



A STUDY ON CONSUMER BUYING BEHAVIOUR TOWARDS PASSENGER CARS IN WESTERN MAHARASHTRA REGION

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Abstract

Nowadays, the most profitable industry is the automobile sector. The primary drivers of high-volume car categories are the availability of quick financing and a boost in disposable income in both the urban and rural areas. The study in the field of automobile customer behaviour is analysed in this paper. The marketer will be more successful if they possess a comprehensive knowledge of customer buying habits. The purpose of this study is to examine how Pune region consumers purchase passenger cars, with emphasis on price sensitivity, advertising, and the function of salesmanship. Advertising is crucial for creating perspectives, promoting brand loyalty, and educating customers about the features and advantages of products. This study looks at how advertising tactics influence customer choices, emphasizing elements like special offers, brand visibility, and emotional appeal. Price sensitivity is another critical determinant in car purchases. The relationship between salesperson and customers, or salesmanship, also has a big role in affecting how decisions are made. This study examines how the final purchase decision is influenced by the quality of salesmanship. This paper discusses the consumer buying behaviour towards purchase of cars with the help of extensive literature review and suggest the marketers to act accordingly. Every aspect of the Indian auto business was examined, and it was found that consumers have different priorities for particular actions, but disposable income is the main driver for automobile purchases. When it comes to customer needs, value for money, safety, and driving comfort obtain highest; The method used for this study was to analyse the existing research on the passenger car market, analyse the decision concerning purchase and how it interacts with behaviour factors in all car markets.

Keywords: Consumer Buying Behaviour, Advertising, Price Sensitivity, Salesmanship

Introduction

One of the largest marketplaces in the world is India, where the auto industry is expanding quickly. The demand for passenger automobiles keeps rising as consumers' disposable income

increases. Manufacturers and marketers that want to successfully target the proper audience must have a thorough understanding of the elements driving consumer purchasing decisions. The Pune area provides a distinctive case study for understanding consumer buying habits because of its booming automobile industry and varied customer base. With an emphasis on price sensitivity, advertising, and the function of salesmanship, the paper attempts to investigate the major factors that influence purchasing decisions in the area, examine how advertising affects the purchasing decisions of consumers, determine Pune's automobile customers' degree of price sensitivity and how salesmanship affects your final decision to buy.

Literature Review

The automobile industry, which has a large number of prospective customers, is booming with a wide range of alternatives and types accessible and fierce rivalry that makes it difficult for any company to survive. These businesses promote in the hopes that the consumer will react favorably to their offer. Understanding the nuances of consumer behavior is essential for success in this cutthroat industry. With this knowledge, marketers can make informed choices that consider the needs of their target audience. From the foregoing assessment the key class of consumer behavior determinants and expectations, are socioeconomic, psychological, political, geographical, demographic and product & technology. Automobile manufacturers will be able to match their tactics with consumer behavior if human behaviors are further categorized into primary groups. The brand, comfort of the seats, driving experience, and safety should be the main marketing priorities (Mr. Anuj Arora 2020).

According to the study's findings, the Indian passenger car market is undoubtedly still expanding at a double-digit rate. Automobile manufacturers still have a long way to go in persuading consumers of the brand personality of their vehicles and how well they fit potential purchasers. Understanding how important the passenger automobile manufacturing is in the current economic climate, the marketing of different passenger automobile brands has been examined by researchers. The passenger car is no longer considered a luxury in today's globe. A marketer can make decisions that are in line with the needs of their target audience by having a thorough awareness of their purchasing preferences and perceptions. It draws attention to the several elements that affect passenger automobile marketing.

The marketing mix and passenger automobile marketing have been examined in the study. The study's conclusions will help the government and auto industry marketers create appropriate regulations to advance the auto industry, especially the auto market. Lastly, the Kanyakyumari

passenger car manufacturers' marketing strategy, customer perception, and customer happiness are all met (Dr.S.RAJAPRIYA 2023)

According to the study's findings, the company's after-sales services, price, and fuel efficiency all have an impact on consumers. Customers express satisfaction with the features of the company's compact automobiles. The marketing of different passenger automobile brands has been examined by researchers. They are dissatisfied with the company's after-sales services, maintenance costs, delivery time, free services, automobile pricing, and spare part prices in addition to fuel economy. The study also shows that high car prices, expensive spare parts, and high maintenance costs in the study area are the primary issues faced by consumers (A. Jaganathan 2018)

The purpose of the paper is to study the consumer buying behaviour towards car. 100 samples were taken from Surat city, Gujarat. Both Primary and secondary data were used in research. One sample t-test and frequency analysis was used as data analysis statistical tools. According to the study, most consumers prefer Audi, BMW, and Hyundai. The majority of respondents are brand loyal, and the majority of them stated that they bought cars for personal and family reasons. They primarily obtained information about the cars from friends and coworkers, and the majority of them preferred new cars. Respondents primarily favored mid-size or small family cars. Loan was selected by respondents as a mode of respondents. Additionally, respondents cited pricing, fuel economy, safety, and upkeep as crucial considerations when selecting a vehicle (Asad Mahida 2020)

According to research, there are several main categories of factors that influence customer behaviour and expectations, including demographic, socioeconomic, psychological, political, geographic, and product and technology factors. Automobile manufacturers will be able to link their plans with consumer behaviour if human behaviours are further classified into primary groups. Although customers in the micro segment are very cost sensitive when buying cars, they are also improving their needs, and as a result of increased discretionary money, there is an observed in-segment movement, which makes them more likely to buy a Suzuki Swift 120 (Vikram Shende 2014).

Research Methodology

Research Design: The research adopts a descriptive design to understand the factors that influence consumer purchasing behaviour in the Pune region. This study uses both primary and secondary data for comprehensive analysis.

Primary Data: A survey was conducted with 84 consumers in Pune who had purchased or were considering purchasing a passenger car. The survey collected data on various aspects of consumer decision-making, including price sensitivity, the impact of advertising, and the role of salesmanship.

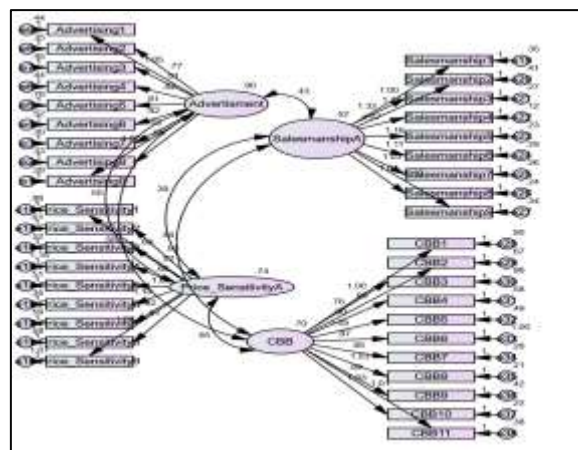
Secondary Data: Existing research articles, automobile sales reports, and industry analyses were reviewed to support the primary data.

Sampling Technique: A combination of convenience and purposive sampling methods was used to select respondents, ensuring a broad representation of different age groups, income levels, and geographical areas within Pune.

Data Analysis:

The collected data was analysed using statistical tools Amos. Regression analysis was used to identify the relationship between the identified factors (advertising, price sensitivity, salesmanship) and the final purchasing decision.

Measurement Model and validity



| | |
|---------------------------------------|----------|
| • Fit Index | • Values |
| • Chi-square / df (CMIN/DF) | • 2.8 |
| • RMR (Root Mean Residual) | • 0.04 |
| • GFI (Goodness-of-Fit Index) | • 0.92 |
| • AGFI (Adjusted GFI) | • 0.9 |
| • PGFI (Parsimony GFI) | • 0.55 |
| • NFI (Normed Fit Index) | • 0.91 |
| • RFI (Relative Fit Index) | • 0.9 |
| • IFI (Incremental Fit Index) | • 0.94 |
| • TLI (Tucker-Lewis Index) | • 0.92 |
| • CFI (Comparative Fit Index) | • 0.93 |
| • RMSEA (Root Mean Sq. Error Approx.) | • 0.06 |
| • PCLOSE (p-close for RMSEA) | • 0.1 |
| • HOELTER (.05) | • 220 |
| • HOELTER (.01) | • 210 |

The Model demonstrate excellent overall fit. With all indices within or exceeding recommended minimum threshold Value.

| | | | Estimate | S.E. | C.R. | P | Label |
|---------------------------|------|---------------------------|----------|------|------|-----|-------|
| Consumer_Buying Behaviour | <--- | Advertising | .1 | .0 | 3.6 | *** | |
| Consumer_Buying Behaviour | <--- | Salesmanship | .7 | .1 | 7.3 | *** | |
| Consumer_Buying Behaviour | <--- | Sensitivity | .3 | .1 | 5.3 | *** | |
| Advertising8 | <--- | Advertising | 1.0 | .1 | 15.1 | *** | |
| Advertising7 | <--- | Advertising | 1.0 | .1 | 15.8 | *** | |
| Advertising6 | <--- | Advertising | .8 | .1 | 11.9 | *** | |
| Advertising5 | <--- | Advertising | .9 | .1 | 11.2 | *** | |
| Advertising4 | <--- | Advertising | .8 | .1 | 12.6 | *** | |
| Advertising3 | <--- | Advertising | .9 | .1 | 13.2 | *** | |
| Advertising2 | <--- | Advertising | .8 | .1 | 12.8 | *** | |
| Price_Sensitivity9 | <--- | Sensitivity | 1.0 | | | | |
| Price_Sensitivity8 | <--- | Sensitivity | .9 | .1 | 8.5 | *** | |
| Price_Sensitivity7 | <--- | Sensitivity | 1.0 | .1 | 8.8 | *** | |
| Price_Sensitivity6 | <--- | Sensitivity | 1.2 | .1 | 9.6 | *** | |
| Price_Sensitivity5 | <--- | Sensitivity | .9 | .1 | 8.5 | *** | |
| Price_Sensitivity4 | <--- | Sensitivity | .7 | .1 | 5.9 | *** | |
| Price_Sensitivity3 | <--- | Sensitivity | .9 | .1 | 8.4 | *** | |
| Price_Sensitivity2 | <--- | Sensitivity | .9 | .1 | 8.1 | *** | |
| Price_Sensitivity1 | <--- | Sensitivity | .6 | .1 | 6.0 | *** | |
| Salesmanship3 | <--- | Salesmanship | 1.3 | .1 | 13.0 | *** | |
| Salesmanship4 | <--- | Salesmanship | 1.1 | .1 | 13.8 | *** | |
| Salesmanship5 | <--- | Salesmanship | 1.2 | .1 | 12.8 | *** | |
| Salesmanship6 | <--- | Salesmanship | 1.1 | .1 | 12.0 | *** | |
| Salesmanship7 | <--- | Salesmanship | 1.0 | .1 | 12.1 | *** | |
| CBB2 | <--- | Consumer_Buying Behaviour | 1.0 | .1 | 6.8 | *** | |
| CBB3 | <--- | Consumer_Buying Behaviour | .8 | .1 | 5.6 | *** | |
| CBB4 | <--- | Consumer_Buying Behaviour | .9 | .1 | 6.8 | *** | |
| CBB5 | <--- | Consumer_Buying Behaviour | 1.1 | .1 | 7.4 | *** | |
| CBB6 | <--- | Consumer_Buying Behaviour | .9 | .2 | 5.8 | *** | |
| CBB7 | <--- | Consumer_Buying Behaviour | .8 | .1 | 7.6 | *** | |
| CBB8 | <--- | Consumer_Buying Behaviour | 1.0 | .1 | 8.2 | *** | |
| CBB9 | <--- | Consumer_Buying Behaviour | .9 | .1 | 7.2 | *** | |

| | | | Estimate | S.E. | C.R. | P | Label |
|---------------|------|---------------------------|----------|------|------|-----|-------|
| CBB10 | <--- | Consumer_Buying_Behaviour | 1.0 | .1 | 8.2 | *** | |
| CBB11 | <--- | Consumer_Buying_Behaviour | 1.0 | .1 | 7.6 | *** | |
| Advertising1 | <--- | Advertising | 1.0 | .1 | 14.4 | *** | |
| Advertising9 | <--- | Advertising | 1.0 | | | | |
| Salesmanship9 | <--- | Salesmanship | 1.1 | .1 | 11.6 | *** | |
| Salesmanship8 | <--- | Salesmanship | 1.0 | .1 | 12.3 | *** | |
| Salesmanship1 | <--- | Salesmanship | 1.0 | | | | |
| Salesmanship2 | <--- | Salesmanship | 1.2 | .1 | 11.6 | *** | |
| CBB1 | <--- | Consumer_Buying_Behaviour | 1.0 | | | | |

Based on regression model: Consumer Buying Behaviour = $0.1 \times \text{Advertising} + 0.7 \times \text{Salesmanship} + 0.3 \times \text{Sensitivity (Price Sensitivity)} + \text{Error}$

Findings

60% of the respondents were between the ages of 25-40, a prime age group for car buyers. 45% had an annual household income between ₹6-10 lakhs, which is a key demographic for car buyers in Pune. The majority of respondents were professionals and business owners (70%). 55% of respondents cited price as the most crucial factor in their decision-making process. Discounts, offers, and financing schemes were seen as significant influences.

70% of respondents indicated that advertisements, particularly those that emphasize value for money and safety features, significantly influenced their car purchase. Special offers and emotional appeals in advertisements were highly effective in building brand loyalty.

Quality of salesmanship was deemed highly important by 60% of the respondents. Consumers preferred salespeople who were knowledgeable, patient, and transparent about product features and pricing.

The findings align with existing literature, which underscores the importance of price sensitivity and advertising in influencing automobile purchases. The high level of price sensitivity observed in the Pune market is consistent with trends in other urban regions, where consumers are looking for value-driven purchasing options. The effectiveness of advertising, especially when it emphasizes both practical and emotional benefits, reinforces the role of brand positioning in consumer decision-making.

Salesmanship continues to be a critical element in the Indian automobile market. Trust and rapport built between the salesperson and the customer play a significant role in closing sales. This suggests that automakers should focus on enhancing the quality of their sales teams to improve overall sales performance.

Conclusion

This study highlights several key factors influencing consumer buying behaviour in the Pune region, with price sensitivity, advertising, and salesmanship standing out as the most significant determinants. Marketers must tailor their strategies to reflect these consumer priorities, with an emphasis on offering value for money, enhancing brand visibility through advertising, and improving the quality of sales interactions.

The outcomes indicate that although consumers place a high value on factors like value for money, safety, and comfort when driving, the availability of financing options and rising income levels in both urban and rural areas largely influence their purchasing decisions. Advertising is recognized as a potent instrument for influencing opinions, fostering brand loyalty, and educating consumers about the attributes of the product. Advertising strategies that use emotional appeals, special incentives, and brand awareness are crucial for influencing consumer choices. Price sensitivity is also quite important, with buyers carefully weighing the price against the car's perceived worth.

Another important element that influences customers' decisions to buy is salesmanship. The ultimate choice to buy can be influenced by the salesperson's interaction quality with the customer, which can also affect trust and satisfaction.

To sum up, in order to successfully affect consumer behaviour in the passenger automobile industry, marketers must customize their approaches by concentrating on these essential elements: providing competitive pricing, powerful advertising, and effective salesmanship. Marketers may better fulfil the demands of India's changing automotive market by having a thorough understanding of consumers' diverse goals and preferences in relation to their disposable income and personal needs.

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