



## A Study on Consumer Behaviour with Reference to Small Cars in Tiruvarur District

### KEYWORDS

**C.MANIKANDAN,MBA**

RESEARCH SCHOLAR, DEPARTMENT OF BUSINESS ADMINISTRATION, THIRU.VI.KA.GOV.T. ARTS COLLEGE, TIRUVARUR.

**Dr.P.ASOKAN**

MBA.,M.Phil.,M.Phil.,Ph.D,ASSOCIATE PROFESSOR AND RESEARCH SUPERVISOR, P.G.AND RESEARCH DEPARTMENT OF COMMERCE, THIRU.VI.KA.GOV.T. ARTS COLLEGE, TIRUVARUR.

**ABSTRACT** *The consumer is king or queen is a philosophy. Inherent in this philosophy is the idea that consumer is basically the one who determines what quality and type of goods should be purchased. The major Car manufacturers are Hindustan Motors, Maruti Udyog, Fiat India Private Ltd., Ford India Ltd., General Motors India Pvt. Ltd., Honda Siel Cars India Ltd.,Hyundai Motors India Ltd., Skoda India Private Ltd., Toyota Kirloskar Motor Ltd., to name a few. The late eighties and the early nineties witnessed the emergence of a marketing orientation. Car manufacturers tried to position themselves in various segments. A few new models were introduced-mostly with foreign collaboration. The study also reveals that the major problems of the customers are high price of the car, high price spare parts and high maintenance cost in the study area. It implies that service quality of the dealers in the study area needs to make improvements in service quality increases customer satisfaction.*

### Introduction

The success or failure of a product depends upon consumer only. The study of consumer behaviour becomes indispensable in the present day marketing. The consumer is king or queen is a philosophy. Inherent in this philosophy is the idea that consumer is basically the one who determines what quality and type of goods should be purchased. The increased demand for Indian automobiles has resulted in a large number of multi-national auto companies, especially from Japan, U. S. A., and Europe, entering the Indian market and working in collaboration with the Indian firms. The major Car manufacturers are Hindustan Motors, Maruti Udyog, Fiat India Private Ltd., Ford India Ltd., General Motors India Pvt. Ltd., Honda Siel Cars India Ltd.,Hyundai Motors India Ltd., Skoda India Private Ltd., Toyota Kirloskar Motor Ltd., to name a few. Every one without exception is a consumer .The increase in population, the increase in the diversity of population and the ever expanding choices and freedom , make the study of consumer behaviour a must for the marketing function.

### Importance of the study

Every one without exception is a consumer .The increase in population, the increase in the diversity of population and the ever expanding choices and freedom , make the study of consumer behaviour a must for the marketing function. Lead marketers now routinely undertake not only a study and understanding but also the forecasting and influencing of consumer behaviour. In fact, in marketed driven economies, the study of consumer behaviour is considered to be the foundation over which the edifice of forecasting demands rests.

### Objectives of the study

The present study has been undertaken with the following objectives :

- 1.To study the general theoretical aspects of consumer behaviour.
2. To study the various factors influencing the purchase of cars.
3. To know the source of knowledge of various brands of small cars.

4. To understand the opinion of customers about the after-sales service.
5. To study the problems faced by the small car owners. Respondents to the study

The study of consumer behaviour with reference to small cars in Tiruvarur District was a stupendous task. A sample of 60 respondents possessing a small car was selected. By using convenience sampling method. Great care was taken to include people from occupations, qualifications and income levels.

### Revolution in car market

The mid – 1980 registered a revolution in the car market when the government decided to issue license to all automobile manufactures to produce allied vehicles as well. This move should the entry of Maruti Udyog Ltd., which lunched the Maruti 800. This model was considered to be a modern car with contemporary styling and much better fuel efficiency. In this way, Maruti Udyog Ltd. Very soon became the market leader and has been occupying a dominant place in the Indian market for more than two decade.

The late eighties and the early nineties witnessed the emergence of a marketing orientation. Car manufacturers tried to position themselves in various segments. A few new models were introduced-mostly with foreign collaboration. Following the liberalization of the car market by the government, the mid 90s registered second revolution in the car market. For the first time, international car manufacturers began to take keen interest in the Indian car market. Dalmier-Benz, Daewoo, GM, Ford, Fiat and Peugeot were the companies to enter the car market in India.

### Car (luxury) Prices In July 2015

Brand	Price (Rs)
Audi	40 – 70 lakh
Bentley	17 – 25 million
BMW	45 – 60 lakh
Rolls-Royce	30 million

Daimler Chrysler & Mercedes - Benz	24.2 – 98 lakh
Maybach	55 million
Porsche	45 lakh onwards
Jaguar	80 lakh

### Brands of Car

Brand wise classification of cars is given in table 3.6.

Table - 1

### Brands of Car

Brand Name	
Ambassador	14
Maruti Alto	2
Maruti 800	21
Maruti Omni	4
Maruti Zen	5
Maruti Wagon r	1
Maruti Swift	2
Maruti Esteem	2
Tata Indica	7
Tata Indigo	1
Ford Icon	1
Total	60

Source : Primary Data

The compact cars such as Maruti 800 and Omni constitute more than 75 per cent of the Indian market. According to NCAER, there are 40 million households in India with annual income between Rs.90,000 and Rs.2 lakhs. Only 4 percent of them own a car. Thus, the potential for car sales is immense. Maruti 800, the brand that hit the market in 1983 is the most popular car of the middle class, followed by Ambassador. It is clear that Maruti brand is the leader in the car industry.

Table - 2

### Level of Satisfaction – After Sale Service

Level of Satisfaction	No. of Respondents	
Extremely Satisfied	12	20
Satisfied	43	72
Not Satisfied	5	8
Total	60	100

Source: Primary data

Consumer satisfaction is very important to keep on the customer patronage. Therefore the opinion of the respondents as to their satisfaction over the performance of cars they have been using is necessary. The study shows that 92 per cent of the respondents are satisfied with their brands of cars they are now using.

### Findings

Business people and professionals such as doctors, engineers and college teachers possess 70 per cent of the cars in Tiruvallur district.

There are several brands of cars available in India at present. Global car majors such as General Motors, Hyundai and Toyota are planning to set up green field plants in India with the recognition that India is an emerging market on a global level. Many new concepts in fuel efficiency, safety and entertainment are being introduced in the passenger cars. The study reveals that Easy maintenance and high re-sale value are the main factors for owning a particular brand, followed by fuel efficiency.

At present owning a car is no more a luxury 37 of the total of 60 respondents feel that convenience is the major factor

for the purchase of car in general. 21 of them feel that it is a necessity.

92 per cent of the respondents are satisfied with their brands of cars they are now using.

### Suggestions

The production of pollution free cars should be emphasized with the introduction of latest technology. In order to serve the purpose. Government should make and implement such laws as might compel the manufacturers on the one side to strive for such cars and encourage private car owners on the other side for the use of pollution free cars.

The production of such cars as are lighter in weight, cheaper in price and safer in safety should be encouraged. In this reference, the Government of India should reduce the rate of excise duty on car and custom duty on components so that car may be accessible even to low income group persons.

In order to reduce the running and maintenance cost of car, emphasis should be laid on the manufacturer of economic fuel-efficient cars. The manufacturers should strive for the use of alternative fuels in cars. Government should encourage the car manufacturers to produce battery-operated vehicles and fuel cells vehicles.

Mostly persons do not prefer to purchase car in the month of December in anticipation of new model in coming year followed by a fear of its less resale value. The companies should make their best efforts to attract customers during this month by providing them a number of sales incentives including free accessories, gift hampers and discount.

### CONCLUSION

Consumer behavior consists of all human behavior that goes in making before and post purchase decision. One can succeed in the competitive market only after understanding the complex consumer behavior. An understanding of the consumer enables the passenger cars manufacturer to take marketing decision which are compatible with its consumer needs. The result of the study reveals that the customers are influenced by the factors price, fuel efficiency and after sales services of the company. The customer have satisfied with product factors of the small cars manufactured by the company, but they have not satisfied with fuel efficiency, maintenance cost, delivery time, free service, price of the car, spare parts price and after sales services of the company. The study also reveals that the major problems of the customers are high price of the car, high price spare parts and high maintenance cost in the study area. It implies that service quality of the dealers in the study area needs to make improvements in service quality increases customer satisfaction.

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