

# **CHAPTER I**

## **INTRODUCTION**

### **1.1 Background**

Marketing is primarily related to creating value for customers and return for the company. The marketer seeks to understand which factor motivates customers to buy or pay more. The marketers should know why the customers might prefer the particular brand.

The modern marketing accepts customers as king/queen because he/she has the purchasing power and no one can compel any customer to buy a particular product or service. So customer has freedom to spend on the products or services according to his/her choice and preference. Customers' preferences, attitudes, opinions etc. have been respected in the production program and marketing activities of producer.

Today most of the products are bought by brand rather than inspection. So every marketer is trying to develop a positive attitude in the minds of consumers towards the brands of their products. People are always specific about selecting a brand, and selection of the product highly depends upon their attitude towards the same brand. As the new marketing strategies are emerging and new competitors are coming in the market, sellers have to be extremely cautious about the consumers' attitude toward their product.

All the people engaging in evaluation, acquisition, use or disposition of goods and services are called consumers. More specifically, the term, consumers refers to ultimate consumers, those individuals who purchase for the purpose of individual or household consumption.

Attitude is an organization of concepts, beliefs and motives associated with a particular object or idea. It is not directly observably but must be

inferred from what people say or what they do. Attitudes are learned predisposition to respond to a stimulus in a consistently favorable or unfavorable way. So, attitudes are essentially stable structures and can not be easily formed or modified. Despite their consistency, attitudes are not necessarily permanent; they do change (Schiffman and Kanuk, 2004: 252).

## **1.2 Focus of the Study**

One of the most important objectives of the marketer is to increase the sales volume of their product. The sales volume of every product is directly influenced by consumer attitudes towards the brand. Spice Nepal Private Limited has been established on 2005 to serve the Nepalese people by providing communication service. This organization has launched cellular phone service as 'Mero Mobile'. Currently, this service is available and competing with Nepal Telecom in almost all major cities of Nepal. However, Nepal Telecom is a well established organization that has large market share, wider coverage, better goodwill, image, reputation and favorable attitudes among the Nepalese consumers. Hence, it is difficult for Spice Nepal to capture a large market share. Due to this reason, Spice Nepal has to begin with creating and modifying consumers' attitudes towards its product. And it should try to understand consumers' perception, preferences and ultimately attitudes towards 'Mero Mobile'. This attempt certainly may assist to the marketing manager for his/her future planning and decision making related to product positioning and for designing advertising campaigns.

If the consumer attitude towards a brand is favorable, the company can survive, compete, flourish and be a market leader in the market place. If not, otherwise, the company can do nothing; rather it should be vanished from that world. Nevertheless, Spice Nepal Private Limited has to take

full attention for altering its consumers' attitudes. However, this research work has been focused on the same phenomenon.

The consumer attitudes can not be neutral it should be favorable or unfavorable. The purpose of this work is to examine what is the consumers' attitudes towards 'Mero Mobile'. If they have unfavorable attitudes, that should be changed into favorable one. So the focus of this study has been on the way how consumers' unfavorable attitudes can be altered into favorable.

### **1.3 Statement of the Problem**

The problem toward which this study is directed is to identify the consumers' attitudes towards 'Mero Mobile'. A favorable consumers' attitude helps to increase consumer satisfaction and its value. The words-of-month communication also takes place, which is cost free advertisement for a company. But an unfavorable attitudes can diffuse rumors among the consumers which ultimately affects negatively to the brand image. This is why the research problem emerged.

SNPL is a newly organized company. It has spent a large amount of money on advertising and for applying different marketing strategies. But still it is often seen that most of the consumers' appear to be favorable to Nepal Telecom. The market share of Mero Mobile is also considerably smaller than that of Nepal Telecom. Indeed, individuals can have a variety of attitudes toward a particular behavior each corresponding to a particular situation. It is important to understand how consumer attitudes vary from situation to situation such as lower purchasing cost, lower operating cost, dependable service, service quality, advertisement, promotional activities etc. In this way, the study especially surrounds and leads with the following aspects of consumers attitudes.

- What are the direction, degree and intensity of consumers' attitudes towards 'Mero Mobile' ?
- What are the strengths and weaknesses of 'Mero Mobile' on consumers' view ?
- What are the variables pertinent to change consumers' attitudes towards 'Mero Mobile' and how can the consumers' attitude be changed ?
- What are the suggestion for the future improvement of 'Mero Mobile'.?

#### **1.4 Objectives of the Study**

The main objective of this study is to analyze the way how consumers' attitudes can be changed. More specifically, the study objectives are –

1. To identify the direction, degree and intensity of consumers' attitudes toward 'Mero Mobile'.
2. To evaluate some strengths and weaknesses of 'Mero Mobile' on the basis of consumers' attitudes.
3. To analyze the essential variables that play significant role to alter consumers' perception and attitudes toward 'Mero Mobile'.
4. To suggest for the future improvement of 'Mero Mobile'.

#### **1.5 Significance of the Study**

The consumers of the future will be increasingly demanding, skeptical, and critical (Loudon and Bitta, 1993: 626). A whole universe of consumer behaviors – consistency of purchases, recommendations to others, top rankings, beliefs, evaluations, and intentions are related to attitudes (Schiffman and Kanuk, 2004: 253). So, marketers who fail to understand the consumers' attitudes and doomed to be less successful than they otherwise might be.

As learned predispositions, attitudes have a motivational quality; that is they might propel a consumer toward a particular behavior or repel the consumer away from a particular behavior (Schiffman and Kanuk, 2004: 253). That is why, altering consumer attitudes is a key strategy consideration for most marketers. Their objective is to change the attitudes of the market leader's customers and win them over.

Besides these all, this study can assist a marketing manager to achieve his/her marketing goals. Moreover, the future researchers may find this study helpful as a reference for their research works.

## **1.6 Limitations of the Study**

Like other studies, this study is not free from some limitations. the limitations for this study are mentioned below-

1. This study has been conducted specially within Rupandehi district with reference to the consumers of 'Mero Mobile'; so the study result can not be generalized.
2. The primary data collected from 150 respondents through questionnaire survey are assumed to be representative of the whole population.
3. The variables other than purchasing cost, operating charges, reliable service, audibility of service, connectivity, network coverage and available services have not been included in the study.
4. The primary data are collected from Traffic Chowk, Rajmarg Chauraha, Milanchowk, Murgiya, Tamnagar, Manigram, Bhalbari, Buddha Chowk, Devkota Chowk etc. i.e. from only limited place.
5. Because of lack of research in this topic, secondary data are limited with in few researchers.

## **1.7 Organization of the Study**

### *Chapter I: Introduction*

Introduction chapter includes general background of the thesis, focus of the study, a brief introduction to Mero Mobile, statement of the problem, objectives, significance, limitations and organization of the study.

### *Chapter II: Review of Literature*

The review of literature has been divided into two categories - conceptual review, concept of attitude, elements of attitudes, and theories and models of attitude are explained. Review of related studies contains two dissertations prepared by Mr. Yudha Sagar Bhandari (2004) and Mr. Khila Raj Ojha (2003).

### *Chapter III: Research Methodology*

In this chapter, research design, population and sample, the sample characteristics, variable and measures, the data collection techniques, pre-testing and the data analysis tools are explained.

### *Chapter IV: Data Presentation and Analysis*

In this fourth chapter, data collected from questionnaire are presented and analyzed by using different tools. The consumers' beliefs and their evaluation scores for various attitude variables are presented in table 4.1 to 4.14. Consumers' overall attitude score is calculated in table 4.16. Weighted arithmetic mean is calculated in table 1.17. At the last of this chapter, major findings of the study are presented.

### *Chapter V: Summary, Conclusion and Recommendation*

In this fifth chapter, summary of the study work, conclusions derived from the analysis of data and some recommendations are included.

Besides these chapters, bibliography and appendix have been included in this study work.

## **CHAPTER II**

### **REVIEW OF LITERATUE**

The concept of attitude is not a new concept in psychology and social psychology. It is the focal point for considerable research on these disciplines. But, in marketing, this concept is applied for developing various marketing programs related to all the components of marketing mix – product, price, place and promotion. Here, in this second chapter, concept of attitude, elements of attitudes and theories and models of attitude are reviewed. The process of attitude change is also reviewed in the first section of this chapter. In the second section, review of two dissertations is included.

#### **2.1 Conceptual Review**

##### **2.1.1 Conceptualization**

###### **A. Meaning of Consumer Attitudes**

The word "attitude" comes from the Latin term, aptus, which means "fitness" or "adaptedness". By the eighteenth century the term had come to refer to bodily posture, and to this day the word "attitude" can mean something's general physical orientation with respect to something else. Late in the eighteenth century Charles Darwin used the word in a biological sense as a physical expression of an emotion. Indeed, well into the twentieth century researchers tended to link attitudes with physiological tendencies to approach or avoid some thing (Mowen, 1990: 225).

Over the past thirty years the term "attitude" has been defined in numerous ways. The definition that best captures the ideas developed in this text was put forth by L. L. Thurstone, who was one of the originators of modern attitude measurement theory. Thurstone viewed attitudes as

"the amount of affect or feeling for or against a stimulus". Examples of some definitions of attitudes include the following:

- Attitudes are likes and dislikes.
- The major characteristics that distinguish attitude from other concepts are its evaluative or affective nature.
- Attitudes are the core of our likes and dislikes for certain people, groups, situations, objects, and intangible ideas (Mowen, 1990: 226).

Attitude refers to subject-object relationship that the individual forms in his encounters with motivationally relevant objects (persons, groups, events, etc.) that set the individual for or against them in some degree in a lasting way. Operationally, an attitude is inferred from the person's consistent, characteristic, and selective modes of behavior towards the objects in question (Sherif and Sherif, 1969: 295).

The person classifies the domain of relevant objects as positive or negative in some degree. The criteria distinguishing attitudes from other internal factors are –

- Attitudes are not innate (they are learned).
- Attitudes are not temporary states of the organism but more or less enduring once they are formed.
- Attitudes stabilize a relationship between the person and objects.
- The subject-object relationship has motivational-affective properties.
- Attitude formation involves the formation of categories encompassing a small or large number of specific items.
- Principles applicable to attitude formation in general are applicable to the formation of social attitudes.



Attitudes are necessarily cognitive-motivational-behavioral. Any sharp separation of these criteria in theory or research practice is bound to be arbitrary and to distort the nature of attitudes (Sherif and Sherif, 1969: 335-336).

Definitions of attitude in the literature have certain features in common. One of these is that attitudes are acquired. Another is that attitudes are inferred from characteristic, consistent, and selective behavior over a time span. Attitudes are inferred from verbal or non-verbal behavior, preferably both. Accordingly, attitude can be defined in a way that leads to definite research operations in assessing attitudes. "An attitude is the individual's set of categories for evaluating a domain of social stimuli (objects, persons, values, groups, ideas, etc.) which he has established as he learns about that domain (in interaction with other persons, as a general rule) and which relate him to subjects within the domain with varying degrees of positive or negative affect (motivation-emotion). To the extent that a person consistently selects items relevant to the attitude and consistently locates them within categories acceptable or objectionable to him, we may say that his attitudes on the issue at hand is stabilized. Change of attitude is inferred from changes in these modes of behavior (Sherif and Sherif, 1969: 336-337).

Now it is obvious that consumer attitude means a person's learned predisposition towards a product or service that may be consistently favorable or unfavorable. The consumers have their own direction, degree, and intensity of predisposition towards a brand which refers consumer attitudes. So consumer attitude is a feeling or an evaluative reaction towards a product or service exposed by an individual overtly or covertly.

## **B. Nature of Attitudes**

Social psychologists, unfortunately, do not agree on the precise definition of an attitude. In fact, there are more than 100 different definitions of the concept. Even-though Loudon and Della Bitta (1993) have described several important characteristics or properties of attitudes namely, they (1) have an object; (2) have direction, intensity, and degree; (3) have structure; and (4) are learned.

### **1. Attitudes have an Object**

By definition, attitudes must have an object. That is, they must have a focal point –whether it be an abstract concept, such as "ethical behavior", or a tangible item, such as a motorcycle. The object can be a physical thing, such as a product, or it can be an action, such as buying a lawnmower. In addition, the object can be either one item, such as a person, or a collection of items such as a social group; it also can be either specific (Deutschmacher bologna) or general (imported meats).

### **2. Attitudes have Direction, Degree, and Intensity**

An attitude expresses how a person feels toward an object. It expresses (1) direction –the person is either favorable or unfavorable toward, or for or against the object. (2) degree –how much the person either likes or dislikes the object; and (3) intensity - the level of sureness or confidence of expression about the object, or how strongly a person feels about his or her conviction. Although degree and intensity might seem the same and are actually related, they are not synonymous. For example, a person may feel that a Snapper riding mower is very poorly made. This indicates that his attitude is negative and the degree of negative feeling is quite extensive. However, the individual may have very little conviction or feeling of sureness (intensity in attitude) that he is right. Thus, his attitude

could be more easily changed in a favorable direction than a person who feels a strong conviction that Snapper mower are poorly made.

The direction, degree and intensity of a person's attitude toward a product have been said to provide marketers with an estimate of his or her readiness to act towards or purchase the product. However, a marketer must also understand how important the consumer's attitude is vis-a-vis other attitudes, and the situational constraints such as ability to pay, that might inhibit the consumer from making a purchase decision.

### **3. Attitudes have Structure**

Attitudes display organization, which means that they have internal consistency and possess interattitudinal centrality. They also tend to be stable, to have varying degrees of salience, and to be generalizable.

The structure of human attitudes may be viewed as a complex Tinker Toy Set erected in a type of circular pattern. At the center of this structure are the individual's important values and self-concept. Attitudes close to the hub of this system are said to have a high degree of centrality. Other attitudes located farther out in the structure possess less centrality.

Attitudes do not stand in isolation. They are associated (tied in) with each other to form a complex whole. This implies that a certain degree of consistency must exist between them. That is, because they are related, there must be some amount of "fit" between them, or conflict will result. Also, because the more central attitudes are related to a larger number of other attitudes, they must exhibit a greater degree of consistency than more peripheral attitudes do.

Because attitudes cluster into a structure, they tend to show stability over time. The length of time may not be infinite, but it is far from being temporary. Also, because attitudes are learned, they tend to become

stronger, or at least more resistant to change, the longer they are held. Thus, newly formed attitudes are easier to change and less stable than are older ones of equal strength.

Attitudes tend to be generalizable. That is, a person's attitude toward a specific object tends to generalize toward a class of objects. Thus a consumer who purchases a Porsche which develops mechanical difficulties may believe that all Porsches and Volkswagen products, and possibly all German-made products, are poorly constructed. Consumers tend to generalize in such a manner in order to simplify their decision making.

#### **4. Attitudes are Learned**

Just as a golf swing, a tennis stroke, and tastes are learned, so are attitudes. They develop from our personal experiences with reality, as well as from information from friends, salespeople, and news media. They are also derived from both direct and indirect experiences in life. Thus, it is important to recognize that learning precedes attitude formation and change, and that principles of learning can aid marketers in developing and changing consumer attitudes.

Schiffman and Kanuk (2004) have further added an important point – attitudes occur with a situation. This point is also explained in detail below and assumed to be ensured point continue to the above points.

#### **5. Attitudes Occur Within a Situation**

It is not immediately evident from our definition that attitudes occur within and are affected by situation. By situation, we mean events or circumstances that, at a particular point in time, influence the relationship between an attitude and behavior. A specific situation can cause consumers to behave in ways seemingly inconsistent with their attitudes.

For instance, let us assume that one purchases a different brand of deodorant each time the brand he is using runs low. Although his brand switching behavior may seem to reflect a negative attitude or dissatisfaction with the brands he tries, it actually may be influenced by a specific situation, for example, his wish to economize. Thus, he will buy whatever is the least expensive brand. Consider the recent slowdown in the U.S. economy. For the first time in more than 65 years, the market share of popularly priced Suave brand hair care products topped 10 percent, while other manufacturers cut prices on their premium-priced offerings.

The opposite can also be true. If Noah stays at a Hampton Inn each time he goes out of town on business, we may erroneously infer that he has a particularly favorable attitude toward Hampton Inn. On the contrary, Noah may find Hampton Inn to be "Just Okay". However, because he owns his own business and travels at his own expense, he may feel that Hampton Inn is "good enough", given that he may be paying less than he would be paying if he stayed at a Marriott, Sheraton, or Hilton hotel.

Indeed, individuals can have a variety of attitudes toward a particular behavior, each corresponding to a particular situation. Dana may feel it is alright to eat lunch at Taco Bell but does not consider it appropriate for dinner. In this case, Taco Bell has its "time and place", which functions as a boundary delineating the situations when Dana considers Taco Bell acceptable. However, if Dana is coming home late from school one night, feels exhausted and hungry, and spots a Taco Bell, she may just decide to have "dinner" there. Why ? Because it is late, she is tired and hungry, and Taco Bell is convenient. Has she changed her attitude ? Probably not.

It is important to understand how consumer attitudes vary from situation to situation. For instance, it is useful to know whether consumer

preferences for different burger chains (e.g., Burger king, Mc Donald's, Wendy's) vary in terms of eating situations (i.e, lunch or snack, evening meal when rushed for time, or evening meal with family when not rushed for time). Consumer preferences for the various burger restaurants might depend on the anticipated eating situation. Wendy's for example, might be favored by a segment of consumers as a good place to have dinner with their families. This suggests that its management might position Wendy's restaurants as a nice place to take the family for a leisurely (and inexpensive) dinner. In this way, when measuring attitudes, it is important to consider the situation in which the behavior takes place, or we can misinterpret the relationship between attitudes and behavior (Shiffman and Kanuk, 2004:254-255).

### **C. Importance of Attitudes**

The world's economy is increasingly directed towards free competition. In such condition, marketers have to understand their consumers' attitudes towards their brand or product. Marketers who fail to understand the consumers' attitudes are doomed to be less successful than they otherwise might be. They are smarter, more price conscious, more demanding, less forgiving, and they are approached by many more competitors with equal or better offers. The challenge, according to Jeffrey Gitomer, is not to produce satisfied customers; several competitors can do this. The challenge is to produce delighted and loyal customers (Kotler, 2003: 72).

Consumer decision making varies with the type of buying decision. The decisions to buy toothpaste, a tennis racket, a personal computer, and a new car are all very different. Complex and expensive purchases are likely to involve more buyer deliberation and more participation (Kotler, 2003:200-201). While purchasing any kinds of products, low involvement or high involvement, the effect of their attitude towards the product is

definitely existed. Five attitudes groups can be found in a market: enthusiastic, positive, indifferent, negative and hostile. Door-to-door workers in a political campaign use the voter's attitude to determine how much time to spend with that voter. They thank enthusiastic voters and remind them to vote; they reinforce those who are positively disposed; they try to win the votes of indifferent voters; they spend no time trying to change the attitudes of negative and hostile voters. To the extent that attitudes are correlated with demographic descriptors, the political party can more efficiently locate the best prospects (Kotler, 2003: 294).

Last but not the least, attitudes are inferred from characteristic, consistent, and selective modes of behavior directed toward or against relevant objects, persons, and events. However, not all such modes of behavior indicate as attitude. Attitude regulates an individual's behavior by affecting their appraisals, their perception, and their judgment and behavior in relevant situations-both experimental and natural. Hence, a successful marketer always tries to form a highly favorable attitudes towards his or her product. Stereo-typed attitude of a consumer is harder or almost impossible to change and definitely, some stereo-typed persons may be inherent there within a society.

### **2.1.2 Elements of Attitudes**

#### **A. Sources of Attitude Development**

Loudon and Della Bitta (1993), spent their efforts to discuss some sources of attitude development. They explained that all attitudes ultimately develop from human needs and the values people place upon objects that satisfy those perceived needs. This section discusses sources that make us aware of needs, their importance to us, and how our attitudes develop toward objects that satisfy needs.

## **Personal Experience**

People come into contact with objects in their everyday environment. Some are familiar, while others are new. We evaluate the new and reevaluate the old, and this evaluation process assists in developing attitudes toward objects. For example, consider a gourmet cook who has searched two months for a new food processor only to have it break down three months after purchase. Through direct experience, she will then reevaluate her earlier attitude toward the processor.

Our direct experiences with sales representatives, products, services, and stores help to create and shape our attitudes toward those market objects. However, several factors influence how we will evaluate such direct contacts:

### **Needs**

Because needs differ and also vary over time, people can develop different attitudes toward the same object at different points in their life.

### **Selective Perception**

We have seen that people operate on their personal interpretation of reality. Therefore, the way people interpret information about products, stores, and so on, affects their attitudes toward them.

### **Personality**

Personality is another factor influencing how people process their direct experiences with objects. How aggressive-passive, introverted-extroverted, and so on, that people are will affect the attitude they form.

### **Group Associations**

All people are influenced to one degree or another by other members in the groups to which they belong. Attitudes are one target for this



influence Our attitudes toward products, ethics, warfare, and a multitude of other subjects are influenced strongly by groups that we value and with which we do or wish to associate. Several groups, including family, work and peer groups, and cultural and sub-cultural groups, are important in affecting a person's attitude development.

### **Influential Others**

A consumer's attitude can be formed and changed through personal contact with influential persons such as respected friends, relatives and experts. Opinion leaders are examples of people who are respected by their followers and who may strongly influence the attitudes and purchase behavior of followers.

To capitalize on this type of influence, advertisers often use actors and actresses who look similar to or act similar to their intended audiences. People tend to like others who are similar to themselves, because they believe that they share the same problems, form the same judgments, and use the same criteria for evaluating products. Another application which advertisers use to influence audience attitudes is the so-called "slice of life" commercial. These ads show "typical" people confronting "typical" problems and findings solutions in the use of the advertised brand. Examples include ads for Head and Shoulders shampoo (to solve dandruff problems), Crest toothpaste (to fight cavities), and Midas mufflers.

### **B. Formation of Beliefs, Attitudes and Behaviors**

Indeed, beliefs and attitudes have their separate definitions. Belief refer to the cognitive knowledge that consumers have linking attributes, benefits, and objects. In contrast, attitudes refer to the feelings or affective responses that people have about attributes, benefits, and objects. However, attitudes may be formed based upon the set of beliefs held by a

person. Once attitudes are formed, they can be viewed as being stored in long-term memory. When appropriate occasions arise, the attitude can be retrieved from memory to help the person deal with the issue or problem. In this manner attitudes have a function (Mowen, 1990:226).

Marketers can study the memory networks of different consumers concerning a particular brand and map the main associations that are triggered and their relative strength are frequency. One of these associations can be with a products country of origin (Kotler, 2003: 198).

Thus a company would be well advised to fit its product into existing attitudes rather than to try to change people's attitudes. Of course, there are exceptions, where the cost of trying to change attitudes might pay off (Kotler, 2003: 199).

Beliefs, attitudes and behaviors may be formed in two distinct ways. The first is through direct influence in which a belief, attitude, or behavior is created without either of the other concepts occurring first. Thus, as the behavioral influence perspective on consumer behavior suggests, a behavior could be induced to occur without the consumer having formed strong attitudes or beliefs about the object to which the behavior is directed. Similarly, as the experiential perspective suggests, an attitude (i.e. a feeling) may be created without the consumer's having specific beliefs about the attitudinal objects, such as a product or service and without the consumer ever having bought the product (Mowen, 1990: 228).

### **Creating Beliefs Directly**

The direct formation of beliefs occurs through the information-processing activities of the consumer. Thus, information about the attributes of a product are received, encoded into memory, and later retrieved from memory for use. The information-processing activities involved in

cognitive learning can occur in either high or low-involvement cases. In a high-involvement case, the consumer is more actively processing information than in the low-involvement situation – that is, the consumer is actively engaged in attempting to solve a problem when highly involved in the decision task. In low-involvement case the consumer receives information passively with relatively little information processing occurring (Mowen, 1990: 229).

### **Forming Attitudes Directly**

Attitudes are frequently formed as a result of direct contact with the attitudinal object. Consumers who enjoy a pleasant shopping trip to a retailer are likely to develop favorable attitudes towards the retailer. In contrast, a product that fails to perform as expected can easily lead to negative attitudes.

In order to more effectively develop strategies and activities that will create, reinforce or modify consumer attitudes, it is important to understand the process that govern attitude formation (Engel, Blackwell, and Miniard, 1990:304).

Two mechanisms have been identified to explain how attitudes are formed directly. The first is through the process of classical and operant conditioning. The second mechanism of attitude formation is through a process called the mere exposure phenomenon (Mowen: 1990: 229).

### **Creating Behavior Directly**

Traditionally, consumer researchers have viewed the behavior of buying a product or service as occurring after the formation of beliefs and attitudes. However, in certain circumstances behavior may be influenced directly without consumers first having developed strong beliefs or attitudes about the product. The ecological design of the physical

environment is an excellent example of how behaviors can be directly induced. Retailers and restaurateurs must pay particular attention to the physical layout of their building. The appropriate arrangement of aisles in a supermarket can move customers in desired directions past high-margin food and nonfood items. Similarly, sales promotion tactics used by marketers are designed to directly influence behavior.

Operant conditioning can also be used to influence behavior directly. Indeed, its proponents claim that people may not even be aware of conditioning when it occurs. The direct influence of behavior has not received much attention from consumer researchers. Thus, the frequency with which it occurs among consumers is unknown. However, it would not be surprising to find through future research that a surprising number of activities in which consumers engage result from their direct induction without specific attitudes or beliefs occurring first (Mowen, 1990:233-234).

### **2.1.3 Theories and Models of Attitudes**

Attitude theories primarily are concerned with how attitudes develop and change. Three of the more popular viewpoints are founded on the general principle that the human mind strives to maintain harmony or consistency among currently perceived attitudes. If the mind perceives an inconsistency within its attitude structure, mental tension develops to return the structure to a consistent state. The three classical theories based upon the consistency principle are congruity, balance, and cognitive dissonance (Loudon and Della Bitta, 1993: 428).

#### **A. Congruity Theory**

A state of incongruity produces uncomfortable tension that must ultimately lead to resolution of the incongruous state. The consumer will have inconsistent attitudes when, for example, a group whom he/she likes

said nice things about a brand of guitar he/she does not like. The congruity model predicts that a person in this situation would reduce his/her favorable attitude toward the group and also become more favorable in his attitude toward the brand of guitar. The model would predict a movement of two units of each attitude toward each other because the consumer perceives both objects as being of equal strength but in opposite directions of the zero neutral point.

The congruity principle is used frequently in marketing. Advertisers often use hired celebrities to endorse brands services, organizations, and causes. Athletes speaks against drug use among young people; movie actresses endorse various kinds of beauty aids; and race-car drivers promote brands of tires, spark plugs, and other automobile accessories. Of course, the intent is to have consumers who hold positive attitudes toward a source (the person making such favorable statements about an object) to develop a positive value association between the source and the object (Loudon and Della Bitta, 1993: 430).

## **B. Balance Theory**

According to balance theory, a person perceives her or his environment in terms of triads. That is, a person views herself or himself as being involved in a triangular relationship in which all three elements (persons, ideas, and things) have either positive (liking, favorable) or negative (disliking, unfavorable) relationships with each other. This relationship is termed sentiment.

Because the relationship presented in the example is unbalanced, it will produce tension for the consumer. It may be possible for her to "live with" the tension and do nothing to resolve it. However, if sufficient tension exists, it is likely that attitude change will occur regarding at least one element in the triad in order to restore balance to the system. These

attempts at resolution can result in the consumer: (1) disliking large, luxurious cars; (2) believing that large, luxurious cars are not really energy-wasting products; or (3) liking energy-wasting products (they create jobs and provide psychological satisfaction, for example). As we can see, rationalization can help to change our perception of relationships and thus our attitudes (Loudon and Della Bitta, 1993: 430-431).

### **C. Cognitive Dissonance**

The theory of cognitive dissonance was developed in 1957 by Leon Festinger. Festinger describes cognitive dissonance as a psychological state which results when a person perceives that two cognitions (thoughts) both of which he believes to be true, do not "fit" together; that is, they seem inconsistent. The resulting dissonance produces tension, which serves to motivate the individual to bring harmony to inconsistent elements and thereby reduce psychological tension (Loudon and Della Bitta, 1993: 431).

Festinger suggested that an individual may reduce dissonance in three ways:

- a. Changing a behavioral cognitive element by changing behavior, attitude or opinion so that a consonance is achieved.
- b. Changing the environmental cognitive element by modifying the new information to conform to the existing attitude; and
- c. Adding new cognitive elements by seeking new information that decreases the present discomfort resulting from dissonance.

### **D. Structural Models**

Motivated by a desire to understand the relationship between attitudes and behavior, psychologists have sought to construct models that capture the underlying dimensions of an attitude. To this end, the focus has been

on specifying the composition of an attitude to better explain or predict behavior. The main structural models constitute of the tri-component model, multi-attribute models, trying-to-consume model, and attitude-towards-ad model.

### **i. Tri-component Attitude Model**

According to the tri-component model, attitudes consist of three major components: a cognitive component, an affective component, and a conative component (Shiffman and Kanuk, 2004:256-259)

#### ***The Cognitive Component***

The first part of the tri-component attitude model consists of a person's cognitions, that is, the knowledge and perceptions that are acquired by a combination of direct experience with the attitude object and related information from various sources. This knowledge and resulting perceptions commonly take the form of beliefs; that is, the consumer believes that the attitude object possesses various attributes and that specific behavior will lead to specific outcomes (Shiffman and Kanuk, 2004:256).

#### ***The Affective Component***

A consumer's emotions or feelings about a particular product or brand constitute the affective component of an attitude. These emotions and feelings are frequently treated by consumer researchers as primarily evaluative in nature; that is, they capture an individual's direct or global assessment of the attitude object (i.e., the extent to which the individual rates the attitude object as "favorable" or "unfavorable", "good" or "bad") (Shiffman and Kanuk, 2004:257). This dimension is the stirred up psychological state of the individual. In addition to using direct or global evaluative measures of an attitude object, consumer researchers can also

use a battery of affective response scales to construct a picture of consumers' overall feelings about a product, service, or ad.

### ***The Conative Component***

Conation, the final component of the tri-component attitude model, is concerned with the likelihood or tendency that an individual will undertake a specific action or behave in a particular way with regard to the attitude object. According to some interpretations, the conative component may include the actual behavior itself (Schiffman and Kanuk, 2004:258-259).

### **ii. Multi-attribute Attitude Models**

In recent years, the adequacy of earlier attitude theories and models has come under question. An important criticism has been the lack of attention to the complexity and interactions of attitude components. The tri-component attitude model recognized only three components of attitudes. As a consequence, it was difficult to determine the basis of a person's overall attitude and how it might be possible to influence this attitude to change. Of course, as we might expect, the basis or reasons for holding an attitude, and the factors which might influence it to change over time are two considerations of high importance for the design of marketing strategies. Therefore, attitude measures that continued to focus only on the affective component were of limited usefulness to marketers (Loudon and Della Bitta, 1993: 433).

Traditionally, consumer researchers have focused on the cognitive foundations for explaining attitudes. From this perspective, attitude is seen as depending on knowledge about the attitude object. Consequently, emphasis is placed on ascertaining the important beliefs a person holds about the attitude object. Multi-attribute attitude models represent a valuable approach to examining the relationship between consumer's



product knowledge and their product attitudes in terms of product features or attitudes (Engel, Blackwell, and Miniard, 1990: 310). However, this multi-attribute models assume that consumers are using the standard-hierarchy-of-effects model in which beliefs lead to attitude formation. Attitudes, in turn, lead to purchase behavior (Mowen, 1990:238).

### **The Attitude-Toward-Object Model**

Martin Fishbein (1963) developed an attitude model based on White's attitude towards Negroes in USA. In this model, the first component is belief. Belief is defined as the probability that an object does or does not have a particular attribute. The second component of the model is an affective term normally stated as in terms of good or bad. Symbolically, it can be expressed as:

$$A_0 = \sum_{i=1}^n b_i e_i$$

where,

$A_0$  = attitude toward the object

$b_i$  = the strength of the belief that the object has attribute i.

$e_i$  = the evaluation/intensity of feelings (liking or disliking) toward attribute i.

$n$  = the number of salient attributes.

Because any object such as a product has numerous attributes (size, features, shape and the like) an individual will process information and form beliefs about many of these individual attributes. Positive or negative feelings are also formed on the basis of the beliefs held about these attributes. Therefore, Fishbein's model is constructed so that a person's overall attitude toward some object is derived from his beliefs

and feelings about various attributes of the object. This is why we refer to it as a multi-attribute attitude model (Loudon and Della Bitta, 1993: 433).

According to this model attitudes ( $A_0$ ) are a function of beliefs ( $b_i$ ) and the evaluative aspects of the beliefs ( $e_i$ ). The attitude is thus a product of beliefs multiplied by the evaluative criteria. Information regarding consumers' beliefs and evaluations generated by a multi-attribute model provides important knowledge relevant to marketing strategy. The information can be used to suggest changes in brand attributes; modifications of promotional messages to better acquaint consumers with existing brand attributes, and the identification of new market opportunities.

From the viewpoint of consumer behavior the model works in the following manner:

- a. Every product or brand has certain attributes such as price, durability, serviceability, design, styles etc.
- b. Consumers give high importance to some of these attributes or in other words, they have certain desired attributes in a product or brand.
- c. Consumer's attitude toward a product or brand is formed on the basis of the presence (or absence) of certain desired attributes.
- d. Consumers evaluate the product or brand-specific attributes in terms of the desired attributes.
- e. Consumers generally have favorable attitudes towards product or brands that have adequate level of desired attributes and have unfavorable attitudes towards those brands they feel do not have adequate level of desired attitudes.

#### **2.1.4 Attitude Change**

The formation of attitude and their change will be viewed within a framework of interacting influences from within the person and from his

surroundings, in which he himself is an active participant. Particularly in times of crisis of rapid social change, the person's heightened sensitivity, his choices within the widened range of environmental alternatives, and his active participation with others in the same boat identify him as an agent of the existing stability or of change (Sherif and Sherif, 1969: 471).

Managers can not expect to influence consumer beliefs and attitude without first obtaining information on who the target market is and on what the initial attitudes of its members are. Furthermore, the study can identify the extent of attitude commitment among consumers. Thus, attitude change requires different strategies depending on the consumer's level of involvement (Mowen, 1990: 254)

The persuasive communication process appears capable of influencing attitude change among consumers. The degree of success in changing consumer's attitudes depends on how strongly existing attitudes are held. Those that are strongly entrenched are difficult to change, while natural and weakly held attitudes are much easier to influence.

### ***What is changed when an attitude changes?***

When we refer to the person's attitudes, we are not talking about momentary or transitory affairs. We are talking about psychological factors responsible for the individual's characteristic and consistent modes of reacting for or against a class of objects and subsets within the class. Clearly there are vital matters for the individual. Some of his attitudes define what he includes within the radius of his self-concept and what he excludes. They define what family relatives, what non-relatives, what groups, what schools, what political party, what religion, what ideology are his and what are not (Sherif and Sherif, 1969: 471).

## **Strategies for Changing Attitudes and Intentions**

Different models can be used to change consumer attitudes. The strategies for changing attitudes and intentions vary for low-involvement situation to high-involvement situation.

### ***Low-Involvement Strategies***

According to London and Della Bitta (1993: pp 449-450), under low-involvement conditions consumers are not likely to make brand choices on the basis of attitudes established through developing clearly formulated beliefs about the product or service. In essence, their interest is too low to spend time thinking about products and evaluating them in a rational and deliberative fashion. Given this, it is generally unproductive for marketers to develop communications designed to develop or modify through-intensive pre-purchase beliefs about their brands among consumers. This seems especially so in-low-involvement situations. Consequently, in low-involvement strategy may be to change consumers' attitudes by using so-called peripheral cues to encourage favorable reactions towards advertisements used to promote the brands. Such cues might involve use of pictures, color, attractive spokes people or characters, creative placement of ad computers, and music in broadcast ads. What is important to appreciate here is that the ensuring favorable reactions these mechanisms can generate among consumers toward the advertisement itself would then be expected to become associated with the product being advertised.

The options that remain stress capitalizing on a means to transform the situation into one characterized by high-involvement. Success here would allow use of high-involvement attitude change methods to influence brand choices. How can this increase in prepurchase involvement be accomplished? A list of options suggested by various researchers has been compiled by Loudon ad Della Bitta (1993: 449-451). They are:

- i. Link the product or service to an involving issues;
- ii. Link the product to a presently involving personal situation;
- iii. Develop high-involvement advertisements;
- iv. Change the importance of product benefits; and
- v. Reveal or introduce important product characteristics.

In all of these case, the attempt has been to increases involvement levels among consumers to the point where they will form attitudes prior to purchase and use these attitudes to influence their purchase decisions.

### ***High-Involvement Strategies***

Potentially, a variety of strategies are available for changing consumer attitudes under high-involvement conditions. Before implementation such strategies, however, the marketer must be clear on whether the attempt is to change consumer attitudes about the brand, or whether it is to change attitudes about behaving toward the brand. Therefore, Loudon and Della Bitta, based on Fishbein's behavioral intentions model, suggest a variety of potential strategies for influencing change in consumers' attitudes toward behavior. We can argue that behavioral change is a function of change in behavioral intentions and other intervening factors. Changes in behavioral intentions are related to changes in attitudes toward the behavior and changes in subjective norms about the behavior. These relations suggest the following potential strategies:

1. Change existing beliefs about the consequences of behavior.
2. Change consumer's evaluation of the consequences of a particular action.
3. Introduce new belief/evaluation combinations.
4. Change existing normative beliefs.
5. Change motivations to comply with subjective norms
6. Introduce new normative components.

## 2.2 Review of Related Studies

- I. **K.R. Ojha** (2003) tried to study about marketing, usage pattern, attitudes and image of cold drinks in Kathmandu area on his thesis work. The objectives of his thesis were to examine the consumer's perception and behavior in the purchase of cold drink in Kathmandu and to find out the level of awareness of different brand, their images and attitudes towards different brands. According to the major findings of this study, Coke was the number one choice. People's attitude towards coke is far more positive than to other brands and together with this the Coca-Cola company has rightly combined coke with its other products i.e. Fanta, Sprite, and Lemon Fanta, so that it has about 90 percent of the cold drink market. Moreover, more than 67 percent people prefer to have cold drinks at daytime. Seemingly, more than 55 percent of the respondents pinpoints the reason to have cold drinks for quenching the thirst. It is more suitable to have in a restaurant or bakery shop. More than 52 percent prefer cold drinks in restaurant and surrounding.
- II. **Y.S. Bhandari** (2004) conducted a research entitled "Brand preference on Motorbike" with the objective of examining the product attributes sought in the motorcycle brand. Mr. Bhandari found the following major attributes for an ideal brand.

Price	1st rank
Fuel efficiency	2nd rank
Aesthetic books	3rd rank
Resale Value	4th rank
Financing facility	5th rank
After sales services	6th ranks
Attractive advertising	7th ranks

Furthermore, Hero Honda has been found in the 1st rank, Yamaha the 2nd , K-Bajaj the 3rd, other brands the 4th, Lifan the 5th and Dayang the 6th.

- III. **Mr. K.J. Rana** (2005) tried to investigate brand preference among two different GSM service providers in Nepal viz. Nepal Telecom and Spice Nepal. Mr. Rana found that Nepal Telecom was preferred by more than 60 percent respondents. The basic reason behind such preference according to Mr. Rana, was the brand belief and the reputation of the organization (Nepal Telecom) and the feeling and attachment associated with the company.
- IV. **L.B. Pun** (2006) conducted a study on consumer attitude toward LG Television and tried to examine the direction and intensity of attitude toward the product. Mr. Pun concluded that there is moderately positive attitude of consumers toward the LG Televisions. Out of different models of LG television, consumer mostly liked Flatiron 21' model supported with stereo sound and music systems.
- V. **Assistant Prof. Dr. Siileyman Barutcu** presented a research paper article in 3<sup>rd</sup> International Conference on Business, Management and Economics on mobile phone users' attitudes towards mobile commerce and marketing. According to him, mobile communications market has enjoyed rapid growth since 1994 in terms of the numbers of GSM operators and subscribers in Turkey. By the end of 2004, 50% of the population had adopted mobile phones. The number of mobile phone subscribers in Turkey had exceeded 34 million (34,707,549) by Consumers' Attitudes Towards Mobile Marketing and Mobile Commerce in Consumer Markets 23 2004, an increase of over 27 million (27,887,535) since 2003 (Turkish Statistical Institute, 2007). In June 2007, the number

of mobile phone subscribers exceeded 58 million (58,055,434) (Telecommunication Authority, 2007). However, the number of Internet subscribers in Turkey was 229,885 in 1998 and 1,474,590 in 2004 (Turkish Statistical Institute, 2007). In 2007, the number of Internet subscribers and users were 3,2 million and 15 million respectively (Bilisimedia.com, 2007). Therefore, these numbers present more favorable mobile marketing and shopping environment than Internet marketing in Turkey. Investigating Turkish mobile phone users' attitudes towards mobile commerce and mobile marketing takes up a significant part within this study's framework.

The foregoing review of literature shows that attitude is an important factor which should be kept in mind by a marketer. But it is noted that there is lack of research activities in the field of consumer attitude. Very few research works have been found while reviewing previous studies. Moreover, no one had conducted the study on consumers' attitude toward Mero Mobile. Hence, this study is conducted to analyze the attitude variables related to mobile phone. The study of attitude is normally a psychological and social psychological concept. However, this study is an application of the concept of attitude in the field of marketing.



## **CHAPTER III**

### **RESEARCH METHODOLOGY**

In measuring attitudes, the psychologists look at judgments and choices. He may examine the patterns of agreement or disagreement expressed by a person with respect to a variety of statements about an object (an attitude scale). He may evaluate a person's voluntary remarks about an object, or the frequency with which a person preferentially chooses one object rather than another (McDavid and Harati, 1999:129).

It is necessary to choose an appropriate research methodology that helps to carry out this study. In this chapter, an effort has been made to provide a description of data type sought for meeting study objectives together with procedure employed for collecting and analyzing the data. The main focus of this study was to analyze the way how consumers' attitudes can be altered into positive; if it is negative. And the methodology is based on the main objective. The procedures followed by the researcher in this study has been explained more precisely below.

#### **3.1 The Research Design**

This research study is an attempt to analyze the relationship between consumers' attitudes (dependent variable) and the service related factors (independent variables). Hence, a survey research design was used. The data collected from the survey of 'Mero Mobile' consumers were arranged, tabulated, analyzed and interpreted for attaining research objectives. It has been examined the attitudes of consumers on the basis of their own perceptions and preferences.

#### **3.2 Population and Sample**

All the people within Kathmandu valley above the age of 15 years were the total population for this study. The population have been consisting

the total consumers - whether they are male or female, mobile users or non-users. The people other than mobile users have also been included in the sense that they are the potential buyers of 'Mero Mobile'.

Only 150 respondents were selected as sample for representing the whole population by using a stratified random sampling method. First, the total population was divided into three strata. The stratification has been made on the basis of the respondent's characteristics - whether they use Nepal Telecom card or Mero Mobile card or they don't use mobile. Then, the data was collected equally from within each strata on the basis of judgmental sampling method.

### **3.3 The Sample Characteristics**

The sample comprises 52 Nepal Telecom SIM Card users, 44 Mero Mobile users and 44 non-users. The attempt was to equalize male and female respondents from within each strata; but the sample was taken from 80 male and 60 female respondents. Since all the sample data were taken from within Kathmandu Valley, sample respondents were comparatively more educated and mostly from middle and lower-class family. No respondent in the sample was below the age of 15 years. The following table shows clear characteristics of the sample.

**Table 3.1**  
**Questionnaires Distributed and Collected**

Gender	Questionnaire	
	Distributed	Collected
Male	80	80
Female	70	60
Total	150	140

**Table 3.2**  
**Sample Characteristics**

Gender	Age			
	15-30 years	31-50 years	Above 50 Years	Total
Male	72	6	2	80
Female	38	12	10	60
Total	110	18	12	140

**Table 3.3**  
**Sample Characteristics**

Education	Family income per month				Total
	Below Rs. 10,000	Rs. 10,000- 20,000	Rs. 20,000- 30,000	Above Rs. 30,000	
Undergraduate	14	12	6	0	32
Graduate	12	8	10	4	34
Post Graduate	26	20	16	10	72
Doctorate	0	0	0	2	2
Total	52	40	32	16	140

### **3.4 Variables and Measures**

The variables for this study were - initial purchase price of the SIM card, service charge, dependability, audibility, connectivity, network coverage of the service, and additional services available along with the primary service. These all variables have been assumed to be independent variables and consumer attitude was the dependent variable. However, consumer attitudes has been depended upon all the independent variables. These were measured in single items. Some demographic information such as gender, age, education etc were also asked. To measure consumer

attitudes, the questionnaire was designed on the basis of 7 point Likert scale.

### **3.5 The Data Collection Techniques**

This study was conducted on the basis of information collected from consumers through questionnaire. The structured questionnaire was designed to collect required information and that has been presented in appendix. Along with the questionnaire, some open-ended questions were asked as interview in need to different parties while collecting information. For construction of questionnaire, ideas were collected from my research guide and experienced scholars. The respondents were assured that their responses would be kept confidential. Out of 150 questionnaires distributed, 140 questionnaires were received with full responses.

### **3.6 Pre-testing**

The pre-testing of the questionnaire was conducted on the sample of 19 consumers. After realizing the difficulties encountered by respondents in answering the questions, its initial format was suitably modified. The endeavor has been concentrated on making the questionnaire as easier as possible to be understood by the respondents.

### **3.7 The Data Analysis Tools**

Some statistical tools such as frequency distribution and simple bar diagram have been used for presentation of data. And the responses have been categorized, tabulated, processed and analyzed using different methods. The weighted means have been calculated to identify attitude.

The whole procedure of this study is based of Fishbein's Attitude - Toward - Object Model. In this model, the first component is belief and

second component is an affective term normally stated as in terms of good or bad. Symbolically, it can be expressed as –

$$A_0 = \sum_{i=1}^n b_i e_i$$

where,

$A_0$  = attitude toward the object

$b_i$  = the strength of the belief that the object has attribute i.

$e_i$  = the evaluation/intensity of feelings (liking or disliking) toward attribute i.

$n$  = the number of salient attributes.

## **CHAPTER IV**

### **PRESENTATION AND ANALYSIS OF DATA**

#### **Data Presentation and Analysis**

Out of 150 questionnaires distributed, only 140 questionnaires were obtained with full information and rest 7 questionnaires were not returned and 3 had incomplete information. After reviewing the available literature, a research methodology has been developed. The research methodology has focused on the primary data collected through consumer survey. In this chapter, data collected from consumers (respondents) by using questionnaire method has been presented and analyzed simultaneously to fulfill the research objectives. While developing questionnaires, respondents were provided with 7 alternative points to tick mark whether they agree or disagree. Since raking scale was used in the questionnaire, every alternatives were assigned rank from +3 to -3. In the questionnaire, extremely agree, moderately agree, slightly agree, neither agree nor disagree, slightly disagree, moderately disagree and extremely disagree were assigned the ranks +3, + 2, +1, 0, -1, -2 and -3 respectively to make calculation easier, and same in case of good or bad.

#### **4.1 Respondents' Belief (Perceptions for Price of Mero Mobile SIM Card**

The very first question asked to the respondents was about the initial purchase price of Mero Mobile SIM card. The following table shows the degrees of consumer belief that Mero Mobile has higher initial purchase price as obtained by questionnaires.

**Table 4.1**

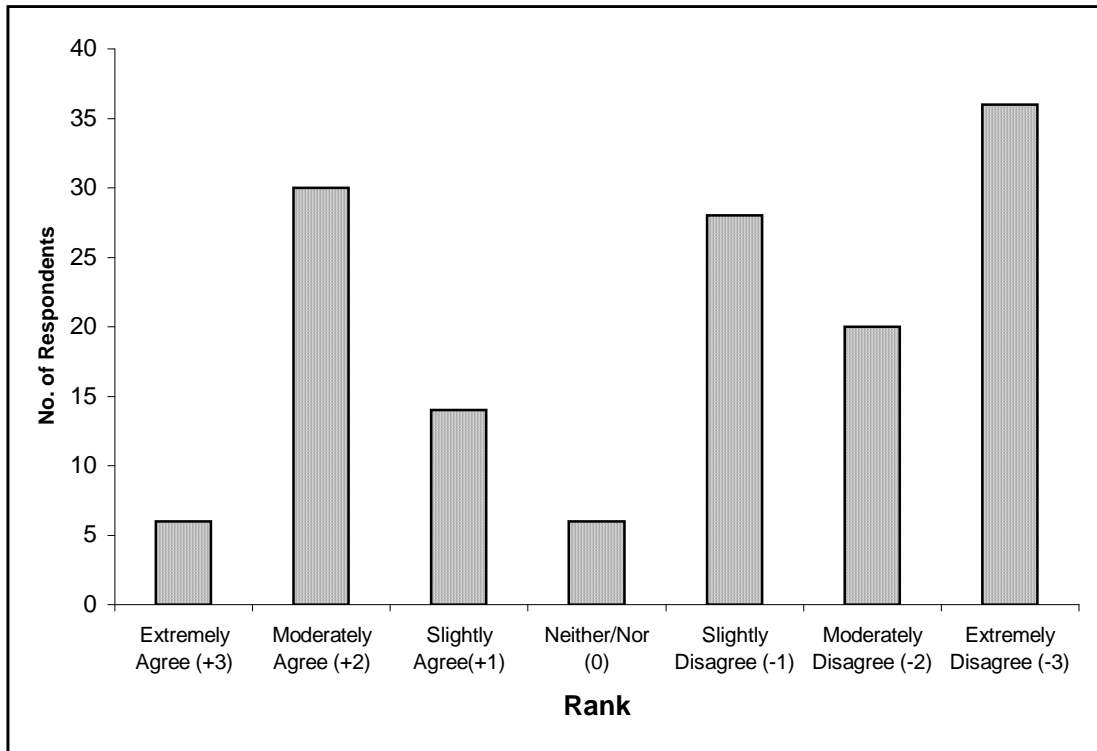
**Respondents' Belief for Price of Mero Mobile SIM card**

<b>Ranks</b>	<b>No. of Respondents</b>	<b>Percentage</b>	<b>Total Belief Strength</b>
Extremely Agree (+3)	6	4.29	18
Moderately Agree (+2)	30	21.43	60
Slightly Agree(+1)	14	10	14
Neither/Nor (0)	6	4.29	0
Slightly Disagree (-1)	28	20	-28
Moderately Disagree (-2)	20	14.29	-40
Extremely Disagree (-3)	36	25.71	-108
<b>Grand Total</b>	<b>N = 140</b>	<b>100</b>	<b>-84 (b<sub>i</sub>)</b>

Source: Field Survey, 2006.

The above table 4.1 shows the degrees of agreement and disagreement of the respondents in column first. The second column shows number of respondents in different degrees of agreement and disagreement. According to the table, 6 respondents fully agreed with the statement, "Mero Mobile SIM card is high in price than others". 30 respondents moderately agreed, 14 slightly agreed and so on. The total belief strength is calculated by multiplying rank and its corresponding number of respondents. The data presented in table 4.1 is also depicted in diagram below to make it easier to understand.

**Figure 4.1**  
**Response for the Statement : Mero Mobile SIM card is High in**  
**Price than Others**



From the data, we can analyze that most of the respondents i.e. 36 fully disagreed that Mero Mobile SIM card is high in price, and only 6 respondents fully agreed that SIM card is highly priced.

#### **4.2 Respondents' Evaluation of High Price for Mobile SIM Card**

Respondents were asked about the high price for mobile SIM card. Most of them argued that high purchase price for mobile SIM card is extremely bad. The following table 4.2 shows number of respondents and their evaluation score for the price of SIM card.



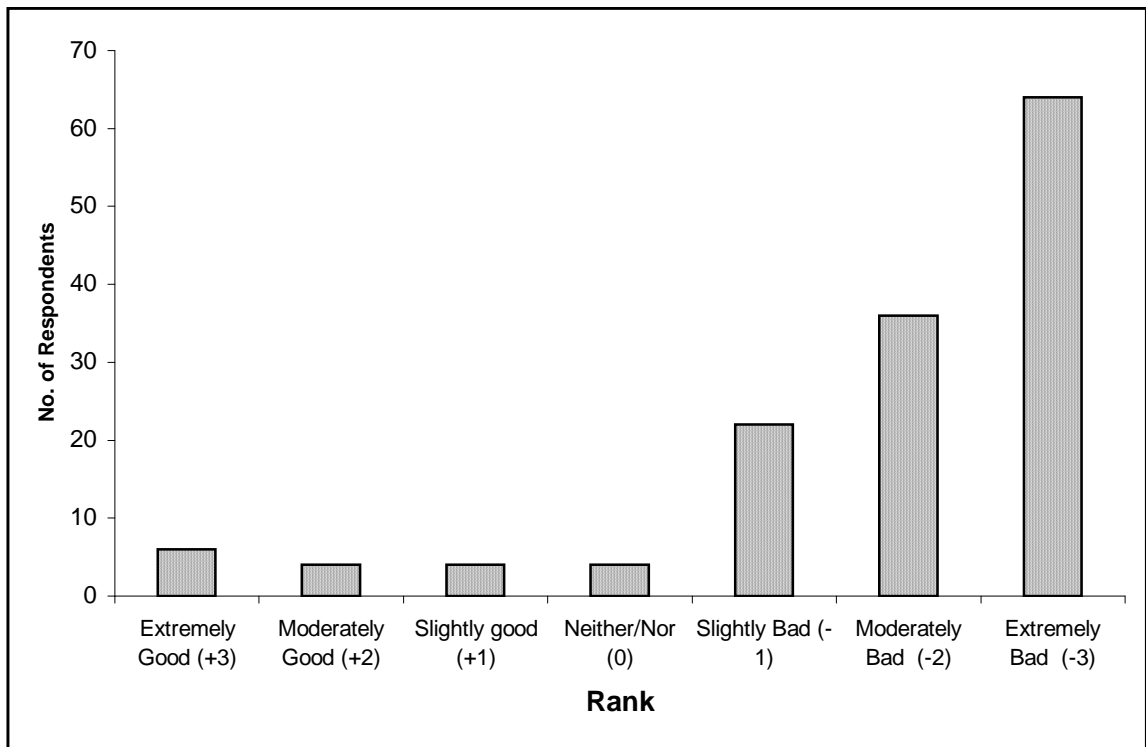
**Table 4.2**  
**Evaluation Score for High Price of SIM Card**

<b>Ranks</b>	<b>No. of Respondent</b>	<b>Percentage</b>	<b>Total Evaluation Score</b>
Extremely Good (+3)	6	4.29	18
Moderately Good (+2)	4	2.86	8
Slightly good (+1)	4	2.86	4
Neither/Nor (0)	4	2.86	0
Slightly Bad (-1)	22	15.71	-22
Moderately Bad (-2)	36	25.71	-72
Extremely Bad (-3)	64	45.71	-192
<b>Grand Total</b>	<b>N =140</b>	<b>100</b>	<b>-256 (e<sub>i</sub>)</b>

Source: Field Survey, 2006.

The above table 4.2 shows number of respondents who evaluate purchase price of SIM card. And the table also shows calculation of total evaluation score ( $e_i$ ) which is used in calculation of overall attitude. According to the table, 6 respondents thought that a high price of SIM card is extremely good, 4 thought that it is moderately good and so on. This can be shown also in figure below.

**Figure 4.2**  
**Respondents' Evaluation for High Price of SIM Card**



From above data, it is clear that the high price of mobile SIM card is extremely bad. Most of the respondents argued that high pricing make consumer attitude negative. In our context, price is the most determining factor for purchase of any product. Consumers were found to be price sensitive.

### **4.3 Respondents' Belief for Mero Mobile Service Charges**

Respondents were asked whether they think that SNPL takes higher service charges (tariff rate) or not. The tariff rate is also another important factor for use of any SIM card. The responses obtained from this question are shown in the table 4.3 below.

**Table 4.3**

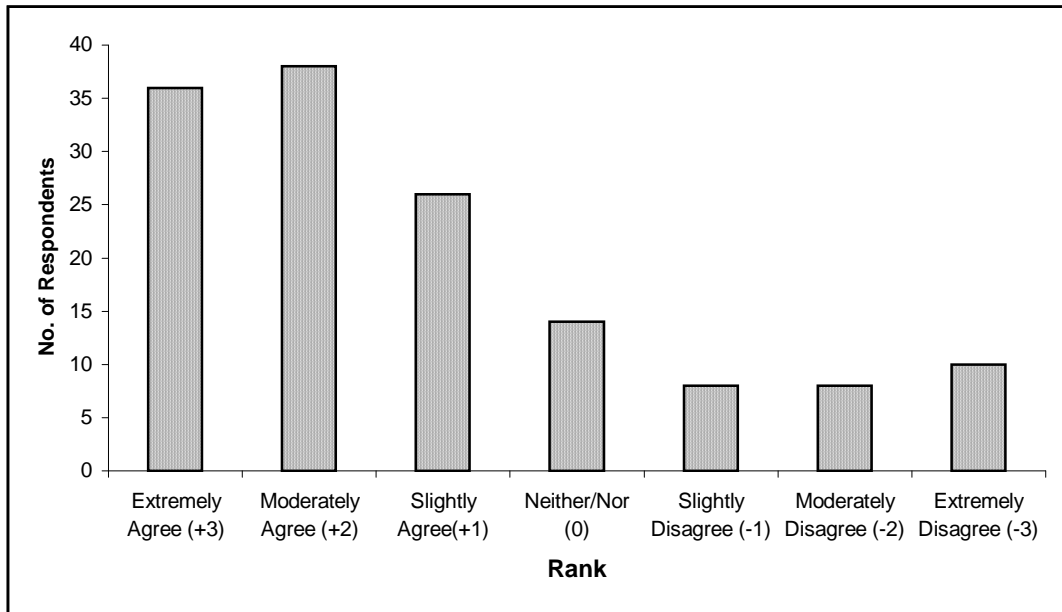
**Respondents' Belief for Service Charges of Mero Mobile**

<b>Rank</b>	<b>No. of Respondent</b>	<b>Percentage</b>	<b>Total Belief Strength</b>
+3	36	25.71	108
+2	38	27.14	76
+1	26	18.57	26
0	14	10	0
-1	8	5.71	-8
-2	8	5.71	-16
-3	10	7.14	-30
<b>Grand Total</b>	<b>N = 140</b>	<b>100</b>	<b>156 (bi)</b>

Source: Field Survey, 2006.

According to above table 4.3, 36 respondents fully agreed that Spice Nepal takes higher service charges. Likewise, 38 respondents are moderately agreed, 26 slightly agreed and 14 were indifferent. In the table, total belief strength is 156 which is positive. Most of the respondents agreed that Spice Nepal has higher tariff rate, only 8 respondents disagreed moderately with the statement and only 10 respondents are extremely disagreed. These can be shown in figure also.

**Figure 4.3**  
**Response for the Statement: Spice Nepal Takes Higher Service Charges than Others do**



4

#### 4.4 Respondents' Evaluation for High Service Charges

While purchasing any SIM card, people look for its tariff rate and other service charges. Naturally, most of the people seek SIM card which has lower operating charges. Table 4.4 below shows number of respondents and their evaluation score for operating changes of mobile.

**Table 4.4**  
**Evaluation Score For High Service Charges**

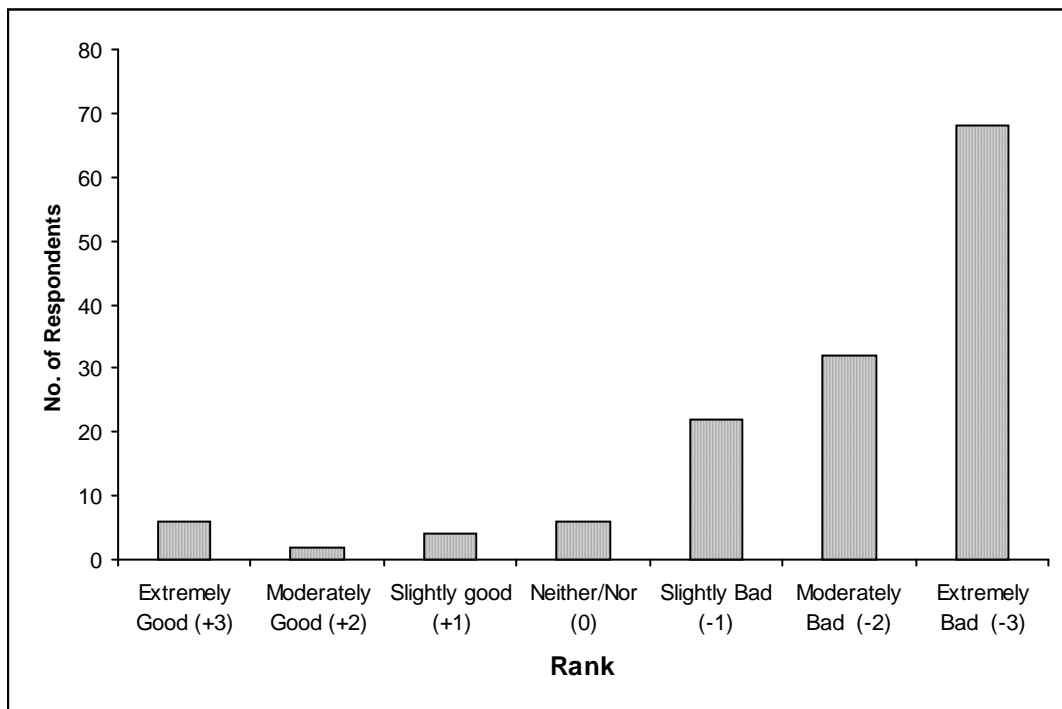
Rank	No. of Respondent	Percentage	Total Evaluation Score
+3	6	4.29	18
+2	2	1.43	4
+1	4	2.86	4
0	6	4.29	0
-1	22	15.71	-22
-2	32	22.86	-64
-3	68	48.57	-204
<b>Grand Total</b>	<b>N = 140</b>	<b>100</b>	<b>-264 (e<sub>i</sub>)</b>

Source: Field Survey, 2006.

The above table 4.4 shows that most of the consumers think that high operating charge for mobile is not good charge for mobile operation.

According to table, only 12 respondents observed high service charges as good, 6 respondents were indifferent and the rest 122 (about 90%) considered high charges as bad. 68 respondents regarded high charges as extremely bad. These are shown also in figure below.

**Figure 4.4**  
**Respondents' Evaluation for High Operating Charges**



#### 4.5 Respondents' Belief for Reliability of Mero Mobile Service

A reliable or dependable service increases its value. If the service is not reliable then people don't believe to the mobile service which ultimately creates negative attitude toward the service. Respondents were asked whether they regard that Mero Mobile is a dependable service or not. Table 4.5 shows belief of the consumers that how far this attribute is available in Mero Mobile.

**Table 4.5**

**Respondents' Belief for Reliability of Mero Mobile Service**

<b>Rank</b>	<b>No. of Respondent</b>	<b>Percentage</b>	<b>Total Belief Strength</b>
+3	14	10	42
+2	24	17.14	48
+1	30	21.43	30
0	10	7.14	0
-1	28	20	-28
-2	22	15.71	-44
-3	12	8.57	-36
<b>Grand Total</b>	<b>N = 140</b>	<b>100</b>	<b>12 (bi)</b>

Source: Field Survey, 2006.

The above table shows number of respondents and calculation of belief strength. According to table, 14 respondents believed that Mero Mobile service is extremely reliable, 24 believed moderately reliable, 30 believed slightly reliable and so on. In the table, 28 respondents slightly disagree with the statement that Mero Mobile service is reliable, that means, most of the people could not believe and depend 100 percent to Mero Mobile. Mero Mobile should enhance their trust.

**4.6 Respondents' Evaluation for Reliability of Mobile Service**

Respondents were asked how far it is important to be mobile service reliable. A reliable service ensures uncertainties and minimizes tension. The data related to reliability of mobile service is presented below in table 4.6.

**Table 4.6**  
**Evaluation Score for Reliable Mobile Service**

<b>Rank</b>	<b>No. of Respondent</b>	<b>Percentage</b>	<b>Total Evaluation Score</b>
+3	44	31.43	132
+2	24	17.14	48
+1	16	11.43	16
0	0	0	0
-1	14	10	-14
-2	20	10.14	-40
-3	22	15.14	-66
<b>Grand Total</b>	<b>N=140</b>	<b>100</b>	<b>76 (ei)</b>

Source: Field Survey, 2006.

According to above table 4.6, there are 44 respondents who perceived reliable service as extremely good. 24 respondents thought it moderately good and 16 thought slightly good. Out of 140 respondents, 84 respondents i.e. 60 percent emphasized on reliable service and only 40 percent respondents not seem to be serious about this attribute.

#### **4.7 Respondents' Belief for Audibility of Mero Mobile**

Another important variable that should be available in any mobile service is its audibility. While taking through mobile, the voice should be clearly audible.

**Table 4.7**  
**Respondents' Belief for Audibility of Mero Mobile**

<b>Rank</b>	<b>No. of Respondent</b>	<b>Percentage</b>	<b>Total Belief Strength</b>
+3	28	20	84
+2	32	22.86	64
+1	40	28.57	40
0	10	7.14	0
-1	14	10	-14
-2	16	11.43	-32
-3	0	0	0
<b>Grand Total</b>	<b>N =140</b>	<b>100</b>	<b>142 (b<sub>i</sub>)</b>

Source: Field Survey, 2006.

The above data shows that most of the consumers (about 71%) believed that the voice of Mero Mobile, while talking, is clearly audible. This is a plus point for Spice Nepal, and this attribute can be considered as strength of the company. As the table shows, 28 respondents claimed that the voice is clearly audible, 32 respondents moderately claimed and 40 slightly claimed to the statement. According to the data, no one fully believed that while talking through Mero Mobile the voice is not clearly audible.

#### **4.8 Respondents' Evaluation for Audibility of Mobile Service**

Any kinds of disturbance while talking creates problems. If one person can not clearly listen to another through mobile then what is the essence of having mobile. It is a means of communication and if the communication is not smooth then no one buys a mobile SIM card. This attribute in mobile shows service quality of the company. Every consumer seeks quality services.



**Table 4.8**  
**Evaluation Score for Clearly Audible Mobile Service**

<b>Rank</b>	<b>No. of Respondent</b>	<b>Percentage</b>	<b>Total Evaluation Score</b>
+3	84	60	252
+2	24	17.14	48
+1	20	14.29	20
0	6	4.29	0
-1	2	1.43	-2
-2	4	2.86	-8
-3	0	0	0
<b>Grand Total</b>	<b>N =140</b>	<b>100</b>	<b>310 (e<sub>i</sub>)</b>

Source: Field Survey, 2006.

The data shows that more than 91 percent respondents preferred clearly audible mobile service. No respondent is there to prefer non-audible mobile service with full intensity (i.e. extremely bad). 2 respondents slightly rated and 4 respondents moderately rated that clearly audible mobile service is not good which is negligible. In the table, 84 respondents thought that clearly audible mobile service is extremely good.

#### **4.9 Respondents' Belief for Additional Service Available in Mero Mobile**

Talking through mobile is a primary function. Along with communication service, mobile users need many other services like, SMS (Short Message Service), Internet, voice mail, call transfer, balance transfer etc. Respondents were asked in the questionnaire about these additional services in Mero Mobile.

**Table 4.9**

**Respondents' Belief for Additional Service in Mero Mobley**

<b>Rank</b>	<b>No. of Respondent</b>	<b>Percentage</b>	<b>Total Belief Strength</b>
+3	30	21.43	90
+2	26	18.57	52
+1	22	15.71	22
0	22	15.71	0
-1	12	8.57	-12
-2	16	11.73	-32
-3	12	8.57	-36
<b>Grand Total</b>	<b>N =140</b>	<b>100</b>	<b>84 (b<sub>i</sub>)</b>

Source: Field Survey, 2006.

The above data shows the 22 respondents (about 16%) don't know about additional services available in Mero Mobile. This indicates that people are not enough familiar with Mero Mobile. 78 respondents, agreed that Mero Mobile has more additional services. Only 40 respondents (about 29%) disagreed to the statement.

**4.10 Respondents' Evaluation for Additional Services in Mobile**

Respondents were asked about their opinion for additional services along with communication service in mobile. The following table 4.10 reflects clear picture of their responses.

**Table 4.10**  
**Evaluation Score for Additional Services in Mobile**

<b>Rank</b>	<b>No. of Respondent</b>	<b>Percentage</b>	<b>Total Evaluation Score</b>
+3	58	41.43	174
+2	46	32.86	92
+1	20	14.29	20
0	8	5.71	0
-1	2	1.43	-2
-2	0	0	0
-3	6	4.29	-18
<b>Grand Total</b>	<b>N =140</b>	<b>100</b>	<b>266 (e<sub>i</sub>)</b>

Source: Field Survey, 2006.

According to table 4.10, most of the respondents (about 89%) referred additional services in mobile along with primary service. This indicates that they are ready to pay for these services. Very few number of respondents were not interested at the additional services.

#### **4.11 Respondents' Belief for Connectivity of Mero Mobile Service**

Without connection with other company's network, communication can not take place. A telecommunication company should co-ordinate and establish a good relationship with other companies providing same service. So a good connection with other national and international telecom companies is important. The table below shows what they think about connectivity of Mero Mobile.

**Table 4.11**  
**Respondents' Belief for Connectivity of Mere Mobile**

<b>Rank</b>	<b>No. of Respondent</b>	<b>Percentage</b>	<b>Total Belief Strength</b>
+3	6	4.29	18
+2	28	20	56
+1	30	21.43	30
0	10	7.14	0
-1	18	12.86	-18
-2	26	18.57	-52
-3	22	15.71	-66
<b>Grand Total</b>	<b>N =140</b>	<b>100</b>	<b>-32 (bi)</b>

Source : Field Survey, 2006.

According to table 4.11, only 6 respondents extremely agreed that Mero Mobile has good connectivity. Only 28 respondents moderately and 30 respondents slightly agreed that it has good connection with other telecom companies. Most of the respondents did not believe in its connectivity. The reason may be higher tariff rate while talking with Nepal Telecom.

#### **4.12 Respondents' Evaluation for Connectivity of Mobile Service**

People look for some important attributes before they purchase any product, which is same with mobile also. Respondents have different views for connectivity of mobile service which is presented in table 4.12 below.

**Table 4.12**  
**Evaluation Score for Connectivity of Mobile**

<b>Rank</b>	<b>No. of Respondent</b>	<b>Percentage</b>	<b>Total Evaluation Score</b>
+3	82	58.57	246
+2	26	18.57	52
+1	18	12.86	18
0	2	1.43	0
-1	2	1.43	-2
-2	6	4.29	-12
-3	4	2.86	-12
<b>Grand Total</b>	<b>N =140</b>	<b>100</b>	<b>290 (e<sub>i</sub>)</b>

Source : Field Survey, 2006.

The table shows that 82 respondents (i.e. about 59%) out of total respondents considered connectivity as the extremely good attribute. Similarly, for 26 respondents it was moderately good and for 18 respondents it was slightly good attribute. Very few (i.e. non-considerable) respondents were not interested about the connectivity of mobile service.

#### **4.13 Respondents' Belief for Network Coverage of Mero Mobile**

If there is no network coverage, people can not use mobile. It depends upon number and capacity of network towards. The duty of telecom company is to make network coverage wider. The following table 4.13 shows respondents' belief about network coverage of Mero Mobile.

**Table 4.13**

**Respondents' Belief for Network Coverage of Mero Mobile**

<b>Rank</b>	<b>No. of Respondent</b>	<b>Percentage</b>	<b>Total Belief Strength</b>
+3	2	1.43	6
+2	10	7.14	20
+1	18	12.86	18
0	10	7.14	0
-1	22	15.71	-22
-2	26	18.57	-52
-3	52	37.14	-152
<b>Grand Total</b>	<b>N =140</b>	<b>100</b>	<b>-186 (bi)</b>

Source: Field Survey, 2006).

Table No. 4.13 shows that 37.14% i.e. 52 respondents fully disagreed that Mero Mobile has wider network coverage. Similarly, 18.57% i.e. 26 respondents moderately disagreed with the statement. In the table belief strength (bi) is obtained negative i.e. -186.

**4.14 Respondents' Evaluation for Wider Network Coverage**

The last variable asked in section 'B' of questionnaire was about whether people prefer wide network coverage or not. The respondents opinion are presented in the following table 4.14.

**Table 4.14**  
**Evaluation Score for wider Network Coverage**

<b>Rank</b>	<b>No. of Respondent</b>	<b>Percentage</b>	<b>Total Evaluation Score</b>
+3	102	72.86	306
+2	22	15.71	44
+1	8	5.71	8
0	4	2.86	0
-1	0	0	0
-2	2	1.43	-4
-3	2	1.43	-6
<b>Grand Total</b>	<b>N =140</b>	<b>100</b>	<b>348 (e<sub>i</sub>)</b>

Source: Field Survey, 2006.

According to the table 4.14, 72.86 percent i.e. 102 respondents of the total respondents fully liked wider network coverage of mobile service. 15.71 percent i.e. 22 respondents moderately preferred wider network coverage. In this way, 94.29 percent. i.e. 132 respondents were for wider network coverage. Only nominal respondents were against wider network coverage, they need not be considered. The total evaluation score (e<sub>i</sub>) for wider network coverage is positive i.e. 348. This indicates that telecom companies should focus on their network technology. If their network is very good then consumers will automatically be attracted.

## 4.15 Presentation of Consumers' Degrees of Responses for Different Variables

### 4.15.1 Section 'A'

Variables	Degrees							Total
	Extremely agree (+3)	Moderately agree (+2)	Slight agree (+1)	Neither /Nor (0)	Slightly disagree (-1)	Moderately disagree (-2)	Extremely disagree (-3)	
Has higher initial purchase price	6	30	14	6	28	20	36	140
takes higher service charges	36	38	26	14	8	8	10	140
has highly reliable service	14	24	30	10	28	22	12	140
has clearly audible service	28	32	40	10	14	16	0	140
has more additional services	30	26	22	22	12	16	12	140
has good connectivity	6	28	30	10	18	26	22	140
has wider network coverage	2	10	18	10	22	26	52	140
<b>Total</b>	<b>122</b>	<b>188</b>	<b>180</b>	<b>82</b>	<b>130</b>	<b>134</b>	<b>144</b>	<b>980</b>

Source: Field Survey, 2006).

The table 4.15.1 shows a clear picture of consumers' responses regarding various variables asked to them related to mobile attributes. According to the table, 52 respondents have extremely disagreed with the statement that Mero Mobile has wider network coverage. In the table, 37.14 percent i.e. 52 is the maximum number of respondents and they have opined with full confidence. It means they have high level of intensity and it is very difficult to change their brand belief. These are only two respondents who claimed with that level of intensity for this attribute. It seems that either the capacity of its mobile towers is lower or the no. of towers is very few. So, it should be kept in mind, because this has affected to make consumer attitude negative. And this attribute has been found as one weakness for Mero Mobile.



In the table, there is no respondents to fully disagree the statement related to audibility. Rather, 28 respondents have fully agreed, 32 moderately agreed and 40 slightly agreed with the statement. This indicates that 71.43 percent respondents have belief that Mero Mobile has clearly audible service or the voice, while talking through Mero Mobile, is clearly audible.

Furthermore, 60 percent respondents have perceived price of SIM card as cheaper than others, and only 35.71 percent respondents have perceived as highly priced. Similarly, 71.43 percent respondents have taken its service charges as higher and only 18.57 percent respondents have taken it as cheaper. Accordingly, for 48.57 percent respondents, its service is reliable and for 44.29 percent it is not reliable.

#### 4.15.2 Section 'B'

Variables	Degrees							Total
	Extremely good (+3)	Moderately good (+2)	Slight good (+1)	Neither /Nor (0)	Slightly bad (-1)	Moderately bad (-2)	Extremely bad (-3)	
A higher purchase price for mobile SIM card is	6	4	4	4	22	36	64	140
A higher service charge for mobile is	6	2	4	6	22	32	68	140
A highly reliable mobile service is	44	24	16	0	14	20	22	140
A clearly audible voice is	84	24	20	6	2	4	0	140
A additional service in mobile is	58	46	20	8	2	0	6	140
The good connectivity of mobile is	82	26	18	2	2	6	4	140
The wider network coverage is	102	22	8	4	0	2	2	140
<b>Total</b>	<b>382</b>	<b>148</b>	<b>90</b>	<b>30</b>	<b>64</b>	<b>100</b>	<b>166</b>	<b>980</b>

Source: Field Survey, 2006.

According to table 4.15.2, a wider network coverage was extremely preferred by 72.8 percent i.e., 102 respondents; a clearly audible mobile service was extremely preferred by 60 percent i.e. 84 respondents; and similarly, a service with good connectivity was preferred by 58.57 percent, i.e. 52 respondents. In contrast, 48.57 percent i.e. 68 respondents and 45.71 percent i.e. 64 respondents extremely disliked higher service charges and higher purchase price for a mobile SIM card respectively. No respondent was found to extremely dislike a clearly audible mobile service, to moderately dislike the additional services, and to slightly dislike wider network coverage.

From the above table, we can conclude that 87.14 percent respondents are in favor of lower price of SIM card and lower tariff rate. about 60 percent consumers thought that it is very essential to be highly reliable service. About 91.43 percent consumers over in favor of clear voice. Likewise, 88.57 respondents liked additional facilities along with primary services.

#### 4.16 Calculation of Consumers' Overall Attitude Toward Mero Mobile

Salient Beliefs	Belief Strength (b <sub>i</sub> )	Evaluation Score (e <sub>i</sub> )	Product (b <sub>i</sub> e <sub>i</sub> )
has higher purchase price for SIM card	-84	-256	21504
takes higher service charges	156	-264	-41184
has highly dependable service	12	76	912
has clearly audible service	142	310	44020
has more additional services	84	266	22344
has good connectivity	-32	290	-9280
has wider network coverage	-186	348	-64728
<b>Overall Attitude Score</b>	$A = \sum_{i=1}^{n=7} b_i e_i = -26,412$		

The above table 4.16 shows different values of  $b_i$  and  $e_i$  derived by calculating in table 4.1 to table 4.14. The first column of the table shows different attributes related to Mero Mobile. The fourth column is the product of second and third column. Consumer attitudes towards Mero Mobile is calculated in the table by using Fishbein's Attitude model which shows negative attitude i.e. -26412. Thus, the direction of consumer attitude is identified which is in negative position. Further, to identify the degree of attitude, in which extent the attitude is negative, some calculations are needed. The degree of attitude has been calculated by using following formula.

Degree of attitude = (No. of respondents in beliefs x Value of respective degree) X (No. of respondents in evaluation x Value of respective degree) x No. of variables

Now,

Calculation for extremely negative attitude:

$$\text{Attitude (Extremely Negative)} = -[(140 \times 3) (140 \times 3) \times 7] = -1234800$$

Again,

Calculation for moderately negative attitude:

$$\text{Attitude (Moderately Negative)} = -[(140 \times 2) (140 \times 2) \times 7] = -548800$$

Again,

Calculation for slightly negative attitude:

$$\text{Attitude (Slightly Negative)} = -[(140 \times 1) (140 \times 1) \times 7] = -137200$$

From above calculation, the attitude scores for different degrees of attitude are identified. Findings of the calculation are summarized in the table below -

<b>Degrees</b>	<b>Scores</b>
Extremely Negative	From -548,800 to -12,34,800
Moderately Negative	From -137,200 to -5,48,800
Slightly Negative	From 0 to -137200

Now, it is obvious that the obtained value (attitude score), -26, 412 lies between 0 to -137, 200. Hence, it represents a slightly negative attitude toward Mero Mobile when compared to a maximum attainable negative attitude score of -12,34,800. The consumer's attitude toward other telecom companies could also be calculated and compared to this Mero Mobile. For the additional brands, it would only be necessary to attain new belief scores because as mentioned, the evaluation score measures feelings toward general product attributes and therefore does not vary across brands.

**4.17 Calculation of Weighted Arithmetic Mean (WAM):  
(An alternative way to analyze consumer attitude)**

<b>Degree</b>	<b>Total Scores (X)</b>	<b>Weights (W)</b>	<b>Product (WX)</b>
Extremely agree	122	3	366
Moderately agree	188	2	376
Slightly agree	180	1	180
Neither/Nor	82	0	0
Slightly disagree	130	1	130
Moderately disagree	134	2	268
Extremely disagree	144	3	432
	<b>dX = 980</b>	<b>dW = 12</b>	<b>dWX = 1752</b>

Here,  $\Sigma W = 12$ ,  $\Sigma WX = 1752$

$$\bar{X}_w = \frac{\sum WX}{\sum W}$$

Where,  $\bar{X}_w$  = Weight ed arithmetic mean

$$= \frac{1752}{12} = 146$$

From above calculation, Weighted Arithmetic Mean (WAM) of the score is 246. Since the average score of the 7 degrees (122, 188, 180, 82, 130, 134 and 144) is 140, the obtained WAM score lies above the average score. hence, it is obvious that consumer attitude toward Mero Mobile on the basis of WAM is slightly positive.

### **Major Findings of the Study**

After analyzing the data collected from the respondents, some findings have been drawn. Major findings of the study are synopsis below.

1. Most of the respondents have been found disagreed with the statement related to higher purchase price of Mero Mobile SIM card, such as, 25.72 percent respondents have extremely disagreed, 20 percent have slightly disagreed, and 14.29 percent have moderately disagreed with the given statement. However, 21.43 percent respondents have a belief that Mero Mobile SIM card has been highly priced.
2. 45.71 percent of the total respondents thought that being a high price for SIM card is extremely bad, 25.71 percent thought as moderately bad, and 15.71 percent as slightly bad.
3. Out of total respondents, 27.14 percent moderately believed and 25.71 percent extremely believed that SNPL has been taking higher service charges. In contrast, only 7.14 percent respondents extremely believed that it takes lower service charge.
4. 48.57 percent respondents thought that it is extremely bad to take higher service charges followed by 22.86 percent for moderately bad and 15.71 percent for slightly bad. But only 4.29 percent respondents thought that it is extremely good to take higher service charges.

5. 21.43 percent respondents slightly believed that Mero Mobile has a reliable service and 20 percent respondents slightly believed that it has not a reliable service. Moreover, 17.48 percent respondents moderately believed that it has reliable service and 15.71 percent moderately believed that it has not a reliable service. So, it can be concluded that regarding reliability for Mero Mobil service, consumers are quite moderate.
6. Among the total respondents, 31.43 percent of the respondents perceived reliable service as extremely good factor in mobile, and 17.14 percent perceived as moderately good factor. But 15.71 percent respondents were found extremely against the reliable mobile service.
7. The study revealed that the statement "Mero Mobile has clearly audible service" was slightly agreed by 28.57 percent respondents, moderately agreed by 22.86 percent and extremely agreed by 20 percent respondents. In contrast no one was found to extremely disagree with this statement.
8. 60 percent of the total respondents extremely like a clearly audible mobile service. Similarly, it was moderately liked by 17.1 percent and slightly liked by 14.29 percent respondents. But there was no one to extremely dislike a clearly audible service.
9. According to information gathered, 15.71 percent respondents are unknown or indifferent about the additional services provided in Mero Mobile. 21.43 percent respondents extremely believed that it has more additional services.
10. 41.43 percent respondents, out of total respondents, extremely liked, 32.86 percent moderately liked, and 14.29 percent slightly

liked additional services in mobile phone. Very few respondents were found who did not like additional services.

11. Among the total respondents, 21.43 percent respondents slightly agreed and 20 percent respondents moderately agreed with the statement related to connectivity. But 15.71 percent respondents were found to extremely disagree with the statement.
12. 58.57 percent, a large number of respondents liked a good connectivity of mobile service followed by 18.57 percent respondents who moderately liked this attribute.
13. Most of the respondents i.e. 37.14 percent out of total respondents extremely disagreed that Mero Mobile has wider network coverage. Similarly, 18.57 percent and 15.71 percent respondents disagreed with the statement moderately and slightly respectively.
14. 72.86 percent of the total respondents extremely liked a wider network coverage of mobile phone. There were no significant respondents who disliked a wider network coverage.
15. After the calculation of consumers' overall attitude by using Fishbein's Attitude Model, it was found '-26412' which is slightly negative toward Mero Mobile.

## **CHAPTER V**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Summary**

The cellular phone has made our lives much easier in the world of communication. By the help of mobile, wherever we are going or whatever we are doing, we can talk to our friends, relatives, and others important persons whenever we want. Spice Nepal Private Limited (SNPL) launched this service called 'Mero Mobile'. Previously, when not United Telecom Limited (UTL) and SNPL were in existence, the market was fully dominated by Nepal Telecom Corporation (NTC) and it was a monopoly market. People did not have options to choose from but now, the case is different. They are free to select a brand according to their preferences. However, this thesis was mainly concerned with Mero Mobile and aimed at assessing perception, feelings, opinions, and ultimately, attitudes of the consumers towards this brand. So this study was focused on the position and analysis of the attitude variables related to Mero Mobile. If the consumer attitude toward a brand is unfavorable, the company is supposed to be less successful than it otherwise might be.

In this study, altogether seven independent variables related to Mero Mobile were described and analyzed. They were – price of SIM card, service charges, reliability of service, audibility, additional services, connectivity and network coverage of mobile phone. Being a field based study, it examined attitude of consumers in their natural setting. The sample for study comprised 140 respondents belonging to NTC users, Mero Mobile users and non users. 80 male and 60 female respondents were included in the sample from different age groups. Out of total sample, 32 were undergraduate, 34 were graduate, 72 were post graduate, and 2 were doctorate. The endeavor, while collecting data, was to



equalize sample size from each strata. So, a stratified random sampling method was used to select the samples. The sample was taken from within the consumers of Kathmandu valley only. The data thus obtained were analyzed using frequency distribution, percentage, weighted mean and Fishbein's attitude model.

## **5.2 Conclusion**

From the analysis and interpretation of data, some conclusions have been drawn. They are–

1. The data obtained from respondents showed that Mero Mobile SIM card was not high in price and the higher price for mobile SIM card was disliked by most of the consumers.
2. The service charges including tariff rate charged by SNPL were perceived as higher and the respondents were found against that higher charges.
3. Regarding reliability (dependability) of Mero Mobile services, consumers were found quite moderate but most of the respondents liked a reliable service.
4. Most of the consumers perceived Mero Mobile as a clearly audible service and about cent percent consumers were found in favor of clearly audible service.
5. A significant number of respondents were found unknown or indifferent to the additional services available in Mero Mobile. The reason may be lack of information oriented effective communication However, additional services in mobile phone were extremely liked by most of the respondents.

6. Regarding connectivity of Mero Mobile, it was not perceived as well connected with other national and international telecom companies. But a large number of respondents extremely liked good connectivity.
7. Most of the respondents perceived network coverage of Mero Mobile as very weak or narrow. But the highest number of respondents were found extremely liking the wider network coverage. There was no one to dislike a wider network coverage.
8. Initial purchase price of SIM card, and audibility of service were found as the strengths of Mero Mobile. Service charges, additional services, connectivity, and network coverage were found as weaknesses of Mero Mobile. And reliability of mobile service had no significant role to influence consumer attitude.
9. Last but not the least, while using Fishbein's Attitude Model, the overall consumer attitude toward Mero Mobile was found slightly negative.

### **5.3 Recommendations**

Based on the result of the study, some recommendations are presented here for a marketing manager and Spice Nepal Private Limited itself.

1. The price of SIM card and audibility of service are strengths of Mero Mobile. Hence, it is recommended to maintain the same quality of service in term of audibility and not to increase the price of SIM card.
2. The service charges have been perceived highly rated. So the service changes should a little bit be minimized.

3. The effective communication informing additional services available in Mero Mobile should be designed and launched because a considerable number of respondents are unknown about the additional services available in Mero Mobile.
4. SNPL should establish a good relationship with other national and international telecom companies that help to increase the connectivity and decrease the inter-company charge rate.
5. Since SNPL is newly established company, it has access to only few places, so it has very small network coverage. Hence, as soon as possible, the company should expand its service all over the nation. furthermore, SNPL should increase the number of towers and its capacity.
6. The consumers' attitude toward Mero Mobile has been found slightly negative. Hence, the marketing manager should try to make this attitude extremely positive to survive and win in long-run. For this, in addition to above recommendations, the marketer can launch effective promotional campaigns.

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## APPENDIX I

### Questionnaire

**Dear Respondent,**

I am Khaga Raj Upadhyay, student of Master of Business Studies at Lumbini Banijya Campus, Butwal, conducting a study to measure your attitude towards Mero Mobile. So, you are kindly requested to mark tick ( ) for the following statements to show your degree of agreement or disagreement.

#### Section 'A'

1. Mero Mobile SIM card has higher purchase price than that of others.
 

Agree	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	Disagree
	Extremely	Moderately	Slightly	Neither/nor	Slightly	Moderately	Extremely	
	(+3)	(+2)	(+1)	(0)	(-1)	(-2)	(-3)	
  
2. Spice Nepal takes higher service charges than others do.
 

Agree	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	Disagree
	Extremely	Moderately	Slightly	Neither/nor	Slightly	Moderately	Extremely	
	(+3)	(+2)	(+1)	(0)	(-1)	(-2)	(-3)	
  
3. The service provided by Mero Mobile is highly reliable compared to others.
 

Agree	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	Disagree
	Extremely	Moderately	Slightly	Neither/nor	Slightly	Moderately	Extremely	
	(+3)	(+2)	(+1)	(0)	(-1)	(-2)	(-3)	
  
4. While talking through Mero Mobile, the voice is clearly audible.
 

Agree	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	Disagree
	Extremely	Moderately	Slightly	Neither/nor	Slightly	Moderately	Extremely	
	(+3)	(+2)	(+1)	(0)	(-1)	(-2)	(-3)	
  
5. Mero Mobile has more other services like SMS, Internet, balance transfer etc.
 

Agree	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	Disagree
	Extremely	Moderately	Slightly	Neither/nor	Slightly	Moderately	Extremely	
	(+3)	(+2)	(+1)	(0)	(-1)	(-2)	(-3)	
  
6. Mero Mobile has good connection with other national and international telecom companies.
 

Agree	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	Disagree
	Extremely	Moderately	Slightly	Neither/nor	Slightly	Moderately	Extremely	
	(+3)	(+2)	(+1)	(0)	(-1)	(-2)	(-3)	
  
7. Mero Mobile has wider network coverage than others.
 

Agree	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	Disagree
	Extremely	Moderately	Slightly	Neither/nor	Slightly	Moderately	Extremely	
	(+3)	(+2)	(+1)	(0)	(-1)	(-2)	(-3)	

**Section 'B'**

1.	A high purchase price for mobile SIM card is							
<b>Good</b>	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	<b>Bad</b>
	Extremely	Moderately	Slightly	Neither/nor	Slightly	Moderately	Extremely	
	(+3)	(+2)	(+1)	(0)	(-1)	(-2)	(-3)	
2.	A telecom company which takes high service charges is							
Good	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	Bad
	Extremely	Moderately	Slightly	Neither/nor	Slightly	Moderately	Extremely	
	(+3)	(+2)	(+1)	(0)	(-1)	(-2)	(-3)	
3.	A highly dependable mobile service is							
Good	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	Bad
	Extremely	Moderately	Slightly	Neither/nor	Slightly	Moderately	Extremely	
	(+3)	(+2)	(+1)	(0)	(-1)	(-2)	(-3)	
4.	A clearly audible mobile service is							
Good	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	Bad
	Extremely	Moderately	Slightly	Neither/nor	Slightly	Moderately	Extremely	
	(+3)	(+2)	(+1)	(0)	(-1)	(-2)	(-3)	
5.	A telecommunication service with more additional services is							
Good	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	Bad
	Extremely	Moderately	Slightly	Neither/nor	Slightly	Moderately	Extremely	
	(+3)	(+2)	(+1)	(0)	(-1)	(-2)	(-3)	
6.	A mobile service with high connectivity with other national and international telecom companies is							
Good	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	Bad
	Extremely	Moderately	Slightly	Neither/nor	Slightly	Moderately	Extremely	
	(+3)	(+2)	(+1)	(0)	(-1)	(-2)	(-3)	
7.	A mobile service with wider network coverage is							
Good	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	Bad
	Extremely	Moderately	Slightly	Neither/nor	Slightly	Moderately	Extremely	
	(+3)	(+2)	(+1)	(0)	(-1)	(-2)	(-3)	

## Section 'C'

### Demographic Profile

1. Gender  
Male (    )                      Female (    )
  
2. Age Group  
Below 15 years (    )              15 - 30 years (    )  
31 - 50 years (    )              Above 50 years (    )
  
3. Education  
Under Graduate (    )              Graduate (    )  
Post Graduate (    )              Doctorate (    )
  
4. Family Income per month  
Below Rs. 10,000 (    )      Rs. 10,000 - 20,000 (    )  
Rs. 20,000 - 30,000 (    )      Above Rs. 30,000 (    )
  
5. Do you have mobile; if yes, which SIM card are you using ?

Spice Nepal		Nepal Telecom	
Post Paid	Pre-paid	Post Paid	Pre-paid



## **APPENDIX II**

### **Mero Mobile At A Glance**

Spice Nepal Private Ltd., popularly known under its brand name "Mero Mobile", is the first private GSM mobile operator in Nepal. Company was established in 2004 and commercially launched on 17th September 2005. SNPL has built its GSM mobile network using the most advanced telecommunication equipments available in the market in order to provide its valued subscribers with the highest quality of services. Its goal is to make Mero Mobile brand synonymous with innovation and quality. They want to be an integral part of their customer's lives, providing exceptional and memorable experiences of the mobile phone.

Spice Nepal Private Ltd. bagged the award for the "Best Consumer Pull in Mobile operator" and "Most Innovative Mobile Operator" at the CEO Conclave Award-2006, organized by Voice & Data, India's leading information and communication magazine, in Colombo, Srilanka. The winners were chosen among the best mobile operators in the South Asian (SAARC) region for their contributions in cellular mobile phone development, innovation products and services. Also this year 2007 SNPL was rewarded for "Best Consumer Pull in Mobile Operator" and the event held at Kathmandu, Nepal.

Starting from moment of commercial launch Spice Nepal has extended its services in major areas of Nepal such as: Dhulikhel, Banepa, Nagarkot (surroundings of Kathmandu Valley) Bharatpur / Chitwan, Hetauda, Birgunj, Simara, Biratnagar, Itahari, Birtamod, Chandragadi, Kakarvitta, Dharan, Duhabi, Rajbiraj, Lahan, Malangawa, Nijgadh, Dhalkebar, Janakpur (Eastern part of Nepal); Pokhara, Butwal, Bardagath, Bhairahawa, Nepalgunj (Western part of Nepal), Dhangadhi and it is one of the most fast growing company known for its better quality and innovative services.

Mero Mobile has already tied up with many different international Operators of more than 31 countries adding up to 74 operators around the world and is in process of extending roaming services (partners) for the convenience of the roaming subscribers (<http://www.spicenepal.com/en/coverage.php>).

**Thank You**

