Car Owners' Perception and Behaviour Pertaining to the Purchase and Use of Cars With Reference to Namakkal City

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ABSTRACT

Human beings, in general, are complex creatures who often do not seem even to know their own minds. It is seldom easy, and sometimes impossible, to generalize about human behaviour. Marketers can justify their existence only when they are able to understand consumers' wants and satisfy them. Objectives of the study, To analyse the level of satisfaction among the respondents in Namakkal City. Design of the study, Descriptive and analytical research designs have been used in this study. The present study is based on the perceptions, behaviour and satisfaction of the consumers for passenger cars. Sources of primary and secondary data are discussed. This study is based both on the primary and the secondary data. The primary data were collected from January 2014 to March 2014 by way of field survey, with the help of the interview schedule. Findings of the study, Correlation Analysis was used to find the extent of relationship between influencing factors and satisfaction factors. The correlation results show that influencing factors have more correlation with its own satisfaction factors. Suggested in this study, Due to steady increase of petrol/diesel prices, fuel efficiency needs to be improved. Constant improvement and technical upgradation for better fuel efficiency alone will attract more customers. Concludes in this study, It may be concluded that consumer behaviour has a greater role to play in the LPG era of economic activities for which a necessary survey and research should be conducted in an efficient manner.

KEYWORDS :

INTRODUCTION

Human beings, in general, are complex creatures who often do not seem even to know their own minds. It is seldom easy, and sometimes impossible, to generalize about human behaviour. Each individual is a unique product of heredity, environment and experience. Predicting such a strange behaviour of people is a difficult and complicated task, filled with uncertainties, risks, and surprises. Accurate predictions can yield vast fortunes and inaccurate predictions can result in the loss of millions of rupees.

Today, business around the world recognizes that 'the consumer is the king'. Knowing why and how people consume products helps marketers to understand how to improve existing products, what types of products are needed in the market place, or how to attract consumers to buy their products[1]. The era of liberalization, privatization and globalization has brought changes in society and lifestyle of people.

Marketers can justify their existence only when they are able to understand consumers' wants and satisfy them. The modern marketing concept for successful management of a firm requires marketers to consider the consumer as the focal point of their business activity. Although it is important for the firm to understand the buyer and accordingly evolve its marketing strategy, the buyer or consumer continues to be an enigma - sometimes responding the way the marketer wants and on other occasions just refusing to buy the product from the same marketer. For this reason, the buyer's mind has been termed as a black box, which should be opened by the seller to be a successful marketer.

The study of consumer behaviour focuses on how individuals make decisions to spend their available resources (time, money, effort) on consumption related items. That includes what, why, when, where, how often they buy it, how they evaluate it after the purchase and the impact of such evaluation on future purchase. More than ever before, the need to understand consumers and consumer behaviour has become a hot topic around the globe, from boardroom and executive suites to universities and hospitals.[2] The study of consumer behaviour also includes an analysis of factors that influence purchase decisions and product use.

STATEMENT OF THE PROBLEM

Due to the emergence of globalization and liberalization there is a stiff competition among the variety of car industries which are focusing attention in capturing the Indian markets. Cars, though considered as luxury once, now occupies a part of day-to-day life and has become a necessity.

Namakkal, which is selected for the study, is one of the main growing markets for car manufacturers. People who were not ready to spend their money on luxuries have now changed their attitude that 'Yesterday's luxuries are today's necessities.' At present, people have no reservation in spending money on the purchase of cars for enjoying the benefits already stated. To be a successful marketer it is absolutely essential to read the minds and perceptions of the prospective buyers of cars. In addition to the above, the due weightage which is given by the Government for the growth of passenger car industry and the involvement of the consumers in the selection of a particular brand of car have also made the researcher to undertake a study on the passenger car owners.

REVIEW OF LITERATURE

Over a period of time, especially after 1980, a number of studies on the performance of passenger car industry have been made by economists, academicians, researchers and others in India. A survey of these studies will throw light on the distinguishing features and importance of those studies and will pave the way for further investigation. The purpose of this section is to critically examine the relevant literature on the performance of passenger car industry and bring out the distinguishing aspects of this study.

A study by Abirami Devi (2002) attempted to access the consumer attitude, level of satisfaction and the problems perceived by the owners of small cars with reference to Chennai city. Only those who drive and own the vehicle were selected as respondents for the study. From the findings of the study, it is inferred that very less complaints were made by Hyundai Santro owners followed by Telco Indica. In the area of product features, Maruti and Santro are given a joint first place.

A study by Chidambaram K. Soundra Rajan A. and Alfread Mino (2004) postulates that there are certain factors which influence the brand preferences of the customers while they take decision to buy passenger cars. Within this framework, the study reveals that customers give more importance to fuel efficiency than other factors. They believe that the brand name tells them something about product quality, utility, technology and the like. They prefer to purchase the passenger cars which offer high fuel efficiency, good quality, technology, durability and reasonable price.

A survey by Satya Sundaram I. (2005)[23] analysed how the competition makes the automobile manufacturer to launch atleast one new model or a variant of the model every year. This survey also pointed out that Diesel cars are becoming popular in India and the announcement of reductions in excise duties by the Government has helped to some extent to boost the demand.

Clement Sudhakar J. and Venkatapathy R. (2005)[24] studied the influence of peer group in the purchase of car with reference to Coimbatore District and their study identified friends as the most influenc-

ing peer in the purchase of passenger cars. It was also found that the influence of friends is higher for the purchase of small sized and mid sized cars.

OBJECTIVES OF THE STUDY
The purpose of this research is to study the behaviour of consumers, their importance in the aspects of life style, perception of product attributes and level of satisfaction. Hence the study is aimed at the following objectives:

1. To analyse the level of satisfaction among the respondents in Namakkal City
2. To make suggestions in the light of the findings of the study.

AREA OF THE STUDY
The study was conducted in Namakkal District. Namakkal is an industrial town, known for its excellence in poultry farming, truck and lorry body building, fleet operations and manufacturing of rig machineries and operations. Most of the people in this area are doing business. There are around 3200 and 4000 tankers and trailers respectively in this particular place, which contributes to nearly 27% of the total tankers and trailers in India.[26] Even in Egg production, Namakkal occupies first position in overall Tamilnadu with the production of 1.34 crores of eggs per day. Out of 28 zones in India, Namakkal zone occupies the first position in daily egg production.[27] This is the major industrial city that is growing rapidly. Due to this growing importance, the researcher has chosen this area for the study. The familiarity and acquaintance of the Researcher with this area has also influenced in the selection of this area for the study. This study is first of its kind in Namakkal.

HYPOTHESES
Based on the research objectives, the following working hypotheses were framed:

1. To test whether there is any significant difference between the respondents belonging to different classes of selected demographic factors and their level of satisfaction.

RESEARCH METHODOLOGY
Descriptive and analytical research designs have been used in this study.The present study is based on the perceptions, behaviour and satisfaction of the consumers for passenger cars.   Sources of primary and secondary data are discussed. The researcher has used Interview schedule for the purpose of collecting primary data from the car owners for the study. She personally visited the respondents at their convenience. The responses were recorded by the researcher herself in most of the cases. In some cases the respondents themselves recorded the responses under the guidance of the researcher. It took six months for the researcher to complete the process of collection in person. As the universe of the study is large, the researcher has decided to select sample respondents by adopting Simple Random Sampling Technique. However, care has been taken to include respondents of different locations of Namakkal District. The secondary data have been collected from the companies' bulletins, annual reports and websites. Further, the researcher has used national and international journals in the field of management, as well as marketing, business magazines, business dailies, referred text books in marketing management as well as consumer behaviour and academic studies conducted in the related areas for the purpose of building a strong conceptual background including the review of literature for the study.   This study was conducted among the car owners residing at Namakkal District, Tamil Nadu. A Simple Random sampling technique was adopted in the study to select the sample respondents. As the size of the universe is restricted, the study has been conducted on the respondents who are the owners of all the segments of Passenger cars. Thus 300 completed interview schedules were used for the present study.

This study is based both on the primary and the secondary data. The primary data were collected from January 2014 to March 2014 by way of field survey, with the help of the interview schedule. Multiple regression analysis has been used to study the influence of income and lifestyle on overall satisfaction level of the respondents. Correlation analysis has been used to establish the relationship between ' the factors which influenced the purchase ' and 'the factors which favoured

the level of satisfaction ' .

LIMITATIONS OF THE STUDY
There are several limitations associated with this study:

1. The study covers only Namakkal District. Hence the findings of the study is entirely applicable to this district only.
2. The study is based on the perceptions of the consumers. These attitudes may change with the change of times. Therefore, the responses reflect their contemporary views on   the prevailing conditions.
3. The study has been undertaken on 300 respondents. As the sample size is limited, the results of the study cannot be generalised to the universe.
4. The higher number of samples on all the car segments could have been obtained. Cost and time constraints did not allow for more extensive data collection.

MULTIPLE REGRESSION ANALYSIS ON THE LEVEL OF SATISFACTION
The variables age, sex, marital status and other predictor variables which might affect the overall satisfaction of the respondents with their cars are studied with the help of Multiple Regression Analysis. It attempts to form a linear relationship of these variables which will tell us to what extent these predictor variables influence the dependent variable (i.e overall satisfaction score) individually and collectively.

Table 1 Multiple Regression Analysis of Variables selected for Analysis

VARIABLES	Mean	S.D	N
Overall satisfaction score	51.2067	7.0029	300
SEX	.8333	.3733	300
MARITAL STATUS	.8333	.3733	300
AGE GROUP	3.0533	1.1612	300
EDUCATIONAL QUALIFICATION	3.1533	1.1723	300
MONTHLY FAMILY INCOME	3.5600	1.3085	300
TYPE OF FAMILY	.6767	.4685	300
SIZE OF THE FAMILY	1.8867	.5958	300
No. of children	.7033	.8191	300
NO.OF CARS YOU OWN AT PRESENT	1.3333	.6908	300
FUEL USED IN YOUR CAR	.6100	.4886	300
WHETHER YOU HAVE FITTED GAS KIT IN YOUR CAR	.1133	.3175	300
MILEAGE RUN OF YOUR CAR	2.2833	.6412	300
MAINTENANCE EXPENDITURE	2.0867	.9176	300
YEARS OF USAGE OF CAR	2.0867	.9212	300
PAST BUYING EXPERIENCE	.1400	.3476	300
STATEMENT MADE BY FRIENDS AND RELATIVES	.3967	.4900	300
THROUGH ADVERTISEMENT	.1467	.3544	300
PROMISE GIVEN BY THE COMPANY	.066	.2499	300
SELF-INTEREST	.2967	.4576	300

TABLE 2 DEPENDENT VARIABLE: OVERALL SATISFACTION SCORE

VARIABLES	Regression coefficients (B)	Std. Error	t	Sig.
(Constant)	53.595			
SEX	-.283	1.131	-.250	Ns
MARITAL STATUS	-1.033	1.272	-.812	Ns

AGE GROUP	-.373	.429	-.870	Ns
EDUCATIONAL QUALIFICATION	-.805	.361	-2.230	*
MONTHLY FAMILY INCOME	.672	.331	2.027	*
TYPE OF FAMILY	-.411	1.005	-.408	Ns
SIZE OF THE FAMILY	-.656	.794	-.826	Ns
No. of children	-.569	.483	-1.178	Ns
NO.OF CARS YOU OWN AT PRESENT	1.083	.630	1.720	Ns
FUEL USED IN YOUR CAR	-.817	.895	-.913	Ns
WHETHER YOU HAVE FITTED GAS KIT IN YOUR CAR	1.664	1.309	1.271	Ns
MILEAGE RUN OF YOUR CAR	1.136	.660	1.720	Ns
MAINTENANCE EXPENDITURE	-1.283	.509	-2.522	*
YEARS OF USAGE OF CAR	-1.023	.457	-2.241	*
PAST BUYING EXPERIENCE	2.592	2.172	1.194	Ns
STATEMENT MADE BY FRIENDS AND RELATIVES	1.712	1.999	.856	Ns
THROUGH ADVERTISEMENT	4.925	2.005	2.457	*
PROMISE GIVEN BY THE COMPANY	2.231	2.384	.936	Ns
SELF-INTEREST	3.654	1.974	1.851	Ns
R = 0.392 R2 = 0.154 F = 2.680 **				

Ns Denotes Not Significant
* Denotes significant at 5% level
** Denotes significant at 1% level

The mean and S.D of the independent variables are given above. Multiple Regression analysis shows that the multiple correlation coefficient is 0.394 and its F-ratio value is 2.680 which is found to be significant at 1% level. The R^2 value is 0.154, which expressed in terms of per cent gives R^2%=15.4, that is, 15.4% of variation in the dependent variable overall satisfaction is explained by all the independent variables defined above.

The regression table gives the regression coefficients of the predictor variables, t-test values and their significance levels. The regression results indicate that the variables educational qualification, monthly family income, maintenance expenditure, years of usage of car, expectations formed through advertisement alone have significant effect on the overall satisfaction of the respondent. Educational qualification, maintenance cost, years of usage of car have negative effect on the overall satisfaction of the respondent whereas monthly family income, expectations formed through advertisement have affected the overall satisfaction level positively. That is, on average, those who have higher educational qualification have less overall satisfaction than those who have lesser educational qualification. Similarly, those who have spent higher for maintenance of car have less satisfaction than others and respondents with more years of usage of car are found to have less satisfaction than others. Respondents with higher family income are more satisfied than respondents with lower monthly income. The respondents who formed their expectation through advertisement before buying the car were more satisfied than others. Other than significant variables, the regression results show that females are more satisfied than males. Married respondents are less satisfied than the unmarried. Respondents with older age group are less satisfied than respondents with younger age groups. Also respondents increase in size of family and children seemed to have negative effect on the satisfaction of the respondent. Respondents with more number of cars are more satisfied. Similarly respondents with petrol driven cars are more satisfied than the respondents with diesel driven cars. The regression results further show that the respondents who have fitted gas kit in their cars are also more satisfied. Increased mileage gives increased satisfaction, past buying experience, statements by friends and relatives and self interest have increased their satisfaction than those who have not.

TABLE 3 Correlation between Influencing Factors and Satisfaction factors

Satisfaction factors / Influencing Factors	Technical	External	Cost	Service
External	0.198	0.487	- 0.017	0.009
Technical	0.419	0.173	0.178	0.148
Cost	0.171	- 0.031	0.313	0.185
Service	0.226	0.096	0.041	0.305

Correlation Analysis was used to find the extent of relationship between influencing factors and satisfaction factors. The correlation results show that influencing factors have more correlation with its own satisfaction factors.

The level of influence of 'External' factor was found to be correlated with 'External' satisfaction factor (0.487) followed by 'Technical' influencing factor which is more correlated with 'Technical' satisfaction factor (0.419) and 'Cost' influencing factor with 'Cost' satisfaction factor (0.313). 'Service' factor of influence is found to have more correlation with 'Service' factor of satisfaction (0.305).

The results, which are seen in Table highlights that External and Technical features of car are more important influencing factors for satisfaction rather than Cost and Service.

FINDINGS OF THE STUDY
1. With the help of factor analysis, the fourteen product attributes/ variables measuring the level of satisfaction of the respondents after purchase of car were reduced to four factor model and they are as follows:

Factor 1 - Technical - Road grip, Pick up, Internal space, After sales service and Driving comfort

Factor 2 - External - Brand image, Attractive model, Resale value, Latest technology, Status symbol

Factor 3 - Cost   - Price, Fuel economy

Factor 4 - Service   - Availability of spare parts, Maintenance cost

2. It is concluded that there is significant difference between brand of car and their satisfaction level to the technical features and there is a highly significant difference between various brands of car and External features, Cost and Service factors among the respondents.

3. The results of Multiple regression analysis indicate that the variables educational qualification, maintenance expenditure, years of usage of car have negative effect on the overall satisfaction of the respondents whereas monthly family income, and expectations formed through advertisement have affected the overall satisfaction level positively.

4. By applying correlation analysis, it is seen that External and Technical features of car are more important influencing factors for satisfaction rather than cost and service.

SUGGESTION OF THE STUDY

➢ Due to steady increase of petrol/diesel prices, fuel efficiency needs to be improved. Constant improvement and technical upgradation for better fuel efficiency alone will attract more customers.
➢ The advantages of cost, convenience, ease of filling, driving range, low emissions and safety have made Auto LPG popular worldwide. The Government of India should take steps to establish a number of Auto LPG pumps in all the urban and rural areas which are now available only in very few cities.
➢ General suggestions:

   a.   Availability of service station atleast every 25 kms on National highways.

   b.   Experienced foremen are needed at all service stations.

   c.   All service stations should be equipped with spare parts at reasonable cost.

   d.   Free service can be extended to five.

   e.   More space can be provided between seats in all the segments.

➢ Driving is uneasy for those who are short. So the manufacturers should provide a better seating arrangement which will be convenient even for the shortest persons.

➢ An exclusive brand can be designed for the physically handicapped persons which is not available now anywhere in the world.

For hot countries like India, it is recommended to fix Sun Roof Glass in the top of the car. But it should be provided as Original Equipment at a reasonable rate.

CONCLUSION

In this paper, there are certain product attributes which are identified in the study as influencing satisfying the consumers. Manufacturers should concentrate on these features as they may be the choice of few more prospective buyers. The growth in the population of India and the increasing number of middle class consumers has attracted the attention of car manufacturers and marketers. The manufacturers and marketers who study the behaviour of consumers and cater to their needs will be successful. It may be concluded that consumer behaviour has a greater role to play in the LPG era of economic activities for which a necessary survey and research should be conducted in an efficient manner.

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