

CHAPTER-ONE

INTRODUCTION

1.1. Background:

Nepal is a tiny country in Asia. It is a landlocked country bordered by two huge neighbours India and China. Nepal attracts a disproportionately large number of tourists, when compared to its size. This is due to a few things about Nepal including the presence of Mount Everest.

Nepal is located along the spine of the majestic Himalayan mountain ranges. This unique location gives the country a beauty that is unmatched anywhere in the world. Travelers to the country say one thing about Nepal- the country could not be experienced fully on a single visit. The travelers have to come again and again to know the mountainous country and its people.

Nepal is the land of eternal beauty. The country has historical temples. Nepal also has one of the best trekking routes on earth. It is a sovereign country rich in natural beauty and cultural resources. The capital Kathmandu is the transit point for persons seeking adventure from all over the globe. They come attracted by the country's diverse terrain. The lowest point of the country is just 60 meters above sea level. The highest point in the country is Mount Everest. Mount Everest is the highest mountain on earth. The swift flowing mountain rivers, tropical green jungle and cold mountains complete the ethereal Nepal experience.

1.1.1 Brief Introduction of Study Site:

Bharatpur Municipality, a central part and headquarters of Chitwan Districts, which is seventh largest city of Nepal. Bharatpur is the commercial and service center of central south Nepal. It is the merger

destination for higher education, health & transportation of the region covers an area of 7500 hectors and has a population 105773 (2001).

Bharatpur a medium sized municipality lies on the bank of Narayani River. It is the headquarter as well as commercial center of Chitwan district. It is located at center of Mahendra (east-west) highway. It is the main town with numerous shopping zones where people from all over the district and even from neighboring district come to shop.

Now there are fourteen (14) wards in this municipality. They all are urban areas.

1.1.2 Map of the Bharatpur Municipality



1.1.3. Fundamental reason for the selection of Bharatpur Municipality:

By the preliminary survey, the market of cell phone in Bharatpur Municipality is found maximum. According to the market survey of cell phone maximum number of people of Bharatpur municipality use the cell phone. So, we think Bharatpur municipality is a appropriate area for the study.

Bharatpur municipality is the urban area, so most of the people want to keep cell phone with the because of necessity as well as fashion. Therefore Bharatpur is main place for cell phone market.

Another important aspect is that Bharatpur is the most populated city, where the density of population is very high and different level & castes lived and we came to conclude that such type of consumer's survey will be more effective.

Similarly, It is also found that every people for eg. student, house wife, professional adult, old age people want to keep cell phone with them. So that we have choose this place for field survey as study.

1.1.4 Market, Marketing, Consumer and Consumer Behaviour:

To a Layman the term 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 be 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 means we knew only buying and selling activity. It is a narrow concept but is actual marketing means before production and after

sales services of all activities are included. Therefore marketing is system of business activity designed to plan, price, promote and distribute something of value want and satisfying goods and services to the benefit of 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 point of the consumer and ends with the satisfaction of that needs. Thus, the consumer is found both at the beginning and the end of marketing process. Therefore the consumer is 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.

So consumer behaviour is an integral part of marketing. The basic philosophy of 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 different 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 behaviour. So that, they will be able exploits the prevailing opportunities and shoulder the threats and challenges. In course of that they have to find out behavioural conduct of consumers that they show during pre-buying phase, buying phase, post buying phase keeping all these in to consideration, consumer behaviour can be understood as acquiring, using and disposing of products and services

1.1.5. Short Description of Cell Phone:

The term cell phone (more commonly known as mobile phone) refers to means for communication. It is used for communication between people. In Nepal there are not any cell phone production company. All types and company's cell phone are import for Nepali's market. Most of the foreign company established it's store in Nepal. There are so many cell phone in Nepalese market they are Nokia, Motorola, Samsung, L.G., Sony Erection Etc.

1.2. Focus of Study:

Today's consumers are becoming much conscious about the product. They are being smarter, more price conscious, less forgiving and frequent testing the availability of the product in the market. Consumers are value maximizes within the bounds of search costs and limited knowledge and income. They for the expectation of value of act accordingly.

Bharatpur being the central point of Nepal and heart of Chitwan district which is likely of famous for better marketing center in relation to cell phone. Many distributors have established it the best centre for marketing cell phone. The products (i.e. cell phone) like Nokia, Motorola and Samsung are found highly competitive on making customers satisfaction.

Customers are the prime judge of the product's quality. Customer's perceived value towards the product is different in different nature. Their income, status, age, advertisement motive, brand name play vital role on viewing the product.

The study on 'Consumer behaviour towards cell phone in Bharatpur Municipality' has relative marketing importance which helps to identify the consumer's actual perception on the existing cell phone available in the

market of Bharatpur areas. Different sorts of age groups, their views and the people of different natures, their behaviour towards the soft drinks are taken as the most important aspect of the study.

The study is primarily focused on analyzing the factors that help on viewing the differentiating of consumer's behaviour on cell phone or perceptual differences, satisfactory level of creation of brand loyal value in relation to cell phone.

1.3. Statement of the Problems

This study is trying to make an important attempt to the study the consumer behaviour on cell phone on Bharatpur Municipality. The problem primarily focused have been presented as follows:

- a) What are the factor that effect on variability of viewing cell phone by consumers?
- b) What are the consumption patterns of cell phone?
- c) Which is the best selling store for cell phone in Bharatpur Municipality?
- d) Is the consumer sensitive towards price, quality?
- e) What is the popular brand of cell phone in Bharatpur Municipality?

1.4. Objectives of the Study

The main objective of the study is to analyze the consumer's attitude of on cell phone of Bharatpur Municipality. The specific objectives are:

- i) To study the factors that effect on variability of viewing cell phone by consumers.
- ii) To examine the consumption patterns of cell phone.

- iii) To evaluate the consumers performance towards price, quality, durability of cell phone.
- iv) To analyze the popular cell phone brand in Bharatpur Municipality from the consumer's point of view.

1.5. Significance of the Study:

The study about consumer behaviour on cell phone has special significance:

- i) To the Marketing Manager: The study of consumer behaviour towards cell phone helps the concerned marketing manager to strengthen marketing activities in a proper way.
- ii) To the Producer: The study on consumer behaviour towards cell phone obviously helps the producer to produce cell phone as per the consumer's preference.
- iii) To the Student: Student will get new test of knowledge on the concerned topic.

1.6. Limitation of the Study:

This study will be broken out with some precise limitations and mainly they are:

- i) This study is only based on consumer behaviour towards cell phone of Bharatpur Municipality.
- ii) Limited area for collecting primary data with limited persons.
- iii) Limited time is another limitation.
- iv) Basis of respondent only.

1.7. Organization of the Study:

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

Chapter One : Introduction

Chapter Two : Review of Literature

Chapter Three : Research Methodology

Chapter Four : Presentation and Analysis of Data

Chapter Five : Summary, Recommendation and Conclusion

This first chapter contains general background, statement of the problems, objectives of the study, hypothesis of the study, significance of the study, limitation and organizations of the study.

The second chapter presents the analysis of review of literature including conceptual review, review of unpublished thesis.

The third chapter deals with the research methodology, which includes research design, sample, selection, methods of data collection and method of analysis.

The fourth chapter explains about the presentation and analysis of data including primary data and analysis with the findings of the study.

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

Bibliography and other appendices used in statistical results will be attached at the end of the study.

CHAPTER TWO

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

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

Through consumer behaviour is not that common field still people are writing on since last decates. So earlier reports too have been reviewed and new herigon of study of consumer behaviour has been made clearer. But this study towards cell phone in the first time done in Bharatpur Municipality, Bharatpur being one of the central location for traders of Nepal, the survey will be more beneficial. While reviewing different books and literature, some of the basic things and knowledge about consumer behaviour 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 behaviour is making it's field broader and broader and 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 terms of two different levels:

- i) **Conceptual Review:** This portion includes relation to the subject matter of reviewing the book and internet publication.
- ii) **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. The personal 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 refer to 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 produces, services companies must buy the equipment necessary to render the services they sell, government agencies must buy the office products needed to operate their agencies and institutions must buy the material they need to maintain themselves and their populations.

2.1.2. Consumer Behaviour:

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

According to Schiffman, L.G. and Kanuk, L. L. the terms consumer Behaviour can be defined as the behaviour that the consumer display in searching for purchasing, using reevaluating and disposing of products, services and ideas which they expect will satisfy their needs. [Schiffman L.G.]

The study of the consumer behaviour is the study of how individual make decision to spend their available resources (time, money, effort) on consumption related items. I 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 got go bed or any combination there of); and how often they buy it (weekly, monthly).

Mowen, J. C. defines consumer behaviour as the study of the decision marking units and processes involved in acquiring, consuming and disposing of goods, services, experiences and ideas. [Mowen, J. C., P-5]

Consumer behaviour is the study of how people buy, what they buy, when they buy, why they buy. It blends elements from psychology, sociology, socio-psychology, anthropology and economics. It attempts to understand the buyer's decision making process both individually and in groups. It studies characteristics of individual consumers such as demographics

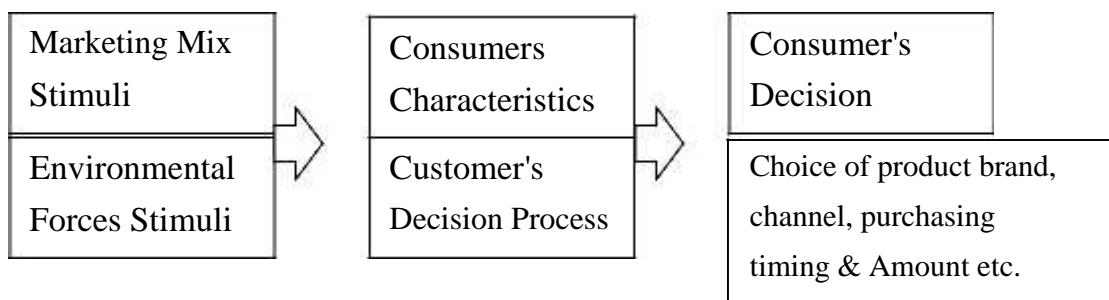
psychographics & behaviour variables in an attempt to understand people's wants. It also tries to assess influences on the consumer from groups such as family friends, reference groups and society in general.

Belch & Belch define consumer behaviour 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.

2.1.3 Model of Consumer Behaviour

Figure No. 2.1

Model of Consumer Behaviour



Source: Dr. Agrawal, G. R., 2001, P-164

1. Stimuli

Consumers are stimulated by:

- a) Marketing mix consist of product, price, place and promotion variables.
- b) Environmental forces consisting of political, economic technological & socio cultural variables.

2. Influences:

Consumer behaviour is influenced by-

- a) Consumer characteristics: They consist of culture it determines a present wants & behaviour each culture consists subcultures nationalities religious, racial groups. Social class is also important and for consumer behaviour.

[<http://en.wikipedia.org/wiki/consumer-behaviour>] [Dr. Agrawal, 2001, P-164]

Social: They are reference groups, family, social roles & status.

Personal: They are age & stage in lifecycle, occupation, income, lifestyle, personality.

Psychological: They are motivation, perception, learning, beliefs & attitudes.

- b) Consumer decision process: It consists of:

- Problem recognition.
- Information search
- Evaluation & alternatives
- Purchase Decision
- Post purchase behaviour.

3) Responses:

They are consumer decision about:

- Product choice
- Brand choice
- Channel choice
- Purchase timing
- Purchase amount

Marketers can influence consumer behaviour they cannot control it.

Buying Decision:

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 decision. Consumer buying process influences consumer behaviour for making buying decisions. Consumer behaviour varies with the type of buying decision.

Buying decisions can be classified in to :

- a) Low involvement purchase
- b) High Involvement purchase:

a) Low Involvement Purchase: (Habitual Behaviour) It involves routine decision making. Products are repeatedly purchased 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, bathing soap etc.

b) High Involvement Purchases: (Dissonance reducing behaviour)

It involves extensive decision making the buying behaviour is complex. Few brands, high risk, large amount of money, long purchase time, active interest in product, long term product benefits & high interest in the product characterize high involvement purchase examples are Car, Motorcycle, House, Computer etc.

Table No 2.1
Characteristics of Buying Decisions

S.N.	Characteristics	Low Involvement Purchase	High Involvement Purchase
1	Brand of the Product	Many	Few
2	Level of the 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 toward the product	Positive	Uncertain
7	Product benefits	Short term	Long term
8	Interest of the product	Limited	High

Source: Dr. Agrawal, G. R., 2001, P-166

*** Buying Role**

Roles of the people play in buying decision can be:

- a) Initiator: First to suggest the idea of buying the product.
- b) Influences: 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:

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 compare various brands & products	Attitude formation
Purchase Decision	The consumer decides which brand to purchase	Integration
Post Purchase evaluation	The consumer evaluates purchase decision	Learning

[[http:// en.wikipedia.org/wiki/consumer-behaviour](http://en.wikipedia.org/wiki/consumer-behaviour)]

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 there fore they commend the buying process. Sources of problem recognition include:

- An item in out of stock.
- Dissatisfaction with a current product or, service.
- Consumer needs & wants.
- Related products/ purchases.

- Marketer- induced.
- New Products.

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

Information Search

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

Sources of Information include

- Personal sources
- commercial sources
- public sources
- personal experience

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 message they will expose themselves to selective attention consumers pay attention to selective comprehension consumer interpret message in line with the beliefs, attitudes, motives and experiences selective retention consumers remember messages that are 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 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 product class attributes, brand beliefs, and utility function attributes.

The relevant internal psychological process that is associated with the alternative evaluation stage is attitude formation. Belch and Belch (2007, P.-177) note that attitude are 'learned predispositions' towards an object. Attitudes comprise both cognitive and affective elements- that is both what you think and 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 are ranges 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 salient 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 sometimes purchase intention 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 on enter a competition may provide an incentive to buy now. The relevant internal psychological 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 product'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 is more expensive product for which they exert 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 is called 'cognitive dissonance' (Thinking disharmony). You should consider the implications of post purchase behaviour 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 us associated with post purchase evaluation is learning. According to Belch and Belch (2007), discuss two basic approaches to learning theory behavioural and cognitive learning theory. Behavioural learning theory proposes that stimuli from the environment influence behaviour.

Factor Affecting Consumer Buying Decision:

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

Figure No. 2.2

Consumer Behaviour Influence Factor

<p>Economic Factor:</p> <ul style="list-style-type: none"> ¾ Level of Income ¾ Liquid Assets ¾ Sowing, Debt, Credit availability ¾ Altitude toward spending 	<p>Personal Factor:</p> <ul style="list-style-type: none"> ¾ Age ¾ Sex ¾ Family Size and Family ¾ Life Cycle ¾ Occupation
<p>Psychological Factor:</p> <ul style="list-style-type: none"> ¾ Motivation ¾ Perception ¾ Learning ¾ Attitude Belief ¾ Personality ¾ Life Style 	<p>Socio-Cultural Factor:</p> <ul style="list-style-type: none"> ¾ Reference Group ¾ Family ¾ Role and Status ¾ Social Class ¾ Cultural ¾ Culture and Sub-culture

Source: Dr. Agrawal G.R., 2001, P-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. Nepal has joint family system where the income of the various members of the family augments the level of income.

ii) Liquid Assets:

Consumers who do not have regular income may possess liquid assets like gold and shares. They provide spending power to the consumers.

iii) Saving, Debt and Credit Availability:

They all affect consumer expenditure levels. High savings result in lower interest rates. Credit availability by bank becomes cheaper through lower interest rates this increases the level of consumer spending.

Table No. 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: Dr. Agrawal G. R., 2001, P-170

iv) Attitude toward Spending

Negative attitude toward spending adversely affects the willingness of the consumers to spend. They influence the product choice.

Personal Factor (Demographic Factors):

Personal factor consist of :

i) Age

Consumer buy different products according to age group. Their taste in food, clothes, recreation in age related. Young consumers like to experiment new products and new jeans. Older consumers prefer brand loyalty and dress conservatively.

ii) Sex:

Male and female exhibit many differences in their buying behaviour, their needs also vary.

iii) Family size and Family Life Cycle

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

The family life cycle influences spending patterns. Product interest differs 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 life cycle.

i) Motivation:

A motive is a pressing need that drives consumers to seek satisfaction. It directs them to act toward goal-oriented behaviour to reduce tension motives. Motive motivate consumers motivation is an activated state with in the consumer that leads to goal oriented behaviour. 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 behaviour. Consumers repress many urges in the process of growing up and socialization. These urges are never eliminated and unconsciously motive consumer behaviour.

In Dipth interviews with a few doyen consumers are conducted to uncover unconscious motive triggered be a product. Feud's theory is based on the 'hedonistic principle'. It advocates that most human behaviour originates from sex drive. (Libido)

b) Maslow's Theory of Motivation (Abraham Maslow):

This theory states that

$\frac{3}{4}$ 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.

$\frac{3}{4}$ Satisfied needs do not motivate. Unfulfilled needs influence consumer behaviour the strength of the need depends on hungry person is not much concerded about his social prestige. Creative persons like poets and artist are more concerned about self development. The needs have been classified in a herarchy as follows:

Figure No. 2.3
Maslow's Hierarchy of Needs



Source: Dr. Agrawal G. R., 2001, P-173

Physiological Needs:

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

Safety Needs:

They consist of need for protection from physical harm, ill health and economic deprivation. When consumer feel threatred, safety becomes an important need. For example, Government employees in Nepal feel economic safety through provident fund. National 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 lend 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 juniors" to satisfy such needs. In Nepal, parents send their children to private boarding school to "keep up with their neighbours."

Self Actualization Needs:

These are the highest level needs; they consist of needs for self-development, creativity, talent utilization, and self-fulfillment. A teacher's need to write an effective text book or a student's need to secure first division in exams are examples of such needs.

Maslow's Theory is a useful guide for understanding which types of needs motivate consumers. [Dr. G.R. Agrawal, 2001, p-173]

C) Herzberg's Theory of Motivation:

This theory is based on two factors:

- Dissatisfiers or hygiene factors: They do not motivate but cause dissatisfaction when not present. They consist of lower level needs for survival, safety, and belongingness.
- Satisfiers or motivating factors: They motivate and provide satisfaction. They consist of higher level needs for esteem and self-actualization.

Table No. 2.3

Herzberg's Theory of Motivation

Dissatisfies (Hygiene Factors)	Satisfiers (Motivating Factors)
- Company Policy & Administration	- Achievement
- Interpersonal relations	- Recognition
- Salary	- Advancement
- Job security	- The work itself
- Personal Life	- Possibility of personal growth
- Work Conditions	- Responsibility
- Status	

Source: Dr. G.R Agrawal, 2001, p-174

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

This theory needs to be clearly applied in the Nepalese market where lower level needs, especially the 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 :

- **Selective attention:** Consumers are selective in noticing information. They are more likely to notice stimuli that relate to their current needs.

- Selective distortion: Consumers distort information to suit their preconceptions. They hear what they want to hear.
- Selective retention: Consumers tend 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 behaviour 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 a change in an individual's behaviour resulting from information and experience. Most human behaviour is learned. There are various theories of learning.

a) Stimulus: Response theory of learning:

According to stimulus-Response theory, learning occurs when

- A person responds to some stimulus by behaving in a particular way.
- A person is rewarded for a correct response or punished for an incorrect one.

b) Modern theories of learning:

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

Drive: A strong internal stimulus requiring action

Cues: Minor stimuli that determine the response. They are present in the environment.

Response: Person's reaction to drive and cues.

Reinforcement: If results when the response is rewarding. It can be positive of (or) negative repeated reinforcement leads to a habit or brand loyalty.

Marketess should help consumers learn about their marketing mixes and positively reinforce them to be loyal to the brands.

iv. Attitude and Belief:

- a) Attitudes: Attitudes reflect likes 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 attitude they are learned, have consistency, and are either favorable or unfavorable about objects attitude influence consumer behaviour (Dr. Agrawal, 2001, p.176). Generally it is easy to change products then it is to change consumer's attitudes. Markets 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 of faith. Beliefs make up product and brand images.

v. Personality:

Personality is an individual's psychological traits that lead to enduring behavioural response. Personality traits can be.

- $\frac{3}{4}$ Dominance or autonomy
- $\frac{3}{4}$ Self-confidence or dependency
- $\frac{3}{4}$ Extrovert or introvert (Sociability)
- $\frac{3}{4}$ Adaptability or dogmatism
- $\frac{3}{4}$ Aggressive or friendly

Consumer personalities are reflected in the clothes they wear, vehicles they use restaurants they eat and jewellery they wear.

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

vi. Life-style:

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

¾ Activities: Work, hobbies, vacation, shopping, sports, etc.

¾ Interest: Family, home, job, fashion, food, etc.

¾ Opinions: Self, society, politics, business, products, etc.

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

¾ Psychographics is the Science of measuring and categorizing consumer life styles.

Socio-Cultural Factors:

Socio factors are influences that other people exert on consumer behaviour. They consist of reference groups, family & social class.

i) Reference Groups:

References groups consist of groups that have direct or, indirect influences on the consumer's attitudes or behaviours. They serve as points or, references for consumer's judgment.

Reference groups influence consumer behaviour is three ways:

- a) They expose consumer to new behaviour and lifestyle by providing information.
- b) They influence consumer's valuest attitudes.
- c) They provide norms for consumer behaviour they create pressure for conformity to norms.

Reference Groups can be 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 a member of the group. For example a student may hope to become a member of the institute of chartered accountants of Nepal.
- c) Dissociative groups: A person rejects the values, attitudes or behaviour of the group for example a student may want to avoid relationship with "Hare Ram Group"

Reference Group influence product and brand choices marketers should identify the reference groups of their target consumers to develop marketing mixes advantages use well known athletes, musicians, actors and professionally successful people to influence consumers who admire them and view them as opinion leaders.

ii) 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 purchased decision.

The various roles are:

- a) Initiator: Suggest the idea for the product.
- b) Influencer: Provide Information and advice about the product.
- c) Decider: Makes the buying decisions.
- d) Buyers: Makes the actual purchase of product.
- e) Users: Uses or consumes the product.

The role change with changes in household responsibilities, social values & employment patterns. In USA, children make decision about breakfast

cereal in Joint families of Nepal, the head of the household makes most of the purchase decisions.

Marketers should decision making mix to target members who make key buying decisions.

iii) Social Class:

Ranking within society determined by its member constitutes social class. It can be upper, middle & lower. In indicated performances of life style behavior, social class reflects income, occupation, education and area of residence.

There is substantial difference in the buying behaviour among classes. Marketing mixes need to be tailored to the specific social classes. Buying behaviour of consumer is strongly influenced by class to which they belong or to which they aspire Nepal has a rigid social stratification yet, many lower class consumers aspire to move to upper class.

iv) Roles & Status :

Role:

It consists of activities that a person expected to perform in many groups consumers perform many roles.

Consumers choose products that communicate their role in the society.

Status: It is provided by the role

Products provide status symbol.

Cultural:

Cultural factors that influence consumer behaviour consists of cultural and subcultures;

Culture:

Culture is represented by symbols and artifacts created by a society and handed down from generation to generation. The symbol may be values, attitudes, beliefs, languages religion.

They can also be tools, product, work of arts housers etc,

Cultural reflects the ways people choose to live together.

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

However 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 similar sub cultural subculture is sub division of culture based on homogenous characteristics such as religion language race caste ethnicity etc. Sub cultural provide more specific identification and socialization for its members. They serve as important market segments. Marketers should decision making mixes tailored to the needs of specific subcultures.

2.1.4 Evolution/ History of Consumer Behaviour:

Consumer behaviours were realively new field of study in the mid-to-late 1960 (Leona Schiff man, Leslie Lagan Kanuk) . With no history or body of

research of its own, the new discipline borrowed heavily from concepts developed in other scientific disciplines, such as psychology (the study of the individual), sociology (the study of groups), and social psychology (the study of how and individual operates in groups), anthropology (the influence of society on the individual), and economics. Many early theories concerning consumer behaviours were based on economic theory on the notion that individual act rationally to maximize their benefits (rationalisations) in the purchase of goods & services the initial thrusts of consumer research was from a managerial perspective marketing manager wanted to know the specific causes of consumer behaviours. They also wanted to know how people receive, store & use consumption related information so that they could design marketing strategies to influence consumption decisions they regarded the consumer behaviour discipline as an applied marketing science; if they could predict consumer behaviour, they could influence it. The approach has come to be known as positivism and consumer researchers primarily concerned with predicating consumer behaviour are known as positivists.

Given the interdisciplinary background in which the consumer behaviour 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 behaviour, not necessarily from a managerial or applied perspective, but simply to understand the consumer better. The study of consumer behaviour from the point of view of understanding consumption behaviour & the meanings behind such behaviour is called interpretive, (sometimes referred to as post modernism). Interpretivists have expanded the boundaries of study to include many subjective aspects of consumer behaviour, such as the effects of moods emotions, even of the roles of fantasy, of play, or rituals, even of the serious pleasure the certain

products and services provide many interrelativists consider each product are expensive unique because of the diverse set of variables at play at that are particular moment in time. Because of its focus on the consumption experience, the interpretive approach is also known as "experimentation".

2.1.5 Why the field of Consumer Behaviour Developed?

There is no of reasons why the study of consumer behaviour 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 market in this country as vast of constantly expanding Billions of dollars were being spent on goods & services by tens of millions of people consumer preferences were changing & becoming highly diversified. Even in industrial markets, where needs for goods & services were always more homogeneous than in consumer markets, buyers were exhibiting diversified performances & less predictable purchase behaviour.

As marketing researchers begin to study the buying behaviour of consumers they soon realized that, despite a sometimes "Me too" approach to fads and fashions, many consumers rebelled at using the identical products every one else used. instead, they felt reflected their own special needs, personalities and lifestyle to better meet the needs of specific groups of consumers, most marketers adopt a policy of market segmentation, which called for the division of their total potential markets into smaller homogeneous segments for which they could design specific products and or promotional campaigns. They also used promotional techniques to vary the images of their products so that they would be perceived as better fulfilling the specific needs of certain target segments a process now known as positioning other reasons for the developing interest in consumer behaviour included the rate of new product development, growth of the consumer

movement, public policy concerns, environmental concerns, and the growth of both non profit marketing & international marketing.

There is a case study about the consumer buying behaviour regarding rolling stone (Stanton W. J., Etzel M. J. and Walker B. J., P-153). From that humble beginning a major publication was born Now, after appearing every two 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 begin a chronicler of rock music in the rebellious 1960. It quickly became the bible culture. Beginning in the early 1970s, the focus of the magazine expanded to include investigative reporting and interviews with youth oriented celebrities, personality 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 it's coverage of domestic and foreign affairs. It was distinguished from new week. Lies by the depth of its reporting and from more traditional political magazines such as the new republic by the breadth of topics covered.

Despite annual revenues over \$ 30 million by the mid 1980s there was a concern that the primary market for rolling stone was disappearing through the demographics of the target audience of readers had not changed (male, aged, 18-38), with some college education), its self-image had the original reader was depicted in blue jeans with long 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 selling opportunities to express his individuality.

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

The magazine changed too. It began as double folded black and white news print, a form consistent with its counter culture image. Now it has the look

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

Despite It's sales or over a million copies per issues, advertisers were not particularly enthusiastic about magazine. They viewed the readers more likely to be a social dropout than a main stream consumer. To overcome advertiser's Perceptions that the readers hadn't changed their lifestyle since 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 example; one shows "Perceptions" 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 G.T. 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's the number of ad pages declined in 1991 and while the total number of copies sold remained constant, newsstand sales went down nearly 20 percent why? First, music makers have shifted their advertising budgets from print to NTV, drastically reducing major sources 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 republications such as people an entertainment weekly have expanded their music coverage. Third, in the view of many the editorial policy has softened to be less during and more conformist than in the past rolling stone's republication was built on rock music criticism and scorching cultural critiques, but its coverage has become more moderate and

less controversial. Finally, the performance of Jann wenner for the reck era over more contemporary music and recent cover stories on Jimi Hendrix, Jim Morison and Rod Stewart have led to suggestion that the magazine is dated, According to a former editor, Rolling Stone has become more of a "taste tracker" than the tastemaker it once was.

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

Rolling stone continues to roll along with sales of 1.2 million copies per issue, the magazine ranks among the top co in U. S. in circulation but today's version is a far cry from the product that 1st appeared is 1967. Each time a change was detected in its editorial content, appearance or mix or 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 it's audience.

The magazine has held a large group of it's core readers while also attracting a younger segment. It fact, us percent of the readers are 18to 24 years old man. Editor and publisher Jan Wenner has an explanation Rolling stone's for ability to reach a bread 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 interests, values, 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, nut still dealings with timely topics (For example. it as 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 numbers of changes. As the audience broadened, so did the mix of

advertisers. By 1986, the number one category was automotive, followed by fashion spouting goods, and food. In the part the instincts of the editors were relied on for cover stories. However, keeping in touch with the interests of taste of a more diverse audience requires a greater use of research as a result, editorial instincts are how supplemented by the opinions of focus groups.

Selling the magazine has also changed. As subscriptions became a more important part of circulation it was necessary to find ways to reach the target audience direct meant 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 problems or reaching this market, Rolling stone runs direct response television advertising. Young men watch a lot of TV and tend to be spontaneous in their behaviour. Ads between mid night and five in the morning featuring an appealing spokesperson (They have used Paul Schaeffer, David Letterman's sidekick) have been very productive and cost effective what does the future hold? given the popularity of American music, the international market offers additional opportunities for Rolling stone. The magazine is currently published in Australia and other published 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 consumers buying behaviour are likely to influence the future of Rolling stone?

2.1.6 Modern History of Consumer Behaviour:

In recent years, some efforts have been made by marketing scholars to build buyer behaviour Methodology from the marketing man's standpoint. The Nicosia model and the d and Sheth model are two important models in this category (Ramaswamy, Nama Kumari). 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 behaviour as the output of the system.

Francesco Nicosia, an expert in consumer motivation and behaviour put forward his model of buyer behaviour 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 message from the firm first influences the predisposition of the consumer towards the product. Depending on the situation, he develops a 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 subfields- 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 of this process result 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 in the form of sales results to the firm.

John Howard and Jagdish Sheth put forward the Howard and Sheth model in 1969, in their publication entitled "The Theory of Buyer Behaviour". 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 input 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 intention of explaining buyers behaviour. All these models have certain merits as well as limitation. They do not fully explain the complex subject of buyer behaviour. Here do they established a straight input –output equation on buyer behaviour. And none of them provides a precise answer to the why’s or how’s of buyer behaviour. They merely explain the understanding of human behaviour from different angles and premises. But these models will certainly be helpful in gaining at least a partial insight into buyer behaviour.

2.1.7 Consumer Behaviour History in Nepal

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

1. Consumer behaviour has not been properly taken into account while creating and offering market mixes.
2. Indian and foreign competitors have been actors in taking the advantage of new market opportunities in Nepal because Nepalese marketers lack knowledge of consumer behaviour.
3. Product positioning has remained largely neglected because of the lack of knowledge about the behaviour of niches.
4. Marketers know very little about consumer behaviour at every stage of the consumer buying process the post purchase stage is hardly considered to build life long 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's behaviour. Economic, demographic and cultural factors have been dominant in the decision of the marketing mixes.
6. The marketing resources have not been efficiently utilized.
7. In recent years, the advent of global enterprise and cable television in Nepal has brought some consciousness about the need for better understanding for buyer behaviour. 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 behaviour of Nepalese consumers in the years to come.

2.1.8 Why we Study Consumer Behaviour

Just as consumer and marketers are diverse, the reasons why people study consumer's behaviour are also diverse (Leon C. Schiffman Leslie Layer Kanuk- consumer behaviour) The field of consumer behaviour holds great interest for uses consumer, as marketers and as students of human behaviour.

As consumers, we benefit from insights into our own consumption related decision. What we buy, why we buy, how we buy, and the promotional

influences the persuade buy to buy. The study of consumer behaviour enables us to become better that is wiser consumers.

As marketers and future marketers, it is important for us to recognized why and how individuals make there consumption decisions, so that we can better strategic marketing decisions.

If marketers understand consumer behaviour, they are able to predict how consumers are likely to react to various informational and environmental cues, and are able to save there marketing strategies accordingly without doubt, marketers who understand consumer behaviour have great competitive advantage in the marketplace.

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

2.2 Review of Previous Studies

Sapkota Narayan Prasad has conducted a study on "Consumer attitude towards Wai-Wai instant Noodles." (2001 T. U.) The specific objectives of the study were.

- To taste the two types of consumers market end use and institutional market, of wai-wai noodles in the Bharatpur municipality.
- To obtain the consumers opinion about various aspect.
- To compare the consumers attitude of wai-wai with other brands.
- To improve consumers attitude of wai-wai noodles.

The findings of the study were:

- The consumption of wai-wai noodles in the bharatpur municipality is very high.
- Most of the consumers use noodles as snack, where very few take it as main meal.
- In the market competition, wai-wai is in the top position and behind it is mayos.
- The consumer's attitude is negative to the price of wai-wai noodles but it is positive to it's quality and packaging.
- 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.

Poudel Ujjwal Raj has conducted a study on "Consumer Behaviour Towards Soft drinks in Chitwan District." (2008)

- i) To study the factors that affect on viewing soft drinks by consumers.

- ii) To examine the consumption patterns of soft drinks.
- iii) To determine the store from where consumers want to buy the soft drinks comfortably.
- iv) To evaluate the consumers performance towards price/quality/taste of soft drinks.
- v) To find out the popular soft drink brand in Chitwan district from the consumers point of view.

The findings of the study were:

- The consumption of coca-cola soft drink is very high in the chiwan district in comparison to others.
- Most of the consumers take soft drinks occasionally.
- Most of the respondents have suggested for reasonable price and increasing quality of soft drinks to the manufacturer. They also mentioned about the term healthy product should produce.
- In the market competition, coca-cola is in the top position and behind it is Real. The presence of other soft drink is not remarkable.
- Most of the respondents have selected high quality towards the product.
- More than 50% consumers have found to take soft drinks brand anywhere.
- Among 100 respondents 50% consumers of coca-cola have selected the factor 'Taste' of soft drinks.
- Quantity of soft drink consumed is independent upon age group. Age factors could not affect for the consumption of soft drink.
- On the basis of Ranking, coca-cola is found as best than the other soft drinks brand.

2.3 Research Gap

Most of the researchers tried to study consumer behaviour on different products. However the researcher found that, they are not fully concerned with the consumers behaviour towards the products. Mainly they are collecting the attitudes of the consumers not only the behavioural issues with regards to the consumers point of view. Likewise the researcher has not yet found any research conducted in Bharatpur Municipality regarding this topic. Therefore, the researcher tried to conduct this research.

In this dissertation, Researcher tries to study more to find out the consumer behaviour towards cell phone in Bharatpur Municipality. Furthermore, In this dissertation researcher has used Chi-square test as statistical test to find the independency and dependency of age group for the quantity of cell phone used.

CHAPTER THREE

RESEARCH METHODOLOGY

Research is a 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 stock 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 certain of creation of new knowledge. It can be categorized into three distinct type's basic, strategic and applied. Basic or blue-sky research is the pursuit of new knowledge without any assumptions about what it might lead to-essentially knowledge for its own sake. Strategic research is the pursuit of new knowledge which might, in principle, have a particular application but without a precise view of the time case or nature of application. Applied research is knowledge which is developed with a specific objectives 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 into own culture, own business practices or, own economy can be important as business and scientific research.

Similarly, a research methodology is the plan of action that is carried out in systematic manners. 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 & Sampling
- Sources of Data
- Data Collection Procedures
- Data Processing & Tabulation
- Method of Analysis

3.1 Research Design

General objectives of this research study is to examine and evaluate the consumer behaviour towards cell phone i.e. Nokia, Samsung & Motorola, mainly or Bharatpur municipality. In order to achieve the objective, both descriptive & analytical research design has been followed. The study focuses on the examination of relation between consumer behaviour, product & other influential factors.

3.2 Population & Sample

The population if this study consists of all the buyers above 18 years age group of cell phone.

This sample consists of the respondents from the different sectors such as students services holders, lectures, businessman & house holds from the total population of Bharatpur municipality i.e. 105773(2001) for the study purpose 100 consumers have been surveyed, out of them 50 from Bharatpur-10 and 50 from other wards.

Table No. 3.1

Respondents Profile

S.N.	Sample Area	Sample Size	Percentage
1	Bharatpur-10	50	50%
2	Other Wards	50	50%

3.3 Source of Data

The present study is basically conducted on primary data and 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 levels of consumers.i.e higher secondary level consumers, graduate education holder and masters level consumers, which are taken from different professions.

- **Secondary Sources**

As a regards supporting literature, relevant books journals, bulletins, magazines, newspaper, etc, have been studied.

3.4 Data Collection Procedures

The problem of the study lies on the issues to the behaviour of consumer. Hence, various data are required. With the view of obtaining data, a questionnaire was designed. The different levels or types of consumers have filled up the questionnaires. For the collection, in the first the researcher visited the market and the questionnaires were distributed to the consumers. In the second step, the questionnaire were got filled.

For the supportive materials, the researcher visited Balkumari College library and central department of management, Kritipur, various sections of central library: TU led the researcher to be successful in conducting this study.

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 have 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 behaviour of Bharatpur Municipality's consumer. Collected data is analyzed both descriptive & analytical tools. They are 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 consumer 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

$$\text{Mean} = \frac{\text{Sum of observation}}{\text{nos.of observations}} = \frac{\sum x}{n}$$

- Bar Diagram and Pie-chart

There are particular 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.

Null Hypothesis:

$$H_0 \quad \text{Change the Brand is Independent upon Gender}$$

Alternative Hypothesis:

$$H_1 \quad \text{Change the Brand is dependent upon Gender}$$

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

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

$$\text{Observed frequency O is calculated as } E = \frac{\text{Rowtotal} \times \text{Columntotal}}{\text{GranTotal}}$$

CHAPTER- FOUR

PRESENTATION AND ANALYSIS OF DATA

The previous chapter provided the concept bases and format of this study. This chapter presents main heart of the study. This chapter presents and analysis the collected primary data in Bharatpur, 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. Bar diagrams, pie-charts have 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 of respondents and tried to find-out views of consumers. It was found that all of the respondents have used the cell phone. Obtaining responses, various tables are prepared. Homogeneous natures of data have been put in to the same table. The data are presented & analyzed here under.

4.1 Sex Groups

Table No. 4.1
Sex Groups of Consumer

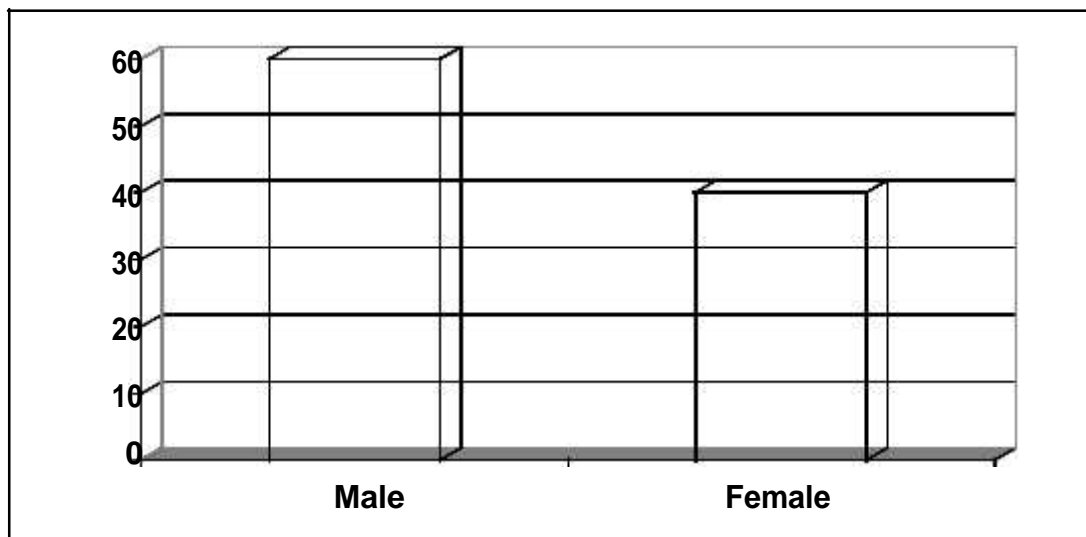
S.N.	Sex	Frequency	Percentage
1	Male	60	60.0
2	Female	40	40.0
Total		100	100.00

Source: Consumer survey 2065

Table's No. 4.1 deals with the sex groups of consumers among 100 respondents 60 are male & 40 are female. It shows that male consumers are slightly more in no than female.

This table can also be explained by simple bar diagram.

Figure No. 4.1
Sex Groups of Consumer



Source: Table No. 4.1

4.2 Occupation

Table No. 4.2
Occupation of Consumer

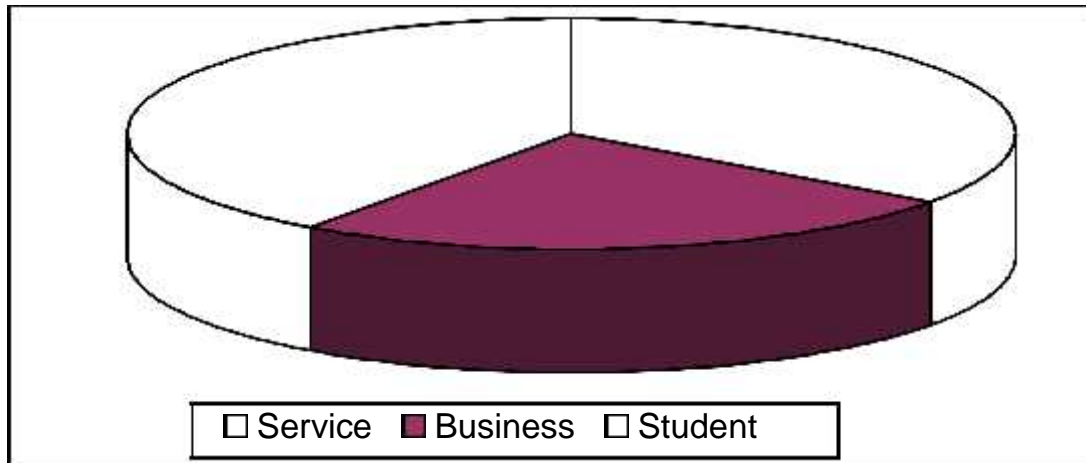
S.N.	Occupation	Frequency	Percentage
1	Service	35	35.0
2	Business	25	25.0
3	Student	40	40.0
Total		100	100.00

Source: Consumer survey 2065

Table No. 4.2 shows that most of the consumers of cell phone used in Bharatpur municipality is students among 100 respondents 35%, are service

holder, 25% are Business man and 40% are students. We can explain above table by figure below:

Figure No. 4.2
Occupation of Consumer



Source: Table No. 4.2

4.3 Age of Consumer

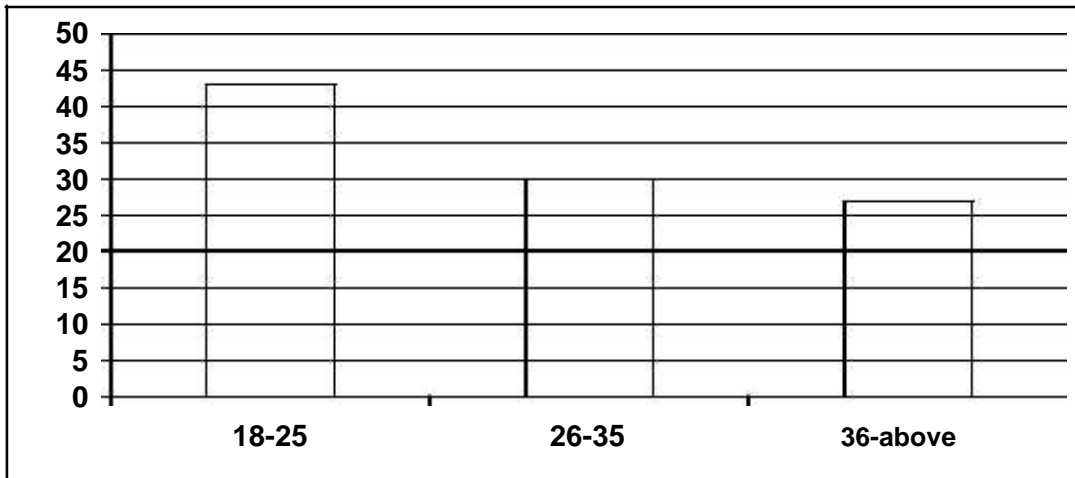
Table No. 4.3
Age of Consumer

S.N.	Age	Frequency	Percentage
1	18-25	43	43.0
2	26-35	30	30.0
3	36-above	27	27.0
Total		100	100.00

Source: Consumer survey 2065

The above table shows that there is a majority of consumer of the age between 18-25, which is 43%, 26-35 age are 30% and 36 above are 27%. It can be explained by diagram also.

Figure No. 4.3
Age of Consumer



Source: Table No. 4.3

4.4 Brand Preference

Table No. 4.4
Brand Preference of Consumer

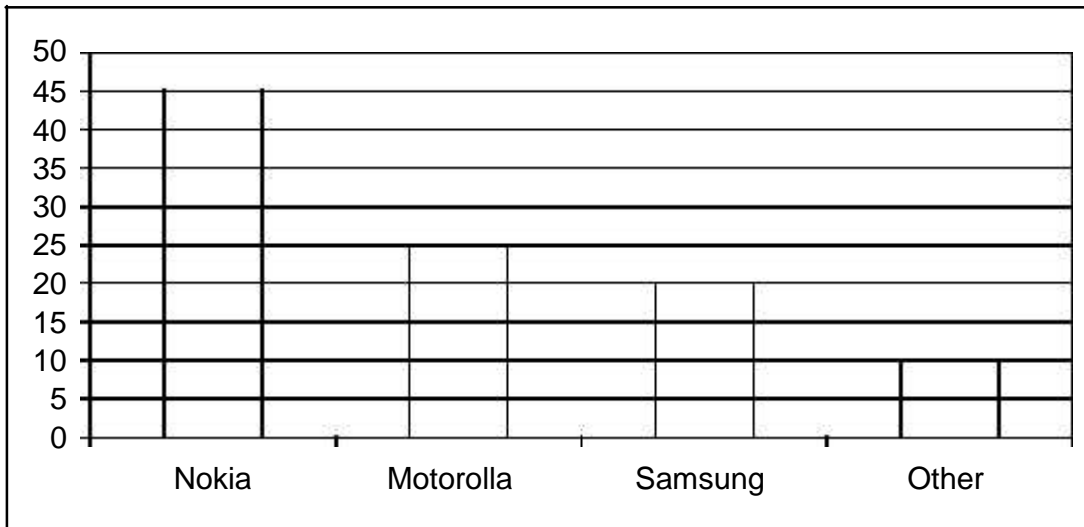
S.N.	Brand Preference	Frequency	Percentage
1	Nokia	45	45.0
2	Motorola	25	25.0
3	Samsung	20	20.0
4	Others	10	10.0
Total		100	100.00

Sources: Consumer Survey 2065

The analysis of the responses of consumer's brand preference out of 100 respondent's table No. 4.4 has made for interpretation. Among 10-0 respondents, 45% have found preferred Nokia brand, 25% Motorola brand, 20% Samsung brand and rest of consumers i.e. 10 have found preferred other brands.

It can be explained by diagram also.

Figure No. 4.4
Brand Preference of Consumer



Source: Table No. 4.4

4.5 Influencing Factors

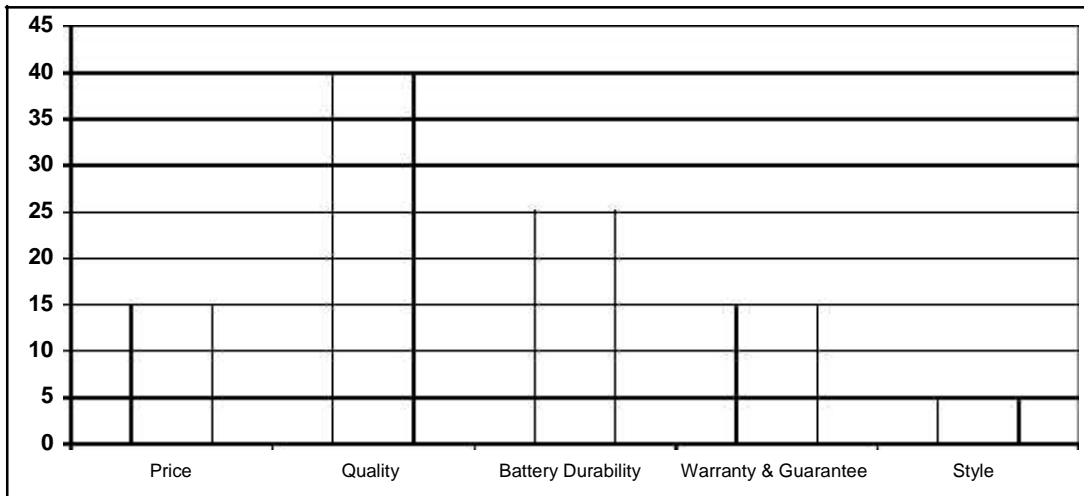
Table No. 4.5
Influencing Factor of Cell Phone

S.N.	Influencing Factor	Frequency	Percentage
1	Price	15	15.0
2	Quality	40	40.0
3	Battery Durability	25	25.0
4	Warranty & Guarantee	15	15.0
5	Style	5	5.0
Total		100	100.00

Sources: Consumer Survey 2065

Table No. 4.5 deals with the influencing factor of consumer to prefer different brands of cell-phone among 100 respondents 15% motivated to the price, 40% to the high quality, 25% to the Battery durability, 15% to the warranty & Guarantee & rest 5% to the style. We can explain above table by figure below

Figure No. 4.5
Influencing Factor of Cell-phone



Source: Table No. 4.5

4.6 Ranking of Different Brand of Cell-phone

In the table below the consumer priority to different brands have been presented. Note that the highest priority given cell-phone is denoted by 1 & the lowest priority given cell-phone is denoted by 4 & it is also noted that, the number 1 denoted cell-phone has lowest mean value & the number 4 denoted cell-phone has got highest mean value.

Table No. 4.6
Ranking of Different Brand Cell-phone

Cell-phone	Ranking	Mean
Nokia	1	1.85
Motorola	2	2.25
Samsung	3	2.55
Others	4	3.35

Sources: Consumer Survey 2065

As Calculated in ANNEX No. 1

By the overall average (mean) ranking of various brands of cell-phone, Nokia is seen that the best with mean value of 1.85, the lowest one. It is followed by Motorola 2-25 mean value. The other brands having the highest mean value is a least popular brand.

4.7 Change the Used Brand by Getting the Alternative Scheme

Table No. 4.7

Changing Used Brand by Getting the Attractive Scheme

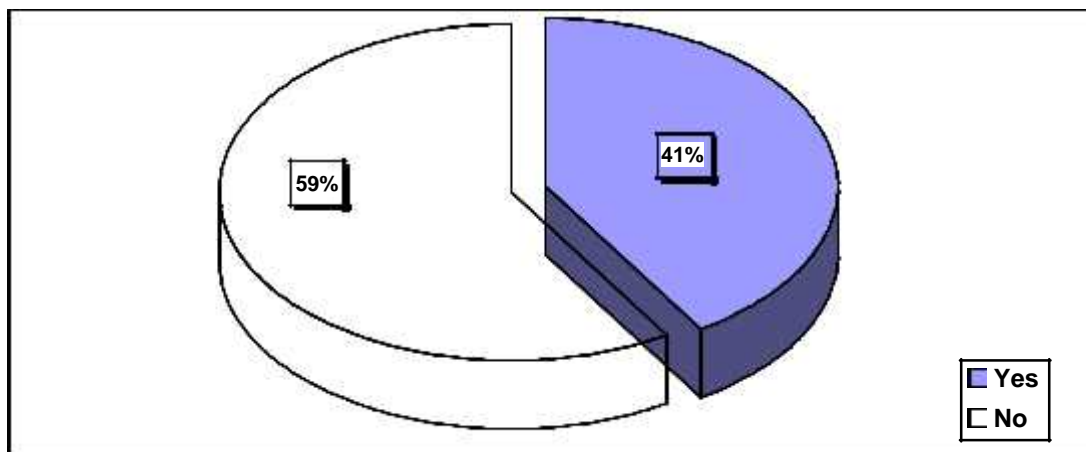
Change	Frequency	Percentage
Yes	41	41%
No	59	59%
Total	100	100%

Sources: Consumer Survey 2065

The above table shows the frequency consumer who change their (Phone) brand by getting the attractive scheme by the competitor brand. 59% of the consumer couldn't change their brand even they get attractive scheme & 41% change their brand. We can better explain given figure below.

Figure No. 4.6

Changing Used Brand by Getting the Attractive Scheme



Source: Table No. 4.7

So we can conclude that most of the customers are loyal towards their brand.

4.8 Decision Taken While Buying

Table No. 4.8

Decision Taken While Buying

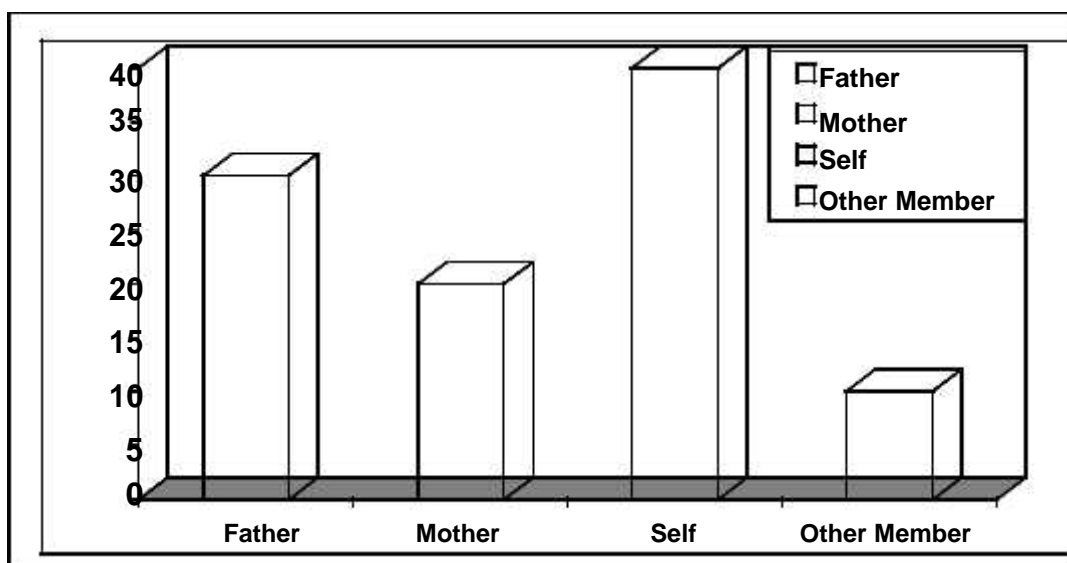
S. N.	Decision Maker	Frequency	Percentage
1	Father	30	30%
2	Mother	20	20%
3	Self	40	40%
4	Any other member	10	10%
Total		100	100%

Sources: Consumer Survey 2065

From the above table most of the consumer i.e. 40% make decision to buy cell phone by their self, 30% make decision select the brand by their father, 20% by their mother & rest 10% take decision from other person.

Figure No. 4.7

Decision Taken While Buying



Source: Table No. 4.8

4.9 Selected Brand According to Quality, Price & Durability

Table No. 4.9

Selected Brand According to Quality, Price & Durability

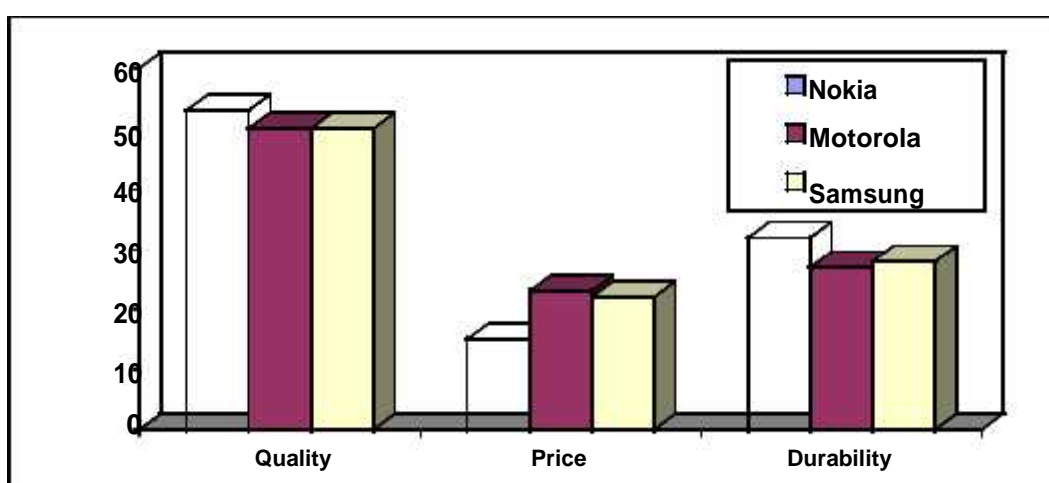
Best Cell-phone According to	Name of Cell-phone			
	Nokia	Motorola	Samsung	Total
Quality	53	15	32	100
Price	50	23	27	100
Durability	50	22	28	100

Sources: Consumer Survey 2065

Table No. 4.9 shows the selected brand according to quality, price & taste. Among 100 respondents, 53 of consumers have suggested the Nokia as high quality brand and remaining two brands Motorola 15% & Samsung 32, respectively. Similarly 50% respondents have given view better price of Nokia & the other two brands Motorola is 23% & Samsung is 27%. At last, In terms of durability 50% of respondents have suggested Nokia as durable brand and left two brand Motorola is 22% & Samsung is 28%.

Figure No 4.8

Selected Brand According to Quality, Price& Durability



Source: Table No. 4.8

4.10 Chi-square test for independence of age group & quantity used

Table No. 4.10

Independence of Age Group & Quantity Used

Chang the brand by getting attractive scheme	Gender		Total
	Male	Female	
Yes	20	21	41
No	40	19	59
Total	60	40	100

Sources: Consumer Survey 2065

1. Set up hypothesis

Null Hypothesis: H_0 : Change the brand is independent upon gender.

Alternative Hypothesis: H_1 : Change the brand is dependent upon gender.

2. Statistics χ^2 calculated = 3.65 Annex-2

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

Degree of Freedom: $df = 2$

4. Critical Values χ^2 tabulated = 3.84

5. Decision: Since χ^2 calculated < χ^2 tabulated therefore H_0 is accepted at 5% level of significance.

Here, calculated value is smaller than table value therefore null hypothesis is accepted i.e. change the brand by getting attractive scheme is independent upon gender.

4.11 Major Findings:

From the field survey and analysis of the behaviour of the consumers in the Bharatpur Municipality, the following things are found:

1. Used of Nokia Brand cell-phone is very high in Bharatpur municipality in comparison to others.

2. In the market competition, Nokia brand cell-phone is in the top position and behind it is Motorola. The presence of other cell phone is not remarkable. (Table No. 4.4)
3. Most of the users doesn't change their brand even they get attractive scheme (Table No. 4.7)
4. Most of the user give more preference to Nokia brand cell-phone with it's quality price & durability.
5. On the basis of ranking, Nokia brand cell phone is found as best than the other brand cell-phone.
6. Price & quality of Nokia cell-phone also lead the better than other brands.
7. Motorola brand cell-phone is found as second brand preferred by users in Bharatpur Municipality.
8. Most of the respondents have selected high quality towards the products.

CHAPTER FIVE

SUMMARY, CONCLUSION & RECOMMENDATION

5.1 Summary

Consumer behaviour is the study of how people buy, what they buy, when they buy & why they buy. It brands elements from psychology, sociology, socio-psychology, anthropology, and economics. It attempts to understand the buyer decision making process, both individual and in groups. It studies characteristics of individual consumers such as demographics, psychographics and behavioural variables in an attempt to understand people's wants. It also tries to assess influences on the consumer from groups such as family, friends, reference groups and society in general.

This research objective is studying behaviour of consumers. Consumer behaviour is important to all the marketers, who are producing consumer goods. It deals with consumer satisfaction. The topic of this study is "Consumer Behaviour towards Cell-phone in Bharatpur Municipality." An attempt is made to find out brand preference of consumer & the factors that develop such preferences, examination of consumption pattern of cell-phone, market leaders of cell-phone in Bharatpur Municipality in consumer point of view and provide suitable suggestions. For the purpose of the study null hypothesis were developed. To avoid the chances of duplication in the study and to confirm 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. A questionnaire consisting questions were

administered to the respondents the data obtained from them were analyzed using percentage, chi-square test and charts.

The percentages analysis reveals that among 100 respondents 45% preferred Nokia brand, 25% preferred Motorola Brand, 20% preferred Samsung Brand and Rest 10% preferred other brands. Consumers choose cell phone according to brand name but product quality, availability, price, guarantee, warranty, brand image are not ignored. Similarly, among 100 respondents 40% take decision by themselves to buy the cell phone, 30% consumer's fathers take the decision, 20% of their mother & 10% take decision from other people they may be their relatives or friends.

5.2 Conclusions:

The following conclusions have been derived from the analysis and interpretation of the data.

The entire sampled consumers have used the cell phone.

Most of the respondents are the age between 10 to 24 years.

Most of the respondents are students.

According to brand preference most of the respondents prefer Nokia then, Motorola, Samsung and other brand respectively.

Most of the male have cell phone then female consumers.

Consumers choose cell phone according to brand name but product quality, availability, price, brand image, features are not ignored.

Most of the respondents select their brand due to high quality.

Very few respondents have used other brand except Nokia, Motorola & Samsung.

Nokia brand is most popular brand of cell phone in Bharatpur Municipality. It has greater share than Motorola, Samsung & other brands.

5.3 Recommendations:

The following are the suggestions and recommendations for the overall development of situations discussed above.

1. The Nokia brand should study the consumer behaviour continuously and regularly & prepare the strategies accordingly.
2. The consumers having positive behaviour should be more encouraged and should include negative behaviour and should improve it's different aspects.
3. Nokia brand should maintain it's quality/price/durability.
4. In order to be successful in the competition and create good influence on society it should participate in social activities.
5. Being alert with the other brands, it should adopt defensive strategy.
6. The distributors should undertake marketing research on a regular bases to monitor the performance of cell phone.
7. The other cellphone distributors should introduce some promotional schemes to the consumers for better marketing approach.

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INTERNET SEARCH

[http:// en.wikipedia.org/wiki/consumer-behaviour](http://en.wikipedia.org/wiki/consumer-behaviour)

Appendix-I

Questionnaire:

Name : _____ Contact No.: _____

Address: _____ Age : _____

Occupation: _____ Sex : _____

1. Do you have Cell Phone?

a) Yes [] b) No []

If yes which brand would you use?

i) Nokia [] ii) Motorola [] iii) Samsung [] iv) Other []

2. When did you start to use it?

a) Recently [] b) One Year Before []

c) Tow Year Before [] d) More then Two Year []

3. In your opinion, which factor mostly influence primarily to prefer brand?

a) Price [] b) Quality [] c) Batter Durability []

d) Availability [] e) Warranty & Guarantee [] f) Style []

4. Rank the following brands according to your preference.

a) Nokia [] b) Motorola []

c) Samsung [] d) Others []

5. If any competition company give you attractive scheme, do you change your brand?

a) Yes [] b) No []

6. What you would be conscious while purchasing the cell phone?

a) Price [] b) Quality [] c) Scheme []

d) Availability [] e) Warranty & Guarantee [] f) Style []

7. Who have take the decision to buy cell phone in your family?

a) Father []

b) Mother []

c) Self []

d) Any Other Member []

8. Do you already decide upon which cell phone to buy before going to shop to buy it?

a) Yes []

b) No []

9. Select the best cell phone according (please tick one)

Best Cell Phone	Name of Cell Phone		
	Nokia	Motoralla	Samsung
According to Quality			
Price Durability			

Appendix-II

Mean calculation for ranking of different brand of cell phone

Rank	1	2	3	4	Total
Nokia	60	10	15	15	100
Motorolla	40	20	15	25	100
Samsung	40	10	5	45	100
Others	5	15	20	60	100

Source: Consumer Survey 2065

Mean calculation for ranking of different brand of Cell Phone

Nokia			Motorolla		
Rank	No. of Consumer	FX	Rank	No. of Consumer	FX
1	60	60	1	40	40
2	10	20	2	20	40
3	15	45	3	15	45
4	15	60	4	25	100
Total	100	185	Total	100	225

Samsung			Other		
Rank	No. of Consumer	FX	Rank	No. of Consumer	FX
1	40	40	1	5	5
2	10	20	2	15	30
3	5	15	3	20	60
4	45	180	4	60	240
Total	100	25	Total	100	335

$$\text{Nokia : Mean } (\bar{x}) = \frac{fx}{n}$$

$$= \frac{185}{100} = 1.85$$

$$\text{Motorolla : Mean } (\bar{x}) = \frac{fx}{n}$$

$$= \frac{225}{100} = 2.25$$

$$\text{Samsung : Mean } (\bar{x}) = \frac{fx}{n}$$

$$= \frac{225}{100} = 2.25$$

$$\text{Other : Mean } (\bar{x}) = \frac{fx}{n}$$

$$= \frac{335}{100} = 3.35$$

Source: Consumer Survey 2065

Appendix-III

Chi-square test for independence of Gender & change brand by getting attractive scheme.

Change the brand by getting attractive scheme	Gender		Total
	Male	Female	
Yes	20	21	41
No	40	19	59
Total	60	40	100

Set up hypothesis

Null Hypothesis : H_0 : Change the brand is independent upon gender (Male/Female)

Alternative Hypothesis : H_1 : Change the brand is dependent upon gender.

Chi square contingency table test for independence

O	$E = \frac{RT \times CT}{100}$	O-E	$(O-E)^2$	$\frac{O-E^2}{E}$
20	24.60	-4.60	21.16	0.86
21	16.40	4.60	21.16	1.29
40	35.4	4.6	21.16	0.60
19	23.6	-4.6	21.16	0.90

$$\frac{(O - E)^2}{E} = 3.65$$

Degree of freedom (df) = $(r-1)(c-1)$
 $= (2-1)(2-1) = 1$

Chi Square = 3.65

Tabulated value 3.84

Here, Calculated value is smaller than table value, therefore null hypothesis is accepted. i.e. change the brand by getting attractive scheme is independent upon gender.