



A Study on Customer Satisfaction Towards Tata Nano Car with Special Reference to Coimbatore City

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ABSTRACT

The key to success of automobile industry lies not only in having good designed vehicles but also in being able to provide the customer with the level of service they desire. Satisfaction is crucial concern for both customers and organizations. It depends on many factors and varies from person to person and product to product. If customer expectations meet with the perceived value of goods and service then customer is satisfied but if the perceived value of goods and service is less than the customer expectations then customer is dissatisfied and if the perceived value exceeded the expected value of the goods and service then the customer is delighted. Measuring customer satisfaction provides an indication of how successful the organization is at providing products and/or services to the marketplace. This study lays emphasis on Customer Satisfaction towards Tata Nano Car.

KEYWORDS: Customer satisfaction, Nano car, automobile, maintenance cost

INTRODUCTION

Cars though considered as luxury once, now occupies a part of day-to-day life and has become a necessity and forms a part of life. Tata motors understanding this, positioned Nano in peoples mind as **"THE PEOPLES' CAR", "ONE LAKH CAR"** that drives one billion dreams and **"THE WORLDS CHEAPEST CAR"** without compromising on quality, safety and eco-friendliness. Nano is targeted towards two wheeler segments, second hand car segments, auto rickshaw segments, low and middle income segments. It would cater to a typical middle income Indian family of four who wants to avoid rain, wind and dust.

Customer satisfaction is about relationships between the customer and product or service and the provider of a product or service. High customer satisfaction ratings are widely believed to be the best indicator of company's future profit. Satisfaction can be broadly characterized as a post-purchase evaluation of product quality given pre-purchase expectation. Customer satisfaction can be experienced in a variety of situations and connected to both goods and services. It is a highly personal assessment that is greatly affected by customer expectations. Satisfaction also is based on the customer's experience of both contacts with the organization and personal outcomes.

OBJECTIVES OF THE STUDY

- To study the socio-economic condition of the customers.
- To identify the factors which influence to purchase the car.
- To analyze the satisfaction level of customers towards the car.

NEED FOR THE STUDY

When Tata Motors launched the Nano car in 2008 it was one of the most ambitious car projects for the car maker and most awaited car that India had ever seen. The low cost car was also the cheapest car that money could buy and hopes were floating very high with it. There were some proud accolades that this cute car won. Initially the bookings were big and stayed big for some time until things began to look rather steep. Some people are of the opinion that Nano may give a lot of people a chance to own a car, but more than fixed price, it's the variable cost of maintenance, fuel and spare parts, where the two wheeler sector has an edge. There were some unpleasant experiences faced by owners of cars in different parts of the country by driving the car. In 2012 all the flaws experienced in the car have been ironed out and also some icing to the cake are added by way of increasing the power, the looks and with different palette of colors. At this juncture, a need arises to know whether the new version car introduced in 2012 has been upto the expected level of customers as well as to know whether the maintenance cost are reasonable.

SCOPE OF THE STUDY

The present study is conducted to find whether the targeted segments of customers are satisfied with Nano car performance. This study also tries to analyze the influence of perception in the consumers mind and

how this information can be used successfully by marketers to gain entry into the minds of the consumers. This study is restricted to Coimbatore city.

METHODOLOGY OF THE STUDY

The study is descriptive in nature and based on primary and secondary data. Secondary data is collected from the different journals, internet and periodicals, car manufacturers' websites. Primary data is gathered using Questionnaire. Initially a pilot study has been made in order to find out the feasibility and the relevance of the study.

Sample size: In this study, sample size of 125 respondents is chosen who are using the Tata Nano car.

Sampling Technique: Simplest non-probability sampling technique '**convenience sampling**' has been applied.

Tools Of Data Analysis : The data collected has been analyzed with help of various tools and techniques to fulfil the research objectives. These include percentage table, Ranking and Chi-square Analysis.

REVIEW OF LITERATURE

Mahapatra, kumar and Chauhan (2010) mentioned a study on "customer satisfaction, dissatisfaction and post purchase evaluation: an empirical study on small size passenger cars in India" with the main objectives to examine the satisfaction and impact on future purchase decision and explore the performance of different attributes in automobile in giving satisfaction to customer with the sample size of 150 customers and they revealed from this study that customers are highly satisfied with the performance of attributes like pickup, wipers, etc. and other attributes like pollution, engine, battery performance, and pick up influence the consumer future purchase decisions and consumer give the more importance to these factors.

Ganesh and Soundarapandiyan (2011) conducted a study on "i10 Hyundai Chennai: customer satisfaction level" with the sample size of 150 customers. The objectives of the study was to identify the post purchase behaviour and customer satisfaction level and find the effectiveness of after sales service of customer of Hyundai i10. They revealed from the study that customers are satisfied with the car after purchase because its gives the feel of luxury to customers and a convenience of smaller car in crowded area.

Rao and Kumar (2012) revealed study on "Customer satisfaction towards Tata Motors - A study on Passenger cars in Warangal district of Andhra Pradesh" with the objectives to study the customer satisfaction with the usage of vehicles, after sale service, key area of strength, pricing affects, service and quality. They taken the sample of 100 respondents and used the percentage technique. They concluded from the study that majority of customers are satisfied with the safety, dealer

service, customer relationship and availability of spares etc.

Analysis and Interpretation

Percentage Analysis

Table No.1 Percentage table for Demographic factors & Study factors

Variables	Categories	%	Variables	Categories	%
Age	Below 25	20	Family Type	Joint Nuclear	31.2
	25 – 40	50.4			
	40 – 55	23.2			
	Above 55	6.4			
Gender	Male Female	69.6 30.4	Monthly Income	Rs.10,000- Rs.20,000	30.4
				Rs.20,000- Rs.30,000	27.2
				Rs.30,000- Rs.50,000	25.6
				Above Rs.50,000	16.8
Marital Status	Married	63.2	Nano For Safety	Yes	56.8
	Single	36.8		No	43.2
Education	Primary level	5.6	Rate Of Performance	Excellent	20
	Secondary level	20.8		Good	61
	Graduate	44.8		Average	36
	Post graduate	24		Poor	28.8
	Others	4.8			6.4
Occupation	Employee	32.8	Drawbacks In Nano	Mileage	16
	Self employee	34.4		Style	29.6
	Professional	30.4		Size	31.2
	Agricultural	2.4		Noise in Engine	20.8
				Others	2.4

Source: Primary Data

Interpretation:

From the table it is inferred that majority of customers lies in the category of 25-40 years of age group with 50.4%, majority of the respondents' belong to male category with 69.6%, majority of the respondents' are married with 63.2%, 44.8 % of respondents are graduates, 34.4% of the customers are self employees, majority of the respondents are in the Nuclear family type with 68.8%, 30.4% of customers monthly income lies in the category of Rs.10,000-Rs.20,000 , majority of the respondents with 48.8% says that the performance of the car is good, majority of the respondents with 56.8% says that Nano is safety and 31.2% of the respondents says that there is drawback in size.

Ranking analysis

There are number of factors influencing the customer while purchasing the car and influencing factor differs from one respondent to another respondent. Simple ranking analysis has been used to find the most preferred factor among the other factors. The weighted score has been calculated by assigning weights from 1 to 10 to the total number of respondents to each factor. Using this score ranking is given from highest score to lowest score.

Table No.2 Factors influenced to Purchase Car-Simple Ranking Analysis

S.NO	FACTORS	WEIGHTED SCORE	RANK
1	Quality	836	II

2	Performance	752	V
3	Battery	740	VI
4	Mileage	753	IV
5	After sales & services	559	VIII
6	Speed	641	VII
7	Style	756	III
8	Price	842	I
9	Capacity	525	IX
10	Comfortability	467	X

Source: Primary Data

Interpretation:

From the above table it is clear that most preferred factor to purchase the car is Price, followed by Quality, Style, Mileage, Performance, Battery, Speed, After sales & Services, Capacity and Comfortability with last rank.

CHI-SQUARE ANALYSIS

Ho: There is no relationship between personal factors (Age, Gender, Marital status, Educational qualification, Nature of family, Number of dependent) and Customer Satisfaction

Table No.3 Showing Relationship between Personal Factors and Customer Satisfaction

Personal factor	Calculated Value	Table Value	Degree of Freedom	Level of Significance	Result
Age	11.17422	12.592	6	5%	Accepted
Gender	1.960311	5.991	2	5%	Accepted
Marital status	3.936065	5.991	2	5%	Accepted
Educational qualification	4.659587	15.507	8	5%	Accepted
Nature of family	5.477368	5.991	2	5%	Accepted
Number of dependent	7.337567	12.592	6	5%	Accepted

Source: Primary Data

Interpretation:

From the above table, it is clear that the null hypothesis is accepted at 5% level of significance. Hence there is relationship between personal factors (Age, Gender, Marital status, Educational qualification, Nature of family, Number of dependent) and customer satisfaction.

CONCLUSION:

The present study reveals that the customers have a good preference towards TATA Nano vehicle. They are mainly motivated by price of the car. The popularity of the brand also, one of the factors urged the customers for their purchase decision. Overall, it can be concluded that customers are satisfied with the price, appearance of the vehicle and Comfortability in crowded area but they expect variety of models.

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