

---

**Impact of Brand Image on Consumer Buying Behavior: A Case Study of Siddhartha  
Sweets and Bakery, Nepalgunj-Banke (Lumbini Province)**

Sunil Chand Verma<sup>1</sup> 

Dr Rahul Kuswah<sup>2</sup>

Article Information : Received : Aug. 26, 2025 Revised : Sep. 29, 2025 Accepted : Dec. 17, 2025

---

Abstract

Nepal has an extensive digitalization of banking services, which has transformed the customer banking experience, which has been particularly fast-tracked due to the COVID-19 pandemic. Nepalese commercial banks require a broad perception and satisfaction of customers to digital banking services so that they can enhance the quality of their services and competitive edge. It is on this basis that this study will explore customer perceptions and satisfaction levels towards digital banking services offered by commercial banks in Nepal and determine the major drivers that determine the level of adoption and satisfaction. It was done using a cross-sectional survey of 384 users of digital banking services of five major commercial banks in Nepal. The data was collected using the structured questionnaires using the convenience sampling method. Statistical tests included descriptive statistics, correlation analysis and Multivariate regression, and the SPSS version 26.0 was used. Findings showed that 78.4 per cent of the participants were generally satisfied with digital banking services. It was found that ease of use ( $b = 0.312$ ,  $p < 0.05$ ), security features ( $b = 0.289$ ,  $p < 0.05$ ), and reliability of the service ( $b = 0.267$ ,  $p = 0.01$ ) were predictors of customer satisfaction. However, issues related to the security of transactions (43.2%), as well as technical glitches (38.7%), proved to be the roadblocks. Even though the trend of digital banking is currently on the increase in Nepal, the banks need to resolve the security issues and improve the reliability of the system to increase customer satisfaction. The results of the study provide useful information to banking institutions and policy makers, thus helping the adoption of customer-oriented digital banking strategies.

**Keywords:** Digital banking, Customer satisfaction, Nepal, Commercial banks, Technology adoption, Financial services

---

<sup>1</sup>PhD Scholar, Vikrant University, Gwalior, Madhya Pradesh, India

<sup>2</sup>Associate Professor Vikrant University, Gwalior, Madhya Pradesh, India

Corresponding Author : [sunilchandraverma1994@gmail.com](mailto:sunilchandraverma1994@gmail.com)

orcid : <https://orcid.org/0009-0008-4079-3013>



## Introduction

### Background of the Study

In the 21st century, marketing strategies have undergone a paradigm shift as organizations strive for competitiveness and sustainability within turbulent markets. Modern consumers exist in an environment characterized by continuous consumption, where purchasing decisions are often driven by more than just basic needs (Rindell, 2008). Consequently, corporate success now hinges on the ability to gather and analyze deep insights into consumer purchasing habits.. In contemporary society, products often serve as indicators of social identity and status. Consumers frequently prefer branded goods as a means of signaling their social standing, making brand image a critical determinant of market choice. This research focuses on the impact of branding on consumer purchase decisions within the Nepalese hospitality sector, specifically examining Siddhartha Sweets & Bakery (S-cafe).

Siddhartha Business Group of Hospitality (SBGH), led by Chairman Laxman Neupane, has emerged as one of Nepal's fastest-growing hospitality groups. Known for its commitment to customer satisfaction, the group has established a diverse portfolio of hotels, resorts, and cafes. S-cafe distinguishes itself through a combination of high-quality products—ranging from artisanal pastries to specialized coffees like espresso and cappuccino—and a superior physical environment .

### Statement of the Problem

In the Nepalese market, brand image plays a pivotal role in shaping consumer choice and market reputation. While many products possess established brand identities, there is a lack of specific data regarding how these identities translate into actual purchasing power within the hospitality sector of Nepalgunj. The core problem this study addresses is identifying the extent to which brand image specifically dictates the purchasing decisions of consumers at Siddhartha Sweets and Bakery. The research investigates whether customers are driven by the intrinsic quality of the products or the sociological "status" associated with the Siddhartha brand.

### Significance of the Study

This study serves as a bridge between marketing theory and practical application within the Nepalese context. Its significance includes:

- For Management: Providing the marketing manager of S-cafe with data-driven insights to reposition branding and advertising strategies for the middle- and high-income target markets.
- For Strategic Planning: Helping the organization understand how variables such as price, quality, and societal status interact to influence decision-making.

**Data Presentation**

**Table 1: Gender of Respondent**

Gender	No. of Respondents	Percent
Male	28	56%
Female	22	44%
Total	50	100%

(Source: Field Survey 2019)

The above table shows that there are 50 respondent, out of them 28 are male and 22 are female.

**Figure 1: Gender**



(Sources: Table 1)

**2.1.2 Population Distribution by Age**

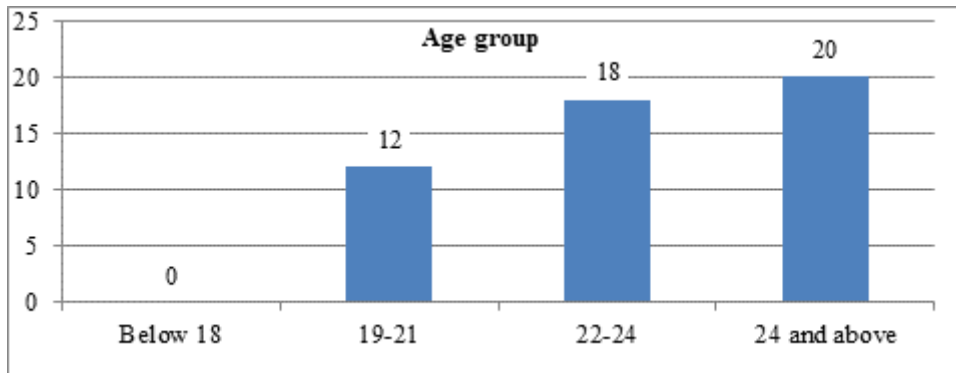
**Table 2: Population Distribution by Age**

Age group	No. Of Respondent	Percentage
Below 18	0	0%
19-21	12	24%
22-24	18	36%
24 and above	20	40%

(Survey: Field survey, 2025)

The ages are divided into four groups, below 18, 19-21, 22-24 and 24 and above. 0% of respondent belong to below 18, 24% of respondent belong to 19-21, 36% of respondent belong to 22- 24 and 40% of respondent belongs to 24 and above.

**Figure 2: Age Group**



(Source: Table 2)

### 2.1.3 Population Distribution by Education

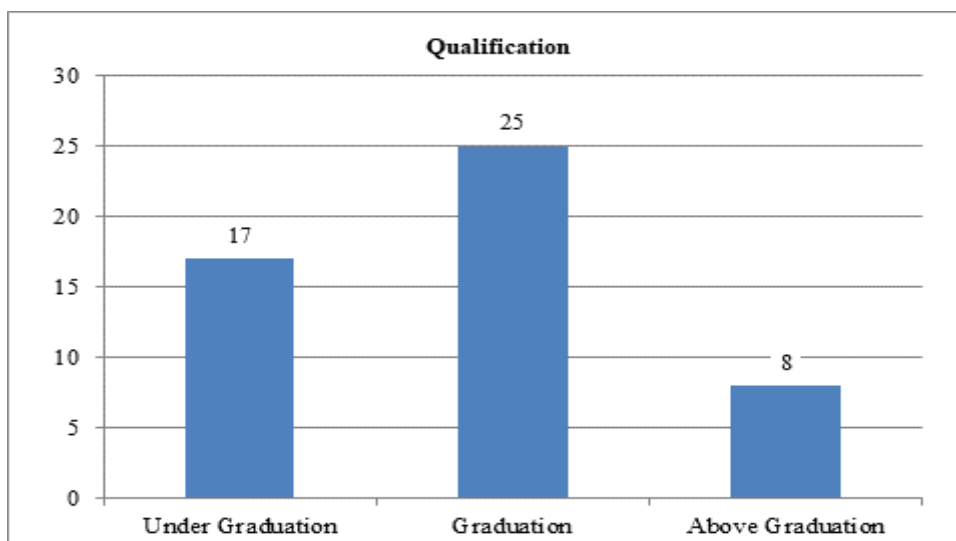
**Table 3: Population Distribution by Education**

Qualification	No. Of Respondent	Percentage
Under Graduation	17	34%
Graduation	25	50%
Above Graduation	8	16%
Total	50	100%

(Source: Table 2.1.3)

The above table shows that the large no. of population is graduation which carries 25 out of 50. Secondly under graduation are 17 and above graduation are 8.

**Figure 3: Population Distribution by Education**



(Source: Field survey, 2025)

### 2.1.4 Population Distribution by Marital status

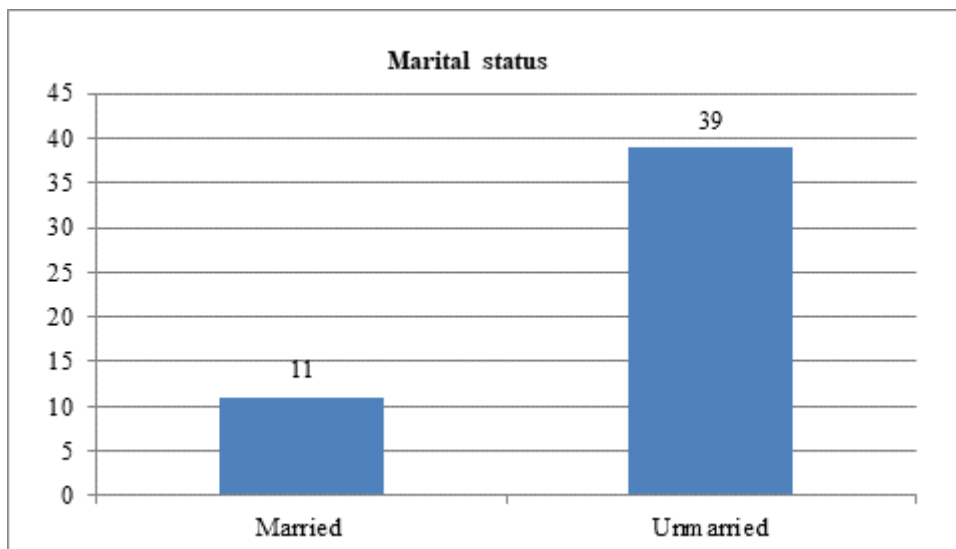
**Table 4: Population Distribution by Marital status**

Marital Status	No. Of Respondent	Percentage
Married	11	22%
Unmarried	39	78%
Total	50	100%

(Source: Field survey, 2025)

The above table shows that out of 50 respondents 11 are married and 39 are unmarried. Unmarried are quite often to the café as they are free and enjoying every moment of their life with their friends.

**Figure 4: Marital Status**



(Source: Table 4)

### 2.1.5 Population Distribution by Income level

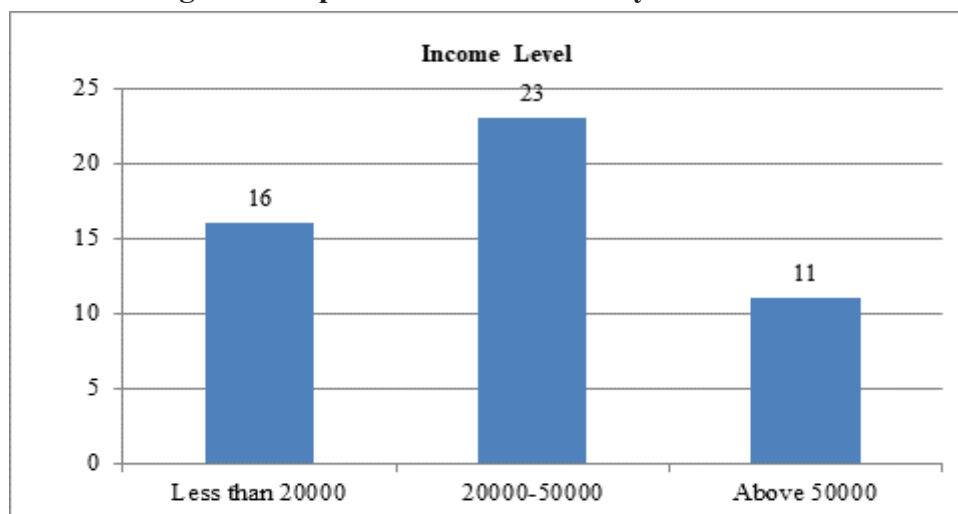
**Table 5: Population Distribution by Income level**

Income Level	No. Of Respondent	Percentage
Less than 20000	16	32%
20000-50000	23	46%
Above 50000	11	22%

(Source: Field survey, 2025)

From the above table shows that out of 50 respondents, 16 customers income is less than 20000, 23 customers income is between 20000-50000 and 11 customer incomes is above than 50000 among out of 50.

**Figure 5: Population Distribution by Income level**



(Source: Table 5)

## 2.2. Data analysis

### 2.2.1. Consumer of S-café

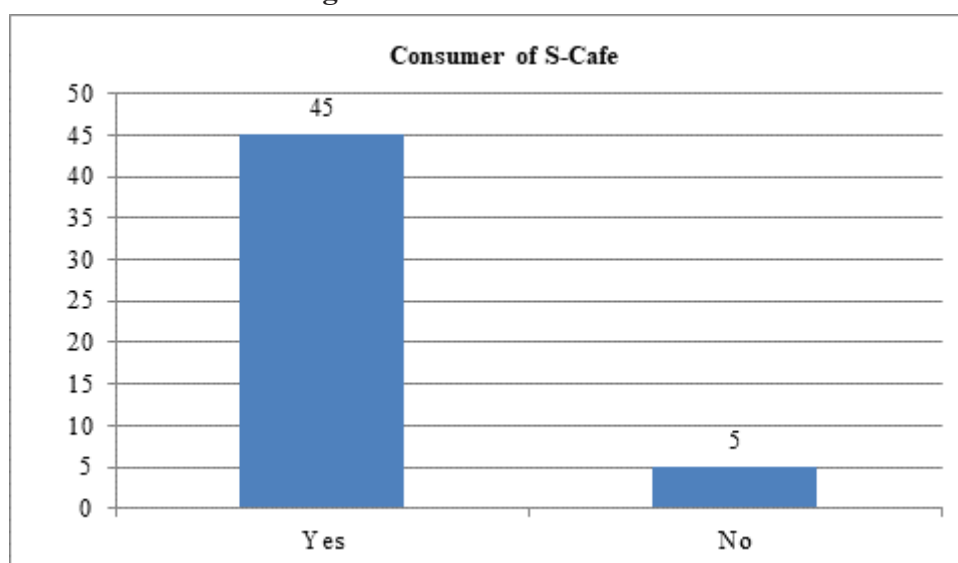
**Table 6: Consumer of S-café**

Consumer of S-cafe	No. Of Respondent	Percentage
Yes	45	90%
No	5	10%
Total	50	100%

(Source:Field survey, 2025)

The above tables shows that among the 50 respondents 45 are consumer of S-café and 5 are not.

**Figure6: Consumer of S-café**



(Sources: Table2.1.7)

### 2.2.2 Perception of Consumer towards Brand

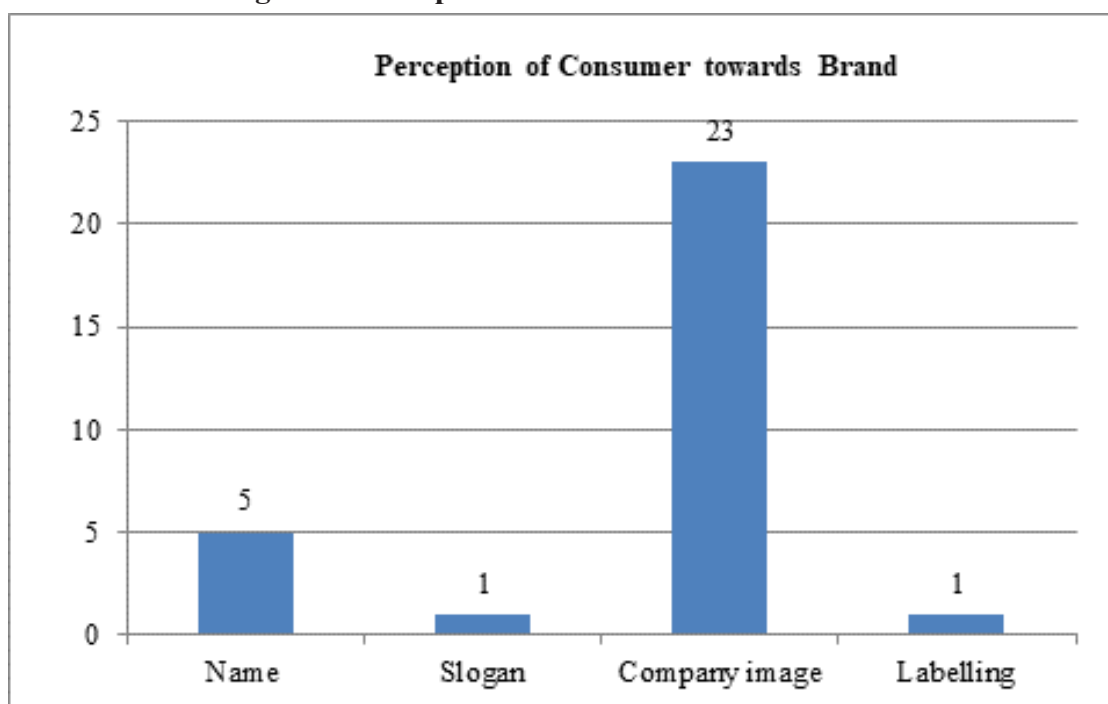
**Table 7: Perception of Consumer towards Brand**

Perception consumer towards Brand	No. Of Respondents	Percentage
Name	5	10%
Slogan	1	2%
Company image	23	46%
Labeling	1	2%
All of above	20	40%
Total	50	100%

(Source: Field survey, 2025)

The above table shows that large numbers of customer are concerned towards the brand. Out of 50 customers 23 customers were found to be concerned about company image with 20 customers agree upon all of the branding perceptions.

**Figure 7: Perception of Consumer towards Brand**



(Source: Table7)

**2.2.3 Price Sensitive Consumer**

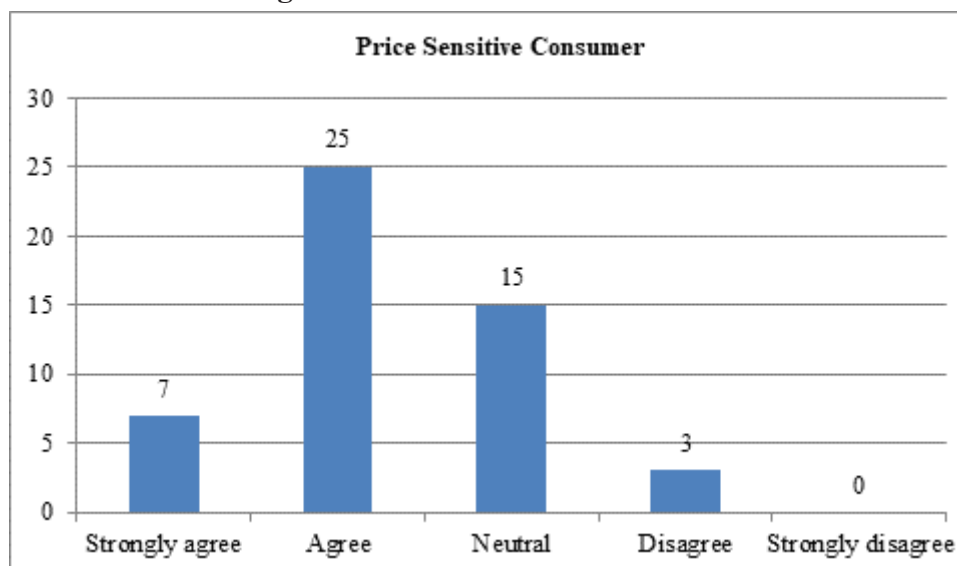
**Table 8: Price Sensitive Consumer**

Price Sensitive Consumer	No. Of Respondents	Percentage
Strongly agree	7	14%
Agree	25	50%
Neutral	15	30%
Disagree	3	6%
Strongly disagree	0	0
Total	50	100%

(Source: Field survey, 2025)

From above table we can conclude that large number of customers were price sensitive. Out of 50 customers, 7 customers strongly agreed and 25 customers agreed saying that there were price sensitive. 15 customers were neutral about their decision while 3 customers disagreed that they aren't price sensitive.

**Figure 8: Price Sensitive Consumer**



(Source: Table 8)



**2.2.4 Appeal of Siddhartha Bakery is good**

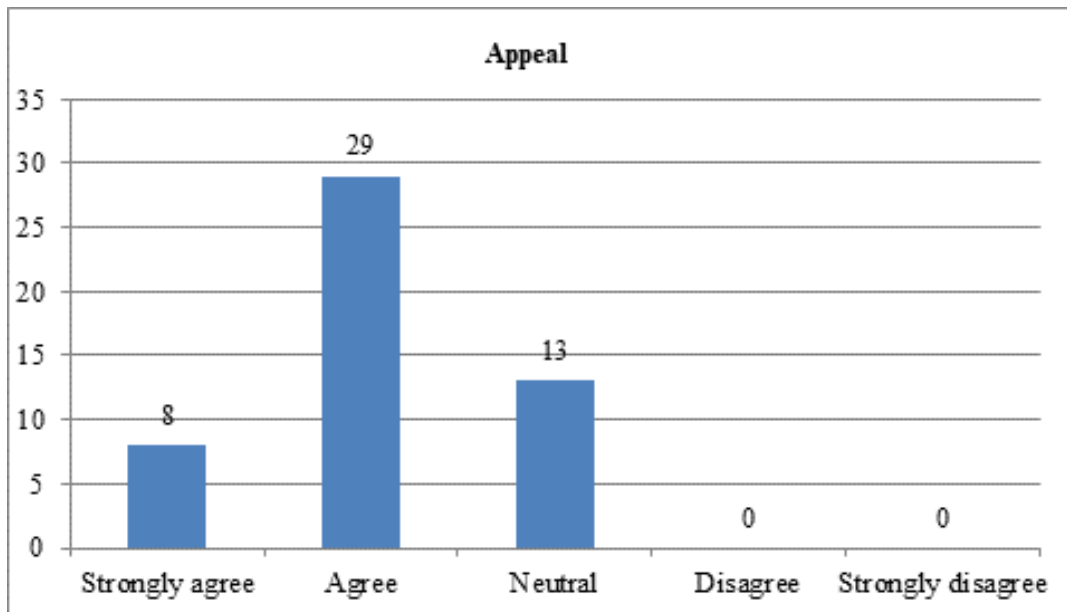
**Table 9: Appeal of Siddhartha Bakery is good**

Appeal	No. Of Respondents	Percentage
Strongly agree	8	14%
Agree	29	60%
Neutral	13	26%
Disagree	0	0
Strongly disagree	0	0
Total	50	100%

(Source: Field survey, 2025)

The study found that most of the customer agreed upon Siddhartha Bakery being one of the finest bakeries out there. Out of 50 customers, 29 agreed and 8 customers strongly agreed saying that Siddhartha bakery is good while 13 were neutral.

**Figure: Table 9: Appeal of Siddhartha Bakery is good**



(Source: Table 9)

**2.2.5 Mode of communication of S-café is effective.**

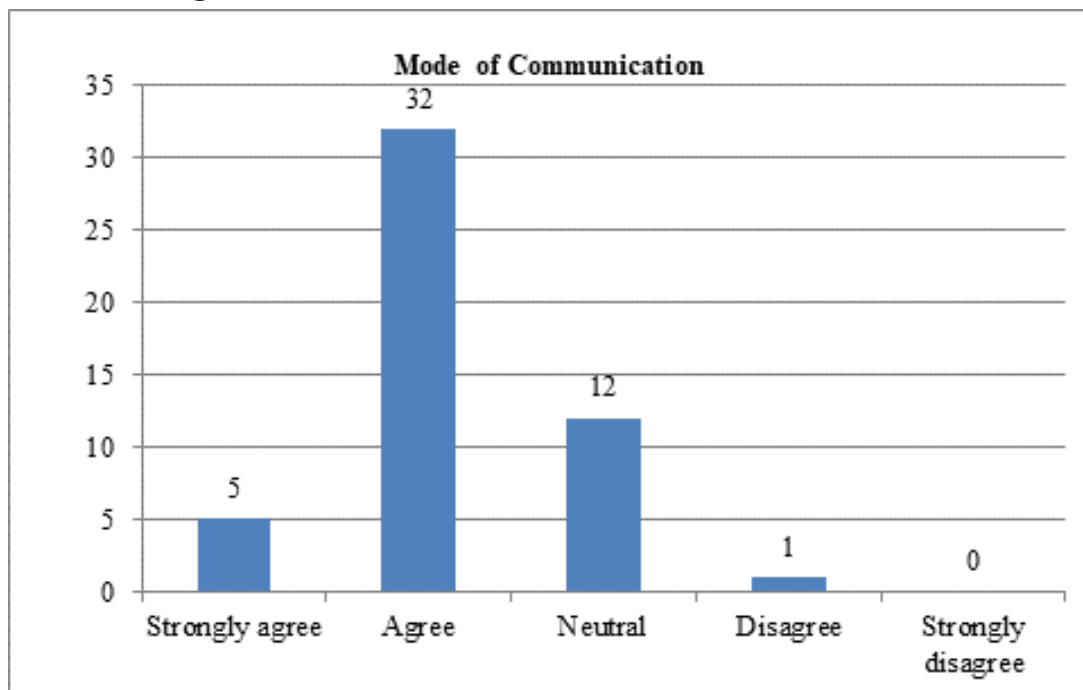
**Table: 10: Mode of communication of S-cafe is effective**

Mode of Communication	No .Of Respondents	Percentage
Strongly agree	5	10%
Agree	32	64%
Neutral	12	24%
Disagree	1	2%
Strongly disagree	0	0%
Total	50	100%

(Source: Table 10)

The above study shows that most of the customers agreed upon the mode of the communication of S-café being effective. Out of 50 customers 32 customers agreed, 5 customers strongly agreed, 12 customers were neutral while 1 customer disagreed that S-café has effective communication mode.

**Figure: 10: Mode of communication of S-cafe is effective**



(Source: Field survey, 2025)

**2.2.6 Influence of Brand loyalty**

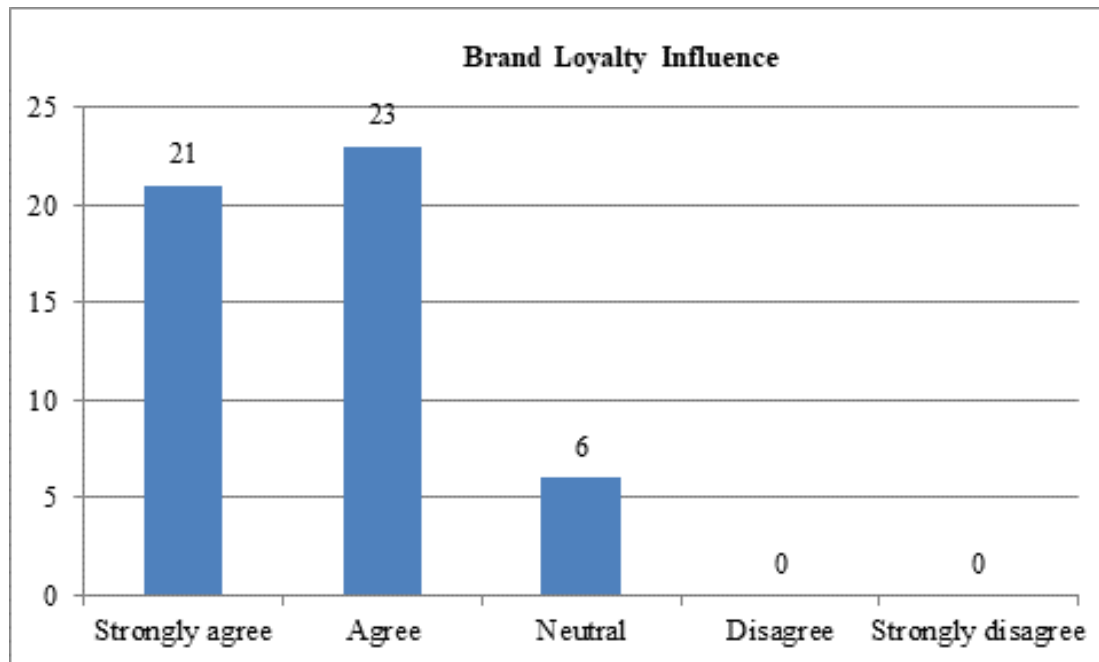
**Table 11: Influence of Brand loyalty**

Brand loyalty influence	No. of Respondents	Percentage
Strongly agree	21	42%
Agree	23	46%
Neutral	6	12%
Disagree	0	0%
Strongly disagree	0	0%
Total	50	100%

(Source: Field survey, 2025)

The above study shows that brand loyalty strongly influences purchase behavior. Out of 50 customers it is seen that 23 customers agreed and 21 customers strongly agreed upon the brand loyalty for purchase behavior.

**Figure 11: Influence of Brand loyalty**



(Source: Table 11)

**2.2.7: Relationship of Siddhartha Brand and consumer purchase decision**

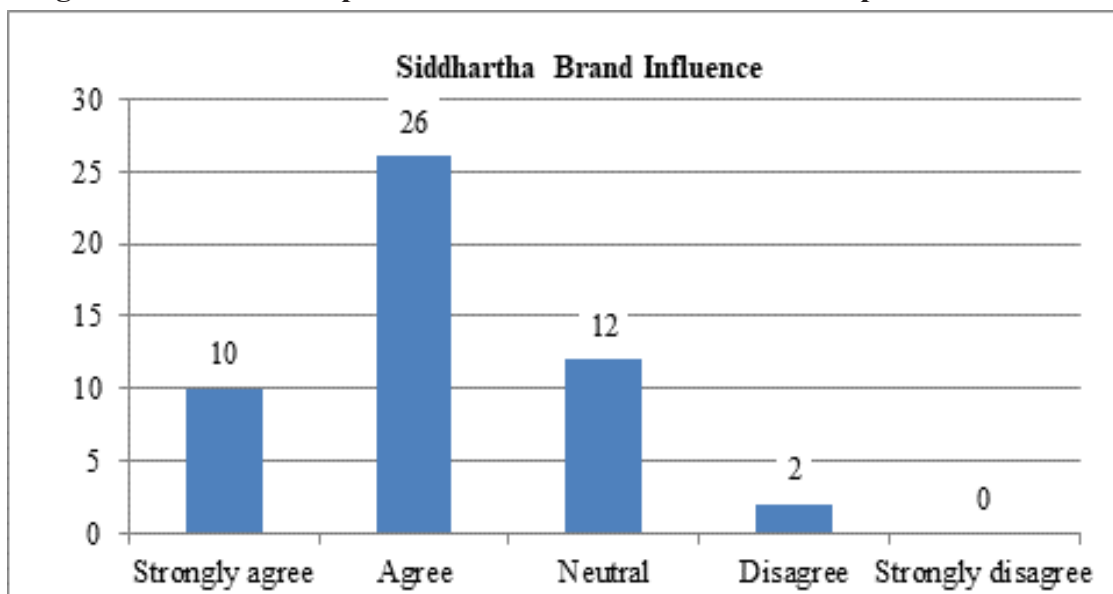
**Table: 12: Relationship of Siddhartha Brand and consumer purchase decision**

Siddhartha Brand Influence	No .Of Respondents	Percentage
Strongly agree	10	20%
Agree	26	52%
Neutral	12	24%
Disagree	2	4%
Strongly disagree	0	0%
Total	50	100%

(Source: Field survey, 2025)

From above table we can see that Siddhartha brand definitely have some impact on customers purchase decision. Out of 50 customers 26 customers agree and 10 customers strongly agree that their purchase decision in S-café is due to its brand. Whereas 2 customers disagrees saying that Siddhartha brand doesn't impact their purchase decision.

**Figure: 12: Relationship of Siddhartha Brand and consumer purchase decision**



(Source: Table 12)

**2.2.8: Increase in Income level has influence on consumer purchase decision of S-cafe**

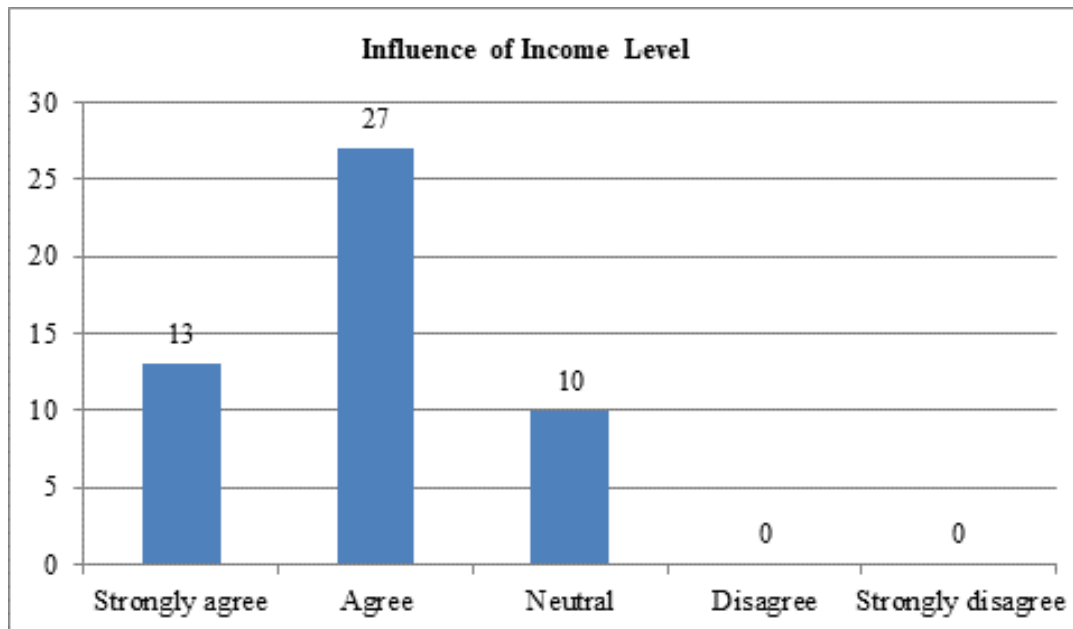
**Table: 13: Relationship of consumer purchase decision and income level**

Influence of income level	No. Of Respondents	Percentage
Strongly agree	13	42%
Agree	27	46%
Neutral	10	12%
Disagree	0	0%
Strongly disagree	0	0%
Total	50	100%

(Source: Field survey, 2025)

From above study we can clearly see that the customer purchase decision is directly influenced by their income level. Out of 50 customers 27 customers agree and 13 customers strongly agree that the purchase decision of the customer is directly influenced by their income level.

**Figure: 13: Relationship of consumer purchase decision and income level**



(Source: Table 2.1.13)

**2.2.9: Influence of flavor or taste on consumer purchase decision**

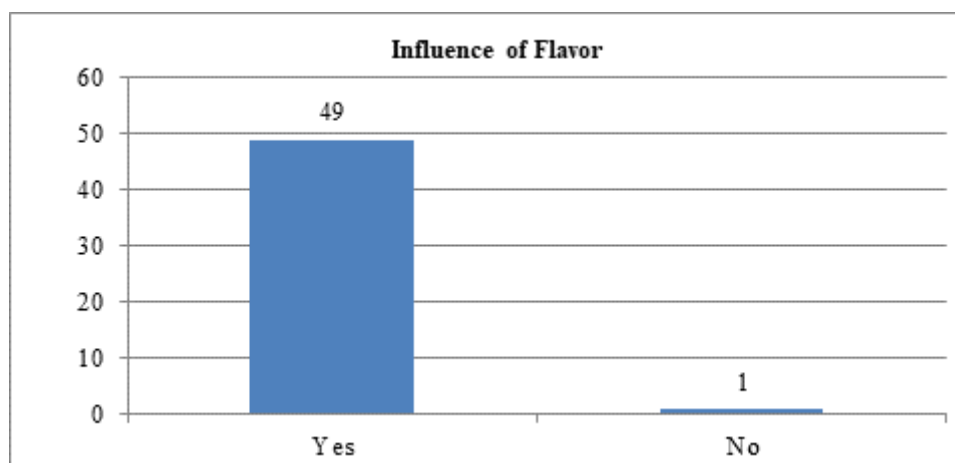
**Table 14: Influence of flavor or taste on consumer purchase decision**

Particular	No. Of Respondents	Percentage
Yes	49	98%
No	1	2%
Total	50	100%

(Source: Field survey, 2025)

From above table we can see that out of 50 customers 49 customers said that the flavor or taste presence in Siddhartha sweets and bakery influence their purchase decisions while 1 customer doesn't agree with it.

**Figure14: Influence of flavor or taste on consumer purchase decision**



(Source: Table 14)

**2.2.10: Would you consider yourself loyal to Siddhartha Sweets and Bakery (Siddhartha Brand)?**

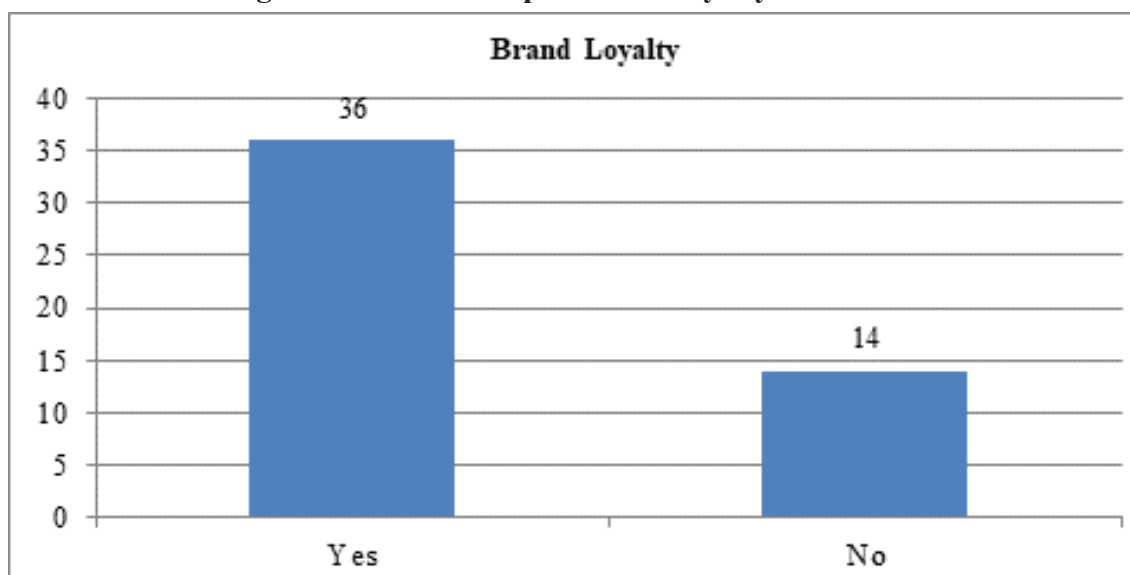
**Table15: Relationship of Brand loyalty and S-café**

Particular	No. Of Respondents	Percentage
Yes	36	72%
No	14	20%
Total	50	100%

(Source: Field survey)

From above study we see that out of 50 customers, 36 customers consider themselves loyal to Siddhartha sweets and bakery while 14 customers disagree with it.

**Figure15: Relationship of Brand loyalty and S-cafe**



(Source: Table 15)

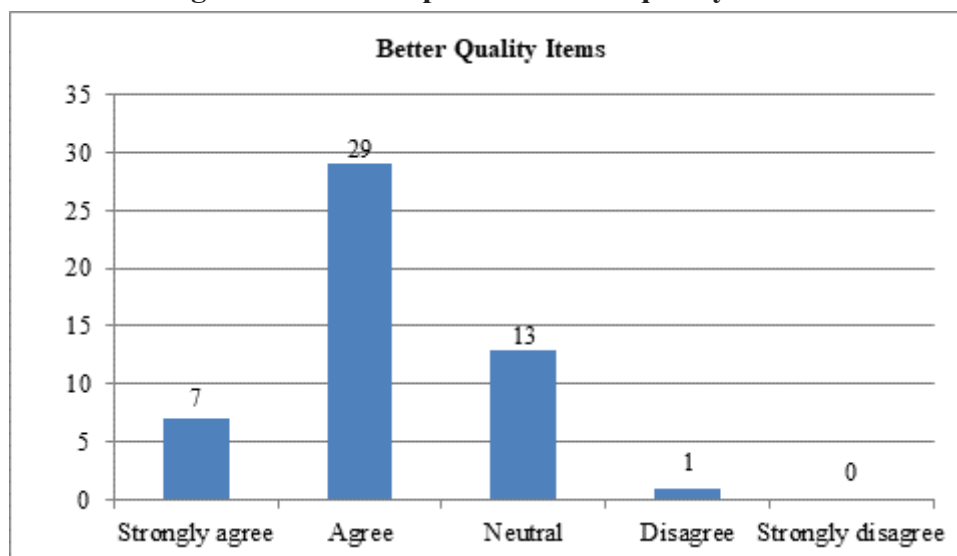
**2.2.11.S-cafe represents better quality items.**

**Table16:S-cafe represents better quality items.**

Price sensitive	No. of Respondents	Percentage
Strongly agree	7	14%
Agree	29	58%
Neutral	13	26%
Disagree	1	2%
Strongly disagree	0	0%
Total	50	100%

From above study we see that out of 50 customers 29 customers agree and 7 customers strongly agree that S-café represent better quality items. Out of which 13 customers were neutral about S-cafes quality while 1 customer disagree that it doesn't represent better quality items.

**Figure16: S-cafe represents better quality items.**



(Source: Table 16)

## Literature Review

A brand is defined as an acronym, signal, mark, or blueprint—or a combination of these—that identifies the maker or seller of a product or service (Kotler & Armstrong, 2009). Similarly, the American Marketing Association (2014) defines a brand as a name, symbol, or feature that distinguishes one seller's goods from those of competitors. According to Holt (2004), a brand is more than just a trademark or logo; it requires a history. It is formed through the accumulation of customer experiences over time, media discussions, and social evaluation. Kotler and Andreasen (1991) further correlate branding with consumer purchase characteristics, defining it as a tool to establish identity, facilitate recognition, and communicate product delivery. To analyze Siddhartha Sweets & Bakery, this study applies Kotler's (1999) Six Dimensions of the Brand, which suggests a brand conveys six levels of meaning:

### Research Methodology:

#### Research design

Research design means an overall framework or plan for collection and analysis of data. A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure (Setlitz, Wrist man and Cook). The research was based on quantitative and descriptive methods. Research related to prediction, explanation of facts and individual group or situation is descriptive research design.



## **Population and sample**

Population refers to the entire group of people, events or thing of interest that the researcher wants to investigate. Sample means only a portion are subset of the population, as the population is large in size. Among the total population only 50 people was asked through questionnaire. The sample was taken through convenient sampling various parts of Nepalgunj city.

- A Likert scale is a type of rating scale used to measure attitudes or opinions. With this scale, respondents are asked to rate items on a level of agreement.

## **Limitation of the study**

As everything has its limitation this study too an exception due to limited time studying and analyzing data is difficult; some of the limitations of the study are given below:

- The project did not cover the effect of branding on a very large scale. Only a small population was studied which may not be enough to show correct picture.
- This research was conducted for the academic purpose only.
- The consumers are very reluctant to answer the question and the response may be biased.

## **Results, Discussion, finding and conclusion**

### **Results and discussion**

The research was done to know the impact of branding on consumer purchase decision of S-cafe in Nepalgunj city. Any person from any profession can like the brand regarding their job. People are influence by many factors while choosing the particular brand those factors can be friend influence, quality, price, advertisement, brand loyalty, income level, etc. Purchase decision due to the branding is a dependent variable which is influenced by different independent variables. The additional features that makes a successful brand is decisions to buy in any of the above ways, or through combination of them, sometimes with tremendous persuasive appeal. Even though there are some independent variables that influenced the brand preference and those variables are demographic factors, income, quality,, brand loyalty, advertising and price.

In this research 50 respondents from consumer of S-cafe Based on the data analysis there were several factors influencing customer purchase decision and satisfaction towards Siddhartha Sweets and Bakery. So from the research, it is identified that there are some variables that directly affects the customer purchase decision.

A survey was carried out using random convenience sampling method and the sample obtained included the respondents with different gender, age, income level etc. All the respondents were asked the same questionnaires and they answered on a Likert scale ranging from strongly agrees to strongly disagree and few questions are in dichotomous question. The responses were collected and the data was arranged and analyzed using Microsoft Excel. Research indicates that more services and product quality, features and brand image are more likely to be concerned by the consumers for their purchase decision towards Siddhartha Sweets and Bakery. So from the research, it is identified that there are some variables that directly affects the customer purchase decision. Some of these variables are the Brand Image, Brand Name, Price Margin, Quality of the Product, Flavor and taste of the items etc. It is disclosed that there are more than half of the respondents who will change their current brand if their family income increases; this shows that income is also one of the most influencing factor in branding.

Regarding the demographic profile, the research was done with the sample size of 50 representing the population size and was conducted in Nepalgunj city. Among the respondents, the percentage of female respondents was 44% and that of male respondents was 56%. Maximum respondent were from age above 20 while there were no respondent below 18. 68 percent of the respondents have income level above 20000 while 32 percent of the respondents have income below it. On regard of their marital status 78 percent of the respondents were unmarried whereas 22 percent of the respondents were happily married.

### **Major Findings**

Major findings are mentioned below:

- Out of 50 respondents, 5 are concerned about Brand Name, 23 are concerned about Company Image, 1 is concerned about Slogan, 1 is concerned about Labeling and 20 are concerned about all of above perceptions.
- The study shows majority of respondent agree that they were price sensitive consumer i.e. (50%) and it means price of s-cafe product influence consumer purchase decision.
- Responses toward appeal of Siddhartha Bakery are good or not, 8 people strongly agree, 29 agree and 13 were neutral.
- Another finding uncovered from this work was the fact that most of the respondents of s-cafe are effective. It shows advertising mediums used by s-cafe attract the consumer.
- All consumers may not be loyal to brand. This study shows among 50 respondents 72% were loyal to Siddhartha brand so they visit s-cafe. While 28% respondents were not loyal to this brand.

- Study also shows that S-cafe provides better quality products which satisfy its consumers. Here in this study 58% said yes S-cafe provides better quality products and remaining respondent said no. It concludes that quality of product is also one factor that influences consumer purchase decision.
- Majority of respondents were agreed that Siddhartha brand influences the purchase decision of S-cafe i.e. (52%) and only 4% were of respondents disagreed. It concludes that name of brand has adverse influence on consumer purchase decision.
- The most of respondents were agree with statement that increase in income influence their purchase decision and also 42% were strongly agree and no one remain disagree and strongly disagree. It shows that increase in income level has adverse affect on consumer purchase decision of S-cafe

### **Conclusion**

This research attempted to embrace a wide spectrum of possible issues with customer satisfaction and their purchase decision towards Siddhartha Sweets and Bakery. This report was focused on the important factors in purchase decisions and their response for branding. According to the findings of analysis section, it can be concluded that branding is affected by numbers of variables. A particular brand is preferred by a consumer due to many factors associated with it. Similarly when a particular brand is preferred it can be for a number of reasons like quality, advertisement, price, brand loyalty, income level friend influence etc.

Further, it can be well understood from the analysis of this study that advertisement in television and internet influenced the respondents' buying behavior then the other advertisement media like newspaper and friends. It is also found that if income level changed consumer change the current brand. It is also cleared that price plays significant role while purchasing the particular brand.

**Key Takeaways : Customer satisfaction ,Attitude of the customer , Psychological tendency of the customer , Purchasing power ,behavioral aspects .**

### **Reference**

Agle, B. (1999). *Understanding the Research on Values in Business* (Vol. 38).

Barsky , J. (1994). *World Class Consumer Satisfaction*.

Carnwell, R., & Daly, W. (2001). *Strategic for the constyuction of a critical review of the literature review*. Nurse Educ. Tracking Data.

- Cooling , J. (2003). *Demystifying the clinical nursing research process*. *Vrol Nurs* 23(4).
- East, & R.H. (1995). Correlates of first- brand loyalty. *Journal of Marketing Management*, 11, 487-497.
- Eastman, & J.K. Status Consumption in consumer behaviour :Scale development and valuation. *Journal of Marketing Theory and Practice*, 7 (2), 41-51.
- Eastman, & J.K. (1999). Status Consumption in consumer behaviour. *Journal of Marketing Theory and Practice*, 7, 41-51.
- Eastman, & J.K. (1997). The realltionship between status consumption and materilism. *Journal of Marketing Theory and Practice*, 5, 52-66.
- Gutman, J. (1982). A Means- End Chain Model Based on Consumer Categorization Process. *Journal of Marketing*, 46, 60-72.
- Hart , C. (1998). *Doing a Literature Review*. London: Sage Publication.
- Howard, & J.A. (1969). *The Theory of Buying Behaviour*.
- Jonathan Wilson, (2014), *Essentials of business research*, Sage publications Inc, Los Angeles.
- Kotler and Andreason, (1991), *Principles of marketing*, Prentice Hall Inc, New Jersey, U.S.A.
- Kotler and Armstrong, 2009. *Principles of marketing*. 13th Ed
- Kotler, P and Keller, K.I. (2009), *marketing management*, 13th Ed. New Jersey: Pearson Prentice Hall.
- Kotler, P. (2002). *Marketing management* (11 ed.). New Delhi : Prentice ghall of India.
- Leon G, (1999). *Consumer Behavior*, Harlow; Prentice Hall
- Shermach, K. (1997). *What consumer wish brand manager knew* (Vol. 31).<http://documents.mx/documents/project-on-effect-of-branding-on-consumer-buying-decision.html>
- <https://www.mtn.com/Pages/Home.aspx>
- <http://www.mtn.com.gh/personal>
- <http://www.slideshare.net/vipultandonddn/project-onbran>
- [www.businessdictionary.com](http://www.businessdictionary.com)