## CHAPTER-ONE

## INTRODUCTION

### 1.1 Background:

The country Nepal is regarded as one of the Sovereign and Independent Kingdom of South Asia lies in South Slopes of Himalayas. It is bounded on the North by Tibetan autonomous region of Peoples' Republic of China and the South by, West and East by India. It has an area of $1,47,181 \mathrm{sq}$. km. With respect to climate it lies in the temperate zone with added advantage of attitude, ecology where the country is divided in Hilly, Terai and Himalaya region with 5 development regions and 75 districts all around.

Economically, the country is not so sound where per capita income is below \$ 300 and economic growth rate is $2.5 \%$ currently in fiscal year 063/064 according the date published by Central Bank. More than 3500 villages are there in Nepal with only 58 municipalities. It shows that the economic sufficiency is lacking in the country. Life expectancy rate is approximately 61.6 years in average of male and female ( male $=61.3$ and female $=61.9$ ) .

Nepal is renowned as developing by different international rating institutions. Nepal has dual economy. As the economy of the country is not so much flourished the living standard of people has not been able to rise due to also the inflationary pressure. Due to factors like: unemployment, low income, dependency on the
agriculture, most of the consumers in Nepal fall under the low and mid income group or society who are to some extent able to fulfill their luxurious want but not to a greater extent.

If the international perspective is judged, then it is found that globalization nowadays is playing a vital role with regard to the development of trade in any which affects the internal economy of any country like:- BOP, price level, economy of any country etc. WTO challenges have also put the pressure on the country's economy and has affected marketing environment.

Recently, due to the adverse political dynamic, Nepalese marketing environment is uncertain and full of risk. Due to strike, movements and political dilemmas, the financial system and sufficiency of the nations is being day by day worse. Every nooks and corner of the economy is facing the depression stage in the economy. Political parties are not being seen as well as the citizen confident enough for the economic prosperity in the near future. Private investors are being discouraged to take risk due to environmental uncertainty.

Planning Commission of Nepal has recently predicted 3 year's projects for the economic development of the country expecting $5.5 \%$ of economic growth to be achieved within 3 year's after permanent stability of government after constitutional assembly that will be held on Manghsir, 2064 proclaimed by the government.

With this regard, the people with their univereased real income are not able to fulfill their luxurious wants.

The success of this dual-policy goal to be accomplished by Nepal's economy depends upon the efficiency and strength of marketing in both agriculture and industrial sector. Now that Nepal is in verge her accession to the World Trade Organization (WTO) the mechanism that is expected to give legitimacy of the new environment of liberalization and globalization and strength these, the role of marketing, both at home and abroad, can hardly be overstated.

Brand loyalty a valuable asset of the producers gaining brand loyalty is related with total success of the producers. Study on the effect of brand loyalty of Nepalese consumer in Television purchasing decision sheds light not only toward the image of the brand but also towards the image the producers. Realizing this value of effect of brand loyalty of Nepalese consumer in the television purchasing decision, marketers in the other countries-mostly in the developed countries have continuously carrying on researches on the brand loyalty. But for this study it is conducted mainly to find out how the Nepalese consumers are affected by the brand loyalty i.e. what is the effect of brand loyalty of the Nepalese consumers in the television purchasing decision whether TV is a high involvement product but takes or exists royalty that is why what is the effect of
brand royalty of Nepalese consumer in TV purchasing decision with reference to Birgunj.

Many theorists have defined marketing in different ways keeping in view the objectives of the firms producing goods and services. A review of various definition of marketing is a process that is associated with the flow of goods and services from the owners to the consumer in a smooth and lubricated way.

### 1.2 Focus of the study

Industrialization is the impetus of overall development of a country. Today industrialization is considered as synonymous to development. A major goal of the marketers interested in how consumers learn is to encourage brand loyalty costumers provide the basis for a stable and growing market share and can be a major intangible assets reflected in a purchase price of company. A study of consumer purchases habits reported that brand with larger market share has proportionately larger groups of loyal buyers.

Brand loyalty is not a simple concept. A basic issue among researchers are whether to define the concept are terms of consumer behavior or consumer attitudes to cognitive learning theorists behavioral definitions lack precision because they do not distinguish between the real brands loyal buyers who is intentionally faithful, and the spurious brand loyal buyer who repeats a brand purchase because
it is the only valuable at the store such theories say that brand loyally must be measured by attitude towards a brand rather than by purchasing consistency.

Philip Kotler defined brand as, a number, term sign, symbol, or design or a combination of item which is intended to identify the goods of services and to differentiate them from those of competitors. (Philip Kotler, 1999:467). Thus, brand is not only a name given to a product but also a technique by which the quality and the product of various products are differentiated.

In a simple terms brand loyalty means consumer's strong faith or belief on a particular brand to as a result, an intention to repurchase the same brand when a consumer develops a positive attitude a brand and buyers the same brand again and again. He is said to be brandloyal.

Every brand has a certain image in the market. Every brand is known for its own features and quality. So, the consumers, according to their faith or trust or quality and features or according to the experience of the same or high involvement products or purchases those that are important to the consumers because they entail (i) High financial risk, (ii) High social risk, (iii) High physical risk, and (iv) Simplify high personal interests.

Therefore, we have selected and focused on five brands i.e. (TV) for this study. The selected brands are as follows: (1) LG, (2)

Samsung, (3) Sony, (4) Daiwoo, and (5)Hitachi. Only some of very few are produced within the country and some are imported from the abroad. These alternative brands are available in the most of the markets of the country. Consumer's response, reactions, and attitudes in relation to the brand of this high involvement product like TV (Television) and their purchasing pattern of the same are studied and then whether or not they are brand-loyal is found out.

In short, this study focuses mainly on finding out the effect of brand loyalty of Nepalese consumer in TV purchasing decision with reference to Birgunj City. Even TV is a high involvement product but if brand loyalty takes place then how it can't be measured, how their impact can't be measured in compared to the low-involvement product. Some researcher has researched only low-involvement products that are taken for the study and only loyalty exists. But it is a very old and ancient approach that the researcher stated.

### 1.3 Statement of the problem

Nepal is an agriculture country, which is gradually shifting from the agriculture to industrial sector for sustaining its economic life. Past experience of the country has signaled that it cannot bring only significance positive change in its economy depending solely on agriculture. As a result, industrial activities are gradually interesting
in the country. The number of industrial establishment has significantly increased in the country and still in on increasing trend. This development in the industrial sector has provided varieties of different types of products i.e. different brands of even a single product to the Nepalese consumers.

The number of products being imported from the other countries in also besides the products produced in the country. Development in transportation and communication, different types of scientific inventions, development in political understandings, etc have made the world narrower. Narrow in the sense that physical distances, geographical boundaries, and political boundaries cannot more prevent one from consuming the products. The world itself has been developing as a single market. Today one can use the products produced at any corner or the world sitting at once is own home or town.

Production is the prime activity of each and every industry and successful marketing of the product in the ultimate goal. Industries in Nepal are producing different types of product and persistently purchasing that ultimate goal successful marketing of the product.

All of the products today have got brand. That is to say, brand is prominent features or almost all products. In the modern business, world brand has become so strong that hardly anything goes unbranded. Today most of products are bought by brand rather than
by inspection, consumer demand branded product in the market. Every manufacturer wants and tries his best to make the consumer loyal to the brand of his/her product. Nepalese market is still unseen in spite of different brands in the market, do the consumer stick up to any particular brand.

So the basic problems are of this study into measured brand loyalty of Nepalese consumer while purchasing TV. Within this problem area, various aspects of brand loyalty such as percentage of brand loyal consumers,

Correlates of brand loyalty, degree of loyalty in different products categories, brand-switching behavior etc will be studied.

### 1.4 Objectives of the study

The main objectives of this study are to find out the effects of brand loyalty of Nepalese consumers in the television purchasing decision. However, the specific objectives are as follows:

- To identify the brand loyalty of educated family.
- To identify the brand loyalty of official and business family.
- To identify the brand loyalty of lower educated family.


### 1.5 Limitation of the study

The purpose of this study is to experience and probe into the selected subject of study as the partial requirements of master's degree in Business Studies (M.B.S.)

In order to narrow the study, I have chosen to focus on the effect of brand loyalty of Nepalese consumers in the purchasing decision.

The study has following limitation:
i) This study is limited only on the Nepalese consumers.
ii) This study is limited only on the TV purchasing decision in the Maisthan of Birganj City.
iii) This study is limited to a survey interview of respondents whether they are affected by the brand loyalty or not while in TV purchasing decision.
iv) The study is based on sample size and will be taken 120 samples and used to select the respondents for the purpose of interview and questionnaire in the comparison to the population of the study.
v) The products selected for this study are television (i.e.LG, Samsung, Sony, Daiwoo and Hitachi). Therefore, except these five products the findings of the study will not necessary be applicable to other products.

## 1.6) Significance of the study

Knowledge of brand loyalty helps understanding consumer's attitude toward the brand and this understanding in turn sheds light on different aspects such as effectiveness of branding policy, advertisement policy, consumer's response to the price and quality of the product and consumers perception of the total image of the manufacturer.

Brand Loyalty is one-way of segmenting a mark. If the consumers are identified as loyal and non-loyal, market many accordingly be segmented as loyal consumer market and non loyal consumer market. Brand loyalty gives, sellers or markets protection from competition and greater control in planning marketing mix.

Having been the first and foremost study on the effect of brand loyalty of Nepalese consumer in television purchasing decision in the Birgunj City. This study is, therefore, an important study. This study will, of course, be a valuable guideline to the industrialists, manufacturers or marketers of the country. Similarly, it would be a valuable reference to the scholars or researchers who are interested in conducting further researches on the effect of brand loyalty of Nepalese consumer in TV purchasing decision with reference to Birgunj City.

## 1.7) Research questions

The following research questions are formulated for this study :
a) What is the effect of brand loyalty of Nepalese consumer in the TV purchasing decision?
b) Are the Nepalese consumers brand-loyal on the TV purchasing decision?
c) What are the correlates of brand loyal in TV purchasing? The questions are answered by the appropriate analysis of the data collected for this study.

## 1.8) Organization of the study

This thesis is divided into five chapters.
The first chapter provides introduction chapter, general introduction, focus of the study, statements of the problem, objectives of the study, significance of the study, research question and organization of the study. The second chapter provides review of the literature related with the subject of the study.

The third chapter discusses the research methodology comprises research design, source of data, population, sampling data collection produce, data processing and analysis, research questions and limitation of the study.

The fourth chapter presents the main body of the study analysis and presentation of data. The data and information collected from the
consumers are presented, analyzed and interpreted in this chapter for attaining the stated objectives of the study.

The fifth chapter or the last chapter provides summary, conclusion and recommendation of the study.

An extensive bibliography of and an appendix are also included at the end.

## CHAPTER TWO

## Review of Literature

### 2.1 General Review

Study of consumer behavior has been prevailed as an effective measured helping to develop the successful marketing strategy. The consumer and the society have been the center point around which all the marketing activities resolved. The various advantages made in marketing have established the consumers as the sovereign power in the marketing world. So, in order to be successful, products must be produced according to the need and demand of the consumers and interest of the society. In the modern business world, understanding of consumer choices purchasing decision making process, brand preference, factors affecting decision making process, understanding of consumer behavior in the most necessary to become a successful marketer.

Brand Loyalty is a temporal aspect of a consumer behavior. (James F. Engel.,1982: 598). Brand loyalty analyze whether or not a consumer is loyal to a specific brand or set of a brand in a certain time period study on brand loyalty began when researcher on consumer behavior became popular around the later 50's and 60's. Most of the products today are sold by brands in the developed countries like U.S.A. Germany, U.K., Japan. Even the vegetable products are sold by brand. Today no one denies indispensability of
understanding brand loyalty behavior for successful marketing of the products. This growing need and importance of behavior study of consumer gave birth to brand loyalty as a separate subject of study.

Brand loyalty, though may seem simple at a glance, it is not a simple concept. Schiff man and Kanuk say, "Just as there are different approaches to the definition and measurement of information processing, so that there are different views as the definition of the brand loyalty." (Leion G. Schiffman,1990:258). Different scholars, experts, behavior scientists and researchers have defined brand loyalty in different ways and have utilized different approaches and criteria to measure-brand loyalty. Some have defined brand loyalty in terms of consumer behavior; some have defined in terms of the both consumer behavior and consumer attitude.

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

One of the earliest studies defined brand loyalty according to the sequence of purchasing a specified brand. (James F. Engel and

Roger D. Blackwell, p. 566). The key insight of this definition is that the purchasing pattern of a specified brand determines loyalty to the brand This definition classifies brand loyalty in flour categories:
(1) Undivided loyalty (2) Divided loyalty (3) Unstable loyalty and (4) No loyalty. For example, if A, B, C, D, E, F, G are various brands in a classified as having the following types of loyalty: (1) Undivided loyalty. If the purchase sequence is AAAAA, (2) Divided loyalty if the purchase sequence is $\mathrm{AB}, \mathrm{AB}, \mathrm{AB}$, (3) Unstable loyalty if the purchase sequence is AAAABBB , and (4)No loyalty of the purchase sequence in ABCDEFG. Thus, it is obvious that according to this definition brand choice sequence in the criteria that measures brand loyalty.

### 2.2 Brand choice

In the brand choice, there are many product categories that are represented by numerous brands. To cope with this multiplicity of relatively similar brands consumers do attempt to simplify their decision marking by categorizing the available brands in the evoked set. Evoked set is defined as the set of product that the buyer actually considered when marking a special brand choice. All the brands in evoked set are evaluated positively and the consumer makes a, purchase choice his evoked set. (Chem L. Narayan et. al. 1975: 715)

### 2.2.1 Brand choice sequences

The first study of brand loyalty was published by George Brown in 1952 A.D. The study was conducted on a panel of 120 households. Survey was conducted on the household's purchases of frequently purchased high involvement products like television (TV). Household making five or more purchase was placed on one of the four brands. Loyalty categories depending on the sequences, Brown noted that percentage of households demonstrating some degree or loyalty varied product involved. He also noted that the percentage of household which were undivided percent across products. ( Gorge Brown, P. 566)

### 2.2.2 Proportion of purchase

Expressing loyalty as some percentage of purchases in popular way of defining brand loyalty behavior. Ros Cunningham (1956 A.D.) defined brand loyalty according to the proportion of purchases that in household devoted to the brand it purchased most frequently. Cunningham conducted his study on a sample of 66 families using histories of six common grocery products and head able tablet. He found out that in each product category more than 50 percent of these families concentrated at least 43 percent of their purchase on the brand most often bought. His results showed certain amount of brand concentration in the family purchase.

### 2.2.3 Repeat purchase probabilities

Many recent researchers on brand loyalty have used the repeat purchase probabilities of brand as measured of brand loyalty. The probability are ranging form zero to one was used to determine its degree of loyalty based on the repeat purchase probabilities.

### 2.2.4 Brand preference over time

Brand loyalty has also been defined as preference statements over time rather than actual purchase or brands. Lester Guest, in 1941 AD asked 513 students to indicate the brands. They preferred in 16 products categories in 1953 AD. He obtained brand preference for the same 16 product categories for 165 members of the original sample. The percentage or respondents whose past and present preferences matched was above 30 percent. (Lester Guest, 1999:260)

### 2.3. Brand Switching

Brand switching of consumer is a major worry for all marketers. Consumers switch brands due to many reasons. Dissatisfaction, boredom, new innovations and sales promotional offers promote brand-switching behavior of the consumers. It means consumers habit of constantly shifting from one brand to another. In this sense, it is opposite to brand loyalty, a brand loyalty consumer in stuck up to specific brand or a set of brands. The buyer who is habitual to brand
switching if loyal to no brand. Understanding of why, consumers are involved in brand switching behavior in very important for complete marketing understanding of brand loyal behavior. That is why consumers witch brand explains to a great extent, why consumers are not brand loyal. There are many causes of occurrence of brand switching behavior.

It is not unusual to switch brands simply because of variety seeking. Consumers witch brand because they are dissatisfied with a product, because they are more concerned with price that with brand names. A consumers having been loyal to a brand for long time may switch to other brand because of being dissatisfied or being bored with the brand he has been using for long time. Similarly, if the consumer is more conscious that the brand then even a slight price-cut in the competitive brands may make him move towards those brands may make him move towards those brands.

But the research studies on brand switching reveals that brand switching is not very much stronger as it is generally though is after words. Brand switching is not very much threatening to manufacturer of recent study on consumer purchases habits reported that brands with larger market shares have proportionately larger group of loyal buyers. (S.P. Raj, P.260)

It follows that intra-personal factors such as dissatisfaction, boredom, price consciousness and aspiration for testing new brand causes brand switch. Similarly, also some external factors like special price deals, coupons, free sample and comparative advertisement many causes of brand switch. But what the researches showed in that, "such a brand switch cannot be converted into brand loyalty."(Ibid, P.26). The consumers do not keep on sticking up to the brand, which they are switched to. Together, with the end of such specials deals as a price cuts, free sample, coupon, etc, consumers return back to their previous brands.

### 2.4. Brand loyalty correlates

Brand loyalty correlates mean the various factors that are related or associated with differential degree of brand loyalty. Brand loyalty correlates explain why brand loyalty varies across products and consumers. Many researchers have been conducted to fine out such correlates of brand loyalty. Engel and Blackwell after analyzing the findings of around 34 researches conducted by various scholars and experts have made the following conclusions.
a) There is limited evidence that the loyalty behavior of an informal group leader affects the behavior of other group members.
b) When extended definitions of brand loyalty are used, some
socioeconomic, demographic, and psychological variables are related to brand loyalty. However, those relationships tend to be product specific rather than ubiquitous across product categories.
c) Socioeconomic, demographic and psychological variables generally do not distinguish brand-loyal consumers from other consumers when traditional definitions of brand loyalty are used.
d) Market-structures variables, including the extensiveness of distribution and the market share of the leading brand exert a positive influence on brand loyalty.
e) There is limited evidence that perceived risk is positively related to brand loyalty.
f) Store loyalty in commonly association with brand loyalty.
g) There is some evidence that brand loyalty is inversely related to the number of stories shopped.
h) The relationship between amount purchased and brand loyalty is uncertain because of contradictory finding.
i) The relationship between inter purchases time and brand loyalty is uncertain due to contradictory findings.
j) The effect of the number of alternative brands, special deals, and price activity are uncertain due to contradictory findings, (Engel and Blackwell, PP. 577-78)

Thus, what it comes out from the conclusion made by Engel and Blackwell is that even though the researchers have found out some factors such as socio-economy, demography, store loyalty, number of store shopped, market share of leading brand as the correlates of brand loyalty, yet their (researchers) findings are contradictory concerning to other factors such as amount purchased, inter purchases to time, number of alternatives brands etc. It seems that the researchers have not yet been reached to any concrete result about what are correlates and non-correlates of brand loyalty.

It is necessary to develop the most scientific and widely accepted research instrument to find out what are correlated and not correlated to brand loyalty. Brand loyalty is a wider-concept. What factors are correlated with it is a serious question? There may be hundred of factors having been correlated to it. The main cause of the contradiction among research findings is "absence of widely accepted research tradition"(Ibid, P.578). say Engel and Blackwell. Researchers so far have used different definition of brand loyalty. Some have used the traditional definitions which measures brand loyalty on the basis of the consumer purchases whereas others have used extended definitions of brand loyalty which measure brand loyalty on the basis of the both consumer purchases and consumer preferences. Due to the use of different definitions and approaches the
researchers, findings, concerning to brand loyalty correlates have been resulted into confusion and contradiction. Hence, it is not only difficulty but also impossible to state exact what are the correlates and non-correlates to brand loyalty.

Brand loyalty correlates are the important aspect of study on brand loyalty. Brand loyalty correlates tell why brand loyalty varies across products and consumers. Similarly, brand loyalty correlates identify the characters of brand loyalty consumers and distinguish them from the non loyalty ones. Thus, the brand loyalty correlates are of high importance for the markets. Therefore, there must not be any contradiction or precisely to the markets could use them as the efficacious guidelines for making strategies. And, this can be better done by improving the weaknesses of the past attempts and by developing the most scientific and widely accepted research tradition.

### 2.5 Brand loyalty models

### 2.5.1. Zero order models (Bernoulli Model)

This is the earliest model of brand loyalty in this model, the consumer is assumed to have a constraint probability of purchasing the brand under study. The probability is determined from aggregate brand choice data and is assumed to be independent of all external
influences, prior purchases or consumer characteristics. (James F. Engel et. al. P. 581)

This function is determined from aggregated brand choice between brands A and B , where B is the composite of all other brands. This model suggests that there is no feedback from past purchase events. The response functions in free to change over time. It, however, suggests that number of brands available at a store, especial price deals and out of stock situation of the brand influence the probability function. This shows that of brand become available in more stores the probability of buying brand A is expected to increase for many consumers who purchase brand A, all other factors remaining constraint.

### 2.5.2 Dynamic Bernoulli Model

Ronal A. Howard has modified the original Bernoulli model where the probability $(\mathrm{P})$ is allowed to vary between individuals and to change from one purchase situation to another for the same buyer. However, this model also assumes a zero order process where the past purchase event has no effect on present and future purchase probabilities. This factor has made this model of limited use.

### 2.5.3 Probability diffusion model

The probability diffusion model proposed by David B. Montgomery is also a zero order model, which does not consider purchase events feedback in this model, which does not consider purchase events feedback in this model. An individual's response probability is assumed to be non-stationary and different individuals may have different response probabilities. This model is base on the following assumptions:(Harper W. Boyd et. al. P.67-70)
i) The brand choice behavior is described as a dichotomous selection i.e. selection between two brands A and B.
ii) Each respondent is assumed to have a number of hypothetical elements: some are associated with response
$A$ and the remainder with response $B$.

### 2.5.4 New Trier Model

The New Trier Model describes the brand choice behavior of a consumer purchasing a particular brand for the first time. This is also zero order model developed by Aaker. This model assumes that there is a trial period after the initial purchase during which the probability of purchasing the brand for that family remains constant. After, a number of trial purchases, the consumer is assumed to reach a decision which given a new probability of purchasing the brand. The probabilities of purchasing the new brand after the trial period differ
among individuals. Thus, this model is similar to probability diffusion model in many respects and has limited use. These models offered little insights into the dynamics of brand loyalty and have been abandoned in favor of more realistic model the market model. (James F. Engel, P. 583-584)

### 2.5.5. M arkor's First Order M odel

Markov model considers the influence of past purchases on the probability of current purchases. Markor's first order model take into account the effect of last purchase on the current purchase. (Harper W. Boyd, P. 59-63)

To illustrate, consider a product category with three brands A, B and $C$. Based on the past purchase data of a sample of consumers, the conditional probabilities of moving from one state to another in any two consecutive time period can be estimated as shown in the following hypothetical table.

| Last Purchase | Next Purchase |  |  | Total |
| :---: | :---: | :---: | :---: | :---: |
|  | $\mathbf{A}$ | $\mathbf{B}$ | $\mathbf{C}$ |  |
| A | $0.7(70 \%)$ | $0.1(10 \%)$ | $0.2(20 \%)$ | $1(100 \%)$ |
| B | $0.3(30 \%)$ | $0.6(60 \%)$ | $0.1(10 \%)$ | $1(100 \%)$ |
| C | $0.4(40 \%)$ | $0.1(10 \%)$ | $0.5(50 \%)$ | $1(100 \%)$ |

The table can be interpreted as follows:

If a consumer purchases a brand A during a certain period, the during the next period there is a $70 \%$ chance that he/she will buy brand A, $10 \%$ chance for buying brand B and $20 \%$ chance of buying brand C. Similar probability or chances can be calculated for original buyers of brands, B and C.

On study measured brand loyalty in three different ways; brand market share. The number of same brand purchases in a six months period and the average number of brands bought per buyer. Findings suggest that consumer buys from a mix of brands within their acceptable range. Thus, the greater the number of acceptable brands in a specific product category, the less likely
loyal to one special brand conversely; products having few competitors, as well as those purchased with great frequency are likely to have greater brand loyalty A.

### 2.6. Researches on consumer behavior under Tribhuvan University Thesis

The T.U. has completed some researches on consumer behavior. Similarly, Researches and Studies conducted by other institutions and professional cannot be ruled out as well. Four of the researches conducted by the student of T.U. are reviewed below:

1) Mr. Yogesh Pant had carried out a research title, "study on brand loyalty" in 1992. The major objectives of this study were
to examine brand and to identify the correlates of brand loyalty, especially on low involvement products.
2) Mr. Jagat Timilsina had conducted research, "A study on buyer behavior" in 1999" The study basically concentrated to find out brand patterns and purchase, freedom of clothing apparels.
3) Shree Basta Ghimire, "A study on branding policy of durable consumer good." Through his study in basically related with brand policy. He found that brand loyalty if the Nepalese consumers to be moderate in the finding of his study he states $34 \%$ consumers were found highly loyal. His finding relating to brand loyal seems to confusing. According to his findings, brand loyalty is differentiates from the consumer behavior like sticking to a particular brand and waiting for the favorite brand. As a matter of fact, brand loyalty itself is an outcome of both sticking up to particular brand and intention to wait for that in case of unavailability along with positive attitude toward the same brand.
4) Damodar Nepal, "A Study on brand loyalty of the Nepalese consumers". Thought his study is basically related with branding which is necessary for the product benefits, quality, of the product. Localization of the product, effective advertisement in right time. Brand loyalty is absolutely a great asset of company for the achievement of brand loyalty of the marketing
strategy of the company in to product price, place and promotion should be sound and well fitted. Brand loyalty is positively initiated with consumers' income. Brand loyalty consumers are least influenced by special deals like discounts, free coupons, prize activities and advertisement.

So after reviewing the above researches conducted by the Tribhuvan University in constantly goring to add on extra milestone in Nepalese consumer research activities. The study is an attempt to reveal the brand loyalty of the Nepalese consumer.

## CHAPTER THREE

## Research Methodology

Consumers are the sovereign power of the modern marketing world. Industrial activities are gradually increasing in Nepal. The products manufacturer wants to sell but the ones that consumers want to buy. Every successful product in the modern marketing world is an embodiment of the consumer's needs, wants, prestige, preference, satisfaction, aspiration and mental horizon. Therefore, understanding the consumer's needs, wants, satisfaction, preference, aspiration and mental horizon or understanding the consumer in total is the secret of success today. Most of the manufacturers or marketers or sellers are spending a good deal of money for the promotion of their brands. That is to say, promotional activities are also increasing fast in the country. All these show that marketers in Nepal is growing fast and entering into an era of cutthroat competition.

Knowledge of brand loyalty market is easier to understand the consumer brand loyalty exposes the consumer's preference, attitudes and purchasing pattern relating to different brands of the product available in the market. These factors like preference, attitude and purchasing pattern are to a great extent, directly and indirectly related with the consumer's satisfaction, social status, earning, aspiration and ambition.

Research methodology is a way to systematically solve the researches problem. It facilitates the researches work and provides reliability and validity. In other words, it is systematic product of knowledge. C.K. Kothari defined research as a scientific of systematic research for pertinent information on a specific topic. (Kothari, 1998:1) Redman and Moray define research as a systematized effort to gain new knowledge. (Redman and Moray, 1923:10). This passage discusses the procedure employed in the study including data collection and analysis. Further, it deals with variables used in the study, the necessary relevant data have been successfully collected from the consumers personality purchasing pattern of different brands of the product like Television (T.V.). A research work should be much more effective, accurate and useful and it should follow scientific methods. The research methodology employed in the present study is described here as follows:

### 3.1. Research Design

This study is an exploratory in nature. This study mainly aims to find out the "effect of brand loyalty of Nepalese consumer in Television (TV) purchasing decision" with reference to Kathmandu valley. For the study, the survey research design is adopted for the study. The data and information collected from the survey of the consumer are rearranged, tabulated, analyzed and interpreted according to the need
of the study for attaining stated objectives. The Nepalese ultimate consumers are extensively survey so as to procure data and information about the consumers, personality, purchasing pattern of the different brands of the products selected for the study and their attitudes, responses, and reactions relating to the same brands.

### 3.2. Nature and sources of data

The data used in the study are primary in nature. These primary data required for the study are collected from the Nepalese consumers of the products like Television selected for this study are the sources of data used in the present study.

### 3.3. Population

All the Nepalese ultimate consumers of the products (TV), selected for this study (i.e. LG, Samsung, Sony, Daiwoo and Hitachi) are considered as the population of this study. Data on exact number of such consumers are not available.

### 3.4. Sampling

The above stated population of the study is very large. It is almost impossible to include the whole population in the study. So, out of this population only 120 consumers are surveyed in other words, from the whole population a sample of only 120 consumers are taken for
this study. The sampling method used for the study is judgmental (i.e. non random) sampling. Sampling in this study is very small size of the sample in comparison to the population. Even though the sample size is very small in comparison to the population, sufficient efforts have been made to make the sample present the whole population included in the sample are, therefore, from the different professionals, age, groups, income groups, education groups, and equally of sex, male and female. In this survey, all respondent should be requested to give responsible to fill the questionnaire for the study.

### 3.5. Data collection procedure

A well-structured questionnaire is the main instrument used for collection of data required for this study. The questionnaire was most carefully designed as well as pre-tested so that it could best serve the purpose of this study. The questionnaire contained multiple choice questions. 120 questionnaires were distributed. All of them are collected. The questionnaires were filled upon the researcher own presence, the response became cent percent. Maximum attention has been given while filling up the questionnaires. The respondents were support by oral explanation or inability to understand any content in the questionnaire.

### 3.6. Data processing and Analysis

All the questionnaires were distributed and collected by the researcher himself so, there was not any delay in collection of the questionnaires, which were distributed to the consumers. Every questionnaire was thoroughly checked after the collection and was found correct in the style of filling. The same response of the collected questionnaires were put into one place under the respective headings and the total responses were presented in one master table with the help of the data of the master table, necessary adjustments have been made for attaining the objectives of the study. All the analysis is made on the basis of the data as presented in the master table. Data is analyzed both descriptively and statistically. For statistically analysis, required tools such as simple mean, weight mean, ration, and percentage are adopted.

## CHAPTER - FOUR

## Data Presentation and Analysis

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

### 4.1 Presentation and analysis

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

### 4.1.1 Research question No. 1

The first research question formulated for this study is "What is the effect of brand loyalty or Nepalese consumer in the TV purchasing decision." Many questions were asked to the consumers to get the answer of this consumer's responses to these various questions are presented and analyzed below.

The consumers surveyed for this study were given two scales: one to measure the importance of brand in consumer durable goods and the other to measure the same in consumer nondurable goods. Each scale included five points from 1 to 5 . 1 was given for minimum and 5 was maximum. Consumers were asked to tick on the point they think correct or appropriate. Different consumers ticked on different points from 1 to 5 . We have calculated weighted means of consumers responses concerning to the importance of brand in both types of consumer goods durable and nondurable.

Table No. 1
Importance of Brand

| Types of Goods | Weighted means of Important <br> points |
| :---: | :---: |
| Consumer durable goods | 2.78 |
| Consumer nondurable goods | 2053 |

Source: Direct Field Survey, 2007

Table No. 1 reveals that the consumers have given on average 2.78 points for the consumer durable goods and 2.53 for the nondurable goods. According to the scale given to the consumers with points approach near to the maximum important points. Thus, it seems that brand has highly important for the Nepalese consumers and the
importance of study on the "Effect of brand loyalty of Nepalese consumer in the Television purchasing decision."

Table No. 2

## Use of Brand in purchasing products

| S.No | Name of <br> Products | Means of <br> Purchase | No. of Respondents |  |  |  | Total |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Male | \% | Female | \% | No. | \% |
| 1 | LG TV | By Brand | 40 | 57.14 | 25 | 50 | 65 | 54.47 |
|  |  | $\begin{gathered} \text { By } \\ \text { Inspection } \end{gathered}$ | 30 | 42.85 | 25 | 50 | 55 | 45.83 |
|  |  | Total | 70 | 100 | 50 | 100 | 120 | 100 |
| 2 | Samsung TV | By Brand | 30 | 37.5 | 25 | 62.5 | 55 | 45.83 |
|  |  | $\begin{gathered} \hline \text { By } \\ \text { Inspection } \end{gathered}$ | 50 | 62.5 | 15 | 37.5 | 65 | 54.17 |
|  |  | Total | 80 | 100 | 4 | 100 | 120 | 100 |
| 3 | Sony TV | By Brand | 35 | 46.77 | 35 | 77.78 | 70 | 58.33 |
|  |  | $\begin{gathered} \text { By } \\ \text { Inspection } \end{gathered}$ | 40 | 53.33 | 10 | 22 | 50 | 41.66 |
|  |  | Total | 75 | 100 | 45 | 100 | 120 | 100 |
| 4 | Daewoo TV | By brand | 25 | 33.33 | 20 | 44.44 | 45 | 37.5 |
|  |  | $\begin{gathered} \text { By } \\ \text { Inspection } \end{gathered}$ | 50 | 66.97 | 25 | 55.55 | 75 | 62.5 |
|  |  | Total | 75 | 100 | 45 | 100 | 120 | 100 |


| 5 | Hitachi |  | 15 | 23.08 | 25 | 45.45 | 40 | 33.33 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | By Brand |  |  |  |  |  |  |
|  | By <br> Inspection | 50 | 76.92 | 30 | 54.54 | 80 | 66.77 |  |
|  |  |  |  |  |  |  |  |  |
|  | Total | 65 | 100 | 55 | 100 | 120 | 100 |  |

Source: Direct Field Survey, 2007

The table No. 2 shows how the Nepalese consumers buy the product like Television. In the case of LG Television, $54.17 \%$ buys it by brand, whereas $46 \%$ buy it by inspection. In the case of Samsung TV, $45.5 \%$ buy it by brand whereas $54.17 \%$ buy it by inspection. In case of Sony TV, $58.33 \%$ buy it by brand whereas $41.66 \%$ buy it by inspection. In case of Daiwoo $37.5 \%$ buy it by brand whereas $62.5 \%$ buy it by inspection. Similarly $33.33 \%$ buy it by brand whereas $66.77 \%$ buy it by inspection.

Hence, it can be said that majority of the Nepalese consumers buy Television by inspection rather than by brand but in the case of LG and Sony television, some consumers are being brand loyalty than other brand of television because by the research, it is appeared that the consumer's attitude are more brand loyalty toward the LG and Sony television. There one must not be confused in the term "by
brand and by symbol, term, good designing, good function or a combination of them which the producer or seller gives to it to differentiate it from the products of the other producers or sellers. On the other hand, buying by inspection means buying a product by examination or observation. For example, if a consumer, who wants to buy soap, goes to a shop or store and asks the shopkeeper to give him a Liril or Lux or a lifebuoy, then it is called buying by brand. But if the same consumer goes to the store and asks the shopkeeper to give him a soap and does not specify which soap he wants to buy, then it is called buying by inspection.

Buying by brand is directly selected with brand awareness. A consumer who always buy by brand in supposed to have knowledge of different alternative brand available in the market and the difference between the brand uses or buys and other alternative brands available in the market. Moreover, the consumers were also asked to make the alternative brands of the mentioned products available in the market. Majority of the consumers named almost all brands, which are really available in the market.

The difference in consumer durable goods and nondurable goods, the high importance of brand show the consumers strong interest to knowing brand of the products they use. To be more specific about
the brand awareness of the Nepalese consumer, we had asked them whether they buy the products selected for his study by brand or by inspection. Their responses to this question are depicted in the following.

## Use of Brand in purchasing products

## Table No. 3

Most favorite brand

| S.No | Most Favorite | No. of Respondents |  |  |  | Total |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Male | \% | Female | \% | No. | \% |
| 1 | LG TV | 22 | 34.92 | 18 | 31.57 | 40 | 33.33 |
| 2 | Samsung TV | 16 | 25.39 | 14 | 24.56 | 30 | 25 |
| 3 | Sony TV | 12 | 19.04 | 10 | 17.54 | 22 | 18.33 |
| 4 | Daewoo TV | 100 | 15.87 | 8 | 14.03 | 18 | 15 |
| 5 | Hitachi TV | 3 | 4.76 | 7 | 12.28 | 10 | 8.33 |
|  | Total | 63 | 100 | 57 | 100 | 120 | 100 |

## Source: Direct Field Survey, 2007

The above Table No. 3 shows that the majority of the consumer falls in the purchase Television which most favorite brand is LG television. The number of consumers falling in this group is 40 (i.e. $33.33 \%$ ), $25 \%$ consumer falling in the purchase television group which has the brand Samsung Television. $18.33 \%$ falling the purchase television, which has the brand Sony television. 15\% falling the purchase television, which has the brand Daewoo. Similarly,
$8.33 \%$ of the consumers falling the purchase of the television which brand has Hitachi television.

Hence, $33.33 \%$ and $25 \%$ consumers falling in the purchase television of LG and Samsung in the most favorite brand from the loyalty point of view.

## Most favorite brand

### 4.1.2 Research questions No. 2

Brand loyalty of Nepalese consumer
As a matter or fact, the present study is conducted mainly to answer the question. Therefore, a good deal of efforts has been made to get the answer of these questions.

There are many approaches to the measurement of brand loyalty, we have adopted preference approach in this study. We have measured brand loyalty on the basis of their purchasing patterns and preference order reality to the different brand of T.V. We have selected five brands of television for this study. Consumers were asked to name the brands they bought it and similarly, to find out the preferred brand they were asked to name their most favorite brands of television of all available in the market.

Table No. 4

## Purchasing TV in the life

| S.No | Name of the <br> product | Purchasing <br> Time/Period | No of <br> Respondents | Total\% |
| :---: | :---: | :---: | :---: | :---: |
| 1 | LG TV | sometime \& rarely | 35 | 29.17 |
| 2 | Samsung TV | sometime \& rarely | 25 | 27.5 |
| 3 | Sony TV | sometime \& rarely | 25 | 20.83 |
| 4 | Daiwoo TV | Rarely | 19 | 15.83 |
| 5 | Hitachi TV | Rarely | 8 | 6.67 |
|  | Total |  | 120 | 100 |

Source : Direct Field Survey, 2007

The above Table shows that the consumers are purchasing television only sometimes and rarely because the table shows that among the five brand of television, $29.17 \%$ of the respondents are purchasing LG television sometimes and rarely. Similarly $27.5 \%$ of the respondents are purchasing Samsung sometimes and rarely. 20.83\% of the respondents purchasing Sony television sometimes and rarely. But in the brand of television Daiwoo, $15.85 \%$ of the respondents are purchasing only rarely and $6.67 \%$ of the respondents purchasing also rarely.

Hence the consumers are purchasing the favorite brand of television sometimes and rarely whereas non-branded respondents are
purchasing only rarely. Therefore, television in a high financial and high social risk and it takes more money and tie by purchasing television because it is a high involvement product. That is why the respondents are in the habit of buying the television rarely and sometimes according to their demand, desires and social status in the society.

## Table No. 5

Factors affecting while purchasing TV

| Name of Products | factors | No. of brand loyal respondents |  | No. of brand non loyal respondents |  | Total |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | No. | \% | No | \% | No | \% |
| LG TV | Price | 30 | 27.77 | 6 | 50 | 36 | 30 |
|  | Advertising | 31 | 28.70 | 1 | 8.33 | 32 | 26.66 |
|  | A New Brand | 25 | 23.14 | 2 | 16.66 | 24 | 22.5 |
|  | None | 22 | 33.14 | 3 | 25 | 25 | 20.83 |
|  | Total | 108 | 100 | 12 | 100 | 120 | 100 |
| Samsung TV | Price | 20 | 19.04 | 5 | 33.33 | 25 | 2083 |
|  | Advertising | 30 | 28.57 | 2 | 6.66 | 32 | 26.66 |
|  | A New Brand | 30 | 28.57 | 6 | 40 | 36 | 30 |
|  | None | 25 | 23.80 | 2 | 6.66 | 27 | 22.5 |
|  | Total | 105 | 100 | 15 | 100 | 120 | 100 |
| Sony TV | Price | 31 | 28.80 | 4 | 40 | 35 | 29.26 |
|  | Advertising | 32 | 9.09 | 1 | 10 | 33 | 27.5 |
|  | A NEw Brand | 41 | 37.27 | 3. | 30 | 44 | 36.66 |


|  | None | 6 | 5.45 | 2 | 20 | 8 | 6.66 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | 110 | 100 | 10 | 10 | 120 | 100 |
|  | Price | 32 | 29.35 | 1 | 9.09 | 33 | 27.5 |
|  | Advertising | 30 | 27.53 | 5 | 45.45 | 35 | 29.16 |
|  | A New Brand | 40 | 36.69 | 41 | 36.36 | 44 | 36.66 |
|  | None | 7 | 6.02 | 1 | 9.09 | 8 | 6.66 |
|  | Total | 109 | 100 | 11 | 100 | 120 | 100 |
|  | Price | 20 | 18.69 | 5 | 38.46 | 25 | 20.83 |
|  | Advertising | 40 | 37.38 | 2 | 15.38 | 42 | 35 |
|  | A New Brand | 45 | 42.05 | 5 | 38.46 | 50 | 4.66 |
|  | None | 2 | 1.86 | 1 | 7.69 | 3 | 2.5 |
|  | Total | 107 | 100 | 13 | 100 | 120 | 100 |

## Source: Direct Field Survey, 2007

The data presented in the table No. 5 above is the consumer's response to the questions that which one of the following factors made your purchase the television. The factors provided with the question are (i) Price, i.e. price rise or price-cut in one brand in the comparison to other, (ii) Strong advertisement campaign or other brand, (iii) A new brand to purchase new brand and (ii) None of these.

The consumers while purchasing television, the above factors are affecting in which price in the LG television, $30 \%$ of the total respondents are affected by the price while purchasing LG television. In the second term, $26.66 \%$ of the total respondents are affected by
the advertising while purchasing it and $22.5 \%$ are affected by a new brand. And $20.83 \%$ are affected while purchasing LG television.

In the case of Samsung television, $20.83 \%$ of the total respondents are affected by the price, $26.66 \%$ are affected by advertising, $30 \%$ are affected by a new brand and $22.5 \%$ are affected by none of the total respondents.

In the case of Sony television, a new brand having $36.66 \%$ affects highest while purchasing it whereas $29.16 \%$ and $27.5 \%$ of price and advertising affect least the consumers in the compare of a new brand. In the case of Daiwoo television, $36.66 \%$ of a new brand is the highest factor affecting while purchasing and advertising and price are $29.16 \%$ and $27.5 \%$, which affect the consumers least in the compare of a new brand. Similarly, in the case of Hitachi brand of television, $41.66 \%$ of a new brand mostly affects the consumer while purchasing Hitachi television while advertising (35\%) and price (20.83) affect least in the compare of a new brand.

Hence, the television purchasing decision, consumers who are affected by a new brand more than other factors like advertising, price and others.

Table No. 6

## DEGREE OF LOYALTY

| Name of Products | What do you do if your favorite brand is not available? | No. of brand loyal respondents |  |  |  |  | Tota <br> l <br> \% |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Male | \% | Female | \% | No. |  |
| LG TV | Wait for the favorite one | 25 | 44.64 | 35 | $\begin{aligned} & 34 . \\ & 68 \end{aligned}$ | 60 | 50 |
|  | Buy the alternative | 16 | 28.57 | 14 | $\begin{array}{\|l\|} \hline 21 . \\ 87 \end{array}$ | 30 | 25 |
|  | Does not buy | 15 | 26.78 | 15 | $\begin{aligned} & 23 . \\ & 43 \end{aligned}$ | 30 | 25 |
|  | Total | 56 | 100 | 64 | 100 | 120 | 100 |
| SamsungTV | Wait for the favorite one | 30 | 46.15 | 30 | $\begin{array}{\|l\|} \hline 54 . \\ 54 \\ \hline \end{array}$ | 60 | 50 |
|  | Buy the alternative | 20 | 30.76 | 15 | $\begin{aligned} & 27 . \\ & 27 \end{aligned}$ | 35 | 29.17 |
|  | Does not buy | 15 | 23.07 | 10 | $\begin{aligned} & 18 . \\ & 18 \end{aligned}$ | 25 | 20.83 |
|  | Total | 65 | 100 | 55 | 100 | 120 | 100 |
| Sony TV | Wait for the favorite one | 25 | 45.45 | 25 | $\begin{array}{\|l\|} \hline 38 . \\ 46 \\ \hline \end{array}$ | 50 | 41.67 |
|  | Buy the alternative | 15 | 27.27 | 30 | $\begin{aligned} & 46 . \\ & 15 \end{aligned}$ | 45 | 3705 |
|  | Does not buy | 15 | 27.27 | 10 | 15. | 25 | 20.8 |


|  |  |  |  |  | 38 |  | 3 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | 55 | 100 | 65 | 100 | 120 | 100 |
| Daewoo TV | Wait for the favorite one | 15 | 23.07 | 20 | $\begin{aligned} & 36 . \\ & 36 \end{aligned}$ | 35 | 29.17 |
|  | Buy the alternative | 30 | 46.15 | 15 | $\begin{aligned} & 27 . \\ & 27 \end{aligned}$ | 45 | 37.5 |
|  | Does not buy | 20 | 30.76 | 20 | $\begin{aligned} & 36 . \\ & 36 \end{aligned}$ | 40 | 33.33 |
|  | Total | 65 | 100 | 55 | 100 | 120 | 100 |
| Hitachi <br> TV | Wait for the favorite one | 18 | 24.65 | 20 | $\begin{aligned} & 42 . \\ & 55 \end{aligned}$ | 38 | 31.67 |
|  | Buy the alternative | 30 | 4.09 | 15 | $\begin{aligned} & 31 . \\ & 91 \end{aligned}$ | 45 | 37.5 |
|  | Does not buy | 25 | 34.24 | 12 | $\begin{aligned} & 25 . \\ & 53 \end{aligned}$ | 37 | 30.83 |
|  | Total | 73 | 100 | 47 | 100 | 120 | 100 |

## Source: Direct Field Survey, 2007

The above table reveals that what do the respondents who were found brand loyal according to the preference, purchase approach to when their favorite brand or the brand which they are loyal to is not available in the market, $50 \%, 50 \%, 41.67 \%, 29.17 \%$, and $31.67 \%$ respondents respectively in the LG, Samsung, Sony, 15 Daiwoo and Hitachi television, said that they would wait for the favorite brand.

The term "wait for favorite" and "buy the alternative" the product selected for the study are of such nature that they are repeatedly purchased. So, waiting for favorite does not mean stopping the use of product forever or waiting for very long time. "Wait for favorite" in used here in the sense of waiting for the time period in which the consumer can avoid the use of in such a way and picks up whatever alternative are available, he is said to have bought alternatives. $25 \%$, $29.17 \%, 37.5 \%, 37.5 \%$ and $37.5 \%$ respondents of LG, Samsung, Sony, Daiwoo, and Hitachi television are said that they would buy the alternatives. Similarly, $25 \%, 20.835 \%, 20.835 \%, 33.33 \%$ and $30.83 \%$ respondents in LG, Samsung, Sony, Daiwoo and Hitachi television are said that they would not buy the favorite brand. Hence, it is said that one the percentage basis, the respondents are showing their activities towards their favorite brand if not available in the market. The majority of the respondents are to be appeared that they wait for the favorite one rather that buy alternative or does not buy.

### 4.1.3. Research questions No. 3

The last question formulated for this study is "What are the correlates of brand loyalty?" The last question formulated for this study is "what are the correlates of brand loyalty?" Brand loyalty correlates are the factors associated with brand loyalty. These are factors that distinguished a brand loyal consumers from the non loyal. It is very
hard to state exact number of correlates. No research-conducted so far has been able to find out a definite number of correlates that are equally applicable to the all categories of product. The factors included are the consumer's personality characteristics such as sex, age, and status, shopping patterns characteristics such as store. Loyalty market structure, characteristics such as special deals, seller's influence and product display. Each of these factors is presented and analyzed in the following pages to find out whether it correlates with brand loyalty.

Table No. 7
Ability to Judge Brand

| Name of Products | Ability of judge brand | No. of Respondents |  |  |  | Total |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Male | \% | Female | \% | No. | \% |
| LG TV | Very High | 25 | 39.06 | 15 | 26.78 | 40 | 33.33 |
|  | High | 15 | 23.43 | 20 | 35.71 | 35 | 29.17 |
|  | Moderate | 14 | 21.87 | 11 | 19.64 | 25 | 20.83 |
|  | Low | 10 | 15.62 | 10 | 17.85 | 20 | 16.67 |
|  | Total | 64 | 100 | 56 | 100 | 120 | 100 |
| Samsung <br> TV | Very High | 13 | 19.11 | 12 | 23.07 | 25 | 20.83 |
|  | High | 10 | 14.70 | 10 | 19.23 | 20 | 16.67 |
|  | Moderate | 20 | 29.41 | 20 | 38.46 | 40 | 33.33 |
|  | Low | 25 | 36.76 | 10 | 19.23 | 35 | 29.17 |


|  | Total | 68 | 100 | 52 | 100 | 120 | 100 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Sony TV | Very High | 20 | 32.25 | 15 | 25.86 | 35 | 29.17 |
|  | High | 16 | 25.80 | 17 | 29.31 | 33 | 2705 |
|  | Moderate | 22 | 35.48 | 22 | 37.93 | 44 | 36.67 |
|  | Low | 4 | 6.45 | 4 | 6.45 | 8 | 6.67 |
|  | Total | 62 | 100 | 58 | 100 | 120 | 100 |
| Daewoo <br> TV | Very High | 18 | 28.57 | 15 | 26.31 | 33 | 27.5 |
|  | High | 17 | 26.98 | 18 | 31.57 | 35 | 29.17 |
|  | Moderate | 24 | 38.09 | 20 | 35.08 | 44 | 36.67 |
|  | Low | 4 | 6.34 | 4 | 7.01 | 8 | 6.67 |
|  | Total | 63 | 100 | 57 | 100 | 120 | 100 |
| Hitachi TV | Very High | 12 | 18.46 | 8 | 14.54 | 20 | 16.67 |
|  | High | 20 | 30.76 | 20 | 36.36 | 40 | 33.33 |
|  | Moderate | 25 | 38.46 | 20 | 36.36 | 45 | 37.5 |
|  | Low | 8 | 12.30 | 7 | 100 | 15 | 12.5 |
|  | Total | 65 | 100 | 55 |  | 120 | 100 |

## Source: Direct Field Survey, 2007

The Table No. 7 shows that the respondents are decided their determination having ability to judge the brand before buying television. In case of LG television, $33.33 \%$ of the respondents are very high to their favorite brand where $29.17 \%, 20.83 \%$ and $16.67 \%$ are high, moderate and low respectively. Similarly, in the case of

Samsung, 20.83\% of respondents show very high, $16.67 \%$ show high, $33.33 \%$ shows moderate and $29.17 \%$ shows low towards the Samsung television. In case of Sony Television, 29.17\%, 27.7\%, $36.67 \%$ and $6.67 \%$ of the respondents show their ability high, very high, moderate and low respectively of the Daiwoo television. Similarly incase of Hitachi, $16.67 \%$ shows very high, $33.33 \%$ shows high, $37.5 \%$ shows moderate and $12.5 \%$ shows low of their brand. Hence the respondents show their confidence to judge the brands are very high, high, moderate and low. Therefore, the majority of the respondents show moderate to judge their ability to purchase the favorite brand of television.

## Table No. 8

Brand before buying television

| Name of <br> Products | Decision | No. of brand loyal respondents |  |  |  | Total |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| LG TV |  | Male | \% | Female | \% | No. | \% |
|  | Yes | 50 | 71.42 | 30 | 60 | 80 | 66.67 |
|  | No | 20 | 28.57 | 20 | 40 | 40 | 33.33 |
|  | Total | 70 | 100 | 50 | 100 | 120 | 100 |
| Samsung <br> TV | Yes | 45 | 66.17 | 40 | 76.92 | 85 | 70.83 |
|  | No | 23 | 19.16 | 12 | 23.07 | 35 | 29.16 |
| Sony TV | Total | 68 | 100 | 52 | 100 | 120 | 100 |


|  | Yes | 35 | 58.33 | 35 | 58.33 | 70 | 58.33 |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
|  | No | 25 | 41.67 | 25 | 41.67 | 50 | 41.67 |
|  | Total | 60 | 100 | 60 | 100 | 120 | 100 |
|  | Yes | 25 | 41.67 | 25 | 41.67 | 50 | 41.67 |
|  | No | 35 | 58.33 | 35 | 58.33 | 70 | 58.33 |
|  | Total | 60 | 100 | 60 | 100 | 120 | 100 |
|  | Yes | 20 | 30.76 | 15 | 72.72 | 35 | 29.16 |
|  | No | 45 | 69.23 | 40 | 72.72 | 85 | 70.83 |
|  | Total | 65 | 100 | 55 | 100 | 120 | 100 |

## Source: Direct Field Survey, 2007

The above Table shows that how the respondents are doing their activities before buying the television. The table shows that $66.67 \%$ of the respondents falling to 'Yes' and remaining $33.33 \%$ falling to 'No' respondents before buying LG television on brand. Similarly, $70.83 \%$ shows positive or Yes and $29.16 \%$ shows 'No' before buying Samsung television. $58.33 \%$ shows 'Yes and $41.66 \%$ shows 'No' before buying Sony Television, $41.6 \%$ shows 'Yes' and 58.33\% shows 'No' before buying Daiwoo television. At last $29.16 \%$ shows 'Yes' and $70.83 \%$ shows 'No' before buying Hitachi television.

Hence in the case of LG, Samsung, and Sony television, the majority of the respondents are appeared 'Yes' before purchase the television
branded. But remaining Daiwoo and Hitachi, the respondents are not interested to determine before purchasing the branded television.

Table No. 9
Different alternative brands of TV available in the market

| Available of Board | No. of brand loyal <br> respondents | percentage |
| :--- | :--- | :--- |
| Yes | 110 | 91.67 |
| No | 10 | 8.33 |
| Total | 120 | 100 |

Source : Direct Field Survey, 2006
The above table shows that the majority of the respondents know very well about the different alternative or competing brands of a television. The table depicts that there are more than ninety percent of the respondents knew etc availability or brand or television in the market. Here $91.67 \%$ of the brand loyal respondents know the different brand of television in the market where as $8.33 \%$ of the respondents doesn't know the alternative brand of television in the market.

Table No. 10
Alternative brands of TV in the market

| Name of the <br> alternative Brand | No. of brand loyal <br> respondents | \% |
| :---: | :---: | :---: |
| Konka | 40 | 33.33 |
| Changong | 35 | 29.17 |
| sanyo | 25 | 20.83 |
| Panasonic | 10 | 8.33 |
| Philips | 10 | 8.33 |
| Total | 120 | 100 |

Source : Direct Field Survey, 2006

The above table shows that the majority of the respondents know very well about the different alternative or competing brands of television product. The table depicts that there are no consumers who do not know at least 2 alternative brands.

Knowing names of the alternatives brand though may be seen simple, has many implication. It exhibits the consumer's response to the advertisement campaign launched by the different producers and seller. Similarly, it also highlights the consumer's watchfulness in the changes taking place into market.

From the above table it follows that the respondents have knowledge about some other brands available in the market. Here, $33.33 \%$,
29.17\%, 20.83\%, $8.33 \%$ and $8.33 \%$ know Konka, Changong, Panasonic and Philips television in the market. That is why the consumers know the alternative brands of television in the market and according to their need, they purchase the television.

## Table No. 11

Favorite brand of TV

| Name of product | Causes | No of brand Loyal respondents |  | No of brand non Loyal respondents |  | Total |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | No | \% | No | \% | NO | \% |
| LG TV | Reasonable price | 15 | 25 | 15 | 25 | 30 | 25 |
|  | Good Designing | 15 | 25 | 15 | 25 | 30 | 25 |
|  | Good <br> function | 30 | 50 | 30 | 50 | 60 | 50 |
|  | Total | 60 | 100 | 60 | 100 | 120 | 100 |
| Samsung TV | Reasonable price | 30 | 44.11 | 30 | 57.69 | 60 | 50 |
|  | Good <br> Designing | 18 | 26.47 | 12 | 23.07 | 30 | 25 |


|  | Good <br> function | 20 | 29.41 | 10 | 19.23 | 30 | 25 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | 68 | 100 | 52 | 100 | 120 | 100 |
| Somy TV | Reasonable price | 35 | 46.67 | 20 | 44.44 | 55 | 45.83 |
|  | Good <br> Designing | 25 | 33.33 | 10 | 22.22 | 35 | 29.17 |
|  | Good <br> function | 15 | 20 | 15 | 33.33 | 30 | 25 |
|  | Total | 75 | 100 | 45 | 100 | 120 | 100 |
| Daewoo TV | Reasonable price | 15 | 20 | 15 | 33.33 | 30 | 25 |
|  | Good <br> Designing | 20 | 26.67 | 10 | 22.22 | 30 | 25 |
|  | Good <br> function | 40 | 53.33 | 20 | 11.44 | 60 | 50 |
|  | Total | 75 | 100 | 45 | 100 | 120 | 100 |
| HItachi TV | Reasonable price | 25 | 28.73 | 5 | 15.15 | 30 | 25 |
|  | Good Designing | 20 | 22.98 | 8 | 24.24 | 28 | 23.33 |
|  | Good <br> function | 42 | 48.27 | 20 | 60.60 | 62 | 51.67 |
|  | Total | 87 | 100 | 33 | 100 | 120 | 100 |

## Source: Direct Field Survey, 2007

The above table reveals that the total 120 respondents $25 \%$ have both selected the reasonable price and good designing while selecting the most favorite brand of LG television whereas $50 \%$ have selected the
good function while purchasing most favorite brand of LG television. Similarly while the respondents selected the Samsung television, 50\% have selected the reasonable price, $25 \%$ and $25 \%$ have selected good designing and good function respectively.

In the case of Sony television $45.80 \%$ have selected the reasonable price, $29.17 \%$ have selected good designing and $25 \%$ have selected good function.

In the case of Daiwoo television, $25 \%$ have selected reasonable price $25 \%$ have also selected good designing \& 50\% have elected good function. Similarly, $25 \%$ have selected reasonable price, $23.33 \%$ have selected good designing $51.67 \%$ have selected good function while purchasing the Hitachi television.

Hence by the tabulation of the Primary data it is concluded that some respondents have selected the good function in their favorite brand while others have selected good designing of reasonable price. Therefore the majorities of the respondents have selected either seasonal price or good faction in their most favorite brand.

Table No. 12

## Favorite brand of the other member of the family and brand loyalty

| Name of product | Favorite brand of other member of family | No. of loyal respondent | \% |
| :---: | :---: | :---: | :---: |
| LG TV | i) Same to the one which respondents is loyal to | 18 | 75 |
|  | ii)differ from the one which respondents is loyal | 6 | 25 |
|  | Total | 24 | 100 |
| Samsung <br> TV | i) same to the one which respondent is loyal to | 15 | 100 |
|  | ii) Differ from the one which respondents is loyal | 16 | 15.61 |
|  | Total | 31 | 100 |
| Sony TV | I) Same to the one which respondent is loyal to | 20 | 83.33 |
|  | ii) differ form the one which respondents is loyal | 4 | 16.67 |
|  | Total | 24 | 100 |
| Daewoo TV | i) Same to the one which respondent is loyal to | 14 | 46.67 |
|  | ii) differ form the one which | 16 | 53.33 |


|  | respondents is loyal |  |  |
| :--- | :--- | :---: | :---: |
|  | Total | 30 | 100 |
|  | i) Same to the one which respondent <br> is loyal to | 7 | 63.63 |
|  | ii) differ form the one which <br> respondents is loyal | 4 | 36.36 |
|  | Total | 11 | 100 |

## Source: Direct Field Survey, 2007

The above table shows whether or not the brand to which the respondent is loyal is the same to that of the other member of his family. In the LG television the relation between the favorite brand of other members of the family and that of the respondents seems not very close that of the total brand loyal respondents, the favorite brand of the $75 \%$ in the same to the favorite brand of the other member of their family. On the other hand, in similar or same to the percent of those whose favorite brand differs from the favorite brand of other member of their family. But in the Sony television, $83.33 \%$ of the respondents are loyal. In the Daiwoo $53.33 \%$ of the respondents are differ from the one which respondents are loyal and in the Hitachi television, $63.63 \%$ of the respondents are one of the favorite brand of the other member of their family.

Thus it can be said that the favorite broad of the other member of the family has no relationship with broad loyalty.

Table No. 13
Sex and Brand Loyalty

| Member of Product | sex | No. of brand loyal respondents |  | No. of brand non loyal respondents |  | Total |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | No. | \% | No. | \% | No. | \% |
| LG TV | male | 8 | 66.67 | 8 | 6.67 | 16 | 66.67 |
|  | Female | 4 | 33.33 | 4 | 33.33 | 8 | 33.33 |
|  | total | 12 | 100 | 12 | 100 | 24 | 100 |
| SamsungTV | male | 7 | 46.67 | 8 | 50 | 15 | 48.38 |
|  | Female | 8 | 53.33 | 8 | 50 | 16 | 51.61 |
|  | total | 15+ | 100 | 16 | 100 | 31 | 100 |
| sony TV | male | 8 | 66.67 | 6 | 50 | 14 | 58.33 |
|  | Female | 4 | 33.33 | 6 | 50 | 14 | 58.33 |
|  | total | 12 | 100 | 12 | 100 | 24 | 100 |
| Daewoo <br> TV | male | 8 | 50 | 6 | 42.85 | 14 | 46.67 |
|  | Female | 8 | 50 | 8 | 57.14 | 16 | 53.33 |
|  | total | 16 | 100 | 14 | 100 | 30 | 100 |
| Hitachi TV | male | 3 | 42.85 | 2 | 50 | 5 | 45.45 |
|  | Female | 4 | 57.14 | 2 | 50 | 6 | 54.54 |
|  | total | 7 | 100 | 4 | 100 | 11 | 100 |

## Source: Direct Field Survey, 2007

So far as the sex is concerned, the table reveals that the percent of brand loyal make respondents if higher than the female in the LG television and Sony television. In the LG and Sony television, $66.67 \%$ and $58.33 \%$ found brand loyal of male against that of female. In the Samsung television, Daiwoo and Hitachi television, the percent of female respondents found brand loyal is $51.61 \%, 53.33 \%$ and $54.54 \%$ against the male respondents.

Thus, it can be said that the male are more brand loyal than the female in the LG and Sony television. On the other hand, the female are more brands loyal than the male in the Samsung, Daiwoo and Hitachi television.

## Table No. 14 <br> Age and Brand Loyalty

| Name of products Age |  | No of brand loyal respondents |  | no of brand non loyal respondents |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | No. | \% | NO | \% | No | \% |
| Lg TV | Below 25 years | 15 | 25 | 15 | 25 | 30 | 25 |
|  | 25 to 35 yrs. | 15 | 25 | 15 | 25 | 30 | 25 |
|  | 36 and above | 30 | 50 | 30 | 50 | 60 | 50 |
|  | Total | 60 | 100 | 60 | 100 | 120 | 100 |
| Samsung TV | Below 25 years | 18 | 26.47 | 12 | 23.07 | 30 | 25 |


|  | 25 to 35 yrs. | 20 | 29.41 | 10 | 19.23 | 30 | 25 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 36 and above | 30 | 44.11 | 30 | 57.69 | 60 | 50 |
|  | Total | 68 | 100 | 52 | 100 | 120 | 122 |
| Sony TV | Below 25 years | 15 | 20 | 15 | 33.33 | 30 | 25 |
|  | 25 to 35 yrs. | 25 | 33.33 | 10 | 22.22 | 35 | 29.17 |
|  | 36 and above | 35 | 46.67 | 20 | 44.44 | 55 | 45.83 |
|  | Total | 75 | 100 | 45 | 100 | 120 | 100 |
| Daewoo TV | Below 25 years | 15 | 20 | 15 | 33.33 | 30 | 25 |
|  | 25 to 35 yrs. | 20 | 26.67 | 10 | 22.22 | 30 | 25 |
|  | 36 and above | 40 | 53.33 | 20 | 44.44 | 60. | 50 |
|  | Total | 75 | 100 | 45 | 100 | 120 | 100 |
| Hitachi TN | Below 25 years | 20 | 22.98 | 8 | 24.24 | 28 | 23.33 |
|  | 25 to 35 yrs. | 25 | 28.27 | 5 | 15.15 | 30 | 25 |
|  | 36 and above | 42 | 48.27 | 20 | 60.60 | 62 | 51.67 |
|  | Total | 87 | 100 | 33 | 100 | 120 | 100 |

## Source: Direct Field Survey, 2007

The Table No. 14 reveals that the percent of brand loyal respondents belonging to the age group 36 and above is extremely high. Inspective of television brand out of the total respondents belonging to this age groups more than $45 \%$ are found brand loyal. In other words, at least $45 \%$ respondents belonging to this group are found brand loyal in all types of brand of television selected for this study.

Table No. 15
Income and Brand loyalty

| Name of Products | Income Group | No. of brand loyal respondents |  | No. of brand non loyal respondents |  | Total |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | No | \% | No | \% | NO | \% |
| LG TV | Below Rs 5000s | 20 | 22.98 | 8 | 24.24 | 28 | 23.33 |
|  | Rs. 5,000-10,000 | 25 | 28.73 | 5 | 15.15 | 30 | 25 |
|  | 10,001 and above | 42 | 48.27 | 20 | 60.60 | 62 | 51.67 |
|  | Total | 87 | 100 | 33 | 100 | 120 | 100 |
| Samsung TV | Below Rs 5000s | 15 | 20 | 15 | 33.33 | 30 | 25 |
|  | Rs. 5,000-10,000 | 25 | 26.67 | 10 | 22.22 | 30 | 25 |
|  | 10,001 and above | 40 | 53.33 | 20 | 44.44 | 60 | 50 |
|  | Total | 75 | 100 | 45 | 100 | 120 | 100 |
| Sony TV | Below Rs 5000s | 15 | 25 | 15 | 25 | 30 | 25 |
|  | Rs. 5,000-10,000 | 15 | 25 | 15 | 25 | 30 | 25 |
|  | 10,001 and above | 30 | 50 | 30 | 50 | 60 | 50 |
|  | Total | 60 | 100 | 60 | 100 | 120 | 100 |
| Daewoo TV | Below Rs 5000s | 18 | 26.47 | 12 | 23.07 | 30 | 25 |
|  | Rs. 5,000-10,000 | 20 | 29.41 | 10 | 19.23 | 30 | 25 |
|  | 10,001 and above | 30 | 44.11 | 30 | 57.69 | 60 | 50 |
|  | Total | 68 | 100 | 52 | 100 | 120 | 100 |
| HItachi | Below Rs 5000s | 15 | 20 | 15 | 33.33 | 30 | 25 |
|  | Rs. 5,000-10,000 | 25 | 33.33 | 10 | 22.22 | 35 | 29.17 |
|  | 10,001 and above | 35 | 46.67 | 20 | 44.44 | 55 | 45.83 |
|  | Total | 75 | 100 | 45 | 100 | 120 | 100 |

## Source: Direct Field Survey, 2007

The total number of respondents has been divided into 3 groups. The table No. 15 reveals the total number and percent of brand loyal and non-loyal respondents belong to each of group in five types of brand of television. As it is clearly seen in the take, of the total respondents belonging to each group, the percent of brand loyal respondents is higher in the high-income groups than the low-income group in five brands of television.

## Table No. 16

## Education and Brand Loyalty

| !Name of Products <br> Education |  | No. of brand loyal respondents |  | No. of brand non loyal respondents |  | Total |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | No | \% | No | \% | No | \% |
| LG TV | Certificate level | 20 | 22.98 | 8 | 24.24 | 28 | 23.33 |
|  | Bachelor level | 25 | 28.73 | 5 | 15.15 | 30 | 25 |
|  | Master level | 42 | 48.27 | 20 | 60.60 | 62 | 51.67 |
|  | Total | 87 | 100 | 33 | 100 | 120 | 100 |
| Samsung | Certificate level | 15 | 25 | 15 | 25 | 30 | 25 |
|  | Bachelor level | 15 | 25 | 15 | 25 | 30 | 25 |
|  | Master level | 30 | 50 | 30 | 50 | 60 | 50 |


| Sony TV | Total | Certificate level | 18 | 26.47 | 12 | 23.07 | 30 |
| :---: | :--- | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Bachelor level | 20 | 29.47 | 12 | 23.07 | 30 | 25 |
|  | Master level | 30 | 44.11 | 30 | 57.69 | 60 | 50 |
|  | Total | 68 | 100 | 52 | 100 | 120 | 100 |
| Daewoo TV | Certificate level | 20 | 26.67 | 10 | 22.22 | 30 | 25 |
|  | Bachelor level | 15 | 20 | 15 | 33.33 | 30 | 25 |
|  | Master level | 40 | 53.33 | 20 | 44.44 | 60 | 50 |
|  | Total | 75 | 100 | 45 | 100 | 120 | 100 |
|  | Certificate level | 10 | 14.28 | 5 | 10 | 15 | 12.5 |
|  | Bachelor level | 20 | 28.57 | 20 | 40 | 40 | 33.33 |
|  | Master level | 10 | 57.14 | 25 | 50 | 65 | 54.17 |
|  | Total | 70 | 100 | 50 | 100 | 120 | 100 |

Source: Direct Field Survey, 2007
The above table shows the total number and percent of brand loyal and non-loyal respondents divided according to their education level. The table reveals that education of brand loyalty has some relation up to some extent especially in the high involvement product like television because it takes high financial risk, social risk and social class. Brand loyal respondents in the education level as master and bachelor level is more brands loyal that certificate level in the five brands of television. In other words, at least $50 \%$ respondents belonging to this education level are found brand loyal in all types of brand of television selected for this study.

Table No. 17
Family system and brand loyalty

| Name of Products | Family size | No. of brand loyal respondents |  | No. of brand non loyal respondents |  | Total |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | No | \% | No | \% | No | \% |
| LG TV | Less then 3 | 20 | 22.98 | 8 | 24.24 | 28 | 23.33 |
|  | 3 to 6 | 25 | 28.73 | 5 | 15.15 | 30 | 25 |
|  | 7 or more | 42 | 48.27 | 20 | 60.60 | 62 | 51.67 |
|  | Total | 87 | 100 | 33 | 100 | 120 | 100 |
| Samsung <br> TV | Less then 3 | 20 | 23.52 | 10 | 28.57 | 30 | 25 |
|  | 3 to 6 | 15 | 17.64 | 15 | 42.85 | 30 | 25 |
|  | 7 or more | 50 | 58.82 | 10 | 28.57 | 30 | 25 |
|  | Total | 85 | 100 | 35 | 100 | 120 | 100 |
| Sony TV | Less then 3 | 15 | 25 | 15 | 25 | 30 | 25 |
|  | 3 to 6 | 15 | 25 | 15 | 25 | 30 | 25 |
|  | 7 or more | 30 | 50 | 30 | 50 | 60 | 50 |
|  | Total | 60 | 100 | 60 | 100 | 120 | 100 |
| DaewooTV | Less then 3 | 15 | 20 | 15 | 33.33 | 30 | 25 |
|  | 3 to 6 | 20 | 26.67 | 10 | 22.22 | 30 | 25 |
|  | 7 or more | 40 | 53.33 | 20 | 44.44 | 60 | 50 |
|  | Total | 75 | 100 | 45 | 100 | 120 | 100 |
| Hitachi TV | Less then 3 | 10 | 14.28 | 5 | 10 | 15 | 12.5 |
|  | 3 to 6 | 20 | 28.57 | 20 | 40 | 40 | 33.33 |
|  | 7 or more | 40 | 57.14 | 25 | 50 | 65 | 54.17 |
|  | Total | 70 | 100 | 50 | 100 | 120 | 100 |

## Source: Direct Field Survey, 2007

Table No. 17 reveals that the number and percent of brand loyal and non-loyal respondents belong to this different family size.From the table, it is clear that the percent of brand loyal consumers is significantly high in family size 7 or above than is the less than 3 and 3 to 6 family size in all the brand of television. At least $50 \%$ of the total respondents found that the brand loyal in all the brand of television belonging in the family size 7 or more.

Thus, it can be said that the percent of brand loyal consumer is the family size 7 or more is higher than less than 3 and 3 to 6 family size in the five brand of television selected for the study.

## Table No. 18

Sales promotion and brand loyalty

| Name of products | effect of sales promotion no brand selection | No of brand loyal respondents |  | No of brand non loyal respondents |  | Total |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | No. | \% | NO. | \% | No. | \% |
| LG TV | Sales promotion affects brand selection | 50 | 71.42 | 30 | 60 | 80 | 66.67 |
|  | Sales promotion does non affects brand selection | 20 | 28.57 | 20 | 40 | 40 | 33.33 |


|  | Total | 70 | 100 | 50 | 100 | 120 | 100 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Samsung TV | Sales promotion affects brand selection | 45 | 66.17 | 40 | 76.92 | 85 | 70.83 |
|  | Sales promotion does non affects brand selection | 23 | 19.16 | 12 | 23.07 | 35 | 29.16 |
|  | Total | 68 | 100 | 52 | 100 | 120 | 100 |
| Sony TV | Sales promotion affects brand selection | 45 | 69.23 | 40 | 72.72 | 85 | 70.83 |
|  | Sales promotion does non affects brand selection | 20 | 30.76 | 15 | 27.27 | 35 | 29.16 |
|  | Total | 65 | 100 | 55 | 100 | 120 | 100 |
| Daewoo TV | Sales promotion affects brand selection | 35 | 58.33 | 35 | 58.33 | 70 | 58.33 |
|  | Sales promotion does non affects brand selection | 25 | 41.67 | 25 | 41.67 | 50 | 41.67 |
|  | Total | 60 | 100 | 60 | 100 | 120 | 100 |
| Hitachi TV | Sales promotion affects brand selection | 35 | 58.33 | . 35 | 58.33 | 70 | 58.33 |
|  | Sales promotion does non affects brand selection | 25 | 41.67 | 25 | 41.67 | 50 | 41.67 |
|  | Total | 60 | 100 | 60 | 100 | 120 | 100 |

## Source: Direct Field Survey, 2007

The data presentation in the above table is consumer's response to the question "if other competing brand or alternative brands after you some special deals like coups, free samples, discount etc; would you leave the brand you wanted to buy and switch to them?" This question was provided with two options "Yes" and "No" as the answer for each of the products included in this study. The option "Yes" is represented in the table by "sales promotion affects brand selection" and the option "No" by sales promotion does not affect brand selection".

The table depicts that out of the total respondents saying sales promotion affect the brand selection. At least $58 \%$ are found brand loyal in all types of products like television selected for this study. Hence, it can definitely be said that one important characteristic of brand loyal consumers are affected by the deals like coupons, free samples, discount etc, which are used as a tool of sales promotion, increase in sales promotion can be the cause of brand loyalty. That is to say sales promotion here it's better to say consumer promotion is the correlates of brand loyalty.

The data presented in the above table can also be used to measure the degree of loyalty. For this comparisons will have to be made on vertical line in place of horizontal line. The comparisons will have to
be made on vertical line in place of horizontal line. The consumers who say sales promotion (i.e., special deals) affects brand selection or make them buy other brand in place of the one, which they wanted to buy, are considered more brands loyal than those who say opposite.

## Table No. 19

## Factors causing brand switching

| Name of products | Factors | No of brand Loyal respondents |  | No of brand non Loyal respondents |  | Total |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | No | \% | No | \% | NO | \% |
| 20LG TV | Dissatisfaction | 18 | 21.17 | 10 | 28.57 | 28 | 23.33 |
|  | Boredom | 12 | 14.11 | 8 | 22.85 | 20 | 16.67 |
|  | New Innovation | 30 | 35.29 | 6 | 17.14 | 36 | 30 |
|  | Sales Promotion | 20 | 23.52 | 4 | 11.42 | 24 | 24 |
|  | None | 5 | 5.88 | 7 | 20 | 12 | 10 |
|  | Total | 85 | 100 | 35 | 100 | 120 | 100 |
| Samsung <br> TV | Dissatisfaction | 20 | 23.25 | 4 | 11.76 | 24 | 20 |
|  | Boredom | 10 | 11.62 | 10 | 29.14 | 20 | 16.67 |
|  | New Innovation | 32 | 37.20 | 4 | 11.76 | 36 | 30 |
|  | Sales Promotion | 18 | 20.93 | 8 | 23.52 | 14 | 11.67 |


|  | None | 6 | 6.97 | 8 | 23.52 | 14 | 11.67 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | 86 | 100 | 34 | 100 | 120 | 100 |
| Sony TV | Dissatisfaction | 12 | 14.11 | 8 | 22.85 | 20 | 16.67 |
|  | Boredom | 18 | 21.17 | 10 | 28.57 | 28 | 23.33 |
|  | New Innovation | 20 | 23.52 | 4 | 11.42 | 24 | 20 |
|  | Sales Promotion | 30 | 35.29 | 6 | 17.14 | 36 | 30 |
|  | None | 5 | 5.88 | 7 | 20 | 12 | 10 |
|  | Total | 85 | 100 | 35 | 100 | 120 | 100 |
| Daewoo TV | Dissatisfaction | 20 | 23.25 | 4 | 11.76 | 24 | 20 |
|  | Boredom | 11 | 12.79 | 9 | 26.47 | 20 | 16.67 |
|  | New Innovation | 31 | 36.04 | 5 | 14.70 | 36 | 30 |
|  | Sales Promotion | 18 | 20.93 | 8 | 23.52 | 26 | 21.67 |
|  | None | 6 | 6.97 | 8 | 23.52 | 14 | 11.67 |
|  | Total | 86 | 100 | 34 | 100 | 120 | 100 |
| Hitachi TV | Dissatisfaction | 20 | 23.52 | 8 | 22.85 | 28 | 23.33 |
|  | Boredom | 10 | 11.76 | 10 | 28.57 | 20 | 16.67 |
|  | New Innovation | 30 | 35.29 | 6 | 17014 | 36 | 30 |
|  | Sales Promotion | 20 | 23.52 | 4 | 11.42 | 24 | 20 |
|  | None | 5 | 5.88 | 7 | 20 | 12 | 10 |
|  | Total | 85 | 100 | 35 | 100 | 120 | 100 |

Source: Direct Field Survey, 2007

The data presented in the above table is the consumers' responses to the question "which one of the following factors make you leave your favorite brand and switch to other alternatives?" The factors provided with the question are:
(a) Dissatisfaction (b) Boredom
(c) New Innovation
(d) Sales Promotion and
(e) None of these.

One may naturally raise a question here that why the factor causing brand switching have been discussed in order to find out brand loyalty correlates? One must understand that there is a reverse relationship between brand loyalty and brand switching. This relationship has been clearly depicted in the Table No. 19. When the percent of the brand-loyal respondents is the highes, the percent of non-loyal respondents is the lowest. And the factor which has been accepted by the highest percentage of brand loyal respondents of causing brand switch has been accepted by the highest percent of the non-loyal respondents as the factor not causing brand switch.

For example, in the LG television, of the total respondents who say dissatisfaction makes them switch brand, $21.17 \%$ are found brand loyal who say boredom makes them brand switch, only $14.11 \%$ are found brand loyal and $22.85 \%$ are found brand non-loyal. Similarly, the total respondents who said new innovation makes them switch
brand, 35.295 are found brand loyal and $17.14 \%$ are found brand non loyal.

In case of Sony television, sales promotion makes them switch the brand, $35.29 \%$ are found brand loyal where as $17.14 \%$ are found brand non-loyal.

In the Daewoo television, new innovation makes them switch the brand, $36.04 \%$ are found the brand loyal whereas $14.70 \%$ are found brand non-loyal. In the Hitachi television, also new innovation makes them switch the brand, $35.29 \%$ are found brand loyal whereas $17.14 \%$ are found brand non-loyal.

Hence the majority of the factors that "new innovation" makes the respondents switch the brand of television. Moreover, the data presented in the Table No. 19 can also used to measure the degree of brand loyalty. The respondents who say none of these factors make them switch be considered highly brand-loyal such as loyalty is $10 \%$ respondents out of 120 respondents who are not brand loyal in the LG television. Similarly, in the Samsung, Sony, Daiwoo, and respondents who are not brand loyal respective branded of the television. So far we presented and analyzed the consumers product wise response to different question asked to them. Beside these we had also asked some questions will and expectation to be applicable equally for all the products selected for this study.

Irrespective of the types of the brand the respondents were asked, "Do store to buy it?", the response of the $91.67 \%$ respondents was "yes" or $8.33 \%$ of respondents was "no". As the respondents are found the both before the purchase cannot be treated as the correlated of brand loyal.

The questionnaire used in the study also included a question is to see the consumers confidence on their ability to judge brand. Out of the total respondents, $33.33 \%$ ticked, "very high", in the LG television and $33.33 \%$ and $36.67 \%$ "moderate" in the Samsung and Sony television. Similarly $36.67 \%$ and $37.5 \%$ ticked also "moderate" in the Daiwoo and Hitachi television.

Thus, it can be said that the majority of brand loyal respondents have the confidence level moderate, high and very high.

### 4.2 Major Findings

The following are the major findings:
(a) Nepalese consumers give high importance to brand in the consumer durable goods. The weighted mean of the various important points given by the different respondents is 2.78 in the consumer durable goods and 2.53 in the consumer nondurable goods.
(b) Consumers are not brand loyal except LG and Sony television. The percent of the consumers of LG and Sony TV. buy by brand are $54.17 \%$ and $58.33 \%$
(c) In each of the products selected for this study, at least $92 \%$ Nepalese consumers are found to have knowledge of almost all alternative brands available in the market.
(d) High-income consumers are found more brands loyal than other income level of consumers. At least, 50\% high income (10001 and above) level consumers are brand loyal in all types of television selected for this study.
(e) Educated people are the brand loyal of television.
(f) The consumers belonging to 7 or more family size are found more brands loyal than other family size.
(g) The age group "36 and above" more than $45 \%$ are found to be brand loyalty in all television included in this study.
(h) It is found that both male and female are brand loyal in the television purchasing decision.
(i) Nepalese consumers are found to have knowledge of almost all alternative brands available in the market.
(j) Brand awareness of the Nepalese consumers are found to be high.
(k) The brand loyalty of Nepalese consumers are influenced by an advertising.
(1) It is also found that good designing and good function also make and motivate the consumers buy the favorite brand of television.
(m) The majority of the consumers switch the brand due to a new innovation.
(n) The majority of the consumers switch the brand due to a new innovation.
(o) The major factor affecting buying decision is "a new brand."
(p) From the research it is apparent that people are price sensitive.

## CHAPTER-FIVE SUMMARY, CONCLUSION AND RECOMMENDATION

### 5.1. Summary

Industrial activities are gradually increasing in Nepal. Consumers are the sovereign power of modern marketing world. The products manufactured today are not the ones that the manufacturer wants to sell but the ones that the ones that the consumers want to buy. Every successful product either low or high-involvement products in the modern marketing world is an embodiment of the consumer's needs, wants, prestige, preference, satisfaction, aspiration and mental horizon. Hence, understanding the consumer's needs, wants, satisfaction, preference, aspirations, and understanding the consumer in total is the secret of success today. Knowledge of brand loyalty makes it easier to understand the consumer brand loyalty exposes the consumer's preference, attitude and purchasing patterns relating to different brands of the available in their market. These factors like preference, attitude and purchasing pattern are to a great extent directly and indirectly related with the consumer satisfaction, social status, earning, aspiration and ambition.

The main objective of the study is to find out the effect of brand loyalty of Nepalese consumers in the television purchasing decision. The main objective attempts have been made to examine brand
awareness of the Nepalese consumers and to identify the correlation of brand loyalty, LG, Samsung, Sony, Daiwoo and Hitachi television are the different types of television selected for this study.

This study is base on scientific method of research. All the Nepalese consumers of the above-mentioned product like television are considered population of the study. Samples of 120 consumers are taken out from the total population on the basis of judgmental sampling. A well-structured questionnaire is the main instrument for collection of data required for the study. Altogether 120 questionnaire were distributed and all them were collected. The data and information collected by means of questionnaire are presented, interpreted and analyzed, so as to attain stated objective of the study. Analysis of the data information collected from consumers, it is found that brand awareness of the Nepalese consumers are high, moderate and very high, most of them are brand loyal in each of the television selected for this study. Similarly, it is also found that the factors such as sex, age group, income, family size and favorite brands of the other members of the family relate with brand loyalty.

### 5.2 Conclusion

The following conclusion is deducted from this study:
a) Nepalese consumers give high importance to brand in consumer durable goods.
b) Most of the consumers buy the television by brand rather than by inspection except LG and Sony.
c) Most of the consumers have good knowledge of almost all the brand of a product available in the market.
d) Some consumers are more brands-loyal than others and vice versa.
e) Brand loyalty varies across consumers. Some consumers are more brand-loyal than others and vice versa.
f) Brand loyalty varies also across products. Brand loyalty is relatively higher in the products that are more frequently needed than those which are needed or used less frequently.
g) The consumers belonging to "36 and above" years of age are more brand loyal than those belonging to any other age.
h) The consumers belonging to "7 or more" family system are more brands loyal than those belonging to the other family system.
i) Brand loyalty is positively associated.
j) Number of alternative brands available associate with brand loyalty.
k) Brand loyal consumers are more influenced by a new brand than other factors like advertising, price and others.

1) The respondents are aware of different brands available in the market.

### 5.3 Recommendation

On the basis of major findings and conclusions, the following recommendations have been made.
a) The majority of the consumers are not brand loyal except LG and Sony. So the company should focus the improvements of attracting sales service.
b) As the research, majority (at least $50 \%$ ) of buyers belong to age group " 36 \& above". So marketers should fix up the suitable marketing mix strategy, which can captivate the attention and motivation of the young customers.
c) Marketers should focus young educated (up to bachelors) in their marketing activities.
d) Buyers mostly purchase the television through the local market. So marketers should assure them to sell the quality product and latest model at reasonable price.
e) The brand loyalties of Nepalese consumers are influenced by advertising. So the company should focus more in the advertising media whether through the visual or direct media.
f) The majority of the consumers switch the brand due to a new innovation. So the marketer should focus more in the existence product of the same brand.
g) The majority of the consumers belonging to "7 of more" family system and "36 and above" years of age are more brand loyal.

So the marketers should utilize the marketing strategy to attract and motivate the consumers belonging to other family system and age groups.
h) The respondents are aware of different brands available in the market. So the marketers should focus more in their own products by giving some extra shame than the competitor's products.
i) It is apparent that people are price sensitive. So the marketers should focus on the competitive price.
j) Brand loyalty is positively associated to the television. So the marketers should take more benefit to the others' products of the same brand.
k) The questionnaire is to be used in the study should be as short and simple as possible because a short and simple questionnaire can procure more accurate information than a long and complex one.

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# APPENDIX -1 <br> <br> Questionnaire <br> <br> Questionnaire <br> A study on the "effect of brand loyalty of Nepalese consumer in television purchasing decision"(with reference to Kathmandu valley) 

## Dear Respondent,

I am Sanish Mishra, a thesis year student of Tribhuvan University CDOM doing a research study on "The effect of brand loyalty of Nepalese consumer in Television purchasing Decision" So I request you to cooperate me by filling up this questionnaire. Please provide the necessary information to the best of your knowledge. The information will be kept strictly confidential.

A brand name is a name, term, sign, symbol of a combination of them which you use to demand your desired product in the market or which you use to differentiate the product of one producer from that of other.

Name: .....................................

Age: Below 25 years
25 to 35 years
36 and above

Sex: Male
Female

Family size: Less than 3
3 to 6
7 and more

## Education:

Income: Under Rs. 5,000
Rs. 5,001 to 10,000
Rs. 10,001 to above

1. Following are the different types of (TV) products. How do you by them?
a) LG TV: By brand

## By inspection

b) Samsung TV: By brand

By inspection
c) Sony TV: By brand

By inspection
d) Daewoo TV: By brand

By inspection
e) Hitachi TV: By brand

By inspection
2. Which is your most favorite brand of TV?
a) LG TV
b) Samsung TV
c) Sony TV
d) Daewoo TV
e) Hitachi TV
3. How often do you buy TV in your life? Product to represent the consumer's habit of purchasing it from the same store:
a) LG TV: Always

Often
Sometimes
Rarely
b) Samsung TV: Always

Often
Sometimes
Rarely
c) Sony TV: Always

Often
Sometimes
Rarely
d) Daewoo TV: Always

Often
Sometimes
Rarely
e) Hitachi TV: Always

Often
Sometimes
Rarely
4. Which factors affect while buying TV?
a) LG TV: Price

A New Brand
b) Samsung TV: Price

A New Brand
c) Sony TV: Price

A New Brand

Advertisement
None

Advertisement
None

Advertisement
None
d) Daewoo TV: Price

A New Brand
e) Hitachi TV: Price

A New Brand

Advertisement
None
Advertisement
None
5. What would you do if your favorite brand is not available in the market?
a) Wait for the favorite one
b) Buy the alternatives
c) Doesn't buy
6. How much confidence have you if your ability to judge brand?

Very high
High
Moderate
Low
7. Have you decided any brand before buying?
a) Yes
b) No
8. Are there different alternatives brand available in market?
a) Yes
b) No
9. If yes, could you name them?
a)
b)
c)
c)
e)
10. Why you are selected the most favorite brand of TV?

Please tick the name and write the causes.
a) LG
good designing
b) Sony
reasonable price
good function
reasonable price
good designing
c) Samsung good designing
good function
reasonable price
good function
11. How do you rate the importance? Please tick the manor.
a) Consumer durable: $\min$ (1) (2) (3) (4) (5) max
b) Consumer non-durable: $\min (1)(2)(3)(4)(5) \max$
12. Which is the most preferred and repeatedly purchased TV of the members of your family?
a) LG TV
b) Sony TV
c) Samsung TV
d) Konka TV
e) Daewoo TV
f) Hitachi TV
13. Which factors make the consumers switch brands?
a) Dissatisfaction
b) Boredom
c) New innovation
d) Sales promotion
e) None

Do you have any suggestion in your preferred brand?

## APPENDIX - II

Calculation of weighted mean of the point (or numbers) given by the respondents for impotance of brand.
a) Consumer durable goods

| Important points ticked <br> by the respondents $x$ | No. of Respondents W | Wx |
| :---: | :---: | :---: |
| 1 | 30 | 30 |
| 2 | 26 | 52 |
| 3 | 24 | 72 |
| 4 | 20 | 80 |
| 5 | 20 | 100 |
|  | $\sum W=120$ | $\sum W x=334$ |

Weighted Arithmatic mean

$$
\begin{aligned}
X w & =\sum W x / \sum W \\
& =334 / 120 \\
& =2.78 \\
X & =2.78
\end{aligned}
$$

b) Consumer unendurable goods

| Important points ticked <br> by the respondents x | No. of Respondents W | Wx |
| :---: | :---: | :---: |
| 1 | 36 | 36 |
| 2 | 28 | 56 |
| 3 | 24 | 72 |
| 4 | 20 | 80 |
| 5 | 12 | 60 |
|  | $\Sigma W=120$ | $\Sigma W x=304$ |

Weighted Arithmatic Mean

$$
X w=\sum W x / \sum W
$$

Substituting the given values in the formula we get,

$$
\begin{aligned}
& x w=304 / 120 \\
& x=2.53
\end{aligned}
$$

