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Engineering

CUSTOMER SATISFACTION IN THE SMALL CAR SEGMENT IN ANDHRA PRADESH – A COMPARATIVE STUDY OF SELECT COMPANIES

KEY WORDS:

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ABSTRACT

India assisted by its economic advancement, is experiencing fast motorization on its road and is becoming a highly motorized society. After liberalization many new vehicle models are produced and sold by domestic and foreign vehicle manufacturers. Due to a wide range of makes and models, people make choices based on their preferences and needs when choosing which car to buy. Increase in number of car consumers and heavy usage is credited to increasing per capita income and several car models availability. Majority of the respondents are less than 35 years and males outnumber females. Majority of the respondents (63 %) have Maruti cars. The correlation was found highest at 918 between satisfaction on vehicle comfort and satisfaction on vehicle performance.

INDIAN CAR INDUSTRY

India's passenger automobile car production is the sixth largest in the world, in keeping with recent reports, According to the Society of Indian Automobile Manufacturers, annual vehicle sales are projected to increase to 5 million by 2015 and more than 9 million by 2020. By 2050, the country is expected to top the world in car volumes with approximately 611 million vehicles on the nation's roads. The small car automotive market in India is increasing by leaps and bounds. The marketplace for small cars currently occupies a considerable share of around 70% of the annual car production in India. Most players within the small car automotive industry are trying to out-do one another in terms of style, innovation, pricing, and technology, so as to achieve increased market share in India.

CONSUMER SATISFACTION

In the modern society brands not only represent the product or company but also have a strong association with perceived quality, consumers' life style, social class, taste etc. Consumer behaviour mainly sheds light on how consumers decides to spend their various resources like time, money etc. on various products so as to meet their needs and requirement. Consumer behaviour encompasses study of what, when, why and where the consumers will buy their products. It also focuses on how often the consumers use the products. Furthermore, it also sheds light on how the consumers evaluate the products after the purchase and the effect of evaluations on their future purchases (Schiffman, 2005). To give an example of how consumer behaviour evolves while buying a car, he will start with recognizing his or her need for a car. Then come the information collecting and processing stage. After making up his mind to buy one specific brand, for instance Skoda, the consumer makes the purchase. In the post-purchase stage, the consumer evaluates the performance of the car against the expectations he or she had before buying the car. In this stage, the consumer is either satisfied or dissatisfied. So, it is evident from the last example that study of consumer behaviour involves lot of things.

REVIEW OF LITERATURE

Mandeep Kaur and Sandhu (2006) tried to find out the important features a customer might consider while purchasing a new car. The study covered the owners of passenger cars living in the major cities of the State of Punjab and the Union Territory of Chandigarh. The respondents recognized that safety and comfort were the most important features of the passenger car followed by luxuriousness.

Chidambaram and Alfred (2007) proposed that there are certain factors which influence brand preferences of customers. the study revealed that customers give more importance to fuel efficiency than any other factor and believe brand name inform them about product quality, utility, technology .they prefer to purchase

passenger cars which offer high fuel efficiency, good quality, technology, durability and reasonable price.

Assael (2008) once the product is purchased, the consumer will evaluate its performance in the process of consumption. The most important aspect in consumption is how consumers use products, how satisfied they are with the purchase and how likely they are to buy that particular product or brand in the future. In post consumption evaluation, consumers experience a sense of either satisfaction or dissatisfaction. Satisfaction occurs when consumer's expectations are matched by perceived performance; when experiences and performance fall short of expectations, dissatisfaction occurs. The outcomes are significant because consumers store their evaluations in memory and refer to them in future decisions.

Clement Sudhakar and Venkatapathy (2009) examined the power of peer group in buying automobile with reference to Coimbatore District. It was also found that the influence of friends is higher for the purchase of small sized and midsized cars.

Banerjee, Ipsita (2011) studied about Car Acquisition & Ownership Trends in Surat city of motorized vehicle owning households. . Study regarding vehicle choice behaviour recognized that household income is the chief determinant of the number and size of cars that household possess, and that family size is a much less important factor & smaller vehicles were preferred even by larger family.

Beena John and S.Pragadeeswaran (2013) in their paper on **A Study of Small Car Consumer Preference in Pune City** opined that the Indian Automobile small car business is influenced by the presence of many national and multi-national manufactures after liberalization in 1991. The presence of the many manufacturers and variants within the city provides several decision options to the customers as they supply similar product proposition, creating the passenger automotive small car market highly competitive. Customers now search for those differentiating parameters, which may help them to choose among the alternative products available in the market. The purpose of this paper is to come with the identification of parameter that influence the customer purchase preference behaviour patterns of passenger automobile small car owners.

RESULTS AND DISCUSSION

Demographic Characteristics

The demographic characteristics of the sample respondents are presented below.

AGE

Age is one of the important social factors which influences social, economic and demographic situation of any country. Age is an

achieved characteristic in the life cycle of a human being. The position in a family or society or group and performance of certain activities and also achieving some other aspects of life in the human life cycle are determined by age. The young age distribution of a population reveals higher rate of growth of population in the country. Age is a biological component of human personality and has its own effect on thought pattern of the individuals. The opinions and attitudes of the respondents are determined by their respective age to a greater extent. The age of the respondents is presented in the Table 1.

Sl. No.	Age (years)	N	%
1	26 - 30	883	64.5
2	31 - 35	157	11.5
3	36 - 40	118	8.6
4	41 - 45	77	5.6
5	46 - 50	60	4.4
6	> 50	75	5.5
Total		1,370	100.0

The table shows that majority of the respondents (54.5 %) are in the age group of 26 30 years and 11.5 per cent of the respondents are in the age group of 31 - 35 years and the remaining respondents are in different age groups and their percentage is less than 10. It shows that majority of the respondents are less than 35 years.

Gender

The gender of the respondents is shown in the Table 2.

Table 2 Gender of the respondents

Sl. No.	Gender	N	%
1	Male	1,166	85.1
2	Female	204	14.9
Total		1,370	100.0

It is observed from the table that 85.1 per cent of the respondents

are males and 14.9 per cent of the respondents are females and males outnumber females.

Type of Car

People buy cars according to their choice and the choice varies from person to person. The types of the cars the respondents possessed are given in the table 3.

Table 3 Type of cars of the respondents

Sl. No.	Company name	N (%)
1	Chevrolet	444 (32.4)
2	Fiat	379 (27.7)
3	Ford	559 (40.8)
4	Honda	553 (40.4)
5	Hyundai	693 (50.6)
6	Maruti	858 (62.6)
7	Nissan	377 (27.5)
8	Renault	452 (33)
9	Skoda	485 (35.4)
10	Tata	574 (41.9)
11	Toyota	625 (45.6)
12	Volkswagen	495 (36.1)

Note: N shows multiple responses

It is observed from the table that around 63 per cent of the respondents have Maruti cars, around 51 per cent of the respondents have Hyundai cars, around 46 per cent of the respondents have Toyota. It is concluded that majority of the respondents (63 %) have Maruti cars.

Correlation Analysis

A correlation is useful when you want to see the relationship between two (or more) normally distributed interval variables. Pearson's Product Movement Correlation has been computed by harnessing SPSS+ and the results are presented in the Table 4.

	Satisfaction on Vehicle Delivery	Satisfaction on Vehicle Features	Satisfaction on Vehicle Performance	Satisfaction on Vehicle Safety	Satisfaction on Vehicle Comfort	Satisfaction on Vehicle Finance	Satisfaction on Vehicle service	Satisfaction on Vehicle Maintenance	Satisfaction on Vehicle Dealer	Satisfaction on Vehicle Promotion
Satisfaction on Vehicle Delivery	1									
Satisfaction on Vehicle Features	.893**	1								
Satisfaction on Vehicle Performance	.870**	.940**	1							
Satisfaction on Vehicle Safety	.878**	.864**	.898**	1						
Satisfaction on Vehicle Comfort	.865**	.910**	.918**	.889**	1					
Satisfaction on Vehicle Finance	.773**	.806**	.731**	.827**	.824**	1				
Satisfaction on Vehicle service	.827**	.842**	.816**	.818**	.825**	.823**	1			
Satisfaction on Vehicle Maintenance	.657**	.642**	.615**	.644**	.709**	.712**	.814**	1		
Satisfaction on Vehicle Dealer	.771**	.739**	.730**	.762**	.714**	.728**	.874**	.705**	1	
Satisfaction on Vehicle Promotion	.607**	.636**	.641**	.598**	.619**	.623**	.773**	.721**	.802**	1

** . Correlation is significant at 1% level

It is observed from the table that the correlation is highest positive at 0.893 between satisfaction on vehicle features and satisfaction on vehicle delivers, appreciable at 0.940 between satisfaction on vehicle performance and satisfaction on vehicle features, at 918 between satisfaction on vehicle comfort and satisfaction on vehicle performance, at 0.889 between satisfaction on vehicle safety and satisfaction on vehicle comfort, at 0.825 between

vehicle service and vehicle finance, 0.874 between vehicle dealer and vehicle service, 0.705 between vehicle dealer and vehicle maintenance and 0.802 between vehicle promotion and vehicle dealer.

CONCLUSION

India assisted by its economic advancement, is experiencing fast

motorization on its road and is becoming a highly motorized society. After liberalization many new vehicle models are produced and sold by domestic and foreign vehicle manufacturers. Due to a wide range of makes and models, people make choices based on their preferences and needs when choosing which car to buy. Majority of the respondents are less than 35 years and males outnumber females. Majority of the respondents (63 %) have Maruti cars. The correlation was found highest at 918 between satisfaction on vehicle comfort and satisfaction on vehicle performance.

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