

A STUDY ON CONSUMER PREFERENCE TOWARDS INDIAN BRAND CARS

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ABSTRACT: *The Indian automobile industry is one of the most lucrative industries. Increase in disposable income in both rural and urban sector and availability of easy finance are the main drivers of high volume car segments. There are different segments of cars in Indian brand automobile industry such as micro, macro, compact, hatchback, sports utility vehicle, and luxury cars. The present study is undertaken to identify the brand and type of Indian brand car preferred and the factors influencing the preference. Data is collected from 150 Indian brand car owners through systematic sampling method. The findings show that Tata and Mahindra are the brand cars preferred by most and macro cars are preferred. Quality, after sales service and brand name are influencing factors in preferring Indian brand cars.*

Key Words:

INTRODUCTION

India being the second most populated country in the world and eleventh largest car manufacturer with increasing growth rate as compared to developed countries, attracts the presence of huge demand in the automobile car industry. India is emerging market for worldwide auto giants. India is on growing path and has highest passenger car penetration. There are various reasons for the growth of Indian automobile market such as the people have more disposable income as economy is growing, increase in the need of mobility due to urbanization and leisure travel, car finance options available from financial institutes at reasonable rate of interest, availability of service centres and spare parts in near vicinity, improvement in highway infrastructure.

STATEMENT OF THE PROBLEM

Due to the emergence of globalization and liberalization there is stiff competition among various brands of automobile industries which are focusing attention in capturing the Indian market. India's demographics is such that, it can absorb voluminous number of cars every year and the Indian market attracts all popular overseas brands. Further, Indian brand car companies are competing with global brands and are successfully establishing their brands in the Indian market. In this scenario the study focuses to identify the Indian brand car preferred and the factors that influence in the preference of Indian brand cars.

SCOPE OF THE STUDY

This study focuses on the Indian brand cars preferred by the consumers and the factors influencing the consumers to purchase Indian brand cars.

OBJECTIVES OF THE STUDY

- To identify the Indian brand car preferred
- To identify the factors influencing Indian brand car preference

RESEARCH METHODOLOGY

- i) **Period of the study** : The period of the study is from September 2017 to March 2018.
- ii) **Sampling technique** : The sampling technique used for the study is systematic sampling.
- iii) **Area of the study** : The study was undertaken in Coimbatore city.
- iv) **Sampling size** : The sample size used in the study is 150 respondents.
- v) **Sources of Data**: The primary data has been collected through questionnaire from Indian car brand owners. The relevant secondary data have been collected from journals, magazines, thesis and dissertations, online reports, published and unpublished reports.
- vi) **Statistical tools**: The data collected for the study are analyzed with suitable statistical tools. The following statistical tools are used for the analysis in this study.

• Simple percentage analysis • Descriptive statistics • ANOVA • t - test

LIMITATIONS OF THE STUDY

There are some limitations in this study as follows,

- The study covers respondents in Coimbatore city only.
- The sample size is limited to 150 respondents.

REVIEW OF LITERATURE

Sakthivel (2017), studied about “Consumer Behaviour on Automobile Passenger Car” with special reference to Coimbatore city. The objective of the review is the identification of elements impacting client's inclinations for specific fragment of automobiles. The study reveals that easy cash flow with the people and accessibility of simple fund are the primary drives of high volume automobile sectors. With host of new players coming in and worldwide brands set to wander in Indian market. This examination will be useful for the current and new participant auto fabricating organizations in India to discover the client desires and their market offerings.

Vasanthashanmugam (2016), has made research on “Antecedents of Social Media Information Search towards Purchase Decision”. The objective of the study is to study the social media's influence on consumers purchase decision making and analyse the antecedents that impact their purchase decision. Methods and statistical analysis used are consumer-based attitude scale and a questionnaire was completed by respondents who either have purchased a car in last one year or, are willing to purchase in next one year. Frequency, t-test, ANOVA and factor analysis were used for data analysis using SPSS. The study finds that, advertisement and social media are considered as high source of awareness, then purchase intention may differ due to gender, family income, family type.

RESEARCH GAP

Few of the studies focus on variables such as financial position, consumer intention on purchasing new car, customer relationship management, measurement of service quality, customer intention, car market and buying behavior. But there is no study focusing on consumer behavior specifically towards Indian brand cars. Hence the present study is undertaken to fulfill the gap in the literature.

FINDINGS OF THE STUDY

Table 1 – Percentage Analysis showing Demographic Classification of the Respondents

Particulars	Classification	No. of Respondents	Percentage
Gender	Male	60	40
	Female	90	60
Age	18 to 25 years	51	34
	26 to 35 years	52	34.7
	36 to 45 years	30	20
	Above 45 years	17	11.3
Marital status	Unmarried	56	37.3
	Married	94	62.7
Educational Qualification	School level	38	25.3
	UG	35	23.3
	PG	65	43.3
	Professionals	12	8
Occupation	Student	35	23.3
	Self Employed	33	22
	Business	33	22
	Profession	11	7.3
	Homemaker	38	25.3
Type of family	Joint	64	42.7
	Nuclear	86	57.3
Number of members In the family	1	7	52.7
	2	43	28.7
	More than 2	28	18.7
Monthly family Income	Less than Rs.30,000	20	13.3
	Rs.30,001 to Rs.60,000	31	20.7

	Rs.60,001 to Rs.1,00,000	66	44
	Above Rs.1,00,000	33	20
Total		150	100

**TABLE 2 - INDIAN BRAND CARS OWNED BY THE RESPONDENTS
(MULTIPLE RESPONSE)**

Indian brand cars	Respondents	Percent
Mahindra	41	21.4
Tata	58	30.2
Maruti	58	30.2
Force motors	26	13.5
Hindustan motors	9	4.7
Total	192	100.0

Source: Primary data

From the above table it is clear that, 21.4 per cent of the respondents own Mahindra, 30.2 per cent own Tata, 30.2 per cent own Maruti, 13.5 per cent own Force motors and 4.7 per cent own Hindustan motor. **30.2 per cent of the respondents own Tata and Maruti.**

TABLE 3 - DESCRIPTIVE STATISTICS - TECHNOLOGIES USED IN INDIAN BRAND CARS

Statements	Mean	Standard deviation	Respondents
Adjustable steering	1.57	.496	150
Alarm system	1.93	.803	150
Airbags	1.51	.501	150
Bluetooth	2.51	.496	150
Foglamp	2.65	.480	150
MP3 Player	2.25	.723	150
FM	2.21	.641	150
TV	1.57	.496	150
Rear power windows	3.00	.000	150
Rear wipers	3.00	.000	150
Reverse parking sensor	3.00	.000	150
Remote locking	3.00	.000	150
Height adjustable seats	2.76	.429	150

Source: Primary data

Descriptive statistics has been used to find the mean scores for the technologies used in Indian brand car. The technologies used by the respondents in Indian brand cars are measured by summing up the ratings given by the respondents for 13 statements at three - point scale. The mean ratings have been assigned as 3 for 'Always', 2 for 'Sometimes', and 1 for 'Never'. High score indicates the technology which has been used always.

The highest mean score 3.00 has been found for 'rear power windows', 'rear wipers', 'reverse parking sensor' and 'remote locking' with a standard deviation of 0.00.

Hence, the respondents are mostly using rear power windows, rear wipers, reverse parking sensor and remote locking in Indian brand cars. The lowest mean score 1.51 has been found for 'airbags' with the standard deviation of .501.

TABLE 4 - PRICE RANGE OF INDIAN BRAND CARS OWNED

Price range of Indian brand cars owned	Respondents	Percent
Less than Rs.5,00,000	11	7.3

Rs.5,00,000 to Rs.10,00,000	57	38
Above Rs.10,00,000	82	54.7
Total	150	100.0

Source: Primary data

The above table indicates that, 7.3 per cent of the respondents own Indian brand cars priced less than Rs.5,00,000, 38 per cent own priced between Rs.5,00,000 to Rs.10,00,000, 54.7 per cent own priced above Rs.10,00,000. **54.7 per cent of the respondents own Indian brand cars priced above Rs.10,00,000.**

TABLE 5 - TYPE OF INDIAN BRAND CARS OWNED

Type of Indian brand car	Respondents	Percent
Mini car	32	21.3
Macro car	35	23.3
Compact car	34	22.7
Hatchback car	12	8.0
Sports utility car	10	6.7
Luxury car	27	18.0
Total	150	100.0

Source: Primary data

The above table indicates that, 21.3 per cent of the respondents own Indian brand mini cars, 23.3 per cent own Indian branded macro cars, 22.7 per cent own Indian brand compact cars, 8 per cent own Indian brand hatchback cars, 6.7 per cent own Indian brand sports utility cars, 18 per cent are owning luxury cars. **23.3 per cent of the respondents own Indian brand macro car.**

TABLE 6 - PERCENTAGE ANALYSIS FOR FACTORS INFLUENCING THE SELECTION OF INDIAN BRAND CARS

Factors influence	Highly influenced		Moderately influenced		Not influenced	
	No.	%	No.	%	No.	%
Brand name	150	100	-	-	-	-
Nationality of brand	31	20.7	79	52.7	40	26.7
Quality of car	150	100	-	-	-	-
Price of car	12	8	95	63.3	43	28.7
Size of car	90	60	45	30	15	10
Technical features	118	78.7	29	19.3	3	2
Design and appearance	125	83.3	25	16.7	-	-
Comfort and convenience	145	96.7	4	3.3	-	-
Facilities	145	96.7	5	3.3	-	-
Safety and reliable	94	27.3	56	72.7	-	-
Engine performance	90	60	60	40	-	-
Mileage	99	66	51	34	-	-
Luxury	12	8	19	12.7	119	79.3
Family size	64	42.7	86	57.3	-	-
Life style suitability	121	80.7	29	19.3	-	-
Finance scheme	131	87.3	19	12.7	-	-
Interior space	95	65	55	35	-	-

Exchange offers	2	2	37	24	111	74
Durability	104	69.3	46	30.7	-	-
After sale service	150	100	-	-	-	-

Source: Primary data

100 per cent of the respondents are highly influenced by the brand name, quality of car and after sale service.72.7 per cent of the respondents are moderately influenced by safety and reliability.79.3 per cent of the respondents are not influenced by luxury features in Indian brand cars.

ANOVA AND T - TEST FOR FACTORS INFLUENCING THE PURCHASE OF INDIAN BRAND CARS

H₀: There is no significant difference in the factors influencing the purchase of Indian brand cars based on demographic factors.

TABLE 7 - ANOVA FOR DEMOGRAPHIC FACTORS VS FACTORS INFLUENCING THE PURCHASE OF INDIAN BRAND CARS

Particulars		No.	Mean	Std. Deviation	T	F	Sig	S/NS
Age	18 -25 years	51	2.3647	.06655	-	6.815	.000	S
	26 -35 years	52	2.4183	.10050				
	36 -45 years	30	2.4200	.05960				
	Above 45 years	17	2.4500	.08292				
Gender	Male	60	2.3808	.09961	11.162	-	.001	S
	Female	90	2.4194	.07059				
Educational qualification	School level	38	2.3974	.10777	-	3.062	.030	S
	UG level	35	2.3714	.08684				
	PG level	65	2.4215	.07124				
	Professional	12	2.4250	.02611				
Occupation	Student	35	2.3400	.05116	-	19.555	.000	S
	Self employed	33	2.4742	.06389				
	Business	33	2.3667	.08898				
	Profession	11	2.4273	.02611				
	Homemaker	38	2.4276	.07772				
Marital status	Single	56	2.3518	.08032	.048	-	.827	NS
	Married	94	2.4351	.07215				
Type of family	Joint family	64	2.4086	.07213	3.775	-	.054	S
	Nuclear family	86	2.4006	.09409				
Number of earning members	1	79	2.3791	.08305	-	12.561	.000	S
	2	43	2.4093	.08256				
	More than 2	28	2.4661	.06094				
Monthly family income	Less than Rs.30,000	20	2.3450	.04560	-	4.839	.003	S
	Rs.30,001 to Rs.60,000	31	2.4000	.05627				
	Rs.60,001 to Rs.1,00,000	66	2.4098	.10856				
	Above Rs.1,00,000	33	2.4318	.05126				

Price range	Less than Rs.5,00,000	11	2.3091	.04369		25.530	.000	S
	Rs.5,00,000 to Rs.10,00,000	57	2.3693	.05650				
	Above Rs.10,00,000	82	2.4409	.08647				

Source: Computed

The ANOVA results indicate that there is significant difference in the factors influencing the purchase of Indian brand cars based on demographic factors except marital status. Hence, the hypothesis is rejected except in case of marital status. The paired t-test result shows that there is significant difference in gender and the hypothesis is rejected with respect to gender.

SUGGESTIONS

After analysing the findings, the following suggestions have been made.

- The factors influencing towards Indian brand cars are brand name, quality of car and after sale service. Hence, manufacturers are suggested to maintain these aspects.
- Consumers having more number of family members are highly influenced by Indian brand cars. Customized production and marketing strategies of the manufacturers and marketers of Indian brand cars could be the reason to strongly position their brands in consumer’s mind. This is recommended to be enhanced to maintain brand recognition among the consumers.

CONCLUSION

The Indian car makers have shown remarkable agility to cope with global players. The expected rise in income levels, wide choice of models and easy availability of finance at lower interest rates has driven the growth of car industry. The future scope also looks even better. The Indian Automobile Industry has seen a lot of international car manufacturer’s entering India. The Indian road has seen the change with new technology cars coming in with more luxury and affordability. The value of possessing a car has changed from time to time. Understanding the fact, the car manufacturing companies realized to tap the untapped potential in the Indian car markets. In the current study it has been understood that the macro cars have attracted a large user with the ruggedness and with multi utility features of the car, it has attracted the customers who were having large family size.

REFERENCES

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