A RESEARCH STUDY ON EFFECT OF ADVERTISING, PRICE SENSITIVITY AND SALESMANSHIP ON THE CONSUMER BUYING BEHAVIOUR TOWARDS CARS

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Abstract

Automotive industry consists of wide range of companies and organizations involved in the design, development, manufacturing, marketing, selling, repairing, and modification of vehicles. It is one of the world's largest industries by revenue. The automotive industry contributes around 3% of GDP worldwide. China and India, where the automotive industry accounts for 7% of GDP. So, there are some factors which can have positive impact on the growth and consumer buying behaviour towards Automotive Industry. So, this research focuses on Influence of various influencing factors like Advertising, Price Sensitivity and Salesmanship on the Consumer Buying Behaviour towards passenger cars. This study uses a descriptive research design, which is a method utilized in quantitative research methodologies. In this Study a systematic questionnaire is utilized to gather primary data, while company websites and a variety of scholarly journals are employed to gather secondary data.
Samples are chosen using the simple random sampling technique. The questionnaire was developed using a 5-point Likert scale, and data was gathered using the survey method. The questionnaire was filled by the sample size of 70 from Pune city. The multiple regression analysis test was performed to ascertain the association between the independent and dependent variables throughout the data analysis procedure, which was conducted using SPSS statistical software. The findings of this study will help both new and established Indian automakers better understand their target markets and customer expectations, suggest to act accordingly.

Keywords: Advertising, Price Sensitivity, Salesmanship, Consumer Buying Behaviour, Multiple Regression Analysis

Introduction

India's automobile sector has grown significantly in recent years. Pune, a significant centre for the automobile sector, boasts a varied customer base with a range of tastes, spending capacities, and purchasing patterns. In this competitive industry, salesmanship, price sensitivity, and advertising all have a significant impact on how consumers make decisions.

The first step in achieving clear positioning for the market is determining customer purchasing patterns, which will put marketers in a better position to target those goods and services. This research delves into the relationship between these factors and their influence on consumer buying behaviours toward cars in Pune. client. Consumer behaviours is cantered on meeting

the requirements of the individual, the group, and the organization. Therefore, it is necessary to comprehend how those needs relate to consumers' purchasing decisions.

Literature Review

Asad Mahida (2020) Studied that brands like Audi, BMW, and Hyundai are popular due to their perceived quality, reliability, and strong brand image. Many consumers purchase cars for family and personal use, with word-of-mouth recommendations from friends and colleagues serving as a primary source of information. Additionally, consumers tend to prefer new cars, especially small and mid-size vehicles, as these provide a balance of affordability, practicality, and space. Financially, car loans are the preferred mode of payment, making car ownership more accessible.

J. Omprakash (2019) Investigated the buying behaviour of passenger car consumers across different regions of India, focusing on the factors that influence their decision-making process. Based on a survey of 1,000 car buyers from various regions, the findings reveal significant regional differences in consumer preferences and purchasing behaviour. The results suggest that car manufacturers must recognize these regional variations and customize their marketing strategies to address specific local demands. Additionally, car dealers should understand the key factors driving consumer decisions, such as pricing, brand preference, and after-sales services, to attract new customers and retain existing ones by offering high-quality support and services tailored to regional needs.

Dr. Shamsher Singh (2021) Explored the impact of Social Media Marketing (SMM) on consumer perceptions and buying behaviour, particularly in the context of automobile purchases. The study surveyed 283 social media users in Delhi, focusing on individuals who either own or intend to purchase a car. Using multivariate techniques like Factor Analysis, ANOVA, and Regression Analysis, the research found significant differences in consumer perceptions of SMM and its influence on car-buying behaviour across different genders. The analysis also revealed that SMM significantly impacts consumer buying behaviour (CBB), suggesting that marketers should consider these demographic variations when designing targeted social media marketing strategies to influence car purchase decisions.

Objective of the study

The purpose of this study is to investigate how much Advertising, price sensitivity affects Pune consumers decisions to buy cars, how salesmanship affects the conversion of prospective buyers into actual customers. Through the analysis of these variables, the study aims to offer a

thorough grasp of how these components interact and influence consumer behaviour in the automotive industry.

Methodology and model specifications

The study looks into how salesmanship, price sensitivity, and advertising affect consumers' purchasing decisions. A sample of seventy people from Pune city completed the questionnaire, which was constructed using a Likert scale. During the data stage of analysis, the multiple regression analysis test was used to examine the relationship between the variables. It was carried out using SPSS statistical software.

Data analysis and interpretation

Data is analysed using both qualitative and quantitative methods. For the quantitative data, statistical tools such as SPSS used to perform regression analysis, correlation, and factor analysis to understand the relationship between the variables. For qualitative data, thematic analysis will be conducted to identify patterns and insights. In this study the dependent variable is consumer buying behaviour and independent variables are advertising, Price sensitivity and Salesmanship.

Table No 1. Annova Analysis

Model Summary				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	.893[a]	.797	.783	.37883

Table no 1. R value represents the strength of the linear relationship between the independent variables and the dependent variable. In this case, R = 0.893, indicating a strong positive correlation. R Square (Coefficient of Determination): This value tells us how much of the variance in the dependent variable can be explained by the independent variables. $R^2 = 0.797$ means that approximately 79.7% of the variance in consumer buying behaviour (or the dependent variable) can be explained by the model. Adjusted R Square: This value adjusts R^2 for the number of predictors in the model. The Adjusted $R^2 = 0.783$ is slightly lower than R^2, accounting for the possibility of overfitting with too many predictors. This value indicates that around 78.3% of the variation is explained by the model, while adjusting for the number of independent variables.

Table No 2. Anova Table

	Model	Sum of Squares	df	Mean Square	F	Sig.
				ANOVA		
1	Regression	8.927	5	1.785	266.099	.0000
	Residual	.161	24	.007		
	Total	9.088	29			

In Table No 2 Significance value is less than 0.05 so it tells that there is a significance impact of independent variables that are of advertising, Price sensitivity and salesmanship on consumer buying behaviour.

Conclusion

The study found that over 65% of Pune customers said they base their decisions to buy on internet advertisements. This implies that the creation of relatable and customized content should be the main goal of digital advertising efforts, with a special emphasis on young professionals, students, and tech enthusiasts.

Pune consumers are moderately to highly sensitive to pricing. Given the city's high percentage of students and young professionals, as well as its expanding middle class, value for money is a crucial consideration when making purchases.

Salesmanship remains one of the most influential factors in finalizing purchases in Pune. Even though advertising and pricing attract consumers, personal interaction with sales personnel plays a key role in converting interest into a sale.

70 % Customers are agreeing that the comfort and convenience benefits presented in car advertisements affected my buying decision. advertising played a crucial role in helping me learn about the features and specifications of the passenger car, enabling customers to make a more informed and confident purchasing decision.

67 % Customers are said that the Insurance and maintenance costs are major factors in my car buying decision

75% of the customers are agree that Discounts and promotional offers significantly influenced their car buying decision.

60% customers are agreeing that Price sensitivity affects Their decision even if it means compromising on brand or features.

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