Dissertation Report On

CONSUMER BEHAVIOUR TOWARDS PASSENGER CARS - A STUDY IN NCR

Submitted by

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2K14/MBA/29

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Certificate from the Institute

This is to certify that the Project Report titled **CONSUMER BEHAVIOUR TOWARDS PASSENGER CARS** is a bona fide work carried out by **Mr. Indrajit Shaw** of MBA 2014-16 and submitted to Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42 in partial fulfilment of the requirement for the award of the Degree of Masters of Business Administration.

Abhinav Chaudhary   Signature of Head (DSM)

                                                     Seal of Head

Anurag Tiruwa

Place:

Date:

Declaration

I **Indrajit Shaw** student of MBA 2014-16 of Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42 declare that Summer Internship Report **CONSUMER BEHAVIOUR TOWARDS PASSENGER CARS - A STUDY IN NCR** submitted in partial fulfilment of Degree of Masters of Business Administration is the original work conducted by me.

The information and data given in the report is authentic to the best of my knowledge.

This Report is not being submitted to any other University for award of any other Degree, Diploma and Fellowship.

:

Place: Indrajit Shaw

Date   (2K14/MBA/29)

Acknowledgement

Accomplishment of a task with desired success calls for dedication towards work and prompting guidance, co-operation and deliberation from seniors.

At the outset, I would like to thank Mr. Abhinav Choudhary , Professor, Delhi School of Management for her support and professional approach in guiding me through the careful details of the project.

I would be failing in my duty if I do no express my deep sense of gratitude to Sri P.K. Suri, H.O.D. and all the faculty members for their valuable advice and guidance in this project.

Executive Summary

The automotive industry is challenging, constantly changing and tough. The need for repeat business and customer loyalty makes every customer experience matter. This ensures that all metrics address each client's unique information needs, market position, opportunities and objectives. This research is done on NCR region.

A detailed analysis of Auto industry has been covered in respect of competitive analysis and consumer behaviour towards passenger cars.

This paper explores the consumer behaviour towards passenger cars in NCR. The scope of the study is limited to certain important behavioural aspects like information search and evaluation, brand preference and brand loyalty and factors of motivation. Understanding the customer's satisfaction of the product will help the automobile manufacturer in developing their products to meet customer's needs and designing the proper marketing programs and strategy

At the end conclusion and recommendations have been specified so as to make the project work more meaningful and purposeful.

INDEX

LIST OF FIGURES

LIST OF TABLES

CHAPTER – 1

INTRODUCTION

India's GDP growth continued to be below 5% and Industrial growth remained in negative territory. Consequently, the Indian auto industry witnessed a decline in both passenger vehicles and in commercial vehicles segment by 4.7% and 22.4% respectively. Foremost of last year, the economy was hamstrung by rising inflation and high interest rates, leading to relatively low consumer interesting buying new vehicles, and, in many cases, postponement of purchase. In the later part of the year, reduction in excise duty and partial lifting of mining bans did help in recovery of sentiment, but only to a limited extent. High delinquencies in vehicle financing led to tightening of lending norms by financiers, which badly impacted the sales of small commercial vehicles and passenger cars. With the increasing growth in demand on back of rising income, expanding middle class and young population base, in addition to a large pool of skilled manpower and growing technology, will propel India to be among the world's top five auto-producers by 2016.

The automobile industry accounts for 22 per cent of the country's manufacturing gross domestic product (GDP). The auto sector is one of the biggest job creators, both directly and indirectly. It is estimated that every job created in an auto company leads to three to five indirect ancillary jobs.

India is expected to become a major automobile manufacturing hub and the third largest market for automobiles by 2020, according to a report published by Deloitte.

India is currently the seventh-largest automobiles producer in the world with an average annual production of 17.5 million vehicles, and is on way to become the fourth largest automotive market by volume, by 2016.

The growth story for the Indian automobile industry in 2015 rode on the two-wheeler segment. The segment has clocked positive growth at 12.9 percent year-on-year to reach sales of nearly 13.5 million units by October 2015.

India's automobile sector has also picked up pace, with eight of the country's leading manufacturers' reporting combined passenger vehicle sales of 198,427 in November

2014, a 10 per cent annual rise. The rise in sales in November 2014 was led by Maruti Suzuki, whose sales increased 17 per cent to 100,024 units in the domestic market.

The commercial vehicles (CV) industry in India has registered an increase of 8.59 per cent in September 2014, as fleet owners have started to buy trucks in the anticipation of an improved economic activity.

The automobile sector in Andhra Pradesh has a potential for US$ 1 billion investment and US$ 1.50 billion output, according to a recent analysis by Automotive Components Manufacturers' Association of India (ACMA) and city-based Andhra Chamber of Commerce and Industry Federation (ACCIF).

Figure 1.1: Shares of different types of automobiles in India

India's automobile market has grown steadily over the last seven to eight years, with the exception of the previous two years where the effects of the global downturn were felt, primarily in sales of commercial vehicles. However, even during the downturn, the two-wheeler and three wheeler segments, which were until then experiencing low growth or losing volumes, bucked the trend.

India's vehicle demands quite different from other top automobile markets – with the exception of China – in that two-wheelers constitute a significant

portion of vehicle demand (more than 3/4thof the Indian market is in two-wheelers).

The luxury car segment has taken offsubstantially in the last three years (seeFigure 9) and current data suggests that thedemand will be sustained in the mediumterm.While

the luxury car volumes are onlyabout one percent of the total passengervehicle sales in 2009-10, the cumulativeannual growth rate (in volume) of nearly 40percent over the last two years suggeststhat this share is bound to grow.

1.1. Objective of Study

The main purpose of this project is to evaluate the purchase behaviour of the consumer and to identify different sources of information used by the buyers and there role in taking purchase decisions.

This includes the understanding the sector and then making a questioner. In the research we also focused on how income of a family changes purchasing decision.

We also focused on how and what are the factors influencing the choice of brand and choice of dealership.

Through this research work we intend to gain the following objectives:

1. To identify different sources of information used by the buyers and their role in taking purchase decisions.
2. To evaluate the purchase behaviour of the consumers.
3. To examine the factors influencing the brand choice and choice of dealership.
4. To identify effect of change in income over purchase decision.

CHAPTER – 2

AUTO INDUSTRY OVERVIEW

Indian automobile sector is one of the heart industries of Indian economy. Till early 1980s, there were very few players in the Indian automobile sector & was suffering from obsolete & substandard technologies. After 1991 the India government released tedious norms and opened the Indian market for all. Currently the Indian automobile market is crowded with lot of Indian as well as multinational brands like Maruti, Honda, Chevrolet, Skoda, Renault, BMW, Hyundai, Nissan, Audi, Fiat, Toyota & General Motors etc. In India, the automobile industry provides direct employment to about 5 lakh persons. It contributes 4.7 per cent to India's GDP and 19 per cent to India's indirect tax revenue. India's auto market remains dominated by passenger cars in the small segment (segment-A) and compact segment (segment-B), which jointly account about 65 percent of sales. The Indian passenger vehicle industry has been progressing continuously since a last decade except the recessionary phase witnessed during FY 2009. Despite the recession in 2009, the Indian automobile market has captured the major market share in domestic as well as in international markets. In recent years the Indian automobile industry has achieved splendid achievement. India is 11th largest passenger vehicle market and is largest three wheeler market in world.

2.1. Industry Analysis

With the increasing growth in demand on back of rising income, expanding middle class and young population base, in addition to a large pool of skilled manpower and growing technology, will propel India to be among the world's top five auto-producers by 2015.

The automobile industry accounts for 22 per cent of the country's manufacturing gross domestic product (GDP). The auto sector is one of the biggest job creators, both directly and indirectly. It is estimated that every job created in an auto company leads to three to five indirect ancillary jobs.

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2.2. Auto Industry subsectors
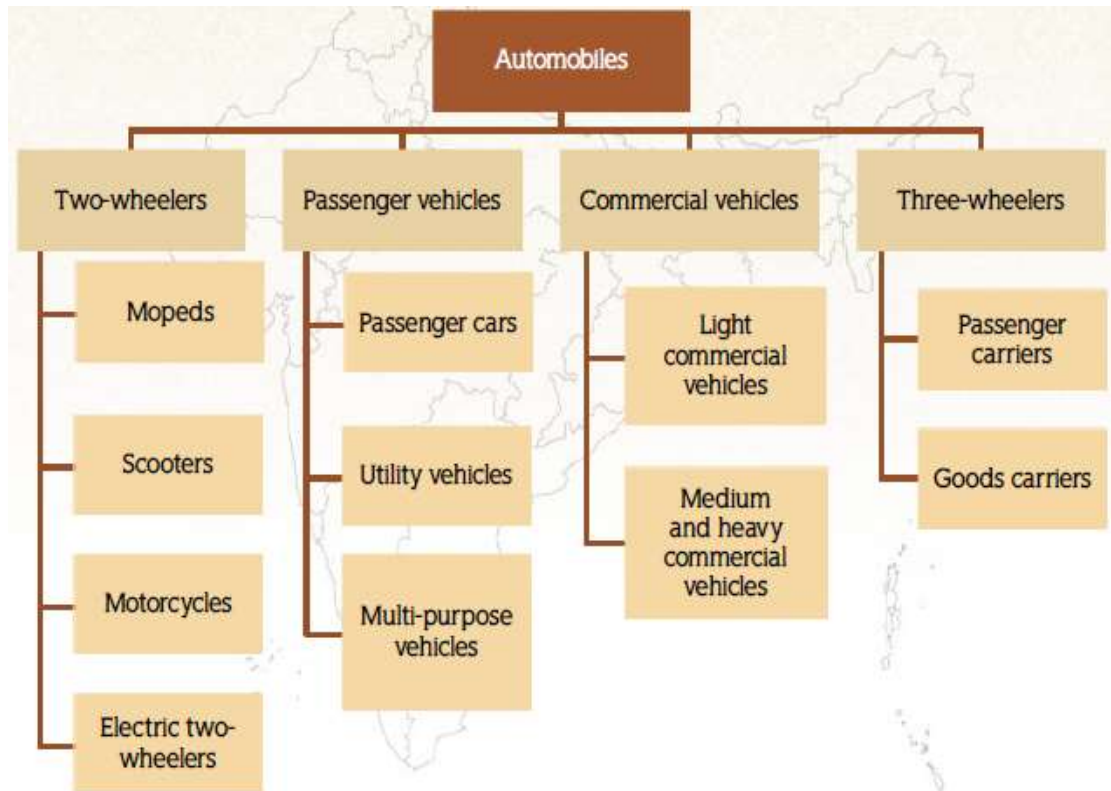
Figure 2.1: Automobile industry by segment

2.3. Market Size

The growth story for the Indian automobile industry in 2014 rode on the two-wheeler segment. The segment has clocked positive growth at 12.9 percent year-on-year to reach sales of nearly 13.5 million units by October 2014.

India's automobile sector has also picked up pace, with eight of the country's leading manufacturers' reporting combined passenger vehicle sales of 198,427 in November 2014, a 10 per cent annual rise. The rise in sales in November 2014 was led by Maruti Suzuki, whose sales increased 17 per cent to 100,024 units in the domestic market.

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2.3. Rural Market

The automobile industry has yet to fully tapinto demand from rural areas. Previously, consumers from these areas would need togo to automobile dealerships in towns and cities for their vehicle purchases. However,in recent years, market players have made overtures to rural consumers, with encouraging sales. Figure 10 shows a gradual but steady growth in demand for passengervehicles from rural areas, accompanying the

growth of the overall segment.While the Indian automobile industry seeksto double total sales on the back of steadygrowth over the next decade, theserelatively undertapped demand segments(rural markets, youth, women and luxurycars) are expected to play a significant role.

2.4. Investments

To match production with demand, many auto makers have started to invest heavily in various segments in the industry in the last few months. The industry has attracted FDI worth US$ 11,351.26 million during the period April 2000 to November 2014, according to the data released by Department of Industrial Policy and Promotion (DIPP).

1. Some of the major investments and developments in the automobile sector in India are as follows:

2. Snapdeal.com has entered into a partnership with Hero Moto Corp Ltd to sell two-wheelers and expect its online automobile sales to generate Rs 1,000 crore (US$ 162.33 million) of business in next six to 10 months.

3. Automotive supplier Uno Minda and Japan's Toyoda Gosei Co Ltd have announced a joint venture (JV) partnership to manufacture and sell rubber hoses to automobile makers in India. The JV will be set up with a total investment of Rs 85.3 crore (US$ 13.84 million) in a phased manner.

4. Tafe Motors and Tractors Ltd (TAFE) has invested around US$ 140 million by way of equity in the US-based AGCO Corporation, a worldwide manufacturer and distributor of agricultural equipment.

5. Flipkart founders Mr Sachin Bansal and Mr Binny Bansal have led a US$ 1 million investment in Ather, an electric vehicle start-up focused on designing high-speed electric two-wheelers.

6. Harley Davidson Motor Co. has expanded their line up in India as it has launched three new models— the Breakout, Street Glide and CVO limited edition.

7. Hero Electric is looking for merger and acquisition (M&A) options or technology tie-ups to encourage its next generation electric vehicle technology.

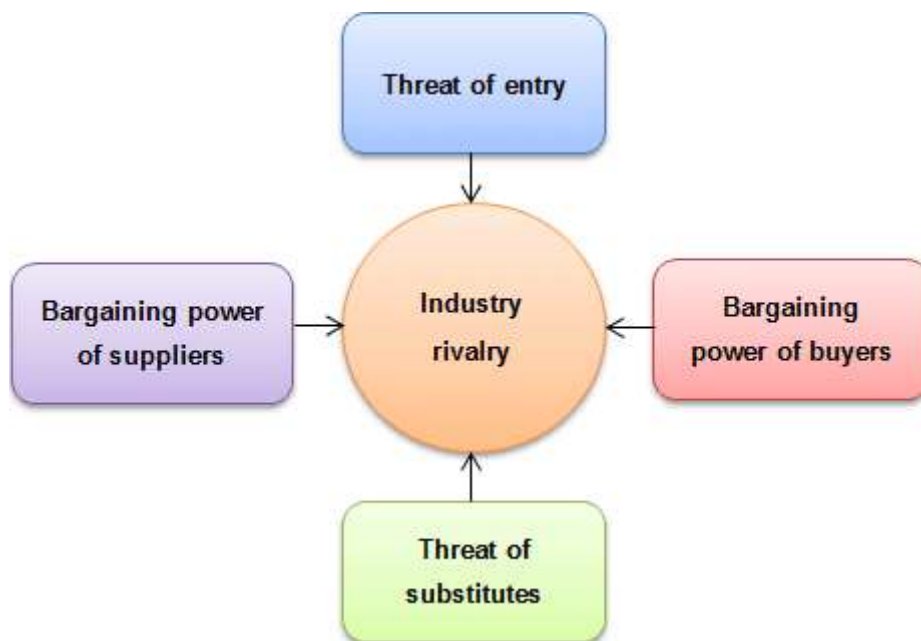## 2.5. Porter's Five Forces On Automobile Industry

Figure .2: Porters five forces analysis

2.5.1. Threats of new entrants

Automobile industry is very specific industry, thus it has higher level of entry barriers. For an example Factory facilities, machinery, labor, technology are heavily involved. So following factors are determine the barriers of entry to the industry:

For a new company, needs to look for mass production to achieve economy of scale in this mature automotive industry. Eg: Kia An automotive manufacturing facility is quite specialized, has enormous capital investment and event of failure could not be easily retooled. Eg: Hyundai Sonata Established companies are entering to new market through strategic partnership or merging with other companies. Eg: TATA buys Jaguar a new company has to find dealership to sell their automobiles so access to distribution channels builds a more pressure.

2.5.2. Bargaining Power of Buyers

Bargaining Power of buyers affects industry profitability by their ability to hold out for lower price, higher quality, and better service. In automobile industry the bargaining power of the buyers is moderately high. The factors that affect consumer to make a buying decision are the appearance, quality, price, and environmental effect. Based on a variety of the lifestyles; people choose to purchase a vehicle in a different way. There are various brands and models of the cars to choose from nowadays and the buyers have low switching cost due to the various brands with similar specs and price with competitive marketing. The reasons why the power is not completely high is that the buyers are not large and few in number. The buyers do not have the ability to integrate backwards into the industry.

2.5.3. Bargaining Power of Suppliers

Suppliers can exert a competitive force in an industry by raising prices or reducing the quality of the goods they sell. The bargaining power of suppliers is very low in the automobile industry. There are so many parts that are used to produce an automobile, that it takes many suppliers to accomplish this. When there are many suppliers in an industry, they do not have much power due to that industry manufactures can easily switch to another supplier if it is necessary. For example, Toyota has more than 10 different suppliers in US. The main qualifications of the suppliers are

the quality, cost, and delivery of the products. If suppliers can't meet those basic considerations, it is hard for them to survive.

2.5.4. Rivalry among Existing Firms

New entrants to automobile industry bring new capacity a desire to gain market share a ndsubstantial resources. Rivalry between firms automobile industry get customers several advantages changing prices, improving product differentiation, creatively using channels of distribution, exploiting relationship with suppliers, for example of competition between BMW and Benz car market. The intensity of rivalry is influenced by the automobile Industry:

2.5.5. Threats of Substitute Product or Services

Products are appear different but can satisfy the same need as another product. Product differentiation is more important. In the car industry typically there are many cars that are similar just look at any mid-
range Toyota and you can easily find a very similar Nissan, Honda, orMazda.

1. High functional similarity.
2. Product image associated with many important factors.
3. Mostly high product switching costs.

2.6. Government policies and regulatory framework

1. India has no duty benefits for even hybrid cars, which need to be imported due to low volumes. If India's automobile industry wants to play a role in the global arena for alternative fuel based vehicles, such limiting measures need to be reexamined and an appropriate redesign of the framework needs to be enacted immediately.

2. While global companies are pursuing innovations in third and fourth generation biofuels, India is yet to decide on a purchase price for the fuel. Such a delay in key policy decisions, which have the potential to unlock innovation, need to be remedied based on the recommendations of industry associations/participants.

3. Demand for nascent technologies and fuel efficient cars needs to be encouraged by offering consumers incentives to adopt these products, such as an expansion of the policy of little or no duty being payable on electric vehicle parts. This can

in turn spur innovation for better products. Likewise, manufacturers could be encouraged to commercialize their green technologies, which are currently expensive and under-utilized by the market, by being offered subsidies where appropriate.

4. Increase dialogue with manufacturers and oil marketing companies to establish a better infrastructure for greener vehicles. The government should consider finalizing a short, mid and long-term blueprint for the development of this infrastructure, encompassing elements such as battery recharge stations or CNG pumps, through public-private partnerships.

5. The government should stimulate debate on how the public and private sectors can collaborate on the establishment of Urban Mass Mobility Schemes. Manufacturers could become key players in terms of developing new technologies, or inter-system mobility.

CHAPTER 3

LITERATURE REVIEW

Satya Sundaram (2008) analysed how the competition makes the automobile manufacturer to launch at least one new model or a variant of the model every year. This survey also pointed out that diesel cars are becoming popular in India and the announcement of reductions in excise duties by the government has helped to some extent to boost the demand. Clement Sudhakar and

Venkatapathy (2009) studied the influence of peer group in the purchase of car 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.

Brown et al (2010) analyzed the consumers" attitude towards European, Japanese and the US cars. The country–of–origin plays a significant role in the consumers" behaviour. The brand name, lower price and distributor's reputation completely have a significant impact on the sale of passengers" car. However, the present study differs from the above, in that, the buyer behavior in Delhi NCR is sought to be analyzed here. The scope and the area of the study are unique in nature.

Menon Balkrishnan & Dr.Jagathy Raj V.P, (May 2012) in their research paper, ―Model development and validation for studying consumer preferences of car owners‖ highlighted on various consumer purchase behavior patterns of passenger car owners in the state of Kerala. Their findings indicate that customer focus is a major differentiator in the passenger car industry, wherein the customer looks for personalized care for his after sales service with the manufacturer. The study also reveals that for the youths, peer group is the greatest influencing factor, of their car purchase decision.

Manmohan N & Dr. Ganapathi R, (May 2012) in their research paper, ―Customer preferences and attitudes towards Maruti cars in Pollachi taluk‖ highlighted on customer preferences, attitude and satisfaction regarding Maruti cars. The authors stated that Maruti 800, Omni, Zen and Wagon R are popular models of Maruti Suzuki. The authors suggested that Maruti Suzuki should concentrate and enhance their

Services like timely delivery, after sales service, handling customer enquiries etc. They also suggested that the company should launch its car with some added features with competitive prices.

Suganya R, (Jan 2012) in her research paper highlights the effect of brand equity on consumer purchasing behaviour on car. The paper speaks that brand plays vital role in car sales, not only to attract but also to retain customers. The author concluded that brand awareness and perceived quality proved to influence the brand loyalty. Also brand loyalty and brand association affect customers' attitudes towards brand.

Phule Mohan, (2012) in his Ph.D thesis, ―Exploring Marketing strategies and customer satisfaction in automobile industry: a comparative study of Aurangabad and Pune city‖ found that telephone, internet are the most preferred sources of collecting feedback. He also suggested that the company should use advanced technology and try to increase the efficiency of car. He also suggested that with an object to minimize the complain of car regarding after sales service, the automobile companies should have direct linkage with the customers through email, and the company should focus that whether the customers are really satisfied with after sales service or not.

Vidyavathi K, (April 2012) in her research paper, ―Consumer lifestyle influence of consumer behavior with reference to automobile industry in Chennai‖, throws light on growth of Indian automobile industry along with various features that the manufacturers should concentrate on to attract the prospective buyers. The author also suggested that the automobile manufacturers should find out the needs, wants, tastes and preferences of the consumers in order to design the products. The study reveals that the middle class population has risen to 13 % of the total population. Hence the brand image and brand loyalty could be boosted by selling quality automobiles at a reasonable price to suit the needs of the middle income group. As far as after sales service is concerned, the author lastly suggested that the services rendered or to be rendered should be properly explained, friendly approach and reliability in service are to be further improved.

RESEARCH METHODOLOGY

4.1. Significance of the Study

The significance of the study is to determine, the buying behavior of consumer for passenger car. The scope of this paper is limited to the residents of India NCR region, chosen for their responses. In India the passenger car brands available are TATA, Maruty Sizuky, Mahindra, Hyundai, Honda, Chevrolet, Fiat, Ford, Toyota, Skoda, Volkswagen, Audi, BMW, Mercedes etc. are popular brands.

4.2. Scope of Study

The study covers the passenger car users only. It also covers the buying behaviour of passenger car users in NCR. The scope of the study is limited to certain important behavioural aspects like information search and evaluation, brand preference and brand loyalty, factors of motivation. Understanding the customer's satisfaction of the product will help the automobile manufacturers in developing their products to meet customer's needs and designing the proper marketing programs and strategy. The research is conducted for better understanding of the relationship between the customer satisfaction, brand image and information from mass media towards the purchase evaluation at various stages of purchase decision.

4.3. Research Design

This study is primarily a descriptive study which follows a quantitative approach via survey method, which made use of the perception of the respondents as its main source.

4.4. Research Instrument

The primary data, for this study, has been collected from direct filling of a questionnaire, one of the prominent tools for primary data collection. A questionnaire is set of questions used for gathering information and data from individuals (CDC, 2008). Questionnaire has been designed according to the various factors identified in UTAUT Model and HMSAM (Hedonic Motivation System Adoption Model) and has been circulated using the online mode.

4.5. Population

The population for this research comprises of those people, who reside in India NCR region, who owns passenger cars, and prefer commuting through passenger cars.

4.6. Sample Size

Sampling, as it relates to research, refers to the selection of individuals, units, and settings to be studied.

The sample size for this particular study is taken as 120 responses. The responses are taken from the car owner.

4.7. Sampling Technique

Convenience sampling was used to identify respondents and collect data. A convenience sample is one of the main types of non-probability sampling methods. A convenience sample is made up of people who are easy to reach.

4.8. Research Tools

For the purpose of deducing meaningful data out of the respondent's answers, the following tools were used for analysing the data.

4.8.1. Microsoft Excel

Microsoft Excel is a spreadsheet developed by Microsoft for Windows, Mac OS X, Android and iOS. It features calculation, graphing tools, pivot tables, and a macro programming language called Visual Basic for Applications. It has been a very widely applied spreadsheet for these platforms, especially since version 5 in 1993. Excel forms part of Microsoft Office.

It was used for sorting, filtering and arranging the data in a meaningful format. It was also used to create charts from the data analysed.

4.8.2. SPSS

Statistical Product and Service Solutions or *Statistical Package for the Social Sciences*, SPSS Statistics is a software package used for statistical analysis. Long produced by SPSS Inc., it was acquired by IBM in 2009. The current versions (2015) are officially

named IBM SPSS Statistics. Companion products in the same family are used for survey authoring and deployment (IBM SPSS Data Collection), data mining (IBM SPSS Modeler), text analytics, and collaboration and deployment (batch and automated scoring services).

It was used to calculate the mean values of the data collected in addition to finding the regression and correlation values and relations between the independent and dependent factors used in the research.

CHAPTER- 5

ANALYSIS & RESULTS

5.1. Data Analysis

1. Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	7	6.1	6.1	6.1
	Male	107	93.9	93.9	100.0
	Total	114	100.0	100.0	

Table 4.1: Gender analysis of male and female in Delhi NCR
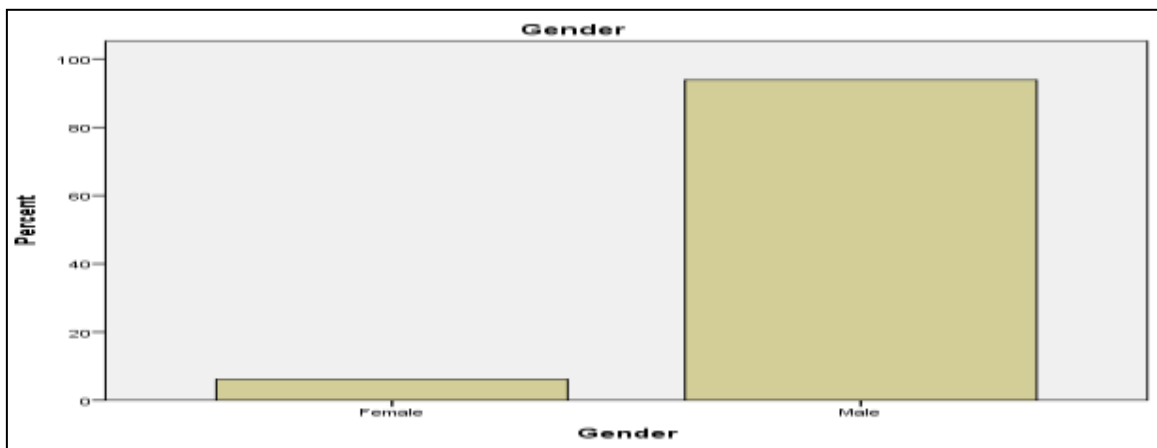
Figure 4.1: Representation of percentage of male and female customer in Delhi NCR

Almost maximum responses were given by male respondents i.e. 93.6% and only 6.1% female respondents were there. As the car market is more dominated by male so companies must customise the cars according to the specification deemed by this category.

As India is a male dominated society so buying decision is made by the male in the family so the car companies must focus before making any policy or planning an advertising campaign.

2. Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	.9	.9	.9
20-30 years	47	41.2	41.2	42.1
30-40 years	52	45.6	45.6	87.7
40-50 years	13	11.4	11.4	99.1
More than 50 years	1	.9	.9	100.0
Total	114	100.0	100.0	

Table 4.2: Percentage age of customer in Delhi NCR
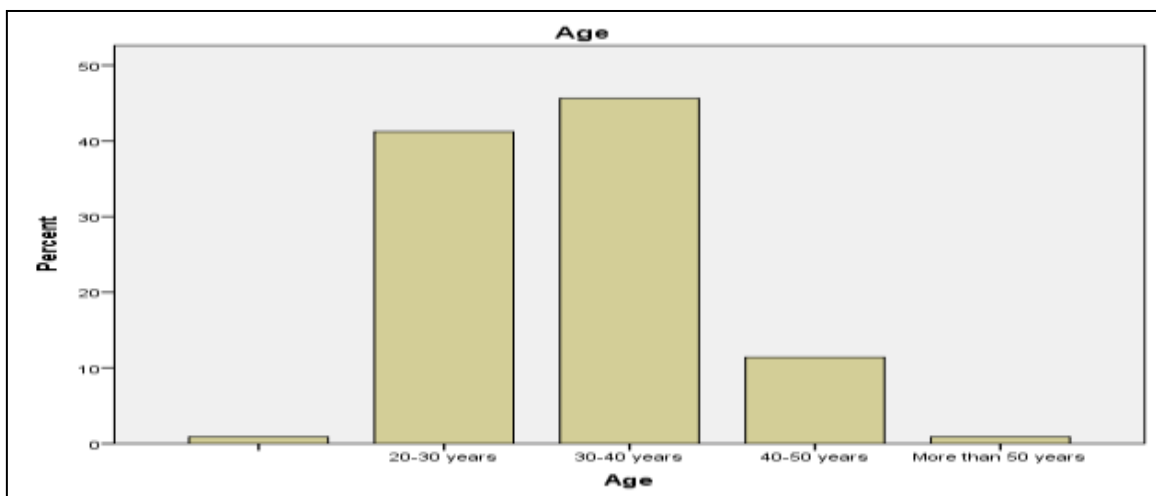
Figure 4.2: Representation of percentage age of customer in Delhi NCR

The number of respondent from age group of 20-30years is 41.2% from age group of 30-40 years is 45.6%; from 40-50 years is 11.4% and 0.9% from age group more than 50 years.

From the above chart we can say that 20 to 40 is the age where the companies get most of the customer so the company should come with plans and policies to encourage this market.

3. Occupation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Businessman	35	30.7	30.7	30.7
	Employed in Govt.Services	10	8.8	8.8	39.5
	Employed in Private Sector	30	26.3	26.3	65.8
	other	2	1.8	1.8	67.5
	Professional	18	15.8	15.8	83.3
	Student	19	16.7	16.7	100.0
	Total	114	100.0	100.0	

Table 4.3: Showing occupation of customer in Delhi NCR

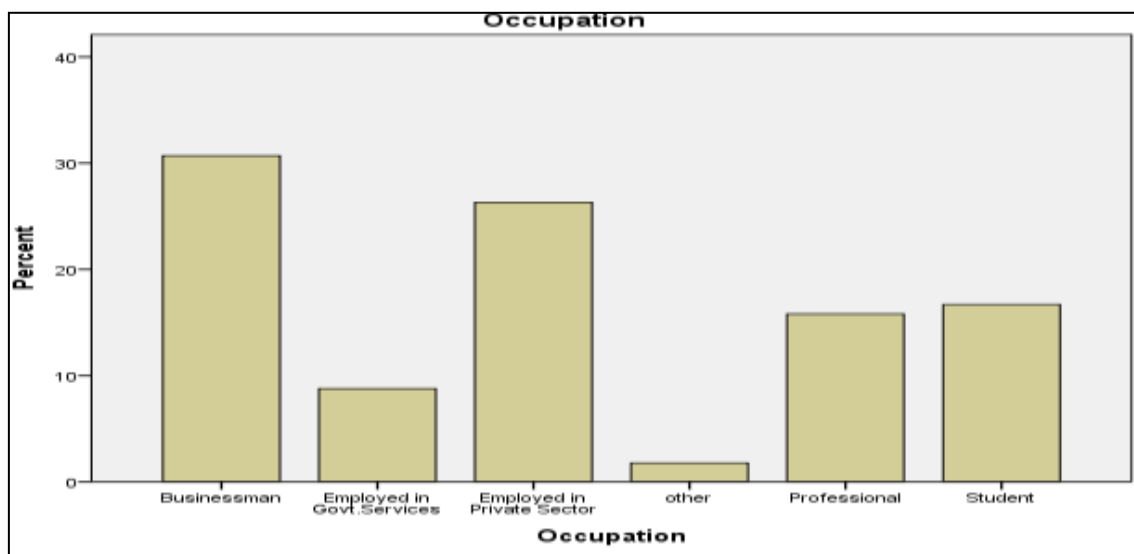**Figure 4.3**: **Representation of occupation of customer in Delhi NCR**

Almost 30% were businessman ; 8.8% from employed in govt services, 26% employed in Private Sector, 1.8% from others; finally 16.7% from professionals and Sample consisted of half 51.8%were graduate level qualification; 30.7% post graduate Level; 15% were school level; 3% were professional qualification; 2% have no formal education and 15% were students.

These data shows that the government employee buys less cars in comparison to others the companies must bring new schemes of this section.

4. Education qualification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Graduate Level	59	51.8	51.8	51.8
	No formal Education	2	1.8	1.8	53.5
	Post Graduate Level	35	30.7	30.7	84.2
	Professional Qualification	3	2.6	2.6	86.8
	School Level	15	13.2	13.2	100.0
	Total	114	100.0	100.0	

Table 4.4: Education qualification of customer in Delhi NCR
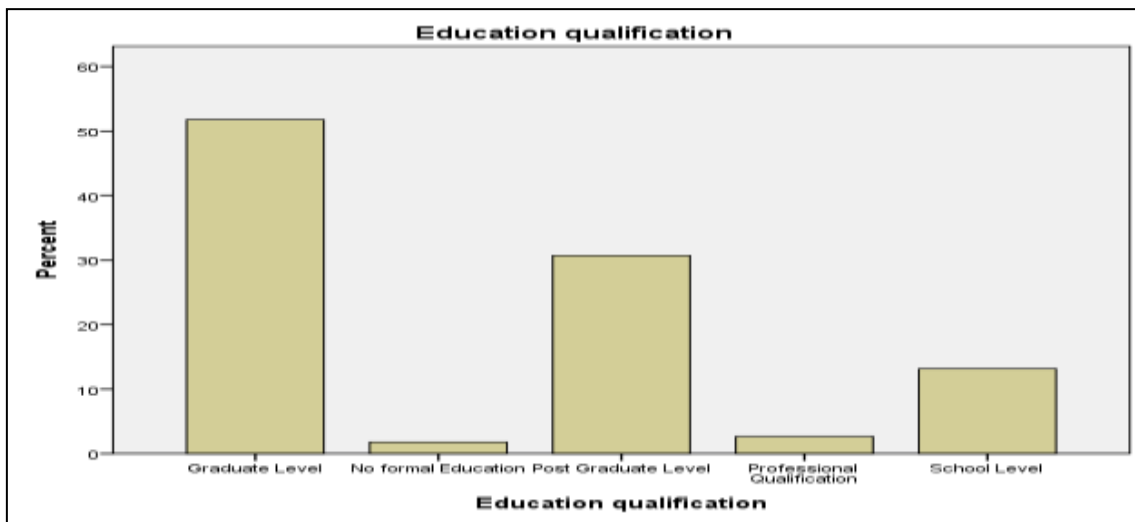
Figure 4.4: Representation of education qualification of customer in Delhi NCR

Sample consisted of half 51.8%were graduate level qualification; 30.7% post graduate Level; 15% were school level; 3% were professional qualification; 2% have no formal education and 15% were students.

When we go through this chart we find a decrease in buying attitude with level of education so the organization must have a strategy to make these segments encourage.

5. Monthly Family Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Above Rs.50000	22	19.3	19.3	19.3
	Less than Rs.10,000	10	8.8	8.8	28.1
	Rs. 20001-Rs.30000	24	21.1	21.1	49.1
	Rs. 30001-Rs.40000	30	26.3	26.3	75.4
	Rs.10,001-Rs.20,000	2	1.8	1.8	77.2
	Rs.40001-Rs.50000	26	22.8	22.8	100.0
	Total	114	100.0	100.0	

Table 4.5: Showing monthly income customer in Delhi NCR
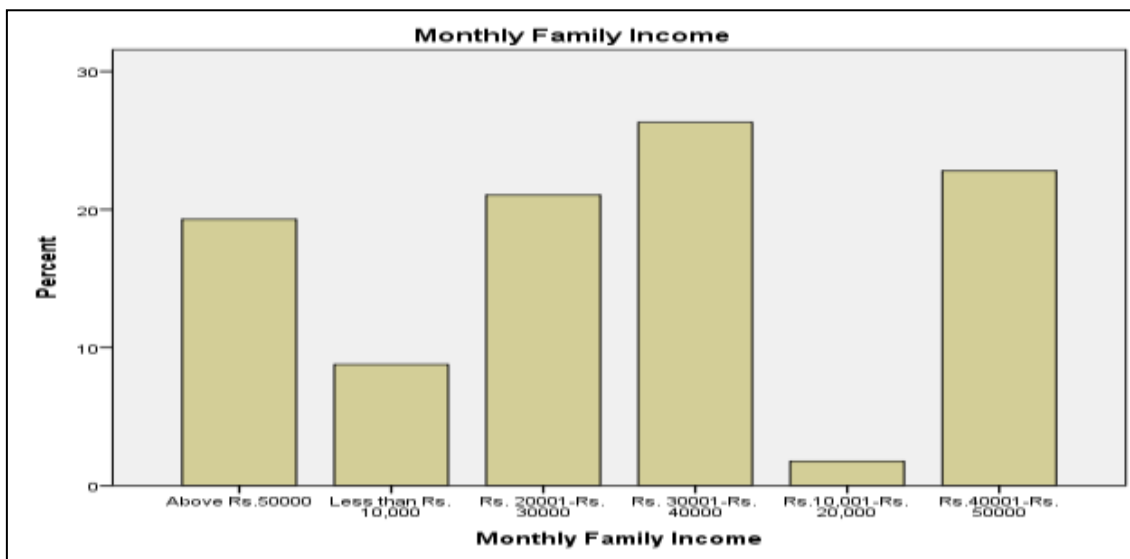
Figure 4.5: Representation of monthly income customer in Delhi NCR

Almost 19% had income above Rs.50, 000 and almost 22.8%, 26.3%and 21.1 had Rs.40, 0 01-Rs.50000 and Rs.30, 001-Rs.40, 000 and 20001-30000 respectively.

Here we find as different types of cars are present for different segments it helps people to buy car according to their budget or preference. So the company must focus on each and every segment because each segment can generate good sales for the organization you can't ignore a particular segment.

6. From where did you get the information about this brand?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	1.8	1.8	1.8
Advertisement	41	36.0	36.0	37.7
Dealers Representatives	24	21.1	21.1	58.8
Friends	27	23.7	23.7	82.5
Internet	8	7.0	7.0	89.5
Relatives	12	10.5	10.5	100.0
Total	114	100.0	100.0	

Table 4.6: Showing medium of information about the brand people in Delhi NCR
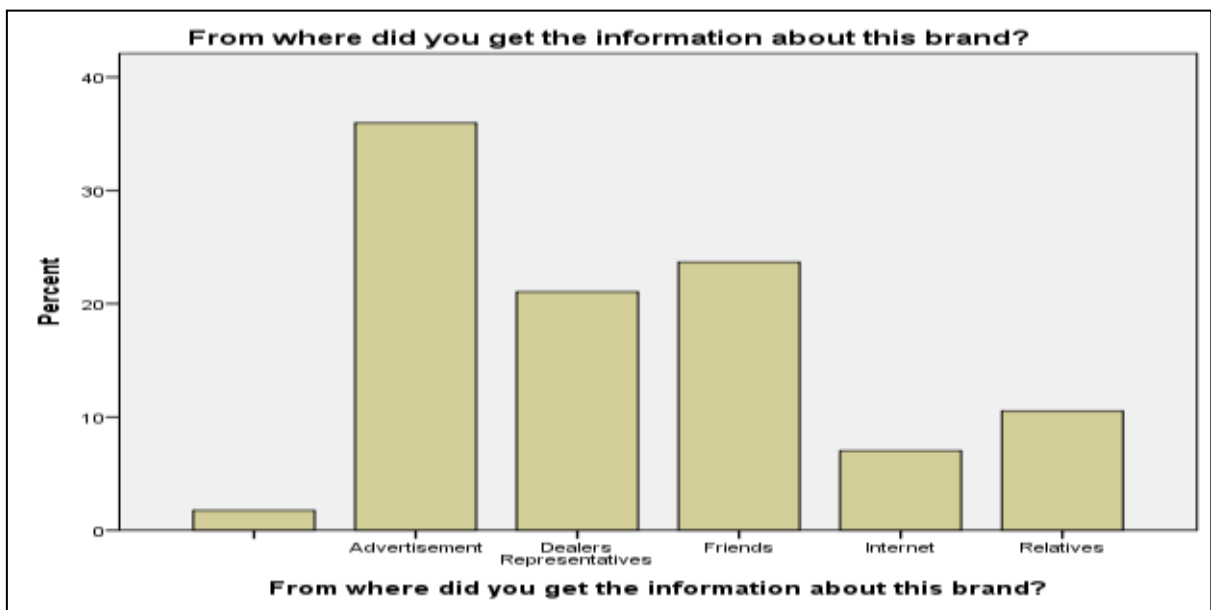
Figure 4.6: Representation of medium of information about the brand people in Delhi NCR

Almost 36% of the customers got the information of the car from advertisement, 23% from friends 21% from friends10.5% from relatives and 7% from internet from this data we come to know which media we should focus on.

Except advertisement friends, relatives, and social network altogether plays bigger role in making a buying decision so word of mouth is also important.

7. Number of cars own by you.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		2	1.8	1.8	1.8
	Driver	1	.9	.9	2.6
	More than three	5	4.4	4.4	7.0
	One	77	67.5	67.5	74.6
	Three	7	6.1	6.1	80.7
	Two	22	19.3	19.3	100.0
	Total	114	100.0	100.0	

Table 4.7: Showing number of cars owned by customer in Delhi NCR
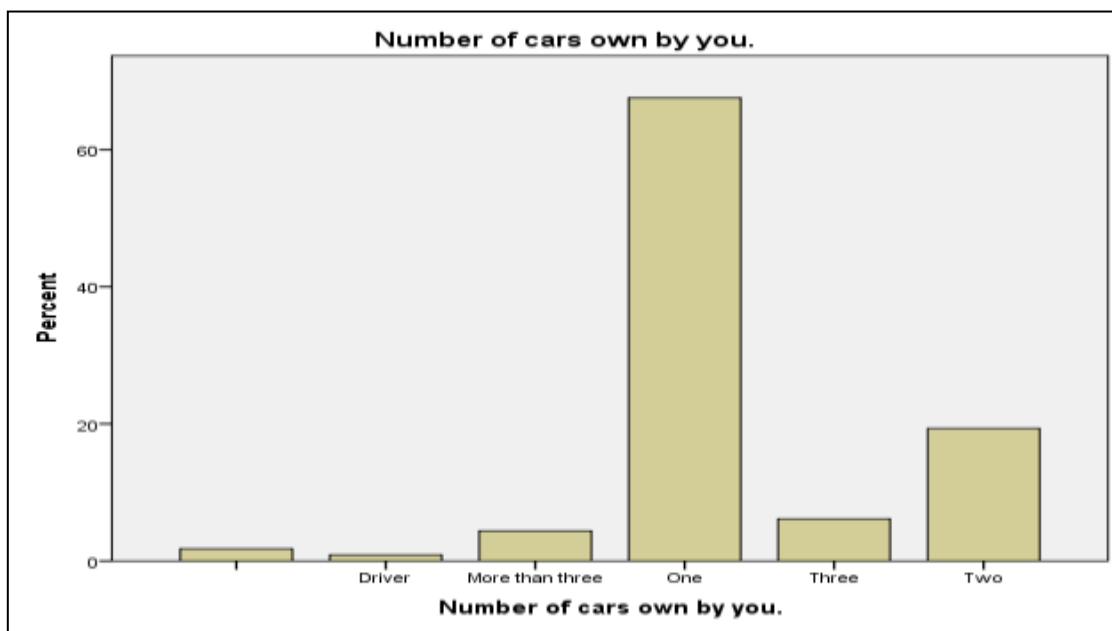
Figure 4.7: Representation of number of cars owned by customer in Delhi NCR

Almost 67.5 % people have 1 car 19% are who has 2 cars and only 7% have 3 cars.
The car market in India is growing but the main problem with buyers is garage space which is why people who want to buy more than one car are restricted to one car. Beside this tax structure in India is high comparing to other countries which also discourages buyers to buy more than one car.

8. How important is safety features in a car for you?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Extremely Important	44	38.6	38.6	38.6
	Moderately Important	16	14.0	14.0	52.6
	Slightly Important	2	1.8	1.8	54.4
	Very Important	52	45.6	45.6	100.0
	Total	114	100.0	100.0	

Table 4.8: Showing how important is safety
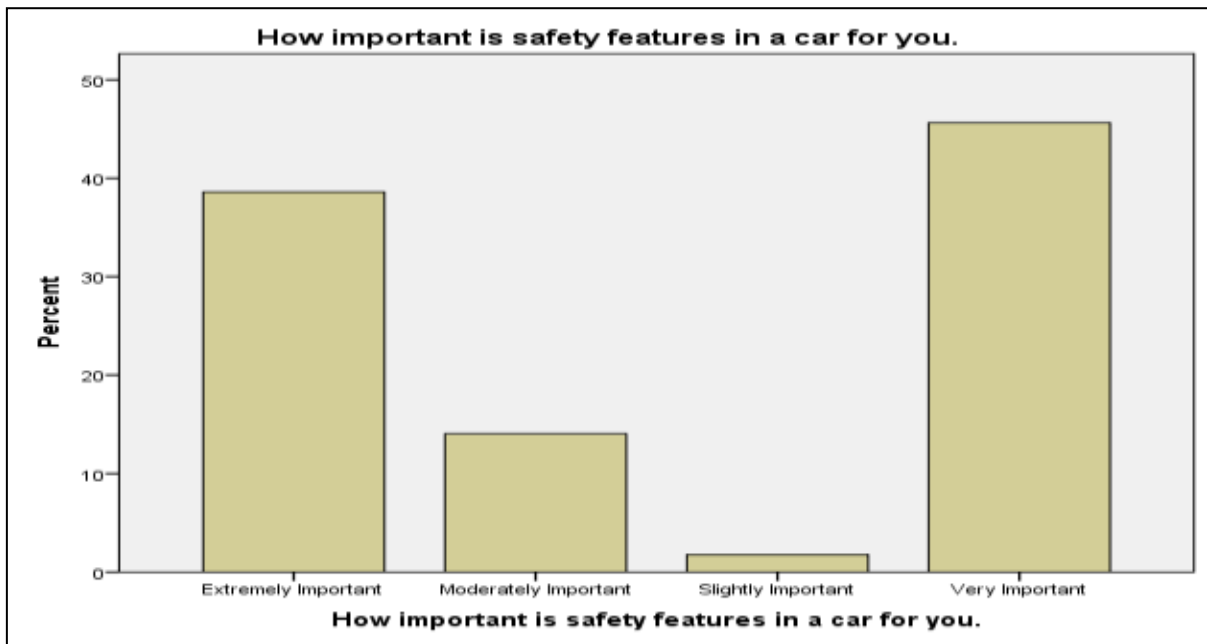
Figure 4.8: Representation of showing how important is safety

Safety is also important parameter while making a purchasing decision 45.5% people says it's very important and 38% people says it's extremely important. So the companies must focus on making the car safer and they must give more safety equipment.

Beside this government is also coming up with new policies to make car more safe and durable. Many of the Indian cars fail to European standards which gives a negative impression to the brand and the model in the market.

9. Which brand car do you have?

|	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	.9	.9	.9
Chevrolet	1	.9	.9	1.8
Fiat	9	7.9	7.9	9.6
Fiat, Tata, Toyota	4	3.5	3.5	13.2
Honda	2	1.8	1.8	14.9
Hyundai	18	15.8	15.8	30.7
Hyundai, Tata	2	1.8	1.8	32.5
Hyundai, Tata, Toyota	1	.9	.9	33.3
Mahindra	9	7.9	7.9	41.2
Mahindra, Hyundai, Tata, Toyota	1	.9	.9	42.1
Mahindra, Hyundai, Toyota	1	.9	.9	43.0
Mahindra, Tata	3	2.6	2.6	45.6
Mahindra, Tata, Toyota	1	.9	.9	46.5
Mahindra, Toyota	2	1.8	1.8	48.2
Maruti	25	21.9	21.9	70.2
Maruti, Fiat	2	1.8	1.8	71.9
Maruti, Hyundai, Toyota	1	.9	.9	72.8
Maruti, Mahindra, Fiat, Tata, Toyota	1	.9	.9	73.7
Maruti, Tata	1	.9	.9	74.6
Tata	14	12.3	12.3	86.8
Tata, Toyota	2	1.8	1.8	88.6
Toyota	13	11.4	11.4	100.0
Total	114	100.0	100.0	

Table 4.9: Showing different brands of cars owned by people in Delhi NCR
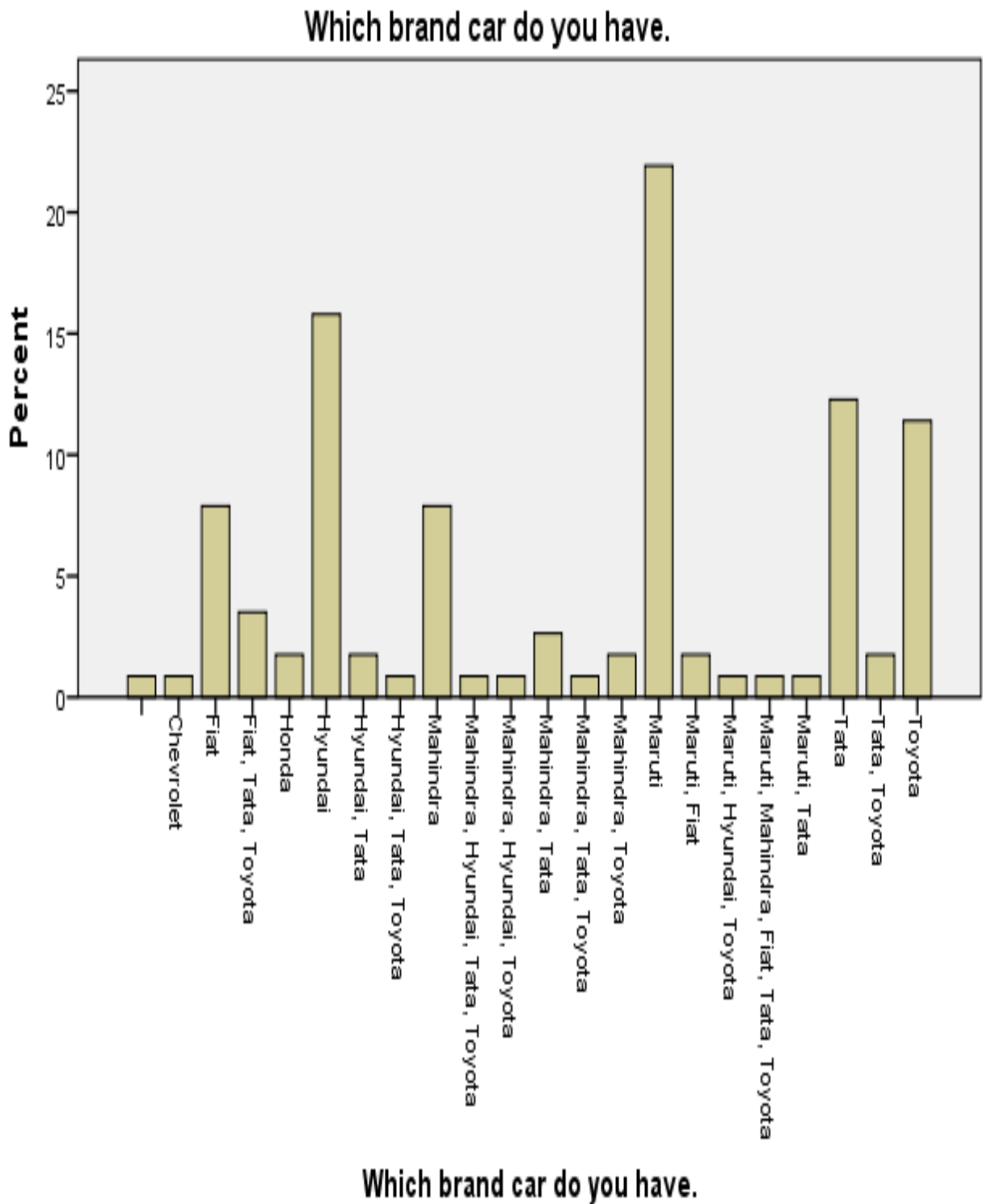
Figure 4.9: Representation of different brands of cars owned by people in Delhi NCR

This data shows the most popular brand in the NCR region is Maruti and Hyundai followed by Tata and Toyota and this also shows the trust on a particular brand.

5.2. Findings

1. Consumers in this region are influence by various factors such as culture, family, reference, age and life style.

2. The most important factor that influences the consumer to use passenger car is the price of the cars,

3. Social status and durability also plays an important role in making purchasing decision of an individual.

4. Male customers are more compared to female customers in the market while purchasing a passenger car.

5. People of India strongly values safety and safety kits in a car gives the customer a safe feeling about his or her family.

6. Most of the consumers are influenced by advertising, by friend's relatives and social networking sites before making a purchasing decision.

7. The Indian customer goes online and does an extensive research before deciding which car to buy.

8. Businessman and private sector worker is the segment which gives maximum sales of passenger's cars.

9. Government employees have relatively low   penetration in the market beside the factor they have the safest job.

10. In terms of education qualification graduate level and those who are post graduate generate maximum number of sales.

11. People aged between 20 to 40 is the segment which buys maximum number of cars.

12. Maruti, Hyundai, Tata, Toyota, Mahindra respectively are the most trusted brand which generate good number of sales. These are the brand which has better sales and service network and also gives the customer value for their money.

CHAPTER-6

CONCLUSION

Customer satisfaction is the important factor, which affects the financial position and goodwill of the company. In Indian market customer demands are dynamic, but its consideration is necessary for every company to make existence into the market. The Indian economy is set to grow rapidly through improved public transport and intensified competition and the rural people are graduating to higher income these will be benefiting consumers is likely to impact the two-wheeler segment rather than the four wheeler segment groups at a faster rate. Rising income has enhanced the purchasing power and more and more people are able to afford a car. Improved public transport is likely to impact the four -wheeler segment rather than the two-wheeler segment. The economy is set to enter a higher growth path, leading to people graduating to higher income groups at a faster rate.

CHAPTER- 7

LIMITATION AND RECOMENDATION

7.1. Limitation

1. The sample size for this particular study is taken as 120 responses. So as a result on a 120 responses does not give a clear picture of a market of region like NCR.

2. The responses are taken from the car owner is the car is old or new is not taken into consideration.

3. The responses don't gives an idea on which fuel the car runs diesel or2 petrol

4. Many people may be biased towards their own car or brand which they own.

5. Some responses of individual are influenced by there will or dream of a car or brand.

6. The data also doesn't give us an idea about how big the car is and also the seating capacity of the car.

7. The responses also don't give an idea on how much mileage the car runs each month.

8. If we come to the monthly expenditure of a family our Indian culture is not so much open in providing actual figures in this matter.

7.2. Recommendations

1. Customers of this region are influenced by many factors like family, culture, reference, age and lifestyle so companies must have different strategies offers models for each and every segment or sub segment.

2. Maximum of the customers are male so the company must make products according to the need of this segment.

3. Young generation in India is the largest chunk of population so cars targeting this segment and policies targeting this generation is also necessary.

4. The price of a car is the most important factor while buying a car India is a price conscious market value for money factor makes a buying decision.

5. India is a market where social status of individual or family increases by owning a four wheeler so people goes for a higher segment of car.

6. Safety is a primary necessity of car owners so car manufacturers must provide more safety kits to increase customer confidence.

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QUESTIONNAIRE

1) **Gender**
   - o Male
   - o Female

2) **Age**
   - o Less than 20 years
   - o 20-30 years
   - o 30-40 years
   - o 40-50 years
   - o More than 50 years
   - o Other:

3) **Marital Status**
   - o Single
   - o Married

4) **Occupation**
   - o Agriculturist
   - o Businessman
   - o Employed in Govt. Services
   - o Employed in Private Sector Professional
   - o Student
   - o Other

5) **Education qualification**
   - o No formal Education
   - o School Level
   - o Graduate Level
   - o Post Graduate Level
   - o Professional Qualification Other:

6) **Monthly Family Income**
   - o Less than Rs.10, 000
   - o Rs.10, 001-Rs.20,000
   - o Rs. 20001-Rs.30000
   - o Rs. 30001-Rs.40000
   - o Rs.40001-Rs.50000
   - o Above Rs.50000

7) **Type of Family**
   - o Nuclear
   - o Joint

8) **Number of members in family**.
   - o 1-2
   - o 3-5
   - o 6-8
   - o More than 8

9) **Number of cars own by you.**
   - o One
   - o Two
   - o Three
   - o More than three
   - o Other:

10) **Why did you buy your present car.**

   (please select from option given below Personal use)

   - o Personal use
   - o Family need
   - o Business Purpose
   - o Social status
   - o Other:

11) **Which of the following brands you considered, in top three, while purchasing your present car?**
   - o Maruti
   - o Mahindra
   - o Hyundai

- o Fiat
- o Tata
- o Toyota
- o Other

12) Which brand car do you have?

- o Maruti
- o Mahindra
- o Hyundai
- o Fiat
- o Tata
- o Hindustan Motors
- o Toyota
- o Other:

13) From where did you get the information about this brand?

- o Advertisement
- o Friends
- o Relatives
- o Dealers Representatives
- o Internet
- o Other:

14) Who influenced your purchase decision?

- o Self
- o Wife/ /Husband
- o Children
- o Parents
- o Friends
- o Peer Group

15) You decided to buy this brand because Rate based on your preference Affordable price.

- o Affordable price
- o Technical superiority over competition
- o Comfort
- o Value of Money
- o Safety

o   After sales service

16) **How much do you agree/disagree with the association of the features/attributes given below with your present car brand?**

(On a scale of 1-5, 1-Strongly disagree, 2-Disagree, 3-Neutral, 4-Agree, 5-Strongly agree.)

Price	1	2	3	4	5
Maintenance cost	1	2	3	4	5
Comfort	1	2	3	4	5
Mileage	1	2	3	4	5
Color	1	2	3	4	5
Brand	1	2	3	4	5
Features	1	2	3	4	5
Durability	1	2	3	4	5
Fuel capacity	1	2	3	4	5
After sale service	1	2	3	4	5
Availability of	1	2	3	4	5
spares	1	2	3	4	5
Overall looks	1	2	3	4	5
Power steering	1	2	3	4	5
Engine horse	1	2	3	4	5
power	1	2	3	4	5

17) **How important is safety features in a car for you.**
- o Less Important
- o Slightly Important
- o Moderately Important
- o Very Important
- o Extremely Important

18) **Please rate your car in terms of understand safety features on a scale of 1 to 5**

Crossbar under	1	2	3	4	5
Dashboard	1	2	3	4	5
Air bags	1	2	3	4	5
Anti-lock breaking	1	2	3	4	5
System	1	2	3	4	5
Aerodynamic	1	2	3	4	5
Shape	1	2	3	4	5
Intensity of front	1	2	3	4	5
Light	1	2	3	4	5

19) **With the performance of you're after sale service you are**
- o Fairly Satisfied
- o Just Satisfied
- o Not Satisfied
- o Not at all Satisfied

20) **If you are going to buy a new car, will you buy in the**
- o Same segment,
- o Same manufacturer same segment,
- o Different manufacturer Upper segment,

Same manufacturer Upper segment, different manufacture