

A STUDY ON CONSUMER BUYING BEHAVIOR REGARDING FEATURES OF SUV'S CAR

J.MOUNIKA REDDY

Research Scholar Department of Business Management Osmania University Hyderabad *mounika521@gmail.com*

Prof. K.MALLIKARJUNA REDDY

Professor Department of Business Management Osmania University Hyderabad profkmreddy@gmail.com

ABSTRACT

In Present Marketing Scenario, the Study of Consumer Behaviour has become essential. Without consumers no business organization can run. All the activities of the business concerns end with consumers and consumer satisfaction. Customer behaviour study is based on consumer buying behaviour, with the customer playing the three distinct roles of user, payer and buyer. Consumer buying behaviour has become an integral part of strategic market planning. In order to develop a framework for the study consumer behaviour it is helpful to begin by considering the evolution of the field of consumer research and the different paradigms of thought that have influenced the discipline. Consumer behaviour involves the psychological processes that consumers go through in recognizing needs, finding ways to solve these needs, making purchase decisions, interpret information, make plans, and implement these plans. Consumers often buy products not because of their attributes per se but rather because of the ultimate benefits that these attributes provide, in turn leading to the satisfaction of ultimate values. A market comes into existence because it fulfils the needs of the consumer. Consumer behaviour is a complex, dynamic, multidimensional process, and all marketing decisions are based on assumptions about consumer behaviour. Models of consumer behaviour play a key role in modern empirical Industrial Organization. The present study is concentrating on the important of features which will motivate the customers to buy the car. In the present scenario SUV car are dominating in the market. Customers are intended to go for the big car and their expectation or features motivating them. The study is conducted for selected brands in the selected customers.

Key words: consumer satisfaction, strategic market, Scenario, Attributes, multidimensional, empirical. 1. INTRODUCTION

It is a globally accepted fact that in recent times, marketers have become dynamic and the consumer has control over the strategic decisions made by the insurance companies. Companies are put to challenge to understand the pulses of new age policyholders and their buying pattern. India, in this scenario is no exception. It is being a nation of diverse cultures and traditions, understanding the consumers" buying pattern become a hard task. With the advent of globalization and the sequel changes in the country, many Multinational Insurance Corporations have started making a foray into Indian market due to its sky-scraping potential. Business environment today is turbulent as never before and the service industry as promising as never before. In this era of intense competition where customer is the king, success depends a lot on the efficiency of the managers in delivering what they have promised and the responsibility lies on the organizations to develop such a culture where business ethics are followed, value for the services is provided and quality services are offered to achieve higher level of customer satisfaction. For achieving customer satisfaction understanding dynamic consumer behaviour is essential. As true believers in the marketing concept marketer should try their best to meet needs of consumers. Service firms should follow a proactive approach i.e. begin the service and satisfaction management process before



they even come in contact with customers and also be reactive i.e. look forward for customers to complain, welcome them and tell them what to do. This study is an attempt to develop a thought on how to focus on enabling and keeping promises in service firms because how promises are kept is a clear indication of how strong and for how long shall the customer relationship be. The service sector dominates the Indian economy today, contributing to more than half of our National Income. Since services are intangible in nature and cannot be checked before the purchase is actually made therefore, it is very critical to deliver what has been promised to the target customer. Consumer behaviour studies play an important role in framing marketing and in deciding marketing strategies. Consumers are often studied because certain discussions are significantly affected by their behaviour or expected actions. For this reason such consumer behaviour is said to be an applied discipline. Such applications can exist at two level of analysis. The micro perspective involves understanding consumers for the purpose of helping a firm or organisation accomplish its objectives. On the macro or societal perspective consumers collectively influence economic and social conditions within an entire society. It will be a mistake to tag the growing preference for SUVs as a fad. Going by the frantic demand and anticipated product launches, more Indians will be driving an SUV or MUV by 2020. By 2027, SUVs may be as ubiquitous as the good ol' Maruti Suzuki 800 or the Ambassador. It is expected that SUV sales will continue to grow at a strong rate in the next decade, as India moves ahead to become part of the global automotive triumvirate or the Big

2. REVIEW OF LITERATURE

n this study, personal attitudes and beliefs were examined on the assumption that they acted as antecedents to a positive pre-purchase response. Studies conducted by Blackwell et al. (2001) and Mullin et al. (2000)1 strongly propose that the attitude/belief construct impacts response. The confirmatory factor analysis in this study found that the attitude/belief construct was dependent upon three items; however, the hypothesis test results suggested that it was dependent upon only two items. These items comprised of the assessment of the level of the consumer's positive. perception of the consumer. These items essentially support Madrigal's (2001) stance that a consumer's intention to purchase is influenced by a belief and attitude towards that behaviour. Additionally, such attitudes and beliefs are predictive upon what the consumer believes to be the consequence of their behaviour.

Rahul Singh and Shiny Raizada (2020)⁶⁹ explored the consumer behaviour; thinking and usage patterns of those who have bought a mid-range priced SUV in the last 10 months before the pandemic period or is planning to buy one in the next 10 months during the Pandamic period. The study is focused on four major factors Media Consumption, Unaided recall, Brand preferences and Price perception and decision making.

Dhruv Mathur, Avdesh Bhardaeaj, Aditi Pandey, Ashis Oberoi, Divya Rani (2018)²³ studied consumer buying behaviour of cars in India. Main objective of the study is to know about the automobile industry in India and to identify the consumer buying behaviour in India. Random sampling method was used as research method. Chi square test was used as statistical technique for analyzing data. In this study, was found that 40.98% of the people in the survey did not own car.

BIRANCHI $(2017)^{16}$ in his study attempt to explore the responsible factors on buying behavior of small cars among working professionals. This study finds that the factors like



artistic, economical, safety and security, and comfort ability has highly influenced to buying small cars.

Ravinder & Srikrishna, (2017)²⁰, found that purchasing of a car is greatly influenced by car advertisements followed by the recommendations of family and friends. It was also observed that in case of the small car segment of India, Alto 800 was the most preferred car followed by Santro, Tata India and Spark

Dr.K. Rajireddy, D. Ranvinder (2016)⁷¹ studied consumer behaviour towards brand preference of passenger cars in Karimnagar district. Main objective is to study the demographic profile of passenger cars consumer in Karimnagar district and to study the factor influencing the brand preference of passenger cars. Sampling method was used as research method. They used chi square test as statistical technique. In this study, they found that most of customer is preferred Maruti Suzuki, TATA and Hyundai car.

3. Scope of the Study

The literature brings into light that several studies have been put forward by several authors regarding the Buying behaviour of SUVs cars. The study will be conducted to find out the behaviour of the buyer during the purchase of SUVs vehicles. Moreover, no research work has been seen on this as these models are emerging in the automobile industry. Due to this reason, the present study has been designed to look forward towards. So the present study is concentrated on the research above topic, it is new to the Research it will help to improve and find out the lacuna in the Manufacturing Technology and Marketing process of SUVs.

4. Objective of the study

- To know the important variables that influences the consumer while purchasing.
- To know whether the demographic values of the consumer have influence on the purchase
- To find out the attributes in the car helps in purchase decision

5. Limitations of the Study

- 1. The study is limited to the buyers buying behavior of the SUVs vehicles only no other cares are considered for the study
- 2. The study is limited to Hyderabad and Secunderabad area only
- 3. Only selected manufacturers SUVs are considered for the study
- 4. The study is limited to the area, so findings may vary in other areas of India

6. Data analysis and interpretation

Table: 1

COSTONER I CREIMBING DEIN VIOR									
		Area							
		HYDERABAD		SECUNDERABAD					
		F	%	F	%				
How did you come to know about SUV cars	News paper advertisement	22	22%	21	21%				
	Social media	39	39.0%	38	38 %				
	Websites	13	13%	15	15%				

CUSTOMER PURCHASING BEHAVIOR



	Friends	14	14%	13	13.0%
	Others	12	12%	12	12%
	Total	100	100.0%	100	100.0%
	Family Members	27	27%	26	264%
Who influences	Friends	32	32%	32	32%
your purchasing	Colleagues	9	9%	11	11%
decisions the most	Neighbour	11	10 %	9	9%
	Self	21	21%	22	22%
	Total	100	100.0%	100	100.0%
Which of the	Maruti Suzuki	11	11%	12	12%
following brands	Hyundai	37	37.0%	33	33 %
you considered, in	Kia	18	18%	19	19%
top three, while purchasing your present car	Toyota Motor corp	14	14.0%	15	15%
	Mahindra	15	15.3%	16	15 %
	Honda	5	54%	5	5.0%
	Total	100	100.0%	100	100.0%
According to you what are the areas	Service	21	21%	19	19%
	Behaviour of salesmen	29	29%	30	30%
of improvement	Customer care	14	14%	13	13%
needed in the	Response	28	28%	27	27.0%
Dealers	Others	8	8%	11	10%
	Total	100	100.0%	100	100.0%
	Availability	9	9.0%	8	8.2%
	Good Company	25	25%	27	27%
What are the factors that you consider when you buy a Car	Quality & Durability	30	30 %	32	32%
	Advices	9	9%	7	7.0%
you buy a Cai	Affordability	27	27.0%	26	26%
	Total	100	100.0%	600	100.0%
You decided to	Affordable price	11	11.8%	68	11.3%

Anveshana's International Journal of Research in Regional Studies, Law, Social Sciences, Journalism and Management Practices EMAILID:<u>anveshanaindia@gmail.com</u>,WEBSITE:<u>www.anveshanaindia.com</u> 4



buy this brand because	Technical superiority over other cars	34	33.7%	205	34.2%	
	Comfort	13	13.2%	85	14.2%	
	Value of Money	19	18.8%	118	19.7%	
	Safety	23	22.5%	124	20.7%	
	Total	100	100.0%	600	100.0%	
How important is safety features in a car for you	Less Important	4	4%	4	4%	
	Slightly Important	7	7%	9	9%	
	Moderately Important	7	7%	10	10%	
	Very Important	36	36%	35	35.0%	
	Extremely Important	46	46.0%	42	42%	
	Total	600	100.0%	100	100.0%	

The analysis reveals the Area wise customer purchasing behaviour. How they come to know about SUV cars in Hyderabad 22 percent say News paper advertisement, 39.0 percent Social media 13 percent Websites, 14 percent Friends and 13 percent t through other sources. In Secunderabad region 21 percent say News paper advertisement, 39 percent Social media 15 percent Websites, 13.0 percent Friends and 12 percent through other sources. Who influences your purchasing decisions the most in Hyderabad 27 percent say Family Members, 32 percent Friends 9 percent Colleagues, 11 percent Neighbour and 21 percent themselves. In Secunderabad region 26 percent say Family Members, 32 percent Friends 11 percent Colleagues, 8.7 percent Neighbour and 22 percent themselves.

Which of the following brands you considered, in top three, while purchasing your present car in Hyderabad 10 percent say Maruti Suzuki, 37.0 percent Hyundai 18 percent Kia, 14.0 percent Toyota Motor corp., 15 percent Mahindra and 5 percent Honda. In Secunderabad region 12 percent say Maruti Suzuki, 33 percent Hyundai 19 percent Kia, 14 percent Toyota Motor corp., 15 percent Mahindra and 5.0 percent Honda. It clearly shows Hyundai and Maruti Suzuki and Kia dominating the SUV cars market. According to you what are the areas of improvement needed in the Dealers car in Hyderabad 21 percent say Service, 29 percent Behaviour of salesmen, 14 percent Customer care, 28 percent Response, 9 percent Others. In Secunderabad region 20 percent say Service, 30 percent others. What are the factors that you consider when you buy a Car in Hyderabad 9.0 percent say Availability, 25.2 percent Good Company, 30 percent Quality & Durability, 8 percent Advices, 27.0 percent Affordability. In Secunderabad region 8 percent say Availability, 27 percent Good Company, 32 percent Quality & Durability, 7.0 percent Advices, 25 percent Affordability. You decided to buy this



brand because in Hyderabad 12 percent say Affordable price, 34 percent Technical superiority over other cars, 13 percent Comfort, 19 percent Value of Money, 23 percent Safety. In Secunderabad region 11 percent say Affordable price, 34 percent Technical superiority over other cars, 14 percent Comfort, 20 percent Value of Money, 21 percent Safety. How important is safety features in a car for you in Hyderabad 4 percent say Less Important, 7 percent Slightly Important, 7 percent Moderately Important, 36 percent Very Important, 46.0 percent Extremely Important. In Secunderabad region 4 percent say Less Important, 9 percent Slightly Important, 10 percent Moderately Important, 35.0 percent Very Important, 42 percent Extremely Important. **Table: 2**

Features	Area											
	HYDERABAD					SECUNDERABAD						
	Lowest	2	3	4	Highest	Total	Lowest	2	3	4	Highest	Total
	F	F	F	F	F	F	F	F	F	F	F	F
Price	57	134	79	165	165	600	54	127	75	170	174	600
Maintenance cost	158	189	69	90	94	600	146	179	75	98	102	600
Comfort	46	75	50	159	270	600	38	76	58	160	268	600
Mileage	75	119	59	144	203	600	71	110	60	142	217	600
Colour	82	129	59	141	189	600	70	142	59	138	191	600
Brand	46	59	35	193	267	600	36	57	38	194	275	600
Features	88	115	48	150	199	600	88	121	55	145	191	600
Durability	94	127	52	142	185	600	89	133	58	135	185	600
Fuel capacity	111	140	47	145	157	600	103	142	52	144	159	600
After sale service	22	39	40	203	296	600	24	46	38	198	294	600
Availability of spares	10	29	45	206	310	600	15	31	49	197	308	600
Power steering	62	70	34	182	252	600	92	70	31	172	235	600
Engine H.P	54	91	103	163	189	600	77	130	88	141	164	600

RATING (for Features)

The table shows the ranking given by buyers for features. Hyderabad region Price given highest rank, Maintenance cost Lowest, Comfort Highest, Mileage Highest, Colour Highest, Brand Highest, and Features in car Highest, Durability Highest, Fuel capacity Moderate, After sale service Highest, Availability of spares Highest, Availability of spares highest, Power steering Highest, and Engine H.P Highest. Secunderabad region Price given highest



rank, Maintenance cost second rank, Comfort Highest, Mileage Highest, Colour Highest, Brand Highest, and Features in car Highest. Durability Highest, Fuel capacity Moderate, After sale service Highest, Availability of spares Highest, Availability of spares highest, Power steering Highest, and Engine H.P Highest

6. FINDINGS AND CONCLUSION

Easier and faster mobility of people and goods across the regions, countries and continents is a cherished yearning of mankind. The automobile industry's potential for facilitating the mobility is enormous. Wheels of development across the globe would have to be powered by the industry. Industry across countries will have to meet challenges of new technologies, alternative fuels and affordability of automobiles by people at large through constructive cooperation. The earlier we are able to achieve this the better it would be for the world development. The Automobile industry across the world has great potential to trigger sustained employment, mobility, inter-sectorial industrial growth and thus conduce conditions for general economic and social wellbeing. However, there is need to promote and sustain international co-operation between government and industry. There is need for coordinated research and development, standardization of designs and broader technologies, effective cost cutting to enhance affordability and loosening of trade barriers across the globe. The Automobile industry being the driver of economic growth, we should use it as a lever of accelerated growth in the country. It is concluded that conscious efforts should be made to fine-tune government policy to enable the Indian Automobile Industry to realize its potential to the fullest capacity. Majority of the respondents are say price, brand, durability, power steering and engine H.P are important feature look while selecting the vehicle. The analysis concludes that referral dimension plays dominant role apart from other dimensions.

7. SUGGESTIONS

From the above the findings, the study found the focus of manufacturers of four-wheeler is concentrated on improving fuel efficiency, price commensuration with features. The consumers do not prefer low priced product which gives low utility value. Instead, they are ready to trade off the cost of acquisition for best utility value. Purchase decision is motivated, by and large, by the easy and cost of transport, influence of family and suggestions about the utility of the vehicle. Consumers engage in utility maximization, with lower prices leading to consumers purchasing more and higher prices resulting in consumers purchasing less.

The studies revealed that majority of the consumers are using quality products in Automobiles. Consumers are associating superior quality, reasonable price and social status to famous company cars. It is also observed that even users of unbranded products are slowly shifting to branded products in the recent years. Thus branding and quality is gaining importance in rural and urban markets in the recent days. Rising literacy level, product awareness, media of communication, growing income levels etc., are aiding the growth of purchase of branded and quality products and durable products, should try to establish their brands and capture their market share to be successful in the rural market in the years to come, through innovative marketing strategies. The discount offer, free gifts, extra quality for same price, shelf-display measures, point of sale advertisement and more margins for the shopkeepers had been considered effective in rural markets for all product segments. Though



there is no predominant influence of these offers, these attempts will help consumer to move on to an expected level in purchase of at least select items. Hence, the manufacturer of cars should pay their attention to these aspects and try the possibility of winning the market through these promotional offers.

References

- 1. A. Asok, K. Sumathi (2015). Consumer behaviour with regard to purchase of small cars A study in Thoothkudi city. International Journal of Multidisciplinary Research and Development, 2349-4182.
- 2. Aaker, D. A. et al. (2004), Marketing Research, 8th Edition, NJ: Wiley, p316-17
- 3. Adithya, H. S. (2013), Customer Perception and Behaviour of car Owners an Empirical Study in Bangalore Cityl, Global Research Analysis, Vol. 2, No. 1
- 4. Balakrishnan Menon, Jagathy Raj V.P , Dominant partial Least square factors of consumer behavior of passenger cars, Asian Journal of Management Research Vol.3, Issue-1, pp.83-99, 2012.
- 5. Biranchi, N.S., (2017): "An Exploration Into the Factors Driving Working Professionals Buying Small Cars", Global Business Review, Volume: 19, No.1, pp. 175-186.
- 6. Chang, W.J., Liao, S.H. and Wu, T.-T. (2017) Relationships among Organizational Culture, Knowledge Sharing, and Innovation Capability: A Case of the Automobile Industry in Taiwan. Knowledge Mangagement Research & Practice, 15, 471-490
- 7. D. Ravinder & G. Srikrishna (2017) Consumer Behaviour Towards Small Cars In Hyderabad: An Empirical Study, International Journal & Magazine of Engineering, Technology, Management and Research, 4(1), pp. 217-220.
- 8. Dhruv Mathur, Avdesh Bharadwaj, Aditi Pandey and Divya Rani (2018) Consumer Buying Behaviour of Cars In India, International Conference on New Frontiers in Engineering Science & Technology.
- 9. Priya, A. A. S., &Ananthalaxmi, R. (2017). Factors influencing the consumers towards buying Maruti cars in Thoothukudi district. International journal of research-granthaalayah, 5(4 (se)), 41-51.
- 10. Ramita Verma, Shubhkamana Rathore [3], PEST Analysis for Indian Luxurious Car Market, IJMSSR Vol. 2, No.1 pp.22-26, Jan 2013.
- 11. Rahul Singh and Shiny Raizada, (2020) Customer Analysis of Mid-Range Sport Utility Vehicle in India Customer analysis of SUV, Nov 2020 Vol. 23 Issue 17.
- 12. Rajireddy, K., & Ravinder, D. (2016). Consumer Behavior towards Brand Preference of Passenger Cars in Karimnagar District. International Journal & Magazine of Engineering, Technology, Management and Research, 496-500.
- 13. Ramita Verma & Shubhkamana Rathore (2013), "PEST Analysis for Indian Luxurious Car Market", International Journal of Management and Social Sciences Research, Volume 3, pp. 22-26.
- 14. Yaylı, A. and Bayram, M., 2012. E-WOM: The effects of online consumer reviews on purchasing decisions. International Journal of Internet Marketing and Advertising, 7(1), 51-64.
- 15. Zahedanenob and an, D, 2002, "Investigation of the environmental motivations and effective marketing on consumers of GLX Peugeot in IranKhodro co", MA thesis, Teacher education university, Tehran.
- 16. Zeithaml V, Berry L, Parasuraman A. The behavioural consequences of service quality. J Mar. 1996; 60(2):31-46