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A STUDY ON FACTORS INFLUENCING TWO-WHEELERS INDUSTRY IN INDIA

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ABSTRACT:

The two-wheeler market in India has expanded significantly, and it now plays a crucial role in the nation's transportation infrastructure. The objective of this study is to examine the numerous economic, social, technological, and regulatory aspects that have an impact on the two-wheeler market in India. For legislators, business leaders, and consumers to make knowledgeable choices and develop successful strategies, an understanding of these factors is essential.

This study highlights important elements that influence the expansion and development of the two-wheeler sector through a thorough evaluation of the available literature and statistical analysis of pertinent data. Consumer purchasing power and the demand for two-wheelers are significantly influenced by economic factors like income levels, inflation, and interest rates. Social variables affect consumer choices and movement patterns, such as shifting lifestyles, urbanization, and population demography.

Innovation in products and customer preferences are influenced by technological elements such improvements in engine technology, safety features, and fuel efficiency. The regulatory framework and commercial dynamics of the business are also shaped by government initiatives, taxation policies, and emission standards.

This study offers helpful insights into the potential and problems encountered by the two-wheeler sector in India by analysing the elements and their interactions. The results of this study may be used as a foundation for industry stakeholders to create successful plans for long-term expansion, increased competitiveness, and meeting changing customer wants.

Keywords: Two-wheeler, Economic and Social Factors.

Objectives:

1. To analyse the Two-Wheeler Industry in India.
2. To identify the various brands that participate in the Two-Wheeler Market in India
3. To understand the reasons for the growth of the Two-Wheeler Industry in India.
4. To identify and analyse the factors effecting the Two-Wheeler Industry in India.

Methodology:

The study is theoretical nature and is based on existing secondary data that defined the factors effecting the Two-Wheeler Industry in India. Through analysing the various studies, we attempt to understand and identify the factors effecting the concerned industry.

Over View of Two-Wheeler Industry in India:

India has seen rapid expansion in the two-wheeler sector, making it one of the biggest in the world. Due to their cost, convenience, and efficiency in crowded metropolitan areas, two-wheelers, particularly motorcycles and scoots, are quite popular.

The Indian two-wheeler industry has witnessed a steady increase in and production over the years contributing to this growth include rising disposable incomes, expanding middle- class, improving infrastructure, and increasing urbanization Additionally, the easy availability of financing options has made two-wheelers more accessible to a broader consumer base.

In order to meet the diverse demands and tastes of its customers, major local and foreign businesses compete in the Indian two-wheeler industry by offering a variety of models. Intense rivalry on the market drives ongoing product innovation, technical improvements, and aggressive marketing tactics.

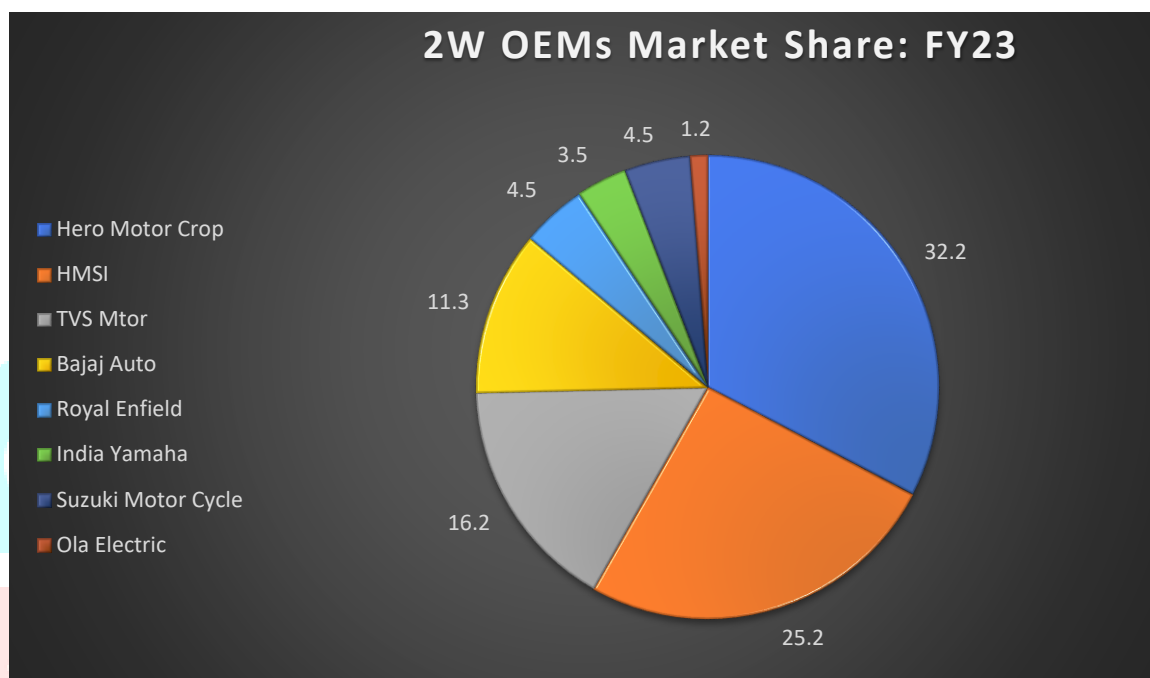
In India, motorcycles account for a sizeable percentage of the two-wheeler market, with commuter and luxury models enjoying widespread customer appeal. In recent years, scooters have also gained a lot of popularity, especially among female riders and urban commuters.

Government laws and rules have a big influence on the business world. Technology developments and the adoption of cleaner, safer automobiles are results of the introduction of tighter emission standards and safety requirements. Additionally, the government has started a number of programs and incentives to encourage the use of electric two-wheelers and lessen pollution.

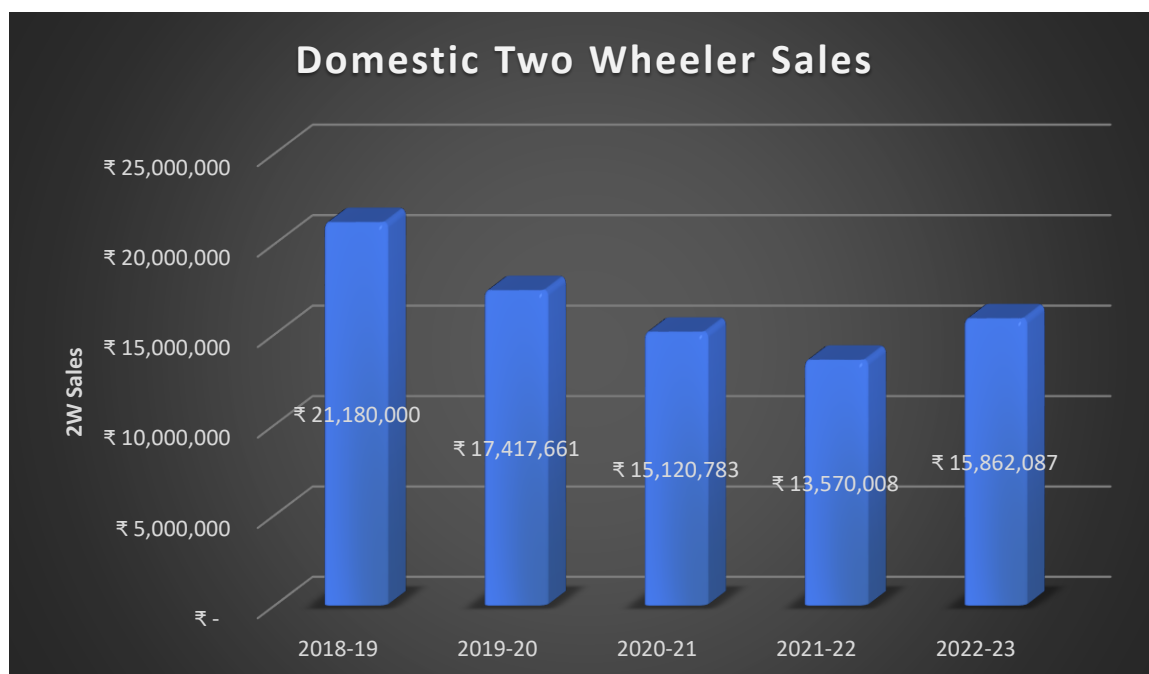
Fuel costs fluctuation, shifting customer tastes, escalating competition from alternative forms of transportation, and the need for sustainable mobility solutions are all issues that the business must deal with. In order to address environmental concerns and satisfy upcoming regulatory requirements, manufacturers are concentrating on releasing electric and hybrid cars.

In India, the two-wheeler market is still thriving overall thanks to a number of developments in technology, customer behaviour, government policies, and economic growth. The sector is positioned for more growth and transformation in the upcoming year due to changing trends and market needs.

SOURCE: www.autopudtiz.com



MOTOR CYCLES			
RANK	OEM	MODELS	Apr-23
1	HERO	SPENDOR	2,65,225
2	BAJAJ	PULSAR	1,15,371
3	HONDA	CB SHINE	89,261
4	HERO	HF DELUX	78,700
5	BAJAJ	PLANTINA	46,322
6	TVS	APACHE	38,148
7	TVS	RAIDER	31,491
8	ROYAL ENFIELD	CLASSIC 350	26,781
9	YAHAMHA	FZ	20,931
10	TVS	SPORTS	18,472
	TOTAL		7,30,702



Source: www.autopuditz.com

Participants in The Two- Wheeler Market in India:

India's two-wheeler industry is home to several major companies that dominate the market. Here are some of the prominent two-wheeler manufacturers in India:

- 1. Hero MotoCorp:** Hero MotoCorp is India's top two-wheeler producer. It provides a wide selection of motorcycles and scooters to meet the needs of various market sectors. The Splendor, Passion, HF Deluxe, Maestro, and Pleasure are a some of its well-known models.
- 2. Bajaj Auto:** Bajaj Auto is another leading two-wheeler manufacturer in India. It is known for its diverse portfolio of motorcycles, including commuter bikes, sport bikes, and performance bikes: The popular models from Bajaj Auto include the Pulsar, Platina, Domineer, and CT.
- 3. TVS Motor Company:** TVS Motor Company is a prominent player in the Indian two- wheeler market. It offers motorcycles, scooters, and mopeds. TVS Jupiter, Apache, Star City Plus, and XL 100 are some of the well-known models from TVS Motor Company.
- 4. Honda Motorcycle and Scooter India (HMSI):** HMSI is a subsidiary of Honda Motor Company, Japan. It is known for its wide range of scooters and motorcycles. Some popular models from HMSI include Activa, Dio, CB Shine, CB Unicorn, and Hornet
- 5. Yamaha Motor India:** Yamaha Motor India is a renowned manufacturer of motorcycles and scooters. It offers a diverse lineup of models ranging from entry-level bikes to high- performance motorcycles. Yamaha FZ, YZF R15, Fascino, and Ray-Z are among its popular models.

6. **Suzuki Motorcycle India:** Suzuki Motorcycle India is renowned for its fashionable and motorbikes that are focused on performance. It provides a variety of bikes, such as sports bikes, cruisers, and commuter cycles. Popular scooters made by the business include the Suzuki Access and Bergman Street.

7. **Others:** These are only a few of India's top two-wheeler manufacturers. There are further participants who add to the industry's competitive environment, such as Piaggio, Mahindra Two Wheelers, and Royal Enfield.

Growth and Development of two-wheeler industry in India:

The growth and development of the two-wheeler industry in India have been remarkable over the years. Here are some key factors and trends that have contributed to its progress:

1. **Growing Demand:** The demand for two-wheelers in India has increased as a result of urbanization, a growing middle class, and increased affordability. Two-wheelers are seen as an affordable and practical means of transportation, especially in crowded metropolitan areas.

2. **Supportive governmental initiatives:** The two-wheeler sector of the automotive industry, as well as other policies and initiatives, have been supported by the Indian government. Measures including decreased excise taxes, tax breaks, and loosened license requirements have boosted manufacturing and investment in the industry.

3. **Product Innovation:** To keep up with changing consumer demands, two-wheeler manufacturers constantly release cutting-edge and new models. The development of the industry has been aided by features including increased fuel economy, safety improvements, enhanced design, and networking possibilities.

4. **Diversification of Product Portfolio:** Manufacturers have expanded their product portfolios to cater to a wide range of customer segments. This includes motorcycles, scooters, and electric two-wheelers, offering a variety of options in terms of design, performance, and price range.

5. **Market Competition:** There are many domestic and foreign competitors seeking for market dominance in India's two-wheeler business, making it quite competitive. Better product quality, better customer service, and competitive pricing have all resulted from this rivalry. customers gain from it.

6. **Rural Market Penetration:** Given the high potential for two-wheeler sales in rural regions, manufacturers have concentrated on growing their presence there. Further aiding the industry's expansion have been more financing choices and upgraded infrastructure in rural areas.

7. **Export Opportunities:** By exporting their goods to several foreign countries, Indian two-wheeler producers have widened their market reach. This has helped build worldwide brand awareness, technology partnerships, and income generating.

8. **A shift toward electric two-wheelers:** With a focus on sustainability and environmental issues, electric two-wheelers are becoming more popular in India. To keep up with changing consumer tastes and governmental requirements, manufacturers are investing in the research and development of electric cars.

Overall, the growth and development of the two-wheeler industry in India can be attributed to factors such as increasing demand, favourable government policies, product innovation, market competitiveness, and the exploration of new market segments. The industry continues to evolve, driven by changing consumer needs, technological advancements, and the pursuit of sustainable mobility solutions.

Two-wheeler industry analysis:

The two-wheeler industry analysis involves examining various aspects of the industry, including market trends, competitive landscape, growth drivers, challenges, and future prospects. Here are some key components typically included in a two-wheeler industry analysis:

- 1. Market Size and Growth:** Assessing the overall size of the two-wheeler market in terms of sales volume, revenue, and market share. Analysing historical data and projecting future growth rates based on factors such as population growth, urbanization, and economic indicators.
- 2. Market Segmentation:** Dividing the market into several categories depending on the kind of product (motorcycles, scooters, mopeds), price range, engine size, target market, and geographic areas. knowing each segment's market share and potential for expansion.
- 3. Analysing the industry's top companies:** market shares, product portfolios, price tactics, distribution networks, and branding efforts. determining each player's main SWOT analysis strengths, weaknesses, opportunities, and threats.
- 4. customer Behaviour and Preferences:** Investigating customer purchasing patterns, preferences, and the elements that influence decisions to buy, including cost, brand reputation, features, appearance, fuel efficiency, and after-sales support. recognizing new trends and changes in customer tastes.
- 5. Regulatory Environment:** Analysing the effects of governmental policies and regulations on the market, including import/export laws, safety standards, tax laws, and incentives for electric car use. evaluating the impact of regulatory changes on market dynamics, price, and product development.
- 6. Technological Advancements:** Analysing technological innovations in the industry, such as engine technology, hybrid and electric vehicles, connectivity features, and safety enhancements. Understanding the impact of technology on product differentiation, competitive advantage, and consumer demand.
- 7. Supply Chain and Distribution:** Analyzing the industry's supply chain management techniques, dealership networks, and distribution channels. evaluating the effectiveness of inventory management, aftermarket services, and logistics.
- 8. Opportunities and Difficulties:** Finding chances for growth, such as underserved market niches, geographic expansion, product diversification, or strategic alliances evaluating obstacles such rising competition and changing raw material prices. compliance with regulations and shifting customer expectations.

9. **Future Outlook:** Offering information on the two-wheeler industry's potential growth areas, such as new trends, technological changes, industry consolidation, and future growth sectors, predicting market trends and suggesting competitive and long-term growth plans.

Overall, a comprehensive two-wheeler industry analysis combines qualitative and quantitative research to provide a holistic understanding of the industry's current state, challenges, and opportunities for stakeholders.

Major findings of the study:

1. **Economic factors:** Consumer purchasing power and demand for two-wheelers are greatly influenced by income levels, inflation rates, and interest rates. Predicting market trends and consumer behaviour requires an understanding of these economic forces.

2. **Social factors:** Changing lifestyles, urbanization, and population demographics play a crucial role in shaping consumer preferences and mobility patterns. Identifying the social factors that influence the two-wheeler industry helps in developing targeted marketing strategies and product innovations.

3. **Technological factors:** Product innovation and customer preferences are influenced by improvements in engine technology, safety features, and fuel efficiency. Understanding the technology drivers of the two-wheeler market may help businesses remain competitive and satisfy changing customer wants.

4. **Regulatory factors:** The operational environment and market dynamics of the two-wheeler sector are significantly impacted by emission standards, taxation laws, and government initiatives. Regulation adherence and making use of government initiatives may have an impact on the industry's development and profitability.

5. **Others:** Possibilities for growth in the two-wheeler sector, such as the potential for electric two-wheelers or market expansion in particular locations, may be identified by the research, along with associated difficulties. To assist industry stakeholders successfully manage issues, such as shifting fuel costs or growing competition, challenges should also be emphasized.

It's important to note that the specific findings of a study would depend on the research methodology, data analysis, and variables considered.

Conclusion:

In conclusion, this study on factors influencing the two-wheeler industry in India highlights the multifaceted nature of the industry's dynamics. Economic factors, social trends, technological advancements, and regulatory influences all play significant roles in shaping the industry's growth and competitiveness. Understanding these factors is crucial for industry stakeholders to make informed decisions, develop targeted strategies, and address emerging challenges. By recognizing the opportunities and challenges within the industry, businesses can adapt and innovate to meet evolving consumer demands and capitalize on market trends. This study provides valuable insights that can guide policymakers, industry players, and researchers in navigating the complex landscape of the two-wheeler industry in India.

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