

CHAPTER-I

INTRODUCTION

1.1 Background of the Study

The study of consumer behaviour enables marketers to understand and predict consumer behaviour in the market. It also promotes understanding of the role of consumption plays in the life of individuals. Consumer behaviour may be defined as the decision process, physical activities and individuals engage in when evaluating, acquiring, using or disposing of goods, place and services.

Consumer is the king in business. The success and failure of any business entirely depend on consumer's reactions to a firm's marketing mix or strategies. Firms marketing mix or strategies should be designed in such a way that satisfies consumer's need and wants. To design an effective marketing mix that satisfies consumer unsatisfied need and wants, a firm should know the buying behaviour of consumers. Understanding consumer buying behaviour is thus an important task for today's marketers.

Consumer buying behaviour refers to the behaviour of ultimate consumers those who purchase products for personal or household use, not for business purposes but buying behaviour of consumer differs from one to another; however, their buying process may be identical. Generally, the consumer's buying process consists of five stages: problem recognition, information search, evaluation of alternatives, purchase and post purchase evaluation.

The initial stage of consumer's buying process is the problem recognition and it occurs when a buyer becomes aware of the fact that there is difference between a desired state and an actual condition. After becoming aware of the problem of need, the consumer (if continuing the decision process) searches for information regarding availability of brands, product features, seller characteristics, process alternative available and other relevant aspects. Duration and intensity of search efforts depends on buyer's experience in purchasing and nature of the products to be purchased. During and intensity of search efforts depends on buyer's experience in purchasing

and nature of the product to be purchased. During this stage, however, consumer has developed evoked set the set of brands and size of a product, which the buyer actually considers while making a specific brand choice.

Products in the evoked set have been evaluated in the third stage of buying process. To evaluate the products in the evoked set a consumer establishes a set of criteria to compare the products characteristics. Using the criteria and considering the importance of each, a buyer rates and eventually ranks the brand in the evoked set. If the evaluation yields one or more brands that the consumer is willing to buy, the consumer is ready to move on to the next stage of decision process i.e. purchase stage. During the purchase stage consumer, select not only the product or brand to buy but also select seller or store from which he or she will buy the product. The actual act of the purchase occurs during this stage but not all decision lead to purchase; the individual may terminate the prior to purchase. After purchase, a buyer starts to evaluate in either satisfaction or dissatisfaction, which feed back to other stages of the decision process and influences subsequent purchase.

Though the consumer buying decision process consists of five stages, all consumer decision does not always go through all the five stages. The individual may terminate the process during any stage. This depends on the experience of consumer involved in purchasing and the nature of the products he or she wants to purchase. Persons in high involvement decision process usually employ all the stages of the decision process where as those engaged in low involvement decision process may skip some of the stages. What ever is the buying process it is very important for the modern marketers to know the buying behaviour of his or her target consumer for he long term survival as well as enjoy profit.

In recent years, the international business environment has been marked by far-reaching changes, in the last few years; the business environment of Nepal too has been changed drastically. An implementation of “one window” system for both domestic and foreign investors and adoption of free and liberal trade policy have increased the business activities to a great extent through the country. Consequently, business has become more complex and competitive. To survive in such a changing and competitive business environment, all activities of the business must be focused on the consumer. In reality, the consumer the one who decides whether to accept or

reject a product on the basis of whether or not it meets perceived needs and desires. To meet perceived needs and desires of consumers, the marketer should understand the buying behaviour of consumers. Understanding of consumer buying behaviour is a complex and difficult task as it is influenced by many factors, especially persons-specific, psychological and socio-cultural. In addition, consumer behaviour is a changing phenomenon. Consumers' needs and desires undergo changes from time to time, in order to adapt business with changing pace of consumers' needs and desires, it is essential for marketers to conduct research continuously on consumers, realizing this fact, business enterprises of advanced countries have carried out a series of researches on consumer behaviour. Such practices of studying consumer buying behaviour are rare in our country. Here the attempt has been made to study the buying behaviour of Kathmandu Valley in Cigarette (chain smoker and smoker). Being Kathmandu as capital large number of people are still been migrating from rural area and small cities due to different circumstances. Here the study is done on the basis of product choice, price, size choice, brand choice, store choice and product choice by the different age of consumer. Besides this, the report provides the information about the cigarette and brand, size and numbers of chain smoker and smoker. Now in market consumer buy many more kinds of cigarette, few brands are imported and some are Nepali company. In Nepal Surya Nepal, Gorkha Lahari, Prefect Blendes, Janakpur Cigarette are manufacturing Cigarette in different brand and size and Seti cigarette is imported American blended cigarette (Marlboro) in Nepal. Basically by size, cigarettes are 3 types. Kings size (up to 75 to 84 mm), Medium size (below 75 mm and filter) and non filter. King size and medium are going to increase in Kathmandu valley. Now in market a rounding 25 Nepali brands cigarette are available in king size, medium and non filter. Now in Kathmandu valley Marlboro, Surya, Shikhar and Josh are most popular king size brands. Pilot, Khukuri and Sahara are medium size and Bijuli, Gold flake, Deurali are non filter popular brands.

1.2 Statement of Problem

Changing business environment globally, Kathmandu have become more competitive market for cigarette. This is not only by the implementation of new trade and industrial policies in national perspective but also due to increase in population in Kathmandu Valley. The trend of migrating to Kathmandu Valley is still increasing.

Due to increase population more money is been spend in markets, people have been paying in cigarette. We can see consumer preferences in brand cigarette .As there are so many brands available in different price. So the consumers have the choice to buy the product they like most. Which products the consumers choose and what criteria they use to choose particular product and brands are burning issues to be researched. Similarly with the increment in population and business activities numbers of types of outlet are also increasing in Kathmandu. Taking these issue into account following problem are tried to solve in this study.

- a. What are the time, and location that are mostly preferred by the consumer to purchase and smoke cigarettes?
- b. What is the frequency and volume of buying cigarette?
- c. What are the most preferred brands and size in the market and their market share?
- d. How many of the potential buyers that visit outlet actually purchases the product and what they purchase, Pocket or stick?
- e. What is consumption pattern of cigarette in different aged consumer?

1.3 Objectives of Study

The overall objective of the study is to find out the actual buying behaviour of cigarette in Kathmandu Valley. The specific objectives of the study in connection with the research problem are as follows:

- a. To study & analyze the time and location mostly preferred by the consumer for purchasing and smoking cigarette.
- b. To review & analyze the most preferred brands and size of cigarette in the market and their market share.
- c. To assess the consumption pattern of cigarette by the different aged consumer and suggest on the basis of studyfindings.

1.4 Importance of the Study

The Nepalese market has been gradually turned into the cutthroat competition. Different types of products with large number of alternatives brand are available in

the market. In this context, it is essential for the manufactures or marketers of the product to know the buying behaviour of target consumers to turn the success in their flavor. As the focus of the study is on buying behaviour of consumer in cigarette the producers and marketers of the product will be highly benefited by this study. They may use the finding of this study as the guideline for making strategies for successful marketing of their products. As one of our objective is to find the peak time and perfect brand of purchasing the marketers can target on that specific time and make more specific strategies so that consumer can get maximum value from the money they have. By the help of this study marketers will be able to serve the different segmented market more effectively. This study not only helps producers and marketers to design effective marketing strategies but also provides valuable guidelines and reference to the scholars and researchers who are interested in conducting further researches on consumer buying behaviour.

1.5 Limitations of the Study

This research is the requirement for the partial fulfillment of Master Degree in business studies in management. The researcher being student has limited resources. Limited resources confine the scope of the study. As the result, this study is confined only in Kathmandu Valley. All the respondents for this study are taken from Baudha, Baneshwor and Putalisadak and the sample size taken for this study is very small in comparison to the population of the study. Data are researched in this case study in small tea shop, pan pasal, cold store and departmental store. The total population of Kathmandu valley is above 2.5 million. Here only the variables like, product choice; brand choice; location, and time for purchasing product, presence of product in market and their preference. Here it is hard to do research on both ladies as well as gents who are smoker and chain smoker both. Therefore this research does not guarantee that same finding will be applicable for female buying pattern too. In addition above variables taken for this study are assumed to explain the buying behaviour of consumers of Kathmandu Valley.

1.6 Distinct Nature of the Study

This study is distinct than other past studies in terms of product choice, brand choice, outlet choice and buying pattern of consumers when sale is offered on for different age group.

) **Product Choice:** The review of available past literatures on the product choice reveals that the product attributes, brand reputation and price seem to be the major criteria responsible for the product choice. So there is no doubt that there is factors play decisive role in the product choice, but it cannot be underemphasized the role of producer's goodwill, advertisement, service and reliability of the store selling the product and impression of other's use. The past studies do not only neglect such criteria but also they do not consider the relative importance of these criteria even of the product attributes the brand reputation and the price. The present study not only includes such factors but also considers their relative importance in the product choice. This study is thus entirely different form the past in respect of the product choice.

) **Brand Choice:** As regard the brand choice, review or the past literature shows that the brands are choice from the evoked set. The brands in the evoked set (a set of response) are evaluated on the basis of he products attributes. None of these models consider the general criteria that affect he choice of brands, the large number of general criteria other than specific product attributes play an equally important and decisive role in the choice of a particular brand. Since this study considers all these aspects there is no doubt to say that it is distinct in nature that other past studies.

) **Outlet Choice:** The criteria used for the outlet choice depend on types of outlet, nature and types of product that they sell. Some studies have already been taken place regarding the criteria used on the store choice but all these studies do not consider the relative importance of each criteria used on store

choice. Since this study considers the relative importance of each criterion involved in the store choice, it is also different from this point of view.

) **Buying Pattern of Consumer When Sale is Offered:** No literatures have been found towards buying pattern of consumer when sale is offered. It is the first study in Nepal. It is therefore concluded that this study deserves distinctiveness in this respect also.

1.7 Organization of the Study

This study has to be organized into five chapters. Chapter first contains background of the study, statement of problem, objective of the study, significance of the study, limitations of the study and nature of the study.

The second chapter includes the review of literature, specially the models of consumer behaviour and other relevant past studies.

The third chapter describes the methodology aspect of the study and it contains research design, sample plan, nature and sources of data, data collection procedures and method of analysis.

The fourth chapter incorporates the main body of study i.e. data presentation and analysis. This chapter highlights the objective data presentation, analysis and interpretation. Major findings of this study are also presented in this chapter.

Finally, a summary conclusion and recommendations are presented in chapter five. In addition and extensive bibliography and appendices are presented at end.

CHAPTER-II

REVIEW OF LITERATURE

In this chapter, consumer behaviour models and available past studies on store choice, product choice and attitude towards bargaining are reviewed and incorporated as follows.

2.1 Consumer Behaviour Models

Consumer behaviour models describe the decision-making or choice process of consumers; there are six comprehensive models of consumer behaviour namely Nicosia model, the Howard-Seth model, the Engel-Kollat-Blackwell model, the Seth family decision-making model, the Bettman's information-processing model, and the Seth-Newman Gross model. (Schiffman and Kanuk, 1995:576-588)

2.1.1 Nicosia Model

This model was developed by Francesco M. Nicosia. The Nicosia model focuses on relationship between the firm and potential consumers. (Nicosia, 1966:156-188) It is interactive in design: the firm tries to influence consumers and the consumers by their actions (or inactions) influence the firm. (Arham and Dianich, 1988:299-310)

The Nicosia model is divided in four major fields. (Schiffman and Kanuk, 1993:576-588)

Field 1: The consumer's attitude based on firm's message

Field 2: Search and evaluation

Field 3: The act of purchase

Field4: Feedback

2.1.2 Howard Seth Model

This model of buying behaviour was propounded by John A. Howard and Jagdish N. Seth in 1969. It is a major revision of an earlier systemic effort to develop a comprehensive theory of consumer decision making. (Howard and Seth, 1969:24-49).

The model distinguishes three stages of decision making. (Op. cit p. 578.)

- a. Extensive problem solving.
- b. Limited problem solving.
- c. Routinized response behaviour.

These three stages of decision making are characterized by great, moderate and little amount of information needed prior to purchase and slow, moderate and fast speed of decision respectively. The model consists of four major sets of variables;

I. Input variables:

- a. Physical brand characteristics (significant stimuli).
- b. Verbal or visual product characteristics (symbolic stimuli).
- c. Consumer's social environment (family, reference groups, social class).
- d. Perceptual and learning constructs.
- e. Outputs, either maybe purchase behaviour or anything like attention, intention, attitude, brand comprehension.
- f. Exogenous variables, e.g. importance of the purchase, consumer personality traits, time pressure and financial status.

2.1.3 Engel-Kollat-Blackwell Model

It is also known as the Engel-Blackwell-Miniard model of consumer behaviour. This model was originally designed to serve as a framework for organizing the fast growing body of knowledge concerning consumer behaviour. (Engel, Blackwell & Miniard, 1990: 40-41) Like the Howard-Seth model, it has gone through number of revisions and its latest version consists of four sections. (Ibid, p. 43.)

- I. Decision process stages-problem recognition, search, alternative evaluation, purchase and outcomes.
- II. Information inputs.
- III. Information processing; and
- IV. Variables influencing the decision process.

2.1.4 Seth-family Decision Model

The Seth family decision making model considered the family as the appropriate consumer decision making unit and it suggest that joint decision making tends to prevail in families that are middle class, newly married and close-knit, with few prescribed family roles. In terms of product specific factors, it suggests that joint decision is considered to be situation of high-perceived risk or uncertainty, when the purchase decision is considered to be important, and when there is ample time to make decision. (Schiffman and Kanuk, 1993: 571-583)

2.1.5 Bettman's Information-Processing Model of Consumer Choice

Bettman's model of consumer choice portrays the consumer as possessing limited capacity information. (Bettman, 1979:583)

According to this model of consumer rarely (if ever) undertakes very complex analysis of available alternatives, and employs simple decision strategies, when faced with a choice.

Bettman's information processing model has seven basic components:

(Ibid: 583-585)

- a. Processing capacity.
- b. Motivation.
- c. Attention and perceptual encoding.
- d. Information acquisition and evaluation.
- e. Memory.
- f. Decision process.
- g. Consumption and learning process.

Beside scanner and interrupt mechanism is functioning throughout the Bettman's model.

2.1.6 Seth-Newman-Gross Model

The Seth-Newman_Gross model of consumption values recently developed to explain why consumers make the choice they do.

The model concentrates on accessing consumption relevant values that explain why consumers choose to buy or not to buy (or to use or not to use) a specific product, why consumers choose one product type over another, and to consumer choices involving a full range of product types (consumer non-durables, consumer durables, industrial goods services). (Seth, Newman and Cross, 1998: 586)

The Seth-Newman-Gross model is rooted in three central propositions. (Ibid pp. 583-585)

- a. Consumer choice is a function of small number of consumption values.
- b. Specific consumption values make differential contributions in any given choice situation,
- c. Different consumption values are independent.

This model of consumer choice behaviour identifies the five consumption values, namely. (Ibid: 586-587)

- a. Functional value
- b. Social value.
- c. Emotional value.
- d. Epistemic value.
- e. Conditional value.

The first three models (Nicosia model, Howard-Seth model and Engel-Kollat-Blackwell model) focuses on consumer decision making, on how individual consumers arrive at brand choices, the fourth model deals with family decision making. The fifth model (Bettman's information-processing model) focuses on cognitive aspects of information search and processing and indicates how consumers employ information to arrive at various types of buying decisions. The sixth and final model of consumer behaviour is concerned with consumption values, especially why

consumers choose to buy or not to buy specific product, specific of product or specific brand.

2.2 Related Past Studies on Product Choice, Brand Choice, Store Choice and Attitude toward Bargaining

2.2.1 Product Choice

Recent research in the consumer buying behaviour supports the hypothesis that consumer choice may be predicted from knowledge of the position occupied by the various offering in relation to some set of relevant product attributes after the attributes have been weighted by the consumer according to relative importance. (Feishbein, 1967:36) Whether the set of product attributes is derived or pro-specified, the process has generated successful prediction of consumer purchase. (Green and Carmone, Journal of Marketing Research, Vol. 9)

Consumers generally purchase products with incomplete information about the alternatives. Information may be imperfect because of the proliferation of competing brands, the difficulties of exhaustive search or sampling, biases in product evaluation, constant product innovation or consumer mobility (Newman, Thorelli & Thorelli 1977: 61). Though price and quality are the most general attributes on which products are chosen, information about quality is more difficult to access before and even after purchase. (Tellis & Gaeth, 1990: 4)

In the buying decision process, many product attributes are weighted and evaluated in a complex manner. Thus evaluative criteria are expressed in terms of desired product attribute. Evaluative criteria find their specific representation in the form of those physical products attributes as well as strictly subjective factors the consumer considers to be important in the purchase decision. (Engel & Blackwell, 1982: 416)

The two most important characteristics of evaluative criteria include the numbers used in searching a decision and the relative importance (saliency) of each. (Ibid: 417)

Most studies show that six or fewer criteria generally are used by most consumers, although Feishbein suggests that the number may go as high as nine. (Ibid: 418) The extent of involvement present is a determining consideration. Present evidence indicates the relationship: the higher the involvement, the greater the number of evaluative criteria, which enters into the decision. (Rothschild and Huston, 1979: 418)

) **Reputation of Brand**

Brand reputation frequently emerges as determinant criterion as it did in a study of purchase of dress, shirts and suits. (Gardner, 1971: 35) The brand name appears to serve as a surrogate indicator of product quality and its importance as a criterion seems to vary with the ease by which quality can be judged objectively. If ease of evaluation is low, the consumer sometimes will perceive a high level of risk in the purchase. (Bauer, 1960: 420) Reliance on a well-known brand name with a reputation of long standing quality thus can be effective way to reduce risk.

) **Price**

Price is the most important evaluation criterion used widely while choosing a product from product categories. Many studies have proved that price and quality ensure positive relationship over some ranges of price in some product categories but it appears that a positive price quality relationship is most probable under these conditions:

- a. When the consumer has confidence in price as a predictor of quality. (Lambert, 1970: 43)
- b. When there are real and perceived quality variations between brands. (Ibid: 44)
- c. When quality is difficult to judge in other ways, especially when there are no qualities connecting criteria such as brand name or store location. (Monroe, 1973: 55)

Apart from price-quality question, the use of price as an evaluative criterion varies from product to product. (Garber and Granger, 1982: 420) One study found that concern with price was high for detergents but low for cereals. (Wells and Lozeinto, 1966: 421) In some cases, price is of greater significance when the product is felt to be socially visible. (Lambert,) Consumers are not always looking for the lowest possible price even the best quality ratio; other factors often assume greater importance. (Monroe, 1974: 47) The greater the number of available options, the less importance price trends to become. (Anderson, Taylor and Holloway, 1966: 26)

) **Other Criteria**

The literature on other criteria used is quite meager, with the exception of isolated studies documenting the influence in a specific decision. For example it was found that the selection of a bank is based primarily on five criteria: (i) friend's recommendation (ii) reputation (iii) availability of credit (iv) friendliness and (v) service charge on checking accounts. (Anderson, Cox III and Fulchur, 1976: 40-45) Obviously, there is substantial variation between products and between consumers. It is worth emphasizing once again that consumers do not always use physical or objective criteria alternatives; indeed subjective factors easily can be the dominant consideration. (White, 1960: 421)

2.2.2 Brand Choice

In the consumer goods market there are many product categories that are represented by numerous brands. To cope with this multiplicity of relatively similar brands, consumers do attempt to simplify their decision making by categorizing the available brands in evoked set, inert set and inept set. Evoked set is defined as the set of brands of a product, which the buyer actually considers when making a specific brand choice. All the brands in evoked set are evaluated positively and the consumer makes a purchase choice from his/her evoked set. (Chem & Markin, 1975: 7-15)

The criteria consumers used in evaluating the brand in their evoked sets are usually expressed in terms of product attributes that are important to them.

a. Consumer Decision Rules or Heuristics

Consumer decision rules (often referred to Heuristics decision strategies and consumer information processing strategies) are procedure used by consumers to facilitate brand (or other) choices. Such rules reduce the burden of making complex decisions by providing guidelines or routines that make the process less taxing.

Consumer decision rules have been broadly classified into two major categories; compensatory and non-compensatory decision rules.

i. Compensatory Decision Rule

In following a compensatory decision rule, a consumer evaluates brand options in terms of each relevant attributes that brand's relative merit as a potential purchase choice. The assumption is that the consumer will generally select the brand that scores highest among the alternatives evaluated.

A unique feature of a compensatory decision rule is that it allows a positive evaluation of a brand one attribute to balance out a negative evaluation on some other attributes. Here are the approaches that been discussed most in the literature. (Bettman, 1976: 132-137)

) The Expectancy Value Model

This model assumes from the outset that there will be more than one evaluative criterion or attributes along which the alternative will be evaluated. Judgments are based on beliefs that assess whether or not the object actually possesses the attribute in question plus an evaluation of the good ness or badness of the belief. This, in effect is the Feishbein multi attribute attitude model. It is hypothesized that brands are evaluated one at a time along all attributes and that the total evaluation or judgment is the sum of the rating along each attribute. The brand with the highest sum wins, and a relatively poor rating on one attribute may be offset by higher rating on the other.

) **The Attribute Adequacy Model**

The expectancy value model makes no particular assumption about the degree to which the rating of a brand or product along an attribute approaches or even exceeds the idea the consumer has in mind for that attribute. In the attribute adequacy model, the evaluation is arrived at in a similar manner to that discussed above, with the exception that an explicit assessment is made between ideal and actual attribute. While there has not been much research to report, this may be a closer approximation of actual consumer behaviour in extended problem-solving situation.

ii. Non-Compensatory Decision Model

In following non-compensatory decision rules consumers are not allowed to balance positive evaluation of a brand on one attribute against a negative evaluation on some other attribute. The non-compensatory model has received less attention in the literature, but four variations have been isolated. (Engel & Blackwell, 1982: 422)

-) Conjunctive Model
-) Disjunctive Model
-) Lexicographic and
-) Sequential Elimination

The Conjunctive Model

In the conjunctive model the consumer establishes separate, minimally acceptable level as a cutoff point for each attributes. If any particular brand falls below the cutoff point on any one attribute, the brand is eliminated from further consideration.

The Dis-conjunctive Model

When following this approach, acceptable standard are established for each criterion. A brand will then be evaluated as acceptable if it exceeds the minimum specified level on any of these attributes. The choice used is to select the first satisfactory alternatives.

The Lexicographic Model

When following this approach, the consumer has ranked product attributes from most important to least important. The brand that dominates on the most important criterion receives the highest evaluation. If two or more brand ties, then the second attribute is examined and so on until the tie is broken.

Sequential Elimination

Here, the consumers have established minimum cutoff point for each attribute. One criterion is selected for use, and all alternatives whose attributes do not pass that cutoff point are eliminated. Then the processing proceeds to the next attribute.

2.3 Store Choice

In general, the determinants of store choice are location, depth and breadth of assortments, price, advertising and word-of-mouth communications, sales promotion, store personnel services, physical attributes and store clientele. (Engel and Blackwell, 1982: 536)

Don L. James, Richard M. Darand and Rober A. Dreves's research on men's clothing store in a college town showed six attributes perceived as having the most salience were assortment, personnel, atmosphere, service, quality and price (James, Durand and Dreves, 1976). The determinants of this store choice decision obviously vary by product class. The criteria used for store choice varies with types of store.

) Department Store

The choice of department store seems to be influenced by quality of merchandise and ease of the shopping process, post sales service (Hauson and Deutsher) and store location (Leon G. Schiffman, Dash and Dillon).

) **Super Market**

The choice of super market is based on the attribute: (Hanson and Dentscher). (i) Cleanliness (ii) Low prices (iii) All price clearly labeled (iv) Good produce department (v) Accurate and pleasant checkout clerks and well stocked shelves.

) **Discount Store**

For discount store convenient location is the most important attribute in store choice, followed by closely by low price and broad merchandise selection as would be expected.

2.4 Literature Review on Consumer Decision Process

Although the number and complexity of operation carried out by a consumer varies with the type of purchase involved, the consumer buying in general has been regarded as a problem solving activity i.e. extensive problem solving, limited problem solving and routinised response behaviour. Despite the discernible difference in intensity of problem solving and reutilized response behaviour, the consumer decision process involves myriad (numerous) of decision made with respect to the choice of product brand, vendor buying quality, delivery time model of payment etc... (Kotler, 1974)

A normative consumer decision process model as postulate by Howard and Seth (1969), Nicosia (1966), Engel, Kollat and Blackwell (1968), Andreasen (1966) involves five steps of problem recognition information search, alternative evaluation, choice and outcomes. As argued by Bettmen (1978), these steps however need to be sequential. According to him, it is too simplistic a view to say that decision is made after all necessary information regarded has been gathered because choice and information acquisition occur simultaneously. Moreover, the stages of decision process are also affected by decision inputs (Marketing mix offered by the firms) and socio-culture background of the decision maker (Schiffman and Kanuk 1990). The main assumption of such flow chart model of consumer decision-making is that alternatives exists for a buyer and he/she is rational enough to judge the consequences

of each action on him/her by evaluating them on the basis of information available either in their memory or from external sources of information. A brief description of different components of consumer decision process follows which might be able provide an understanding of entire complete scale o consumer decision and the specific aspects there of review in this chapter.

) **Problem Recognition**

The existence of problem (ungratified need) triggers off a series of activities that end up with a choice made by buyer's/consumer's need for the product or product class may be aroused either by internal stimuli such as hunger, thirst or sex or by external stimuli resulting from consumer's interaction with the external environment for example, raining may cause a consumer consider to the purchase of a raincoat or umbrella.

) **Information Search**

Unlike in reutilized response behaviour in which problem recognition automatically leads to choice behaviour due to previous learning in the purchase of low involvement items like groceries in a unique purchase situation devoid of pervious learning and experience problem recognition leads to search for information either internal sources (memory) or from external sources such as friends, relatives, colleagues, reference groups, advertisement, dealers, product testing organization etc...

Information search enables consumers to develop a set of buying alternatives from among which they can make a choice. The emergence situation pushes them ahead to the next step of decision process.

) **Evaluation of Alternative**

Having come up with a set of buying alternatives, consumers tend to evaluate each of them on their attributes and their relative worth to them to arrive at the final choice. Consumers may use various compensatory and non-compensatory models while evaluating alternatives on different dimensions. No matter how they are evaluated consumers at this stage are able to come up with the decision as to the brand they would buy.

As indicated by the previous research works consumers also tend to use simplify strategy and instead of making rigorous comparisons of alternatives brands, simply choose a brand on the basis of the recommendation of other.

) Purchase Decision and Outcomes

Consumers evaluate their preferences across alternative brand and they are likely to choose the brand, which is most preferred. At this stage, consumers execute their purchase intention.

Satisfaction or dissatisfaction with the newly bought product may be the outcomes of the execution of purchase intention. While positive experiences tend to reutilizes decision process, the negative experience may stimulate buyers to consider new alternatives and undertake increased amount of search in similar buying situations in future.

To the best of our knowledge, no attempt has been made so far to empirically test the validity of flow chart process of consumer decision making as theorize by Howard Seth and others. Some of its components have been empirically examined. In particular, search and choice behaviour are the aspects that have revived research attention.

2.5 Research on Consumer Behaviour in Nepal

Only few researches have been conducted on consumer behaviour in Nepal. The resources have tried to highlight a single aspect consumer behaviour only.

Dev Raj Mishra on topic “An Examination of the Role of Purchase Pals in Consumer Buying Decisions for Saree and Suite” (Mishra, 1992:25) in 1992 with the basic objective to identify the role of purchase pals in consumer decision making for saree and suit. For this purpose primary data were collected from 96 buyers and 49 purchase pals with the help of structured questionnaire. Besides, 6 saree and suit shop were also observed for study. From analysis and interpretation of data, he concluded that 83.33% of buyers used purchase pals, and the role of purchase pals is quite important in the choice of store, bargaining, purchase talk, final choice and reduction

of post purchase dissonance as to price. Their role in choice of style and colour is found comparatively less important.

Yogesh Pant had carried out a research entitled “A Study on Brand Loyalty” (Pant, 1992: 86) in 1992 with the major objective of study to examine brand awareness of the Nepalese consumer and to identify the correlates of brand loyalty especially on low-involvement product. For this purpose, primary data were collected from 100 consumers with the help of well-structured questionnaire. The major findings were:

- a. Most of the Nepalese consumers are brand loyal. However, the percent of the consumers showing strong or entrenched loyalty is very low.
- b. Brand loyalty varies across consumers as well as products. Brand loyalty is relatively higher in the products that are frequently needed than those, which are needed or use less frequently.
- c. The consumers belonging to 26 to 40 years of age are more brands loyal than those belonging to any other age group.
- d. The consumers belonging to the nuclear family system are comparatively more brands loyal than those belonging to the joint family.
- e. Brand loyalty is strongly associated with consumer’s income and not store loyalty.
- f. Brand loyal consumers are least influenced by special deals like samples, discount, coupons etc and price activity and advertisement.

Mr. Lal Bdr Baniya had carried out research entitled “A Study on Buyers’ Behaviour in Pokhara” (Baniya, 1994: 77) in 1994 with the major objective to reveal the buying pattern and purchase frequency of clothing and grocery, purchase location types of store used by buyers and to determine the criteria used by the buyers to choose particular product, brand, store and find their attitude towards bargaining. To serve above objective 100 questionnaires were filled up by British-Gurkha and local people.

The major findings were:

- a. The majority of British-Gorkhas and the large number of the local people use clothing of foreign, Indian and Chinese brand.
- b. As regards the purchase frequency of clothing, the majority of the British-Gorkha and the local people purchase clothing on half-yearly basis except jacket.
- c. So far as the criteria used to choose a product is concerned, quality, price and brand reputation seem to be the most determining criteria for choosing the clothing.
- d. As regard the criteria used to choose a brand, quality, price, producer's goodwill, advertisement and other's impression seem to be the decisive criteria for the choice of a brand. Beside this, prize scheme and packaging of the product also play an important role especially in the choice of grocery product.
- e. Availability of the wide varieties of quality goods, courtesy of salesman, price discount offered by the store and the location of the store are the most determining criteria for store choice of clothing.

Gopal Man Gurung had carried out research in the topic "A Study on Buyer's Behaviour of Indian Gorkhas and Local People: With special reference to Besishahar, Lamjung" (Gurung, 2003: 23) in 2003. The major objective of the study were to reveal the brand pattern and purchase frequency of clothing apparel, purchase location and types of shop used by buyers, to examine the criteria used by the buyers to choose a particular product, brand and shop and their preferences of importance and to find out their attitude towards bargaining and to compare the buying behaviour of Indian Gorkhas and local people. To serve these objective 170 questionnaires were collected from Indian Gorkhas and local people. The major finding were:

- a. Majority of the respondents used Indian and Chinese branded clothing apparels. The main reasons for selecting these brands were price, quality and easy availability.
- b. Clothing apparels were bought on either the half-yearly or the yearly basis.
- c. Concerning to purchase location local market seems to be the favorite place for purchasing.

- d. So far as the criteria used to choose a product is concerned price, quality, durability seemed to be the most prominent decisive criteria for a brand choice.
- e. Availability of wider varieties of clothing apparels attracts large number of consumers in the shop.

As none of the above studies were conducted on the topic "Buying Behaviour Of Cigarette In Kathmandu Valley". So, the present study would be fruitful for the researcher and planners.

CHAPTER-III

RESEARCH METHODOLOGY

Research methodology is a way to systematically solve the research problem. It will facilitate the research work and provide reliability and validity to it. Research methodology employed in this study is presented below.

3.1 Research Design

The present study is exploratory in consumer habit. The main aim of this study is to reveal the buying behaviour of cigarette in Kathmandu Valley. Therefore a survey research design is applied for this study.

3.2 Nature and Sources of Data

The data used in this study are primary in nature. The only and ultimate source of the primary data is the respondent and the respondents for this study are the buyers or the product (cigarette) selected for the study. Thus, all the data required for the study are collected directly from the chain smoker and smoker of the products as well as the sales person of the tea shop, pan pasal, cold store and departmental store.

3.3 Sampling Plan

Sampling plan consists of target population, sampling unit, size and sampling method.

3.3.1 Target Population

The target population of the study consists of consumers as well as the sales person of outlet of different part of Kathmandu Valley. The consumers taken into consideration are from the Bauddha, Baneshwor and Putalisadak of Kathmandu valley and the outlet also from different shop present in this area. In total 5 departmental stores and mini marts, 35 cold stores, 20 tea shop and 15 pan pasal are included in this research.

3.3.2 Sampling Unit

The research is only done taking consideration of smoker only of Kathmandu Valley i.e. Bauddha, Baneshwor and Putalisadak in different age group.

3.3.3 Sampling Size

The target population of this study is large. From the whole population only 175 samples are taken, Out of which, 100 from consumers and 75 from the outlets are included in survey. The total population of Kathmandu valley is above 2.5 million.

3.3.4 Sampling Method

Judgmental sampling method is used in this study. All samples were selected by this method. The logic behind using judgmental sampling for this study is a large size of population and non-availability of data on exact number of population. In addition, time and resource constraints have compiled by the researcher to adopt judgmental sampling method.

3.3.5 Data Collection Procedure

The data have been collected through a self-administered questionnaire survey at respondent's place at mutually convenient time. The respondents were supported by oral explanation at point where they get confused or unable to understand any content of the questionnaire. Sample of questionnaire is given at Appendix I & II. A few additional questions were asked for proving. Besides this, the researcher has personally observed the buying activities of the smoker in some outlet.

3.3.6 Method of Analysis

The collected data are thoroughly checked, compiled, and presented in appropriate table to facilitate analysis and interpretation. Analysis is done descriptively as well as statistically. For the statistical analysis, statistical tools as percentage rank and Spearman's co-relation coefficient are used.

CHAPTER-IV

DATA PRESENTATION AND ANALYSIS

In this chapter, the data collected from the respondents are presented, analyzed and interpreted according to the objective of the study. The first section of this chapter incorporates the respondent's profile and the remaining section contains objective wise analysis and interpretation of data.

4.1 Consumer survey

4.1.1 Respondent's Profile

Table 4.1: Response Received

Place	Questionnaires	Percentage
Kathmandu Valley	175	100%

As evident from table 4.1, out of the total number of questionnaires distributed, 100% responses were received from target respondents. The questionnaire was prepared to attain some demographic information relating to age.

4.1.2 Age Group Profile

Table 4.2: Age Group Profile

Age Group	Consumer's	
	No.	Percentage
15-25	45	45%
25-40	30	30%
40 above	25	25%
Total	100	100%

Source: Field Survey, 2012

The above table 4.2 shows the age group of respondents who participated in the research work. According to above table, 45% of respondent were between 15-25 years of age group, 30% respondents were between 25-40 years of age group while 25% were in above 40 years age group.

Here we conclude that the highest percentage of respondent i.e 45% were from 15-25 age group while 25% is the lowest respondent from 40 above age group.

4.1.3 Table of Outlet Visited

Table 4.3: Nature of Outlet

Outlets	No. of visit	Percentage
Department store & mini mart	5	6.67%
Cold store	35	46.67%
Tea shops	20	26.66%
Pan Pasal	15	20%
Total	75	100%

Source: Field Survey, 2012

Table 4.3 shows the outlet visited from different part of Kathmandu Valley i.e Baneshwor, Putalisadak and Bauddha area. Respondent were visited and asked to give information to fill up the seller's questionnaires. 75 outlets were considered. Out of total outlets 6.67% Department Store, 46.67% Cold Store, 26.66% Tea Shop and 20% are Pan Pasal.

4.2 Preferred Time and location for Purchase

This study has been guided by four objectives. In order to meet these objectives the collected data have been analyzed and interpreted on objective wise basis. The first objective of this study is to find the time, day and location that are preferred by the consumer for the purchase of cigarette. To achieve the objective the respondents are asked to specify the location and time to purchase cigarette to consumer as well as the sellers. Thus, data relevant to this objective have been analyzed and interpreted separately.

The analysis of outlets where consumer 15-25 age group generally prefers to shop for cigarette in collage areas' tea shop and cold store, 25-40 age group in office areas' tea shop and cold store and 40 above age group purchase cigarette when they need.

4.2.1 Preferred time for purchase in department store

Table 4.4: Preferred time in department store

Time	Percentage
Morning	10%
Afternoon	45%
Evening	45%
Total	100%

Source: Field Survey, 2012

Table 4.4 shows that consumption of cigarette in the department store. In the morning consumption is 10%, in the afternoon and evening consumption is 45%.

4.2.2 Preferred time for purchase in cold store

Table 4.5: Preferred time in cold store

Time	Percentage
Morning	20%
Afternoon	50%
Evening	30%
Total	100%

Source: Field Survey, 2012

Table 4.5 shows the consumption percentage of cigarette in cold store. Consumption in the morning 20%, in the afternoon it is 50% and in the evening it is 30%. Consumption of cigarette in cold store is high in the afternoon and low in the morning.

4.2.3 Preferred time for purchase in tea shops

Table 4.6: Preferred time in tea shops

Time	Percentage
Morning	45%
Afternoon	30%
Evening	25%
Total	100%

Source: Field Survey, 2012

Table 4.6 shows that consumption percentage in the morning is 45%, afternoon it is 30% and in the evening it is 25%. Hence it is concluded that the consumption is high in the morning time.

4.2.4 Preferred time for purchase in Pan Pasal

Table 4.7: Preferred time in Pan Pasal

Time	Percentage
Morning	20%
Afternoon	35%
Evening	45%
Total	100%

Source: Field Survey, 2012

Table 4.7 shows that consumption percentage in the evening is high that is 45%, in the afternoon it is 35% and in the morning it is 20% only.

4.3. Preferred Brand and Size of Cigarette

In cold store, tea shop and pan pasal who sales stick sale is more than pack, they contribute as below.

4.3.1 Largest consumed Cigarette Brand

Table 4.8: Consumed Cigarette band in Cold Store, Tea Shop and pan Pasal

(per day in percentage)

Surya Classic	24 Carat	Surya	Shikhar	Khukuri	Pilot	Bijuli	Sahara	Josh	Marlboro	Others	Total
0.22	0.26	34.46	18.27	4.69	32.89	3.34	2.08	2.34	1.82	0.56	100

Source: Field Survey, 2012

By this table, we see Surya is most popular brand so it takes larger market and pilot is also popular. Other brands also running in market, they are also in increasing position in the market.

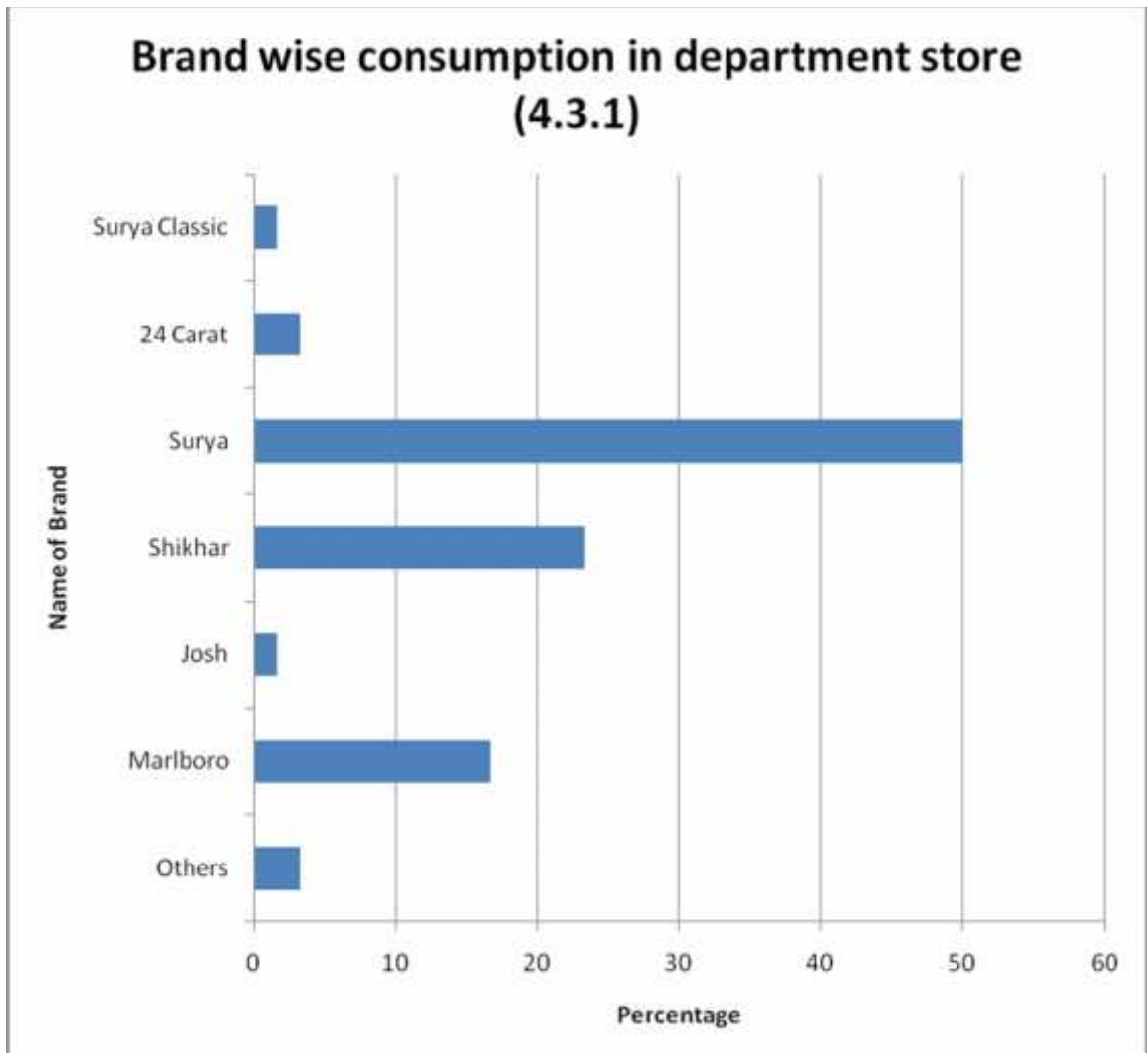


Table 4.9: Largest Consumed Cigarette Brand in department store

Surya Classic	24 Carat	Surya	Shikhar	Josh	Marlboro	Other	Total
1.66	3.33	50.0	23.33	1.66	16.66	3.33	100

Source: Field Survey, 2012

In department store also, Surya is the largest brand. As department stores are visited mostly by the customer having high purchasing power so consumption of Marlboro is also higher than in cold store, pan pasal and tea shop.



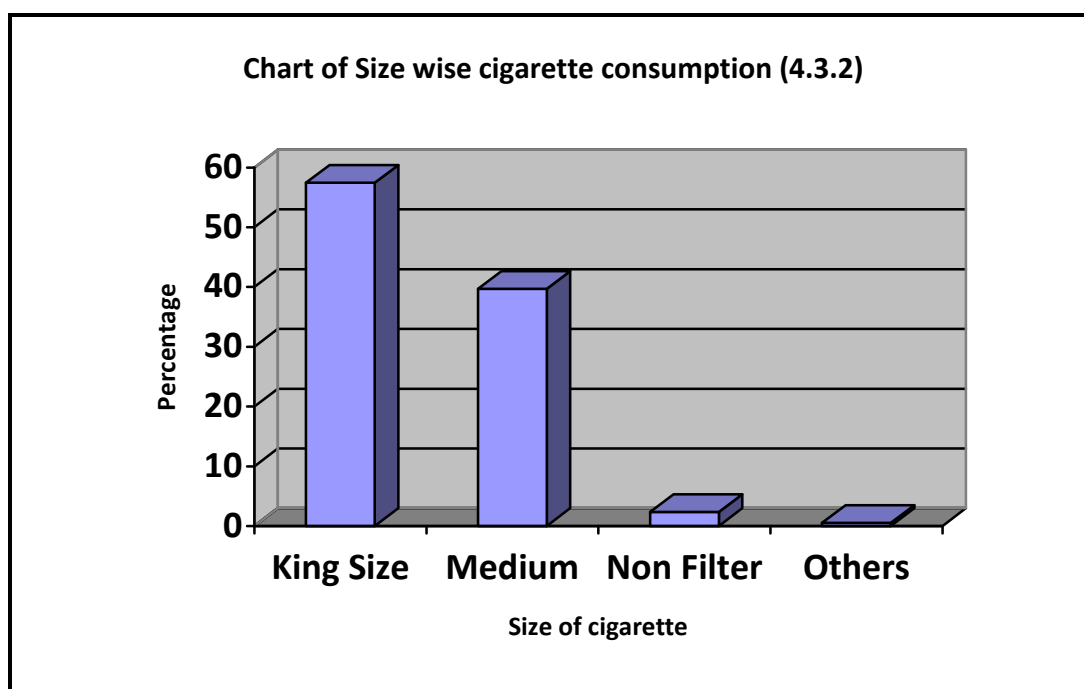
4.3.2. Largest Consumed Size of Cigarette

Generally in Kathmandu valley we get three size of cigarette 1st is king size (74 to 85mm) 2nd is medium size (up to 70mm) and 3rd is non filter. In cold store, tea shop and pan pasal, volume of king size cigarette is larger than other size.

Table 4.10

King Size	Medium Size	Non Filter	Other	Total
57.44%	39.68%	2.34%	0.52%	100%

Source: Field Survey, 2012



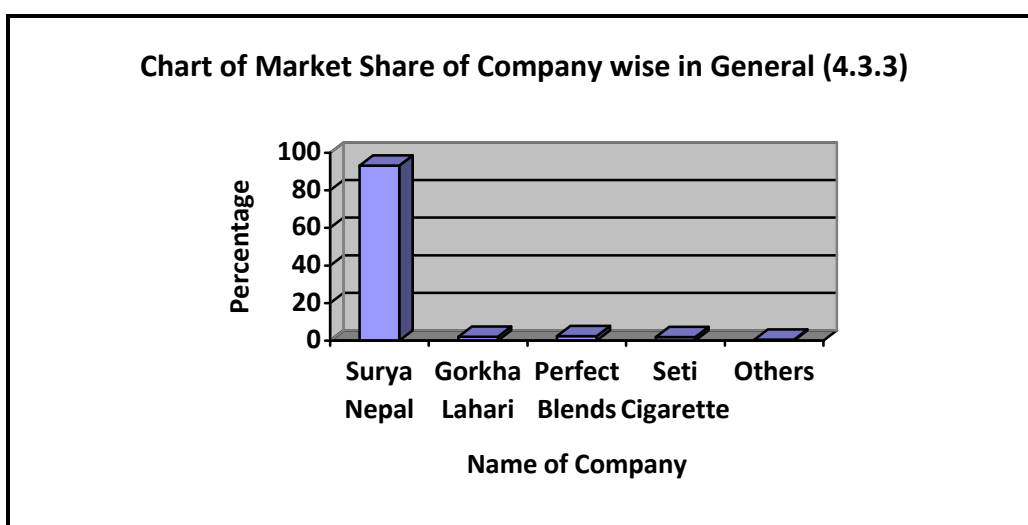
4.3.3. Market Share of Cigarette Company wise in general trade

Generally, here 3 companies produce cigarette and some are import foreign brands cigarette in market. In general trade most of Surya Nepal has covered because they have many more brands so other company can't competition with them, now in prefect blends is also produce new brand. A rounding 25 brands are available in market.

Table 4.11

Surya Nepal	Gorkha Lahari	Perfect Blends	Seti Cigarette	Others
93.20%	2.08%	2.34%	1.82%	0.56%

Source: Field Survey, 2012



4.4 Age Group Consumption Pattern

The third objective is to find the consumption pattern of cigarette by the different aged consumer. To serve this objective respondent were asked to specify the brand and size of cigarette. On the basis of data specified by respondents following components have been presented.

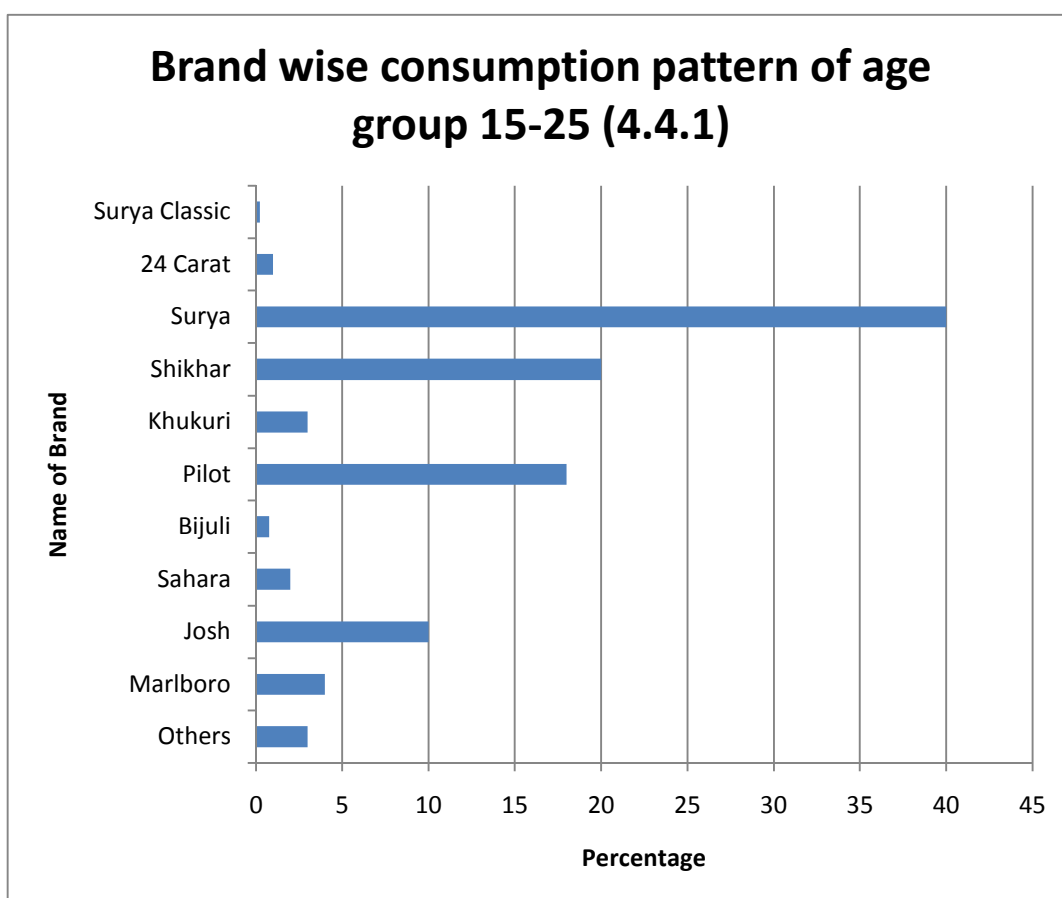
4.4.1 Consumption Pattern of the Age Group 15-25

In age group 15-25, most of students and geysers so they smoke with friend or alone in college area's tea shop or cold store. They preferred stick consumed of king size brand. They always give priority in size and other so we see in 15-25 age group consumer mostly use king size brand. Consumption pattern is below.

Table 4.12: Brand wise consumption pattern of age group 15-25 (Percentage)

Surya Classic	24 Carat	Surya	Shikhar	Khukuri	Pilot	Bijuli	Sahara	Josh	Marlboro	Others
0.22%	1.0%	40.0%	20.0%	3.0%	18.0%	0.78%	2.0%	10.0%	0.4%	3.0%

Source: Data survey, 2012



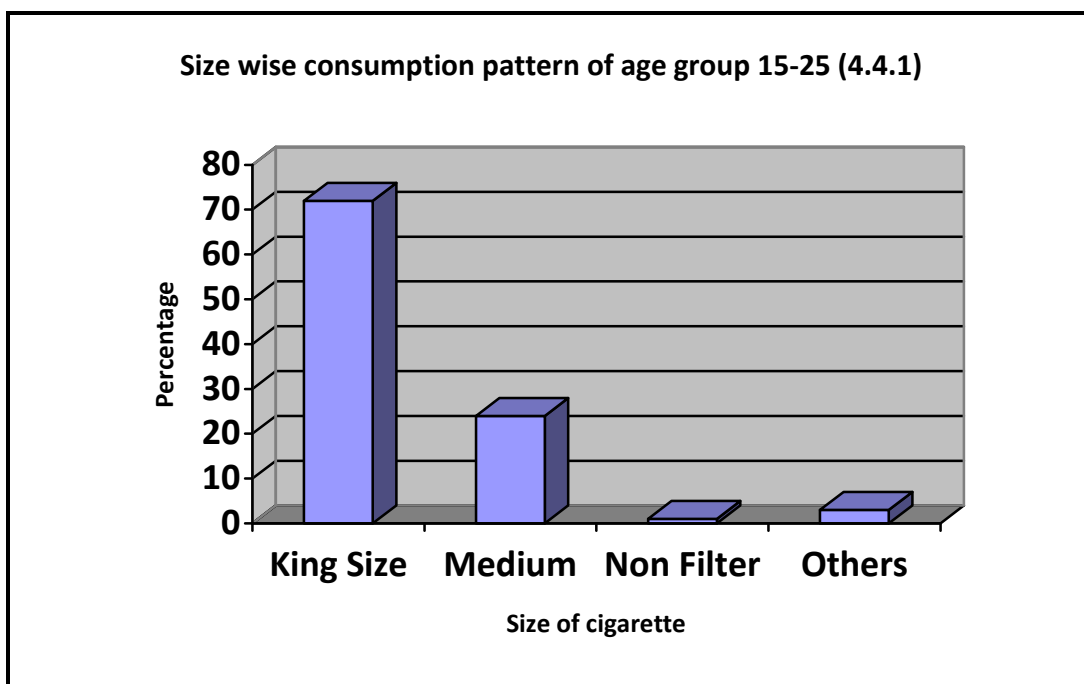
Size wise consumption pattern of age group 15-25 (Percentage)

In age group 15-25 generally we found by research mostly of consumer use king size filter and some or use other foreign brands also. Data are in below.

Table 4.13

King size	Medium size	Non Filter	Others	Total
72.0%	24.0%	1.0%	3.0%	100%

Source: Data Survey, 2012



4.4.2 Consumption Pattern of the Age Group 25-40

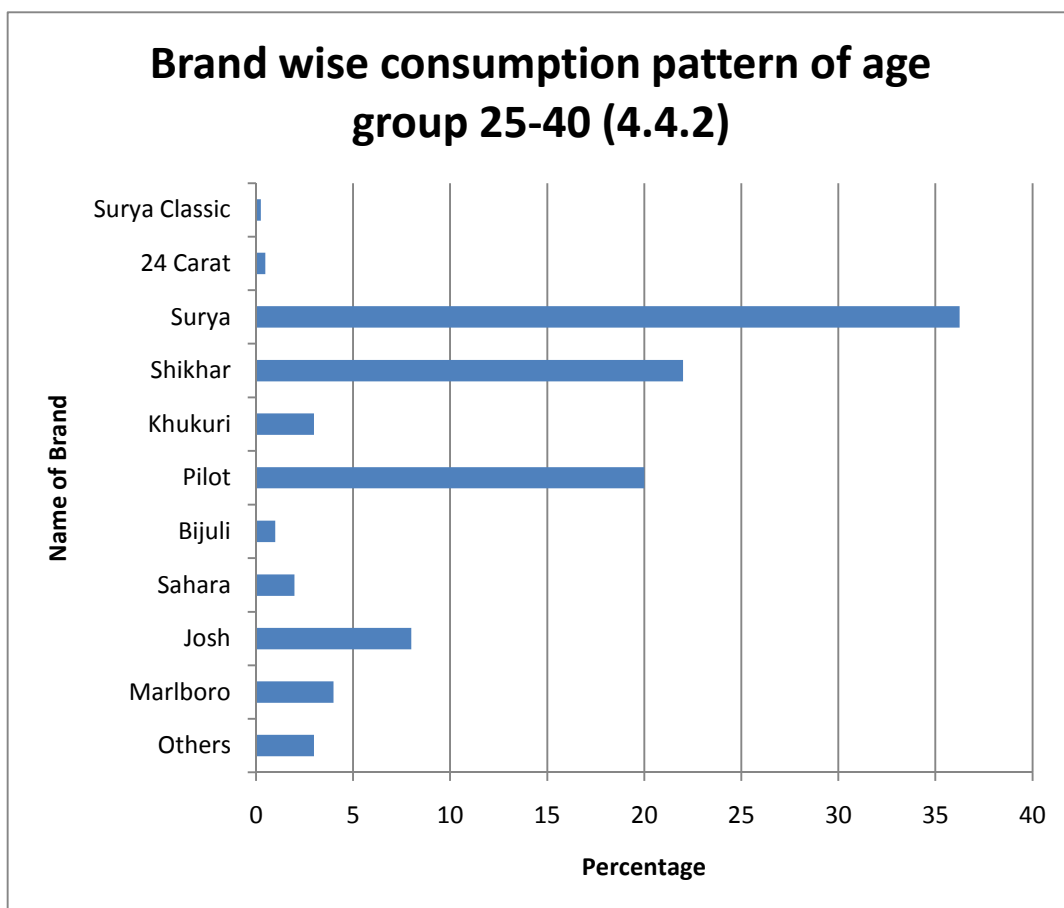
In age group 25-40 most of the respondents are students and job holder so they smoke with friend or alone in college and office time in tea shop or cold store. They preferred stick consumed of king size brand. They always give priority in size and brand so we see in 25-40 age group consumers mostly use king size brand. Consumption pattern is below.

Brand wise consumption pattern of age group 25-40 (Percentage)

Table 4.14

Surya Classic	24 Carat	Surya	Shikhar	Khukuri	Pilot	Bijuli	Sahara	Josh	Marlboro	Others
0.25%	0.5%	36.25%	22.0%	3.0%	20.0%	1.0%	2.0%	8.0%	4.0%	3.0%

Source: Data survey, 2012



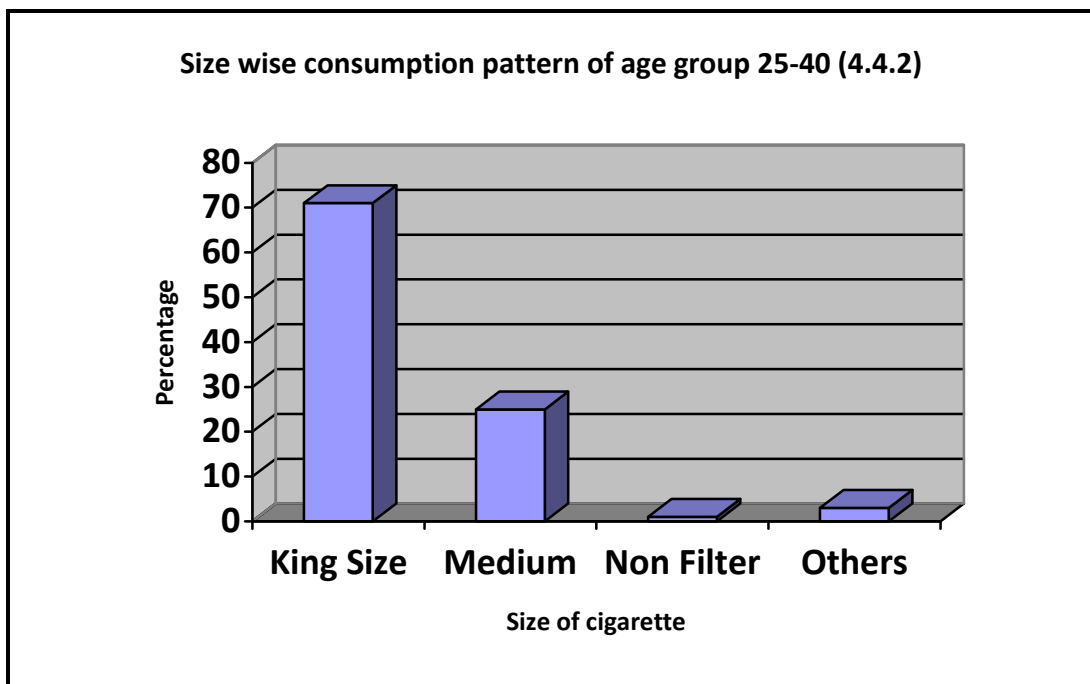
Size wise consumption pattern of age group 25-40 (Percentage)

In age group 15-25 generally we found by research mostly of consumer use king size filter and medium size also increasing in this age group. Data are in below.

Table 4.15

King Size	Medium Size	Non Filter	Others	Total
71.0%	25.0%	1.0%	3.0%	100%

Source: Data survey, 2012



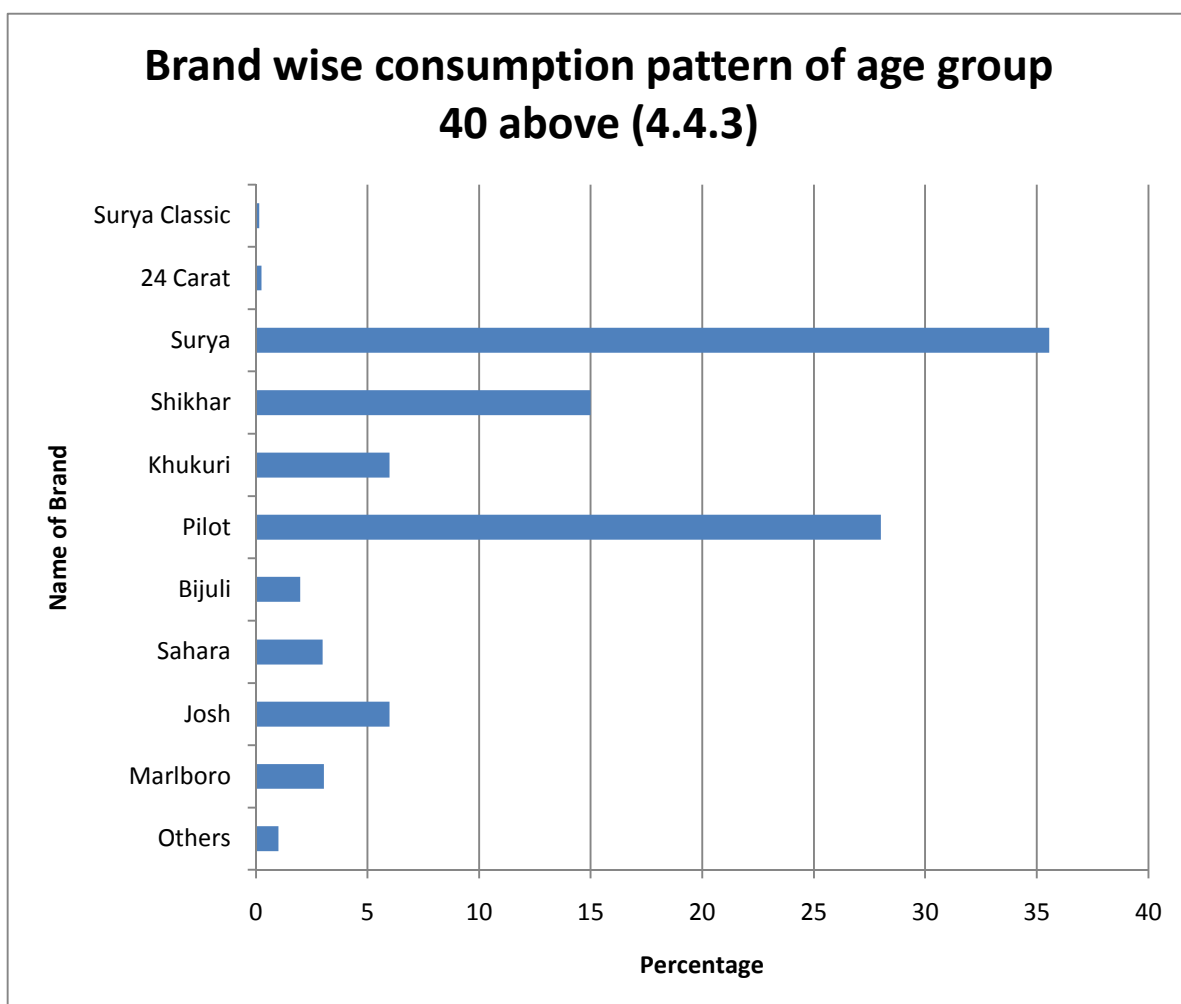
4.4.3 Consumption Pattern of the Age Group 40 and above

After 40 mostly of people are mature so they do what they need. In this age group's consumer are use cigarette in office time or in home because they think freedom. We get in this age group consumer are brand loyalty and give priority to price so we found in data mostly consumer use medium size cigarette but now they are going to divert in king size cigarette like surya, josh etc.

**Table 4.16: Brand wise consumption pattern of age group 40 and above
(Percentage)**

Surya Classic	24 Carat	Surya	Shikhar	Khukuri	Pilot	Bijuli	Sahara	Josh	Marlboro	Others
0.15%	0.25%	35.55%	15.0%	6.0%	28.0%	2.0%	3.0%	6.0%	3.05%	1.0%

Source: Data survey, 2012



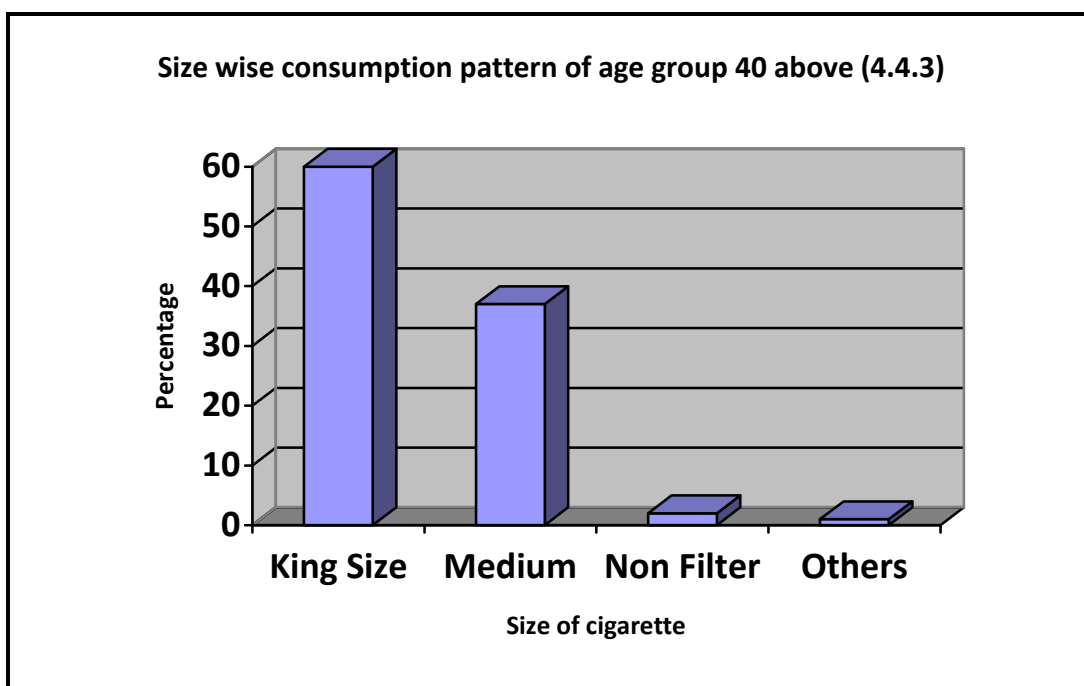
Size wise consumption pattern of age group 40 and above (Percentage)

In age group 40 and above generally we found medium size is popular than other but now in a day shortage of Janakpur cigarette factory's product, they are diverting in kings size and other.

Table 4.17

King Size	Medium Size	Non Filter	Others	Total
60.0%	37.0%	2.0%	1.0%	100%

Source: Data survey, 2012



4.5 Major Findings

- a. The maximum respondents fall under the age group 15-25 while doing survey.
- b. The number of male participants was higher than female participants.
- c. Most of the participants were educated.
- d. Most of the consumers prefer smoke in morning time in tea shops.
- e. Most of the shoppers keep weight stock for 1-5 days.
- f. Most of the sellers buy cigarette bought by cycle persons.
- g. The largest selling brand in king size is Surya, in medium is Pilot and non filter is Bijuli.
- h. Surya Nepal's market share is lager than other company.
- i. Mostly, age group 15-25 and 25-40 smoke king size cigarette and age group 40 above smoke medium size cigarette.
- j. In departmental store and mini mart only sale pack or box but in cold store, pan pasal and tea shop sales stick more than pack.
- k. From the consumer point of view Flavor is the most important factor that they consider while purchasing cigarette and that attribute is followed by brand, size, price and other factors.
- l. Most of the sellers are unknown about brand, flavor and size of cigarette.
- m. In Kathmandu valley, king size attribute 57.44%, Medium size attribute 39.68%, Non filter size attribute 2.34% and 0.54% other.
- n. Similarly in company wise, Surya Nepal cover 93.20%, Gorkha Lahari 2.08%, Prefect Blendes (Josh) 2.34%, Seti cigarette 1.82% and other 0.56%.
- o. Only of high purchasing power consumer buy in departmental store and mini mart so they buy in pack or box.
- p. Lack of Jankpur cigarette factory's production, consumer who use Yak, Gaida, Deurali etc diverting other medium size or king size.
- q. Most of the respondent started smoking from the age of 15-25. Some respondent had also started smoking from the age of above 40.
- r. Most of consumer want to smoke own brand because they habituate a single brand.
- s. Ladies smoker mostly preferred light flavor cigarette but male smokers prefer hard flavor cigarette.

In this research, I had visited Baneshwor, Baudha and Putalisadak area which is not enough for 100% fact data. Certain brand of cigarette like Marlboro is popular in Thamel area and also sales rate is higher comparing with other brands of cigarette. So this data are way or guide for new researcher who want to research about cigarette.

CHAPTER-V

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

A marketer's job is to convert societal needs into profitable opportunities. Our society is a study in diversity, but in spite of prevailing diversity, there are also many similarities, which make it possible for marketers to design marketing strategies that influence consumers who are similar in term of some relevant product interest or characteristics. The study enables to the marketer to promote and predict the understanding, which is essential to set up proper marketing mix. Today consumer behaviour has become an integral part of strategic marketing. However, such practice of investigation and exploration on consumer buying behaviour are too rare or entirely absent in Nepalese business perspectives.

In such a circumstance, an attempt has been made in this work to study the buying behaviour of cigarette in Kathmandu Valley special reference to the consumer of Kathmandu and the sellers of different places in Kathmandu Valley. The underlying objectives of the study are: time, day and location that is preferred by the consumer for purchasing cigarette to whom the order is placed and volume of order placement; find out the most preferred brand and size of cigarette in the market and their market share; to find the potential buyers that actually purchases the product and the attributes used to choose the product; to find the consumption pattern cigarette by the different aged consumer. To serve these objective 175 questionnaires were filled on which 100 were filled by the consumer and the 70 by the sellers or the person representative in the shop who are responsible for selling the products. The collected data were completely analyzed and interpreted on objective wise and the major findings are given.

5.2 Conclusion

On the basis of major findings following conclusions have been drawn:

- a. Generally, most of the sellers don't have information about size and flavor of cigarette whereas most of the buyers will have all the information like brand, size, flavor, price and quality of cigarette.
- b. It is noticed that the age group of 15-25 years are the one who starts smoking cigarette for pleasure in the beginning and later on it becomes habit. Generally they start smoking for the first time with the friends.
- c. In tea shop, pan pasal and cold store, there is high sale of sticks compared to pack sale. In tea shop sales rate is high during morning and evening time while in pan pasal and cold store, sales rate is high during day time. In department stores, pack sale and box sale is high and it may be due to high purchasing ability of consumers.
- d. In Kathmandu valley, king size cigarette is highly sold in VIP areas, in inner parts and little undeveloped areas king size, medium size and non-filter cigarette are sold.
- e. Thus 15-25 age group consumers preferred king size, age group above 40 preferred medium and now a days consumer of non-filter are converted into medium. Hence, in Kathmandu Valley consumer of king size is found 1st position, medium size in 2nd position and non filter in 3rd position. Similarly medium size consumption is in 1st position out of ring road and out of valley.
- f. Now a days, due to irregular production of Jankpur cigarette factory, brand like Yak, Gaida, Deurali are replaced by medium size other brands. Surya, Shikhar, Marlboro, Josh and Pilot cigarette are taking market. Along with this, sale of Khukuri (medium size) also found to be decreased very badly.
- g. Among 15-25 and 25-40 age groups, each person was found to be taking 5-20 sticks per day with friends in office or collage time and above 40 age groups smoke 10-15 sticks per day without hesitation at home. Almost all consumers use their own brand of cigarette but if they don't get it, they smoke another brand of cigarette for refreshment.
- h. Generally ladies smokers prefer light flavor of cigarette but male preferred hard flavor.

- i. Very few consumers keep stock cigarette with them and most of the consumers purchase cigarette from cold store, tea shop, pan pasal when they want to smoke.
- j. In shops, according to need of smokers all brands are available and sellers prefer to stock most consumable brand more. Along with this, shopkeepers prefer to keep stock of cigarette which is regularly visited by the company person and due to fear of unavailability in need, they don't prefer to keep cigarette which is not visited by company sales people.
- k. In average, sales rate in a tea shop is 300-400 sticks, in cold store 200-300 sticks and in pan pasal 100-200 sticks daily. The consumers may be either regular or foot path walkers for tea shop, pan pasal and cold store. But in department stores sales rate will be 10-20 packets per day as they have only regular customers.
- l. Generally, sales rate is different in summer and winter season. In summer, sales rate is lower than in winter season.
- m. Few Outlets don't sale other brands than certain specific brand due to scheme of company policy, shop decoration as well as their relation with sales representatives. Thus they enhance push-sale also.

5.3 Recommendations

On the basis of conclusion following recommendations have been made:

- a. All the data for research were collected from few parts of Kathmandu valley that is from Putalisadak, Baudha and Baneshwor. Since the sales rate of cigarette in different part of valley is different in this research so the result may not cover 100% fact. Hence, area coverage seems to be necessary for detailed fact.
- b. Due to lack of complete data information among given area this can't be taken as 100% accurate hence proper data enables to get the accurate cigarette consumption behaviour.
- c. Due to lack of proper distribution, certain consumers are not getting their preferred brand hence attention should be given to distribution for availability.

Finally, it is suggested to the scholars and the researchers to conduct research on buying process and brand loyalty aspect of the consumer of Kathmandu Valley by taking large samples.

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APPENDIX I

Questionnaires for consumer

I am Kabita Maharjan, student from T.U. and going to conduct a survey of the partial fulfillment of Masters Level on Buying Behaviour of Cigarette. I assure you that all response and reliable data will be kept confidential and will be used only for my study.

Name:

Address:

Education:

Sex:

1. What is your age group and you started smoking from which age?

(*15-25, 25-40 up to 40,*)

2. How many sticks do you smoke in a day? (*.....stick*)

3. Do you know about brand and size of cigarette? (*Yes No*)

4. Which time do you to prefer smoke generally?

(*Morning tea time after lunch evening*)

5. Which cigarette brand do you use and for how long you are smoking this brand?

(*.....,*)

6. Where do you buy cigarette generally?

(*Tea shop Cold store Pan pasal Department store*)

7. How did you start smoking first? (*With friends with family Alone*)

8. Do you carry cigarette in pocket or buy it in shop when you want to smoke?

(Carry, Buy)

9. If you don't get your brand, do you smoke other brand also or not?

(Yes No Some time)

10. What is the factor which you give priority when you buy cigarette?

- | | | | |
|-------------------|--------------|-----------------|--------------|
| <i>1. Flavor</i> | <i>.....</i> | <i>2. Brand</i> | <i>.....</i> |
| <i>3. Quality</i> | <i>.....</i> | <i>4. Price</i> | <i>.....</i> |
| <i>5. Size</i> | <i>.....</i> | <i>6. Other</i> | <i>.....</i> |

Have you any information about cigarette and smoker?

.....

APPENDIX II

Questionnaires for sellers

I am Kabita Maharjan, student of MBS from T.U. and going to conduct a survey for partial fulfillment of Master Level on Buying Behaviour of Cigarette. I assure you that all response and reliable data will be kept confidential and will be used only for my study.

Name:

Address:

1. Which brands of cigarette do you sale here?

.....

.....

.....

2. How many cigarettes do you sale in a day and how many brands?

(Total packs, Brands, Brand wise)

3. Sale of stick is more or of packet? (*Pack Stick*)

4. In which time the sale is largest? (*Morning After noon Evening*)

5. What is the age group of consumers? (*15-25 25-40 Up to 40*)

6. Do consumers come repeatedly or only once? (*Repeatedly Only one *)

7. Do you know about brand and size of cigarette? (*Yes No*)

8. For which brand sale is increasing and for which brand sale is decreasing in your shop?

(Increasing)

(Decreasing)

9. Do you have all local brands and sizes of cigarettes? (*Yes No*)

10 How much stock weight do you keep and in which condition?

(for per day per week or above)

(shortage with schemes when price is going to high)

11. If you don't have certain brand, do you sale other brand? (*Yes No*)

12. In case if you give, do consumers accept it? (*Yes No Rear case*)

13. Do you push-sale any brand, if yes in which condition? (*Yes No Some time*)

(Cause of Margin Cause of shortages Cause of relation with company person)

14. Which factor consumer gives more priority when they buy cigarette?

1. Flavor 2. Brand

3. Quality 4. Price

5. Size 6. Other

Have you any information about cigarette and smoker?

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