



An Empirical Study on Consumer Preference Towards Hyundai Cars in Salem City

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ABSTRACT

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 one, now occupy a part of day-to-day life and have become a necessity. Salem, which is selected for the study, is one of the main growing markets for car manufactures. People who were not ready to spend their money on luxuries have now changed their attitude that 'Yesterday's luxuries are today's necessities. At present, people have no reservation in spending money on the purchase of cars for enjoying the benefits already stated. To be a successful marketer, it is absolutely essential to read the minds and options of the prospective buyers of cars. In addition to the above, the due weightage which is given by the Government for the growth of passenger car industry and the involvement of the consumers in the selection of a particular brand of car have also made the researcher to undertake a study on the passenger car industry with special reference to the preferences, behaviour and satisfaction of owners of Hyundai cars in Salem city.

I. Introduction

The present day socio-economic settings are very much different from what it was in the 1970's and 1980's. Values are changing with the changing dates. There is a growing demand among the people for a better quality of life. By and large there is an improved awareness of our physical and social environment. Such socio and economic changes pose major challenges to business in general and to marketing in particular. As a result, marketing executives have started developing a social orientation and are expected to be aware of and alive to their social responsibilities. Consumer behaviour is one of the most important phenomena in the purchase of any product. This is relatively often studied concept in marketing management. Whatever study has been conducted in marketing, the ultimate end is the consumer. The success of various brands and products depends on the consumer's choice. Naturally all the products are going to reach the consumer, and it is necessary that the consumer has to respond by way of purchasing. The concept of the consumer behaviour is defined in various perspectives.

II. Literature Review

Gulshan S.V. (1994) has pointed out the position Indian consumer and their problem. He has pointed out the consumer's protection act and its allied acts. The details of redressed machine rics at District, state and national levels form the highlights. The important decisions attaching consumers have been discussed in the book. Rajmohanshan (1996) studied the origin and growth of consumer movement for the organization of consumer disputes redressed forum and the awareness of consumer. The study, "Scenario of small cars segment: The major objectives of this study are:

- To investigate the Hyundai brand of car owners preference and behaviour pertaining to purchase and use of cars.
- To identify and analyse the factors influencing the buying decisions of Hyundai Brand of Cars.
- To analyse the level of satisfaction of consumers regarding various models of Hyundai Brand of Cars.
- To identify the switch over brand options if any.
- To offer suggestions from the light of the findings of the study.

III. Research Methodology

Research Design: The research design is the plan, structure and strategy of investigation conceived so as to obtain answers to research questions and in variance with economy in procedure. It is the conceptual structure within which research is conducted. It constitutes the blueprint for the collection, measurement and analysis of data. Descriptive and analytical research designs have been used in this study.

Collection of Data: The present study is based on the perceptions, behaviour and satisfaction of the consumers of passenger car. Data from primary and secondary sources have been utilized.

Sampling Design: This study has been conducted on the respondents who are the owners of Hyundai brand Passenger cars. A total of 658 Interview schedules were prepared and out of this, only 621 interview schedules were filled up and collected. A scrutiny of these schedules led to the rejection of 21 interview schedules on account of incomplete responses. Thus 600 completed interview schedules were used for the present study.

To study the profile of the Hyundai Car Industry.

- To analyse the socio economic status of the consumers.

Total No. of Hyundai cars sold during Apr. 2008 to Mar. 2010	Total no. of respondents selected	Population selected in Percentage to total number of Units sold.
2496	658	26.36%

Source: Salem district Hyundai dealer.

Total population selected (in Nos)	Total responses received (in Nos)	Responses in percentage with respect to total population
658	600	91.18%

Above selected sample is considered to be sufficient to generalize the findings.

IV. Statistical Tools

The study results were analyzed by using various statistical tools. The data collected from the respondents were analyzed and presented in the form of tables. Bar charts and Pie diagrams are used at various places as a statistical tool. The results are compared and analyzed by using descriptive analysis, chi-square analysis, Friedman's Non parametric test and ANOVA.

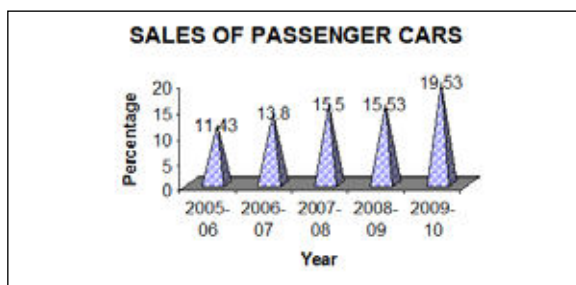
- Descriptive analysis
- Chi-square analysis

Sales of Passenger Cars

Year	No. of Cars	As a percent of auto vehicles	Change over the previous year
2005-06	1143076	11.43	7.63
2006-07	1379979	13.80	29.48
2007-08	1549882	15.50	12.32
2008-09	1552703	15.53	0.19
2009-10	1949776	19.53	25.56

Source: www.siam.com

From the above table, it is inferred that during the year 2008-09, sale of car showed a very low growth rate. In the year 2006-07 it touched the highest growth rate of 29.48 percent followed by 25.56 Percent in the year 2009-10.



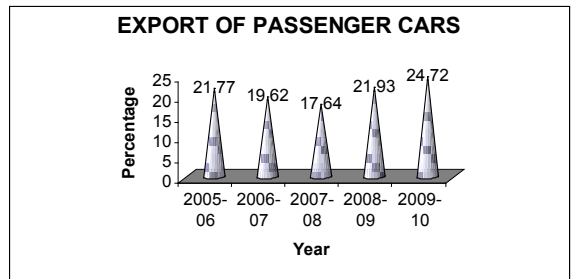
Export of Passenger Cars

Year	No of Cars	As a percent of auto vehicles	Change over the previous year (in %)
2005-06	175512	21.77	5.51
2006-07	198452	19.62	13.03
2007-08	218401	17.64	10.05
2008-09	335729	21.93	53.72
2009-10	446146	24.72	32.89

Source: www.siam.com

The statistics given in the above table on exports of cars highlights the significant role of passenger cars in country's foreign trade. During the year 2005-06 the annual

growth rate is very low. But in the year 2008-09 the annual growth rate is jumped to 53.72 percent which shows the growth of exports. The export of passenger cars is given in figure.



The Indian passenger car industry has not only made available, comfortable, spacious and efficient cars to a large population within the country but has also attracted a sizeable number of buyers outside the country. The available statistics on exports of cars highlight the significant role of passenger cars in country's foreign trade.

V. Profile of Salem District Area and Population (2001 Census)

- i. Area (Sq.km) - 5205
- ii. Population - 3016346
 - a) Rural - 68 Percent
 - b) Urban - 32 percent
- iii. Literates - 65.78 Percent

Salem district is one of the land locked district of Tamilnadu. It is bounded on the north by Dharmapuri district. On the south by Namakkal District. On the West by Erode District and in the east by Villupuram District. Salem District is an upcoming industrial hub and a centre for tourism. Salem district has got four revenue division viz. Salem, Valapadi, Sankari and Mettur. Salem is the district head quarters. There are many educational institutions to offer the best education to the mass students of the district.

VI. Conclusion

- It is inferred from the analysis that 51.23 percent of the respondents stated that the source of information about the Santro car is through advertisement, for I-10 50.59 percent through advertisement, for Accent 43.94 percent of the respondents through advertisement, Verna 37 percent of the respondents through advertisement and I-20 40.98 percent of the respondents through advertisement and it is concluded that there is a highly significant association between the Model and source of information.
- It is revealed from the analysis that there is highly significant association between Model and source of advertisement.
- From the analysis it is observed that the majority of the respondents prefer the finance mode of purchase (55.84%) rather than cash mode it is concluded that there is a highly significant association between the Model and Mode of purchase.
- It is known from the analysis that the majority of the respondents prefer bank finance as a source rather than the private finance (46.88%) it is concluded that there is a highly significant association between the Model and Finance preferred.
- From the analysis it is evident that the majority of the respondents stated that the price of the car is moderate for all models of Hyundai cars (48.83%) it is concluded that there is a highly significant association between the Model and Opinion about the price of car.

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