Consumeer Buying Behavior With Respect To Four Wheelers in Hyderabad City

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ABSTRACT | The concept of "buying behavior" is of prime importance in marketing and has evolved over the years. It is important to understand consumer buying behavior as it plays a vital role in creating an impact on purchase of products. The human wants are unlimited and always expect more and more. Car Models are no exception to this behavior. This lead to constant modifications of Car Models & its features and today the market observe new model coming into the market practically every quarter. The market is a very important place to study the behavior of consumers and also provide useful insights what a consumer requires in a product. It is only through research that a company will be able to study the buying behavior of consumers.

KEYWORDS : Purchase, Loyalty, Demographics, Preferences, Quality

Introduction:

The Indian auto industry is in a growth path and the small car segment with the highest cumulative annual growth rate is its main growth driver. However, not much research literature is available linking consumer perception and their expectation towards automobiles in India. The research problem is to understand consumers' perception towards various automobile features and their preferences towards family/passenger/small car.

The research would determine what are the primary automobile features that most influence the consumers' buying behaviour and consumer expectation for new product developments in this sector. The research also would locate the primary source of information on which consumers depend on before buying a car. Due to the emergence of globalization and liberalization there is a stiff completion among the Automobile industries which are focusing attention in capturing the Indian markets an automobile are no more considered as luxury once, now occupies a part of day-to-day life and has become a necessity. Customers have now changed their attitude that yesterday's luxuries are today's necessities.

Review of Literature:

The term consumer behavior is defined as the behavior that consumers display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs. Consumer behavior focuses on how individuals make decisions to spend their available resources (time, money, effort) on consumption related items. That includes what they buy, why they buy it, when they buy it, where they buy it, how often they buy it, how often they use it, how they evaluate it after the purchase and the impact of such evaluations on future purchases, and how they dispose of it.

Thakar et. al (2009) explored the basic parameters for development of new marketing strategy encompassing —Green Marketing‖ of automobiles among the consumers of the chosen region. Research was conducted to measure the awareness for the green automobiles. The sample of 80 randomly selected voluntary respondents was taken and it was conducted during the period of April to June 2006.

Ozaki et al. (2015) conducted analysis of consumer purchase motivations. The paper reported case study of consumer adoption of hybrid vehicles, a green innovation that had been in market since 1990's. The study was based on primary survey conducted in 2009 to investigate the dimensions that constitute motivations to purchase the Prius and to examine how policy could encourage hybrid adoption. 1263 responses were used for analysis and exploratory factor analysis was conducted. The financial benefits related to transport policy, social norms, technological interest and consumer willingness to comply were important factors.

METHODOLOGY
Objectives of the study

1. To determine the demographic variables of the customers of different features of cars.

2. To study the consumer preferable factors while buying a car.

3. Examine the customer perception about the cars.

Hypothesis:

H_01: There is no significant relation between age of the respondent and preferred fuel type of car.

H_02: There is no significant relation between family size of the respondent and preferred fuel type of car.

H_03: There is no significant association between income of the respondent and impact of car price while purchasing new car.

Sampling Unit

A single section selected to research and gather statistics of the whole. The car owners and Dealers in the above said twin cities called as unit for data collection.

Sampling Technique

The present study adopted Stratified sampling technique, when subpopulations within an overall population vary, it is advantageous to sample each subpopulation (stratum) independently. Stratification is the process of dividing members of the population into homogeneous subgroups before sampling. The strata should be mutually exclusive: every element in the population must be assigned to only one stratum. The strata should also be collectively exhaustive:

Sample size

The proposed study will contain 312 sample size which is derived from relevant statistical formulas.

Survey Instrument

The questionnaire divided into two parts, where part A deals with demographics of the respondent, contains age, income, salary and savings along with what type of car (New /old) and model of the car (petrol, diesel & CNG) which resembles respondent spending patterns and life styles to measure various car purchasing behaviour dimensions. Where as in Part B , contains questions to measure behaviour of respondent with the use of behavioral Likert scale like usage of car, influencing factors before purchasing car and factors attracting to a particular product etc..

H_01: There is no significant relation between age of the respondent and preferred fuel type of car.

Age * fuel type Cross tabulation

Age			Petrol	Diesel	LPG	CNG	Other	Total
20-30		Count	18	31	20	18	5	93
		% within Age	19.4%	33.3%	21.5%	19.4%	5.4%	100.0%
30-40		Count	56	13	52	6	0	127
		% within Age	44.1%	10.2%	40.9%	4.7%	0.0%	100.0%
41-50		Count	1	66	1	5	2	75
		% within Age	1.3%	88.0%	1.3%	6.7%	2.7%	100.0%
50		Count	0	17	0	0	0	17
		% within Age	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
Total		Count	75	127	73	29	7	312
	% within Age		24.0%	40.7%	23.4%	9.3%	2.2%	100.0%

The above statistical table indicating that most of the respondents are middle and young age people , most of them are preferring diesel car with respect all other mode of fuel types.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	189.644[a]	15	.000
Likelihood Ratio	214.322	15	.000
Linear-by-Linear Association	8.374	1	.004
N of Valid Cases	312		

a. 11 cells (45.8%) have expected count less than 5. The minimum expected count is .05.

The above chi square test indicating that , the significant value is 0.00, which is less than (0.05) revealed that the null hypotheses is **rejected,** i.e there is no such relation between age of the respondent and preferred fuel type of car. i.e all categories of respondents are mostly preferring diesel preferred cars in Hyderabad.

$H_0$2: There is no significant relation between family size of the respondent and preferred fuel type of car.

F.size * fuel type Crosstabulation

F.size			Petrol	Diesel	LPG	CNG	Other	Total
2		Count	18	8	28	22	2	79
		% within F.size	22.8%	10.1%	35.4%	27.8%	2.5%	100.0%
3		Count	7	66	2	2	0	77
		% within F.size	9.1%	85.7%	2.6%	2.6%	0.0%	100.0%
4		Count	48	44	2	3	4	101
		% within F.size	47.5%	43.6%	2.0%	3.0%	4.0%	100.0%
> 4		Count	2	9	41	2	1	55
		% within F.size	3.6%	16.4%	74.5%	3.6%	1.8%	100.0%
Total		Count	75	127	73	29	7	312
% within F.size			24.0%	40.7%	23.4%	9.3%	2.2%	100.0%

The above table indicating that most of the respondents are having 3-4 family size. This category occupied by 60% of total respondents. Out of these most of them preferred Diesel version car.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	250.312[a]	15	.000
Likelihood Ratio	247.490	15	.000
Linear-by-Linear Association	3.296	1	.069
N of Valid Cases	312		

a. 8 cells (33.3%) have expected count less than 5. The minimum expected count is .18.

The above chi square test indicating that , the significant value is 0.00, which is less than (0.05) revealed that the null hypotheses is **rejected,** i.e there is no such relation between family size of of the respondent and preferred fuel type of car. i.e irrespective of family size the respondents are Preferring diesel version cars.

$H_0$3: There is no significant association between income of the respondent and impact of car price while purchasing new car.

Income * price Crosstabulation								
Income V. Imp. Imp.			price					Total
			Neutral	Not. Imp	Un Imp.			
	20 K-30	Count	64	14	1	4	5	88
		% within Income	72.7%	15.9%	1.1%	4.5%	5.7%	100.0%
	31K-40	Count	15	12	3	2	0	32
		% within Income	46.9%	37.5%	9.4%	6.2%	0.0%	100.0%
	41K-50	Count	20	3	1	57	46	127
		% within Income	15.7%	2.4%	0.8%	44.9%	36.2%	100.0%
	>50K	Count	14	18	19	14	0	65
		% within Income	21.5%	27.7%	29.2%	21.5%	0.0%	100.0%
Total % within Income		Count	113	47	24	77	51	312
			36.2%	15.1%	7.7%	24.7%	16.3%	100.0%

The above table indicating that the most of the respondents are having above 40, 000 salary followed by above 20,000 salary holders. The most of the respondents are preferring price is very important factor in buying a car.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	228.062[a]	12	.066
Likelihood Ratio	234.831	12	.000
Linear-by-Linear Association	52.658	1	.000
N of Valid Cases	312		
a. 2 cells (10.0%) have expected count less than 5. The minimum expected count is 2.46.			

The above chi square test indicating that , the significant value is 0.66, which is greater 0.05 (0.66) revealed that the null hypotheses is **accepted, i.e** there a significant association between price of the car and income of the respondent, i.e the income and price is highly interdependent things while purchasing of new car.

Discussion of Results:

As per age wise most for the respondents are middle aged people between 31-40 with occupied 41% of total share, which indicates the output may be more perceptual with this aged people. Next youth between 20-30 years respondent more for the questions, this may be impact of software boom in Hyderabad and secunderabad cities. Remaining occupied by higher ages people who are above 41 years.

With respect to the education major share occupied (58%) by high educated people who are completed their post graduation, followed by 21% of under graduate people. Remaining are inter and with doctorate respondents. This is a reflection of most for the respondents may have better awareness while choosing their cars.

Regarding occupation of the respondents, major share more or equal occupied by business men and private employees (60%) , which reflects the nature of Hyderabad people living style very few of them (26%) are government employees. This resembles most of the city occupied by business people from all over India with different culture.

As continue of earlier profession most for the respondents (45%) have their own accommodation facilities, followed by rented people (37%) which is a replica of software employees and finally leased building people.

With respect to income of the respondents most of them (41%) are highly income people , who are earning more than 40 thousand per month followed by (28%) with between 20-30 thousand salary. Remaining people also gaining more than 50,000 /- per month, which indicate major share of the respondents, are in a economically well position to buy a car.

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