive & less analytical research design. A limited scale survey will be conducted among the consumers and retailers of Mayos Noodles, in Bharatpur Municipality of Chitwan district. Questionnaire will be administered in order to generate data and other information relating to the research questions adopted for this study.

3.2 Population and Sample

The total consumers of mayos Noodles in Bharatpur Municipality are considered as the population of this study. Out of which only 100 ultimate consumers will be interviewed with the help of two different set of structured. The sample size is very small in comparison to the total population sufficient efforts will be made to make the sample representative by including consumers from the different age group, sex, location, educational background and economics background of people resided here.

3.3 Source of Data

The present study is basically conducted on primary data there is less use of secondary data. Depending on the nature of data and information following sources have been utilized.

) Primary Sources

Primary data has been collected through questionnaire for different level of consumers, i.e. higher secondary level consumers, graduate education holder and master level consumers, which are taken from different professions.

) Secondary Sources

As a regard supporting literature, relevant books, journals, bulletins, magazines, newspapers etc. have been studied.

3.4 Data Collection Procedures

Two sets of structured questionnaire will be developed for the purpose of collecting data from the consumers as well as retailers. The questionnaire content different aspect of marketing complication applicable to different aspects of marketing practices. The questionnaire will be administered to the respondents through personal interview. In the process of collecting data, the researcher will also be in touch with the responsible officers of companies selling Mayos Noodles. Secondary data required for the study will be obtained from relevant reports magazines and journals.

3.5 Data Processing and Tabulation

Data have been collected through different level of respondent. A table has been prepared for a set of questionnaires. For each separate question frequency has been counted. Various tables are constructed and responses are presented on percentage.

3.6 Method of Analysis

This study mainly aims to find out Consumer Buying Behavior of Chitwan district's consumer. Collected data analyzed both descriptive & analytical tools. They are used in the research in order to draw out the reliable conclusion.

) Percentage analysis

) Average (Mean) analysis

) Chi-square test

) Bar diagram & pie chart

) **Percentage**

Sampling statistics are used to test whether the observed difference between two numbers is large enough to be considered statistically significant. It represents the proportion of any variable in terms of its total. In the present study, percentage has been used to obtain the actual no. of customer preference.

) **Average (Mean)**

It is statistical tool, which is called average or mean. Mean is the ration of the sum of all observation to the no. of observation. It is calculated from ungrouped data & frequency distribution.

Formulae for calculation for mean

$$\text{Mean } \bar{X} = \frac{\text{Sum of Observatio n}}{\text{No. of Observatio n}} = \frac{\sum X}{n}$$

) **Bar diagram and Pie Chart**

There are particulars tools, which help to know the true picture of the different variables in the absence of complicated formulae and equations. The result of analysis has been properly tabulated, compared and analyzed in presentation and analysis chapter.

) Chi-square Test

Chi-square test used here to determine the independency of the two attributes. The following are the hypothesis set up for chi-square test is used.

<i>Null Hypothesis:</i>	Ho	Quantity of Mayos Noodles consumed is independent upon age group.
<i>Alternative Hypothesis:</i>	H1	Quantity of Mayos Noodles consumed is dependent upon age group.

Following formulae is used to determine the value of chi-square:

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

Observed frequency O is calculated as $E = \frac{\text{Row Total} \times \text{Column Total}}{\text{Grand Total}}$

CHAPTER - IV

DATA PRESENTATION AND ANALYSIS

4.1 Data Presentation and Analysis

The previous chapter provided the concept bases format of the study. This chapter is the main heart of the study. This chapter presents and analysis the collected primary data in the Bharatpur municipality Chitwan with the help of field survey. For this purpose we use both descriptive and statistical tools and techniques are used. The data are presented and analysis is done from final consumer. But diagram, pie chart has been presented to clarify the actual data. Specially, the chapter includes analysis and interpretation of the data obtained from respondents.

In course of conducting this research, the researcher selected 100 consumers or respondents and tries to find out view of consumers. It was found that all the respondents have the eating habit of instant noodles. Obtaining responses, various tables are prepared. The data are presented and analyzed here under.

4.1.1 Sex Group

Table 4.1
Sex group of Consumer

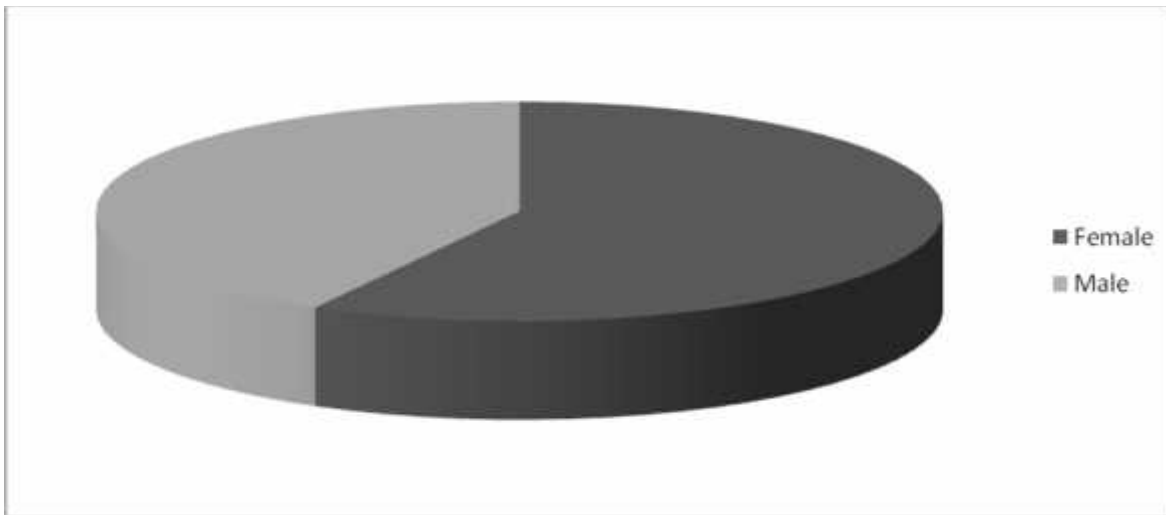
S.N.	Sex	Frequency	Percentage
1	Female	58	58.0
2	Male	42	42.0
Total		100	100.0

Source: Consumer Survey 067

Table 4.1 deals with the sex group of consumer. Among 100 respondents 58 are female and 42 are male. It seems that female consumers are slightly more than male.

This table can be also explained by simple bar diagram.

Figure 4.1
Sex Group of Consumer



4.1.2 Occupation

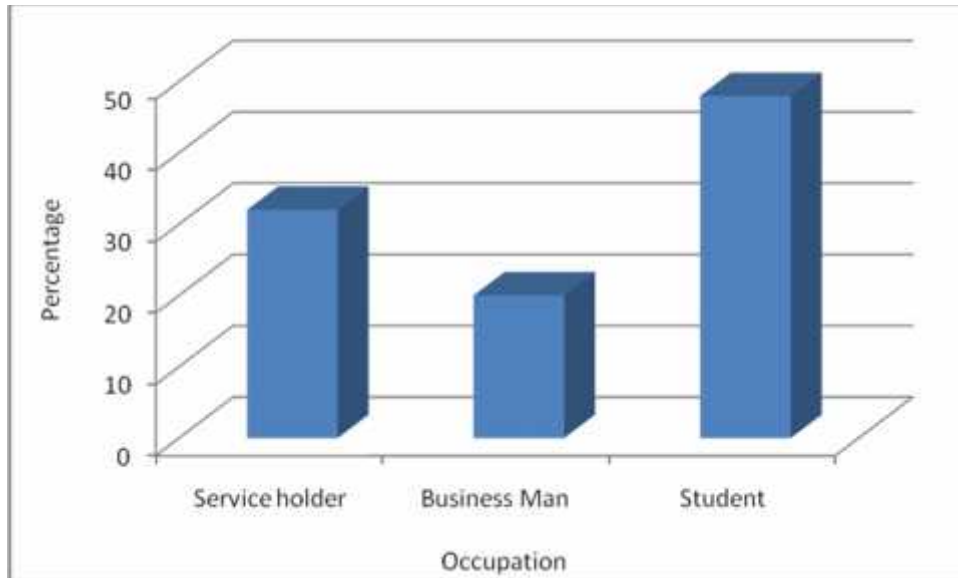
Table 4.2
Occupation of Consumer

S.N.	Occupation	Frequency	Percentage
1	Service holder	32	32.0
2	Business Man	20	20.0
3	Student	48	48.0
Total		100	100.0

Source: Consumer Survey 067

Table 4.2 shows that most of the consumers of Mayos instant noodles in Bharatpur municipality are students. Among hundred respondents 32% are service holder, 20% are business man and 48% are students. We can explain above table by figure below.

Figure 4.2
Occupation of Consumer



4.1.3 Age of Consumer

S.N.	Age	Frequency	Percentage
1	6-19	50	50%

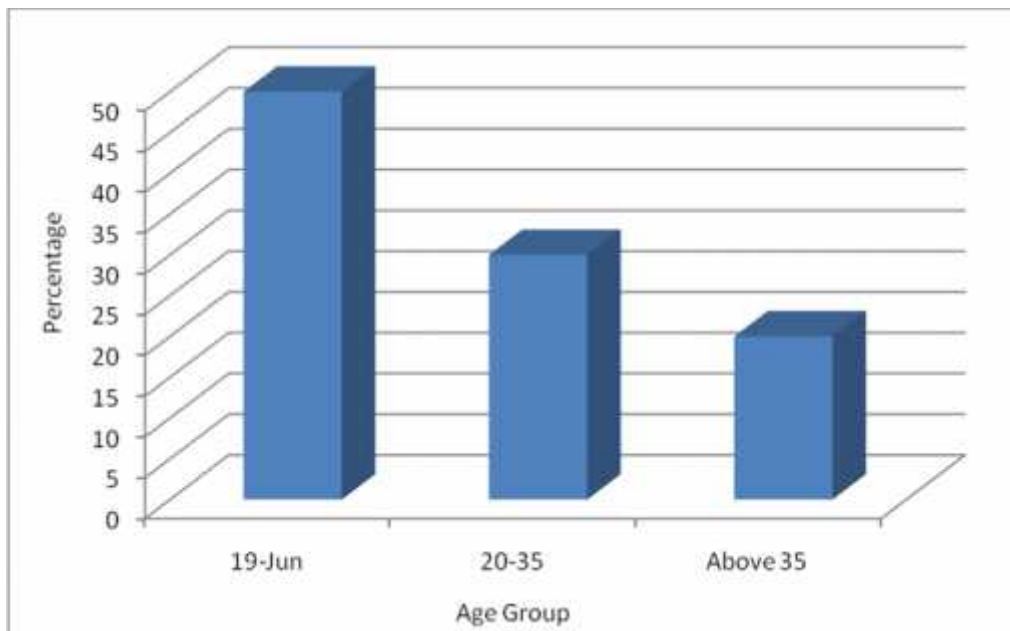
Table 4.3
Age of Consumer

2	20-35	30	30%
3	Above 35	20	20%
Total		100	100%

Source: Consumer Survey 2067

The above table shows that there is a majority of consumer of the age group between 6-19, which is 50%, 20-30 ages are 30% and above 35 are 20%. It can be explained by diagram also.

Figure 4.3
Age of Consumer



4.1.4 Marital Status

Table 4.4
Marital Status of Consumer

S.N.	Marital Status	Frequency	Percentage
1	Married	51	51%
2	Unmarried	49	49%
Total		100	100%

Source: Consumer Survey, 067

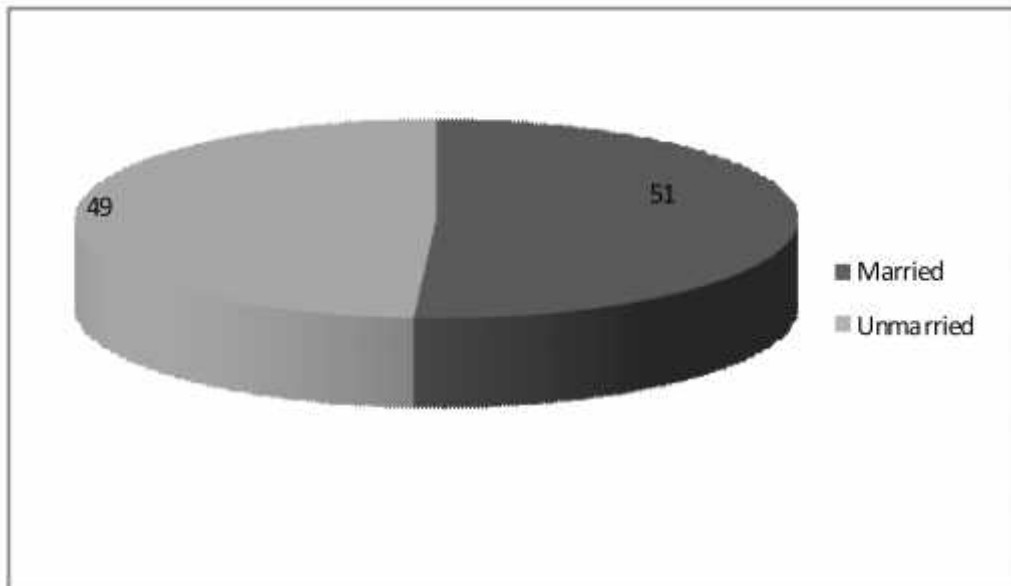
Table 4.4 deals with the marital status of consumer , here most of the consumers who seem likely to have mayos noodles have been taken as sample to get more responding answers regarding the asked for in research questionnaire.

Among 100 respondents 51 are married and 49 are unmarried. It seems that married consumers are more in no. than unmarried.

This table can also be explained by simple bar diagram.

Figure 4.4

Marital Status of Consumer



4.1.5 Noodles Consumption by Purpose

Noodles are used for multi purposes. They are used as meal as well as Tiffin. The data obtained from the final consumers about their consuming purpose of noodles have been provided in the below table.

Table 4.5
Classification of Consuming Purpose of Noodles

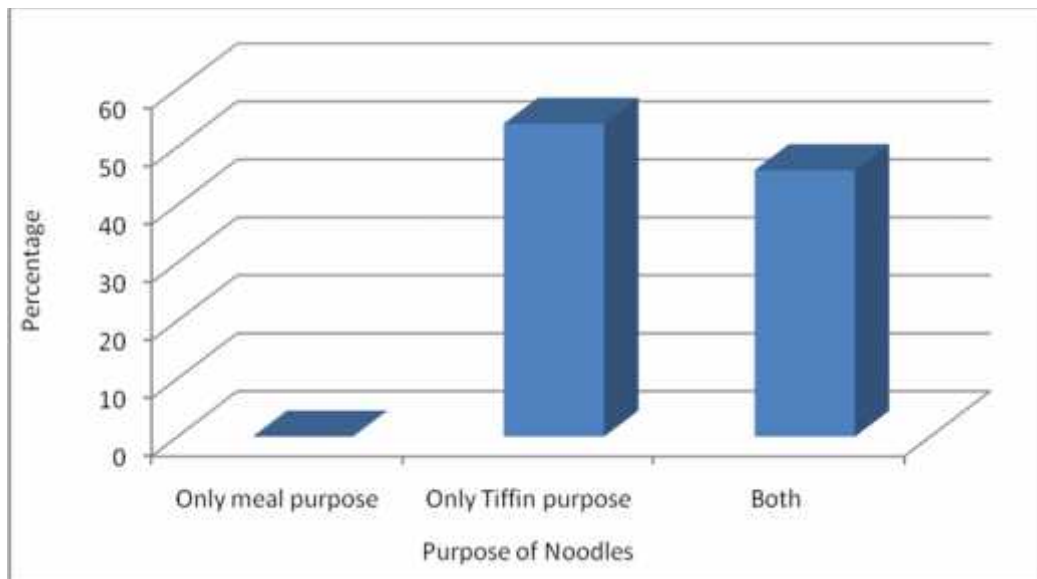
S.N.	Purpose	No. of Consumer	Percentage
1	Only meal purpose	-	-
2	Only Tiffin purpose	54	54%
3	Both (Meal & Tiffin Purpose)	46%	46%
Total		100	100%

Source: Field Survey 067

Noodles are specially eaten as Tiffin but sometimes people eat it as meal. Out of 100 respondents used for both purpose and 54 respondents eat only as Tiffin. It is rarely eaten as meal only.

This table can also explained by simple bar diagram.

Figure 4.5
Classification of Consuming Purpose of Noodles



4.1.6 Consumers Priorities of Mayos Noodles

Respondents were asked what kind of mayos instant flavor they like. Mayos chicken only, Mayos vegetable only or both flavor.

Table 4.6

Classification of Mayos Noodles Consumer by Flavored

S.N.	Flavors	No. of Consumer	Percentage
1	Only Chicken	39	39%
2	Only vegetable	27	27%
3	Both (Chicken+vegetable)	34	34%
Total		100	100%

Source: Field Survey 067

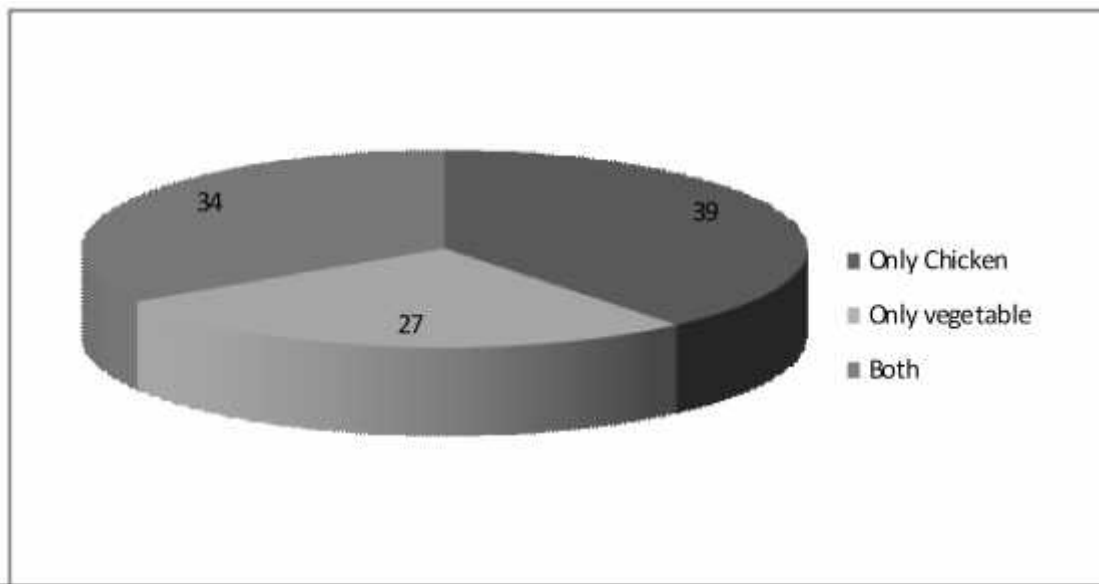
There are two flavors item, vegetable and chicken. People who are highly interested towards religious norms, they offer vegetable but the rest are non vegetable.

The ratio of chicken flavors is much higher than the vegetable flavors of Mayos noodles.

The pie chart below clearly shows the percentage categories of flavors according to consumers' priority.

Figure 4.6

Consumers Priority of Mayos Flavors



4.1.7 Ranking of Different five Brands of Noodles

In the table below the consumers priority to different five brands have been presented. Note that, highest priority given noodles is denoted by 1 and the lowest priority given noodles is denoted by 5 and it is also noted that, the number 1 denoted noodles has lowest mean value and the number 5 denoted noodles has got highest mean value.

Table 4.7

Ranking of Different Brands of Noodles by Consumers Performance

S.N.	Noodles	Ranking	Mean
1	Wai-Wai	1	1.58
2	Mayos	2	2.2
3	2 PM	3	3.64
4	Aaha	4	3.74
5	Rumpum	5	3.88

Source: Annex-2

4.1.8 Consumers View Towards Price of Mayos Noodles

In order to identify opinions of the end use consumer view towards price of Mayos noodles, respondents were requested to comment in term of expensive, reasonable and cheap. It is tabulated below.

Table 4.8

Consumers View towards Price of Mayos Noodles

S.N.	Price	No. of respondent	Percentage
------	-------	-------------------	------------

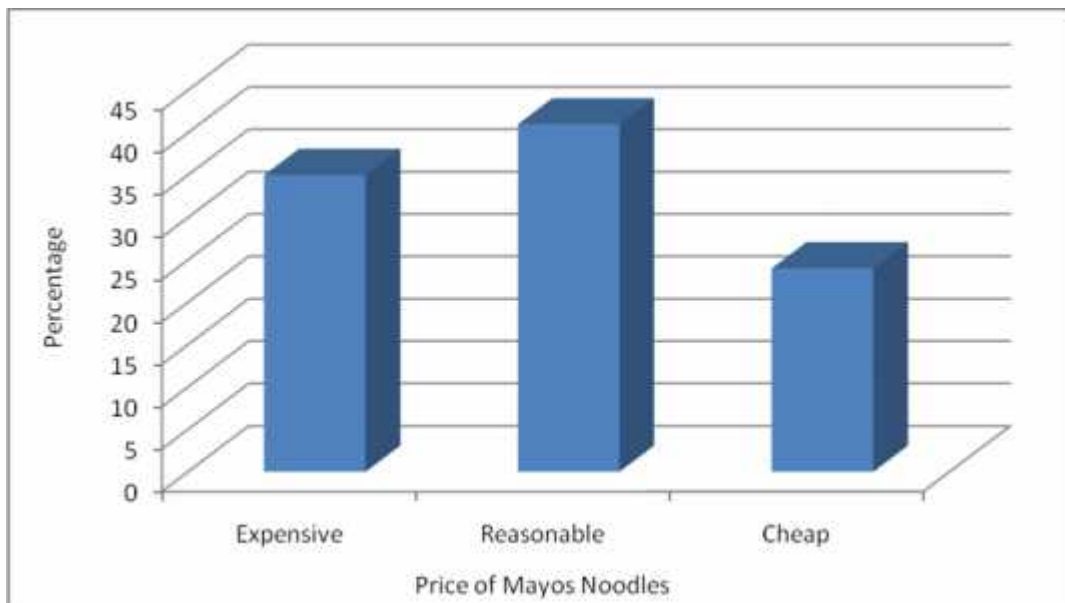
1	Expensive	35	35%
2	Reasonable	41	41%
3	Cheap	24	24%
Total		100	100%

Source: Field Survey 067

The above table shows that 35% respondents think Mayos noodles as expensive where as 41% think it as reasonable and 24% as cheap, this shows consumer regards the price of instant noodles as reasonable, this can be also explained by bar diagram.

Figure 4.7

Consumers View towards Price of Mayos Noodles



4.1.9 Consumers Priority on Mayos Noodles Attributes

Table 4.9

Consumers Priority on Mayos Noodles Attributes

S.N.	Attributes	No. of respondents	Percentage
------	------------	--------------------	------------

1	Taste	29	29%
2	Quality	25	25%
3	Price	12	12%
4	Freshness	10	10%
5	All of above	24	24%
Total		100	100%

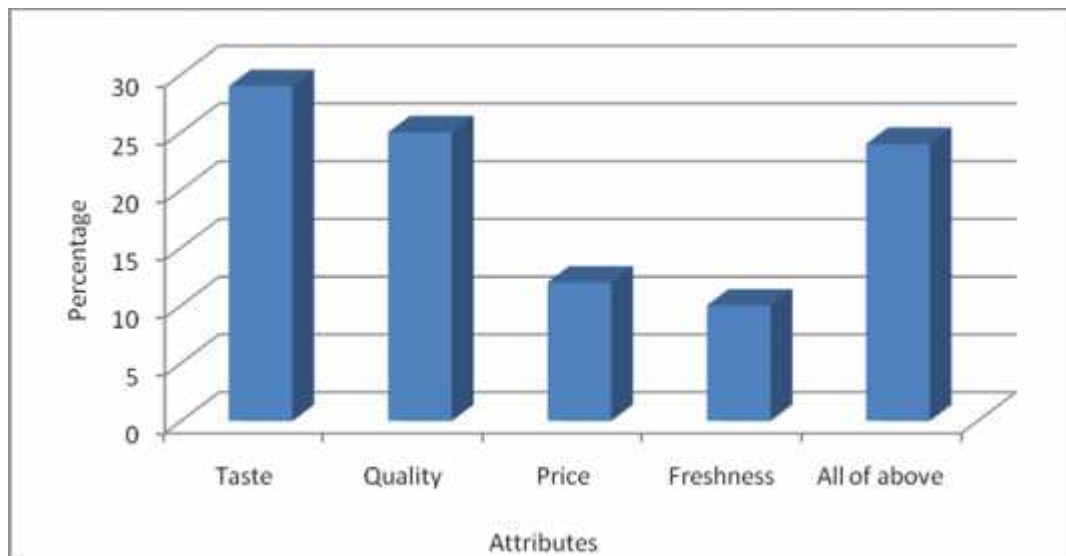
Source: Field Survey, 2067

From this table, it is clear that consumer gives more emphasis on the taste of the noodles. Emphasis for quality, price, and freshness comes after the taste in the decreasing rate. But 24% of the consumers think their preferred noodles have all given attributes.

This can be also explained by simple bar diagram.

Figure 4.8

Consumer's Priority on Mayos Noodles Attributes



4.1.10 Media Exposure of Mayos Noodles Advertisement

Table 4.10

Media Exposure of Mayos Noodles Advertisement

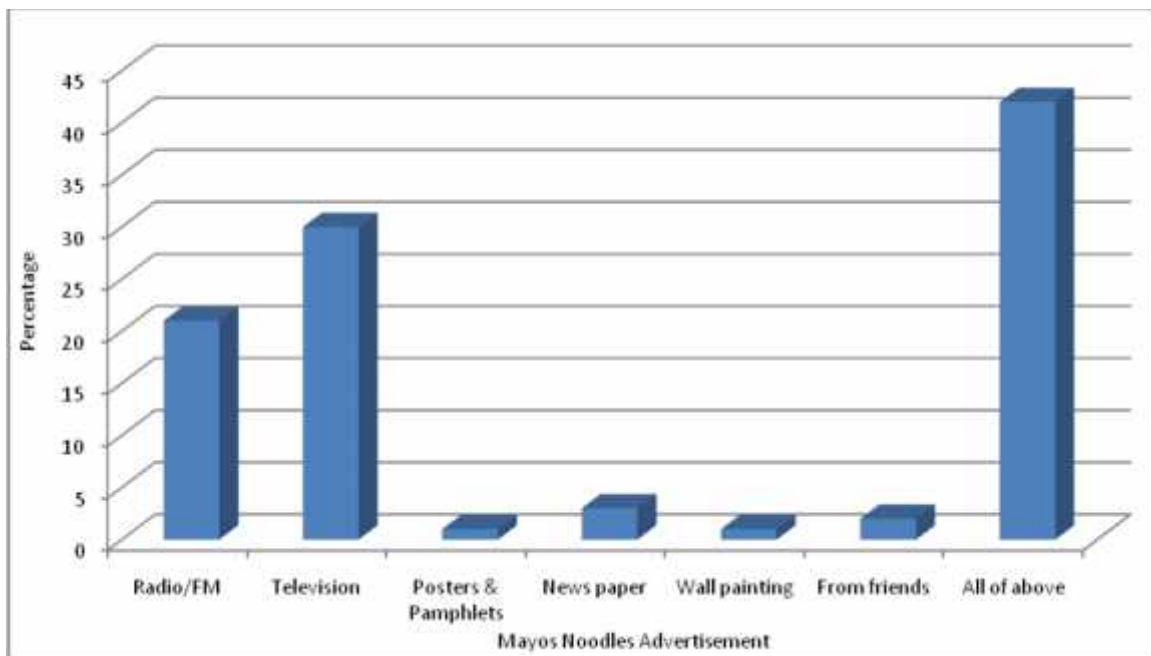
S.N.	Media	No. of respondents	Percentage
1	Radio/FM	21	21%
2	Television	30	30%
3	Posters & Pamphlets	1	1%
4	News paper	3	3%
5	Wall painting	1	1%
6	From friends	2	2%
7	All of above	42	42%
Total		100	100%

Source: Field Survey, 2067

Above the table shows that consumers have more exposure of Mayos noodles advertisement through television, But most of them know about them Mayos noodles from all of the form of medias. It can also be clearly shown by bar diagram.

Figure 4.9

Media Exposure of Mayos Noodles Advertisement



4.1.11 Consumption Pattern of Mayos Noodles

Table 4.11

Consumption Pattern of Mayos Noodles

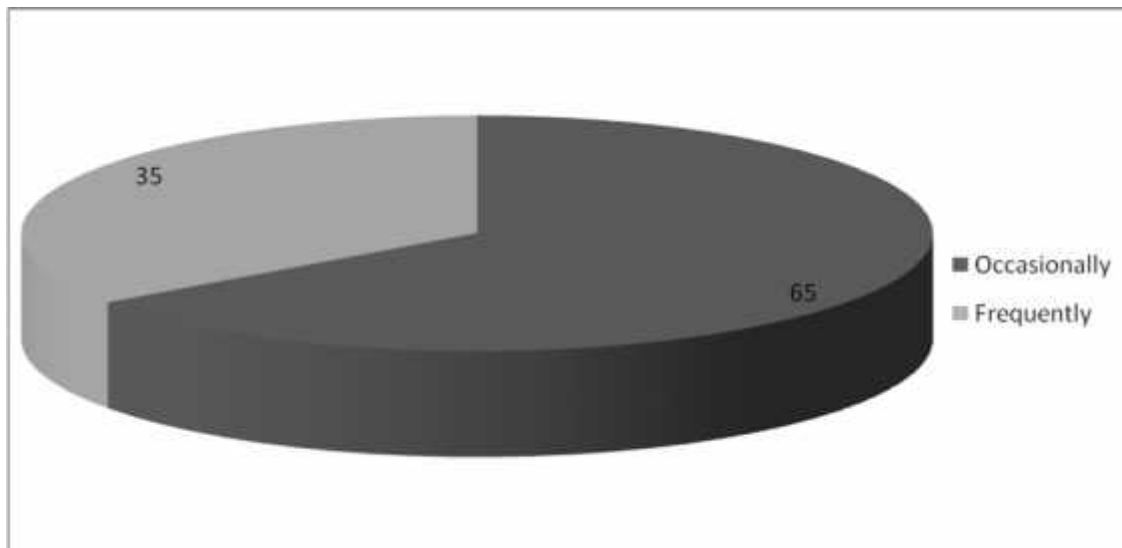
S.N.	Period	No. of respondents	Percentage
1	Occasionally	65	65%
2	Frequency	35	35%
Total		100	100%

Source: Field Survey, 2067

The above table shows that consumption pattern of Mayos noodles. Most of the respondents take Mayos noodles occasionally, 65% consumers have chosen occasionally in the question, how often you use Mayos noodles? Remaining 35% consumers have chosen frequently. We can better explain by bar diagram.

Figure 4.10

Consumption Pattern of Mayos Noodles



4.1.12 Effective form of Advertisement According to Consumer

Table 4.12

Effective Form of Advertisement According to Consumer

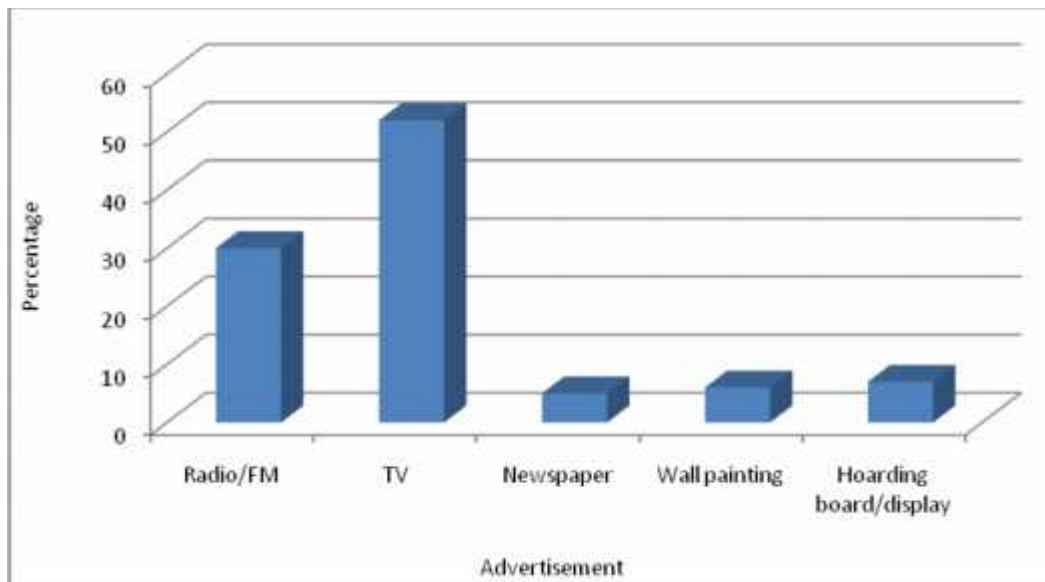
S.N.	Form of Advertisement	No. of respondents	Percentage
1	Radio/FM	30	30%
2	TV	52	52%
3	Newspaper	5	5%
4	Wall painting	6	6%
5	Hoarding board/display	7	7%
Total		100	100%

Source: Field Survey, 2067

When we asked about more effective form of advertisement of Mayos noodles, 52% of respondents think TV advertisement is the most effective. Likewise, 30% think radio/fm advertisement is the most effective, 7% goes for hoarding board, 6% goes for wall painting & display and 5% for newspaper. This can be better shown in the following figure.

Figure 4.11

Effective Form of Advertisement According to Consumer



4.1.13 Influence of Advertisement in Buying Mayos Noodles

Table 4.13

Influence of Advertisement in Buying Mayos Noodles

S.N.	Options	No. Of respondents	Percentage
1	Yes	32	32%
2	No	68	68%
Total		100	100%

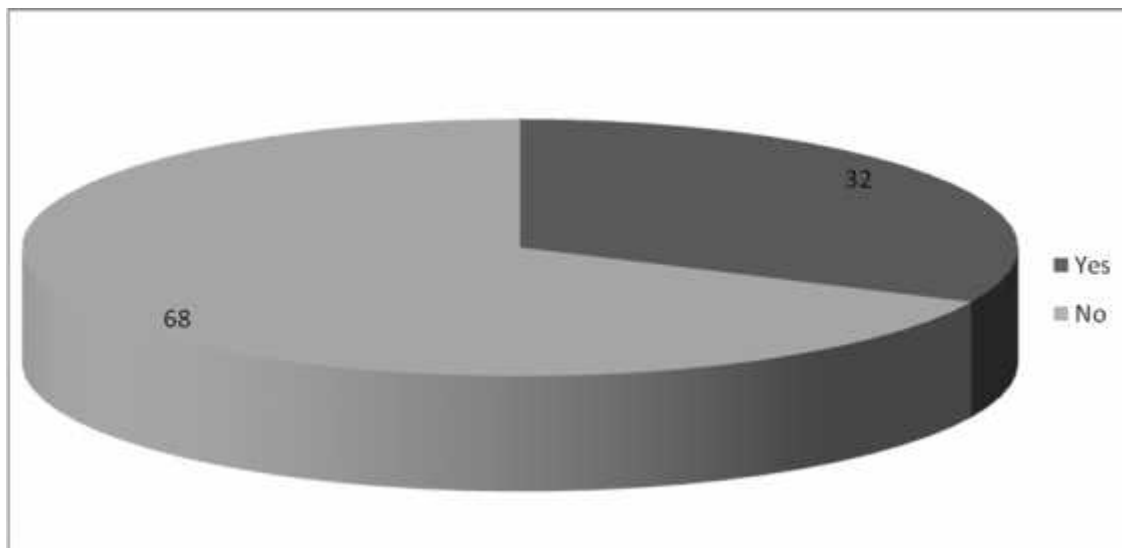
Source: Field Survey, 2067

Regarding the questions that the noodles they buy is mainly inspired by advertisement or not most of the respondents replied negatively, 68% of them said that they are not inspired by advertisement and remaining 32% said that they are inspired by advertisement.

Above the table shows that majority of customers are not inspired of advertisement in buying of Mayos noodles. It can be also better shown by bar diagram.

Figure 4.12

Influence of Advertisement in Buying Mayos Noodles



4.1.14 Consumers Judgement towards Mayos Instant Noodles' Quality

Table 4.14

Consumers Judgement towards Mayos Instant Noodles' Quality

S.N.	Quality	No. Of respondents	Percentage
1	Best	16	16%
2	Good	48	48%
3	Normal	36	36%
4	Bad	0	0%
Total		100	100%

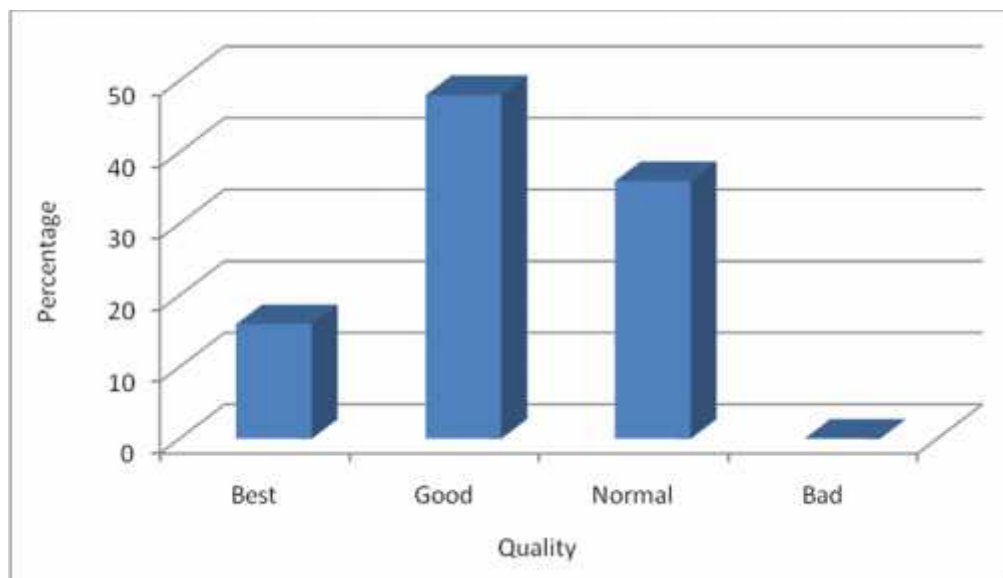
Source: Field Survey, 2067

Regarding the quality of Mayos noodles respondents' response are quite positive. None of the respondents judge quality of Mayos noodles as bad

Above the table shows 48% of respondents say it has good quality. Similarly, 36% says normal quality and 16% says best quality. This shows consumers like the quality of Mayos noodles. This can be also explained by simple bar diagram.

Figure 4.13

Consumers Judgment towards Mayos Instant Noodles' Quality



4.1.15 Classification of Promotional Techniques for Mayos Noodles

Table 4.15

Classification of Promotional Techniques for Mayos Noodles

S.N.	Techniques	No of respondents	Percentage
1	Advertisement	28	28%
2	Gift-coupon	58	58%
3	Trade fair & Exhibition	14	14%
Total		100	100%

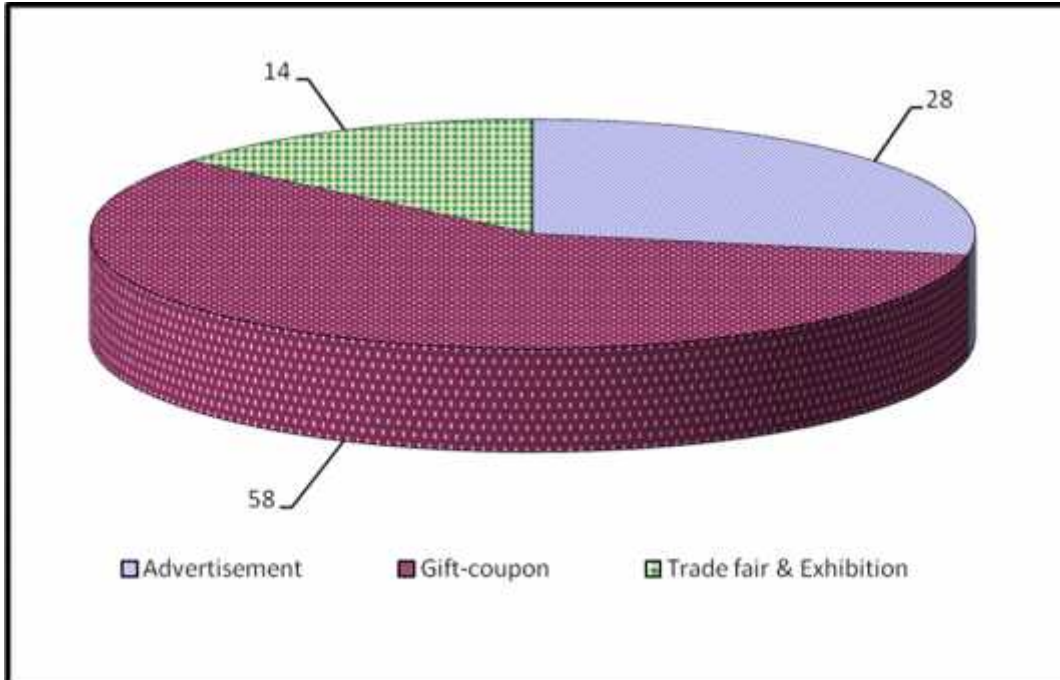
Source: Field Survey, 2067

Respondents were also asked, what kinds of promotional techniques will be adopted the Mayos noodles for its sales promotional.

According to consumer's response, the effective promotional tool for Mayos is seemed gift & coupons, 58% of respondents had supported it. The advertisement has occupied 28% for promotion. Whereas trade & fair exhibition has 14% response. The diagrammatic presentation of the above table has shown below.

Figure 4.14

Classification of Promotional Techniques for Mayos Noodles



4.1.16 Consumer's Satisfaction towards Mayos Noodles

The respondents were tabulated in respect to their satisfaction towards Mayos noodles, the table below has presented as a form of consumers satisfaction of Mayos.

Table 4.16

Consumer's Satisfaction towards Mayos Noodles

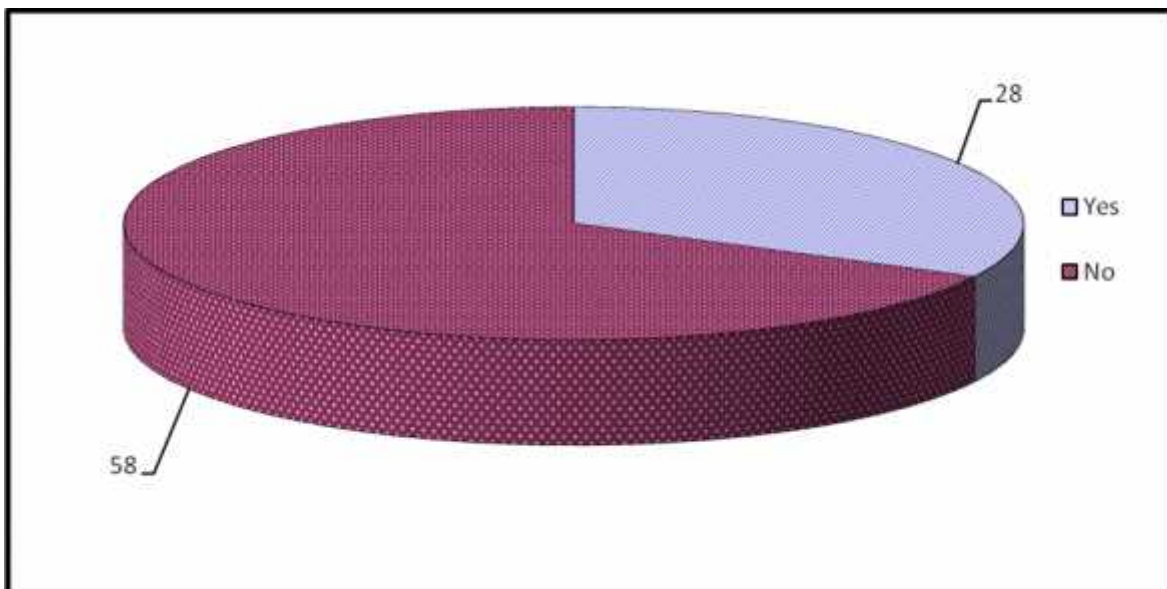
S.N.	Satisfaction	No. Of respondents	Percentage
1	Yes	66	66%
2	No	34	34%
	Total	100	100%

Source: Field survey, 2067

According to above table, 66% respondents are in favour of Mayos noodles, where 34% are not in satisfaction towards Mayos. Here, the pie chart presents it clearly.

Figure 4.15

Consumer's Satisfaction towards Mayos Noodles



4.1.17 Consumers' Advice for Mayos Noodles

We asked to End-use consumers, what will be the effective policy to develop the Mayos noodles. The table below has presented form of consumers' advices for Mayos noodles.

Table 4.17
Classification of Consumer's for Mayos Noodles

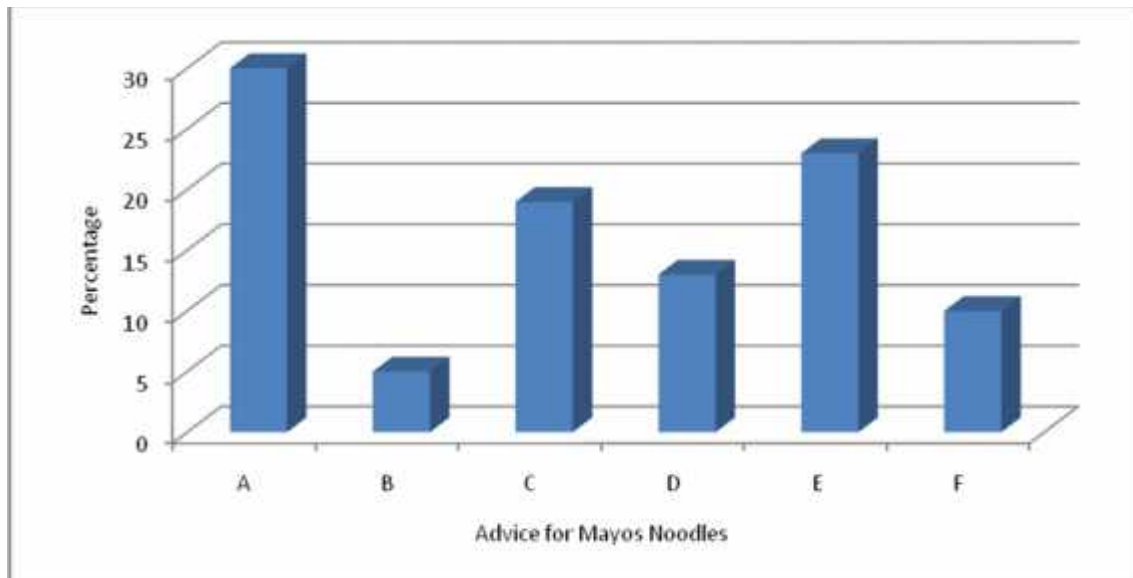
S.N.	Advices	No. of respondents	Percentage
1	To reduce price (A)	30	30%
2	To arrange gift, coupon, discount & commission (B)	5	5%
3	To arrange different quality (C)	19	19%
4	To develop mass advertisement (D)	13	13%
5	To increase quality (E)	23	23%
6	To do consumer's welfare (F)	10	10%
	Total	100	100%

Source: Field Survey, 2067

Of all the 100 respondents, 30 % have suggested to the producer of Mayos noodles to reduce its price, 5% suggested to arrange gift-coupons, discount and commission, 19% suggested to present various quantity of packet, 13% percent denoted to mass advertisement, 23% indicated to increase quality and 10% have suggested to do consumer' welfare. Here the bar diagram presented it clearly.

Figure 4.16

Classification of Consumer's Advice for Mayos Noodles



4.1.18 Chi-square Test for Independence of Age Group and Quality Consumed

Table 4.18

Chi-square Test for Independence of Age Group and Quality Consumed

S.N.	Ages	Occasionally	Friendly	Total
1	6-19	27	25	52
2	19-35	23	5	28
3	Above 35	15	5	20
	Total	65	35	100

Source: Consumer Survey, 2067

1. Set up Hypothesis

Null Hypothesis H_0 = Quality of Mayos consumed is independent up on age group.

Alternative Hypothesis H_1 = Quantity of Mayos noodles consumed is dependent up on age group.

2. Test Statistics: χ^2 Calculated

= 14.17 (Annex 3)

3. Level of Significance: $\alpha = 0.05$

Degree of freedom = 2

4. Critical Value χ^2 Tabulated as = 5.991

5. Decision

Since the calculated value of Chi square (χ^2) 14.17 is greater than tabulated value of χ^2 or χ^2_{tab} (5.991) at 5% level of significant for 2 df, so Null Hypothesis is rejected. (Hence, there is relationship between two attributes) or i.e. quantity of Mayos Noodles consume is depended upon age group.

4.2 Major Findings

From the field of survey and analysis of the consumer behavior in the Bharatpur municipality, Chitwan district the following things are found.

1. The consumption of wai wai noodles is very high in the Bharatpur Municipality, in comparison to others.
2. Most of the consumers take Mayos Noodles occasionally.
3. Most of the respondents have suggested for reasonable price and increasing quality of Mayos noodles to the manufacturer. They also mentioned above the term of healthy product should produce.
4. Most of the consumer takes noodles as Tiffin.
5. The taste Mayos noodles is very much liked by consumer of Bharatpur Municipality.

6. Consumers think the price of the noodles is reasonable.
7. Most of the consumers know about the noodles from the TV advertisement. They think advertisement on TV and Radio/FM are the most effective for advertisement of noodles.
8. Most of the consumers do not change the brand offer seeing new advertisement.
9. The trend of noodles consumption is increasing and most of these consumers take 1 packet of Mayos noodles per day.
10. Most of the respondents have selected high quality product.
11. Mayos noodles are found as second position by consumer in Bharatpur Municipality.
12. In term of single word towards quality of Mayos noodles, 48% consumers have chosen good.
13. Quantity of Mayos noodles consume is dependent upon age group.

CHAPTER - V

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary

In the recent time industries are developing rapidly in Nepal. Every year the number of different industries is increasing in the country. One of the industries that are developing significantly is noodles industries. Today a product not only needs a quality enhancement but also better promotion and presentation in the market. The product should be able to win the heart of consumers to be successful in the market, thus consumer behavior is very important aspects in any field.

Consumer behavior is the study of people buy, what they buy, when they buy and why they buy. It blends element from psychology, socio-psychology, anthropology and economics. It attempts to understand the buyer decision making process both individually and in group. It studies characteristics of individual customers such as demographics, psychographics and behavioral variables in an attempt to understand people's wants. It also tries to access influence on the consumer from group such as family, friends, reference groups and society in general.

The research objective is studding behavior of consumers. Consumer behavior is important to all the marketers, who are producing consumer goods. It deals with consumer satisfaction. The topic of the study "Consumer buying behavior towards Mayos instant noodles in Bharatpur Municipality, Chitwan district"

An attempt is made to find out consumer's perception and behavior in the purchase of Mayos instant noodles in the study area. For the purpose of the study null hypothesis were developed. To conform whether the study is in accordance with

the principles and doctrines, supportive texts and the previous dissertation have been reviewed.

The samples for the study comprised 100 consumers are taken from Bharatpur Municipality, Chitwan district. A questionnaire consisting 11 questions were administered to the respondents. The data obtained from them were analyzed using percentage, chi-square test and chart.

The percentage analysis reveals that among 100 respondents, 33% preferred wai wai brand, 30% preferred Mayos brand, 13% preferred Yumyum brand, 10% preferred Rumpum brand, 8% preferred 2 pm brand and 6% preferred Aaha brand. Consumers consume Mayos noodles in two ways, 65% consumers consume Mayos noodles occasionally and 35% Consumers consume Mayos noodles frequently. Who consume Mayos noodles frequently 56% consumer consume one packet in a day, 32% consumer consume two packet in a day and 12 % consumers consume more than two packet in a day.

To conclude the test of hypothesis shows one of the most important fact i.e. quantity of Mayos noodles is dependent upon age group.

5.2 Conclusion

As analyzed in the above data presentation and analysis chapter, the following conclusion can be made regarding the buying behavior towards Mayos instant noodles in Bharatpur municipality, Chitwan district.

-) The entire sampled consumers have eating habit of Mayos noodles.
-) Most of the respondents are students.
-) Most of the respondents are the age between 6-19 years.

-) Most of the respondents take Mayos noodles occasionally and there is slightly difference between the consuming between the consuming habits of married unmarried consumers.
-) Most of the consumer take noodles as Tiffin purpose and mostly use one packet per day.
-) Chicken flavor Mayos is mostly preferred by the consumer than any other flavor.
-) Mayos is at the second in the respondents ranking where as wai wai is as the top ranking.
-) Most of the respondents have positive view towards the test of the Mayos and there is no one who doesn't like its taste.
-) Consumer gives more emphasis on the taste of noodles than its price and quality.
-) More respondents feel the price of the Mayos is reasonable and the percentage difference between those from expensive feelers is more by 6%.
-) Most of the consumer listen advertising form the TV which is followed by radio Fm and others.
-) Most of the respondents influence the adverting of noodles through audio-visual media and again through audio media which are more than other forms of advertising.
-) The most effective promotional techniques go with sales promotion like gift, coupon, offer etc than giving plane advertising.
-) Most of the consumers are satisfied with the taste and quality of Mayos but around 34% are found to be dissatisfied.
-) Most of the respondents' suggestion to producer is to reduce the price which is followed by increase in quality and produce in verities of packet.

5.3 Recommendation

The following are the suggestion and recommendation for the overall development of situations discussed above.

1. The Mayos noodles should study the consumer's buying behavior continuously and regularly and prepare the strategies accordingly.
2. The consumer having positive behavior should be more encouraged and should include negative behavior and should improved its different aspect.
3. Advertisements and gift-coupons should be given priority in sales promotion.
4. Mayos should maintain its price, packaging and its quality.
5. In order to marketwise the vegetable flavor of Mayos noodles effectively, it should be popularized at religious festivals and spots.
6. In order to be success in the competition and to create good influence on society, it should participate in social activities.
7. The provision of gift-coupons should be done in a quick and easy manner.
8. Being alert with other noodles, it should adopt defensive strategies.
9. As consumer behavior is highly affected by product manufactured with the help pf better technology, the sample organization should produce in accordance with consumer demand for which they may adopt effective opinion survey.
10. As consumers have more exposure of Mayos instant noodle's advertisements through the television and radio, these media should be extensively used.
11. It is found that Mayos instant noodles are mostly consumed by children and teenagers. So company should induce grown up to use Mayos noodles more often.

ANNEXURE

Annex – 1

Mean calculation for Ranking of Different Brand of Noodles

Ra nki ng Brands	1	2	3	4	5	Tot a l
Rump um	6	1	1	3	4	10 0
WaiW ai	6	2	4	1	-	10 0
2Pm	2	8	3	3	2	10 0
Mayos	1	5	8	4	1	10 0
Aaha	1	1	2	4	2	10 0
Total	1	1	1	1	1	

Calculation of Mean

Rumpum

Ranking (X)	No. of Consumer (f)	Fx
1	6	6
2	10	20
3	14	42
4	30	120
5	40	200
Total	N=100	fx =388

$$\text{Mean } (\bar{X}) = \frac{fx}{N} = \frac{388}{100} = 3.88$$

Calculation of Mean

Wai-Wai

Ranking (X)	No. of Consumer (f)	Fx
1	66	66
2	20	40
3	4	12
5	-	-
Total	N=100	fx =158

$$\text{Mean } (\bar{X}) = \frac{fx}{N} = \frac{158}{100} = 1.58$$

Calculation of Mean

2Pm

Ranking (X)	No. of consumer (f)	Fx
1	2	2
2	8	16
3	36	108
4	32	120
5	22	110
Total	N=100	fx =364

$$\text{Mean } (\bar{X}) = \frac{fx}{N} = \frac{364}{100} = 3.64$$

Calculation of Mean

Mayos

Ranking (X)	No. of consumer (f)	Fx
1	14	14
2	58	116
3	8	24
	4	16
5	10	50
Total	N=100	fx =220

$$\text{Mean } (\bar{X}) = \frac{fx}{N} = \frac{220}{100} = 2.20$$

Calculation of Mean

Aaha

Ranking (X)	No. of consumer (f)	Fx
1	12	12
2	15	30
3	24	72
4	40	160
5	20	100
Total	N=100	fx =374

$$\text{Mean } (\bar{X}) = \frac{fx}{N} = \frac{374}{100} = 3.74$$

Annex-II

Chi-square for independence of Age Group and Quantity Consume

Age	Occasionally	Frequently	Total
6-19	27	25	52
19-35	23	5	28
Above 35	15	5	20
Total	65	35	100

Setup hypothesis:

Null hypothesis: H_0 : Quantity of Mayos Noodles consume is dependent upon age group.

Alternative Hypothesis: H_1 : Quantity of Mayos Noodles consume is dependent upon age group.

Chi-square contingency Table Test for Independence				
		Ocasio nall y	Freq u e n tl y	Tota l
16- 1 9	Observed	27	25	52
	Expected	16.25	18.2	34.4 5
	(O-E)2/E	7.12	2.54	9.66
19- 3 5	Observed	23	5	28
	Expected	18.2	9.8	28
	(O-E)2/E	1.27	2.35	3.63
Abo v e 3 5	Observed	15	5	20

	Expected	13	7	20
	(O-E) ² /E	0.31	0.58	0.89
Total	Observed	65	35	100
	Expected	65	35	100
	(O-E) ² /E	8.7	5.47	14.17
Chi-square		14.17		
df		2		

$$\text{Chi-square} = \sum \frac{(O - E)^2}{E} = 14.17$$

Table Value 5.991 at level of significance: $\alpha = 0.05$

Here: Calculated value is greater than table value therefore Null hypothesis is Rejected.

Annex-III
Questionnaire

Hello Namaskar!!!

My name is Bidya Shrestha. I am student of Shankar Dev Campus, Putalisadak, Kathmandu. I am writing a thesis on consumer buying behavior related to Mayos Instant Noodles. Without your cooperation, it is impossible to go on . Will you please take a few minute to answer some question? I assure you that your answer will be kept completely confidential.

Name:

Age:

Address:

Occupation:

Sex: Ma

Fe

Marital Status: Ma

Un d

Education: Lite

Undergra

Above

1. Do you eat noodles?

Yes () No()

2. Normally, what type of food do you take noodles as?

Meals () Tiffin () Both ()

3. How many noodles do you take on average?

) One packet per day()

) At least two packets a day()

) More than two packets at day()

4. Which flavor of Mayos noodles do you prefer?

Vegetable () Non-vegetable ()

5. Please rank the below five brands of noodles. (Tick 1 for the best and 5 for the worst)

Rumpum () Aaha () Mayos () Wai-Wai () 2Pm ()

6. What is your view towards price of Mayos noodles?

Expensive () Reasonable () Cheap ()

7. What is your view towards quality of Mayos noodles?

Best () Good () Normal () Bad ()

8. Which is the best media for promotion of Mayos noodles?

Advertisement () Gift-coupon () Fair and exhibition ()

9. Are you satisfy as a end user of Mayos noodles?

Yes () No ()

10. From which media do you know about the Mayos noodles?

Radio/F.M. () TV () Posters and pamphlets ()

Wall painting () Newspapers () From friend ()

All of above ()

11. What is good about the brand you choose to have, so it comes in your mind first?

Test () Quality () Price ()

Freshness () All of above ()

12. How often do you eat the Mayos noodles?

Occasionally () Frequently ()

13. Which form of advertisement do you think is more effective for noodles?

Radio/FM () TV () Wall Painting ()

Hoarding board display () Newspaper ()

14. The Mayos noodles, which you buy, is mainly inspired by advertisement or not?

Yes () No ()

15. If any suggestion to producer of Mayos noodles, please mention.

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