

**Project report on
“Identifying car buying behaviour and preference of
consumers in India”**

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DECLARATION

I, **Mohit Khurana**, student of EMBA Batch 2017-19 of Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42 declare that final dissertation Report on “**Identifying Car buying behavior and preference of consumers in India**” submitted in partial fulfillment 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.

Mohit Khurana

Place: New Delhi

Date:

CERTIFICATE

This is to certify that the dissertation report titled “**Identifying Car buying behavior and preference of consumers in India**” is a bonafide work carried out by **Mr. Mohit Khurana** of **MBA 2017-19** and submitted to Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42 in partial fulfillment of the requirement for the award of the Degree of Masters of Business Administration.

Signature of Guide

Signature of Head (DSM)

Seal of Head

Place:

Date:

ACKNOWLEDGEMENT

First of all, I would like to thank Dr Rakesh Kumar Jha, who was my guide and my mentor during this project, for providing me with the opportunity to do this dissertation under his guidance and expertise.

I would also like to thank Prof. Rajan Yadav, HOD at Delhi School of Management, for his constant help and support throughout the project.

I also extend my gratitude to my family and friends who provided me their support whenever I needed it.

Lastly, I would like to thank God for giving me the skills and the patience because of which this project was made possible.

Mohit Khurana

Executive summary

Indian automobile market is fourth largest in the world. And it is seventh largest in the commercial vehicle manufacturing. Indian consumers are changing so do their preferences. There are lots of factor for change in behavior. Primarily being the change in the social character. People prefer to stay alone and decide on their own. Individualism is on rise in the Indian society, which is a major change giving rise to a whole new market.

The rise in per capita income and disposable income, not only in metros but also in tier-2 cities, gave boost to the consumer market. The purchasing power of the consumer is high as a result market is having positive sentiment. The social as well as economical change led to introduction of new products in the market.

In the report, we surveyed people from different background in order to understand the consumer preference and behavior while buying car. We asked them variety of question to understand what factors impact them and what strategies companies can make to tackle them. After analysis of the responses, firstly, we found that safety and performance are the two top-most factor that companies must consider in cars. Secondly, Internet is the most sought platform to search information related to cars. Thirdly, when it comes to promoting and branding, companies must consider that societal status is determined by the cars. The strategy for the pre-sale journey must be smooth because consumer almost decide their car even before visiting the dealership.

Lastly, Consumer gets attracted to the offers and discounts provided by the automobile companies which is a great tool to attract during off season or year-end.

In India automobile sector is growing and it will keep on growing further at a good pace. The result of the report can shape the decision of the consumer so companies must consider it during preparation of their strategies.

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Chapter-1

INTRODUCTION

1.1 Introduction

It is truly said that if one is satisfied enough only then they will recommend it to others otherwise it could have negative implications. Word of mouth is one such medium of promotion that is free and could reach to wide audience but there are few downside as well. A firm has no control on this type of publicity, it can only be controlled by changing the perception of the consumer. So it is very important to determine the consumer perception as it determine the success of the product as well as company.

The same is a lot of interest to customers as well for it helps them make the purchase decision.

There are few purchases which a person makes once or twice in his/her own life (especially in case of middle class). A car being one of those few important purchases that a household makes. This project answers the most important question that continuously give headache to the car manufacturers.

“What are the essential features in a car that initiate the willful purchase?”

This question is a major headache for all the automobile companies and they all thrive to find out answer to this.

The research report provides the insights about the consumer perception and how they behave while making purchase decisions. It also provide deep insights about the critical factors that influence them. The study will help the OEM's to better understand those factors that impact the consumer perception and what are the actions required to meet those needs.

Companies can carry out the comparative analysis to find out where they stand. Moreover they can find out ways to leverage their strength as well as ways to overcome weakness.

They can change their processes to match the industry benchmark and create a USP of their product which helps them in differentiating their products.

The measurement of consumer satisfaction helps the company in determining the area where they need to focus and stimulate the improvements in the processes and practices followed by the company.

Customer expectations may be defined as the attributes defined by the customer about the product or service.

Customer satisfaction cannot be satisfied by mere fulfilling the consumer requirement because it is primarily expected output from the company. However, failing to satisfy this need will cause dissatisfaction among consumers.

Key factors that satisfy the customer are as follows:

- Quality of the product
- Packaging of the product
- Keeping delivery commitments
- Price
- Responsiveness by company
- Ability to resolve complaints and reject reports
- Overall communication
- Accessibility to the service/product
- Attitudes towards the product

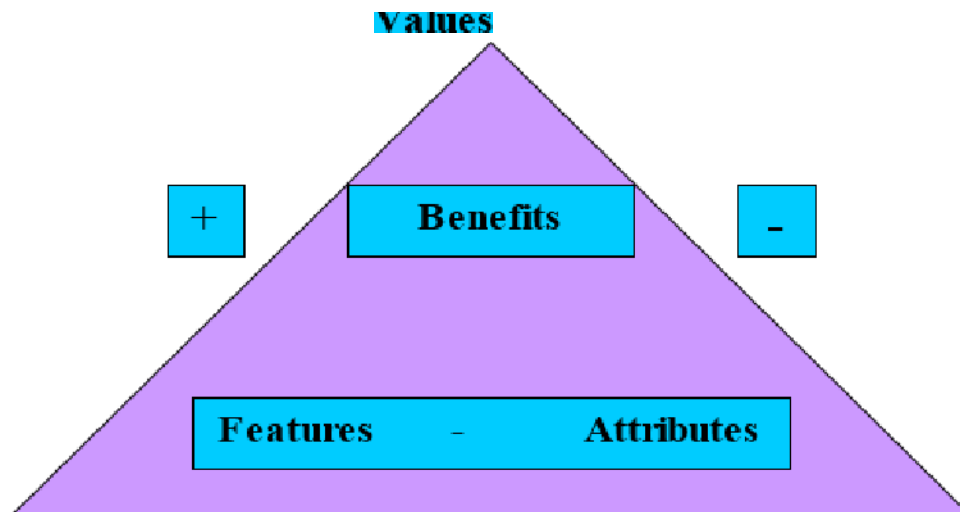


Fig. 1

The consumer buying journey involves the following steps:

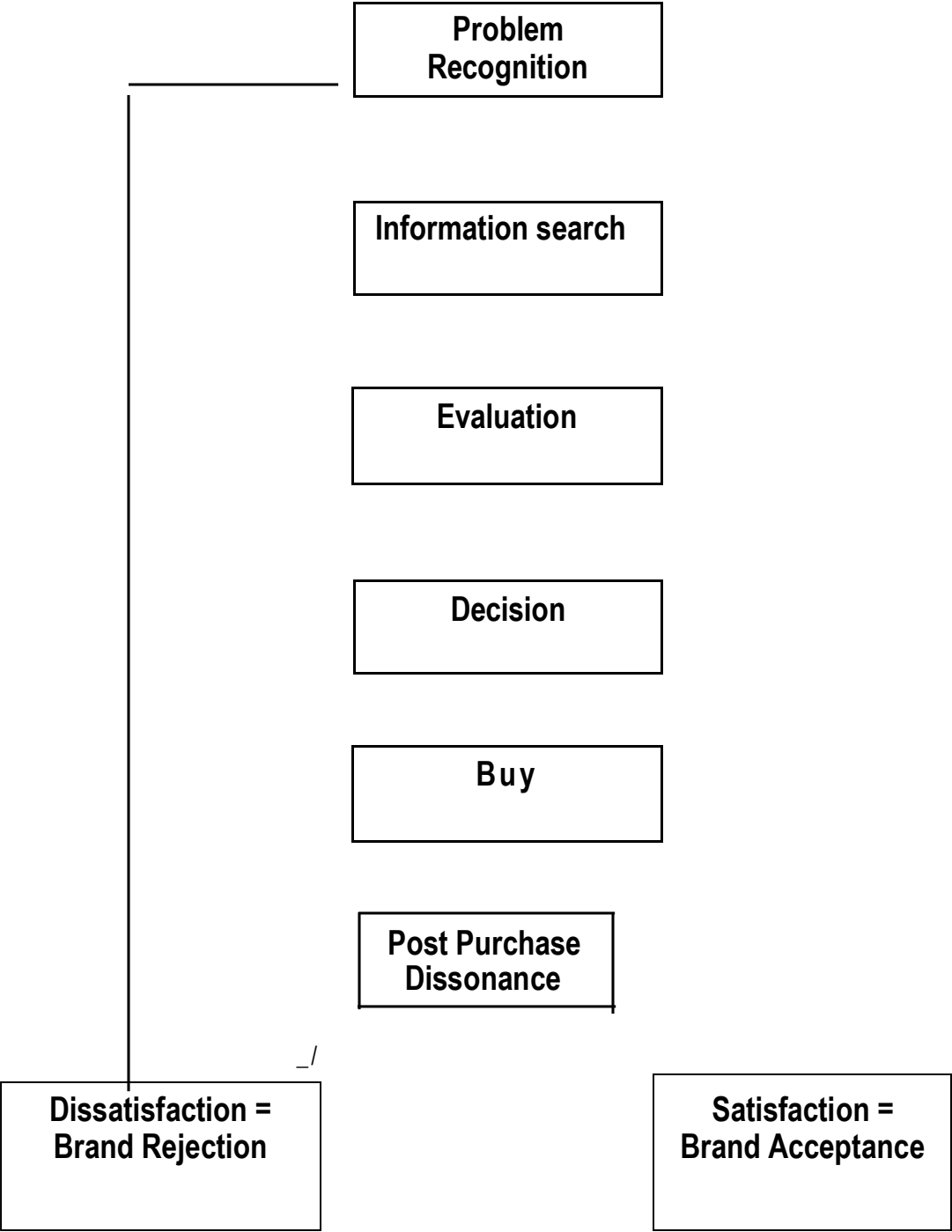


Fig. 2

The fact in the automobile industry is that, “word of mouth”, which is a free form of product promotion is a biggest medium which has always helped the companies. According to a survey 22-30% of the sales are generated through “word of mouth”.

For fulfilling the objectives of the project, it has gone through following steps:

- + Doing an exhaustive questionnaire based survey on the targeted consumer base.
- + Understanding the critical factors underlying in each segment.
- + Analyzing the consumer data to find out the influencing factors and how they impact them using various techniques.

Emergence of satisfaction

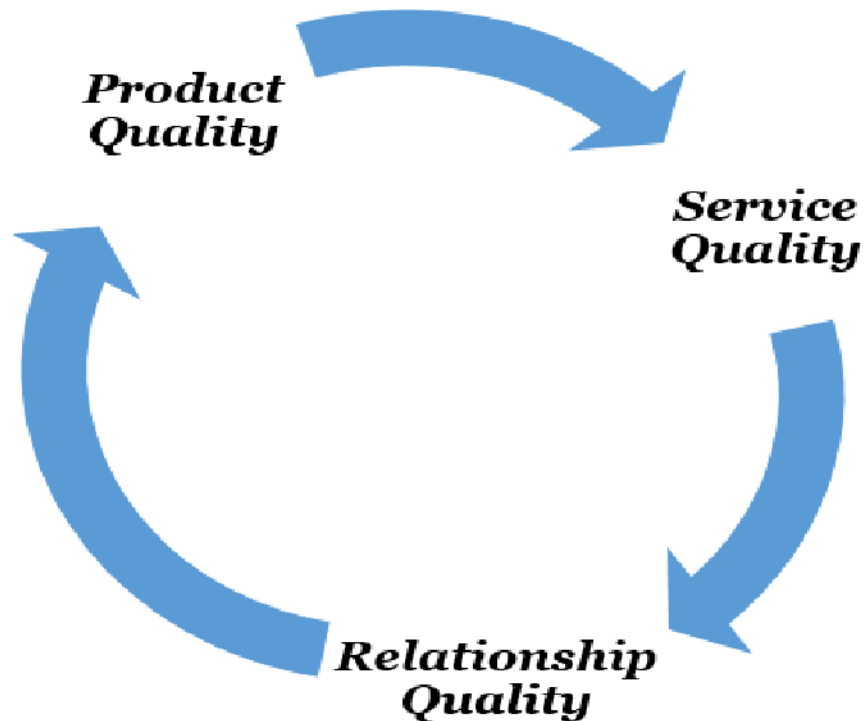


Fig.3

1.2 Industry profile

Overview of auto segment

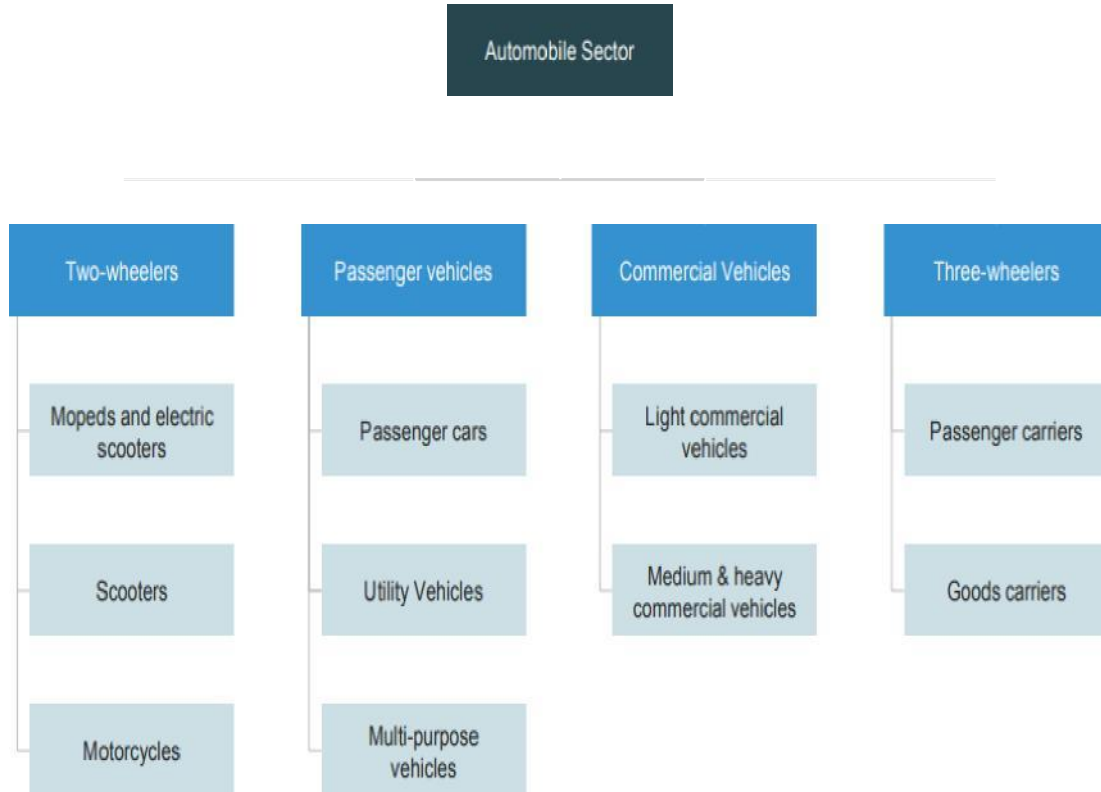


Fig. 4

The Indian automotive sector is one of the largest market segment in the world. The Two-wheelers are the most prominent vehicle in the industry accounting for more than 80 % of the Indian automobile market and passenger vehicles accounting for 14% of the market share. It is due to growing middle class and young population. The automobile industry accounts for almost 7.1% of the country's GDP. The industry is expanding with the growing interest of the rural market in India. This comes as a further aid for the sector.

India is a highly populated country with cheap labour which makes it a suitable place to manufacture vehicle for exporting purposes.

The automobile exports grew by almost 16% year on year in the fiscal year 17-18. Indian government is trying hard to make India a global leader in the world by 2020. They are launching several initiatives with the major automotive players in the Indian markets.

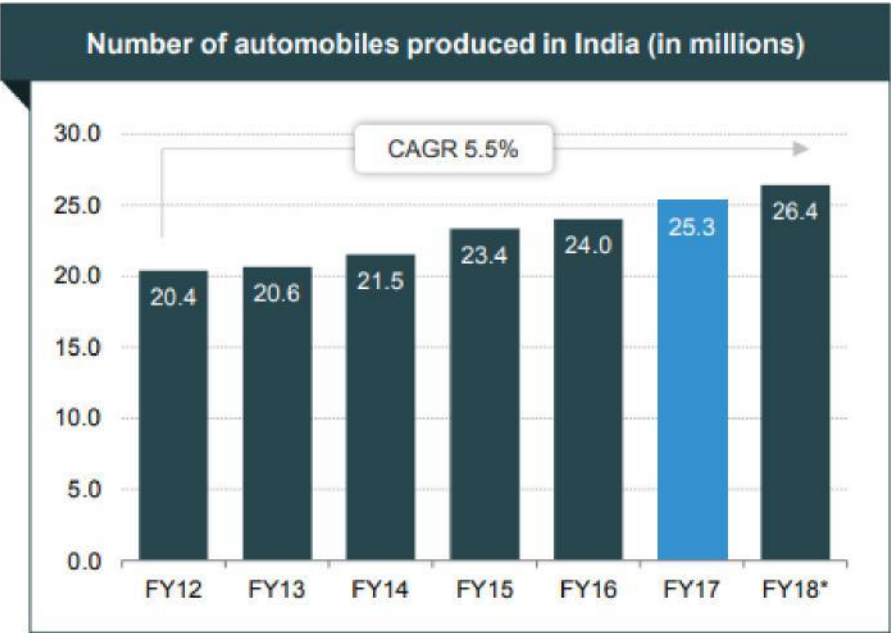


Fig.5

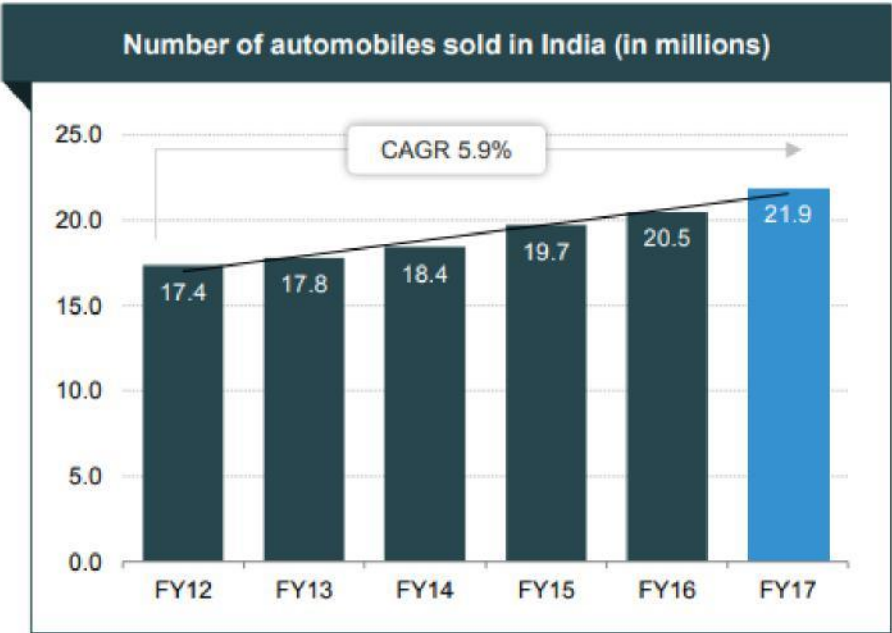


Fig.6

Statistics related to Indian automobile industry

- In India almost “18 million two-wheelers” were sold in the year 2016 which made it the largest two-wheeler market in the world.
- The sector produced “25.3 million Automobiles in FY17”.
- Total production volume grew at a “CAGR of 4.43%” during “FY12-17”.
- Two and three-wheelers exports increased by “20.30 % and 37.02%”, respectively.

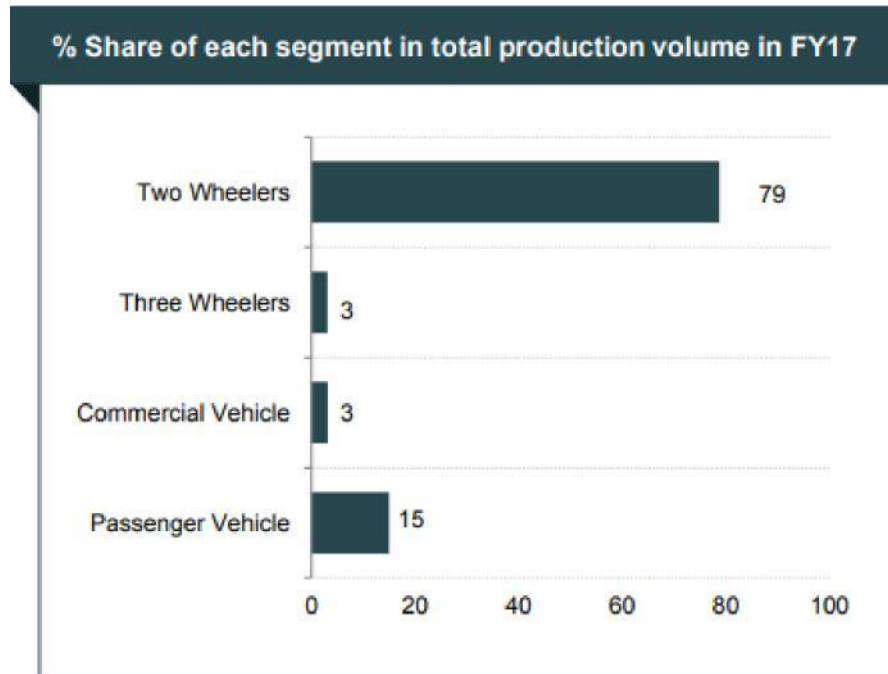


Fig. 7

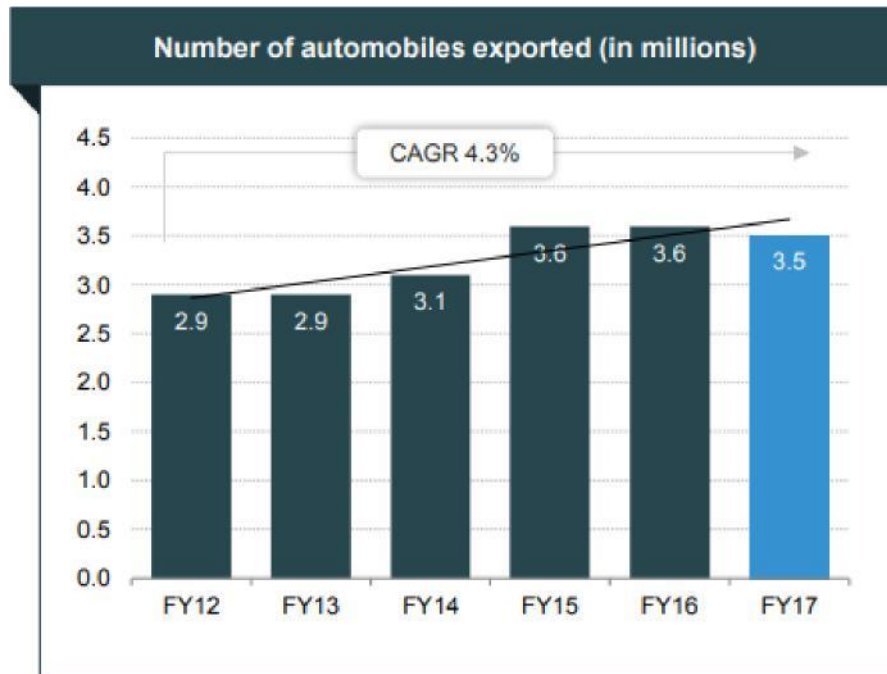


Fig. 8

- In the fiscal year 17, Two-wheelers followed by the passenger vehicles dominated Indian automobile market.
- The 2-wheelers sales are expected to grow by 8-10 %.
- The 2-wheelers and cars accounts for major part of total production by volume, it is estimated to be 79% and 15% respectively.
- Small and mid-size cars are the most favoured cars in the domestic passenger car market.
- According to the above data, “Over 67 % of export volumes comprised of two-wheelers and followed by 22% for passenger cars”.

Latest trends

India is growing as one of the most favoured market for luxury cars as demand is rising day by day. It sold around 40,000 luxury cars in India. This segment is expected to grow at a CAGR of 25%.

India being the 12th largest population of HNI's it still has huge room to expand.

Ease in finance option with the partnership of giants like BMW, Mercedes with NBFC's. The Indian government shifted their focus towards the electric cars which are eco-friendly and in trends these days across world.

Growth drivers

- Substantial Rise in the income with a large young population.
- Ease of availability of credit and financing options.
- Growing demand due to growth in GDP.
- The vision of the Indian government to focus on this sector as it supports in "Make in India" initiatives which aims to make India a manufacturing hub.
- Improved road infrastructure with lots of upcoming expressway projects.
- Initiatives by Govt. of India like Make in India is also giving boost to manufacture in India.
- The automobile sector in India accounts for 5% of the total FDI inflows in the previous year.

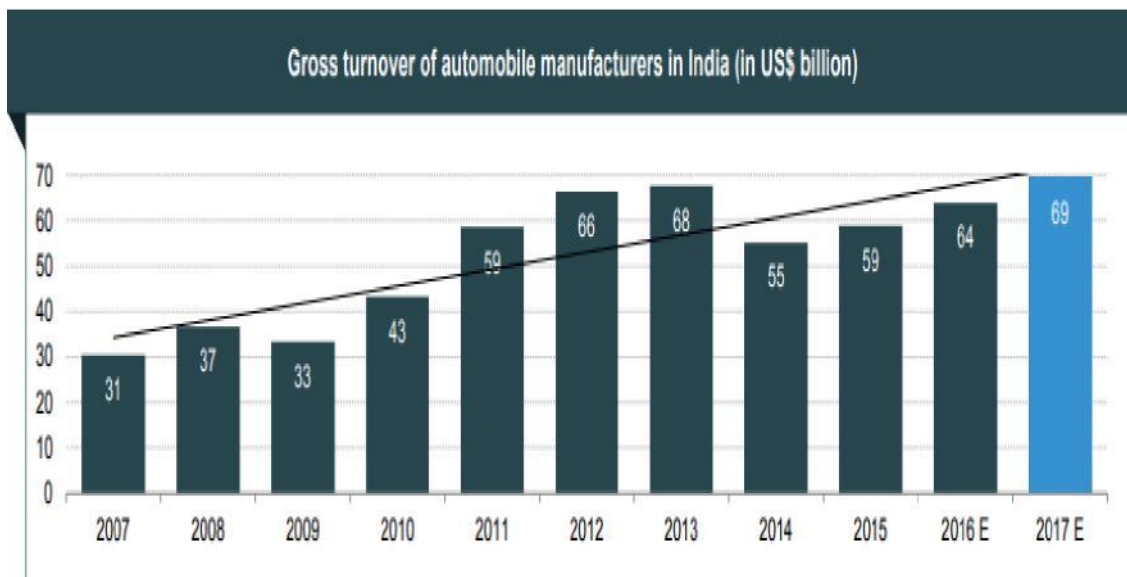


Fig. 9

Market Size

The Indian automobile industry is expected to be USD \$30 Billion market.

The auto industry is set to witness major changes as Government is planning to implement all electric vehicle policy by 2026, BS-VI emission and safety norms. Government is also planning to implement green number plates on electric cars in India and benefitting the owners as toll will get waived off for the period of 3 years. India's electric vehicle (EV) sales increased to 25,000 units during FY 2016-17 and are expected to rise further on the back of cheaper energy storage costs and the Government of India's vision to see six million electric and hybrid vehicles in India by 2020.

Prominent automobile companies in India



- Tata Motors is an Indian multinational companies and also a part of prestigious Indian conglomerate TATA group.
- They are having their sales operations in over 175 countries across world.
- The company employs over 60,000 people in India and other locations.
- Tata Motors has sold over 9 million vehicles in its operational history.
- They are market leader in the commercial vehicle segment with a 42% market share in the fiscal year 17 and also one of the key player in the passenger market since its transformation in the strategies.
- The company has been at the forefront of technology and innovation
- They even launched the cheapest car in the world i.e Nano.
- They posted consolidated revenues of US\$ 10.91 billion in Q2 FY18 and 38% year-on-year profits.



- Maruti Suzuki is a collaboration of Maruti Udyog limited and Suzuki motors in which majority stake is of Japanese conglomerate Suzuki.
- The company headquartered at Manesar, Gurgaon, Haryana.
- Maruti Suzuki is the market leader in the passenger vehicles segment with a market share of 47 % as of 2017 and consolidated revenue of US\$ 10.30 billion in FY17.
- The company has made the most affordable cars for the Indian middle class for more than three decades.
- New models are being launched each year to hold the position of the leader in its home market and Swift being the most sold car after Maruti 800.
- The company posted total income of US\$ 3.17 billion in Q1 2017-18 and US\$ 3.5 billion in Q2.
- The company sold 149,284 units in February 2018, an increase of nearly 15 per cent year-on-year increase in sales.



- It is a wholly owned subsidiary of the Hyundai Motor Company based out at South Korea.

- They are second largest manufacturer after Maruti Suzuki with 17% market share as of 2017.
- The turnover of the company is 5.5 billion USD in India.
- At the time of entry people were totally unaware about the brand Hyundai.
- At the time of entry in 1996, there were only 5 major automobile manufacturer in India i.e Maruti Suzuki, Tata motors, Mahindra's, Hindustan and premier.
- There are few companies who had entered less than a year back i.e Ford, Opel and Honda.



Mahindra

- **Mahindra and Mahindra Limited (M&M)** is an Indian multinational car manufacturing corporation having their headquarter at Mumbai, Maharashtra, India.
- In India, It is also one of the largest vehicle manufacturers by production.
- It is also one of the largest manufacturer of tractors in the world and a part of Mahindra Group.
- In fortune India 500 in 2011, It was ranked 21st on a list of top companies in India.
- Its major competitors in the Indian passenger market includes Maruti Suzuki, Tata Motors, Hyundai and in commercial vehicle Ashok Leyland, Tata motors and others.
- Rupayan Pradhan is the new managing director (MD) of Mahindra and Mahindra ltd.

1.3 Objectives of the study

The research objectives for this project can be defined as follows:

- Examining the consumer perception about the cars.
- Studying importance of various factors like brand, color, size, model etc., in consumer's choice of car
- Finding out the factors motivating consumer to purchase a car
- To examine the impact of Car on societal status of consumers.

Chapter-2

Literature review

2.1 Introduction

The car market started growing again after a period of slow growth which is positive sign for the car market. On the basis of the encouraging growth numbers, OEM's are optimistic about the growth of this sector. They are also expecting the sales to accelerate.

2.2 Purchase triggers

In the urban markets, a car is bought to satisfy an individual's necessity whereas in India, people like to buy their car for their family instead of themselves. Contrary to the popular belief that the car buyer is driven by the opportunity to create a statement of success, it is interesting that this is a very rational and practical requirement.

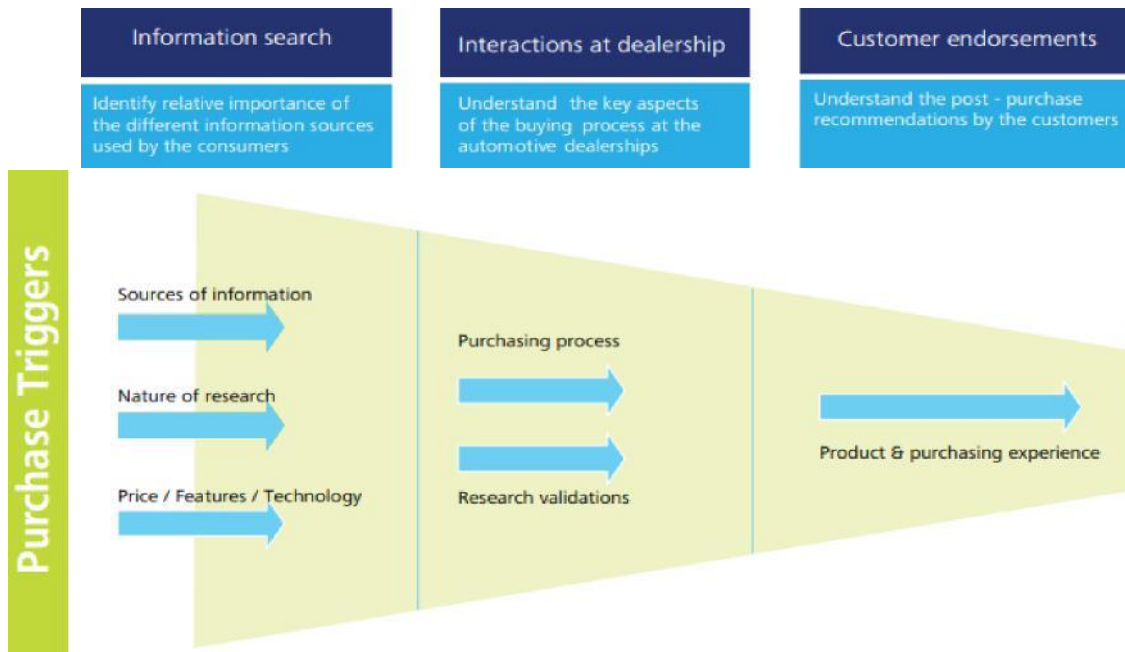


Fig. 10

The Indian car shopper is reasonably rational while considering to buy a car. The buyer's stares for value and features. Some key concerns for the OEMs are -

- The young buyers usually spend less time. Hence it is important to provide information only through those sources on which they trust and also consider in their decision making process. The automobile manufacturer may also wanted to direct their advertising resources aptly.
- It is also evident from the research that concludes the buying method of the customer. The manufacturer might be interested in noting about how much time is spend in decision making process. Moreover the possibility of final sale
- Emphasis on existing customer references. They can have the huge impact on their friends, family, relatives to behave like a brand ambassador is of critical importance.
- The continuous engagement is critical as the lost customers may also recommend the brand which is profitable for the firm.
- Dealership influence the buying behavior of consumers in limited way. Therefore we can think of implementing new processes.

According to a research by Nielsen India

A preview of car purchasing patterns in urban India

- 48% of consumers, explore the statistics/data online before visiting or referring any off-line medium
- 87% of the consumers reconsider one purchase decision factor (brand, model, fuel type, budget, colour etc.) at the time they buy
- Sales staff at showrooms can deeply influence (73%) last minute fluctuations in decisions and monitor car buyers' choosing behavior.

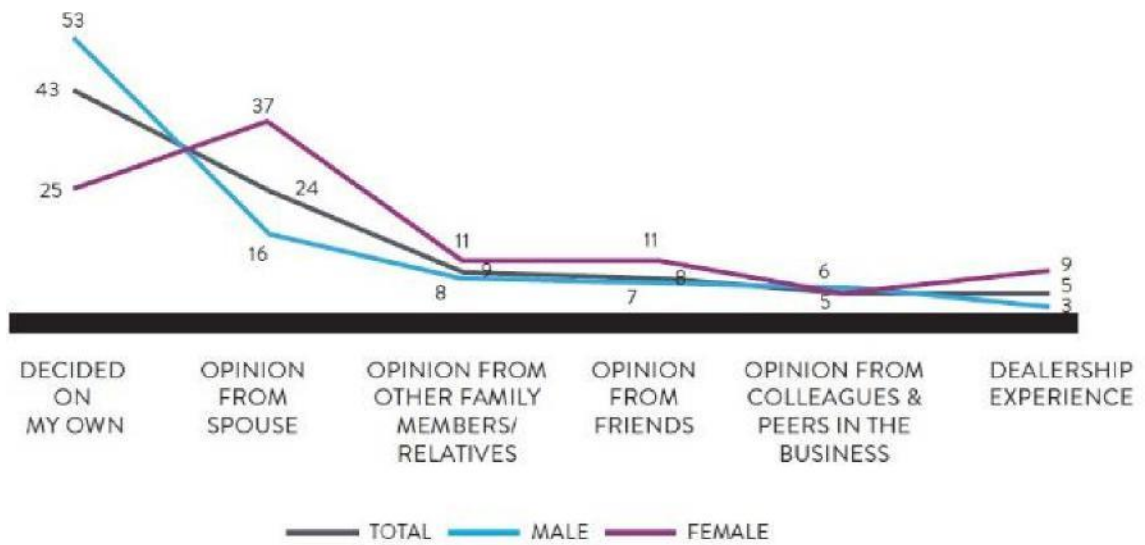


Fig.11

In the digital era, Internet plays a key role in consumer's information sources. A large part of customer is online and they discuss and have conversations with their closed ones.

Chapter-3

Research Methodology

3.1 Research project steps

A research process consists of series of step which helps and monitor the project throughout its steps from its planning till its final phases, analysis and findings.

Research studies involve the sequence of steps, where each step reply to some specific question.

Steps of Research Project

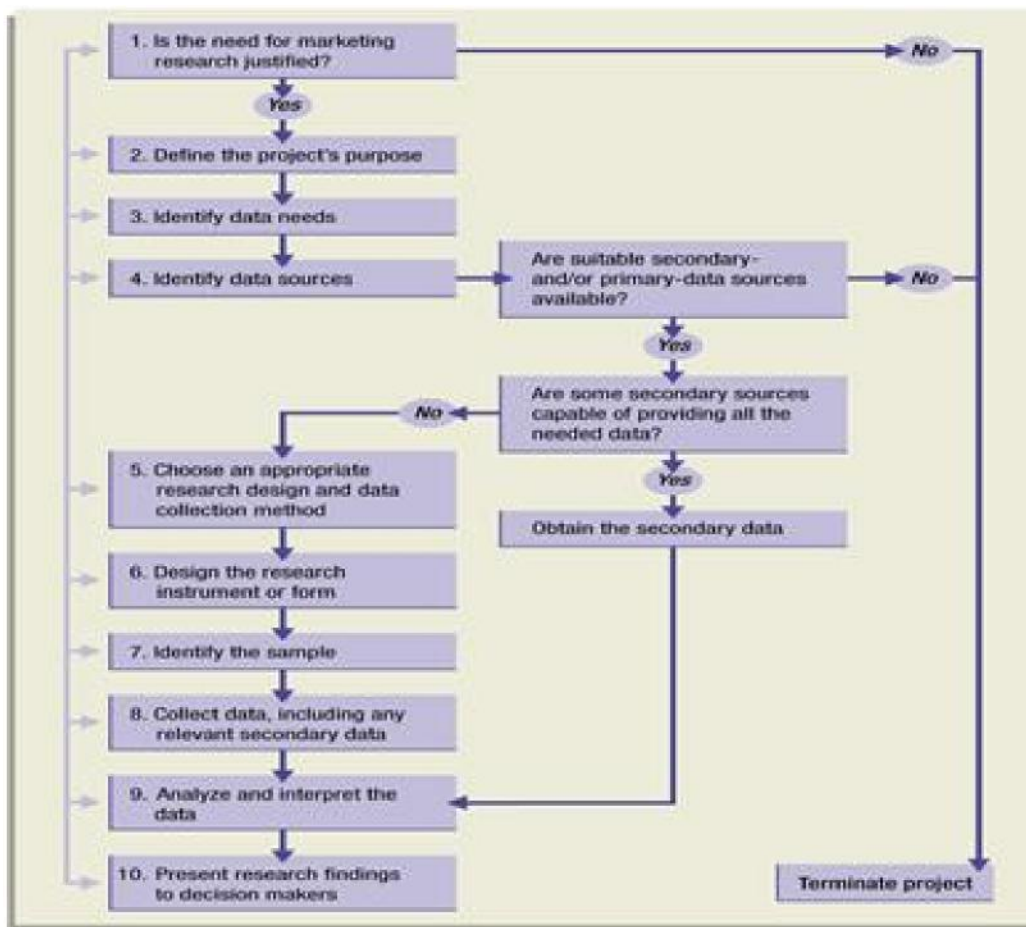


Fig. 12

3.2 Research design

Research design is a conceptual design within which research is shown. A research design is the overall strategy that we choose to integrate different components of study in most appropriate way. It is a sequence of judgment taken together which comprises of a plan to conduct the research. All the sequence must be in line with the objectives of the research.

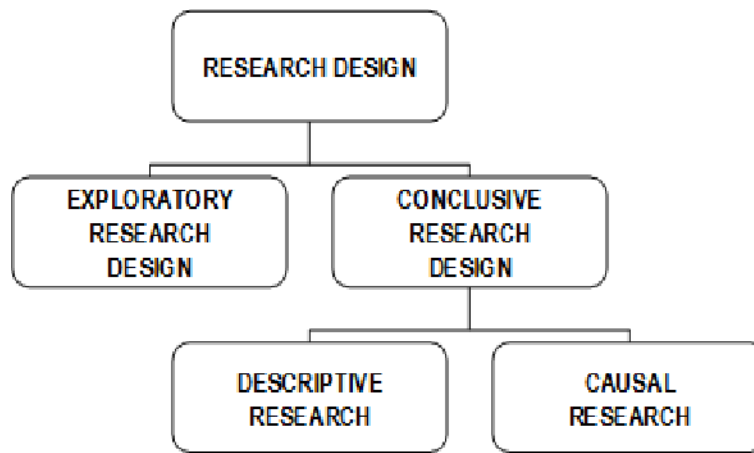


Fig. 13

Exploratory research

There are two types of data used in the exploratory research:

- Primary Data
- Secondary data

Primary data

The data which is primarily collected to resolve the market research problem. As compare to the already available data i.e secondary data. There are two types of primary data

- Quantitative data
- Qualitative data

It gathers the information directly collected from respondents using various techniques like questionnaire, focus groups, interviews etc.

Primary data is basically collected with the help of one to one or other modes of filling questionnaire by the respondents.

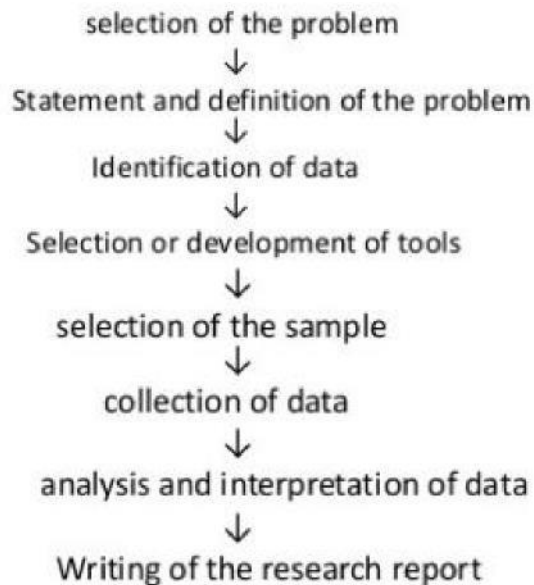
Secondary data

The data which is existing somewhere in the form of books, reports, files collected for some other purposes.

Secondary source of data is usually gathered from books and websites

Descriptive research

Steps in the descriptive research:



Collection of data

It is done by filling of questionnaires. The information was collected by making target population fill the questionnaires. It is collected by interacting with folks near malls, shopping complexes, offices, markets etc.

The data was collected by networking with 59 respondents who filled the questionnaires and gave me the essential necessary details. The data is collected from housewives, working professionals, and students as well.

3.3 Determination of sample plan and sample size

Target Population

The target population includes working professionals, housewives, senior citizens and students who either involve in the process of car buying or influence it.

The sample is selected through Simple random Sampling.

Sample size

The sample size taken for this research project is 59 with age group above 20 years. The geographic demographics is taken as Delhi. The sample size taken as the target population is unbiased. The people stood from diverse professional backgrounds.

Sampling technique

In this simple random sample is used which is chosen from larger part of population to represent it. Each is chosen randomly by chance and probability of occurrence is same for each subject.

3.4 Errors in the study

Interviewer error

This type of error could arise due to bias behavior of the interviewer. Questions in the questionnaire can also be impacted by this behavior. The attitude of the interviewer may also hinder the level of interest and willingness of the respondent

Questionnaire error

The questionnaire should be deliberately designed so well that only requisite data is revealed. The data in the questionnaire shouldn't be redundant. It must be crisp and clear which is easily understood by respondent.

Respondent error

The respondents may not be interested in providing the real response. They also may not have the enough knowledge, opinions or ideas to respond as desired in the survey.

Sampling error

We have engaged with 59 respondents and they can't represent the buying behavior of the total population. The sample has been drawn from only National Capital Region.

3.5 Limitations of the study

- Each research project face certain unforeseeable circumstances and this project also faced few challenges.
- The unwillingness of the car owners or other people to respond and take part in the survey.
- The respondents felt boredom while answering the questions which could have impacted the results.
- This research includes- sample size (59) customers which may not be enough to decide the awareness of the brand by the consumers while buying the cars. As they might not correctly represent the census of population.
- DELHI was the only region which was considered in this study.

Chapter-4

Findings, Analysis and **Recommendations**

4.1 Analysis

Questionnaire Data

1. Which is the most preferred source of Information indicator while purchasing cars

- a. Friends & Colleagues
- b. Car magazines
- c. Dealers
- d. Car shows
- e. TV advertising
- f. Billboards
- g. Internet
- h. Brochures

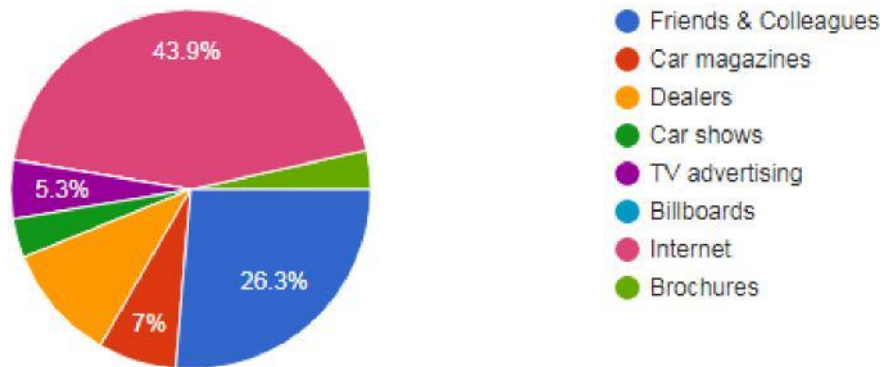


Fig. 14

Interpretation

- Almost 44% of the respondents says, that their source of information for buying car is **Internet**.

- Almost 26% of the respondents says, that **Friends & Colleagues** are their primary source of information while purchasing.
- Almost 11% of the respondents says that their source of information is **Car dealers**
- **Tv advertisement** and **Car magazines** lies in the range of 6-7 %.
- **Car shows** and **Brochures** account for less than 4%
- **Billboards** is the least source of information for buying car

2. Factors influencing your decision to Buy a car?

- Financial schemes
- Cash discount/ Offers
- Upgraded technology
- Upgrade status
- Other (Please specify)

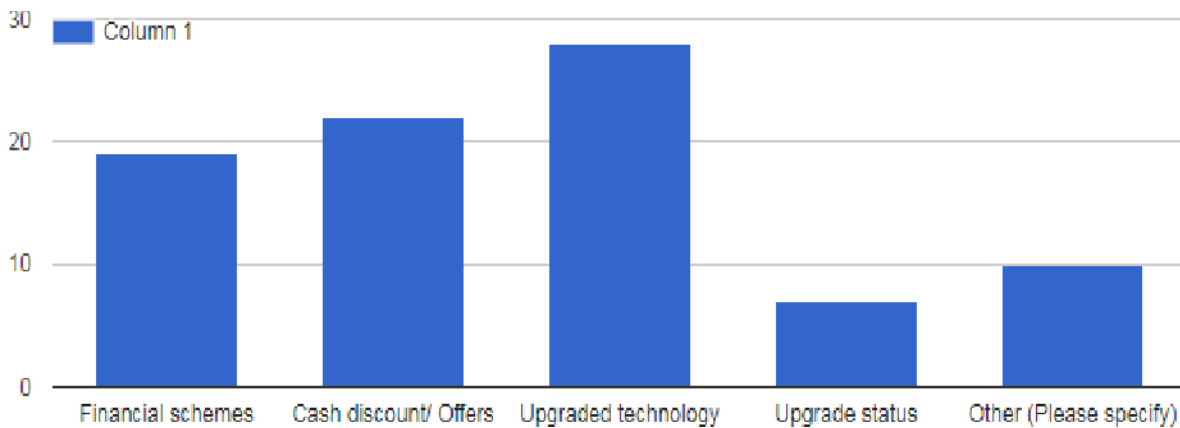


Fig. 15

Interpretation

- According to the research, Respondents want upgraded technology as their first preference over other factors when it comes to influencing their decision.
- Another important factor is Cash discount/Offer and financial schemes which influence the car buying decision.
- Upgrade status is the least factor that influences car buying decision.

3. Frequency of the changing car(How frequent you change your car)

- a. Not Owned yet
- b. 1-3 yrs.
- c. 4-8 yrs.
- d. 8+ yrs.

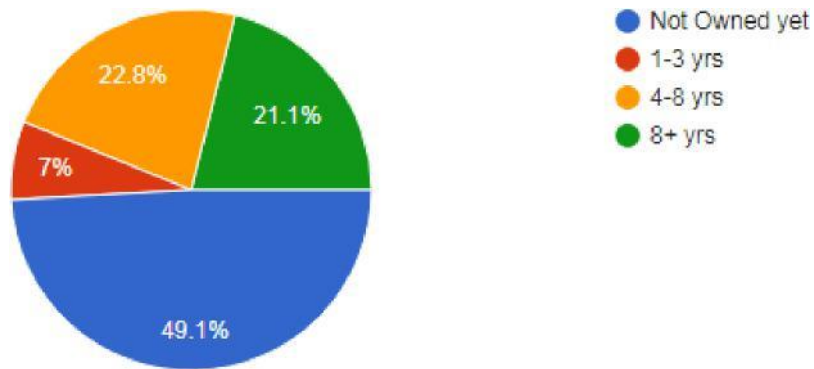


Fig. 16

Interpretation

- More than 50% of the respondents own a car, among which almost 23% of the respondents change their car in between 4-8 years of time.
- Almost 21% of the respondent prefer to change their car after 8+ years.
- 7% respondents prefer to change their car in between 1-3 years.

4. Your major influencers while buying/wanted to buy a car?

- a. Friends/family
- b. Brand representative (celebrity)
- c. Make my own choice
- d. Seller
- e. Advertisement

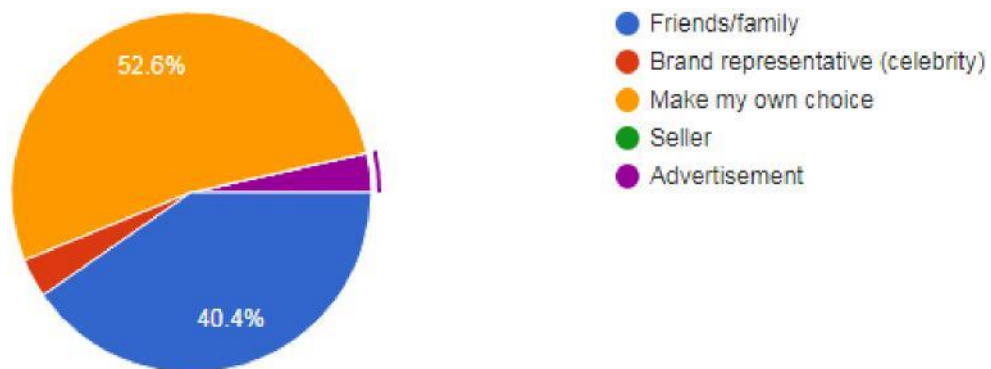


Fig. 17

Interpretation

- More than 52% of the respondents make their own choice when they want to buy a car.
- Almost 40% respondents says their decision is affected by Friends or Families.
- Impact of Seller is negligible. However Brand and advertisement affect the decision upto some extent.

5. What is your preference- brand new Car or second hand car?

- a. Brand New car
- b. Second hand car
- c. Depends on choices and budget in-hand

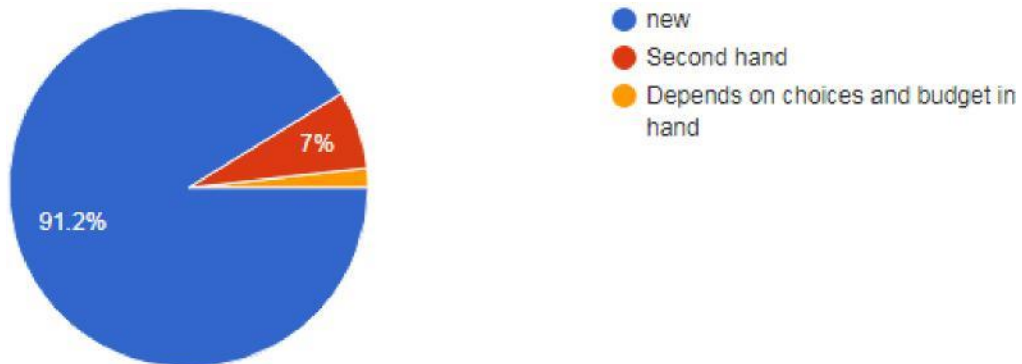


Fig. 18

Interpretation

- More than 90% of the respondents prefer buying brand new car Over second hand car.
- However less than 2% of the Respondents decision depends on choice and budget.

6. The extent to which consumers agree with the statement that, “The car you drive reflects your societal status”

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

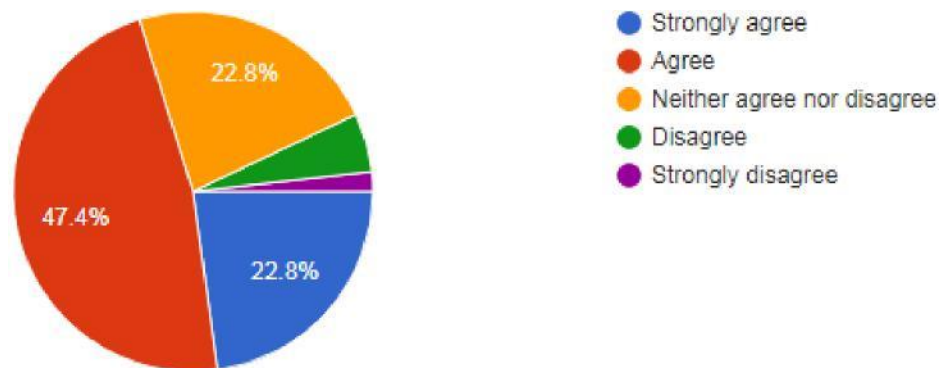


Fig. 19

Interpretation

- Almost 70% of the respondents agree that Car reflects their societal status.
- Less than 6% respondents disagree to this.

7. How much time is preferably taken from initial decision making to buy a car till placing an order?

- Less than two weeks
- 2 weeks to 1 Month
- 1 month to 3 months
- 3 months to 6 months
- More than six months

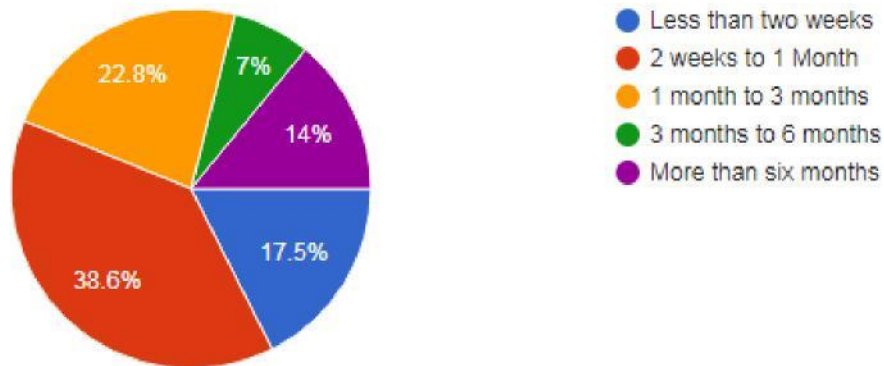


Fig. 20

Interpretation

- Majority of the respondents says that they take 2 weeks to 1 month time for their purchase cycle.
- Only 7% of the respondents says that they take in between 3 to 6 months.

8. How much you preferably willing to spend while purchasing car for your personal use? (Includes all other relevant fees, such as tax, insurance, plate fee, etc.)

- Below 5 Lakhs
- Between 5-12 Lakhs
- 12-20 lakhs
- 20-35 lakhs
- above 35 lakhs

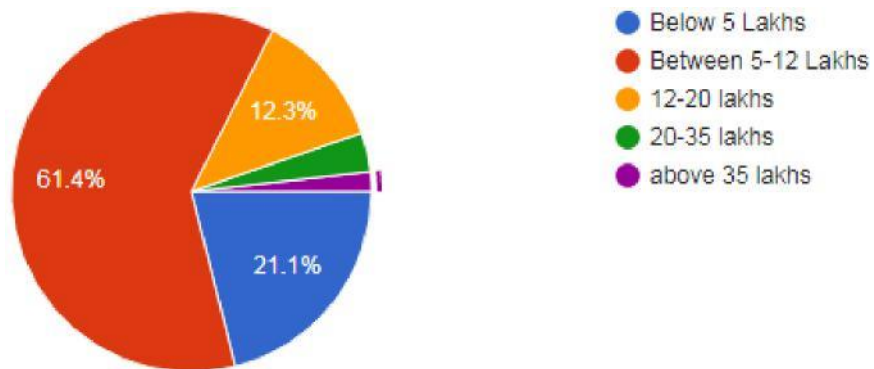


Fig. 21

Interpretation

As per the respondents, majority of them i.e almost 61% respondents like to spend between 5-12 lakhs. Next major categories are below 5 lakhs and between 12-20 Lakhs. In the Indian market majority of the Cars launched every year lies in this price range only.

9. What are the factors you consider the most, If you are going to buy a car for your personal use?

Among the following given factors, which influence you the most?

Very unimportant	Not important	Neutral	Important	Very Important
------------------	---------------	---------	-----------	----------------

- Brand
- Price
- Safety
- Speed
- Performance
- Technology
- Color
- Size
- Equipment and Interior
- Exterior Design
- Interior Design
- Resale value

Chart Title

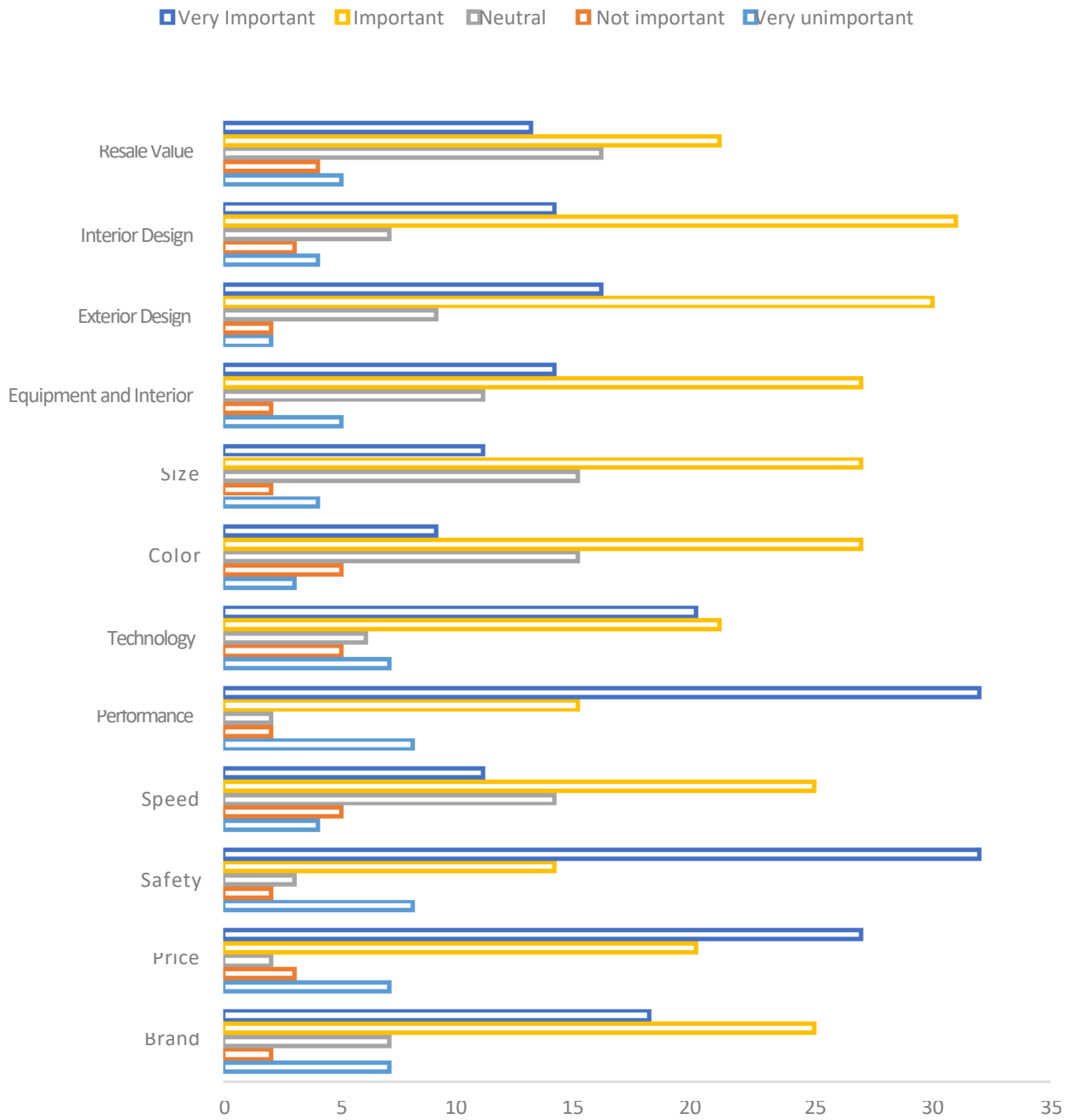


Fig.22

Interpretation

- **Brand:** According to approximately 30% & 42% respondent's rate brand to be very important and important factor respectively while purchasing their own personal car. Other 12 % are Neutral whereas Approx. 12% consider brand as unimportant factor and 3% consider it to be very Unimportant criteria.
- **Price:** According to approximately 45% & 42% respondent's rate price to be very important and important factor respectively while purchasing their own personal car. While other 3% are neutral about it. 5% consider it Unimportant. 12% consider brand as very unimportant factor.
- **Safety:** According to 54% & 23% (Approx.) respondents consider Safety-as Very important and important factor respectively while buying car for private use. 5 % are Neutral whereas Approx. 13% consider brand as very unimportant factor and 3% consider it to be Unimportant criteria
- **Speed:** According to approximately 18% & 42% respondents rate Speed to be very important and important factor respectively while purchasing their own personal car. While other 24% are Neutral whereas Approx. 6% consider brand as very unimportant factor and 8% consider it to be Unimportant criteria.
- **Performance:** Approx. 54% and 25% of the respondents consider Performance as the Very important and important factor respectively while buying car for private use. 3 % are Neutral whereas Approx. 13% consider brand as very unimportant factor and 3% consider it to be Unimportant criteria
- **Technology:** Approx. 34% and 35% of the respondents consider Technology as the Very important and important factor respectively while buying car for private use. 10 % are Neutral whereas Approx. 12% consider brand as very unimportant factor and 8% consider it to be Unimportant criteria

- **Colour:** Approx. 15% and 46% of the respondents consider Colour as the Very important and important factor respectively while buying car for private use. 25 % are Neutral whereas Approx. 5% consider brand as very unimportant factor and 8% consider it to be Unimportant criteria
- **Size:** According to approximately 18% & 45% respondents rate Size to be very important and important factor respectively while purchasing their own personal car. While other 25 % are Neutral whereas Approx. 6% consider brand as very unimportant factor and 3% consider it to be Unimportant criteria.
- **Equipment and interior:** Approx. 24% and 45% of the respondents consider Equipment and interior as the Very important and important factor respectively while buying car for private use. 18 % are Neutral whereas Approx. 8% consider brand as very unimportant factor and 3% consider it to be Unimportant criteria.
- **Exterior Design:** Approx. 27% and 51% of the respondents consider Exterior design as the Very important and important factor respectively while buying car for private use. 15 % are Neutral whereas Approx. 3% consider brand as very unimportant factor and 3% consider it to be Unimportant criteria.
- **Interior Design:** Approx. 24% and 51% of the respondents consider Interior design as the Very important and important factor respectively while buying car for private use. 12 % are Neutral whereas Approx. 7% consider brand as very unimportant factor and 5% consider it to be Unimportant criteria
- **Resale value:** Approx. 22% and 35% of the respondents consider Resale value as the Very important and important factor respectively while buying car for private use. 27% are Neutral whereas Approx. 7% consider brand as very unimportant factor and 8% consider it to be Unimportant criteria

4.2 Findings:

- Approximately 70% of the People agree with the statement that, the car they drive reflects their societal status.
- Majority of the people prefer buying new car over the old ones
- Internet is the most popular source for getting information related to Car, Friends and colleagues being the next best Source for car Information. Billboards, Car shows and brochures are the least popular Sources for car information.
- Majority of the people make their own decision or not get influenced by anyone while buying car. Another important influencers are friends/Colleagues in making a decision of buying new car.
- Majority of the people take 15-30 Days to make the purchase of car.
- Majority of the people are willing to spend 5-12 lacs for a car. Another big category for car buyers are those who are willing to spend below 5 Lakhs.
- Upgraded technology is the most important factor that influence the buyer's desire to buy a car. Cash discounts/Offer and financial Schemes are the other major factors that influence the buyer decision.
- Among the respondents More than 51% respondents own car and among them majority of the people own car for a period of 4-8 years.
- Brand is one of the crucial factor that people consider while buying a car for private use.

- Performance and safety are the two top-most factors which mostly people consider “Very important” while buying car for private use.

4.2 Recommendations

Promotional activities

- Promotional activities must emphasize chiefly on safety and performance, societal status and internal as well as external design. Using digital marketing over other medias like TV, Newspaper etc based on personalized experience would make the company profitable.

Focus area

- Car companies must focus on the cars ranging in between 5-12 lakhs. This is the major customer segment. Majority of the customer prefer cars in this range. In the recent times also we saw a huge demand in the SUV launched in this segment.
- Car companies must also focus on the upgradation of technology as it is the most preferred choice of the customer. Another important factor is the offers, customer gets attracted when they get good offers.

Positioning

- Consumers are concerned about the societal status which is represented by his or her car. The car companies must focus on positioning their car as per the status of their targeted customer.

Online Marketing

- Car companies must focus on the digital marketing closely. Majority of their customers search all the information on the internet. Hence it is the best chance for them to generate the lead and convert it, even before their visit.

Exchange offers

- Exchange offers must be targeted to the customers who already owing vehicle for more than 4 years. This category is the majority who are willing to change their car.

Chapter-5

Conclusion

Conclusion

To conclude, there seems to be change in the consumer personality with the change in social characteristics. Sizeable population are more aligned towards individualism. They want substantial amount of time for themselves. This change in social dimension is showing the impacts on consume buying behavior. They take decision on their own. Hence automobile companies must adapt this change and need to modify their strategies.

This study indicates that the perception of the brand is the primary factor that decides the consumer journey because it starts even before anyone purchases a car or going to use it. This is even reflected in the recommendations made by customers. In country like India it is common to see that important purchase decisions like car is highly influenced by the recommendations from the friends/acquaintances. Hence customer perception become more important here. The sellers enforces the brand personality of a car in the mindsets of the potential customers. As a result, Consumers carry a pre conceived notion about the brand and this can be seen in the overall brand image of the car in customer mindset.

Automobile companies need to adapt the changing behavior of the customer. They must focus on key features like safety and performance which are critical for customers. Online marketing being the best tool to influence consumer. Inbound marketing is best over the outbound one.

Chapter-6

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