



A Study on Consumer Satisfaction on Global Branded Cars with Special Reference to Coimbatore City

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ABSTRACT

Automobiles have been first started evolving from the works of Mr. Nicolas-Joseph Cougnot during the 17th century. After that, the year 1886 is regarded as the year of birth of the modern automobile named Benz Patent-Motorwagen, by the German inventor Mr. Carl Benz. Mr. Henry Ford made automobile that many middleclass people could afford to buy by manufacturing Model T automobiles in the year 1908. There after numerous companies have come out with their models and brands in the field of automobile industry with their own versatile ideas which has reached the present scenario.

The most obvious object marketers have for promotional activities is to convinces consumer to make a decision that benefits the marketer. However marketers must understand that getting consumers to commit to a decision, such as a purchase decision, is only achievable when a consumer is ready to make the decision. Those tactics differ in a way a company's capabilities and willingness permit. A company must be careful in using those tactics before globalizing its operations. Because sometimes those tactics may fail and result in loss of profit or even closure of the company.

Passenger car production in India is projected to cross three million units in 2014-15. Sales of passenger cars during 2008-09 to 2015-16 are expected to grow at a CAGR of around 10%. Export of passenger cars is anticipated to rise more than the domestic sales during 2008-09 to 2015-16, as per data published by Automotive Component Manufacturers Association of India (ACMA).

Key Words : *Automobiles, Branded Cars, Marketing etc.,*

INTRODUCTION

Automobiles have been first started evolving from the works of Mr. Nicolas-Joseph Cougnot during the 17th century. After that, the year 1886 is regarded as the year of birth of the modern automobile named Benz Patent-Motorwagen, by the German inventor Mr. Carl Benz. Mr. Henry Ford made automobile that many middleclass people could afford to buy by manufacturing Model T automobiles in the year 1908. There after numerous companies have come out with their models and brands in the field of automobile industry with their own versatile ideas which has reached the present scenario.

In Indian automobile market the luxury cars are the fastest growing segment. Luxury car market grown at an accelerated pace in the past couple of years because it is a reflection of the changing lifestyle of the affluent class in the country. Indeed for the betterment of the manufacturing companies sales activities and survival measures different marketing strategies should be adopted according to current economic situation due to the increasing competitive car companies (BMW, Audi, Mercedes-Benz, Toyota, Maruthi etc) from various parts of the world.

A marketing strategy is a process that can allow an organization to concentrate its limited recourses on the greatest opportunities to increase sales and achieve a sustainable complete advantage. It is most effective when it is integral component of firm strategy, defining how the organization will successfully engage consumer, protects, and competitors in the market arena.



Marketing strategies are dynamic and inter active. It may differ depending on the unique situation of the individual business. Various marketing strategies enable a firm to expand business activities for market reputation, to satisfy human wants, to lead to specialization and efficient performance of production function climaxing in economic stability.

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Import of passenger cars is dropped down to 10% due to the reason of hike in tax rates imposed by the Indian Government in the year 2011-2012, as per the data published by The Times of India Newspaper.

OBJECTIVES OF THE STUDY

- ✓ To study the awareness level about global brand cars.
- ✓ To study the factors which influence the consumers to buy the global brand cars.
- ✓ To study the various offers given by the company.
- ✓ To study the satisfaction level of a consumer's towards the purchase of Global branded cars.
- ✓ To offer suggestions based on the study.

STATEMENT OF THE PROBLEM

Now a day's service to consumers is an important issue. The service rendered by manufacturing Global brand car companies has deteriorated and is also subject to criticism from all quarters. What is consumer's service today may be different from service of tomorrow and a bad service thereafter. The consumer's of Global brand cars are often facing delays, refusal of service and grievances in services of dealers and like.

Marketing strategies used by various car companies is now entering a new phase of development, shifting the emphasis towards improvement in the quality of consumer service and thereby achieving operating efficiency and profitability.

Hence the need for the research is justified to be under taken.

SCOPE OF THE STUDY

The research study undertaken does not probe too much about whether the respondents have a very fine insight into Global brand cars. The research revolves around a general awareness level and attitude of the consumers towards Global brand cars. The research would reveal results about the consumer's attitude towards branded cars, their behaviour while making decision of purchase and challenges involved during selection of desired car.

LIMITATIONS OF THE STUDY

1. The area of the study is limited to Coimbatore city alone. Hence the results may not be true for other geographical locations.
2. Due to limitation of time, the sample size is restricted to 200. So the result may not be an accurate one.
3. This study is fully based on consumer satisfaction so it may vary from time to time and so the result may be biased.



RESEARCH METHODOLOGY

Research methodology is a way to systematically solve the research problems. It may be understood as a science of studying how research is done scientifically. It includes the overall research design, the sampling procedure, data collection method and analysis procedure.

RESEARCH DESIGN

The study adopts Descriptive research design. Descriptive design is one that gives a snapshot of the prevailing environment. It is used to provide a summary of some aspects of the environment when certain aspects of the problem are speculative in nature.

Descriptive research includes surveys and fact-finding enquiries of different kinds. The major purpose of this research is description of state of affairs as it exists at present.

The study undertaken is of descriptive nature as its main objective is to find out the perception of the Consumer's of Global brand cars as of now. The findings of the study give us an idea on how Global brand cars are perceived by the Consumer's in the present.

DATA SOURCE

Data was collected through both primary and secondary data sources. Primary data was collected through a questionnaire. The research was done in the form of direct personal interviews.

PRIMARY DATA

A primary data is a data, which is collected for the first time for a particular interest to collect more information. In this study, the primary data was collected using questionnaire.

SECONDARY DATA

Secondary data consist of information that already exists somewhere, having been collected for some other purpose. In this study secondary data was collected from company website, magazines and brochures

SAMPLING DESIGN

POPULATION

The population consists of the entire consumers of Coimbatore who have invested in Global brand cars. The entire population consists of 200 respondents who have invested in Global brand cars.

STATISTICAL TOOLS

Simple Percentage Analysis, Ranking Table Analysis, Chi-square analysis and Correlation Table Analysis are the main statistical tools used for the study.

AN OVERVIEW OF GLOBAL BRAND CARS IN INDIA

EVOLUTION OF CAR

By definition an automobile or car is a wheeled vehicle that carries its own motor and transports passengers. The automobile as we know it was not invented in a single day by a single inventor. The history of the automobile reflects an evolution that took place worldwide.

Automobile started evolving from the year 1769 through the works of Sir Nicolas Joseph Cugnot and after all the sophisticated development taken place year by year, it has reached the current standards.

As the 21st century progressed and computer technology began to be utilized. Features including Auto transmission, Anti-lock brake, skid-control system, side airbags, Remote keyless entry, Automatic climate control vents, Cruise control. Let us see some of the above featured cars profile in brief as follows:



Mercedes-Benz

Type	Subsidiary
Industry	Manufacturing
Founded	June 28, 1926 (87 years ago)
Founder(s)	Karl Benz
Headquarters	Stuttgart, Germany
Area served	Worldwide
Products	Automobiles Trucks Buses Internal combustion engines Luxury vehicles
Services	Financial services
Parent	Daimler AG
Divisions	Mercedes-Benz AMG
Website	www.mercedes-benz.com

HISTORY OF MERCEDES-BENZ:

Mercedes-Benz traces its origins to Karl Benz's creation of the first petrol-powered car, the Benz Patent Motorwagen, financed by Bertha Benz and patented in January 1886, and Gottlieb Daimler and engineer Wilhelm Maybach's conversion of a stagecoach by the addition of a petrol engine later that year. The Mercedes automobile was first marketed in 1901 by Daimler-Motoren-Gesellschaft. The first Mercedes-Benz brand name vehicles were produced in 1926, following the merger of Karl Benz's and Gottlieb Daimler's companies into the Daimler-Benz company.

Throughout the 1930s, Mercedes-Benz produced the 770 model, a car that was popular during Germany's Nazi period. Adolf Hitler was known to have driven these cars during his time in power, with bulletproof windshields. Most of the surviving models have been sold at auctions to private buyers. One of them is currently on display at the War Museum in Ottawa, Ontario. Mercedes-Benz has introduced many technological and safety innovations that later became common in other vehicles. Mercedes-Benz is one of the best known and established automotive brands in the world, and is also one of the world's oldest automotive brands still in existence today, having produced the first petrol-powered car.



Type	Public company
Industry	Automotive
Founded	June 16, 1903 (110 years ago)
Founder(s)	Henry Ford
Headquarters	Dearborn, Michigan, U.S.
Area served	Worldwide
Services	Automotive finance Vehicle leasing Vehicle service
Divisions	Ford Lincoln Motor craft
Website	Ford.com

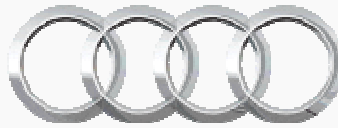
HISTORY OF FORD

Henry Ford's first attempt at a car company under his own name was the Henry Ford Company on November 3, 1901, which became the Cadillac Motor Company on August 22, 1902, after Ford left with the rights to his name. The Ford Motor Company was launched in a converted factory in 1903 with \$28,000 in cash from twelve investors, most notably John and Horace Dodge (who would later found their own car company). During its early years, the company produced just a few cars a day at its factory on Mack Avenue in Detroit, Michigan. Groups of two or three men worked on each car, assembling it from parts made mostly by supplier companies contracting for Ford. Within a decade the company would lead the world in the expansion and refinement of the assembly line concept; and Ford soon brought much of the part production in-house in a vertical integration that seemed a better path for the era.

In 1908 Ford introduced the first engine with a removable cylinder head, in the Model T. In 1930, Ford introduced the Model A, the first car with safety glass in the windshield. Ford launched the first low priced V8 engine powered car in 1932.

With the 1980s, Ford introduced several highly successful vehicles around the world. In 1990 and 1994 respectively, Ford also acquired Jaguar Cars and Aston Martin. During the mid- to late 1990s, Ford continued to sell large numbers of vehicles, in a booming American economy with a soaring stock market and low fuel prices.

On June 2, 2008, Ford sold its Jaguar and Land Rover operations to Tata Motors for \$2.3 billion. In 2012, Ford's corporate bonds were upgraded from junk to investment grade again, citing sustainable, lasting improvements.



Audi

Type	Public
Industry	Automobile distribution Automobile manufacturing
Founded	Zwickau, Germany (16 July 1909)
Founder(s)	August Horch
Headquarters	Ingolstadt, Germany
Area Served	Worldwide
Number of location	9 production facilities in 8 countries
Owner(s)	Volkswagen Group (~99.55%)
Website	audi.com

HISTORY OF AUDI

Originally in 1885, automobile company Wanderer was established, later becoming a branch of Audi AG. Another company, NSU, which also later merged into Audi, was founded during this time, and later supplied the chassis for Gottlieb Daimler's four-wheeler.

On 14 November 1899, August Horch (1868–1951) established the company A. Horch & Cie. in the Ehrenfeld district of Cologne. Ten years later, because of a dispute between Horch and the supervisory board, he was forced out of the company. In 1909, he established a second company, Horch Automobil-Werke GmbH in Zwickau, but continued to use the Horch name. His former partners sued him for trademark infringement. The German Supreme Court (Reichsgericht in Berlin), eventually determined that the Horch brand belonged to his former company. The first Audi automobile, the Audi Type A 10/22 hp (16 kW) Sport-Phaeton, was produced in 1910 in Zwickau.

Since August Horch was banned from using Horch as a trade name in his new car business, he called a meeting with close business friends, Paul and Franz Fikentscher from Zwickau, Germany. At the apartment of Franz Fikentscher, they discussed how to come up with a new name for the company. Audi started with a 2,612 cc inline-four engine model Type A, followed by a 3,564 cc model, as well as 4,680 cc and 5,720 cc models. These cars were successful even in sporting events. The first six-cylinder model Type M, 4,655 cc appeared in 1924.

August Horch left the Audi company in 1920 for a high position at the ministry of transport, but he was still involved with Audi as a member of the board of trustees. In September 1921, Audi became the first German car manufacturer to present a production car, the Audi Type K, with left-handed drive. Left-hand drive spread and established dominance during the 1920s because it provided a better view of oncoming traffic, making overtaking safer.



Type	Aktiengesellschaft
Traded as	FWB: BMW
Industry	Automotive
Founded	7 March 1916
Founder(s)	Franz Josef Popp
Headquarters	Munich, Germany
Area served	Worldwide
Products	Automobiles, motorcycles, bicycles
Divisions	Mini BMW Motorsport BMW I
Website	bmwgroup.com

HISTORY OF BMW

BMW was established as a business entity following a restructuring of the Rapp Motorenwerke aircraft manufacturing firm in 1917. After the end of World War I in 1918, BMW was forced to cease aircraft-engine production by the terms of the Versailles Armistice Treaty. The company consequently shifted to motorcycle production in 1923, once the restrictions of the treaty started to be lifted, followed by automobiles in 1928–29.

The first car which BMW successfully produced and the car which launched BMW on the road to automobile production was the Dixi, it was based on the Austin 7 and licensed from the Austin Motor Company in Birmingham, England.

BMW's first significant aircraft engine was the BMW IIIa inline-six liquid-cooled engine of 1918, much preferred for its high-altitude performance. With German rearmament in the 1930s, the company again began producing aircraft engines for the Luftwaffe. Among its successful World War II engine designs were the BMW 132 and BMW 801 aircooled radial engines, and the pioneering BMW 003 axial-flow turbojet, which powered the tiny, 1944–1945-era jet-powered emergency fighter, the Heinkel He 162 Spatz. The BMW 003 jet engine was tested in the A-1b version of the world's first jet fighter, the Messerschmitt Me 262, but BMW engines failed on takeoff, a major setback for the Emergency Fighter Program until successful testing with Junkers engines.

In 1992, BMW acquired a large stake in California based industrial design studio Design works USA, which they fully acquired in 1995. In 1994, BMW bought the British Rover Group (which at the time consisted of the Rover, Land Rover and MG brands as well as the rights to defunct brands



including Austin and Morris), and owned it for six years. By 2000, Rover was incurring huge losses and BMW decided to sell the combine. The MG and Rover brands were sold to the Phoenix Consortium to form MG Rover, while Land Rover was taken over by Ford. BMW, meanwhile, retained the rights to build the new Mini, which was launched in 2001.

In June 2012, BMW was listed as the #1 most reputable company in the world by Forbes.com. Rankings are based upon aspects such as “people’s willingness to buy, recommend, work for, and invest in a company is driven 60% by their perceptions of the company and only 40% by their perceptions of their products.

	
Type	Kabushiki gaisha (JPN) Public (US)
Industry	Automotive
Founded	August 28, 1937
Founder(s)	Kiichiro Toyoda
Headquarters	Toyota, Aichi, Japan
Area served	Worldwide
Products	Automobiles, commercial vehicles, engines, motorcycles
Parent	Toyota Group
Divisions	Lexus Scion
Subsidiaries	522 (Toyota Group)
Website	Toyota Global

HISTORY OF TOYOTA

Toyota was started in 1933 as a division of Toyoda Automatic Loom Works devoted to the production of automobiles under the direction of the founder's son, Kiichiro Toyoda. Its first vehicles were the A1 passenger car and the G1 in 1935. The Toyota Motor Co. was established as an independent company in 1937. In 2008, Toyota's sales surpassed General Motors, making Toyota number one in the world.

In 1924, Sakichi Toyoda invented the Toyoda Model G Automatic Loom. The principle of Jidoka, which means the machine stops itself when a problem occurs, became later a part of the Toyota Production System. Looms were built on a small production line. In 1929, the patent for the automatic loom was sold to a British company, generating the starting capital for the automobile development.

In 1982, the Toyota Motor Company and Toyota Motor Sales merged into one company, the Toyota Motor Corporation. Two years later, Toyota entered into a joint venture with General Motors called the New United Motor Manufacturing, Inc, NUMMI, operating an automobile-manufacturing plant in Fremont, California. The factory was an old General Motors plant that had been closed for two years. Toyota then started to establish new brands at the end of the 1980s, with the launch of their luxury division Lexus in 1989.



In the 1990s, Toyota began to branch out from producing mostly compact cars by adding many larger and more luxurious vehicles to its lineup, including a full-sized pickup, the T100 (and later the Tundra); several lines of SUVs; a sport version of the Camry, known as the Camry Solara; and the Scion brand, a group of several affordable, yet sporty, automobiles targeted specifically to young adults. Toyota also began production of the world's best-selling hybrid car, the Prius, in 1997.

In 2011, Toyota, along with large parts of the Japanese automotive industry, suffered from a series of natural disasters. The 2011 Tōhoku earthquake and tsunami led to a severe disruption of the supplier base and a drop in production and exports. Severe flooding during the 2011 monsoon season in Thailand affected Japanese automakers that had chosen Thailand as a production base. Toyota estimated to have lost production of 150,000 units to the tsunami and production of 240,000 units to the floods.

In October 2012, Toyota announced a recall of 7.43 million vehicles worldwide to fix malfunctioning power window switches, the largest recall since that of Ford Motor Company in 1996. The move came after a series of recalls between 2009 and 2011 in which it pulled back around 10 million recalls amidst claims of faulty mechanics.

ANALYSIS AND INTERPRETATION

The term analysis refers to the computation of certain measures along with searching for patterns of relationship that exist among data groups. Thus, “in the process of analysis, relationships or differences supporting or conflicting with original or new hypotheses should be subjected to statistical tests of significance to determine with what validity data can be said to indicate any conclusions.”

Interpretation refers to the task of drawing inferences from the collected facts after an analytical and /or experimental study.

The factors are analyzed under the following broad phases:

PHASE I: Personal Factors

PHASE II: Study Factors

PHASE I

Personal Factors:

This phase includes the personal details of the customer. The factors considered are age, gender, qualification and work status.

PHASE II

Study Factors:

In this particular phase the responses for the various marketing related factors that have been considered in the questionnaire have been analysed. The consumer's attitude and satisfaction related factors have been analysed in this phase.

FINDINGS, SUGGESTIONS AND CONCLUSION

FINDINGS FROM DESCRIPTIVE ANALYSIS

- 1) Majority of the Respondents are Male(61%).
- 2) Majority of the Respondent's age group is between below 25 years(52%).
- 3) Majority of the Respondents are Unmarried(52%).
- 4) Majority of the Respondents are Under Graduated(52%).
- 5) Majority of the Respondents are Employees(47%).
- 6) Majority of the Respondents are from Nuclear Family(62%).
- 7) Majority of the Respondents monthly income are Below ₹25,000(28%).
- 8) Majority of the Respondents aware of global brand cars(99%).
- 9) Majority of the Respondents are getting aware of global brand cars via advertisements (48%).
- 10) Majority of the Respondents thinks that effective mode of advertisement can be done through Internet (46%).
- 11) Majority of the Respondents makes their purchase decision because of advertisements



- (86%).
- 12) Majority of the Respondents preferring global brand cars for social status (36%).
 - 13) Majority of the Respondents are impressed with the feature of technological advancement (37%).
 - 14) Majority of the Respondents are experienced with the challenges against maintenance (45%).
 - 15) Majority of the Respondents thinks that better way of purchasing global brand cars is through cash down payment (45%).
 - 16) Majority of the Respondents are provided with insurance while purchasing branded cars (93%).
 - 17) Majority of the Respondents are provided with free services from manufacturing company (86%).
 - 18) Majority of the Respondents are offered with 3 free services from manufacturing company (45%).
 - 19) Majority of the Respondents are offered with extended warranty and guarantee while purchasing branded cars (29%).
 - 20) Majority of the Respondents are highly satisfied towards price of global brand cars (44%).
 - 21) Majority of the Respondents are highly satisfied with the dealer's information towards global brand cars (43%).
 - 22) Majority of the Respondents are moderately satisfied with the services rendered during the period of delivery (43%).
 - 23) Majority of the Respondents are satisfied with the services rendered during claim of warranty of global brand car (36%).
 - 24) Majority of the Respondents are satisfied with the services rendered during the insurance claim of global brand car (35%).
 - 25) Majority of the Respondents are 50%-75% satisfied on the whole with the global brand cars (53%)

FINDINGS FROM AVERAGE SCORE ANALYSIS:

1)

- 1) Audi one of the global branded cars secured an average score of (5.14).
- 2) BMW one of the global branded cars secured an average score of (4.82).
- 3) Mercedes-Benz one of the global branded cars secured an average score of (4.37).
- 4) Toyota one of the global branded cars secured an average score of (4.36).
- 5) Ford one of the global branded cars secured an average score of (3.30).
- 6) Honda one of the global branded cars secured an average score of (2.91).
- 7) Maruthi one of the global branded cars secured an average score of (2.87).

SUGGESTIONS

From the study, the important suggestions given by the respondents are as follows

PRICE BAND

To manufacture more number of models with versatile features particularly low priced fuel efficient cars mainly due to the inflated rate of gasoline and as well as tax rate in India at present.

SAFETY

To ensure more number of safety measures should be included when manufacturing future models of cars.

GRIEVANCES

The customer's should not face any fraudulent activities or grievances to achieve the optimum satisfaction of them during the purchase of the global brand car.

ENVIRONMENTAL PROTECTION

For the welfare of the people in this society, the manufacturing company should make qualitative designs with low rate of pollution creating parts of the global brand cars.



CONCLUSION

From the study it is concluded that most of the people have owned global brand cars especially in India for the sole purpose of conveyance along with other factors such as convenience, comfort, luxury and social status. It is indeed from the foreign countries targeting activities towards the Indian automobile sector that the growth of the lifestyle of the people and vast development took place almost in each and every sector's found in India. Even though there is lot of models available at present, the strategies used to attract the customers should also be improved.

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