

## Customers' satisfactions towards using small cars in Kanchipuram District

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### Abstract

Customer satisfaction is the key to business servers and it is the outcome felt by those that have experienced a company's performance that have fulfilled their expectations. A customer who has a good experience with the concerned dealer may probably use the same brand again while the customer who experiences problems with a particular brand of car may not use the same in next time. The core activity of any company is to attract and retain consumers. For this reason improving quality is important for existing customer and also for attracting new customers. Nowadays all companies are realizing the significance of delivering and managing service quality, which leads to customer satisfaction. Another important aspect in reducing car using costs is the fuel consumption, which is more seriously analyzed in the purchase decision. and the level of satisfaction towards price of the cars, style/design of the cars, fuel efficiency of the cars and break performance of the cars is differ significantly among the different brands of car users in the study area.

**Keywords:** Customer, Customer satisfaction, Automobile Company, passenger vehicles.

**JEL classification:** R33, P10, Q21, P18

**Introduction** Customer satisfaction among different brands has become an important and necessary concept in today's business world. Customer satisfaction is the key to business servers and it is the outcome felt by those that have experienced a company's performance that have fulfilled their expectations. A customer who has a good

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experience with the concerned dealer may probably use the same brand again while the customer who experiences problems with a particular brand of car may not use the same in next time. The core activity of any company is to attract and retain consumers. For this reason improving quality is important for existing customer and also for attracting new customers. Customer satisfaction has positive effects on organizations profitability and also shows the positive connection between customer satisfaction, loyalty and retention.

The satisfaction of consumers is different from one to another, because each consumer has different tastes and preferences in his life. Customer satisfaction is an important because a higher level of satisfaction can deliver many benefits. A highly satisfied customer is a loyal customer, buy more products, tells their friends and family about the product or service, they less likely to switch brands, costs less to serve than a new customer, they are willing to pay more for the products or service and, nowadays all companies are realizing the significance of delivering and managing service quality, which leads to customer satisfaction.

### **Need of the Study**

Now a day luxury products like car has become a commodity of necessity and has become one important element of life of even to the middle class people. At present days all the marketers have been trying to discover how consumers satisfied by using their brand of products they buy. Hence knowing the customers satisfaction of the different market segments helps a seller to select their target segment and evolve marketing strategies to increase the sales. To be a successful marketer it is absolutely essential to read the minds and perceptions of the customers of Automobiles. Hence, Automobile manufacturers should make researches on customer's satisfaction of owners of cars.

### **Statement of the Problem**

At present there are many curbsider is in car market they are unlicensed individual, dealer or retailer they buys up vehicles and instead of registering them under their own name, will post the same vehicle for sale with a markup. They might misrepresent the real condition of the car or hide major issues to make it look appealing. Most of the sellers and manufacturers mislead the buyers about a vehicle's make, price, quality or performance. Some dealers and lenders asked the car buyers to buy credit insurance to pay off the car loan if buyer should die or become disabled but credit insurance is not required by federal law. Actually dealer requires buying credit insurance for car financing; but it is included in the cost of credit. Invoice Price is the manufacturer's initial charge to the dealer is usually higher than the dealer's final cost because dealers receive rebates, allowances, discounts, and incentive awards. Generally, the invoice price should include freight. Most of the dealers sell the car at the invoice price plus freight and their percentage of margin. While comparing models and prices in advertisement and at dealer showrooms are differing. Some dealer chits the customers without giving all the after sales support and warranty which are offering by manufacturers. Dealer requiring consumers to purchase fuel and maintenance discount coupons that they didn't want, adding in some cases thousands of rupees to the purchase price of the cars. Most of the sellers get sign from buyers in the contract to a superior "for approval," after that if they have made changes and buyer agrees to them. In the present modern technology age due to fast changing dynamics of the technology world the opportunities are myriad and consumer preferences undergo a dramatic change. Because of the above stated problems may car customers not satisfied about the performance of car attributes and car sellers' behaviours. Only a limited number of attempts have been made to study the impact of brand preference factors on customer satisfaction. Based on these basic issues, the researcher has developed an interest to study the car buyers' behaviour and attitude towards buying small cars. To fulfill the aim and the

purpose of the study, the research question has been formulated by relying on the background and the problem statement as following:

### **Objectives of the Study**

The main aim of purpose of this research is to study the level of satisfaction of small car buyers. Hence, the study is aimed at the following objectives.

1. To analyze the level of satisfaction towards use of small cars.
2. To make suggestions in the light of the findings of the study.

### **Hypotheses of the Study**

In line with the above stated objectives, the following hypotheses was formulated and tested for the purpose of this study.

**H<sub>0</sub>**: “the level of customers’ satisfaction among the different brand car towards the various attributes of car does not differ significantly”.

## **RESEARCH METHODOLOGY**

### **Nature of the Study**

The present study is an empirical as well as analytical in nature and based on survey method.

### **Sources of Data**

Keeping in view the versatile objectives of the study, the data collected from both the primary and secondary sources. The primary data has been collected through questionnaire. The relevant secondary data have been collected from journals, magazines, thesis, and dissertations, published and unpublished reports, online and reports.

### **Sampling Technique**

Sampling technique adopted in the present study was systematic simple random sampling. A total of 560 questionnaires were issued, filled up and collected. A scrutiny of these questionnaires led to the rejection of 10 questionnaires on account of incomplete responses. The rejection rate was only 3 per cent. Thus 550 completed questionnaires were used for the present study.

### **Tools Used for Analysis**

The collected data are analyzed through descriptive statistical tools such as Percentage, Mean and Standard deviation have been used to describe the profiles of consumers, preferred product attributes and level of satisfaction. For testing the significance of hypothesis, analysis of variance (ANOVA), chi-square test and student's t test were used.

## **CUSTOMERS LEVEL OF SATISFACTION TOWARDS VARIOUS ATTRIBUTES OF CARS**

### **1. Respondents 'Level of Satisfaction towards Price of Car**

The researcher interested to find the respondents' level of satisfaction towards price of their car. In order to compare the users of different brand of cars in the study area and also an attempt was made to find out the significant difference in their satisfaction level. In order to make a clear analysis, the following statistical hypothesis was formulated and tested.

Ho: "the level of satisfaction among different brands of cars towards the price of car does not differ significantly".

To analysis the significant difference, ANOVA test was applied and the result is shown in Table.1

**TABLE.1**

**RESPONDENTS’ LEVEL OF SATISFACTION TOWARDS PRICE OF CAR**

Level of Satisfaction	Brand of Car					Total
	Maruti	Hyundai	Mahindra	Tata	Honda	
Highly dissatisfied	22 (-220)	13 (-130)	8 (-80)	19 (-190)	8 (-80)	70 (-700)
Dissatisfied	32 (-160)	27 (-135)	10 (-50)	39 (-195)	14 (-70)	122 (-610)
Neutral	18 (0)	9 (0)	5 (0)	16 (0)	11 (0)	59 (0)
Satisfied	37 (185)	31 (155)	7 (35)	27 (135)	12 (60)	114 (570)
Highly satisfied	71 (710)	34 (340)	15 (150)	47 (470)	18 (180)	185 (1850)
Total	180 (515)	114 (230)	45 (55)	148 (220)	63 (90)	550 (1110)
Mean	2.86	2.02	1.22	1.49	1.43	2.02
Satisfied score	49.72%	43.42%	41.11%	46.62%	38.10%	44.00%
Dissatisfied score	- 21.11%	-23.25%	-28.89%	- 26.01%	- 23.81%	- 23.82%
Overall satisfaction score	28.61%	20.18%	12.22%	14.86%	14.29%	20.18%
ANOVA	12.462			.001**		

Source: Computed from primary data

Note: Values in parenthesis represents Rank score

It is found from Table 1 that among the selected five brands of cars the satisfaction score of Maruti brand was high (49.72%) second highest score was shown by Tata cars (46.62%). Among the dissatisfaction score the highest was found in Mahindra cars (28.89%). According to overall satisfaction score it is found that maruti customers have highest satisfaction (rank score 28.61% with mean 2.86) towards its price, the least rank score were seen in Mahindra (rank score 12.22% with mean 1.22) followed by Honda car users (rank score 14.29% with mean 1.43). From result it can be sum up that the car users in the study area were least satisfied about their car price (rank score 20.18% with mean 2.02). The calculated F values is 12.462 with  $p = .001$  is significant at 5 per cent level; hence the stated hypothesis is rejected. It is concluded that the level of satisfaction towards price of the cars is differ significantly among the different brands of car users in the study area.

## **2. Respondents' Satisfaction towards Style/Design of Car**

The researcher interested to find the respondents' level of satisfaction towards style and design of their car. In order to compare the users of different brand of cars in the study area and also an attempt was made to find out the significant difference in their satisfaction level. In order to make a clear analysis, the following statistical hypothesis was formulated and tested.

Ho: "the level of satisfaction among different brands of cars towards the style and design of car does not differ significantly".

To analysis the significant difference, ANOVA test was applied and the result is shown in Table.2

**TABLE.2**

**RESPONDENTS' LEVEL OF SATISFACTION TOWARDS STYLE/DESIGN OF CAR**

Level of Satisfaction	Brand of Car					Total
	Maruti	Hyundai	Mahindra	Tata	Honda	
Highly dissatisfied	21 -(210)	5 -(50)	5 -(50)	15 -(150)	3 -(30)	49 -(490)
Dissatisfied	52 -(260)	26 -(130)	17 -(85)	30 -(150)	15 -(75)	140 -(700)
Neutral	15 (0)	9 (0)	7 (0)	15 (0)	7 (0)	53 (0)
Satisfied	40 (200)	14 (70)	7 (35)	37 (185)	17 (85)	115 (575)
Highly satisfied	52 (520)	60 (600)	9 (90)	51 (510)	21 (210)	193 (1930)
Total	180 (250)	114 (490)	45 -(10)	148 (395)	63 (190)	550 (1315)
Mean	1.39	4.30	0.22	2.67	3.02	2.39
Satisfied score	40.00%	58.77%	27.78%	61.15%	46.83%	45.55%
Dissatisfied score	- 26.11%	-15.79%	-30.00%	- 20.27%	- 16.67%	- 21.64%
Overall satisfaction score	13.89%	42.98%	-2.22%	26.69%	30.16%	23.91%
ANOVA	8.034			.021**		

Source: Computed from primary data

Note: Values in parenthesis represents Rank score

The above Table 2 highlights the satisfaction score about the style and design of the selected five brands of cars, among the selected brands Tata cars was high (61.15%) second highest score was shown by Hyundai cars (58.77%). Among the dissatisfaction score the highest was found in Mahindra cars (30%). According to overall satisfaction score it is found that Hyundai customers have highest satisfaction (rank score 42.98% with mean 4.30) towards style/design, the least rank score were seen in Mahindra (rank score - 2.22% with mean 0.22) followed by Honda car users (rank score 13.89% with mean 1.39). From result it can be sum up that the car users in the study area were least satisfied about their car price (rank score 23.91% with mean 2.39). The calculated F values is 8.034 with  $p = .021$  is significant at 5 per cent level, hence the stated hypothesis is rejected. It is concluded that the level of satisfaction towards style/design of the cars is differ significantly among the different brands of car users in the study area.

### **3. Respondents' Satisfaction towards Fuel Efficiency of Car**

The researcher interested to find the respondents' level of satisfaction towards fuel efficiency of their car. In order to compare the users of different brand of cars in the study area and also an attempt was made to find out the significant difference in their satisfaction level. In order to make a clear analysis, the following statistical hypothesis was formulated and tested.

Ho: "the level of satisfaction among different brands of cars towards the fuel efficiency of car does not differ significantly".

To analysis the significant difference, ANOVA test was applied and the result is shown in Table.3

**TABLE.3**  
**RESPONDENTS’ LEVEL OF SATISFACTION TOWARDS FUEL EFFICIENCY OF CAR**

Level of Satisfaction	Brand of Car					Total
	Maruti	Hyundai	Mahindra	Tata	Honda	
Highly dissatisfied	17 -(170)	8 -(80)	7 -(70)	23 -(230)	4 -(40)	59 -(590)
Dissatisfied	46 -(230)	40 -(200)	12 -(60)	38 -(190)	12 -(60)	148 -(740)
Neutral	17 (0)	10 (0)	9 (0)	18 (0)	6 (0)	60 (0)
Satisfied	38 (190)	15 (75)	2 (10)	19 (95)	14 (70)	88 (440)
Highly satisfied	62 (620)	41 (410)	15 (150)	50 (500)	27 (270)	195 (1950)
Total	180 (410)	114 (205)	45 (30)	148 (175)	63 (240)	550 (1060)
Mean	2.28	1.80	0.67	1.18	3.81	1.93
Satisfied score	45.00%	42.54%	35.56%	45.61%	53.97%	43.45%
Dissatisfied score	- 22.22%	- -24.56%	- -28.89%	- 28.38%	- 15.87%	- 24.18%
Overall satisfaction score	22.78%	17.98%	6.67%	11.82%	38.10%	19.27%
ANOVA	11.059			.000**		

Source: Computed from primary data

Note: Values in parenthesis represents Rank score

It is found that the Honda cars have highest satisfaction score (53.97%) and followed by Tata and Maruti brands 45.61 and 45 per cent respectively. Dissatisfaction score of among the selected five brands the highest was found in Mahindra cars (28.89%). According to overall satisfaction score it is found that Honda cars highly satisfy its customers towards fuel efficiency with (rank score 38.10% with mean 3.81), the Mahindra cars was last in this aspect (rank score -6.67% with mean 0.67) followed by Tata car (rank score 11.82% with mean 1.18). It is concluded with the help the result of the analysis that the car users in the study area were least satisfied (rank score 19.27 % with mean 1.93) in respect to fuel efficiency of their cars. The calculated F values is 11.059 with  $p = .000$  is significant at 5 per cent level; hence the stated hypothesis is rejected. It is concluded that the level of satisfaction towards fuel efficiency of the cars is significantly differ among the different brands of car users in the study area.

## **Conclusion**

According to the present study, It is argues that customers give in general, much more importance to image in their acquisition, and the current economic crisis customers prefer a branded cars for the benefits from the image of the brand which conveys also a better social status image. Another important aspect in reducing car using costs is the fuel consumption, which is more seriously analyzed in the purchase decision. and the level of satisfaction towards price of the cars, style/design of the cars, fuel efficiency of the cars and break performance of the cars is differ significantly among the different brands of car users in the study area.

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