Scientific
Research
Publishing

Socio-Cultural and Economic Factors in Cross-Border Purchase: A Study of Customers' Perspective in Sunauli-Nepal/India Border

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Abstract

Nepal and India sustain bilateral relationship and share social, cultural, economic, political and geographical proximities contributing people of both nations to a number of advantages. This study analyzes socio-cultural, geo-political, and economic proximities contributing people of Sunauli-India/Nepal border exploiting purposive sampling in 429 respondents with a structured questionnaire survey in February 2018. Descriptive and inferential data analysis techniques are performed along with Logistic Regression Model to interpret the determinants of cross-border purchase. The result revealed 96.3% of the total respondents involved in purchase, out of them, 85.6%, 77.2%, 71.6%, 71.2% and 54.6% purchase due to economical price of the goods, festivals, communication access, habit and open border factors respectively. The empirical results of the binary logistic regression models revealed different effects of the factors on customers cross border purchase. Economical goods (2.727***), hassle free cross-border imports (1.952***), language similarities (1.551**) and goods available in local market (1.268**) significantly and positively affect the cross-border purchasing activities and the Odds Ratio of given variables is 15.28, 7.04, 4.71 and 3.55 respectively. Following the analysis, the study concludes that there is positive influence of socio-cultural characteristics in cross border purchase. Open border factor is equally important to stimulate such purchasing activities. More than other factors, economic characteristics as availability of goods, their types and economical price are all in all important.

Keywords

Socio-Cultural Factors, Customers' Perspective, Cross-Border Purchase, Logistic

Regression, Nepal-India Border

1. Background

Boarder between countries is a sensitive issue and tends to prevent freedom of movement [1] [2]. However, there has been a long tradition of free movement of people across the borders. The last decades have seen a proliferation of institutionalized cross-border cooperation structures around the world [3]. People move back and forth in the open border area for purchasing daily consumer goods and for business purpose. This type of phenomena appears worldwide in the open-border countries. Often, border regions are thought of as peripheral regions inside states where daily life is influenced by the state-border [4]. Cross-border cooperation is becoming an increasingly important factor in establishing a stimulating business environment that includes different levels of cooperation between regions of neighboring states [5]. Cross-border activities are increasing due to various beneficial motives such as easy entrance through borders, economical price of the commodities, easy purchase-sell activities, common and understandable language, cultural similarities, family relations across the border and trust. Without strengthening cultural cross-border relation, it is impossible to build strong links and cooperation between neighboring nations [6].

India and Nepal have shared intense people-to-people relations for a very long time [7] as geographical factors have been reinforced by religious, cultural and ethnic affinities between the inhabitants of the Terai region and their counterparts across the border [8]. As close neighbors, India and Nepal share a unique relationship of friendship and cooperation characterized by open borders and deep-rooted people-to-people contacts of kinship and culture [9]. [10] opined that migration between India and Nepal has been easy due to an open, porous border and strong familial link. [11] rightly remarks that the effects of a border on economic interaction depend on the nature of that border with respect to the degree of openness, the degree of cultural, racial and linguistic differences, political relations between the respective regions and the degree of economic disparity. The Indo-Nepal Treaty of Peace and Friendship[1] of 1950 is a bilateral treaty signed on July 31, 1950 between Nepal and India [9] [12] [13]. The treaty has played a vital role in establishing a close relationship between the two South Asian neighbors and allows for the free movement of people and goods between the two nations and a close relationship and collaboration on matters of defense and foreign affairs [14].

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[1]Article 7 of the Treaty states—*The Governments of India and Nepal agree to grant, on a reciprocal basis, to the nationals of one country in the territories of the other the same privileges in the matter of residence, ownership of property, participation in trade and commerce, movement that privileges of a similar nature* (Kansakar, 2001; Ministry of External Affairs, Government of India http://mea.gov.in/bilateral-documents.htm?dtl/6295/Treaty+of+Peace+and+Friendship).

In the context of Nepal-India border issues, a very strong social, political and geographical proximity has benefitted people of both nations [13]. Many youths cross the border for employment, as they do not require passports and official hassles. Likewise, many Nepali youth work in various business and service sectors of India including the most prestigious security segment designated Gorkha[2]. Similarly, many Indian citizens work in Nepal especially as the technical human resources [15]. Beside, many people have utilized open border for service business and attainment of facilities. Different reports show that thousands of Nepali girls migrate to India and Indian girls enter to Nepal getting married [16]. Alongside, Nepal is a landlocked country and its relation is stronger with India in comparison to China due to various socio-cultural, economical and geographical nexus [13].

Borders as special form of regions have been significant subject of research in several regards: cross-border commuting, cross-border trade, cross-border labor markets and other [4]. Border studies cover mostly Europe as [4] focuses his study on the multi-contextual character of border regions under sociological frame with reference to Danish-German border region. [1] highlights the influence of the state border on the development of cross-border economic relations between firms in border regions of the Netherlands and Belgium. [17] observes how a border area becomes an integrated, well-functioning border zone. Similarly, [5] observes factors influencing cross-border business cooperation between Carinthia (Austria), Slovenia and Friuli-Venezia Giulia (FVG) (Italy) in the Alps-Adriatic region. [3] discusses the determinants of local government contact networks within Euroregions cross-border cooperation organizations. Apart from European studies, [18] covers Social Capital and Social Innovation impacts on economic development and competitiveness strategies in a cross-border of Laredo region of the Mexico border. In African case, [19] highlights links between economic performance and social networks in five West African border markets located in Niger, Nigeria and Benin. [11] in their study highlights factors affecting the degree and nature of economic interactions between bordering nations.

In the Nepalese cross-border context, though several studies have already been conducted related to border, the issue of cross-border purchase has not been carried out. [10] studied impact on security and other issues of migration into India from adjoining neighbors – Bangladesh and Nepal. [7] has studied problems, prospects and challenges of Nepal-India open border. [13] has tried to highlight the political nature of border issues with Nepalese border sharing nations—India and China. [2] has shed lights on the Nepal's historical and cultural perspective in border dispute with its neighbors. [14] has discussed about problems and prospects of cross-border under the changing paradigm of India-Nepal relations. Similarly, [8] in his research delves into the mutual needs of the people across the open border between Nepal and India and the steps taken at the people-to-people and the government levels for the continuance of the "benefit

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[2]Gorkha (also known as Gorkhali) is the given name for the Army throughout the world that requites Nepali solders troop.

factor" between each other in times of well-being and distress.

All the given studies focus on some political and social context and less discuss in cross border purchase. Hence, socio-cultural and economic effects on cross-border purchase lack comprehensive research. The present study, thus, aims to undertake a comprehensive analysis of the socio-cultural and economic factors affecting cross border purchase in Sunauli-Nepal/India border.

The remaining section is organized as follows: the second section follows with the materials and method used, third section supports the result and discussion and the last section provides concluding remarks.

2. Materials and Methods

2.1. Study Area

This study was performed in Sunauli-India/Nepal border[3]. Small towns called Sunauli (in the India Side) and Belahiya in the Nepal side are abreast to the border. Nepal is land linked country located between two Asian giant economy nations China in the North and India in the East, South and Western parts [2] [14]. Nepal shares border 768 miles with Chinese territory and in the North while 1089 miles to India in the East, West and South [13]. Based on the geographical proximity and access, Nepal has greater connectivity to India with 22 official checkpoints whereas China has only 6 official ports, which even do not function as intense and smooth as Indian checkpoints [7]. It is because northern part of Nepal contains mountain ranges covered with snow throughout the year, hence, rather inaccessible compared to border connectivity posts with India. As china requires entry and exit visa in the cross flow of people from border, it has obstructed cross-border purchase, unlike India. The 1950 treaty of peace between Nepal and India declares the open border between two nations that allows free movement of the people and commodities across the border, which has contributed significantly towards the activities of the people of two nations and relationship [8] [14].

Sunauli-Nepal/India border is the most crowded cross-flow route between Nepal and India [20] due to its geographical connection to Lumbini—birthplace of Lord Buddha, plain and accessible geographical structure, connection to pokhara (tourist city) and Kathmandu (capital of the country), hassle-free open border check post, communication access and economical accommodation in Nepal side whereas connection to major Indian cities like Gorakhpur, Delhi, Calcutta, Mumbai, Gaya, Kashi, Haridwar, Agra; matrimonial relations and cultural celebrations in the Indian sides. The cross-flow is also sustained and increasing due to ethnic, linguistic, economic and cultural similarities between two nations.

The study area selection is based on purposive sampling[4]. The reason behind

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[3]Sunauli is located in 70 kilometers north of Gorakpur, India and 3 kilometers south of Bhairahawa, Nepal.

[4]As sample of this study can only be logically assumed to be representative of the population. Some expert opinions were gathered during the methodology development phase, to select our sample in a nonrandom manner.

selecting purposive sampling in this study has two main reasons: the population is unknown and likely to change time and again; and visit of the people across the border from both country is not recorded as it is open border and people can stay as long as they want in both side of the border. [21] argued that purposive sampling can be very useful in situations when researcher needs to reach target sample quickly and sampling, for proportionality is not the main concern. However, caution has been taken to select the people who have visited and are willing to cross the border[5] for purchase.

The survey was conducted in the month of February 2018. A total of 429 individuals were interviewed, irrespective of gender, education status, culture, their residence and so on. Such respondents are both Nepali and Indian Nationals crossing the border for various reasons. Interviews were conducted for those people who were available in study area during the survey period. A fully structured questionnaire, with about 50 questions—both open ended and close ended, was used to gather information on their purchasing behavior and other socio-economic and cultural aspects that can influence their purchasing behavior. Pretesting of questionnaire and training to the enumerators were performed as per needed to avoid missing any important information and flaws.

Descriptive and inferential statistics are performed for data analysis. STATA version 13 has been used for statistical purposes. All necessary corrections such as Multicolinearity and Heteroscedasticity have been performed and elucidated in regression analysis part of the research (See Table 2).

2.2. Theoretical Framework

Border interaction is affected by large number of variables which is basically of social, cultural, economic and political nature [5] [11] [17] [18]. These border phenomena can be analyzed categorizing into three theoretical approaches—the flow approach, the cross border cooperation approach and the people approach [1].

First approach focuses on the physical flow of goods, services and people across the border; second focuses on the analysis of border region and institution that allows for interaction and economic development while the last one is based on social-construction, identity and culture [11] [22]. The flow approach views border as an artificial barrier and restriction is taken as economic loss. When border is in periphery, decisions are made for in the center of the nation and government may not be able to address the local context (scenario) [1] [23]. In the context of Nepal-India border, peripheral areas cause intense economic activities where people from the border area cross more frequently than people away from the border. Obstacles like border blockade, even for the short period of time, results in great loss of revenue.

The cross-border cooperation approach views peripheral region as frontiers for intense economic activities and emphasizes on cross border co-operation and

[5]In this survey, 16 of the respondents have been found not crossing the border but willing to purchase in the future.

strategies to overcome differences [1] [11] [23]. [24] refers cooperation as "an opportunistic strategy for obtaining public subsidies". [25] believes that the cross border cooperation can boost the economic development between the neighboring countries. Additionally, [26] believe homogenization and culture affect marketing decisions and [27] focus on coherent activities of government public and business as essential to address socio economic and environmental problems. [28] points out three main challenges about the cooperation in cross border areas like pre-conceptions, socio-economic differences and distance to the center from periphery. The cross border cooperation between Nepal and India involves deep rooted multiple identities. The institutionalized agencies can work in territorial strategies, policy documents and cooperation between center and periphery. There is increasing importance of cross border cooperation [29].

The people approach views border not as lines in space but as socially constructed separating by national identity, culture and language. Physical and economic barriers only do not determine the existence of border, a number of socio-cultural factors play vital roles. However, sometimes racial, religious, linguistic and cultural differences also act as separators; constructing stereotype, prejudice and otherization [1] [11] [23] [30]. Culture affects social rules in terms of what is appropriate and what is not, and orientation to time and activities [31]. [32] emphasizes the circumstances and culture affecting reality. Similarly, in the role of language [33] argues that language and cultural socialization profoundly influence how people see themselves and communicate with other people having different backgrounds.

All the approaches estimate cross-border economic flows determined by social, cultural and economic factors [1] [11]. Thus, people, culture, perception and behaviors are equally emphasized as the factors for success. Complexities of border interaction, positive role of trust and intense forms of cooperation are acknowledged by all the approaches.

2.3. The Empirical Framework

For this study, binary Logit Regression Model was performed to identify the significant variable that determines consumers purchasing activities across the border with several other explanatory variables. Suppose Y is dichotomous variable assigned 0 for customer who has not purchased across the border and 1 involved on purchasing activities and X meant the socio-cultural and economic factors as mentioned in Table 1. The effect of X on the response probabilities, $P(y = j/x)$ can be estimated by using binary logit model of [34] [35] as:

$$P(Y_i/X) = F(Z_j) = \frac{e^{z_i}}{1 + e^{z_i}} = \frac{1}{1 + e^{-z_i}}$$

$$P(Y_i = J/X_i) = F(Z_j) = \frac{e^{z_i}}{1 + e^{z_i}} = \frac{1}{1 + e^{-z_i}}$$

$$Z_i = \beta_0 + \beta_1 X_{1i} + \cdots + \beta_n X_{ni} + \mu_i \tag{5}$$

The logit regression equation that is used to ascertain variables influencing

Table 1. The overall characteristics affecting cross border purchasing activities.

VARIABLES	Mean	Std. Dev.	Description	Expected Sign*
Gender	0.78	0.42	Dummy takes the value 1 if married and 0 otherwise	±
Level of Education	1.35	0.88	Categorical	±
Goods in Local Market	0.73	0.45	Dummy takes the value if goods available in their local market and 0 otherwise	−
Economical Goods	0.87	0.33	Dummy takes the value if goods are economical across the border and 0 otherwise	+
Language Similarity	0.90	0.29	Dummy takes the value if common language helps to purchase across the border and 0 otherwise	+
Costumes Similarity	0.53	0.50	Dummy takes the value if common dress helps to purchase across the border and 0 otherwise	+
Access to Communication	0.74	0.44	Dummy takes the value if they have access to communication across the border and 0 otherwise	+
Communication Role	0.72	0.45	Dummy takes the value if communication helps to purchase across the border and 0 otherwise	+
Role of Relatives	0.38	0.49	Dummy takes the value if relatives across the border helps to purchase and 0 otherwise	+
Credit facilities	0.16	0.37	Dummy takes the value if customers received credit for purchase and 0 otherwise	+
Price factor	0.80	0.40	Dummy takes the value if price is the main reason for purchase and 0 otherwise	+
Hassel free import	0.73	0.44	Dummy takes the value if customers feel easy to bring goods from border and 0 otherwise	+
Border disturbance	0.53	0.50	Dummy takes the value if disturbance in border area affect their purchase and 0 otherwise	−

Source: Authors' calculation/ Assumption. *Sign of expected sign represent the sign of variables.

cross border purchasing behavior is:

$$Y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \cdots + \beta_{13} x_{13} + \mu_0 \qquad (6)$$

where, Y is the peoples' purchase across the Nepal-India border at Sunauli, β_0 is the constant coefficient, $\beta_{1\text{-}13}$ is regression coefficient and μ_0 is the error term. The estimated hypotheses in this study are:

H01: Open border has no effect on customers' purchasing behavior in bordering area.

H02: Social factors do not have effects on customers' purchasing behavior in bordering area.

H03: Cultural factors do not have effects on customers purchasing behavior in bordering area.

H04: Communication does not have effects on customers' purchasing behavior in bordering area.

3. Result and Discussion

3.1. Socio-Cultural Characteristics of the Customers Purchasing Cross-Border

In this study, a majority of the respondents 78% were male and 22% of them

were female involved in border purchase. 84.7% of the respondents were educated but their education level is mostly up to higher secondary level *i.e.* 12 years of average schooling. During their cross-border purchasing activities, female family members are seldom used. Majorities of (79.3%) of the respondents tell that they do not involve female family members in such purchase. It shows the prevalence of gender biasness in cross border purchasing activities similar to the socio-cultural practice in the Nepali society. The gender biasness is a social construction perpetuated from the distant past and affecting economic decision that is spending money in the open border purchase.

In the research, out of 429 respondents, 68.38% of them purchase general goods across the border followed by garment products (21.86%), store goods (19.06%), cosmetic products (7.4%), medicines (5.58%), hardware (4.65%) and insignificant others. It indicates that border customers mostly purchase the goods for daily household needs. These goods are generally available in their locality, as 71.2% stated, however they purchase such goods across the border for several reasons due to cheaper goods (65.1%), quality goods (41.2%), geographical proximities coupled with cultural homogeneity (20.7%), habituated (3%), friends-circle (3.5%) and so on.

In the border area, customers' movements' increase in the festivals commonly celebrated in both the nations—*Tihar* (Diwali in India), *Dashain* (Dahsera in India), *Chhath*, and *Holy*. Besides seasons and festivals, relatives living another sides of the border, their languages, customs and practices also influence for cross border purchase [5] [17]. In the research, 43.2% of the total respondents argued they have various relatives on the other sides of the border which are promoting purchase across the border. Their status of relationship is observed as blood-relationship (17.4%), friends-circle (15.1%), marriage (7%) and others (3.7%). Additional to relationship, respondents also believed common language helping them to purchase as 84.4% respondents agreed their purchase was easy due to similarity in languages. 51.6% of the total respondents opined that it is easy to purchase without cheating with the similar dress code but another 48.4% did not agree to this proposition.

Communication in border area is another important influencing aspect for cross-border purchase [4] [5]. As [1] opined that effective level of communication makes purchase much better in border area. The result of the survey also shows that in Sunauli-Bhairahawa border area, 71.6% of the respondents believed in the easy access of communication. Among such communication medium, mouth-to-mouth communication (90.9%) were found mostly used in compared to mobile (5.1%) and others (4%). As a result, 69.5% of them argued that such easy access to communication has helped to improve their purchase.

3.2. Economic Characteristics of the Customers Purchasing Cross-Border

This study observed very long evidence of purchasing goods across the border that ranges from less than a year to 60 years. It indicates that border activities for

purchasing goods are quite a long phenomenon. Also, 90% and above respondents, who have been to purchase goods across the border, informed that they have good information about market and goods which they have been purchasing across the border. A majority of respondents (85.6%) purchase goods across the border believe that goods available across the border are economical to purchase. Half of the respondents tell that goods are economical while the remaining respondents do not agree to the situation. The study reveals that a respondent spends in an annual average NRs 206,615 in purchasing across the border. The purpose of this purchase ranges from households' consumption goods to business intension.

Mostly customers purchase from different shops of their convenience but 35% of the consumers purchase from the same shop due to various reasons like credit facilities and their relationship across the border. 53.7% customers' purchase from the same shop receives credit facilities up to a month. Due to various reasons, customers prefer to purchase on the Indian side of the border. In the research, it is observed that they give preference to purchase Indian side of the border as 45% consumers reveled their opinion to purchase only Indian side of the border and another 45% want to purchase both sides of the border and rest 10% prefer to purchase Nepal side of the border. In this context, 90% respondents believe economical price is the main factor for the greater volume of purchase in Indian side.

3.3. Open Border Factors Affecting Cross-Border Purchase

Open border is considered equally important factor for the customers who has involved in such cross-border purchasing activities. Out of the total respondents, 54.6% agreed that open border situation is contributing in the purchase of the border area while 45.4% did not agree to the case. 31.9% of them accepted that open border has very much affected the purchase, 20.8% feel moderately affected and about 2% of them feel less affected. The study also shows that 71.7% of them agree they have not experienced any difficulties in the border but 28.2% of them admit they have faced difficulties in the border. It means, different customers have faced different border situations depending on their purchase and border environment.

Regarding the frequency of purchase, 16.7% of them purchase daily in the border, 53.1% purchase every week, 23.9% of them purchase at least once in a month and rest 6.3% of them purchase once in a year. 75% of the customers mentioned it is easy to bring the purchased goods from the border. The border is quite often affected by the various disturbances like political agitation, border strike, and amendment in the import-export regulations, tax law and anti-social activities. 58.4% of the respondents tell that border disturbances take place quite often. 52.2% of the respondent also believed such disturbances moderately affect their purchase. Yet, optimistically, two third of the respondent (69.3%) firmly believed that such border hurdles on existing scenario can be systematized by

strict rules and regulation at the check point, using technologies in check point like CCTV camera and maintaining the history of the visitors' records.

3.4. Regression Analysis

This study is based on cross-sectional data. [34] [35] [36] [37] [38] state that such cross-sectional data analysis may involve heteroscedasticity problem in the error term and multicollinearity among explanatory variables. To correct such problem, this study performs Collin test[6] to deal with the problem of multicolleniarity and estimates robust logistic regression to check heteroscedasticity problem as [35] [36] [37] applied in their study. As shown in Table 2, result from Collins Test was found VIF score for all models is less than 2, which indicates the used variables are free from multicolleniarity. Also, classification table[7] were used to estimate and measure the accuracy of prediction by the selected variables as [37] [39] as observed such accuracy is more than 70%. Further χ^2 value is significant and Pesudo R^2 gives value 0.33 (*i.e.* 33%) communicates the model selected for the study is fit and can accurately estimate the dependent variable relationship.

From the logistic regression, it is observed that goods available in local market, economical goods, language similarities and hassle free cross-border imports are statistically significant in both Logit and Probit Model[8]. All the variables are positive in sign that indicates the probability of cross-border purchase increases with the increase in the significant variables. It also shows that the odds ratio of the customers who purchase goods from cross border increases economic goods (15 times), hassle free cross-border imports (7 times), similarities in language (4 times) and goods available in local market (3 times) as to the customers who do not involved in cross border purchase activities.

Regression result reveals that there is significant relationship in cross-border purchase and small deviation in the peoples' daily activities and their perception towards goods, prices, relationship and other issues may affect their purchase badly and also could bring lethargic to the people who is purchasing and willing to purchase across the border. It is therefore necessary to ponder on such issues from both sellers and policy makers so that the cross-border purchase last long with their mutual interest, cultural and social harmony. It would further help to strengthening border areas peoples' socio-cultural and economic relationship along with border sharing countries. Additionally, it helps to reduce anti-border activities.

4. Concluding Remarks

Nepal and India have a very long bilateral relationship in many aspects. The

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[6]Collin Test against Breusch-Pagan Test for multicollinearity is used in this analysis as [39] argued that Collin test allows direct estimation of multicolliniarity after logit regression whereas Breusch-Pagan Test reqires OLS estimation.
[7]Higher percentage in classification table values provides better fit of the model [37].
[8]This study also used probit model to cross check the result received from logit model.

Table 2. Econometric estimation of determinants of cross border purchase.

VARIABLES	Logit Model		Probit Model
	Coefficient	Odds Ratio	Coefficient
	Purchase across Border		
Gender	−1.347	0.2599	−0.711
	(0.923)	(0.923)	(0.472)
Level of Education	−0.0754	0.9273	−0.0109
	(0.331)	(0.331)	(0.166)
Goods available in Local Market	**1.268****	**3.5537****	**0.583***
	(0.624)	**(0.624)**	**(0.300)**
Economical Goods	**2.727*****	**15.2823*****	**1.371*****
	(0.786)	**(0.786)**	**(0.382)**
Language that helps to Purchase	**1.551****	**4.7157****	**0.884****
	(0.725)	**(0.725)**	**(0.368)**
Dress help to Purchase	−0.379	0.6847	−0.150
	(0.654)	(0.654)	(0.315)
Access to Communication	−1.251	0.2860	−0.683
	(0.993)	(0.993)	(0.511)
Communication helps to Purchase	0.775	2.1711	0.364
	(0.899)	(0.899)	(0.454)
Helps of Relatives to Purchase	0.295	1.3435	0.292
	(0.710)	(0.710)	(0.351)
Goods in Credit	**−1.333***	**0.2637***	−0.583
	(0.765)	**(0.765)**	(0.391)
Price as a Reason	0.192	1.2122	0.180
	(0.690)	(0.690)	(0.327)
Easy to bring from Border	**1.952*****	**7.0423*****	**0.922*****
	(0.662)	**(0.662)**	**(0.312)**
Disturbance affect Purchase	0.152	1.1639	−0.0161
	(0.637)	(0.637)	(0.302)
Constant	0.00997	1.0100	0.0463
	(1.216)	(1.216)	(0.650)
Observations	429	429	429
Pseudo R^2	0.3327	0.3327	0.3410
Mean VIF		1.76	

Standard errors in parentheses. ***$p < 0.01$, **$p < 0.05$, *$p < 0.1$.

open border of the nations has been foundation of opportunities for the people. The objective of this paper is to detangle the socio-cultural and economic nexus of cross border purchasing in Sunauli-Nepal/India border. The study exploits both Binary Logit Model and Binary Probit Model to identify the factors statistically affecting the cross-border purchase with 13 explanatory variables. The findings reveal that 78% of the male household members involve in cross-border purchase for a long period of time. It shows the prevalent gender discrimination perpetuated since long in the male chauvinistic patriarchal Nepa-

li society. Though goods are available in their local area, 71.2% of the people are habituated to purchase the similar goods across the border. 77.2% of the total respondents purchase across the border during the major festivals. Similarly, due to easy access to communication, 71.6% people prefer to purchase across the border. Open border factor is equally important to stimulate cross border purchase as 54.6 of the respondents agreed that they purchase goods across the border due to hassle free border movements. Following the analysis, the study results in positive influence of socio-cultural characteristics in cross-border purchase.

The findings from logistic regression indicate that goods available in local market (1.268**), economical goods (2.727***), language similarities (1.551**) and hassle free cross-border purchase (1.952***) significantly and positively affect the probability of cross-border purchase activities. 85.6% of the respondents purchase goods from cross-border due to economic characteristics such as availability of goods, credit facilities, ranges of goods and their economical prices compared to the local market. The Odds Ratios of the statistically significant variables indicate that more than other factors, economic characteristics are all in all important in cross-border purchase.

To conclude, the emphasis should be based on perception of the people, harmony, trust, trade relation and international brotherhood for the sustainability of peaceful border activities, which the researchers believe will enhance and nurture cross-border purchase activities. Border hurdles should be jointly solved to enhance cross-border purchase and to minimize the growing political agitation of the people. The key areas of fair bilateral coverage, co-existence, mutual respect and cross-border connectivity should be preserved in pursuit of progress and optimizing mutual benefits. As the border areas in Nepal-India are far from central governments, their importance in terms of socio-cultural, historical and economic aspects should not be neglected.

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