



Brand Preference of Techno Savvy Car Owners in Coimbatore City - A Study

KEYWORDS

Brand, Preference, Car, Consumers

Mrs. C.Gomathy

HEAD OF THE DEPARTMENT,
DEPARTMENT OF B.COM (AM)
PSGR KRISHNAMMAL COLLEGE
FOR WOMEN, COIMBATORE.

Mrs. P. Shanthy Priya

ASSIATANT PROFESSOR,
DEPARTMENT OF B.COM (CA)
PSGR KRISHNAMMAL COLLEGE
FOR WOMEN, COIMBATORE.

Mrs. G. Anuradha

ASSISTANT PROFESSOR
DEPARTMENT OF COMMERCE,
PSG COLLEGE OF ARTS AND
SCIENCE, COIMBATORE.

ABSTRACT Consumers brand preferences represent a fundamental step in understanding consumer choices. A deeper understanding of such preference dynamics can help marketing mangers' better design marketing program and build a long term relationship with consumers. The customer spends much time to choose the desired brand based on his/her requirements. So, a study has been done to identify the underlying factors of brand preference for cars. Information has been collected from 200 respondents and it is found that most of the customers prefer Skoda cars and they are highly satisfied with the technologies like Airbags and ABS.

INTRODUCTION

In India, till early eighties, consumers had very limited options for cars. The Automobile Industry has been in the booming phase for the past 10 years, on the strength of the Indian Government's liberalized economy policy. The Government of India allowed Foreign Joint Venture in the industry since early 1990, which saw many automobile giants entering the Indian market with their models, readily available, without much waiting time for the delivery. Sudden interest of major global players has made Indian auto industry very competitive, as India provides twin benefit of ready market and low cost manufacturing base for them. With the explosion of the automobile industry, due to its globalization and liberalization, car manufacturers introduced much innovative and technological advancement in their models. Customers have started thinking to change over to the new models of cars, with related ease than before, to suit their changing life styles. Automobile Industry in India is growing in a very high rate with more than 1 million passenger vehicle sales per annum and overall 10-15% growth annually. Now more and more foreign manufacturers are coming to India and existing companies are coming up with new models. Indian Automobile industry is the tenth largest in the world with an annual production of approximately 2 million units. In passenger vehicle segment, still Maruti Suzuki is the leader with around 50% market share followed by Hyundai Motors with 19% and Tata Motors with 16%.

Consumers brand preferences represent a fundamental step in understanding consumer choices. A deeper understanding of such preference dynamics can help marketing mangers' better design marketing program and build a long term relationship with consumers. The customer spends much time to choose the desired brand based on his/her requirements. So, a study has been done to identify the underlying factors of brand preference for cars.

REVIEW OF LITERATURE

1. A.M and RAJA. K.G have made an attempt to measure the consumer perceptions and behavior with special reference to the car owner. In this study, the customer perception is measured by using the variable attributes namely, after sales service, ability to understand customer needs, behaviour and knowledge of the mechanics, warranty, prompt delivery, 24 hours customer care, information about the cars, engine capacity, power steering, technology, fuel capacity, acceleration, easy finance, convenience and accessibility, ground clearance, easy

processing and documentation, price, discount and rebates, fuel efficiency, maintenance cost, luggage capacity, safety measures, model and colour of the car, music accessories, engine pickup, availability of spares, cost of labour and spares. He concluded that technology and model of the car played an important role in choosing the cars.

2. BALAKRISHNAN MENON has done a study on Dominant partial least square factors of consumer purchase behaviour of passenger cars and postulate 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 the 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.
3. C.DHARMARJ has done a study on "consumer survey on brand preference"-in the city Coimbatore and he says that, Brand names have become increasingly valuable assets for many multinational Companies. In a cluttered marketplace, brands stand up as the source of differentiation for providers of products and services that can be quickly tracked with easy access to Technology and information. Many consumers use brands as clues to indicate product performances, instead of engaging themselves in search for Information when deciding between competing brands. Finally he concluded that consumers use brands as cues to make decisions to purchase or try products.
4. SATYA SUNDARAM has done a study on consumer preference and satisfaction towards B-segment cars and analyzed how the competition makes the automobile manufacturer to launch at least one new model or a variant of the model every year. This survey 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.

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. People who were not ready to spend their money on luxuries have now

changed their attitude that yesterday's luxuries are today's necessities. 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 car industry and the involvement of the consumers in the selection of a particular brand of car have made the researcher to undertake a study on brand preference of techno savvy car owners in Coimbatore city.

OBJECTIVES OF THE STUDY

1. To find out the most preferred brand of car.
2. To study the factors influencing the Brand preference of cars.

METHODOLOGY

Sampling Method: The questionnaire was administered to sedan car owners. The technique used was random sampling. A total of 200 complete questionnaires were obtained. The demographic data are obtained to generate profile of the respondents.

Data analysis, Interpretation and Discussion of Results

Table -1

Demographic profile of the respondents

Personal factors		No. of respondents	Percentage
Gender	Male	161	80.5
	Female	39	19.5
Age (in years)	Below 25 Years	23	11.5
	26-35 Years	61	30.5
	36-45 Years	82	41
	Above 45 Years	34	17
Marital Status	Married	133	66.5
	Unmarried	67	33.5
Educational Qualification	School level	48	24.0
	UG	85	42.5
	PG	23	11.5
	Professionals	44	22.0
Occupational Status	Software	15	7.5
	Business	85	42.5
	Agriculture	21	10.5
	Professional	70	35.0
	Others	9	4.5
Monthly Family Income	Rs.40,000-60,000	41	20.5
	Rs. 60,000-80,000	71	35.5
	Rs.80,000-100,000	72	36.0
	Above Rs. 100,000	16	8.0
Number of Members In The Family	Below 3 members	28	14
	3-4 members	95	47.5
	Above 5 members	77	38.5

Source: Primary data

The demographic profile of the respondents is presented in Table - 1. About 80.5% of the respondents were males, 41% of the respondents were between 36-45 years of age, 42.5% of them are educated upto college level, 66.5% of them are married and have 3-4 members in their family.

Table-2

Brand owned by the Respondents

Brands	No.of respondents	Percentage (%)
Ford	7	3.5
Fiat	14	7
Chevrolet	29	14.5
Hyundai	2	1.0
Honda	13	6.5
Benz	20	10.0
Mitsubishi	22	11.0
Skoda	37	18.5
Mahindra	8	4.0
Nissan	6	3.0
Renault	2	1.0
Maruti	10	5.0
Tata	12	6.0
Toyota	12	6.0
Volkswagen	6	3.0
Total	200	100.0

Source: Primary data

Table -2 shows that among the total 200 car owners, 18.5% of them own Skoda, 14.5 % own Chevrolet and 11% own Mitsubishi.

Table-3

Factors Influencing in Preference of car

Factors	No. of respondents	Percentage
Brand name	66	33.0
Technologies	53	26.5
Comfortability	22	11.0
Spacious	16	8.0
Mileage	19	9.5
Size	12	6.0
Appearance	12	6.0
Total	200	100.0

Source: Primary data

Table -3 presents data regarding the factors influencing on purchase of car. 33% of the respondents influenced by brand name in choosing a car, Technologies influenced 26.5% of the respondents to choose a car, 11% of the respondents are influenced by comfortability, 8% of the respondents are influenced by spacious of the car, Mileage was an influencing factor for 9.5% of the respondents and Size and Appearance influenced 6% of the respondents.

The results of chi-square are presented in Table – 4

Ho: "There is no significant relationship between personal factors and Factors influencing on purchase of car."

Table – 4

Personal factors and factors influencing on purchase of car

Personal factors	Chi square value	DF	S/NS
Gender	7.250	6	NS
Age	34.775	18	S
Marital status	11.547	6	NS
Educational qualification	33.545	18	S
Occupational status	67.287	24	NS
Monthly income	38.719	18	NS
Number of members in the family	38.772	12	NS

S-Significant NS-Not significant

Chi-square result shows that, there is no significant relationship between gender, marital status, occupational status, monthly income, number of members in the family with the factors influencing on purchase of car.

Results of Anova Age and Overall Satisfaction on Technologies

Ho: "The satisfaction score do not differ significantly among the age groups of the respondents."

**Table -5
AGE AND OVERALL SATISFACTION ON TECHNOLOGIES**

Particulars	Sum of Squares	Degree of freedom	Mean Square	F	Sig.
Between Groups	53.081	3	17.694	1.579	Ns
Within Groups	2196.446	196	11.206		
Total	2249.527	199			

Ns- Not significant

One way ANOVA was applied to find whether the mean satisfaction scores differ significantly among age groups. The ANOVA result shows that the calculated F-ratio value (1.579) is less than the table value (2.651) at 5% level of significance. Hence the null hypothesis is accepted. It is inferred that the overall satisfaction scores on technologies do not differ significantly among the different categories of age groups.

EDUCATIONAL QUALIFICATION AND OVERALL SATISFACTION ON TECHNOLOGIES

Ho: "The satisfaction score do not differ significantly among the Educational qualification of the respondents

**Table -6
EDUCATIONAL QUALIFICATION AND OVERALL SATISFACTION ON TECHNOLOGIES**

Particulars	Sum of Squares	Degree of freedom	Mean Square	F	Sig.
Between Groups	90.189	3	3.063	2.729	*
Within Groups	2159.338	196	11.017		
Total	2249.527	199			

Ns- Not significant

The ANOVA result shows that the calculated F-ratio value (2.729) is more than the table value (2.651) at 5% level of significance. Hence the null hypothesis is rejected. It is inferred that the overall satisfaction scores on technologies differ significantly among the different categories of educational qualification.

DESCRIPTIVE STATISTICS

**Table 7
SATISFACTION LEVEL ON TECHNOLOGIES**

Factors	N	Mean	Std. Deviation
AC	200	2.4100	.5508
Power steering	200	2.2600	.7315
Power windows	200	2.3550	.7152
Central locking	200	2.1600	.7049

Socket for mobile charger	200	1.9572	.8021
Low fuel indicator	200	2.1354	.7942
LCD screen	200	1.9381	.7455
Alloy wheels	200	1.9791	.7811
Child safety locks for rear door	200	1.8333	.6809
Rear view camera for reversing with LCD	200	1.8343	.6873
Body colored cladding	200	1.9217	.6696
Airbags	200	2.6825	.6056
ABS	200	2.4149	.7516
Turbo technology	200	1.9450	.6196
Stereo	200	2.2551	.8807
Automatic climate control	200	2.0543	.8214
Automatic headlamp	200	1.7013	.7421
Automatic wiper	200	1.4741	.6209
Censored Breaking	200	1.6774	.6926

Source: Computed

The airbags and ABS technologies received a highest mean value of 2.6825 and 2.4149 respectively, indicating a high degree of satisfaction of latest technologies.

AC, power steering, power windows and central locking, low fuel indicator, Stereo, Automatic climate control have also been close to high satisfaction (2.4100, 2.2600, 2.3550, 2.1600, 2.1354, 2.2551, 2.0543 mean value, respectively).

SUGGESTIONS

The respondents perceive that driving comfort and fuel economy are the most important features of the car followed by availability of spare parts and price of the car. Thus the manufacturers should design the product giving maximum weightage to these factors.

Most of the respondents expressed that they have old technical system in existing car and some of them opined that they switch over to another brand because they would like to buy a new technology car. Hence the government should announce a National Award for the automobile companies which adopt the Research and Development measures so that Indian cars can really become world class quality.

Most of the customers use diesel for their cars. So the manufacturers can offer more diesel based engine cars.

CONCLUSION

The Automobile industry has strongly striven towards globalization, which increasingly affects the policy at local, regional and global levels. The present study made a systematic effort on studying Customers Brand preference for cars and their attitude towards the latest technologies available in the cars by analyzing the factors that influence brand choice of the customers and revealed the level of satisfaction regarding the technologies available in the cars. Most of the customers prefer Skoda cars and they are highly satisfied with the technologies like Airbags and ABS. Customers opined that cars with technologies are highly expensive. So the manufacturers must try to reduce the cost for technology based cars.

REFERENCE

1. A.M. RAJA and KG (2006) ,"Consumer perceptions and behaviour with special reference to the car owners , International Journal of Multidisciplinary Research vol.2 issue 3 | 2. Balakrishnan Menon (2004) Dominant Partial Least Square Factors of Consumer Purchase Behaviour of Passenger Cars. Tecnica Journal of Management Studies vol.5 | 3. C.Dharmaraj (2005) Consumer Survey on Brand Preference in the City Coimbatore. | 4. Edwin Gnanthas .M (2006), Consumer Behavior 4th ed. | 5. Sathya Sundaram (2008) Consumer Preference And Satisfaction Towards B – Segment , Sri Krishna International Research and Educational Consortium