

## **A Study of Consumer Preferences & Attitude towards Passenger Cars of Maruti Suzuki & Hyundai Motors In Pudukottai**

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### **Abstract**

Companies today are becoming customer centric & highly focusing on satisfying their customers as they realized that in present cut throat competition, satisfying & delighting the customers is very crucial. Because of the constant change in needs, expectations and lifestyle of customers, most of the companies are in dilemma that how to satisfy the customers and which strategy should be adopted. The same problems have witnessed by Indian automobile industry. Even Maruti Suzuki and Hyundai Motor- the two leading automobile giants in India are very much conscious about understanding the needs & expectations of the customers. The present study throws light on various factors related to consumer behavior & satisfaction. The objective of this research paper is to know the preferences and opinions of Maruti & Hyundai customers regarding after sales service, resale value, and fuel efficiency along with customer preferences while buying Maruti & Hyundai brands. The present study is descriptive in nature & convenient sampling technique has been adopted for selecting the consumers. The primary data has

been collected with the help of structured questionnaire. The study reveals that the customer's preferred Maruti cars on parameters like fuel efficiency, after sales service, resale value, availability of spare parts whereas in view of Hyundai customers they preferred vehicles on parameters like comfort & convenience, exterior, technology etc.

The study concludes that proper customer care strategy plays vital role in satisfying & delighting the customers.

**Keywords:** Maruti Suzuki, Hyundai Motors, after sales service, fuel efficiency, customer satisfaction.

## **I.INTRODUCTION**

Indian automobile sector is one of the heart industries of Indian economy. Till early 1980s, there were very few players in the Indian automobile sector & was suffering from obsolete & substandard technologies. After 1991 the India government released tedious norms and opened the Indian market for all. Currently the Indian automobile market is crowded with lot of Indian as well as multinational brands like Maruti, Honda, Chevrolet, Skoda, Renault, BMW, Hyundai, Nissan, Audi, Fiat, Toyota & General Motors etc. In India, the automobile industry provides direct employment to about 5 lakh persons. It contributes 4.7 per cent to India's GDP and 19 per cent to India's indirect tax revenue. India's auto market remains dominated by passenger cars in the small segment (segment-A) and compact segment (segment-B), which jointly account about 65 percent of sales. The Indian passenger vehicle industry has been progressing continuously since a last decade except the recessionary phase witnessed during FY 2009. Despite the recession in 2009, the Indian automobile market has captured the major market share in domestic as well as in international markets. In recent years the Indian automobile industry has achieved splendid achievement. India is 11th largest passenger vehicle market and is largest three wheeler market in world.

### **Customer Satisfaction**

Customer satisfaction is defined as the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals. In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. Presently gaining high levels of customer satisfaction is very important to a business or any company because satisfied customers are most likely to be loyal and to make repeat orders and to use a wide range of services

offered by a business. There are many factors which lead to high level of customer satisfaction which includes: Products and services which are customer focused Customer service giving personal attention to the needs of individual customers

After sales service- following up the original purchase with after sales support such as maintenance and updating It is obvious that the consumer generally experiences satisfaction when the performance level meets or exceeds the minimum performance expectations. Similarly, when the performance level far exceeds the desired performance level, the consumer will not only be satisfied but will most likely be delighted. Such an outcome tends to reduce the consumers' decision making efforts on future purchase occasions of the same product or service to accomplish need satisfaction.

### **Objectives of the Paper**

To get the opinion of respondents regarding Maruti & Hyundai brands in Trichy region with respect to after sales service, resale value, fuel efficiency, vehicle satisfaction, opinion about price, source of information. To study the preferences of respondents while buying Maruti & Hyundai brands.

### **Review of Literature**

Menon Balkrishnan & Dr. Jagathy Raj V.P, (May 2018) in their research paper, Model development and validation for studying consumer preferences of car owners highlighted on various consumer purchase behavior patterns of passenger car owners in the state of Kerala. Their findings indicate that customer focus is a major differentiator in the passenger car industry, wherein the customer looks for personalized care for his after sales service with the manufacturer. The study also reveals that for the youths, peer group is the greatest influencing factor, of their car purchase decision.

Manmohan N & Dr. Ganapathi R, (May 2018) in their research paper, Customer preferences and attitudes towards Maruti cars in Pollachi taluk highlighted on customer preferences, attitude and satisfaction regarding Maruti cars. The authors stated that Maruti 800, Omni, Zen and Wagon R are popular models of Maruti Suzuki. The authors suggested that Maruti Suzuki should concentrate and enhance their services like timely delivery, after sales service, handling customer enquiries etc. They also suggested that the company should launch its car with some added features with competitive prices.

Suganya R, (Jan 2012) in her research paper highlights the effect of brand equity on consumer purchasing behavior on car. The paper speaks that brand plays vital role in car sales, not only to attract but also to retain customers. The

author concluded that brand awareness and perceived quality proved to influence the brand loyalty. Also brand loyalty and brand association affect customers' attitudes towards brand.

Phule Mohan, (2012) in his Ph.D thesis, Exploring Marketing strategies and customer satisfaction in automobile industry: a comparative study of Aurangabad and Pune cityl found that telephone, internet are the most preferred sources of collecting feedback. He also suggested that the company should use advanced technology and try to increase the efficiency of car. He also suggested that with an object to minimize the complain of car regarding after sales service, the automobile companies should have direct linkage with the customers through email, and the company should focus that whether the customers are really satisfied with after sales service or not.

Vidyavathi K, (April 2018) in her research paper, Consumer lifestyle influence of consumer behavior with reference to automobile industry in Chennai, throws light on growth of Indian automobile industry along with various features that the manufacturers should concentrate on to attract the prospective buyers.

The author also suggested that the automobile manufacturers should find out the needs, wants, tastes and preferences of the consumers in order to design the products. The study reveals that the middle class population has risen to 13 percent of the total population. Hence the brand image and brand loyalty could be boosted by selling quality automobiles at a reasonable price to suit the needs of the middle income group. As far as after sales service is concerned, the author lastly suggested that the services rendered or to be rendered should be properly explained, friendly approach and reliability in service are to be further improved.

### **Research Hypotheses**

The hypotheses are as follows:

H0 1: There is no association between price and customer satisfaction of the auto products of both the auto companies' i.e Maruti & Hyundai.

H0 2: The Demand of vehicle not depends upon Resale value.

### **Research Methodology**

This paper is mostly prepared with the help of primary data collection.

### **Sampling Design and Data Collection**

The universe of the study consists of all Maruti & Hyundai customers' in the Trichy region.

**Sample Size** 500

**Sampling Method:** Convenient Sampling Method

**Data Type:** Primary & Secondary Data

**Data collection Tool:** Structured Questionnaire, Survey Method.

### **Hypothesis Testing**

H0 1: There is no association between price and customer satisfaction of the auto products of both the auto companies.i.e Maruti & Hyundai. The Hypothesis has been tested in SPSS using ANOVA test as mentioned.

	<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F.</b>	<b>Sig.</b>
Bet <sup>n</sup> Group	5739905 51626.3	4	143497 637906. 586	3.2 7	.01 2
With <sup>n</sup> Group	2066485 3608037. 5	471	438744 23796.2 58		
Total		475			

In this case, the final column labeled sig. indicates how likely it is that an F ratio of that size would have occurred by chance. There is a probability of 0.012 that an F ratio of this size would have occurred by chance (that's less than a 1% chance).

Hence, because the observed significance value is less than .05, the hypothesis was rejected & it can say that there is positive association between Price and Customer Satisfaction of the auto products of both the auto companies.

H0 2: The Demand of vehicle not depends upon Resale value. The above hypothesis tested with the help of Cross Tabulation as follows:

**The cross tabulation** shows the frequency of each response from the car owners with respect to resale value & demand of vehicle.

		Demand of Vehicle is depend on Resale Value		Total
		Yes	No	
Do you think that there is good resale value of your vehicle	Yes	118	283	401
	No	11	64	75
	Total	129	347	476

### Chi Square Test

	Value	df	Asymp.Sig (2- sided)
Pearson Chi Square	6.967	1	.008
Likelihood ratio	7.730	1	.005
Fisher's exact test Linear –by-Linear Association	6.952	1	.008
No. of valid cases	476		

Here the two-sided asymptotic significance of the chi-square statistic is 0.008 (Pearson Chi-Square, Fisher's Exact Test (0.008) Likelihood Ratio (0.005) < significance value i.e 0.05). Hence the null hypothesis is rejected and it is concluded that the demand of vehicle depends upon resale value.

### Analysis & Findings

#### Annual Income of Respondents

Factor	Frequency	Percent
>2 Lakhs	19	4.0
2-5 Lakhs	241	50.6
>5 Lakhs	216	45.4
Total	476	100.0

Source: Field Survey

From the above table it was revealed that, the annual income of 50.6 percent of the respondents are in between 2-5 lakh whereas 216 respondents i.e 45.4 percent respondent's annual income is above 5 lakh. Also there are only 19 respondents whose annual income is less than 2 lakhs which is 4 percent as compared to other respondent.

The details of above parameters (a...h....m) are indicated as follows:

a) Easy availability of Vehicle, b) Comfort & Convenience, c) Competitive Price and Discount, d) Financing Options, e) Fuel efficiency, f) Safety features g) Better after sales service, h) Availability of Spare parts, i) Interior, j) Exterior, k) Resale Value, l) Demand of Vehicle, m) Image of Company.

During survey the customers were asked about their preferences while buying vehicle and it was noticed that every respondent preferred his/her vehicle on the basis of various parameters i.e more than one parameters. In view of Maruti Suzuki respondents, it was disclosed that, 229 respondents preferred Maruti vehicles on the basis of fuel efficiency while 225 respondents preferred Maruti vehicles because of better after sales service. It was found that there are only 14 customers who agreed that they have preferred Maruti vehicles because of its good resale value and 115 customers opined that they have preferred Maruti vehicles because of good Image of company. In case of Hyundai respondents, the above table illustrates that there are 145 respondents who have preferred their Hyundai vehicles because of comfort and convenience & 141 respondents opined that they have preferred Hyundai vehicles because of its nice Interior. The above table also highlighted that 87 respondents have preferred Hyundai vehicle because of its Safety features whereas 74 customers have preferred their Hyundai vehicle because of its better after sales service.

### **Findings and Suggestions**

- The occupation pattern of respondents is amixture of servicemen, businessmen, self employed person, students, farmers and retired.
- The annual income of 50.6 percent respondents is in between 2-5 lakhs per annum whereas the annual income of 45.4 percent respondent is above 5 lakhs.
- It was found that, 66.6 percent respondents own Maruti Suzuki vehicles whereas remaining 33.4 percent respondents own Hyundai Motor vehicle.
- The majority i.e 98.3 percent respondents agreed that their vehicles were delivered with all features promised at the time of sales whereas remaining respondents told that their vehicles were not delivered with all features promised at the time of sales.
- In a survey it was found that, as far as Maruti vehicles are concerned, the respondent preferred Maruti cars on vital parameters like Fuel efficiency, better after sales service, comfort and convenience, exterior, availability of spare parts.
- In case of Hyundai Motors, it was noticed that, the respondents preferred Hyundai cars because of comfort and convenience, interior, exterior, fuel efficiency.
- As far as opinion about price of vehicle is concerned, 40.5 percent respondents stated that, the price of their vehicle is competitive, 39.5 percent respondents stated that, the price of their vehicle is affordable.

- So far as after sales service problem is concerned, 92.4 percent respondents reported that they have not faced any problem regarding after sales service whereas 7.6 percent respondents agreed that they faced problem regarding after sales service.
- It was disclosed that, in view of 70.8 percent respondents, the dealer provided them good services, 22.1 percent respondents opined that the dealer offered them very good service, 3.2 percent respondents agreed that the dealer provided them excellent service.
- In opinion of 27.1 percent respondents it was disclosed that, demand of vehicle depends on resale value whereas 72.9 percent respondents agreed that the demand of vehicle not depends on resale value.

## **II.CONCLUSION**

Customer satisfaction is crucial for business performance, as it is the driver of customer loyalty and consecutive retention. One could say that it is much more expensive to acquire new customers than retain current ones, as the costs associated with the customer recruitment are higher than those connected with customer retention. It is obvious that satisfied customers, satisfied employees and satisfied shareholders all have one common characteristic– they are positive and enthusiastic about the company they are dealing with. The automobile companies if wants to retain their customers for long should focus on appropriate marketing mix. Similarly, the automobile companies should develop an efficient system of receiving complaints and encourage consumers to record their complaints as soon as they occur, and efficiently resolve their complaints. For this constant meeting with customers, dealers, telephone enquiry can be a good option. Automobile companies should periodically conduct meetings with marketing & sales managers, Production managers, and customer care officers to frame innovative strategies.

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