



A STUDY ON CONSUMER BUYING PREFERENCE IN AUTOMOBILE INDUSTRY

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ABSTRACT

Automobile industry in India is one of the fastest growing industries in the country. Sale and newline purchase of pre-owned cars/vehicles have emerged as a successful business model in the recent newline past. Ownership of a vehicle has become the necessity of life in the present scenario amidst busy newline schedule. Having a car is not only the indicator of status symbol for a family but also a source of newline safety via social distancing, as well as pleasure and style. Moreover during corona pandemic newline ownership of vehicle has become the necessity for safety concern. Sale and purchase of preowned cars/vehicles has witnessed a significant growth and have emerged as a successful newline business model in the recent past. Factors like increase in price of new vehicles as well as hike in, registration charges and insurance charges etc. have witnessed a significant growth in this newlinebusiness.Why customers prefer to buy a pre-owned car, while the market is full with brand new cars trying to attract customers with newline appealing and lucrative offers. Obviously finance is one the most significant factors in this newline direction, besides this, factors like: attractive finance option, variety of vehicle variants, growth newline in number of organized and online retailers etc. motivate customers to own a pre-owned car rather than having a brand new car. In this study we will try to find answers to these questions.

Key Words: Automobile industry in India, Pre-owned cars/vehicles, Sale and purchase, Successful business model, Necessity of vehicle ownership, Status symbol, Safety, Social distancing, Pleasure, Style, Corona pandemic, Increase in price, Registration charges, Insurance charges, Finance options, Variety of vehicle variants, Organized and online retailers, Customer preference

INTRODUCTION

The most lucrative industry in India today is the automobile sector because of its crucial role in a country's industrial growth, the automobile industry is frequently referred to as "the industry of industries." Through forward and backward connections, it is an industry that has an impact on numerous other industries, including both manufacturing and services. The global vehicle sector is of enormous significance since it directly employs nine million people, or 5% of all manufacturing jobs worldwide. India has become a market leader in the passenger car sector. The importance of automobiles in people's daily lives makes them the most fascinating academic topic in many disciplines. The passenger vehicle, two-wheeler, commercial vehicle, and three-wheeler sectors are the divisions of the Indian automobile industry. The manufacturing of passenger and commercial vehicles is ranked sixth worldwide. It has grown to be a bigger contribution to India's GDP (gross domestic product).

OBJECTIVE

- To examine the impact of demographic variables on consumer buying preferences
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- To investigate the role of environmental awareness and sustainability concerns in consumer buying preferences
- To explore the influence of cultural and social factors on consumer buying preferences

SCOPE OF THE STUDY

- Investigate how demographics such as age, gender, income level, education, occupation, and location influence consumer preferences in the automobile industry.
- Examine the importance of different product attributes such as price, brand reputation, vehicle type (e.g., sedan, SUV, truck), fuel efficiency, performance, safety features, design aesthetics, technological advancements, and environmental sustainability.

STATEMENT OF THE PROBLEM

Due to the emergence of globalization and liberalization there is a stiff competition among the Automobile industries which are focusing attention in capturing the Indian markets an automobile are no more considered as luxury once, now occupies a part of day-to-day life and has become a necessity. Customers have now changed their attitude that yesterday's luxuries are today's necessities. To be a successful marketer it is absolutely essential to study the perceptions of the prospective buyers and track their drivers of those perceptions.

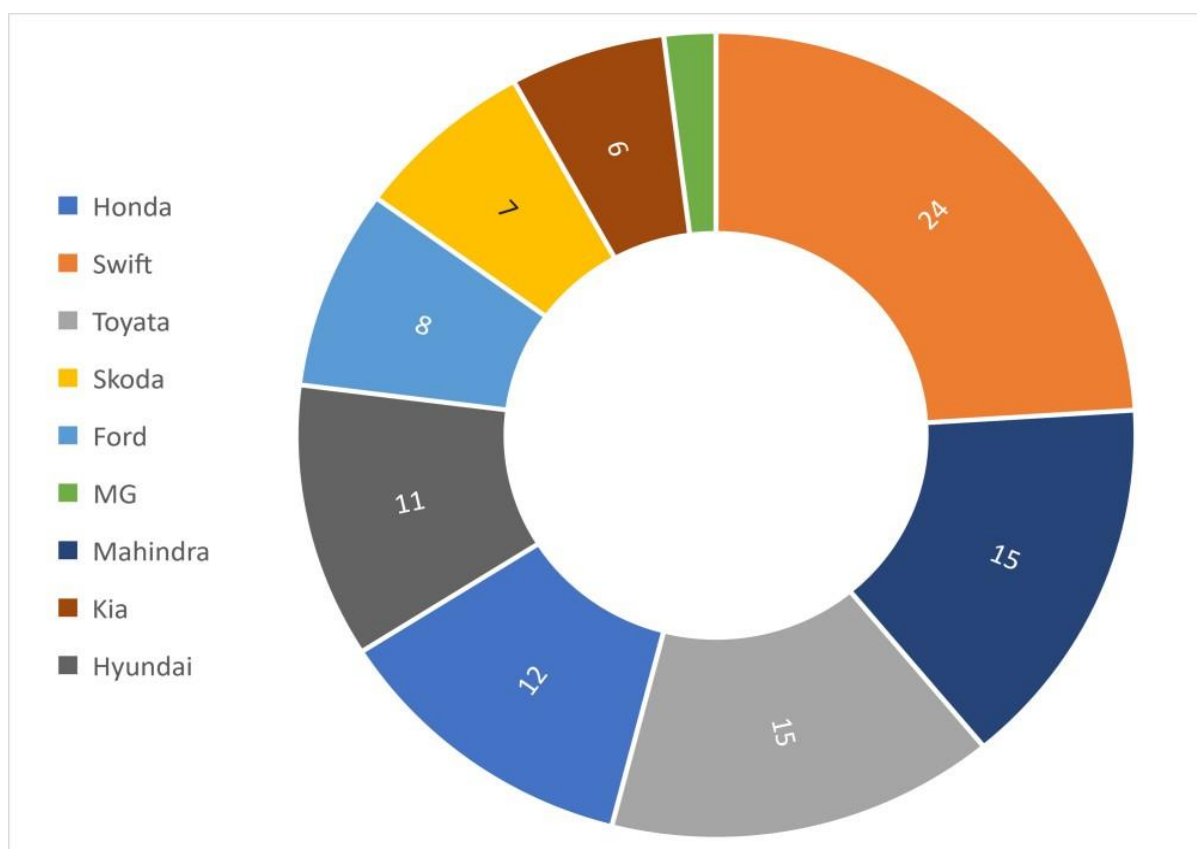
REVIEW OF LITERATURE

- Dharam Raj Solanki (2022) Analysed customer purchasing patterns for cars. 100 samples were collected in the Gujarati city of Surat.
- Dr. Partha Prasad Chowdhury (2022) Analyses the impact of demographic factors on the value of qualities to choose a two-wheeler and the importance of various attributes/evaluation criteria (motorcycle).
- Koushik Chatterjee (2021) According to his research Covid 19 had a negative impact on how well the Indian vehicle industry performed, as several companies' sales remained below zero.
- Veerakumar (2017) the aim was to investigate socioeconomic data and factors influencing consumer purchasing behaviour. A questionnaire was completed by 150 Pollachi city residents, and the answers were used to compile the statistics.
- Abhijit Gosavi et al., (2016) Compared consumer perceptions of US and Japanese autos statistically using information from consumer reports and J.D. power and associates.

DATA ANALYSIS AND INTERPRETATIONS

1) ON THE BASIS OF RESPONDENCE ON THE BASIS OF CURRENTLY USING CAR
CURRENTLY CAR USED BY THE RESPONDENTS

Responses	No. of responses	Percentage
Honda	12	12
Swift	24	24
Toyota	15	15
Skoda	7	7
Ford	8	8
MG	2	2
Mahindra	15	15
Kia	6	6
Hyundai	11	11
Total	100	100

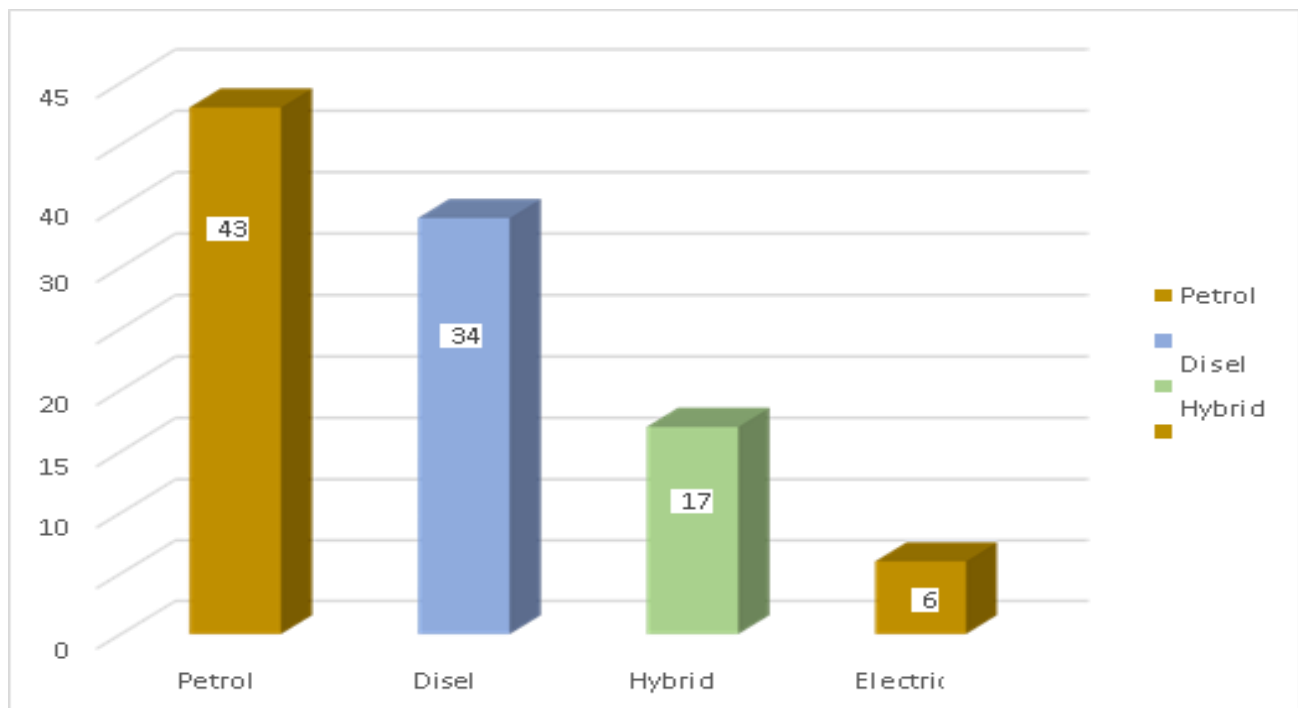


INTERPRETATION

Above chart show that the 24% of the respondents are using swift,15%of the respondents are using both Mahindra & Toyota,12% of the respondents are using Honda,11% of the respondents are using Hyundai,8%of the respondents are using Ford, 7% of the respondents are using Skoda,6%of the respondents are using Kia and 2%of the respondents are using MG.

2) ON THE BASIS OF RESPONDENCE ON THE BASIS OF TYPE OF CAR CONSIDERING TYPE OF CAR CONSIDERING BY THE RESPONDENTS

Responses	No. of responses	Percentage
Petrol	43	43
Diesel	34	34
Hybrid	17	17
Electric	6	6
Total	100	100



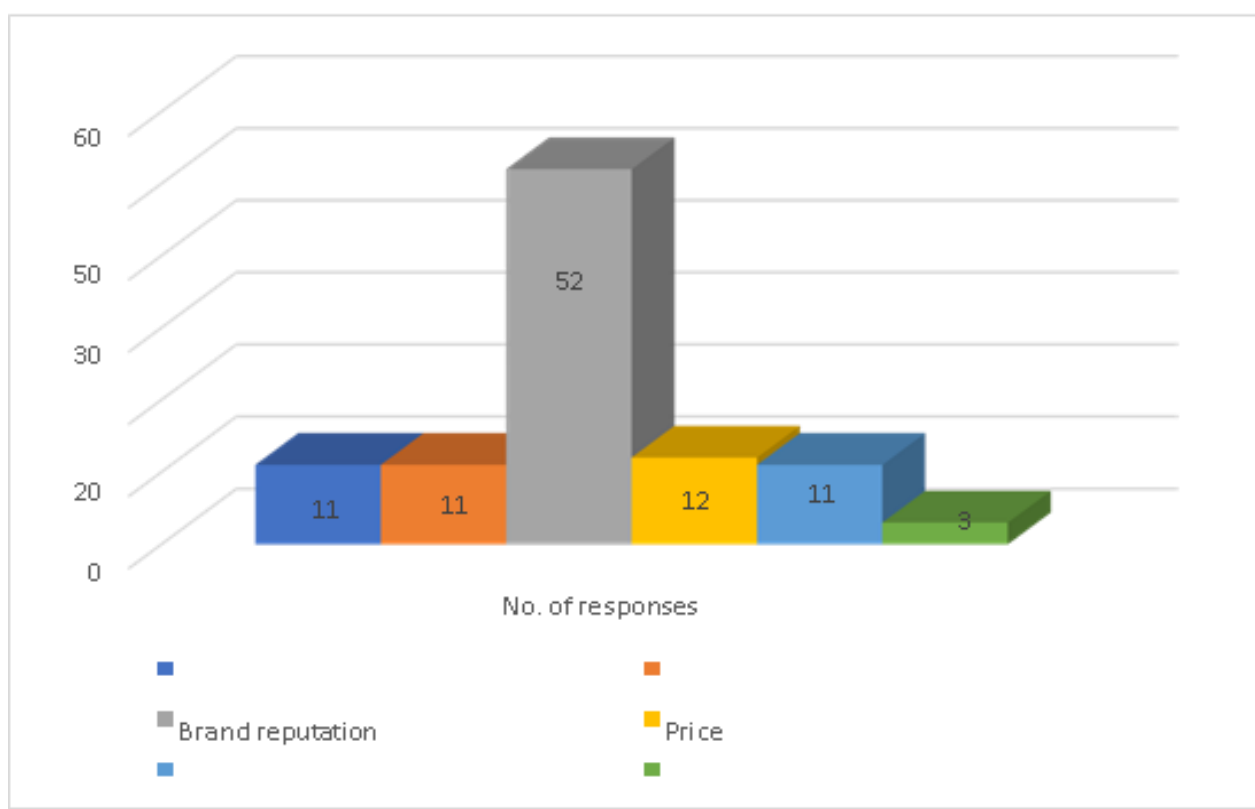
INTERPRETATION

From the above the chart it show 43% of the respondents considering petrol car,34% of the respondents considering diesel cars,17% of the respondents considering Hybrid cars,6% % of the respondents considering electric cars.

3) ON THEBASIS OF RESPONDENCE ON THE BASIS OF IMPORTANT FEATURE TO PURCHASE A CAR

IMPORTANT FEATURE TO PURCHASE A CAR BY THE RESPONDENT

Responses	No. of responses	Percentage
Brand reputation	11	11
Price	11	11
Vehicle features (e.g., safety, technology)	52	52
Design/appearance	12	12
Fuel efficiency	11	11
After-sales service/support	3	3
Total	100	100



INTERPRETATION

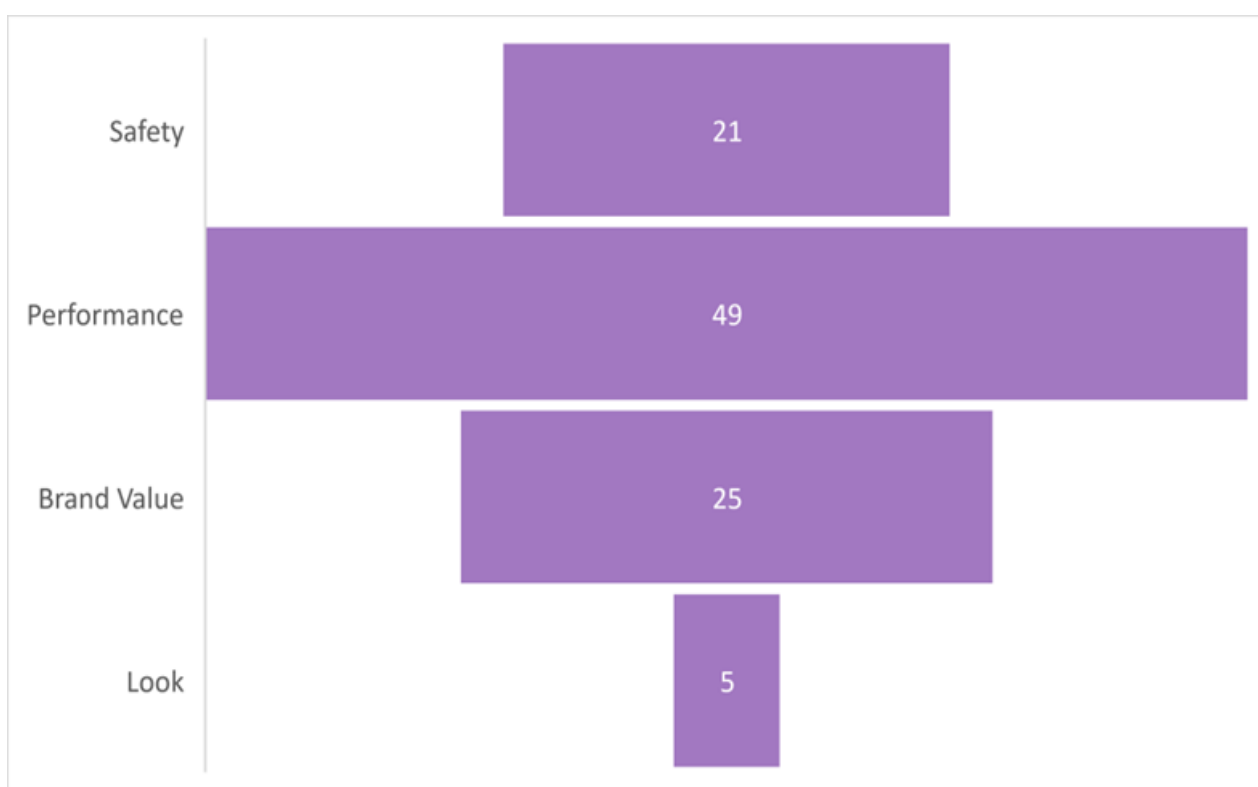
Above the chart show 52% of the respondents consider the vehicle safety and

Technology,12%of the respondents consider to design and appearance,11% % of the respondents consider the brand reputation, price and fuel efficiency and 3% of the respondent consider sales and service.

4) RESPONSE ON THE BASIS OF MOST IMPORTANT FEATURES WHILE PURCHASING A NEW VEHICLE

MOST IMPORTANT FEATURES WHILE PURCHASING A NEW VEHICLE BY THE RESPONDENT

Responses	No. of responses	Percentage
Safety	21	21
Performance	49	49
Brand Value	25	25
Look	5	5
Total	100	100



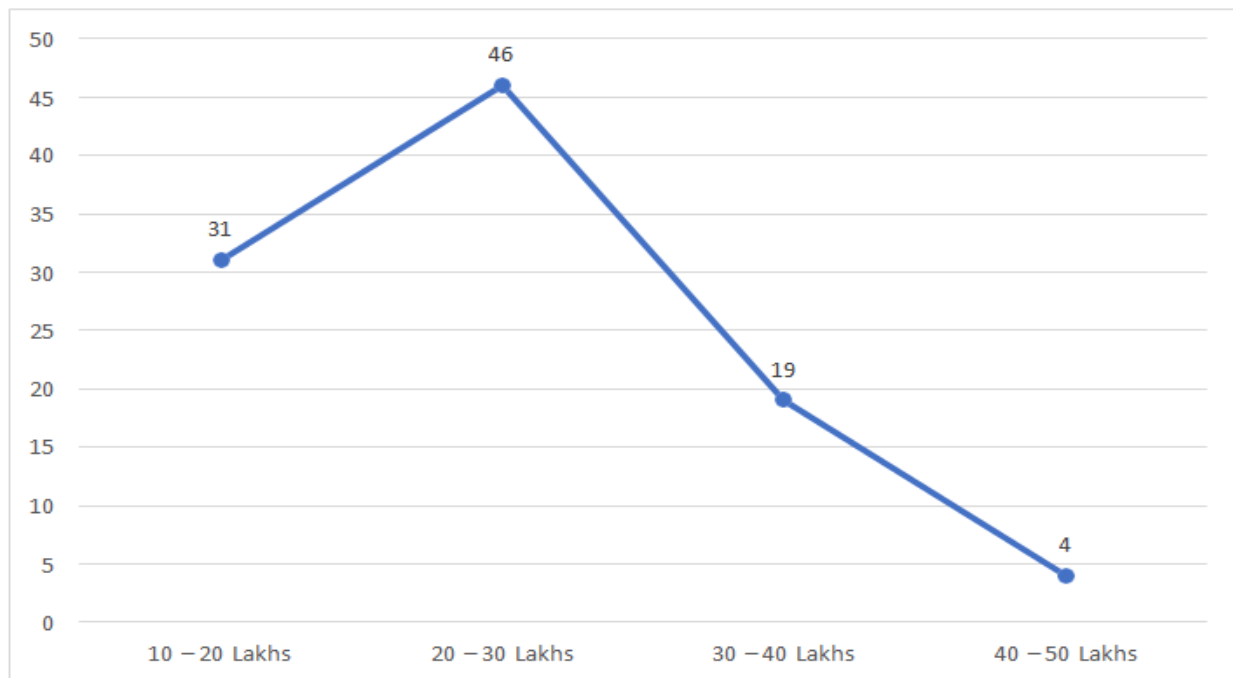
INTERPRETATION

From the above chart has 49% of the respondents has important features has performance 25% of the respondent has important features has brand value,21% of the respondents has like safety,5% of the respondent has important features has looks.

5) ON THE BASIS OF RESPONDENCE ON THE BASIS OF BUDGET FOR PURCHASING A NEW VEHICLE

BUDGET FOR PURCHASING A NEW VEHICLE BY THE RESPONDENTS

Responses	No. of responses	Percentage
10 – 20 Lakhs	31	31
20 – 30 Lakhs	46	46
30 – 40 Lakhs	19	19
40 – 50 Lakhs	4	4
Total	100	100



INTERPRETATION

From the chart show that 31% of the respondents has purchasing a new vehicle in 10 -20 lakhs budget,46% of the respondents has purchasing a new vehicle in 20-30 lakhs budget,19% of the respondents has purchasing a new vehicle in 30-40 lakhs budget and 4% of the respondents has purchasing a new vehicle in 40-50 lakhs budget.

FINDINGS

- 24% of the respondents are using swift,15%of the respondents are using both Mahindra & Toyota,12% of the respondents are using Honda,11% of the respondents are using Hyundai,8%of the respondents are using Ford, 7% of the respondents are using Skoda,6%of the respondents are using Kia and 2%of the respondents are using MG.

- 43% of the respondents considering petrol car,34% of the respondents considering diesel cars,17% of the respondents considering Hybrid cars,6% % of the respondents considering electric cars.
- 52% of the respondents consider the vehicle safety and technology,12%of the respondents consider to design and appearance,11% % of the respondents consider the brand reputation, price and fuel efficiency and 3% of the respondent consider sales and service.
- 49% of the respondents has important features has performance 25% of the respondent has important features has brand value,21% of the respondents has like safety,5% of the respondent has important features has looks.
- 31% of the respondents has purchasing a new vehicle in 10 -20 lakhs budget,46% of the respondents has purchasing a new vehicle in 20-30 lakhs budget,19% of the respondents has purchasing a new vehicle in 30-40 lakhs budget and 4% of the respondents has purchasing a new vehicle in 40-50 lakhs budget.
- 61% of the respondents has believe the electric vehicle will become the dominant choice in future automobile market and 39% of the respondents has should not believe the electric vehicle will become the dominant choice in future automobile market.
- 13% of the respondent are influenced by advertisements or endorsements by celebrities, 40% of the respondent are purchasing by their own ideas and 47% of the respondent were sometimes get influenced by the advertisements or endorsements.

SUGGESTION

- Analyses the impact of brand reputation on consumer preferences.
- Investigate the role of price sensitivity in automobile purchasing decisions.
- Examine the influence of advertising and marketing strategies on consumer choices.
- Assess the importance of fuel efficiency and environmental concerns in purchasing decisions.
- Study the influence of technological features (e.g., connectivity, safety systems) on consumer preferences.
- Explore the significance of reliability and durability in consumer decision-making.

CONCLUSION

The study on consumer buying preferences in the automobile industry highlights the multifaceted nature of purchasing decisions. Through an examination of factors such as brand reputation, price sensitivity, technological features, and environmental concerns, it becomes evident that consumers weigh various considerations before making a purchase. Additionally, demographic factors, cultural trends, and government regulations play significant roles in shaping consumer preferences. The importance of after-sales service, word-of-mouth recommendations, and online research further underscores the complexity of the decision-making process.

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