ORIGINAL RESEARCH PAPER   **Commerce**

"THE STUDY OF CONSUMER BUYING BEHAVIOR TOWARDS SMALL CAR FRAGMENT WITH EXTRAORDINARY LOCUS TO MARUTI SUZUKI INDIA LTD."

KEY WORDS: Consumer Buying Behaviour, Automobile Industry, Small Car Segment

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ABSTRACT

Consumer behavior is 'the mental and emotional processes and the observable behavior of consumers during searching purchasing and post consumption of a product and service. People buy different products from different brands to satisfy their needs. Consumer purchases are influenced strongly by cultural, social, personal and psychological characteristic. Although marketers cannot control such factors, they must give attention to them. Boston Analytics, a customized knowledge services company, has announced the release of its "Automotive Industry in India" report as a part of the series of monthly reports that analyze consumer observations and sentiment regarding an automotive sector. This research paper highlight consumer think about the following aspect while making decision of purchase a car

Introduction: The automobile industry is one of the core industries in India economy, whose prospect is reflective of the economic resilience of the economy. Indian automobile industry has come a long way to from the era of the Ambassador car to Maruti 800 to latest M&M Xylo. An industry is highly competitive with a number of global and Indian companies present today. It is growing at a pace of around 18% per annum for the last five years and is projected to be the third largest auto industry by 2030 and just behind to US & China, according to a report. The industry is estimated to be a US$ 34 billion industry. With the liberalization of the economy, India has become the playground of major global automobile majors. Indian Automobile industry can be divided into three segments i.e. two wheeler, three wheeler & four wheeler segment. Two wheeler segments enjoys 75% market share of automobile industry, followed by passenger vehicles with the 16% share of market. Three wheeler segments have merely 4% share in domestic market. The domestic two-wheeler market is dominated by Indian as well as foreign players such as Hero Honda, Bajaj Auto, Honda Motors, TVS Motors, and Suzuki etc. Maruti Udyog and Tata Motors are the leading passenger car manufacturers in the country. And India is considered as strategic market by Suzuki, Yamaha, etc.

Maruti Suzuki India Ltd.

Established in December 1983, Maruti Suzuki India Ltd. has ushered a revolution in the Indian car industry. This car is meant for an average Indian individual which is affordable as well as has elegant appeal. Maruti Suzuki India Ltd. is the result of collaboration of Maruti with Suzuki of Japan. At this time, the Indian car market had stagnated at a volume of 30,000 to 40,000 cars for the decade ending 1983. This was from where Maruti took over. In the small car segment it produces the Maruti 800 and the Zen. The big car segment includes the Maruti Esteem and the Maruti 1000. Along with them, the company also manufactures Maruti Omni. Other models include Wagon R and the Baleno. Headquarter in Gurgaon, on 17 September 2007; Maruti Udyog was renamed to Maruti Suzuki India Limited. Both in terms of volume of vehicles sold and revenue earned, the company is India's leading automobile manufacturers and the market leader in the car segment. Sales recorded in June 2008, is Rs. 4,753.58 crores.

Small cars are classified according to the price range which varies from 1 to 3 laks. It has the capacity to carry 4 passengers- 2 adults, 2 children. These are basically entry level cars which are preferred by service group and middle income group. These cars are basically manufactured by - Maruti Udyog and Reva. While companies like Volkswagon and Reva are yet to launch their models in the market.

- Maruti 800 STD BS III
- Maruti 800 AC BS III
- Maruti 800 Duo
- Maruti Alto
- Maruti Alto Lx
- Maruti Alto Lxi
- 5 seater Maruti Omni
- 8 seater Maruti Omni
- LPG Maruti Omni
- Maruti Zen Estilo
- Swift Lxi
- Swift Vxi
- Swift Zxi
- Swift Diesel'Ldi'
- Swift Diesel 'Vdi'
- Wagon R Lx
- Wagon R Lxi
- Wagon R Vxi
- Wagon R Ax
- Wagon R Duo

Consumer Behaviour: It is the study of when, why, how, where and what people do or do not buy products. It blends elements from psychology, sociology, social, anthropology and economics. It attempts to understand the buyer decision making process, both individually and in groups. It studies characteristics of individual consumers such as demographics and behavioral variables in an attempt to understand people's wants. It also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in general. Customer behavior study is based on consumer buying behavior, with the customer playing the three distinct roles of user, payer and buyer. Relationship marketing is an influential asset for customer behavior analysis as it has a keen interest in the re-discovery of the true meaning of marketing through the re-affirmation of the importance of the customer or buyer. A greater importance is also placed on consumer retention, customer relationship management, personalization, customization and one-to-one marketing. Social functions can be categorized into social choice and welfare functions. Each method for vote counting is assumed as a social function but if Arrow's possibility theorem is used for a social function, social welfare function is achieved. Some specifications of the social functions are decisiveness, neutrality, anonymity, monotonocity, unanimity, homogeneity and weak and strong Paretooptimality. No social choice function meets these requirements in an ordinal scale simultaneously. The most important characteristic of a social function is identification of the interactive effect of alternatives and creating a logical relation with the ranks. Marketing provides services in order to satisfy customers. With that in mind, the productive system is considered from its beginning at the production level, to the end of the cycle, the consumer (Kioumarsi et al., 2009).

RESEARCH METHODOLOGY
OBJECTIVE OF THE STUDY
1. To know consume preference regarding small & medium.
2. To know what features and services attract the customers.
3. Effect of brand image in buying behavior.
4. Impact of advertisement in buying behavior
5. Effect of family & friends in buying behavior (Focus group)

RESEARCH DESIGN
The research that is undertaken is "Descriptive & exploratory" in nature. The research is to find out the customers' preference and attitude towards decision making of selecting appropriate small, medium & luxury car which suits to their need.

DATA COLLECTION METHOD
Two methods of collecting data used for this research are as follows: -

PRIMARY DATA – Data is collected primarily through personal

contact, meeting, interview and questionnaire with the concerned authority of the organization and investors.

SECONDARY DATA – Data are collected through secondary modes such as various published data, reports, related books and websites.

SAMPLE SIZE: The procedure adopted to select the sample was simple random sampling. The sample consists of 50 respondents' and was restricted to people residing in Kadi

Scope of study:- Te scope of the project during the research and study will be focused on the following parameters:
1.   To know consume preference regarding small & medium cars
2.   To know what features and services attract the customers
3.   Effect of brand image (Maruti Suzuki)in buying behavior
4.   Impact of advertisement in buying behavior
5.   Impact of celebrity endorsement in buying behavior
6.   Effect of family &friends in buying behavior (Focus group)

Limitation of study:- Every research study has its limitations likewise this research has some limitation .These are
1.   The sample consists of 50 customers and was restricted to people residing in Kadi. as study is restricted to the Kadi.
2.   Sample of the population (universe) might be note the representative of whole
3.   Customer perception is not always static. They frequently change their attitude
4.   Selection of car is also depends on income level of respondents

ANALYSIS & INTERPRETATION
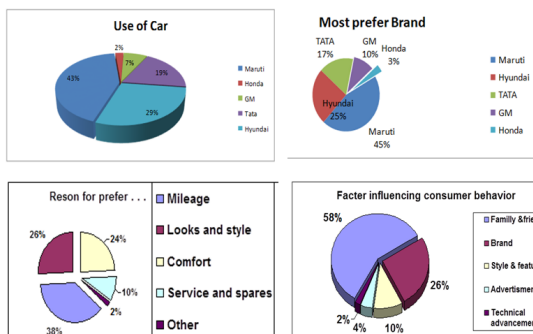
Findings:-
•   In present Maruti is leading in small & medium car segment followed by Hyundai
•   Existing customer are satisfied with their present car performance like mileage ,servicing etc
•   In current scenario Maruti will be market leader followed by Hyundai
•   Middle class segment like to buy any brand due to mileage followed by looks & style
•   They change their cars after two years or more, due to fed up with car and for new advance technology
•   They highly influenced by family and friends while making purchase

CONCLUSION
•   From the analysis of the responses received from the customers in Kadi, overall findings show that Maruti Suzukij is the most prefered brand among the participants.
•   Maruti Suzuki and Hyundai,Tata Motors are the biggest competitor in the small & madium car market..
•   Among the five attributes (which we considered important for customers' purchasing decision) customers gave highest consideration to mileage followed by the looks and style. Other attributes like comfort, service and spares were considered later.
•   Most middle class person prefer Maruti Suzuki in this segment and usually they use car for their transport.
•   Servicemen still would like to go for small & medium car but with mileage with the first considerable thing followed by looks and style and power.
•   Study shows that middle class segment highly influenced by family & friends while purchasing the car. So companies should advertise their product targeted to families
•   Gradually Hyundai & TATA captured the market of Maruti due to

their new launching in small cars like TATA nanotech.

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