

## "Consumers Perception Towards Nano Car" - A Study With Special Reference To Coimbatore City



### Management

**KEYWORDS :** Advertisements; Buying Behavior; Customer Personality; Information Search; Pricing; Purchase Decision; Viability.

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### ABSTRACT

*The Indian automobile industry is the tenth largest in the world with an annual production of two million units. Indian Auto Industry promises to become the major automotive industry in the upcoming years and the industry experts are hopeful that it will touch ten million units mark. Tata Motors dominates over 60% of the Indian commercial vehicle market. Tata motors are the largest medium and heavy commercial vehicle manufacturers in India. This study would be useful for companies to know the acceptance level of NANO by its customers. It would be also useful for companies to form strategies according to perception of people about Nano. This study is based on data collected from Hundredcustomers of TATA's Nano car confined to Coimbatore city. Primary data was collected by using a structured questionnaire. The main factor that attracted and influenced the purchase decision of Nano is its price. The study on perception of customers on Tata's Nano car also gives an insight on the acceptance level of the respondents towards the Tata's Nano car.*

### 1.1 INTRODUCTION

Tata motors are the country's market leader in commercial vehicles and among the top three in passenger vehicles. It is also the world's fifth-largest truck and fourth-largest bus manufacturer. Tata motors commercial and passenger vehicles are being marketed in several countries in europe, africa, the middle east, south asia, south east asia, south america, cis and russia. It has franchisee / joint venture assembly operations in bangladesh, ukraine and senegal.

The company, formerly known as tata engineering and locomotive company, began manufacturing commercial vehicles in 1954 with a 15-year collaboration agreement with daimler benz of germany. It has, since, developed tata ace, india's first indigenous light commercial vehicle; the prima range of trucks; the ultra range of international standard light commercial vehicles; tata safari, india's first sports utility vehicle; tata indica, india's first indigenously manufactured passenger car; and the nano, the world's most affordable car.

Tata motors make passenger cars, multi-utility vehicles and light, medium and heavy commercial vehicles.

Passenger cars: the company launched the compact tata indica in 1998, the sedan indigo in 2002 and the station wagon indigo marina in 2004.

Utility vehicles: the tata sumo was launched in 1994 and the tata safari in 1998.

Commercial vehicles: the commercial vehicle range extends from the light two-tonne truck to heavy dumpers and multi-axled vehicles in the above 40-tonne segment.

Passenger buses: the company also manufactures and sells passenger buses, 12-seaters to 60-seaters, in the light, medium and heavy segments.

Tata motors' plants are located at jamshedpur (eastern india), pune and sanand (west), dharwad (south west) and lucknow and pantnagar (north). Tata motors and fiat have set up a common manufacturing facility at ranjangaon, near pune.

Tata Motors Cars is a division of Tata Motors which produces passenger cars under the Tata Motors marque. Tata Motors is among the top four passenger vehicle brands in India with products in the compact, midsize car and utility vehicle segments. The company's manufacturing base in India is spread across

Jamshedpur (Jharkhand), Pune (Maharashtra), Lucknow (Uttar Pradesh), Pantnagar (Uttarakhand), Dharwad (Karnataka) and Sanand (Gujarat). Tata's dealership, sales, service and spare parts network comprises over 3,500 touch points. Tata Motors has more than 250 dealerships in more than 195 cities across 27 states and 4 Union Territories of India. It has the third largest sales and service network after Maruti Suzuki and Hyundai.

Tata also has franchisee/joint venture assembly operations in Kenya, Bangladesh, Ukraine, Russia and Senegal. Tata has dealerships in 26 countries across 4 continents. Though Tata is present in many countries it has only managed to create a large consumer base in the Indian Subcontinent, namely India, Bangladesh, Bhutan, Sri Lanka and Nepal. Tata is also present in Italy, Spain, Poland, Romania, Turkey, Chile, and South Africa.

### 1.2 STATEMENT OF THE PROBLEM

Though the car had high hopes of getting good market, it failed to fulfill the expectations of the people. Few consumers are at all satisfied with the product. Though the mileage is good, the car has got its own limitations. Some are of the opinion that the interior of the car is not good and some are of the opinion that it fit only for short distance. In this direction an attempt is made to know the opinion of the people towards the new version of Nano car.

### OBJECTIVES OF THE STUDY

- To understand the four wheeler market in general and Nano market in particular.
- To access the satisfaction level of consumer towards the Nano car.
- To make suggestion on the basis of findings of the study.

### 1.4 SCOPE OF THE STUDY

The scope of the study is to find out perception of the Nano car.

### 1.5 LIMITATIONS OF THE STUDY

- The numbers of respondents are restricted to 100 only.
- The period of study is limited period of 6 months.
- The survey has been conducted only in Coimbatore city.
- The study covers only on Nano car

### 1.6 RESEARCH METHODOLOGY

The present study is an empirical enquirer into the influence of consumer satisfaction to buy products and services from car showroom. The study is purely based on primary data as well as necessary secondary data. The population of the study was on line retail customers in the city of Coimbatore (India). A total

of 100 customers were surveyed through non random technique by using convenience sampling method for testing the hypotheses. All participants met the requirement of having previous experience of purchasing products through the Internet. The statistical tools employed for this purpose are:

- Percentage analysis
- Chi - square Analysis

### 1.7 RESULTS AND DISCUSSION

**TABLE 1: DEMOGRAPHIC PROFILE**

Factors	Description	No. Respondents	%
Age	18-24years	11	11
	25-30year	22	22
	31-40years	33	33
	Above40years	34	34
Gender	Male	80	80
	Female	20	20
Education	School	12	12
	Professional course	66	66
	Other UG or PG course	22	22
Marital status	Married	62	62
	Unmarried	38	38
Occupation	Businessmen	9	9
	Employee	43	43
	Profession	30	30
	Other	18	18
Family Income (p.m)	Blow15000	8	8
	15000-20000	28	28
	20000-25000	36	36
	Above25000	28	28

(Source: Primary data)

Table 1. shows that, consumers of different age groups obviously have very different needs and wants. Nearly 34% of the respondents are above 40 years of age. With the increase in age the percentage of the respondents tends to decline.

The literacy levels of the respondents are very high with the exception of 12% of respondents who have only school education.66% of respondents is college educated. A person's marital status is an important demographic variable, because this has a big effect on a consumer's spending priorities. Married respondents constitute 62%.Occupation wise Employee constitute 43%. 36% of the respondents belongs to the income group of Rs. 20,000 to Rs.25,000.

**TABLE NO – 2  
TABLE SHOWING THE RELATIONSHIP BETWEEN AGE AND LEVEL OF SATISFACTION TOWARDS NANO CAR  
NULL HYPOTHESIS (H<sub>0</sub>):**

There is no significance relationship between age and level of significance towards Nano car.

#### CHI-SQUARE TEST RESULT

Factor	Value	Df	P Value at 5% level	Remark
Age and Level of Satisfaction	9.132	6	12.6	Significant

Table 2 shows that the calculated chi-square value is less than the table value at 5% level of significance. So, null hypothesis is accepted. Hence there is no significance relationship between age and level of satisfaction towards Nano car.

**TABLE NO – 3  
TABLE SHOWING THE RELATIONSHIP BETWEEN GENDER AND LEVEL OF SATISFACTION TOWARDS NANO CAR  
NULL HYPOTHESIS (H<sub>0</sub>):**

There is no significance relationship between gender and level of satisfaction towards Nano car.

#### CHI-SQUARE TEST RESULT

Factor	Chi square Value	Df	P Value at 5% level	Remark
Gender and Level of Satisfaction	0.7812	2	5.99	Significant

Table 3 shows that the calculated chi-square value is less than the table value at 5% level of significance. So, null hypothesis is accepted. Hence there is no significance relationship between gender and level of satisfaction towards Nano car.

**TABLE NO – 4  
TABLE SHOWING THE RELATIONSHIP BETWEEN MARITAL STATUS AND LEVEL OF SATISFACTION TOWARDS NANO CAR  
NULL HYPOTHESIS (H<sub>0</sub>):**

There is no significance relationship between marital status and level of satisfaction towards Nano car.

#### CHI-SQUARE TEST RESULT

Factor	Chi square Value	df	P Value at 5% level	Remark
Marital Status and Level of Satisfaction	0.2655	2	5.99	Significant

Table 4 shows that the calculated chi-square value is less than the table value at 5% level of significance. So, null hypothesis is accepted. Hence there is no significance relationship between marital status and level of satisfaction towards Nano car.

**TABLE NO – 5  
TABLE SHOWING THE RELATIONSHIP BETWEEN EDUCATIONAL QUALIFICATION AND LEVEL OF SATISFACTION TOWARDS NANO CAR  
NULL HYPOTHESIS (H<sub>0</sub>):**

There is a significance relationship between educational qualification and level of satisfaction towards Nano car.

#### CHI-SQUARE TEST RESULT

Factor	<sup>2</sup> Value	Df	P Value at 5% level	Remark
Educational qualification and level of satisfaction	22.5308	6	12.6	No Significant

Table 5 shows that the calculated chi-square value is more than the table value at 5% level of significance. So, null hypothesis is rejected. Hence there is a significance relationship between educational qualification and level of satisfaction towards Nano car.

TABLE NO – 6

**TABLE SHOWING THE RELATIONSHIP BETWEEN OCCUPATIONAL STATUS AND LEVEL OF SATISFACTION TOWARDS NANO CAR**

**NULL HYPOTHESIS (H<sub>0</sub>):**

There is no significance relationship between occupational status and level of satisfaction towards Nano car.

**CHI-SQUARE TEST RESULT**

Factor	<sup>2</sup> Value	Df	P Value at 5% level	Remark
Occupational status and level of satisfaction	2.747	6	12.6	Significant

Table 6 shows that the calculated chi-square value is less than the table value at 5% level of significance. So, null hypothesis is accepted. Hence there is no significance relationship between occupational status and level of satisfaction towards Nano car.

TABLE NO – 7

**TABLE SHOWING THE RELATIONSHIP BETWEEN MONTHLY INCOME AND LEVEL OF SATISFACTION TOWARDS NANO CAR**

**NULL HYPOTHESIS (H<sub>0</sub>):**

There is no significance relationship between monthly income and level of satisfaction towards Nano car.

**CHI-SQUARE TEST RESULT**

Factor	<sup>2</sup> Value	df	P Value at 5% level	Remark
Monthly income and level of satisfaction	3.346	6	12.6	Significant

Table 7 shows that the calculated chi-square value is less than the table value at 5% level of significance. So, null hypothesis is accepted. Hence there is no significance relationship between monthly income and level of satisfaction towards Nano car.

**FINDINGS, SUGGESTIONS AND CONCLUSIONS**

**1.8 FINDINGS**

This chapter intended to summarize the findings and to give conclusions.

The findings of the study are as follows:

**PERCENTAGE ANALYSIS**

Most of the respondents (34% ) are belong to the age group of 40 years . With the increase in age the percentage of the respondents tends to decline. The literacy level of the respondents is very high with the exception of 66% belong to college level. A person's marital status is an important demographic variable Married respondents constitute 62%.Occupation wise Employee constitute 43%. 36% of the respondents belongs to the income group of Rs. 20,000 to Rs.25,000

**CHI-SQUARE TEST RESULT**

Chi square test result depicts that there is no significant relationship between Age, Gender, Marital status and Income with the level of satisfaction.

Chi square test result depicts that there is a significant relationship between Education qualifications with the level of satisfaction.

**1.9 SUGGESTIONS**

- To improve the dealers showroom for Nano car.
- To provide a more space for luggage's.
- The resale value shall be increased by the company will attract the customer.
- To provide an Air Bag Facilities in the car.
- To more focus on the follow up action taken by the dealer to pull the customer.

**1.10 CONCLUSIONS**

The present study reveals that consumers have a good preference towards TATA Nano vehicle. They are mainly motivated by the price of the car. The popularity of the brand also, one of the factors urged the consumers for their purchase decision. Overall, it can be concluded that the consumers are satisfied with the price, appearance of the vehicle and comfort ability in crowd area.

The company should bring out the more exciting reachable advertising and compete with its competition. The company must assess the buyers reach and accordingly promote the product by creating awareness among them to sustain its present market as well as progressive growth in the forth coming years.

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