



A STUDY OF CONSUMER PERCEPTION IN CAR MARKET AND BUYING BEHAVIOUR

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Abstract:

Now the automobile industry is the most profit gaining industry, due to the disposal income in both rural and urban areas, a lot of financial institutes are ready to provide finance by which the percentage of car sales has increased by 38% in the past 10 years. Car companies like Bentley, Porsche, Audi, BMW are capturing Indian car market. One of the important factors in marketing is creating a personality for their brand, so this research attempts to answer how cars are preferred to be selected by their brand personality by conducting a market research. The main objective is to know about the attitude of customers towards sales and service of the company and to analyze the need of the customers based on primary data. For this purpose a sample of 110 has been collected and percentage analysis, chi-square analysis, descriptive statistics and Anova were used as tool and the conclusion is that the quality of work with showrooms can be increased in future so that the level of satisfaction of customers can be increased.

Key Words: Car market, Showrooms & Quality of work

Introduction:

The concept of Buying Behaviour is very important in marketing and it's been evolving for years. Consumer's buying behaviour plays a vital role in creating impact on purchasing products. The human wants are unlimited and keeps on changing, car models are no exception for this behaviour as a new model of car is been released per month with new features to fulfil the wants. The car market is the place to study the customer behaviour and also to provide useful insights of what a consumer wants in a car. This can only be done by a research for the company to identify the behaviour and needs of the consumer. The first step a company has to take is to monitor information relating to customer perception as to whether the company has attained the customer requirements. Trends in customer satisfaction and key indicators of customer dissatisfaction shall be documented and referred while making future objectives, these trends are useful in comparing with the competitors and appropriate benchmarks and to be reviewed by management. They can identify their own strengths and weaknesses, where they stand in comparison to their competitors, chart out the path future progress and improvement. There is an obvious link between customer satisfaction and customer retention. Customers perception of service, quality and features will determine the success of the product or brand in the market. With better understanding of the customers perception the companies can determine the actions required to meet customer's needs, where a customer can be satisfied only by fulfilling their day to day needs and requirements being setup in the car like air conditioners, air cooling boxes for food storage and music systems. The requirements must also compete with all the other competing brands in the market. This leads to the evaluation of alternatives and a cost benefit-analysis is made to decide which product and brand image will be suitable, and can take care of the problem suitably and adequately. Thereafter the purchase is made and the product is used by the consumer.

Statement of the Problem:

The main problem of the study is to analyse consumer behaviour towards purchasing cars.

Objectives of the Study:

- To know about the level of brand awareness of the companies.
- To identify the factors that influence consumer Satisfaction towards cars
- To analyze the need of the customers based on primary data.

Scope of the Study:

The main scope of the study is that it will be useful for the companies to know about the customers and to rectify the errors to develop the quality of service in future period of time.

Limitations of the Study:

- The study is limited to Coimbatore city.
- The sample size is limited to 150 and that may be a bias of the study.
- The study period is around 3 months and a deep analysis about the research cannot be made.

- Respondent may fail to express their opinions and beliefs.

Research Methodology:

Type of Research: Descriptive research - My exploratory research conducted brought out a host of factors which affect the customer buying attitude. The purpose was to find an accurate snapshot of the market environment of automobiles.

Data Collection Procedure Used in my Research:

Questionnaire: The questionnaire method has come to the more widely used and economical means of data collection.

Field Work: Field work is a general descriptive term for the collection of raw data direct from the consumers, as opposed to secondary research. It plays an important role in collecting the data. My sample size was 150.

Data Collection Techniques:

- **Primary Data:** Pilot Study, Questionnaire
- **Secondary Data:** It refers to the already existing data. I collected them by following methods – Internet, Books, Published Articles, Journals and Newspaper Articles

Data Interpretation Tools:

- Following software’s has been used during analysis and compiling of data.
- Percentage analysis, Chi square and Descriptive statistics

Analysis and Interpretation:

		Frequency	Percent
Gender	Male	91	70
	Female	39	30
	Total	130	100
Age	Below 18	4	3.1
	18-25	47	36.2
	26-35	41	31.5
	Above 35	38	29.2
	Total	130	100
Educational Qualification	Below 10th or illiterate	4	3.1
	10th	3	2.3
	Higher secondary	66	50.8
	UG	44	33.8
	PG	13	10
Total	130	100	
Place of Living	Semi rural	10	7.7
	Rural	45	34.6
	Urban	65	50
	Semi urban	10	7.7
	Total	130	100
Occupational Income	5000-10000/month	19	14.6
	10000-20000/ month	64	49.2
	Above 20000/month	47	36.2
	Total	130	100
Occupation	Employee	9	6.9
	Business or professional	106	81.5
	NRI	8	6.2
	Others	7	5.4
	Total	130	100

Interpretation: The above table shows about the gender of the respondents were out of 130 respondents 70% are male and 30% are female. 3.1% are from the age group of below 18, 36.2% are from the age group of 18-25, 31.5% are from the age group of 26-35, and 29.2% are from the age group of above 35. 3.1% are below 10th, 2.3% are have completed their 10th, 50.8% have completed their higher secondary, 33.8% have completed their UG and 10% have completed their PG. 7.7% are from semi rural area, 34.6% are from rural area, 50% are from urban area, 7.7% are from semi urban area. 14.6% are earning from 5000-10000/month, 49.2% are earning from 10000-20000/month, 36.2% are earning above 20000/month. 6.9% are employee, 81.5% are business professionals, 6.2% are NRI’s and 5.4% are from other occupation.

Best Feature in Buying Car:

	Frequency	Percent
Price	32	24.6

Style	54	41.5
Mileage	34	26.2
Quality	10	7.7
Total	130	100

Interpretation: The above table shows about best feature in Buying car were out of 130 respondents 24.6% said that price is the best feature, 41.5% said that style is the best feature, 26.2% said that mileage is the best feature and 7.7% said that quality is the best feature. Its inferred that most of the respondents said as Style is the best feature in Buying car.

Perception towards Driving a Car:

	Frequency	Percent
Good	65	50
Better	14	10.8
Best	25	19.2
Poor	26	20
Total	130	100

Interpretation: The above table shows about best feature in driving a car were out of 130 respondents 24.6% said that price is the best feature, 41.5% said that style is the best feature, 26.2% said that mileage is the best feature and 7.7% said that quality is the best feature.

Satisfaction towards Vehicle Mileage:

	Frequency	Percent
Highly Satisfied	15	11.5
Satisfied	55	42.3
Neutral	32	24.6
Dissatisfied	21	16.2
Highly Dissatisfied	7	5.4
Total	130	100

Interpretation: The above table shows about satisfaction towards vehicle mileage were out of 130 respondents 11.5% are highly satisfied, 42.3% are satisfied, 24.6% are neutral, 16.2% are dissatisfied, 5.4% are highly satisfied.

Chi-Square Analysis:

Gender * Satisfaction towards Vehicle Mileage:

H₀: There is no significant relationship between gender and satisfaction towards vehicle mileage

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	25.090 ^a	4	.000

Interpretation: The above table shows about the comparison between gender and satisfaction towards vehicle mileage were the level is significance is less than 0.05 which shows that there is a significance relationship between gender and satisfaction towards vehicle mileage.

Descriptive Statistics for Factors Related to Level of Satisfaction:

	N	Mean	Std. Deviation
Satisfaction towards vehicle mileage	130	2.62	1.059
Satisfaction towards experience at the showroom	130	2.66	1.046
Satisfaction towards usage of the car	130	2.96	1.177
Satisfaction towards overall service provided by the Buying car	130	2.95	1.077
Satisfaction towards safety and Comfort with cars	130	3.05	0.963
Satisfaction towards the design	130	2.72	0.925
Satisfaction towards fuel consumption of the cars	130	3.18	1.281

Interpretation: The above table shows about the descriptive statistics for various factors related to level of satisfaction were the factors more than average mean (2.83) can be taken for the decision making process of the firm and the factors are Satisfaction towards overall service provided by the Buying car, Satisfaction towards safety and Comfort of cars and Satisfaction towards fuel consumption of cars.

Anova:

Age and Perception towards Buying Car's Customer Service:

H₀: Comparison between age and Perception towards Buying car's customer service

ANOVA		
Perception towards Buying car's customer service		

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	0.934	3	0.311	0.343	0.794
Within Groups	114.297	126	0.907		
Total	115.231	129			

Multiple Comparisons						
Perception towards Buying car's customer service LSD						
(I) Age	(J) Age	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Below 18	18-25	-0.271	0.496	0.585	-1.25	0.71
	26-35	-0.421	0.499	0.401	-1.41	0.57
	Above 35	-0.329	0.501	0.012	-1.32	0.66
18-25	Below 18	0.271	0.496	0.585	-0.71	1.25
	26-35	-0.149	0.204	0.464	-0.55	0.25
	Above 35	-0.058	0.208	0.782	-0.47	0.35
26-35	Below 18	0.421	0.499	0.001	-0.57	1.41
	18-25	0.149	0.204	0.464	-0.25	0.55
	Above 35	0.092	0.214	0.669	-0.33	0.52
Above 35	Below 18	0.329	0.501	0.512	-0.66	1.32
	18-25	0.058	0.208	0.782	-0.35	0.47
	26-35	-0.092	0.214	0.669	-0.52	0.33

Interpretation: The above table shows about the comparison between age and Perception towards Buying car's customer service were the level of significance is greater than 0.05 which shows that there is no significance relationship between the two factors.

Findings:

- Most of the respondents are male in our survey.
- Most of the respondents are from the age group of 18-25 in our survey.
- Maximum of the respondents have completed their higher secondary in our survey.
- Most of the respondents are from urban area in our survey.
- Maximum of the respondents are earning from 10000-20000/month in our survey.
- Most of the respondents are business professionals in our survey.
- Maximum of the respondents are having MUV.
- Maximum of the respondents said as Style is the best feature in Buying car.
- Maximum of the respondents are satisfied towards Vehicle mileage.
- Maximum of the respondents are satisfied about after-sales service of cars they have.
- Maximum of the respondents agree about sophisticated tools and technique at authorized service station.

Suggestions:

- The small segment cars can be manufactured in a large scale as the customers showing more willingness towards the segment cars and if they do so then the sales volume can be increased in future period of time.
- The customers feel that style is the best feature of the company and if the company launches stylist cars in future then the sales can be increased.
- The quality of work with showrooms can be increased in future so that the level of satisfaction of customers can be increased.

Conclusion:

The conclusion is that the quality of work with showrooms can be increased in future so that the level of satisfaction of customers can be increased.

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