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PRODUCT OF DANIEL WELLINGTON, CUSTOMER PERSONALITIES AND MOTIVATIONS IN ATTITUDE FUNCTION
-Implication for Consumer Behaviour in Nepal

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This is an era where people’s life has been ruled by technology. Mankind has become so much fond of technologies that their entire life depends on it. Mobile phone is one of the greatest examples. These days mobile phone has been a basic device that one must possess. Since the day of invention up to now, mobile phone has replaced many other products like camera, calculator, calendar, watch etc. The mobile phone is always connecting with friends, families and customers. That’s why consumers are closer for brands and get influence with families, friends and advertisements. Especially for Asian markets mobile marketing has grown and gets involved with the customer daily life.

This research explains how young consumer in Nepal has a willingness to buy an expensive Daniel Wellington with a positive attitude. It focuses on their buying behavior and how social media affect and influence the buying behavior. Moreover, buying behavior of young consumer with the age 20-30 was analyzed by considering present situation of Nepal.

Hence, the research was conducted in the context of Nepal to understand influencing factor to buy Daniel Wellington among the young consumer. Survey and interview was conducted to help the findings and result. Survey has 25 participants. Since the young consumer only cannot represent entire population so the analysis was done on the base of assumption and conclusion was drawn.

The main purpose of this research is to outline the influencing factors for young consumers buying behaviour, which is opposite to the traditional and cultural function. The analysing people’s behaviour on the way they purchase we can identify the lifestyle of the people. This is interesting to analyse if the brand has any importance on people’s purchasing behaviour and if it is a positive or a negative influence. Like this case study has present that a young generation is more than connected to maintain relationships and make brands like in this study Daniel Wellington. They have shared their experiences with each other’s on Social Media channels for example Facebook and they want to show their lifestyle and success with others. This is important for brands like Daniel Wellington to understand especial young Nepalese customers behaving.
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APPENDICES
1. INTRODUCTION

Market researchers use a variety of techniques to learn about consumer. For example, focus groups, survey, experiments have longed helped marketers develop more effective strategies. However, it is not always easy to dig the consumer’s mind. Consumer behaviour is vibrant because the thinking, feelings, and actions of individual consumer, targeted consumer and society at large are constantly changing. Because of this constant change it is tougher than ever to attract consumer’s interest.

The market for every product has been full of competition. There are so many brands either luxury or regular, and choosing one particular brand for a consumer has been a tough decision. And overcoming all those obstacles, Daniel Wellington an inexpensive yet elegant watch company has gained lot of popularity among the youth all over the world.

Nepal is a small country with low GDP per capita of 2312.39USD in 2015 (Website of Trading Economics; Referred 2.3.2017.) and a high population of 29 million. In Nepal Daniel wellington is referred as an expensive watch (though not luxury), and this brand watch has earned huge youth followers in a short period of time.

So the main purpose of this research is to outline the influencing factors for young consumers buying behaviour, which is opposite to the traditional and cultural function. And by analysing people’s behaviour on the way they purchase we can identify the lifestyle of the people. This is interesting to analyse if the brand has any importance on people’s purchasing behaviour and if it’s a positive or a negative influence. As Kozinets (1999) has explained, it is required in order to understand better the potential customers and their needs, but also to understand the mechanism of decision-making and purchase. This is necessary especially today with the culture of the immediacy and novelty that is in tune with a young generation more than connected to maintain relationships and make brands like in this study Daniel Wallington.
1.1 Objectives of research

Objective of this thesis is to point out the various factors influencing the consumer buying behavior when they purchase a watch or a product of DW. With the increase of brand popularity young people have become the major consumer of DW. Social media has played a major role for increasing popularity among people too. Hence, it will also identify the attitude of citizen towards the modernization which is being introduced by various international companies via their brands. The actual generation of consumers, with the rise of the digital like Social Media channels requires big changes from companies, as Internet affects the advertising and communication process. China’s internet users used social media channels like We Chat, Weibo and Renren (Chiu, LP & Silverman, 2012), which mean that companies perspective, the numbers of studies shows that Chinese people are participated in online discussions about the companies, which makes social media for companies an interaction tools with the customers.

Even after being considered as poor country people’s life there have been highly influenced by the foreign brands. The Daniel Wellington brand image is a mental picture retained in a Nepalese young customer’s mind when they encounter the brand name. This thesis will focus on particular brand, Daniel Wellington which has been able to gain a lot of popularity in Nepal recently. The thesis aim is to utilize and identify the various outcomes like decision making process before purchase, the major influencing factor about the Daniel Wellington brand and investigation of consumer behavior of the brand.

The research aims to identify the following objectives;

- Why young Nepalese perceived brand value with a positive influence on their willingness to pay for DW brand?
- How does social media affect influence the desire of purchasing DW?
1.2 Scope and limitation

All the information covered in this research is from academic journals, newspaper articles, books and internet. As the purpose is to identify consumer behavior, the survey will answer the most of the questions. According to the title and the objective of the research, the research is based on customer perspective, since there is no wrong or right perspective the answer to the question cannot be limited.

The scope of the research can be related only to the youths, so to narrow down the research the survey is done among the age group of 20-30, the survey is conducted via Facebook within the friends and families.

As Nepal has the lowest GDP Per capita in south Asia (UNCDF, 2017) the people have a low income and not all can afford expensive DW. The main limitation for this research is economic status or a family background. Also people living in different region may not have a same perspective or desire. This can affect the research in a huge way, but since both parts plays a major role to decide buying behavior this is considered as a limitation and will be evaluated as a final result.

1.3 The structure of the thesis

This thesis consists of 4 main chapters. Chapter 1 represents the structure of the thesis divided into 4 parts. It explains the background of the theory and its structure. It aims to answer the objectives for conducting the thesis. Through primary and secondary data collection method, the objectives have been answered.

Chapter 2 consists of the theoretical part, where the case company has been discussed by separating into various marketing strategies and benefits. This chapter explains all about the case company DW and their strategies of marketing. The next chapter explains about the Nepalese market. The chapter explains the market situation of nepal, including the life style, preferance and culture.
Chapter 4 involves the main theoretical part where customers and their behavior have been explained. This part has been divided into 6 smaller parts where Consumer buying behavior, Consumer analysis, Marketing stimuli, Influencing factor, Buyers decision process and Social, class, status has been illustrated in the context of decision making process. A systematic approach has been revealed on how the individual engage in the potential market transaction before, during and after the purchase.

Chapter 5 explains about research methodology. The process of data and information collection has been discussed in this chapter. There are two sub headings research data and sampling design. In research data we can know about the data collection method while in sampling design the process and the reason for the sampling is explained.

The most important part of this report is chapter 6 which analyses all the other chapter and explains about the result. This chapter answers the main objectives of this thesis why nepalese purchase DW and how has social media influenced the buying behavior based on the participant’s answer on the survey. Following by the chapter 7 Conclusion where the thesis has been summarized with limitation and furthur studies.

1.4 Theoretical Framework

There are two factors which have major impact on consumers’ behavior. One is individual factors such as needs, awareness of brand identity and attitude toward brand selection. Attitude is the foremost factor that influences consumers, those who are satisfied with the brand, product quality and price have a positive attitude towards the product whereas dissatisfied consumers have a negative attitudes on purchase intention (Baltes et al. 2006). In addition, demographic factors, life style and personality have impacts on brand selection either. The other is environmental factors such as culture, sub-culture and direct contact group etc. Marketing organization also form an integral part of environmental factors. However, theoretical framework is setup based on the findingd of the survey and interview.
2 PRODUCT OF DANIEL WELLINGTON

Daniel Wellington is a Swedish watch company founded by Filip Tysander in 2011. This watch is known for their elegance and modest style. They have a leather straps and nylon nato straps too, which gives the feel of traditional watches which was its initial aim.

Daniel Wellington or DW makes watches that are both instantly recognizable and so generic they verge on invisible. They come with polished-steel or rose-gold-colored cases, in five sizes from a diminutive 26-millimeter to a medium-large 40mm. The dials are all white, with slim lines marking each hour and hands just wide enough to be legible. The only thing that noticeably sets DWs apart from each other is the strap, which comes in half-dozen colorful nyons and a few leather options, none flashy enough to mar the luxurious look. With a watch, you often pay extra for minimal but DWs are cheap, running from $149 to $299
Though the company is Swedish, the watches are made in China and the quartz movement is made by Miyota, a Japanese company (Bloomberg pursuits: referred March). That is the reason for their inexpensive price. Yet it is reliable.

A company that started in 2011 with $15000 is now worth $220 million which means that the company is selling its inexpensive watch against other countless brands. At this moment DW has 2.9m followers in Instagram from all around the world. They sell more than a million timepieces in a year.

2.1 Price

Since they are manufactured in China it is comparably cheap around world, but in Nepal the amount turns to be expensive. DW cost from NRS 20000-30000 which is unaffordable to many families.

Same design DW is imported from China directly, and these cost NRS 800-1000. These are imitation of original DW.

2.2 Quality

DW is elegant and simple watch with slim and none flashy design. They do not have a lot of different types of model but once in a while DW introduces a different design. The dials are all white with slim lines marking hours which is just enough visible. For every design the internal quartz movements, a battery and vibrating crystal to keep the time, comes from Miyota, a Japanese supplier popular with lower-price brands, because their products are reliable and they always have a massive inventory. The rest of the components are made and assembled in Shenzhen, a manufacturing hub.

The only thing that keeps all DWs apart is the strap. This comes in various colorful nylon and few leather options. Not flashy but yet luxurious.
2.3 Performance

Miyota is one of the renowned automatic wristwatch movement used by many watch makers. It is also a part of citizen group. Many watchmakers use Miyota to make their movement like: Camel, Citizen, Festina, and Invicta etc.

Most mechanical runs at 5 beats for sec (2.5 Hz) but miyota has 6 beats per sec (3 Hz). Accuracy is generally better on movements with higher BPH (Beats per hour).

Luxury and higher ends watches work with the movements with high beats per second. The best way to know the performance of the watch is to watch how smoothly second hand runs. The Higher the quality, smoother will be second hand.

Power reserve is the number of hour the watch will run even when fully damaged. Usually watches have power reserve for 30 odd hours but Miyota has 45 hour reserve. Even ETA the movement used by Swiss watch has only 40 hours reserved.

Since this movement has the record of accuracy, dependability and longevity it performs in an excellent way.

2.4 Public relation

Since 2011 DW has been able to grow its popularity among people worldwide. Within the short time they were able to impress people with their simple yet elegant watch which is not expensive yet luxurious. And because of their relation with public the company is now worth $220 million.

As said by Frans Sjo, business manager for U.S; DW is inspired by the upper echelons of the watch world but at a very accessible price point. They want everyone to be able to own a DW. Due to their consideration toward public, they have about 3 million followers in a single social networking site. DW doesn’t pay for traditional advertising but instead they give away their product as a gift to bloggers and social media stars.
3 NEPALESE MARKET OVERVIEW

Nepal is small country in southern Asia landlocked between India and China. It is surrounded by India in three sides and by China in one. Nepal has a complex geographical state due to which it has very vast physical diversity, so it’s divided into three main regions. Hilly, Mountain and Terai region.

Every region has its own significance. Mountain region is situated in the northern part of Nepal and covers about 25% of the total area. The climate is cold here and the topography is harsh due to which this is the least developed in terms of infrastructure, and is unsuitable for agriculture. While hilly part lies in the central covering 68% of the land. It consists of few developed cities. Terai region covers 17% of land but is most developed region. The fertile and aerable soil of terai region has given its identity as “bread basket of Nepal”. Due to this difference in culture, religion and geography within the country Nepal has not been able to create a better infrastructure though it has the potential.

Nepal is least developed country among southern Asia, with its GDP per capita of 2312.39USD in 2015. Because of the infrastructure difficulties the economic status of people living in different region is different. People living in hilly and terai region are more modernized than people in mountain region. Some people hardly survive while other spends luxuriously. In Nepal there are few villages where people hardly survive using the local facilities provided but whereas in cities there are many rich people who spend luxuriously. Because of this there might be a vast difference on factors effecting the consumer’s decision.

DW was introduced in Nepal about a few years ago. And since then it is still trending. (Accessories Nepal). According to Accessories Nepal, one of the most popular accessories shop people tends to buy the Fake DW more than they purchase the real one. The real DW is NPR 22000 and above, the fake one is only NPR 850- 2000. People who cannot afford to purchase the real one settle with the fake that comes directly from china. The shop has to refill their stock almost every month with the DW from china.
Earlier when people do not know about brand and trends, they use to use the local watches or anything thing that was imported from china and India. Titan has always been one of the most purchased watches before. Having a fancy watch from abroad was a big deal, and raised their status. Not many had the branded and expensive watch; china always exported its replica to Nepal. Lately, Due to internet and social media, people have become more aware about fashion, trends and brand. They know and feel the difference.

People in rural area are still unaware about the fashion and trends. With the huge population and difficult geography, it is a challenging job to provide internet service around every corner.

4 CONSUMER

Consumers are the individual who are responsible for buying the products and services in retail for their personal use and not for resale. They might not necessarily be a purchaser but are the end user in the distribution chain of goods and services. They are influenced by the marketing of the company and they are the ones who demand for the products so it is very necessary for any business to focus on their end users (Roth Z. and Petra K., 2015).

Consumer and their buying behavior is what make an organization running. As they are the one who purchase the services, satisfying the consumer is one of the main objectives of any business organization.

4.1 Consumer buying behavior

John A. Howard identified three types of buyer behavior; Habitual decision making, limited decision making and extended decision making. His approach takes into account the fact that consumer move through decision making at different speeds, depending on the particular situations in which they find themselves. (Schultz & Barnes, 1999)
In Howard model, the most complicated form of decision making is termed Extensive problem solving (EPS). Here consumers are dealing with the product category and brands that are new to them, such as buying a home for the first time. Because of the newness of the situation consumer want a great deal of information before making a decision. While in limited problem solving (LPS), consumers are faced with a new brand in a familiar product category. Here, consumers want some information on new brand so that they can evaluate it against familiar brand. In Routinized response behavior (RRB), the consumer is familiar with both the product category and the brands within the category. Because of the level of familiarity, there is little information searched and evaluated.

Howard argues that in all three problem solving process, consumer rely on brand concepts they’ve formed in their minds. Those concepts are based on choice criteria, or standard for judging competing brands within the product category. However, there are various definitions of consumer behavior. According to the American marketing associate, consumer behavior involves the thoughts and feelings people experience and the actions they perform in consumption process. It also includes all the things in the environment that influence these thoughts, feelings and actions. These include comments from other consumer, advertisement, price information, packaging, product appearance and many others. (Peter & Olson, 2002)

Consumer behavior focuses on frequently changing human needs and wants that an individual parade in searching for, purchasing, utilizing, evaluating the products and services that they expect will fulfill their wants and desires (Schiffman, 2012).

4.2 Consumer analysis

Consumer analysis is the initial steps in the marketing research that identifies and collects information on the targets market needs, profile and consumer behavior in order to establish market segmentation. There are three elements for consumer analysis and they are critical for developing a complete understanding of consumers and selecting strategies to influence them. Solomon et al. (2013) has present FCB Matrix to studying
consumer’s behavior especially consumer’s attitudes towards a brand or product. They present the FCB framework, which means that consumer’s attitude has three components: affect, cognition, and behavior. Means that where affects refers to an audience’s feeling of a product, cognition involves the knowing an audience has of the product and behavior concerns an audience’s intentions to do something about the product. (Solomon Bamossy, Askegaard & Hogg 2013)

Consumer Affect and Cognition
Consumer affect and cognition refers to two types of mental responses consumers have to stimuli and events in their environment. Affect refers to their feelings about stimuli, whether they like or dislike the product. Cognition refers to the thinking and perspective about the product.

Consumer behavior
Behavior refers to the physical actions of consumer that can be directly observed and measured by others. It is also called overt behavior to distinguish it from mental activities, such as thinking that cannot be observed. Thus to by a watch involves behavior but deciding whether to buy is not an overt behavior because it cannot be observed by others. Behavior is critical for marketing strategy because it is only through behavior that sales can be made and profits can be earned. Although many marketing strategies are designed to influence consumer’s affect and cognition, these strategies must ultimately result in overt consumer behavior for them to have value for the company. Solomon et al (2006, 27) define the consumer behavior as “the result of the processes involved when individuals or groups select, purchase, use or dispose of product, service ideas or experiences to satisfy needs and desires”. Schiffman et al. (2008) underline that consumer behavior can be summarized as making decision or act of purchasing, and it also included the experiences of the consumer during the product consumption

Consumer environment
The consumer environment refers to everything external to consumers that influence what they think, feel and do. It includes social stimuli, such as actions of others in cultures, subcultures, social classes and families. Environment is important to market-
ing strategy because it is the medium in which stimuli are placed to influence consumer. For example, marketers run commercials during shows that their target markets watch in order to perform and remind them to buy certain product.

![Marketing Strategy](image)

**Figure 2 The wheel of consumer analysis**

4.3 Marketing stimuli

The 4Ps: product, price, place and promotion. These set of action is used by companies to promote their product in the market. However, nowadays marketing mix include several other Ps like packaging, positioning, people and political as vital mix elements. For any watch company the 4Ps are very important. With the lot of competitors in the market, the company must know the right product, price, place for their promotion to create better awareness and understanding with the customer.
Consumer awareness survey done in Japan for the Swiss watch showed that the most of the consumers at their mid age prefer the product quality and comfort rather than a price. Whereas young consumer looks for more up to date style that fits their expense limit. SNS helps to create promotion within the targeted audience the most. Magazines, TV and coupon advertising also help a lot.

As for DW their major source of promotion in social media, from where they have been able to create millions of followers. They have their signature product or design without being much flashy which fits for consumer of all age. Since they are not very expensive, they have millions of customer worldwide within a few years.

4.4 Influencing factor

Influencing a consumer to purchase something isn’t a difficult job, but making them faithful to it is. According to Kotler et al. (2012), consumer behavior involves the emotional, mental and physical activity that the people use while selecting, purchasing, using and disposing the products and services which satisfy their needs and desire. Influencing consumer to buy the product and services requires a lot more than just an advertisement. A company needs to fulfill their desire emotionally and mentally to make them regular and faithful consumer.

a. Environment

The environment refers to all the physical and social characteristic of a consumer’s external world, including physical objects, spatial relationships and the social behavior of people around. The environment has two aspects or dimension- the social and the physical. Certain aspects of the environment can be controlled by the marketers but there is no control over the large aspects. Both the controllable and uncontrollable aspects of social and physical environments can influence consumer’s overt behavior as well as their affective and cognitive responses.
The social environment includes all the social interaction between and among people. Consumer can interact with other people either directly or virtually.

To interact with large group of people in indirect way is known as the macro social environment. Researchers have studies three macro social environment- culture, subculture and social class. They have broad and powerful influence on the values, beliefs, attitudes, emotions and behaviors of individual consumers in those groups. Different individual from different subculture and social class may have different means and response towards the same product. Such difference makes macro social environment useful for marketing segmentation.

The micro social environment includes face-to-face social interaction among smaller groups of people such as families, friends. This direct social interaction can have strong influences on consumer’s knowledge and feelings about product, stores or ads. This can also affect their consumption behavior.

Families and friends are influenced by the macro social environment of cultures, subcultures and social class. So the consumption behavior of an individual is either directly or indirect related to surroundings.
b. Social media

Social media marketing is a form of internet marketing that helps to achieve the marketing communication and the organisational goal via different social networking tools. It involves activities such as sharing of videos, images and contents for marketing purpose (Evans, 2012). This new tool allows a dialog and it promotes the capability to follow and understand the user’ behavioral responses (Rogers & Kraynak 2008). This ability to offer a dialogue is now essential, because social media has redefined the use of advertising in our actual world. Social media gives more and more place to a two-way communication online, that is defined by the dialogue, control and user freedom and that allows interactivity and the involvement of the consumers in the advertising (Blackshaw & Nazzaro 2004). There is never enough to remain to highlights the dialogue, which helping companies to building customers’ stronger relationship and also in expanding their market share. A successful example for marketing is Daniel Wellington, the Swedish watch brand. Daniel Wellington started to sell its watches
online initially, where it also started to advertise for the brand. The owner, Filip Ty-
sander start in 2009 refused to pay for trational advertising and focus therefore mostly
on social media marketing, which other watch brands traditionally have avoided. Da-
niel Wellington has cooperated with a lot of influencers wordwide, such as celebrities
and bloggers with many followers and they have been giving away free samples as
well as paying them smaller amounts, these influencing people have advertised for
Daniel Wellington. (Pulvirent, 2015)

Social media has become one of the most extensive form of marketing. It is regarded
as the most influencing communication channel. It has now become more than just
posting a picture or chatting. Consumers are actively engaging with the brands as a
part of their purchasing decision. Along with Daniel Wellington’s own great work in-
teraction on social media, this has given a company head start on competitors for
example young people marketing. Daniel Wellington has for example 1.8 million fol-
lowers on Instagram and over 380 000 likes on Facebook (Daniel Wellington 2016).
Daniel Wellington has covered all the advantages with social media marketing men-
tioned, and has proved what impact it can have for a company since it today and its
have a $200 million wort bsiness (Pulvirent, 2015).

According to Solomon (2010), consumers belong to different online groups that in-
fluence them to change their purchasing decision behaviour. Before purchasing con-
sumer wants to know the perspective of people around them too. As an effect of the
environment, purchasing decison relys on a group of people rather than individual.

i. Word of mouth

The consumer use an informal ways of communication in a social network to promote
products or services or brands which is known as word of mouth. Word-of-Mouth
communication is the cheapest, fastest and most effective compare to other various
marketing tools (Dellarocas, 2003). Chen and Xie (2008, 477) comment that ”consu-
mer reviews have become very important for consumer purchase decisions and product
sales”. This mean that for example users blogs is understandable only because of the
fact that ”consumers trust peer consumers more than they trust advertisers or marketers
and evaluate products or services using information that other people provide” (Lee & Koo 2012, 1974). The word-of-mouth (WOM) credibility and especially the virtual word-of-mouth system credibility is a significant issue that affects the individual decisions-making” (Chen, Schlosser 2015).

Consumer automatically bond with the people of a same interest. They influence each other to purchase certain product or brand. One bad review could be detrimental to the success of any company or an organization. This clear credibility and confidence for Internet users have in the bloggers, average consumers can become very influential people who gather around them and build a community with which they have close and regular contacts (McQuarrie, Miller and Philips, 2013), which has impact in consumers’ attitudes facing a brand or product like Daniniel Wellington.

ii. Interaction between the business and the consumer

Technology has turned out to be among the basic needs of people rather than a want. Specially social networking site, where they can express their views, opinion or interest. Through social networking, brands communicate with consumer on a more frequent and individual level. Which helps more people to know about the particular product and brands. A lot of organization endorse their brand by giving out prizes through known bloggers or public figure. These organization welcome people view and feedback more openly which helps them improve their product as well as customer relation. Indeed, ”the Internet has evolved from simple information retrieval to interactivity and collaboration” and social media and especially blogs, are a tool that offers a huge space of self-expression for the consumers (Kozinets 1999).

Since the social networking sites has become popular among the business for marketing concepts the common social sites used are Facebook, Instagram, twitter, blogs and YouTube. Each of these sites has their own significant ways of marketing and influencing consumer.
The Statistics (2015) provides the information on most popular social networking site worldwide on the basis of active account.

(Survey done in Hong Kong)

4.5 Buyers decision process

The buyer’s decision making process is the method to identify the track the journey of consumer’s decision process from beginning to end (Hoyer et al. 2011). A consumer has to go through a long process within a short time to make any purchase. This period helps consumer to identify their needs and make a purchase accordingly.
According to Engel, Blakwell and Miniard (1995) the consumer decision process consists of seven stages: the need recognition, the search of information, the pre-purchase alternative evaluation, the purchase, the consumption, the post-purchase alternative evaluation and the divestment.

a. Problem recognition

Whenever there is a difference between the consumer’s actual situation and what he or she like it to be, problem recognition occurs. It can happen under a variety of circumstances. It can be simple or complicated. That is, problem recognition evaluates the difference between present system conditions from the expected one. It is also a process that makes the individuals or the group realize the disappointing stage they are in at the present (Chang, 2008). In general consumer behaviour theory, a need can be triggered by either internal stimuli such as hunger and thirst or external stimuli such as advertisement or suggestion from friends. (Kotler & Armstrong, 2012). The factors such as cultural, social, environmental factors and reference group have an impact on the process of problem recognition (Hawkins, 2010). If a consumer wants to pay for
b. Information search

Once the problem has been identified, the question of how to solve the problem arises. At this stage the consumer looks for the factor to help with making decision. These factors come in two forms; internal and external. Internal search means revising the information that is already known, whereas external search means to look for the answer outside. Ask people, look in the internet, reviews, and paying more attention to the brands. Nowadays, internet has become an important tool for information search and effective purchasing decision process (Hawkins et al. 2001).

c. Alternative Evaluation

The information search stage may identify several different means of solving the problem. During alternative evaluation, the possible solution is compared. At this stage consumer typically decides what sorts of trade off they are willing to make. At this point in the process, brand communication may play an agenda setting role. Like advertisement where they expose the features and benefits of the product. Alternative evaluation is guided by past experience with and knowledge of the product or category as well as input from others. Criteria of evaluation that consumer can use may be objective like price and warranty, and subjective attributes such as image and performance. (Belch & Belch, 1998). In case of watch there are numbers of different brands and model. Consumer has to decide what they want, and how much they are willing to pay.

d. Purchase

After evaluating the alternatives, there comes a process where consumer makes a decision and takes an action. Generally, that action is buying a product that came out
better than all alternatives. However, another factor may interrupt. Like, the discount
in some brand and the price difference is enough to move that less preferred brand into
most preferred one (John A. Howard). To buy a watch customer may want to look for
the brand, model and price. Some may be willing to pay more, while some may not
afford an expensive watch. In Nepal People who can afford, buy the watch they want
as long as the circumstances goes well, whereas people who cannot afford buys the
replica of their desire product. These are imported from china and are a lot cheaper.

e. Post purchase behavior

The final stage of the decision making comes when the consumer evaluates the com-
pleted purchase. The post-purchase decision can vary from disappointment if the con-
sumers are unimpressed or the product fails to perform. It is referred as the uncomfortable state of cognitive dissonance which involves the conflict between the consumers’
thought, action and feeling (Middleton et al. 2001). Whether the outcome is satisfac-
tion or dissatisfaction, that information gets stored in memory to be used the next time
a decision has to be made. As Kotler mentioned (2012) the marketer’s job does not end when the product is bought but the important part starts after purchasing. That is
the customer’s feedback. After buying a watch consumer can actually review it. If
they are fully satisfied with it or if it was worth their trade off. The watch’s evaluation
does not end with its function but also its battery life, water resistance, color and the
comfort. If any of these are missing customer might have a negative impression toward
the whole brand and one customer’s judgment helps other customer to purchase that
brand.
Social class refers to grouping of people who are similar in their behavior based upon their economic position in the market place. Class membership exists and can be described as a statistical category whether or not individuals are aware of their common situation. Status groups reflect a community’s expectations for style of life among each class as well as the positive or negative social estimation of honor given to each class. Society can be classified into seven different groups. They are, upper uppers, lower uppers, upper middles, lower middles, working class, upper lowers and lower lowers. (Kotler & Armstrong, 2012)

All countries, except few very smallest and most primitive are stratified or have formal systems of inequality. Social class system ranks families rather than individual. A same class shares same characteristic with its member.

In Nepal there is a huge social, class and status difference. Socio-economic class system such as caste and ethnic groups are found under different categories. There are 125 castes and 123 spoken languages which has entitled the nation as multilingual, multiethnic, multi religious and multicultural country. (Statistics, 2014)
Due to the major geographical difficulties, some villages are still far behind in development. People in these areas do not exactly know what modernizing is. They still lack basic services such as, electricity, proper education etc. People in urban areas have a huge difference among themselves too. Some people are of high society with various opportunities and advanced facilities whereas middle class and lower class people are discriminated in the name of class and status. People from higher caste hold higher position than the people from lower caste. People from urban areas dominate people from rural areas. Girls are not provided as much as boys. These are very common kind of discrimination seen in day to day life.

However, last few years Nepal has made a huge difference. Not only physically but mentally too. People have started to accept the fact that the discrimination lead nowhere. People are treated on the basis of their capability rather than status. Middle class people are evolving in every field. Education, appearance etc.

People are more judged by their appearance, which has resulted the expansion of all the luxury and high end brands in Nepal. Due to which middle class people purchase these brands more to maintain their status in society. In context with DW, younger people are the one who purchase this the most. Specially models, celebrities or public figure are seen wearing DW often. Since the Nrs price of DW is almost same as some families income, people who cannot afford it go for its replica to maintain the status among their peer group.

5 RESEARCH METHODOLOGY

Research comprises “creative work undertaken on a systematic basis in order to increase the stock of knowledge, including knowledge of man, culture and society, and the use of this stock of knowledge to devise new applications.”(OECD, 2002)

For any research to start, there is always an objectives. Without any objective the research has no value.
There are two main objectives for this research. First one is to find out the components involve in decision making process while purchasing DW with positive influence among the young nepalese and the next one is to know how social media affect their decision. This research aims to provide the better understanding to consumer and companys about how the decion are made before purchasing.

For this research deductive reasoning was used since the conclusion was drawn logically based on assumption. As this research was conducted far from nepal, the exact conclusion cannot be made without assumption.

5.1 Research data

The two distinct research methods- quantitative and qualitative have been used to collect the data for the purpose of getting information from the consumers. This method is also known as mixed method research. This approach to research is used when this integration provides a better understanding of the research problem than either of each alone.

Quantitative research method is adopted because it allows the researcher to get the facts and not abstract about the aim of dissertation (Bryman and Bell, 2007). According to Matthews & Ross (2010) quantitative research methods are basically applied to the collection of data that is structured and which could be represented numerically. Generally quantitative data is collected when researcher has adopted the positivist epistemological approach and data is collected that can be scientifically analyzed.

Bryman and Bell (2007) stated that qualitative research is a research strategy that indicates the relationship between theory and research and usually emphasizes on how theories were generated. As a research strategy qualitative research is inductivity, constructionist, and interpretive, but qualitative researchers always don't subscribe to all three of these methods. Qualitative data describes whereas qualitative data defines (Bryman, et al, 2002).
While quantitative and qualitative inquiry represent two legitimate ways to investigate leadership, researchers using one or the other begin empirical research differently. Evered and Louis (1981) clarify the assumptions that ground each by distinguishing two research stances: “inquiry from the outside”, often implemented via quantitative studies and “inquiry from the inside” via qualitative studies.

Creswell (2003, 20) mentions that mixed method, “the data collection involves gathering both numeric information as well as text information so that the final databases represent both quantitative and qualitative information”. Mixed methods research is formally defined here as the set of research where the researcher mixes or combines quantitative and qualitative research techniques, methods, approaches, concepts or language into a single study. Mixed methods research also is an attempt to use of multiple approaches logically in answering research questions, rather than restricting or constraining researchers choice. It is an expansive and creative form of research, not a limiting form of research.

For this research an online questionner was used for survey among few nepalese living in abroad as well as in nepal. As a mixed method there were also few interviews done to help get better result for the survey. The interview was mainly with the owner of an accessories store in nepal called Accessories Nepal.

5.2 Sampling design

Sampling means the rule and procedure by which some elements of population are included in sample. The "best" sample design depends on survey objectives and on survey resources.

As the main objective of the research is to describe about young consumer buying behavior, purposing sampling is used in quantitative research. Since this sampling techniques involve selecting certain units or cases ‘‘based on a specific purpose rather than randomly’’ (Tashakkori & Teddlie, 1998) it is most appropriate for the research.
There are a huge number of young people living in Nepal, specifying them is impossible due to which the research has been attempted to zero in on the target group, interviewing whomever is available.

The length of the questions was limited, it wasn’t possible to include all the theory mentioned in the research. The questions were structured based on the different stages of the decision making process. The reasons why the young nepalese pay for the DW.

The questionnaires where sent bia email to the individual within contact who are currently living in nepal as well as abroad.

6 DATA COLLECTION

This research aims to interpret data collected through survey questionnaire and personal interviews and analyze the result together with the research theories. It summarizes the findings according to the research objectives. Free online survey website was used to create a survey questionnaire and the same website provided the result in various chart and graphs. Instagram message was uses to take an interview of the concerned shop. As in this study according to Saunders et al. 2009 a survey questionnaire “includes all techniques of data collection in which each person is asked to respond to the same set of questions in a predetermined order”.

6.1 Background

Primary data collection method used for this research was survey questionnaire which was distributed through online among young people (20-30) living in Nepal as well as abroad. Interview was done via direct messaging on Instagram. The survey has 25 participants.

The survey questionnaire was designed according to the requirement of the research. The question was designed on a simple format with 12 questions, where respondent could answer easily.
In the following section, survey structure is summarized and detailed information on findings of survey and interview are analyzed, and finally results are presented.

6.2 Result

Following the trend has become so much important in people’s life that the 4ps of the product does not make any difference. For example, if a watch is a latest trend than no matter what the price, product, place or promotion method is, the craze of the product can make consumer buy it.

In a same way the trend of Daniel wellington is so high that even in a developing country like Nepal, people pay a lot to just own it. Owning a DW can make a strong impact on society and lifting the status of an individual which leads the young consumer to perceive the brand with positive influence. Moreover, DW is not just about a trend but their product and brand itself is much appreciated around the world which makes people pay for genuine DW while people who cannot afford the real DW purchase the replica to not let themselves down.

Nepal is still way behind than many other Asian countries, so for any foreign brand to enter Nepal directly may not be a smart option. In this situation social media has played a major role of creating awareness of all the latest brands and products.

Below is the result of the survey where we can see the perspectives of the participants and their acceptance towards owning.
6.2.1 Age

The main objective of the thesis was to study the buying behavior of people of age 20-30 therefore; the questionnaire was also filled by only people within the age group. There were total of 25 participants. The major group of respondent was 21-25 with 60% followed by 26-30 with 40%.

Among the 25 participants, 15 were currently living in Nepal, 8 were in Finland, 1 from Paris and 1 from London. Though the topic aimed to research people from Nepal, all the respondent was Nepal who recently moved to different country.
6.2.2 Profession of the respondent

![Bar chart showing the distribution of professions among respondents.]

**Figure 7**: Profession of the respondent

Most of the respondents were students since the age group for survey falls within 20-30. 15 of them were students which accounted to 60%. 8 of the respondents were employees, they worked too. 2 people of 25 were entrepreneurs who owned their own business yet they were applicable for the survey.

6.2.3 Attitude towards owning

This section focuses on the watch brand that respondents said to own, the price they paid for, the information they obtained from and further analyses consumer’s choice of multiple watches.

When asked if they own a watch, 88% that is 22 said yes, and 12% that is 3 said no. In this technological world there are many ways to look at the time specially when people have a mobile phone they use it for a multipurpose and one of them is to look...
at the time. However, some people still prefer watch, either for time or just as a fashion or style but there are many people in Nepal, who are not very fond of watch.

Looking at the result of the survey we can say that even among the young people there are many who do not own a watch.

<table>
<thead>
<tr>
<th>Do you own a watch?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td><strong>All Data</strong></td>
</tr>
<tr>
<td>Yes : 22 (88%)</td>
</tr>
<tr>
<td>No : 5 (12%)</td>
</tr>
<tr>
<td>Standard Deviation</td>
</tr>
<tr>
<td>Responses</td>
</tr>
</tbody>
</table>

Figure 8 owning a watch
The answer for this question had possibility of multiple selections. Since the research specially focused on DW, the respondents were selected accordingly. 3 of the respondents said that they did not own any watch yet we have 23 responses. 10 of the total respondent (43%) owned Daniel wellington. Followed by 6 owners of Tommy Hilfiger (26%). Swiss, Armani exchange and Michael Kors are owned by 3 people each (13%), 2 of the respondent had Calvin Klein (9%). In a same way Titan and also was owned by 2 people accounting as 9%. There were 4 respondent (17%) who even owned other watches like Cluse, Tissot, Rado and Casio.

Seeing at this result we can say that people in Nepal do own lots of branded watches. The options in this question included mostly expensive watches, and knowing that many people own them is an interesting and new fact to know.
The option provided in the questionnaire for the watches were all expensive watches in context of Nepal. But since they all have their replica, it is difficult to differentiate in the basis of survey who owns real and who owns fake. So the questionnaire did not mention authenticity of watch.

Among the 25 respondent who answered this question 2 of them had watch above NPR 30000 which is very expensive and is considered as rich people. Not many normal citizens can afford this kind of watch but if you think about the celebrities, public figure or any high post people than buying this kind of expensive and branded watch aren’t a big deal for them.

As the result shows we have 7 people each for other remaining options. That is less than 10000, 10000-20000 and 2000-30000. In context of Nepal if a person has a watch more than 15000 than it is assumed that he belongs to high class. 5000-10000 can belong to Medium class people as well as high class.
People being judged by their appearance are very common in Asia. In a same way in Nepal just to maintain status, class and keep their face in the society, middle class people also purchase branded things. That is the reason why China has been very successful exporting the replicas of various brand watch to Nepal.

6.2.4 Consumer behavior

<table>
<thead>
<tr>
<th>Reason for selecting the current watch?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Brand</strong></td>
</tr>
<tr>
<td>All Data</td>
</tr>
</tbody>
</table>

There are 100s of brand and models for watches. Choosing among them is one of the tough job. The main reason to ask this question was to identify the factor behind selection of the watch. For Majority (39%) of participants i.e 9 people brand was what mattered than the model or price. 7 of the participant (30%) said that they liked the model which means they did not care for the brand. Unexpectedly only 17% of the participants accounted to 4 people said it was the price that mattered. The other 13% had a different reson for having the current watch and they were gifts or trends.
This question was mentioned to highlight the fact that in Nepal many people look for price before they purchase but the result turned out to be unexpected with the minimum of respondent responding toward price.

6.2.5 About Daniel Wellington

The 8th question of survey asked if they have heard about Daniel Wellington and the response of the participants toward this question was neutral, not everyone answered positively. There were 12% of participant who did not know about DW. Among the 88% who knew about DW, majority of them 5% were familiar with DW through the social media. 23% said that they know it via magazines and blogs. 14% through friends and at the last only 9% of them knew it through stores.

Moreover, this question also answers the objective of this research which is also to know how social media affect the buying behavior. Hardly any latest brand reaches to Nepal directly, so the most common way to know about trends, fashion or product social media has always been the biggest help.
When asked a participant if they would like to repurchase or purchase DW in future, 33% of them rejected. There might be various reason for rejection such as if they already had one, they didn't like it or even the possibility of confusing it with the fake DW from China. This question was asked to know the customer satisfaction toward DW.

Though DW has been doing great in the markets and has a lot of followers in Europe and America, it isn't same with Nepali market. People usually don't buy expensive watches, and those people who buy replica also consider that as a DW. Due to various reason different people have different impression towards this brand. When asked to rate DW among the participants, none of the rating were below 2 and only 1 respondent rated it 2 stars. That is also considered as a positive attitude toward DW. The average rating for DW was 3.73.

After competing with various brands DW succeeded to reach the place where it is now, and after so much competition maintaining its positive impression to customers and
still being able to receive good reviews with 3.73 stars at average is a great achievement.

<table>
<thead>
<tr>
<th>Rating</th>
<th>Responses</th>
<th>Weighted Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0 (2%)</td>
<td>1.54 / 5</td>
</tr>
<tr>
<td>2</td>
<td>1 (2%)</td>
<td>1.54 / 5</td>
</tr>
<tr>
<td>3</td>
<td>0 (0%)</td>
<td>1.54 / 5</td>
</tr>
<tr>
<td>4</td>
<td>11 (50%)</td>
<td>1.54 / 5</td>
</tr>
<tr>
<td>5</td>
<td>2 (9%)</td>
<td>1.54 / 5</td>
</tr>
</tbody>
</table>

Figure 13 Rating for DW

Here are the responses of the participants for DW when they were asked to give a feedback. Looking at the feedback we can see that many of the customers are happy with their decision. Which means that their post purchase behavior is positive which means they completed their decision making process with positive attitude.
7 CONCLUSION

The main purpose of this research was to identify the reason for why young Nepalese perceive brand value with positive influence and their willingness to pay for DW and how does their decision gets influenced by social media. Young consumers are believed to be more attracted toward the trends and social media, therefore assuming them as the potential customer the research was done. This topic was selected due to the curiosity of reason of sudden and unexpected popularity of DW within young Nepalese people.

For a country like Nepal it is a surprise that price is not as important as brand before purchasing the watch. The spending habits of Nepalese has tremendously changed within a decade. Despite the fact of Nepal being least developed country, people lead a high standard life.
Watch is not exactly a need; it is preferred as a want. Now days, people use their mobile phones to see the time more often than they see the watch. To spend luxuriously to fulfill their want describes that Nepalese people have been living their life luxuriously following the western culture and tradition and they have the same spending habits like the people living in abroad.

However, 18 people cannot be a representative of the entire population of a country. Since the research had the specific age group, and the participants were selected within the close contacts the result cannot be generalized.

Moreover, the result analysis based on the survey and interview shows that the majority of the consumers were within the age group of 21-25. A good number of consumers are attracted to DW and purchase the watch for the brand value. Price is a least concerned to the consumer while purchasing the watch, since majority of the consumer are willing to spend on average of NPR 20000-30000 on their watch.

7.1 Limitation

There were some limitations for the research as well. Firstly, there was a possibility where people would be telling a lie in a survey. In Nepal people are usually judged by their appearance, so to maintain their face people try to follow the latest trends and remain updated. Following the trend and latest fashion isn’t really difficult in Nepal since, china provides replica of every brands and product. Therefore, in context of the research defining the authenticity of the product was not possible through survey.

Secondly, as mentioned above 18 people cannot represent the entire country so to generalize the result based on the survey is not possible. Buying behavior of entire country cannot be defined by the people of age 20-30 since, the preference of young and old people do not match.
Hence, no matter the price people in Nepal still look for the brands. The major factor influencing them and creating awareness about the brands in social media, so if any other brands or a new brand want to establish their market in Nepal, marketing it through the social media can be a great help. Also, to make sure that they have the loyal consumer of all age group, producing the various kinds of model and design can be beneficial.

7.2 Further studies

This study present youth Nepalese consumer behavior to purchasing Daniel Wellington brand watch and recognize for driving force of social media bower to youth consumers buying behavior. Nevertheless, it will be interesting for further studies to conduct a quantitative study to understand the impact of the activities of the Daniel Wellington brand on the consumers and measure them or identify the trends by numerical data.
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APPENDIX 1

1. Please select your age.
   - 15-20
   - 21-25
   - 26-30
   - 31 and above

2. Please write down your current city.

3. Please select your profession.
   - Student
   - Employee
   - Entrepreneur
   - Unemployed

4. Do you own a watch?
   - Yes
   - No

5. Please select the brand you own. (Multiple selection possible)
   - Michael Kors
   - Tommy Hilfiger
   - Calvin Klein
   - Armani Exchange
   - Daniel Wellington
   - Hugo boss
   - Titan
   - Swiss
   - Other (Please Specify)

6. In what price band does your current watch fall?
   - Less than NPR 10000
   - NPR 10000-20000
   - NPR 20000-30000
   - More than NPR 30000
7. What is the reason behind choosing your current watch?
   - [ ] Brand
   - [ ] Price
   - [ ] Model
   - [ ] Other (Please Specify)

8. Have you heard about Daniel Wellington? (If donot own one)
   - [ ] Yes
   - [ ] No

9. Where did you hear about it?
   - [ ] Social Media
   - [ ] Friends
   - [ ] Magazines and blogs
   - [ ] Store

10. Would you like to purchase Daniel Wellington in the future?
    - [ ] Yes
    - [ ] No

11. How would you rate Daniel Wellington?
    - ★ ★ ★ ★ ★

    

Thank you for your precious time!!
Interview with Accessories Nepal (Fake DW)

Q - How popular is DW? Do you get lot of customers coming for DW?

A - Honestly it is really popular. Some customers visit us just to purchase the watch, they don't even look around for other products and straight fetch the watch.

Q - So, do you any idea how many of those are sold in a month?

A - We have to restock them every month because of the demand. It's great.

Q - What is the price range?

A - The watch is for 890 in our store and the original one is above 2022000. We don't keep the expensive product in our store but the one we have does not come with warranty.