

CONSUMER BEHAVIOUR WITH BEYOND TO PURCHASE OF SMALL CARDS AT HYDERABAD

Mir Nusrat Ali

Research Scholar

Shri JTT University

Rajasthan

ABSTRACT

The Government of India allowed foreign joint ventures in the automobile industry since early 1990. Subsequently, the Indian Government allowed Foreign Direct Investment (FDI) with an equity cap in the industry, through which so many automobile giants are entering the Indian market with varieties of models, readily available, without much waiting time for the delivery. The sudden entry of major global players has made the Indian auto industry very competitive, as India provides twin benefit of ready market and low cost manufacturing base for them. With the explosion of the automobile industry, due to its globalization and liberalization, car manufacturers introduced much innovative and technological advancement in their models. Customers have started thinking to change over to the new models of cars, with related ease than in the past, to suit their changing life styles. This study seeks to identify the factors that influence on consumer behavior with special reference to small cars in Hyderabad.

Key words: Consumer behavior, Small Car

INTRODUCTION

Small car is one of the commonly used conveyances by the upper and middle-class people. Two decades ago, only a few industrialists and rich people had small cars. But after the industrialization the earning capacity among the middle-class people has also increased and this paved the way for them to go in for small cars. Nowadays a car is not only bought for social status, but also it is felt as a necessity. As the population is increasing, the government and private sectors are not able to provide adequate conveyance for all the passengers. For going to office and business establishments, within a stipulated time the staff of both government and private sectors needs cars. Financial companies are also providing financial facilities for the purchase of small cars. The small car segment has always been the high growth segment of the Indian automobile market right from the first launching of the small car in the Indian market by Maruti Udyog Company in 1983. As such for many years, small cars have accounted for major part of the revenue of the fast expanding passenger-car market. In future, Indian consumers now want the latest technological and functional features in such cars and not ready to wait for long to get the latest models from foreign car manufacture as they did in the past. Now there are enough local and multinational players in the Indian market. The increased income of middle-class family motivates and fulfillstheir dreams of owning a small car, which is suitable for the Indian road condition.

Consumer Buying Behaviour Kotler (1997) states that behaviour of consumers is a study of many actions of the consumer in the purchasing process such as why, how, when and what people buy. It contains elements from sociology, psychology, anthropology, sociopsychology, and economics. It tries to comprehend both independently and in groups the buying decision process. Individual consumers characteristics such as psychographics, behavioural variables and demographics helps to understand peoples wants. Reference groups, friends, family and generally the society influences the consumer to decide in purchasing a product. In general, it is said that humans are multifaceted persons who

frequently do not appear even to distinguish their personal thoughts. Hence it is not easy to predict human conduct, as everyone is an exclusive creation of inheritance, situation and knowledge. It is a tough and a complex job, complete with doubts, risks, and amazements to predict such an odd behaviour of people. Precise forecasts can produce vast riches and imprecise forecast results can forfeit millions of rupees.

Statement of the Problem After the liberalization and globalization era there has been a race among varied car manufacturers who are concentrating their attention on acquiring the market in India. For a considerable time, a car was considered to be a luxury item but now occupies an important part of one's life and has now become a necessity in Pune and hence is selected for the study as the city is developing very fast. Hence, Pune has become a potential market for the existing and new entrants in the automobile sector for this ever-growing market. The attitude of people has changed as those who were not ready to employ their money on extras have now started spending. It is said that yesteryear's luxuries have become today's requirements. One has to understand the insights of the potential buyers of cars to be an effective marketer

Impulsive buying The researchers have always been interested in a research of consumer behaviour. It is intended to understand what customers are buying, why they are buying, when and how they are buying. It can be deduced from this that the phenomenon has to do with understanding the behaviour pattern. However, each customer does not follow the fixed pattern and there is a departure from ordinary decision-making models where a moment of pleasure replaces the logical sequence of customer actions.

IMPACT OF INTERNET MARKETING ON CONSUMER DECISION PROCESS:

E-commerce marketing is becoming the common platform for consumers due to the growth in the Internet Industry. Every buyer in the country's top cities start their search on the world-wide web. As per Amit, Our out of every ten new car buyers and three in every ten used car buyers, use internet to do initial research, before making the purchase, based on a study conducted by Google. Liu and Bai discuss the various opportunities for car manufacturers and dealers to utilize the internet marketing medium in the five stages of e-marketing buying process - Problem Recognition, Information Search, Evaluation of Alternatives, Product Choice, Final Outcome / Post Purchase

CONSUMER BEHAVIOUR THEORIES: Most research in marketing still inhabits the world of cognitive consumers and responsive managers, semi-autonomous buyers and philosophical marketers. The present challenge for marketing researchers is to generate critical interpretations, which alternate with the prevailing normal science component of consumer research: Structural accounts of human activity assume that observed behaviour results from what is happening within the individual. Behaviour is determined, in whole or part, by internal processing of information, or action of mental traits.

CONSUMER BEHAVIOUR AND PERSONLITY THEORY: According to research, personality is another significant factor that results in consumer's purchase decision. Gordon and Ronald paved the way for a new impetus in consumer behavior based on personality research.

CONSUMER BEHAVIOUR AND SELF THEORY: Self Theory refers to an individual's overall thinking process and provides a reference point for the related consumer behaviour as conceptualized by Morris in his research studies. He defined it as a combination of an

individual's thoughts and feelings, pointedly referring to himself as an object. However, Raj and Russell cautioned that there could be fundamental differences in the concept of self, across different cultural entities. They reported this in their studies on Hindu Indian Immigrants that they are less susceptible to the western view of self as an object.

CONSUMER COMPLAINING BEHAVIOUR: Research suggests that in many cases, companies exert best efforts to address its customer's complaints. Many managers, in certain cases, are often exceeds consumer expectations beyond-the-contract or above their prescribed job specification, aimed at striving to address consumer complaints, as notified in the study by Resnik and Harmon.

CONSUMER BEHAVIOUR AND MARKETING

Companies use marketing to promote and sell their products or services, and consumer behavior is how consumers act and respond in the retail environment. In order for a company to create a strong marketing campaign, it is important to understand how and to what the consumer will respond. This relationship between marketing and consumer behaviour involves studies, focus groups, psychological analyses and other methods of studying the market for a particular product or service. Understandingly, consumer behaviour is critical for marketing any product or service successfully. When a company can understand why people buy what they buy and the reasons behind their decisions as consumers, the company can create a marketing campaign that specifically addresses those elements of the purchasing decision. Not all products appeal to all people. The key for successful marketing is to understand the values of a specific consumer group that's where the focus of the groups, studies and psychology comes into the picture.

CUSTOMER SATISFACTION AND LOYALTY: Newman and Werbel and by Kasper hypothesized in their papers that customer satisfaction is often used as a predictive measurement of future consumer purchases. Satisfied customers are more likely to resort to repeating purchases in the time of actual instance, as reported by Zeithaml et al., in their studies. Moreover, highly satisfied customers will convey their success stories of satisfaction and directly recommend that others try the source of satisfaction, as stated in the studies conducted by Reynolds & Arnold and Reynolds and Beatty.

Factor responsible for change in the consumer behaviour of Indian Middle Class

The most important factor that is responsible for changes in consumer and buying behavior of the Indian Middle Class is the Government Five Year Plan. This factor is jointly responsible for pushing the Indian Middle Class from spending only on necessities to discretionary spending. Following is an in-depth discussion of the same factor:

Indian Government's Five Year Plans Indian planning is an open process:

Much of the controversy and the debates that accompany the preparation of the plans are public. The initial aggregate calculations and assumptions are either explicitly stated or readily deducible, and the makers of the plans are not only sensitive but responsive to criticism and suggestions from a wide variety of national and international sources. From original formulation through successive modifications to parliamentary presentation, plan making in India has evolved as a responsive democratic political process. (Millikan, 1967, pp. 305-378).

Key Influences on buying a new car

It's a buyer's market out in India today and the ball is no longer in the dealerships' court. Gone are the days of the Premier Padmini and the Hindustan Ambassador being consumer's only choices for a new car. With most major international brands available in dealerships, it's never been a better time to buy a car in India at the moment. With such a wide array of choice, the factors that influence the buying decision have also become widespread. These factors are classified as following

1 Social parameters: Social parameters include key influences like lifestyle of the buyer, number of family members, etc.

2. Road infrastructure: Road infrastructure is one of the major key influencers while purchasing a car. A buyer has to consider the quality of road network he/she will be frequently traveling with. For example if the road network in question is peppered with pot holes and is a mixture of gravel and tarmac or has no tarmac at all, he/she will have to purchase an off-roader like Tata Safari or Mahindra Scorpio for better ground clearance even if he wants to purchase a hunkered down saloon like Honda Civic.

3. Family Size: As joint families are common in the Indian middle class, the family size is often one of the most important factors while purchasing a vehicle. For example if a married couple lives with their children and parents, they will have to purchase a utility vehicle with 3 row seats instead of a small city friendly hatchback.

Sales & Service /Customer Relations/Quality /Spare Parts Availability

Najeemudeen and Panchanatham (2014) discussed customer behaviour towards the dealer choice for passenger car buying in Malappuram district. The intention of the study was to ascertain the socio-economic profile, rating the dealer and reasons for choosing a particular dealer for the purchase of cars in Tirur district of Malappuram from Kerala. A questionnaire was used to gather data from the respondents. 250 questionnaires were circulated and 201 effective filled questionnaires were received from the respondents.

Pricing / Value / Fuel Efficiency

Issues inducing procurement of 'NANO' the advanced car from India an experimental study by Bikash et al., (2010) shows the aspects, which are vital for selecting the innovative car 'Nano' launched by one of the foremost Indian automobile industries called 'Tata Motors'. The researcher collected samples from 108 respondents for the study from two major cities of Orrisa a fast-growing state in the eastern part of India. The findings of the research shows that value of the car was the maximum vital reason for influencing the consumer towards NANO followed by the tag TATA which was a strong brand. The other important factors were availability of colour variants, style, fuel efficiency and the financing options which were available for this car as it was considered to be a people's car. Power, safety, prestige, resale value etc. ranked low as per the respondents.

Conclusion

The study has ascertained that currently the small car industry in India is dominated by Maruti Suzuki. Key finding which emerged for this study is that Alto 800 is most preferred car in this segment followed by Santro, Tata Indica and Spark. This study reveals that purchasing of car is strongly influenced by the advertisements and secondly by family and friend's recommendations. The study also reveals that price is one of the most important criteria in selection of car. After sales service in car are least preferred criteria. At the same time companies must pay attention to fuel efficiency, Technology, warranty and after sale

services and availability of accessories. Due to easy availability of the loans and financing options most of the people are opting for them to buy their car. Most of the people purchase the vehicles for their own purpose. Dealers try to give their best services and try to retain the customer as there are other dealers competing with each other for the same brand. Customers seem to find no major difference among the car brands in a segment as far as performance is concerned. The brand perception is dependent mostly on the peripheral cues depending upon the nature and quality of the service provided along with the pricing, maintenance, availability of spare parts and related issues. Maruti cars cover all the aspects and expectation of the consumers.

Reference

1. BalakrishnanMenon, and Jagathy Raj V.P., (2012).Dominant mean percentage score factors of the consumer purchase behaviour of passenger cars. *International Journal of Research in IT & Management, Volume 2, Issue.5,PP,15.*
2. Vidyavathi,K.,(2012).Consumer lifestyle influence of consumer behaviour with reference to automobile industry in Chennai.*International Journal of Multidisciplinary Research,Vol.2,Issue 4,PP,39.*
3. Samin Rezvani, Goodarz Javadian Dehkordi, Muhammad Sabbir Rahman(2012), "A Conceptual study on the country of origin effect on consumer purchase intention", *Asian Social Science Vol. 8, No.12, pp. 205-215.*
4. K.Vidyavathi (2012), "Customer Life Style Influence of Consumer Behavior with Reference to Automobile Industry in Chennai", *Zenith International Journal of Multi disciplinary Research Vol.2, Issue 4, pp. 37-50.*
5. Balakrishnan Menon, Jagathy Raj V.P (2012), "Dominant partial Least square factors of consumer behavior of passenger cars", *Asian Journal of Management Research Vol.3, Issue-1, pp.83-99.*
6. Manish Kumar Srivastava, A.K Tiwari(2012), " A Study of Behavior of Maruti SX4 and Honda City Customers in Jaipur", *Pacific Business Review- Quarterly Referred Journal Vol.3, Issue-1, pp.8-15.]*
7. M.Prasanna Mohan Raj, Jishnu Sasikumar, S.Sriram(2013) , "A Study of Customers Brand Preference in SUVs and MUVS: Effect on Marketing Mix Variables", *International Referred Research Journal Vol.- IV, Issue-1, pp. 48-58.*
8. Dr.T.Rajasekar Dr. S.Rameshkumar (2015), "Determinants of Preference towards Passenger Cars – The Case of Madurai City in Tamilnadu", *IOSR Journal of Business and Management (IOSR-JBM) Volume 17, Issue 7.Ver. III PP 84-88.*