

## **A STUDY ON CONSUMERS OPINION ABOUT MULTI UTILITY VEHICLES – A COMPARATIVE STUDY**

**Mr. Kumaraswamy Marepelli**

Research Scholar, Department of Human Resource Management & PA, Kakatiya University, Warangal, TS.

### **Abstract**

The automobile industry maintained a steady annual growth rate of over 15% in the last four years. With the gradual liberalization of the automobile sector since 1991, the number of manufacturing facilities in India has grown progressively to 15 manufacturers of passenger automobile and multi – utility vehicles, nine manufacturers of commercial vehicles, 14 manufacturers of two/three wheelers and 14 manufacturers of tractors. The first motor on the streets of India was seen in 1898. Mumbai had its first taxi cabs in the early 1900. After fifty years, automobiles were imported to satisfy the domestic demands. From 1910 to 1920, the auto mobile industry made a humble beginning by setting –up assembly plants in Mumbai, Kolkata and Chennai. The imported/ assembly of vehicles grew consistently after 1920's crossing 30,000 mark in 1930. The manufacturers might think of extending a guarantee and warranty period. It helps both the manufacturers, if they extend guarantee and warranty period, it will support to enhance sales and users are enjoying this benefit from the manufacturers.

Further, being the major sector generating employment opportunities and gaining more foreign exchange, the automobile segment should be given necessary policy support by the government. Setting up export promotion council for vehicle manufacturers would go a long way in coordinating their efforts apart from exploring the new market opportunities abroad. They may evolve the product design based on the light of consumer preference for the various product related factors. The study also has strong conclusion of product segmentation based on line preference factors and other marketing strategies which may also be based on these factors.

Keywords: Consumer, Multi Utility Vehicles, Manufacturers, Industry, Employment.

### **INTRODUCTION**

The automobile industry, which is one of the largest industries in India, is one of the key sectors of the Indian economy. This industry comprises automobile and auto component sectors and encompasses commercial vehicles, multi- utility vehicles, passengers two – wheelers, three – wheelers, tractors and related auto components. India is also being looked upon as the prime business destination for many global auto players. India is the world's largest motorcycle manufacturer, the fifth largest commercial vehicle manufacturer and fourth largest automobile market in Asia (the estimate was one million plus vehicles in 2004-05).

The automobile industry maintained a steady annual growth rate of over 15% in the last four years. With the gradual liberalization of the automobile sector since 1991, the number of manufacturing facilities in India has grown progressively to 15 manufacturers of passenger automobile and multi – utility vehicles, nine manufacturers of commercial vehicles, 14 manufacturers of two/three wheelers and 14 manufacturers of tractors. The automobile industry performance in the year 2005-06 showed encouraging results for all segments of the automobile industry.

The first motor on the streets of India was seen in 1898. Mumbai had its first taxi cabs in the early 1900. After fifty years, automobiles were imported to satisfy the domestic demands. From 1910 to 1920, the auto mobile industry made a humble beginning by setting –up assembly plants in Mumbai, Kolkata and Chennai. The imported/ assembly of vehicles grew consistently after 1920's crossing 30,000 mark in 1930. In 1946, Premier Automobile Led. earned the distinction of manufacturing the first automobile in the country by assembling 'Dodge Desoto' and 'Plymouth' cars in its Kurla plant. Hindustan Motors (HM), which started as a manufacturer of auto components graduated to manufacture automobile in 1949. In 1952, the Govt. of India setup a tariff commission to devise regulations to develop on indigenous automobile industry in the country.

After the commission submitted its recommendations, the Government of India asked assembly plants, which did not have plans to setup manufacturing facilities, to shut operations. As a result General motors, Ford and other assemblies closed operation in the country.

### **NEED FOR THE PRESENT STUDY**

The relevance and importance of understanding consumer behavior is rooted in the modern marketing concept of multi utility vehicle. In order to operationalise this concept, management attempts to solve some consumption problems of consumers. However no businessman possibly helps consumers solve their consumption problems unless he understands them and unless he makes an attempt to comprehend the buying processes and the factors influencing it.

Consumer behaviour is always dynamic. Therefore, it is necessary to study, analyze, and understand, and monitor this understanding to the marketing management so that effective decision can be taken in respect of products, price, promotion and physical distribution. The profit position of a product hinges on the kind of predisposition – positive / negative – that a consumer has developed such a predisposition.

Besides, the Indian marketing conditions, in particular, the role of the Government and the steadily emerging consumer movement necessitates that marketers in India must understand consumer behavior – their needs, aspirations and problems. It will be extremely useful in exploiting marketing opportunities and in meeting the challenges that the Indian market offers. Thus, in substance, it may be said that in the interest of effective marketing, marketers must develop and understand their consumer's behavior the buying motives, the buying processes, and the factors influencing the process of multi utility vehicle.

### **STATEMENT OF THE PROBLEM**

Reynolds Gutman (2004) have identified over sixty attributes that can be ascribed to purchase of automobile, consumers make evaluation based on a limited number of attributes only. According to them, the buyers evolution of automobile purchase preference is in the terms of interiors roominess, durability, gasoline economy, warranty coverage and price. Some people compare automobile interms of styling styling, comfort and performance.

Erickson and Johansson (2004) have investigated the various attributes involved in the purchase of automobile viz. price, horse power, acceleration, mileage, safety driving comfort passenger comfort, reliability workmanship, styling and colour. It was found that price to be loaded highly on quality factors indicates an intervening of price beliefs. With judgment about quality. But the pricing variables are horse power, acceleration and driving comfort.

Pitchard and Bary (2006) discussed in brief about the Renault market share, it is found that Renault is among the UK's top ten selling automobile. It is awarded as European automobile of the year. It has performed in sales above the expectations. It focuses on the clio's "dynamism", hence it features of the 16V model working on the "trickle down" theory of image bridling. Halstead (2009) has found that the level of satisfaction both warranty and service are more important and must be higher than the consumers' expectations of warranty and service.

### **RESEARCH METHODOLOGY**

In this paper, the methodology followed in conducting the research has been described. Details regarding the research design, data collection questionnaire, sampling plan area of the study and statistical tools used have also been given. Finally the limitations of the study have also been briefed.

### **OBJECTIVES OF THE STUDY**

1. To analyse the consumer opinion about multi utility vehicles a comparative analysis.
2. To analyse the factor that influence the buyers for the purchase of multi utility vehicles.

**RESEARCH DESIGN**

Research design is purely and simple the framework or plan for a study that guides the collection and analysis of the data. The research design indicates the methods of research i.e. the method of gathering information and the method of sampling.

**DATA COLLECTION**

Primary data were collected by conducting direct structured interview using questionnaire. All the respondents were asked the same questions in the same fashion and they were informed the purpose of study. The data were collected by using questionnaire as an instrument.

**SAMPLE**

This is an empirical study and primary data were collected from a random sample of 100 respondents in Hyderabad city.

**STATISTICS USED**

Statistical measures such as Mean, SD, t-tests, Analysis of Variance and regression analysis were used to interpret the obtained data.

**ANALYSIS OF THE DATA**

The data collected through questionnaires have been tabulated. By using the above mentioned statistical tools, the data have been analysed. Interpretations have been drawn based on the analysis. The findings and observations are the results and outcome of the interpretations made during the course of analysis.

**PRESENTATION OF THE REPORT**

Tables and figures have been used wherever necessary to facilitate the analysis and interpretation. Explanations for the tables were given for the tables wherever necessary.

**LIMITATION OF THE STUDY**

Through the research has been properly planned and well executed, there are certain limitations, which are inherent in nature and are out of the researchers control. The effectiveness of the project is felt only when the results are read along with the limitations and constraints faced during the course of this study. The following are the limitations.

1. The responses from the respondents could be casual in nature. This may be due to lack of interest or time on their part.
2. The correctness of information provided by the respondents in the personal data could not be established.
3. Some of the information provided by the respondents might not be correct.
4. Getting timely responses from the respondents was a difficult task.
5. The reason for this may be attributed to their busy schedules.

**RESULTS AND DISCUSSION**

**Table-1**

**Consumer’s opinion about multi utility vehicles on the basis of Education**

Education	N	Mean	Std. Deviation	F-ratio	LS
Up to school level	25	221.88	14.26	5.82	0.01
Graduate / Diploma	16	215.69	12.24		
Professional Qualification	20	214.05	11.85		
PG and above	39	218.56	12.26		
Total	100	221.52	13.91		

**Source: Primary Data**

Ho: Respondent do not differ significantly in their opinion about multi utility vehicle on the basis of education.

The result reveals that the obtained F-ratio (5.82), which is significant at 0.01 level. Hence, the stated hypothesis is rejected. So respondents differ significantly in their opinion about multi utility vehicle on the basis of education.

**Table-2**

**Consumers opinion about multi utility vehicles on the basis of Monthly Income**

Monthly Income in Rs.	N	Mean	Std. Deviation	F-ratio	LS
Below 20,000	60	220.71	13.05	3.66	0.01
20,000-30,000	12	214.86	12.19		
30,001-40,000	11	218.45	12.51		
40,001-50,000	7	215.00	12.11		
Above 50,000	10	210.24	11.62		
Total	100	221.52	13.91		

Source: Primary Data

Ho: Respondents do not differ in their opinion about multi utility vehicles on the basis of monthly income.

The calculation F-ratio (3.66), which is significant at 0.01 level. Hence, the stated hypothesis is rejected. So, respondents differ in their opinion about multi utility vehicles on the basis of family income.

**Table-3**

**t-Test for Respondents Opinion about multi utility vehicles on the basis of Marital Status**

Marital Status	N	Mean	Std. Deviation	t- value	LS
Single	60	216.63	13.12	2.494	0.01
Married	40	220.35	10.58		

Source: Primary Data

Ho: Respondents do not differ in their opinion about multi utility vehicles on the basis of marital status.

The calculated t-value (2.494), which is significant at 0.01 level not proved the null hypothesis. So, respondents differ in their opinion about multi utility vehicles on the basis of marital status.

**Table-4**

**Showing the stepwise regression analysis predicting consumer opinion about multi utility vehicle.**

Sl.No	Step/ Source	Cumulative R <sup>2</sup>	^R <sup>2</sup>	Step t	P
1	Age	0.064	0.034*	3.425	0.01
2	Religion	0.052	0.047*	2.442	0.01
3	Education	0.065	0.079*	2.217	0.01
4	Marital Status	0.078	0.082*	2.332	0.01

\*P<0.01, Constant value = 20.142

Four variable viz. age, religion, education and marital status have significantly contributed for predicting in the consumer opinion about multi utility vehicle seems to be 0.064, when paired with the variable religion is 0.052, with education 0.065 and with marital status 0.078. The predictive value of these variables separately is 0.01.

**Table-5**

**Showing the stepwise regression analysis predicting after sales services of multi utility vehicle.**

Sl.No	Step/ Source	Cumulative R <sup>2</sup>	^R <sup>2</sup>	Step t	P
1	Type of family	0.045	0.054*	3.182	0.01
2	Gross income	0.057	0.047*	2.427	0.01
3	Occupation	0.068	0.056*	2.316	0.01

Constant value = 18.454

Three variable viz. types of family, gross income and occupation have significantly contributed for predicting the after sales services of multi utility vehicle. The variable types of family predictive value of after sales services of multi utility vehicle seems to be 0.045, when paired with the variable gross income is 0.057 and with occupation 0.068. The predictive value of these variables separately is 0.01.

**Table-6**

**Showing the stepwise regression analysis predicting Customer relationship management**

Sl.No	Step/ Source	Cumulative R <sup>2</sup>	^R <sup>2</sup>	Step t	P
1	Age	0.068	0.048*	3.452	0.01
2	Education	0.075	0.062*	2.474	0.01

\*P<0.01

Constant value = 21.541

Two variables viz. age and education level have significantly contributed for predicting in the customer relationship management. The variable age predictive value of customer relationship management seems to be 0.068 and when paired with variable education is 0.075. The predictive value of these variables separately is 0.01.

**FINDINGS**

1. Results shows that respondent differ significantly in their opinion about multi utility vehicle on the basis of education.
2. Result inferred that respondents differ in their opinion about multi utility vehicles on the basis of monthly income.
3. Results exhibites that respondents differ in their opinion about multi utility vehicles on the basis of marital status.
4. Results shows that age, religion, education and marital status have significantly contributed for predicting in the consumer opinion about multi utility vehicle.
5. Result inferred that type of family, gross income and occupation have significantly contributed for predicting the after sales services of multi utility vehicle.
6. Result exhibits that age and education level have significantly contributed for predicting in the customer relationship management.

**SUGGESTIONS**

Analysis of the problems of the multi vehicle manufacturers and users has revealed that packages of measures are to be designed to enable this multi utility vehicle segment to operate to its full potential. The package of these measures is presented hereunder. As the markets for the multi utility vehicle is becoming more and more competitive, the manufactures have to focus more on their research and developmental activities.

For this, continuous flow of marketing information has become a basic necessity. In this context, the marketing information system maintained by quality is worth studying and replicated by other manufactures. Added to this is the need to allocate increased funds for research and developmental activities. As the demand for fuel efficient automobile is projected to increase manifold by the turn of this century, product improvement assume significance.

Computer Aided Design could be adopted to improve the product in response to market challenges. Technological up gradation alone would help the manufactures to build up their market share. Having identified the potential of the semi-urban market, the manufacturers have to give a town – thrust in all their policies. Right from the design of the product down up to the distribution system, the manufacturers may give the town and semi-urban faces. Simultaneously, the after sales service facility should be extended not only through the authorized dealers, but also through other private service centres. The private service centres should be trained by the manufacturers in their factories. Another essential step to be taken by the manufacturers is ensuring regular supply of genuine spare parts to their dealers and private service centres.

The manufacturers might think of extending a guarantee and warranty period. It helps both the manufacturers, if they extend guarantee and warranty period, it will support to enhance sales and users are enjoying this benefit from the manufacturers. Exchange offer scheme is also more of support to manufacturers, though one or two manufacturers follow this method, the remaining manufacturers may also offer this exchange automobile system, only then the manufacturers will be able to retain their existing consumers and also there will be increase in the market share and finally the customer will enjoy this package. Zero percent automobile lone may also be offered by all manufacturers, either its own finance or arranged by other financial institutions. Then the consumer will enjoy this benefit and manufacturers will be able to enhance the market share.

The vehicle owners have to give more importance to the effective advertisements and Dealers' network because majority of the automobile owners are making the buying decision only on effective advertisements and suggestions from dealers.

The multi utility vehicle owners are giving more importance to safety and trouble free performance of engines when they purchase a vehicle. So the manufacturers have to give more importance to safety and ensure trouble free performance of engines to avoid accidents and to reduce the risk of the vehicle owners. Part of the government, there should be continued interaction with the industry or the manufacturers associations apart from chamber of commerce to ascertain their views while revising the tax structure. Further, being the major sector generating employment opportunities and gaining more foreign exchange, the automobile segment should be given necessary policy support by the government. Setting up export promotion council for vehicle manufacturers would go a long way in coordinating their efforts apart from exploring the new market opportunities abroad. The council could also serve as the spokesmen of the vehicle manufacturers to wrest the required support from the Government.

### **RECOMMENDATION**

From 2015 onwards, the buyers for other vehicle started increasing. Brand image must take effective steps to retain the market position. The preferences for other vehicle are mainly due to its appearance. Advanced technology nature friendly etc. Multi utility vehicle must also concentrate on these lines with reduced cost which alone may help to retain the position. Factors such as durability, guarantee, service facilities etc. are less satisfactory. Attempt may be made to satisfy all the factors. Factors such as Road grip, power steering, seating comfort, Braking power etc. must be given additional importance because these factors are highly satisfactory in the vehicle. In the service dimensions explaining the service rendered or to be rendered, friendly approach, appearance of service personnel confidence in service and reliability in service are to be further improved.

### **CONCLUSION**

The present study attempted to consumers opinion about multi utility vehicles. There is a huge potential for multi utility vehicle segment and hence manufacturers must think of society and costumers preference as their primary motive and based on which the product can be modified. This also helps the manufacturers to identify the less factors and this widens the manufacturers to improve in such areas. They may evolve the product design based on the light of consumer preference for the various product related factors. The study also has strong conclusion of product segmentation based on line preference factors and other marketing strategies which may also be based on these factors.

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