A Study On Customer Preference Towards Car/Bike Rental Services With Special Reference To Coimbatore City

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ABSTRACT

This study delves into the feasibility and potential of establishing a car/bike rental business in Coimbatore, India. Coimbatore, known as the "Manchester of South India," is a developing industrial city with a rapid growing population and a healthy tourism sector. The research employs a comprehensive market analysis approaches, including examining demographic trends, tourism patterns, transportation infrastructure, and competitor analysis, and regulatory considerations. The paper explores consumer preferences, technological advancements, and sustainable practices within the rental industry. The findings reveal a promising market opportunity with a growing demand for flexible and affordable transportation solutions. Moreover, this paper identifies strategic recommendation for entrepreneurs aiming to venture into the car/bike rental business in Coimbatore. Emphasizing the importance of differentiation, customer-centric services, and leveraging digital platforms for enhanced market penetration and operational efficiency. Overall, this research provides valuable insights for stakeholders seeking to capitalize on the dynamic transportation landscape in Coimbatore city.

JEL CLASSIFICATION CODE

L92 - Rental and Leasing of Motor Vehicles, others Consumer Durables, or

Equipment

L81 – Retail and wholesale Trade; e-commerce

L25 – Firm performance: Size, Diversification and Scope.

INTRODUCTION OF THE STUDY

In an era marked by urbanization, shifting consumer Preferences, and a growing emphasis on sustainable transportation, the rental bike and car business has emerged as a dynamic and promising industry. This study seeks to delve into the various facets of this burgeoning sector, analyzing its economic, social and environmental implications. This field also account for increasing number of car and bike sales due to the development of economy. This shows that the car and bike rental business industry has experienced rapid growth in the current demand. The study aims to explore strategies for optimizing the number of available cars and bikes in rental services to effectively meet the growing demand. Through a comprehensive analysis of usage patterns, user preferences, and market dynamics, this research seeks to provide insights into improving fleet management, enhancing customer satisfaction and achieving operational efficiency in the car and bike rental industry. This study delves into the dynamic landscape of the car and bike rental business, aiming to uncover strategies that optimize operational efficiency and customer satisfaction.

In a world marked by shifting mobility trends and technological advancements, understanding the interplay of market dynamics, user preferences, and emerging technologies is vital. This research seeks to navigate these complexities, offering insights into fleet management, user experience and the overall sustainability of the car and bike rental industry. As we explore this multifaceted terrain, the study addresses key considerations such as environmental impact, technological absorption, user expectation, economic implications and the regulatory landscape to provide a complete understanding of the challenges and opportunities in this evolving sector. In recent times, the car and bike rental sector has become one of the good alternative sources to people nowadays

OBJECTIVES OF THE STUDY

* To analyze the customer awareness on rental service.
* To analyze the customer preference on cars/bikes rental services in Coimbatore.
* To analyze the customer satisfaction on cars/bikes rental services in Coimbatore.

STATEMENT OF THE PROBLEM

The problem is that there is currently a lack of Convenient and reliable car and bike rental service in Coimbatore. This creates a gap in the transportation market, marking it challenging for residents and visitors to access affordable and flexible rental options. Additionally, the existing rental services may not adequately cater to the specific needs and preferences of the local population. This calls for the development of a rental business that can provide a diverse fleet of vehicles, seamless booking processes, competitive pricing and excellent customer service. The major issues include the need for effective fleet management, demand forecasting, route optimization and the implementation of the customer-focused solutions. By addressing these issues, the car and bike rental business can effectively meet the transportation needs of the people in Coimbatore.

REVIEW OF LITERATURE

1) **Magnus Aghe (2023)**, An Analyzed "Predicting-A case study of the Seoul bike sharing system". The research paper attempts to the public at the Right time there by reducing waiting time and predict the hourly Rental demand for the public bikes using the Seoul bike sharing system. This study is to build a predictive model that would predict the required bike count at each hour. The study was conducted based on the Research builds the Models using Linear Regression, Polynomial Regression, Decision Tree Regression, Random forest Regression, Bagging Regress or, and Stacking Regress or. The results reveal that predicting the hourly rental demand for public bikes using the Seoul Bike Sharing System Dataset.

2) **Nobel Preet Kour Khehra (2023)**, An Analyzed "Online car Rental System". The project is designed to cater to the needs of individuals and businesses looking for affordable and reliable car rental services. A car rental website project has a great potential for success, provided it is designs and executed effectively. Overall, by following these guidelines, a car rental website project can achieve its goals and become a successful venture in the highly competitive car rental market.

3) **Muhammad Syarif(2023)**, An Analyzed of " Analysis of Car Rental Practices According to Law No.22 of 2009 and Shari Economic Law: Rental Practice, CV. Gallery Rental, Shari Economic Law". In this study, Researchers made a car rental as an objective of research based on data obtained by researchers when conducting interview with owners and tenants at CV. Gallery Rental. The author can say that if in this problem the owner of CV Gallery Rental should be obliged to recheck the vehicle every day before being handed.

4) **Prince Jenifer Maharaja (2016)**, An Analyzed of " Design of car Rental Management System for Organization, Customers and Car Owners". This design will help to the normal people to start their initial investments. Car rental organization is getting the cars form the owners so they give the surety and security to the car. Finally this system is providing good business for organization and car owners and for customers it will be good services.

5) **Mrs. Vaishali Bodhale (2022)**, an Analyzed "Car Rental Portal". The system enables the company to make their services available to the public through the internet which can be accessed globally. For this project, we will use JavaScript, CSS, HTML and PHP. In Comparison to previous experiences, when every activity related to the vehicle rental business was restricts to a physical place alone, the car rental industry has emerged with new delicacies.

RESEARCH METHODOLOGY

Percentage analysis
Table-1
Demographic information

S.No	Variables	Particulars	No of Respondents'	Percentage
1	Gender	Male	88	70.4%
		Female	37	29.6%
2	Age	18-25	73	58.4%
		25-35	31	24.8%
		35-45	13	10.4%
		Above 45	8	6.4%
3	Occupation	Student	60	48%
		Employed	20	16%
		Business	25	20%
		Professional	20	16%
4	Marital status	Unmarried	88	70.4%
		Married	37	29.6%
5	Monthly Income (per Month)	Below 10000	55	44%
		10000-25000	40	32%
		25000-35000	18	14.4%
		Above 35000	12	9.6%

Source: Primary data

*Table 1 show that, the 70.4% of the respondents are male, 58.4% of the respondents are aged between 18-25% and 48% of the respondents are students, 70.4% of the respondents are unmarried and the 44% of the respondents are earning below the 10000 @ per month

Table No: 1.2
Respondent's Experience about car/bike rental services

Types	Respondents	Percentage
Yes, and it was a great experience.	29	23.2%
Yes, but it wasn't the best experience.	18	14.4%
No, i haven't rented a car or bike before	78	62.4%
Total	125	100%

Source: Primary data

*Table 1.2 shows that, the 23.2% of the respondents were having a great experience, 14.4% of the respondents were having the best experience, and 62.4% of the respondents were not experienced.

Table No: 1.3
Awareness about the rental car and bikes particularly on Coimbatore.

Yes	20%	25%
No	74%	45%
Maybe	31%	30%
Total	125	100%

Source: Primary data

*Table1.3 shows that, the 25% of the people were Responded yes, 45% of the people were responded   No and the 30% of the people were responded maybe.

Table No: 1.4
Advertisement/Promotional activities about these services on any platform

Social Media	69	54.8%
WhatsApp Marketing	16	12.9%
Word-of-Mouth(WOW) Marketing	40	32.3%
Total	125	100%

Source: Primary data

*Table 4 shows that, the people were responded for Social media & WhatsApp Marketing are 54.8% and 12.9% and 32.3% of the people were responded for Word-of-Mouth (WOW) Marketing.

Table No: 1.5
Primary purpose for renting bikes and cars

Business Activities	21	16.7%
Commuting	21	16.7%
Recreation	71	56.7%
Others	12	10%
Total	125	100%

Source: Primary data

 *Tables1.5 show that, the 16.7% of the people were responded for Business Activities & Commuting, 56.7% were responded for Recreation and 10% of the people were responded for others.

Table No: 1.6
How often renting car/bike in a month

Rarely(1-2 times)	91	73.3%
Occasionally(3-5 times)	16	13.3%
Frequently(6-10 times)	9	6.7%
Very Frequently(More than 10 times)	9	6.7%
Total	125	100%

Source: Primary data

*Table 1.6 shows that, the 73.3% of the responded were rent vehicle Rarely (1-2 times), 13.3% of the responded were rent vehicle Occasionally (3-5 times) and 6.7% peoples were responded Frequently (6-10 times) & Very Frequently (More than 10 times).

Table No: 1.7
How do you usually make reservation?

Mobile apps	33	25.8%
Website	40	32.3%
In a person at a Rental location	52	41.9%
Total	125	100%

Source: Primary data

*Table1.7 shows that, the responded were make their reservation using Mobile apps and Website are 25.8% & 32.3%, 41.9% of the respondents were selected in a person at a Rental location.

Table No: 1.8
Which factor influence your choice of vehicle?

Cost	40	32.3%
Fuel Efficiency	32	25.8%
Size/seating capacity	20	16.1%
Brand Preference	32	25.8%
Total	125	100%

Source: Primary data

***Table 1.8shows that, the 32.3% of the respondents were choosing for the purpose of cost, 16.1% of the people were responded for Size/seating capacity, 25.8% of the people responded for Fuel Efficiency & Brand Preference.

Table No: 1.9
The location of our Rental pick-up/drop off points for you

Very Convenient	28	22.6
Somewhat Convenient	20	16.1%
Neutral	48	38.7%
Somewhat inconvenient	9	6.5%
Very inconvenient	20	16.1%
Total	125	100%

Source: Primary data

*Table 1.9 shows that, the 22.6% of the respondents were selected very Convenient and 16.1% of them were responded for Somewhat Convenient & Very inconvenient, 38.7% are chosen Neutral, 6.5% of them were chosen Somewhat inconvenient.

Table No: 1.10
Environmental considerations influence your choice of renting car and bike

Strongly influence	20	16.1%
Somewhat influence	20	16.1%
Neutral	56	45.2%
Not Much Influence	5	3.2%
No influence	24	19.4%
Total	125	100%

Source: Primary data

*Table 10 shows that, the 16.1% of the responded were for strongly influence & somewhat influence, 45.2% of the people were selected Neutral, 3.2% of the people were selected Not Much Influence and 19.4% of the people were selected Not influenced.

Table No: 1.11
Advantages of promotion offers or discount for future rentals

Very Likely	32	25.8%
Likely	45	35.5%
Neutral	24	19.4%
Unlikely	24	19.4%
Very Unlikely	0	0
Total	125	100%

Source: Primary data

*Table 1.11 shows that, the 25.8% of the responded are Very likely, 35.5% of the responded are likely and the 19.4% of the responded are chosen Neutral & Unlikely, 0 people was chosen Very Unlikely.

Table No: 1.12
The feature and functionality of mobile app (or) website

Very Satisfied	12	9.7%
Satisfied	49	38.7%
Neutral	32	25.8%
Dissatisfied	20	16.1%
Very Dissatisfied	12	9.7%
Total	125	100%

Source: Primary data

*Table 1.12 shows that, the 9.7% of the people were responded for Very Satisfied & Very Dissatisfied, 38.7% of the people were responded for Satisfied, 25.8% of the people were responded for Neutral, 16.1% of the people were responded for Dissatisfied.

Table No: 1.13
Advantages of renting a car or bike instead of owning one

Cost saving	48	38.7%
No Maintenance Responsibilities	41	32.3%
Flexibility to choose different types of vehicles	36	29%
Total	125	100%

Source: Primary data

*Table 1.13 shows that, the 38.7% of the people were responded for cost saving, 32.3% of the people were responded for No Maintenance Responsibilities and 29% of the people were responded for Flexibility to choose different types of vehicles.

Table No: 1.14

Challenges or drawbacks you've encountered when renting a vehicle

High Rent	41	32.3%
Limited availability during peak season	48	38.7%
Unclear insurance policies	36	29%
Total	125	100%

Source: Primary data

*Table 1.14 shows that, the 32.3% of the people were responded for High Rent, 38.7% of the people were responded for Limited availability during peak season and 29% of the people were responded for unclear insurance policies.

Table No: 1.15

Specific features for renting a vehicle

GPS/Navigation system	61	48.4%
Bluetooth connection	16	12.9%
Child safety seats	24	19.4%
Bike Helmet	24	19.4%
Total	125	100%

Source: Primary data

*Table 1.15 shows that, the 48.4% of the people chosen GPS/Navigation system, 12.9% of the people chosen Bluetooth connection and the 19.4% of the people chosen Child safety seats & Bike Helmet.

FINDINGS

PERCENTAGE ANALYSIS

Out of 125 Respondents

- ➢ Majority of respondents were Male
- ➢ Majority of respondents were aged between 18-25years
- ➢ Majority of respondents were students
- ➢ Majority of respondents were unmarried
- ➢ Majority of respondent's monthly income were below 10000
- ➢ Majority of respondents were not Experienced car/bike rental services
- ➢ Majority of respondents were didn't have awareness car/bike rental services
- ➢ Majority of respondents were having an Promotional activities about these services on the platform of social media
- ➢ Majority of respondents were Rented vehicles for the propose of Recreation
- ➢ Majority of respondents were rented vehicle for Rarely(1-2times) in a month
- ➢ Majority of respondents were makes their reservations by using person at a rental location
- ➢ Majority of respondents were satisfied with the feature and functionality of mobile app (or) website

SUGGESTION

The study suggests that the car/bike rental business in Coimbatore could be a lucrative venture considering the city's growing population and tourism industry. Conduct through market research to understand the demand for rental services in Coimbatore. Identify your target market such as tourists, locals and businesses and assess their performance and needs. Ensure regular maintenance and servicing of your vehicles to keep them in top condition, thereby enhancing customer satisfaction and safety. Develop a user-friendly website and mobile app for easy online booking and reservations. Provide detailed information about vehicle availability, rental rates, terms and conditions. Offer excellent customer service by providing 24/7 assistance, including roadside assistance case of emergencies. Continuously gather feedback from customers to identify areas to improvement and enhance your services accordingly.

CONCLUSION

I can conclude that it is a growing industry with numerous options for rentals. The city's popularity as a tourist destination and its growing urban population contribute to the high demand for rental vehicles. The presence of multiple rental companies provides customers with a wide range of choices in terms of vehicle types, prices, and rental terms. With proper research and comparison, individuals can find the perfect rental option to suit their needs and preferences. Overall, the car and bike rental business in Coimbatore city offers convenience and flexibility for both locals and tourists alike.

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