

Research Paper

Economics

Consumer Behaviour With Regard to Purchase of Small Cars – A Study in Thoothukudi City

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KEYWORDS:

Introduction

In the marketing and consumer behaviour literature, satisfaction has been defined as a consumer's post purchase evaluation of a product or service. A consumer is satisfied only when a product performs according to his expectation and dissatisfied when his expectations are not met. "Consumer behaviour refers to the actions and decision processes of people who purchase goods and services for personal consumption".

Statement of the problem

Purchasing of car is considered as a concept of luxury. The per capital income of India has risen considerably, so the idea of purchasing a car has increased among the public. Actually when a person is on his way to purchase a car he faces lot of practical problems. The most significant of these is the choosing of brand.

According to George Moore, "A choice is difficult task in life". Henceforth the choice of the consumer becomes more significant, as confusion sets in their minds. Therefore the researcher has taken, "Consumer Behaviour with regard to purchase of small cars – A study in Thoothukudi" as her topic to study, owing to its importance in today's society. Each consumer considers different methods and approach to purchase a car. Though behaviour differ from person to person to similarity of buying process signifier, This study attempts to expose the procedures adopted by the consumers at the time selecting their favorite cars.

Objectives of the study

- To study socio-economic conditions of car buyers.
- To study the perception of the respondents in the performance of different models of small cars.
- To examine the various factors influencing the consumers towards the purchase of small cars.
- To understand consumer's preference towards a specific brand of cars
- To offer valuable suggestions to understand the buying behaviour of consumers based on the findings of the study.

Definition - Small cars

Cars having engine capacity of 1000 cc or less is defined as small cars for the purpose of this study.

Hypotheses

Based on the objectives of the study the following hypotheses have been framed and tested.

- There is no significant difference between the age of the respondents and their level of satisfaction.
- There is significant difference between the gender of the respondents and their level of satisfaction.
- There is no significant difference between the marital status of the respondents and their level of satisfaction.
- There is no significant difference between the educational level of the respondents and their level of satisfaction.
- There is no significant difference between the occupation of the respondents and their level of satisfaction.

Methodology

This study is based on survey method. Data were collected from the respondents directly using an interview schedule. The researcher selected 150 respondents in the study area by adopting convenient random sampling method

Statistical tools used

The following statistical tools were used for analysis.

- Chi-square test
- Percentage analysis method
- Pie charts
- Bar diagrams
- Ranking method

Limitations of the study

- Due to time and cost constraints, the researcher has studied a sample size of 150 respondents residing in Thoothukudi Town only
- Only limited statistical tools were used.

Findings

The following findings have been noticed by the researcher during her study.

- Nearly 77% of the respondents is males and the remaining are females.
- 61% of the respondents has purchased cars through credit. Of these 34% have availed credit from private sector banks.
- More than 34% of the respondents bought a car due to necessity.
- Most of the respondents prefer a specific brand of car, because of it's spacious and comfortable followed by easy driving.
- Majority of the respondents said that advertisements matched with reality.
- Nearly 79% of the respondents have enjoyed discount offer at the time of purchase.
- 80% of the respondents said that there are enough service centres in the city.
- Nearly 38% of the respondents are in the income level of Rs. 45000 and above.
- The study reveals that, nearly 35% of the respondents, are in the age group of 41-50 years, 27% of the respondents in the age group of above 50, 26% of the respondents in the age group of 31-40 years, and 11.33% of the respondents are in the age group of 30 years and below.
- It is found that 30% of the respondents are influenced to buy small car by self interest and 20% are influenced by their family members
- The study reveals that the income of the respondents has no impact on the selection of a particular brand.
- There is no significant difference between the age of the respondents and their level of satisfaction.
- There is significant difference between the gender of the respondents and their level of satisfaction.
- There is no significant difference between the marital status of the respondents and their level of satisfaction.

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- There is significant difference between the occupation of the respondents and their level of satisfaction.
- There is no significant difference between the income of the respondents and their level of satisfaction.
- There is significant difference between the nature of family of the respondents and their level of satisfaction.
- There is significant difference between the mode of the purchase of the respondents and their level of satisfaction.
- There is no significant difference between the manufacturer of the cars of the respondents and their level of satisfaction.
- As far as preferring a specific brand concern, brand loyalty is ranked first, style and design ranked second, offer ranked third, Easy maintenance ranked fourth, Loan facility ranked fifth and price ranked sixth

Suggestions

- Based on the findings study the following suggestions are offers
 by the researcher.
- Quality cars plays a vital role while purchasing a car, hence the manufacturers should improve the quality further more.
- The occupation of the consumer is not an influential factor affecting the buying behavior therefore the manufacturers should try to produce cars to cater the needs of different segment of occupational groups.
- The family members play a major role in decision making, hence the manufacturers should gain reputation among the family members by providing proper infrastructure and comfort within the car.
- More than half of the consumers purchase car through credit facilities. So both public sector, and private sector banks and other financial institutions should provide affordable loan facilities especially to the middle class people.
- Today car has become almost a necessity in day to day life. So
 the road tax, insurance premium and registration charges should
 be reduced. Further, it will also create a wider market for small
 cars.
- With the increasing popularity for small cars, the manufacturers should produce cars with more facilities like air bags security system, safety alarms, GPRS monitoring.
- Nowadays four wheels are not only for luxury but it has become a necessity for many people. Everyone wants to have an own car. It can be made possible only by the attitude of government. The government can reduce sales taxes and other taxes.
- The government can also provide good road facilities.
- Majority of the respondents in this study prefer quality, hence the car manufacturer should improve the quality of their car.
- The producers can also do some research to increase the mileage of the car.
- Advertising is the important stimulating factor in taking purchase decision. Hence the companies should spend more funds to advertisement.
- The government should emphasis the manufacturers to produce pollution free cars and battery operated vehicles.
- Parking facility should be provided wherever possible.
- Gift and discount may be provided to attract customers during festival time
- Consumers prefer easy driving and little maintenance in handling cars. This must be notified by the manufacturers.

Conclusion

The small car market share stands at 70% of cars sold in India.

On the same time global auto makers have captured huge part of Indian car market. But they are lacking in major issues such as providing frequent service centers in remote areas and easy availability of spare parts. Hence they should concentrate to cater such needs to satisfy the consumers.