

## Customers' Preference towards Car Purchase

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### Abstract

Customer preference varies from person to person. Thus, success of a business depends on how efficiently they identify their customers taste and preference and manufacture goods in accordance with their customer's expectations. Thus, in this study an attempt has been made to identify the factors considered by a customer before choosing a car. The result of the study disclose that majority of customers are prefer four wheeler considering mileage offered by the car, transmission, availability of spares etc.

**Keywords:** Car Preference, Customers, Fuel consumption, Automobile Industry

### Introduction

The Indian passenger-car industry has been on the continuous growth due to healthy progress of economy and development of road facilities supported by easy vehicle financing for prospective buyers. The small car segment has exhibited robust growth in production and sales over the last few years' right from the launch of Maruti Udyog Company in 1983. As such, for many years, small cars have accounted for a major part of the revenue of the fast expanding passenger-car market. Today, business around the world recognizes that the consumer is the king. Knowing why and how people consume products helps marketers to understand what types of product are needed in the market place, or how to attract consumers to buy their products. The era of liberalization, privatization and globalization has brought changes in society and lifestyle of people. Manufacturers can justify their existence only when they are able to understand customer's wants and satisfy them. The modern marketing concept for successful management of a firm requires marketers to consider the customer as the focal point of their business activity. Although it is important for the firm to understand the buyer and accordingly evolve its marketing strategy, the customer continues to be an enigma sometimes responding the way the marketer wants and on other occasions just refusing to buy the product from the same marketer. The study of customer behaviour focuses on how individuals make decision to spend their available resources. That includes what, why, when, where, how often they buy it, how they evaluate it after the purchase and the impact of such evaluation on future purchase. More than ever before, the need to understand customers and customer behaviour has become a hot topic around the globe. The study of consumer behaviour also includes an analysis of factors that influence purchase decisions and product use.

### Review of Literature

Mathankumar., V and Dr.R.Velmurugan (2015) in their study observes that customers may prefer a car based on look and style, transmission, availability of spares etc. Vinoth (2012) observes that easy maintenance, more mileage and an easy availability of spares motivates the customer to prefer Maruti Suzuki swift car. Roheenal Nagpal(2010) finds that easy to park, light steering, durability of interiors, convenience, and easy handling are the features consider by the women before purchasing the car. Karthigai Prakasam (2010) reveled that consumers prefer small cars due to low cost, better appearance and more mileage. Ranganathan (2009) finds that the mileage is the important criteria considered by the consumer while purchasing the car. Keerthi (2009) ascertains that advertisement on television

significantly influence the consumer to prefer car. Clement Sudhakar and Venkatapathy (2009) find that friends influence a person in choosing of small sized and mid sized cars.

**Statement of the Problem**

Customers may ascertain factors before choosing a four wheeler. Such factors may differ from person to person. Few customers choose a car based on brand name and few may choose or prefer a car based on mileage. Customer prefer towards four wheelers depends on safety and style, (Katiravan, 1997) product quality of a car influences a customer to own a car, (Peer Mohammed, 1998) competitive pricing and service quality influences a customer to purchase a car, (Bhuvana Ramalingam, 1999) customer will give importance to price, while purchasing the car, (Dharama Raj, 2000) opinion that design, fuel efficiency and after sales service influence a customer to prefer a car. These studies raise the following question (1) what are the important factors considered by a customer while preferring a car?

**Objective of the Study**

This study has been made to examine the reason for preferring a four wheeler by the customers

**Methodology**

**Data:** Data required for the study have been collected through questionnaires. Questions pertaining to Customers Preference towards Cars have been included in the questionnaire.

**Sampling:** By adopting convenience sample method, 520 respondents have been selected for the study.

**Study Area:** The present study confined to Thanjavur District.

**Tools:** Data have been analyzed by making use of Friedman Rank Test.

**Analysis and Interpretation**

To identify the factors considered by a customer before purchasing a car Friedman Rank test is employed.

**Table: Factors Considered before a Car Purchase – Friedman Rank Test**

Preference	Mean Rank	Rank
Look and style	11.05	5
Fuel consumption	12.27	1
Pulling Power (bhp)	10.62	8
Seating Capacity	9.98	11
Riding Comfort	7.69	18
Safety Features	7.86	17
Suitable to Indian Roads	10.83	6
Speed	10.13	10
Shock Absorber	10.53	9
Transmission	11.61	2
Tyre mileage	10.63	7
Braking efficiency	9.34	13

Preference	Mean Rank	Rank
Availability of Spares	11.53	3
Low Smoke Emission	9.76	12
More number Service Stations	8.95	16
Low Maintenance Cost	11.36	4
Cost Of Spares	9.2	14
Warranty period	7.65	19
High Resale Value	9.02	15

From the Friedman rank test it is ascertained, Majority of customers are prefer four wheeler considering mileage offered by the car, transmission, availability of spares etc.

### Suggestions

Customer’s give much more importance to mileage before choosing a car. Hence, it is suggested to manufacturers to spend huge among on their Research and Development activities for improving the mileage of the cars.

Customers equally give importance to look and style. Hence, it is suggested that manufacturers keep on introducing new model cars without sacrificing on safety aspects.

Government authorities and manufacturers should take necessary steps that spare parts available at the market are genuine. At the same, manufacturers should initiate necessary steps to make available genuine spare parts at cheaper cost.

In order to reduce maintenance cost, customers are instructed to properly maintain their car, by making use of free service check-ups. Apart from, manufacturers are suggested to increase their free after sales service at their showrooms.

Indian road condition is not up-to the mark of foreign countries. Hence, manufacturers have to design car, which is suitable to Indian road conditions.

To avoid air pollution, manufacturers have to design cars which offer low smoke emission.

Time-taken for car service is high, when more number of customers simultaneously delivers their car for service. In order to avoid delay, manufacturers may establish more number of service stations in the needy area.

Currently, insurance companies demand to incorporate more safety features in the newly manufacturing cars, in order to avail decent claim from insurance companies. Thus manufacturers have to improve the safety features not only to avail insurance claim but also to protect the invaluable life of their customers.

Manufacturers may attract new customers and retain their existing customers by improving the satisfaction level of customers. Hence, in order to increase their satisfaction level seating capacity may be enlarged and necessary shock-absorber to be incorporated in accordance with Indian road condition.

## Conclusion

Customer behaviour consists of all human behaviour which reflects in making purchase decisions. An understanding of customer purchase decision enable manufacturers to design or manufacturer cars according to customer's desire, thereby their goal may be attained. This study highlights the various factors which influence the consumer behaviour towards four wheeler purchase decision and their behaviour. The findings of the study mentions that majority of customers prefer four wheeler considering mileage offered by the car, transmission, availability of spares etc.,

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