Executive summary;

Indian car industry is in for a revolution of sorts in the country. The Indian car industry has flourished like never before in the recent years. This extra-ordinary growth that the Indian car industry has witnessed, is a result of a two major factors namely, the improvement in the living standards of the middle class, and an increase in their disposable incomes. Moreover, the liberalization steps, such as, relaxation of the foreign exchange and equity regulations, reduction of tariffs on imports, and refining the banking policies, initiated by the Government of India, have played an equally important role in bringing the Indian car industry to great heights.

The research aims at finding the customer satisfaction towards 'C' segment car users in Bangalore city. The study also makes a comparative analysis of different brands of 'C' segment cars and will also find out the switching characteristics of 'B' segment car users to segment C'' cars. The study will also find out the factors influencing the purchase decision of cars in this class. A descriptive study was carried out to find the customer satisfaction of 'C' segment car users and brand switching of 'B' segment car users. The researcher has approached 120 respondents of segment 'C' car users and 60 customers of segment B car users. This study reveals that Honda is the most preferred brand and highly rated brand in the market. The study also finds that there is lot of scope for new market entrant in the segment.

CONTENTS

LIST OF TABLES

LIST OF CHARTS/GRAPHS :

1.1GENERAL INTRODUCTION

The Indian car industry has flourished like never before in the recent years. This extra-ordinary growth that the Indian car industry has witnessed, is a result of a two major factors namely, the improvement in the living standards of the middle class, and an increase in their disposable incomes. Moreover, the liberalization steps, such as, relaxation of the foreign exchange and equity regulations, reduction of tariffs on imports, and refining the banking policies, initiated by the Government of India, have played an equally important role in bringing the Indian car industry to great heights.

It is estimated that the sale of passenger cars have tripled compared to their sale in the last five years. Thus, the sale of cars has reached a figure of 1 million users and is expected to increase further. It's also to be noted that the demand for luxurious models, SUVs, and mini-cars for family owners, have shot up, largely due to increase in the consumer's buying capacity. The increased demand for Indian cars has resulted in a large number of multi-national auto companies, especially from Japan, U. S. A., and Europe, entering the Indian market and working in collaboration with the Indian firms.

1.2 THEORETICAL BACKGROUND:

MARKET:

A market consists of all potential consumers sharing a particular need or wants who might be willing and able to engage in exchange process thereby creating value to each other by satisfying that need or want. Originally the term market stood for the common place where buyers' and sellers' met and inter-acted. But now as the volume of the transactions have grown exponentially, market have evolved into a general form such as need's market, labor market, money market, donors' market, share market, etc., as its different denomination.

MARKETING:

The market concept is customer oriented backed by integrated marketing aimed at generating customer satisfaction as the key to satisfy organization goal. In simple terms Marketing means to create an exchange.

Marketing is a social and managerial process by which individual and groups obtain what they need and want through creating offering and exchange product of value with other.

Phlip Kotler has rightly ear-marked that marketing is analyzing, organizing, planning and control of the firm's customer, as impinging responsibility, policy maker for present development, promoters of entrepreneurial talent, developer of economy, stimulator of customer’s interest and increase the standard of living and guardian of price system.

Thus marketing to be specific is a total function, which is concerned with product planning, market research, sales promotion, selling, advertising, after sales services and social responsibility. There are six competing concept through which an organization conducts its marketing activities. They are

1. Production concept.
2. Product concept.
3. Selling concept.
4. Marketing concept.
5. Customer concept.
6. Societal marketing concept.

most organization make use of any one or more of the last three concepts as the other three concepts are of limited use in today’s global business environment.

MARKETING MANAGEMENT:

Management can be regarded as the art of getting things done through others towards attainment of the overall objective of the organization. Marketing management is a branch of the total management system. It is a process of planning and executing the conception, pricing, promotion and distribution of goods, services and ideas to create exchange with the target groups that satisfies customer and organizational objectives.

It is a continuous process in which we find Analysis, planning, implementation and control, that it covers goods, services and ideas that it rests on the notation of the exchange and that the goal is to produce satisfaction for the parties involved.

Marketing management is directly in charge of :

1. Setting of marketing goals and objectives.
2. Devising marketing plans .
3. Organizing marketing functions.
4. Implementing the marketing mix.
5. To control and monitor the total marketing program.

Marketing Management represents an important functional area of business management efforts for the flow of goods and services from the producer to the consumers. It is responsible for organizing, directing and controlling all marketing activities included in the process of marketing.

MARKETING RESEARCH:

Marketing research is defined as the systematic and objective search for analysis of information relevant to the identification and solution of any problem in the field of marketing.

According to American Marketing Association (AMA), marketing research is defined as" The systematic gathering, recording and analyzing of data about problems relating to the marketing of goods and services."

Marketing Research is the function, which links the consumer and public to the marketer through information- information used to identify and define marketing opportunity and problems; generate; refine; and evaluate marketing actions; monitor marketing performance; and improves understanding of marketing as a process.

MARKETING RESEARCH PROCESS:

Marketing research exercises may take many forms but systematic enquiry is features common to all such forms. Being a systematic enquiry, it requires careful planning of the orderly investigation process. Though it is an over simplification to assume that all research process would necessarily follow a given sequence, market research often follow a generalized pattern which can be broken down and studied sequentially.

The following stages involved in the market research process.

- Define the problem.
- Statement of the problem.
- Planning a research design.
- Planning a sample.
- Collecting a data.

- Analyzing the data.
- Formulation of conclusion.
- Prepare and present the report.

COSUMER BEHAVOIUR

One "official" definition of consumer behavior is "the study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society". It brings up some useful points:

- ⇒ Behavior occurs either for the individual, or in the context of a group (e.g., friends influence what kinds of clothes a person wears) or an organization (people on the job make decisions as to which products the firm should use).
- ⇒ Consumer behavior involves the use and disposal of products as well as the study of how they are purchased. Products use is often of great interest to the marketer, because this may influence how a product is best positioned or how we can encourage increased consumption. Since many environmental problems result from product disposal (e.g., motor oil being sent into sewage systems to save the recycling fee, or garbage pilling up at landfills) this is also an area of interest.
- ⇒ Consumer behavior involves services and ideas as well as tangible products.
- ⇒ The impact of consumer behavior on society is also of relevance. For example, aggressive marketing of high fat foods, or aggressive marketing of

easy credit, may have serious repercussions for the national health and economy.

⇒ The most obvious application of consumer behavior is for making better marketing campaigns. For example, by understanding that consumers are more receptive to food advertising when they are hungry, we learn to schedule snack advertisements late in the afternoon. By understanding that new products are usually initially adopted by a few consumers and only spread later, and then only gradually, to the rest of the population, we learn that (1) companies that introduce new products must be well financed so that they can stay afloat until their products become a commercial success and (2) it is important to please initial customers, since they will in turn influence may subsequent customers' brand choices.

Need to study consumer behavior:

The study of consumers helps firms and organizations improve their marketing strategies by understanding issues such as how:

- The psychology of how consumers think, feel, reason, and select between deferent alternatives (e.g., brands, products)
- The psychology of how the consumers is influenced by his or her environment (e.g., culture, family, media)
- The behavior of consumers while shopping or making other marketing decisions
- Limitations in consumer knowledge or information processing abilities influence decisions and marketing outcome

- How consumer motivation and decision strategies differ between products that differ in their level of importance or interest that they entail for the consumer
- How marketers can adapt and improve their marketing campaigns and marketing strategies to more effectively reach the consumer.

Understanding these issues helps us adapt our strategies by taking the consumer into considerations.

A MODEL OF CONSUMER BEHAVIOR

At one time, marketers could understand consumers through the daily experience of selling to them. But the growth of companies and markets has removed many marketing managers form direct contact with customers. Increasingly, managers have had to rely on the **7 O's framework** for consumer research to answer the following key questions about market:

Who constitutes the market?	**Occupants**
What does the market buy?	**Objects**
Why does the market buy?	**Objectives**
Who participates in the buying?	**Organizations**
How does the market buy?	**Operations**
When does the market buy?	**Occasions**
Where does the markets buy?	**Outlets**

- The starting point for understanding buyer behaviour is stimulus-response model shown below. Marketing and environmental stimuli enter the buyer’s consciousness. The buyer’s characteristics and decision process lead to certain purchase decisions. The marker’s task is to understand what in the buyer’s consciousness between the arrival of outside stimuli and the buyer’s purchase decisions. They must answer two questions:

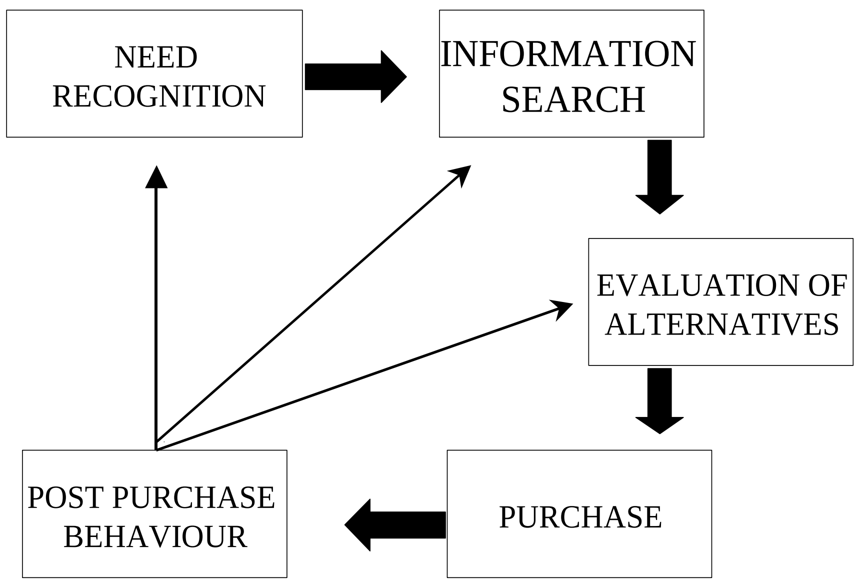
⇒ How do the buyer’s characteristics-cultural, social, personal, and psychological-influence buying behavior?

⇒ How does the buyer make purchasing decisions?

Marketing stimuli	**Other stimuli**	**Buyer’s characteristics**	**Buyer’s decision making process**	**Buyer’s decision**
Product . Price . Place . Promotion.	Economical . Technological. Political . Cultural .	Cultural. Social . Personal. Psychological.	Problem recognition. Information search. Evaluation. Decision. Post purchase behavior.	Product choice. Brand choice. Dealer choice. Purchase Timing. Purchase amount.

CONSUMER DECISION MAKING

Consumer decision-making process



This decision process can be divided into five stages:

1) **Problem Recognition**

This occurs when the buyer notices that there is a difference between the desired state and the actual conditions. The consumer gets aware that he has to change some thing to get satisfied. For example, if somebody needs a care to get to work and one day the car stops working. In this situation the person recognizes that there is a difference between the desired state (a working car) and the actual condition (a broken car).

2) Information search

After recognizing the problem, the buyer searches for information about a new product, which can solve his problem and also is able to satisfy his needs.

Here we distinguish two aspects to an information search:

In the *internal search*, buyer check first if they have any information about

the needed product in their memory. If they cannot get enough information for their memory for a decision, they are looking for more information in an *external search*. In the external search the buyer may focus on communication with friends or relatives, to here about their experience with special brands. He also can obtain information from public sources like manufacturers, sales persons, or product test organizations.

3) Evaluation of Alternatives

To evaluate the products of which the buyer got information is looking for criteria to compare the products. These criteria are for example characteristics or features that the buyer wants (or does not want). The buyer also think about how important each criterion is; because some features may carry more weight than others. This evaluation of the consumer can be influenced by the marketer by framing the alternatives-that means the manner how the marketer describes the products and its features.

4) Purchase

In this stage the consumer chooses

the product or brand, which he wants to buy. This selection is based on the result of the previous evaluation stage. There is also a set of criterions, which must be taken into account:

One of the most important criterions is the *product availability*, which may influence which brand is purchased. If the favorite brand is not available at the moment the consumer may choose the brand that is ranked second. Other criterions that also could be important for the consumer are for example the price, delivery, guarantees, maintenance agreements, and installation and credit agreements.

5) Post purchase evaluation

After the purchase the buyer begins to check the product with actual performance meet the expected level. In this stage many of criteria used in the evaluating alternatives stage are used again. The result is either satisfaction or dissatisfaction.

BRANDING ;

Branding is the art and cornerstone of marketing. The American association defines a brand as a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors. Under the trademark law, the seller is granted exclusive rights to the use of the brand name in perpetuity, without having expiration date. Thus a brand identifies the seller or the manufacturer.

Brand Equity

It is a positive differential effect that knowing the brand name as on customer response to the product of service. Brand equity results in customer showing a preference for one product or an other when they are basically identical. The extent to which customers are willing to pay more this particular brand is a measure of brand equity. Brand vary in the amount of power and value they have in the market place at one extreme are brand that are not known by most buyers, then there are brands for which buyers have a sparely high degree of brand awareness, beyond this are brands with a high degree of brand acceptability, then there are brand that enjoy a high degree of brand preference. Finally there are brands that command a high degree of brand loyalty.

Brand Positioning

Positioning is the act of designing the company's offering and image in such a way that, they occupy a distinct place in the minds of the customer. The need for positioning arises out of the fact that a product cannot be everything to everyone. Positioning has to give the brand a distinctive reasons for being born and to continue to live.

Positioning, in the customers mind is the resultant of deliberate strategies adopted by firms to design products with particular characteristics and to communicate to the target segments.

Theodre Levitt explains that the tangible the generic product is, the more powerfully and persistently the judgement about it gets shaped by how it is presented, who presents it and what is implied by metophor, smile, symbol, and other surrogates. However it is necessary, that every tangible aspect of product, price, place and promotion should support such a position stategy.

2.1 : Brief introduction:

This chapter gives a detailed description of all aspects of research design. The title of the study, statement of the problem is given in the beginning followed by objectives of the study. The methodology and sampling adopted in the research process is discussed in detail. Also operational definitions of different terminologies are given to facilitate better Understandability followed by scope of the study and limitation of the study. An overview of the fieldwork done by research and the plan analysis of the data is given.

- **Title of the study : -**

A study-cum-survey on "**customer satisfaction on 'C' segment car users in Bangalore city".**

A peep and projection into the 21st century competing brands.

- **Statement of problem: -**

The Indian car industry has flourished like never before in the recent years. This extra-ordinary growth that the Indian car industry has witnessed, is a result of a two major factors namely, the improvement in the living standards of the middle class, and an increase in their disposable incomes. Moreover, the liberalization steps, such as, relaxation of the foreign exchange and equity regulations, reduction of tariffs on imports, and refining the banking policies, initiated by the Government of India, have played an equally important role in bringing the

Indian car industry to great heights. In India, as there are many competent brands entering the booming market to gain larger and larger market share. And this is again marked by short product life cycle, due to the changes in consumer's preference, style, technology, status and the likes. With this background it was decided that this particular research problem was undertaken for intensive study in order to assess where all the competing brands stand against each other in collorary to consumer satisfaction

- **<u>Objectives of the study:</u>**

1. To study the customer satisfaction towards segment 'C' cars in Bangalore city.
2. To have a demographic profile of the 'C' segment and 'B' segment car users switching over to 'C' Segment Cars.
3. To identify the consumers Brand preference.
4. To assess the reasons for why 'B' segment car users are switching over to 'C' segment cars.
5. To identify the major factors influencing segment 'C' car purchase decision and buyer from 'B' segment.
6. To assess market potential for the new entrants in this segment.

- **<u>Scope of the study:</u>**

The market research in this context is concerned with one of its several functions namely, customer satisfaction, with the study of the market for analyzing the same towards 'C' segment car users in Bangalore city.

The scope of the study is wide since the product itself, is highly marked by differentiation and therefore it constitutes all about fundamental and psychological analysis into the users of ‘C’ segment and also consumers in the ‘B’ segment who are opting to upgrade to ‘C’ segment cars. The study also highlights the factors that influences the most or the features the consumers look forward to, in their buying –decision.

- **<u>Methodology of research:</u>**

Descriptive research is carried through survey method. To elicit the primary data, two questionnaires with structured questions were separately constructed. One for segment ‘C’ car users and other one for ‘B’ segment car users switching over to ‘C’ segment cars. Further personal interviewing of respondents, to corroborate the factual information is taken care.

- **<u>Sampling design</u>**

Sample size for the study was fixed at 120 of ‘C’ segment car user. The sample comprised of 20 users of six major brands of ‘C’ segment cars. It happens to be that these are the only players in the automobile industry in Indian market competing in ‘C’ segment class, with variants within them.

1. Ford : (n =20).
2. Hyundai : (n =20).
3. GM : (n =20).
4. Maruthi : (n= 20).
5. Honda : (n = 20).
6. Tata : (n =20).

And a separate sample of 60 was taken for ‘B’ segment car users opting to switch over to ‘C’ segment car or others (new enterants). Judgmental and purposive sampling method was adopted to pick the sample respondents.

Review of related literature

The review done for the purpose of the study is done by means of collecting information from different sources. The kind of literature that has been reviewed at various stages is listed below.

- Marketing Management by Philip Kotler helps to gather information regarding the basic marketing concepts and marketing definitions.
- Consumer behavior by Leon G. Schiffman and Leslie Lazar kanuk to give a insight into the behavioral patterns of consumers.
- Business Research Methods by Cooper and Schindler helps in the research design and sampling design.
- Company’ Websites, magazines, journals, brochures etc have been the other sources that have served for the purpose of the study.

➢ Data collection instruments

Primary data: the tool to be used for collecting the primary data in the survey is personnel interview based on the questionnaire.

Secondary data: secondary data items for the study are collected through websites, magazines, journals, reports.etc.

Organization of the fieldwork

The study was conducted in Bangalore city. The sample size was 120 customers of ‘C’ segment car users and 60 customers of ‘B’ segment car users. The fieldwork was carried for about three weeks.

- **Data processing and analysis plan**

The data collected through the questionnaires and other sources were Transcripted, tabulated and were analyzed on the lines of the objectives of the study. with the help of statistical tools and techniques for the purpose of getting final and accurate findings to draw the appropriate conclusions.

- **Limitations of study**

This study has several limitations, which are given below:

1. This study is confined to Bangalore city only.
2. Due to time constraint Only 180 respondents were included in the sample.
3. The outcome of the study depends entirely on the fairness of information provided by the respondents.
4. In course of time the findings may become obsolete in the view of further changes in the consumer preference owing to the changes in the environment, such as influx of new entrants in this segment class.
5. Bias of the respondents.

- **<u>An overview of the report</u>**

The_**first chapter** provides the brief information regarding some of the theoretical concepts relevant to the study.

The **second chapter** explains the research methodology followed.

The **third chapter** provides information about the industry and company profiles.

The **fourth chapter** deals with the classification and tabulation of the data and also interpretation and analysis of the data.

The **fifth chapter** gives the summary of findings.

The **sixth chapter** explains the conclusions and recommendations made.

The Indian auto industry has grown at an impressive 16.82 per cent over the last year with total sales of vehicles reaching around 10 million vehicles till November 2006 as against 8.5 million in 2005. Spurred by a huge demand from the market, the increase in production is set to improve further driven by a buoyant economy, with increasing purchasing power, new product launches, coupled with attractive finance schemes from automobile manufacturers and financial institutions. The domestic passenger car market recorded a historic 22.66 per cent growth in April-December, 2006, second only to the 28.56 per cent in fiscal 2003-04. Analysts believe the industry will close fiscal 2006-07 with around 22-23 per cent growth, against just 16 per cent in 2005-06.

Destination India: India is on every major global automobile player's roadmap, and it isn't hard to see why:

- India is the second largest two-wheeler market in the world
- Fourth largest commercial vehicle market in the world
- 11th largest passenger car market in the world
- Expected to be the seventh largest by 2016

Robust production

The cumulative growth of passenger vehicles segment during April-February 2007 compared to the corresponding period in the last year was 22.91 per cent, while that of passenger cars in the same duration was 24.76 per cent, says the Society of Indian Automobile Manufacturers (SIAM). The commercial vehicles segment grew by 36.12 per cent during the April-February 2007 period, while three wheeler sales grew by 14.5 per cent, it added. The commercial vehicles segment grew by 36.12 per cent during the April-February 2007 period, while three wheeler sales grew by 14.5 per cent, it added. For the same period, two wheeler sales grew by 12.56 per cent, with motorcycles segment witnessing a growth of 14.45 per cent.

Automobile Production *(Numbers in 000)*							
Category	**2000-01**	**2001-02**	**2002-03**	**2003-04**	**2004-05**	**2005-06**	**2006-07 (till Sept'06)**
Passenger cars	513	564	609	842	961	1,046	594
Multi-utility vihicles	128	106	112	146	249	263	144
Commercial vehicles	157	163	204	275	350	391	237
Two wheelers	3,759	4,271	5,076	5,625	6,527	7,600	4,155
Three wheelers	203	213	277	341	374	434	264
Total	**4,759**	**5,316**	**6,280**	**7,229**	**8,461**	**9,735**	**5,394**
Growth in per cent	(-)2.00	11.70	18.60	15.12	16.80	14.97	18.04
Source: Ministry of Heavy Industries & Public Enterprises (Department of Heavy Industries)							

Domestic Sales

Domestic passenger car sales increased 46.47 per cent to 92,594 units in February 2007 when compared with 63,213 units in February 2006, according to SIAM. Sales of passenger vehicles in India are likely to grow at 14.9 per cent each year to touch the 2.1 million mark by 2010. To grab a bigger pie of the Indian car market, auto players are eyeing the small car segment. Toyota, Ford, Honda, Mitsubishi and General Motors will launch their small cars in the next three years. This is expected to take Indian passenger vehicle sales to 2.1 million units by the end of March 31, 2010, according to Frost & Sullivan.According to US-based consultancy Keystone, a subsidiary of LaSalle Consulting Associates, India will become the world's third largest automobile market by 2030, behind only China and the US.

Exports

India is fast emerging as a manufacturing base for car exports. According to the Society of Indian Automobile Manufacturers (SIAM), overall automobile exports during April 2006-February 2007 grew by 26.47 per cent, with passenger vehicles at 12.7 per cent, CV at 24.22 per cent, two wheelers at 21.61 per cent and three wheelers at 91.52 per cent.

Investments

The Indian automobile sector has witnessed a slew of investments in the first half of 2006, dominated by plans for new plants and ramped up capacities.

- Sweden-based bus manufacturer Volvo is setting up its proposed bus body-building unit in Bangalore.
- Japan's Nissan Motor Company, along with Mahindra & Mahindra (M&M) and Renault of France is investing US$ 904.4 million in a tripartite integrated facility in Tamil Nadu to make passenger cars and utility vehicles.
- Pierburg, the auto component subsidiary of euro 3.5 billion German group Rheinmetall, is looking at setting up a manufacturing facility in India.
- DaimlerChrysler, the world's second-largest luxury carmaker, plans to set up a new factory in India to assemble cars.
- German carmaker Volkswagen plans to invest up to US$ 511.1 million to set up a plant in India.

Government initiatives

The Government is planning to set up three dedicated corridors for automobile companies exporting to the rest of the world. Dedicated rail corridors are proposed between Gurgaon and Mumbai port, Pune and Mumbai including JNPT and Jamshedpur and Kolkata. A dedicated highway for automobile movement is also being considered between Gurgaon and Delhi. The proposal also includes creating the last-mile, road-port connectivity at all the four ports.

Foreign cars on Indian roads

This year, the Indian automobile market will see at least 30 new launches, spanning everything from affordable hatchbacks to mid-size models to super luxury high-end cars and SUVs.

Mercedes, BMW, Porsche, Audi, Bentley and Rolls Royce are already here. Now, the Italian marquee Lamborghini is also planning to enter the country. The Italian marquee plans to launch the Gallardo. German luxury car maker Audi AG is preparing to drive into India a range of sporty, lifestyle cars like S8 and RS4. The year 2007 will also mark Audi's entry into merchandising in Indian car bazaar. General Motors launched the Aveo and GM plans to bring in a sporty variant of the Chevy Optra to add to its existing line-up.

Segments of Cars

A segment or the entry-level segment in the Indian Car industry has been dominated by one car over the decades. The Maruti 800 from the stable of one of the largest cars makers in the country Maruti Udyog falls under this category of cars.These cars have single handedly changed the perception of cars in the country and have provided an easy option for those who want to graduate from a two- wheeler to a car. Tata Motors' dream of providing a one-lakh rupee car would revolutionize this segment but till then Maruti 800 will continue to rule the roost with another product from Maruti stable Alto catching up with it. There has been a shift in the market in which these cars are being sold. Since a large number of towns in India will not come under the Euro III norms it makes little sense for the people in these places to shell out extra money for cars, which have to conform to Euro III norms.

Classification of passenger cars.

Engine capacity (Cubic Centimeter)	Category Of Cars
Upto 999	A Segment
1000 – 1300	B Segment
1301 – 1600	C Segment
More than 1600	D Segment

Cars in A segment

Name of the Model
Maruti 800 Std - Bharat III
Maruti 800 AC - Bharat III
Alto Std
Alto Lx
Tata Indica GL BS III

There has been a rise in number of people who belong to the affluent middle class and wish to graduate to cars, which provide the extra glitz and glamour than an entry-level car. These cars come with fancy things like power steering, power windows, pepped up engine and conform to the latest emission norms. This particular segment doesn't have a clear winner unlike the entry level segment as all the major car companies in the country have their representation in this segment. There is the Maruti Zen and Wagon R from the countries largest car maker. The Korean carmaker Hyundai entered the market with its flagship car Santro and it has been able make a great impact in this segment. Tata Motors, which promised a desi car for the people of this country, has had a run away winner in TATA Indica.

Cars in B segment

Name of the Model
Hyundai Santro Euro III - XK NonA/C
Hyundai Santro Euro III - XK NonA/C
Hyundai Santro Euro III XL
Hyundai Santro Euro III XL ABS
Alto Lxi
Tata Indica V2
Tata Indica V2 Turbo
Tata Indica Xeta
Fiat Palio 1.2 NV

Cars in the C segment

The booming economy of the country has fuelled the aspirations of the people manifolds and people are just not content with a small car these days, cars have ceased to become a mode of transport and have become expressions of social status and repertoire. Tata motors have added a new dimension to this segment with Tata Indigo, which has gone on to become one of the largest selling cars of this segment.

Cars in the C segment

Name of the Model	Company
Ford Ikon	Ford Motors India
Ford Fiesta	Ford Motors India
Ford Fusion	Ford Motors India
Hyundai Accent	Hyundai Motors India
Maruti Esteem	Maruti Udyog Limited
Maruti Baleno	Maruti Udyog Limited
Tata Indigo & Marina	Tata Motors
Honda City	Honda Seil India Ltd
Chevrolet Optra & Aveo	G. M

D segments cars

Cars in this segment stand for luxury and they come with a hefty price tag, but who cares when you have loads of money and an array of luxurious wheels to choose from. These cars provide you the ultimate luxury and are fitted with the state of the art accessories.

3.2 Company profiles

1. Hyundai Motors

Hyundai Motor India Ltd. was established in 1996, and is a subsidiary of the giant South Korean multi national, the Hyundai Motor Company. It is Korea's top automobile manufacturer, with it sales revenue touching 8.24 billion in 1997. The Santro is steadily capturing the Indian market, and giving a strong competition to its rivals in the same segment.

It's success story is an example of a profitable Indian - Korean partnership where Indian skills and workmanship combine with Korean design and technology to produce one of the best cars. The Hyundai Santro has been designed and developed in India at the integrated auto-manufacturing unit at Irrungattukatoi near Chennai. This plant is capable of producing 1,20,000 cars and 1,30,000 engine and transmission systems annually. It also has in built facilities for the manufacture of critical components. It is planned to invest another $1 billion in this facility by the year 2001. The Company has set up more than 70 dealer workshops that are equipped with the latest technology, machinery, and international quality press, body and paint shops, across the country, thereby providing a one-stop shop for a Hyundai customer.

The latest model to hit the roads is the Hyundai Accent that was unveiled at the Frankfurt Motor Show. It is a mid - sized, front wheeled drive, four door saloon with a four cylinder, 12 valve, 1495 cc, MPFI, petrol engine. Hyundai hopes to increase its presence in the Indian market with coming up with more new models to cater to the growing and differing needs of the market.

2. Ford Motor Company

The Ford Motor Company has a rich legacy of translating better motoring ideas to the roads. It has manufactured notable brands such as the Ford, Lincoln, Mercury and the Jaguar. It is among the top five industrial corporations in the world and is available in more than 200 countries around the world. Ford has entered the Indian market through a tie - up with Mahindra Motors to manufacture the Ford Escort. Sold to over 18 million owners worldwide, the models available in India are specially engineered for Indian conditions.

Ford has sold over 260,000,000 vehicles around the world, and is all geared to make India a global player in automobiles. With an investment of over Rs. 1700 crores, and in an area encompassing 350 acres, Ford has set up its own new, integrated manufacturing plant at Maraimalai Nagar near Chennai. It has been the endeavor at Mahindra Ford to manufacture India's top quality cars. This is secured through a quality check program based on the principles of NOVA - C (New Overall Vehicle Audit - Customer) wherein daily random checks are conducted from a customer's point of view.

At Mahindra's dealerships are present trained professionals who provide the best levels of service in India. Its intensive manpower training, advanced service equipment and dedicated consumer satisfaction are the are its plus points which is being followed by the entire industry.

Acknowledgement has come in the form of the J D power 1997 India Initial Quality and Customer Satisfaction Awards. These internationally acclaimed and recognized awards voted the Ford Escort as the Best Quality car and the Mahindra Ford and its dealerships were rated the highest in Customer Satisfaction. This is an honor as it its only the second time in automotive history that the same brand/manufacturer has received both the awards in the same year.

3. General Motors

General Motors is the worldwide leader in car manufacture, with a 17% share in the world auto market. Its products are sold in over 170 countries, and its manufacturing base is spread across 43 countries and its annual production is roughly 83 lakh vehicles.It manufactures a variety of vehicles: the Chevrolet, Pontaic, Cadillac, Oldsmobile, Opel, Saturn, Geo, Vauxhall, Holden and many more.

At the forefront of technological innovations in the automotive sector, General Motors, since its inception in 1908, has always stood a shade above the rest. In 1911, it introduced the electric self-starter, in 1933, developed the front wheel suspension, called the Knee - Action. It initiated the installation of the industry's first catalytic converters in all cars sold in the US in 1975 and in 1996 delivered the first electric vehicle, the GM EV1, to consumers. The latest is the production of the EVJ, an electric passenger vehicle.

Its tryst with India began in 1928, with the assemblage of Chevrolets in 1928. Till its closure in 1954, it assembled trucks, buses and batteries both for the Indian and export market. It has since then been in the Indian market as part of tie-ups with the Hindustan Motors to produce Bedford trucks, Vauxhall cars, Allison transmission and off-highway equipment. General Motors India was formed in 1994 as a result of collaboration between General Motors Corporation and C.K. Birla Group of Companies. Its total investment is to the tune of Rs. 300 crores, roughly equal to 100 million dollars and its Manufacturing Plant is located at Halol, 40 km north of Vadodara in Gujarat. GM India has brought the latest manufacturing processes and human factor practices to its Halol Plant and therefore is the benchmark for advanced technologies in the Indian automotive industry. GM's operations in India combines Indian ingenuity, American management know-how and German engineering to produce premium automobiles in a world class manufacturing environment. The Opel Astra that GM India is producing is Opel's best selling model worldwide and the third best selling car ever produced. GM India's Dealer network and after sales support system are fully functional and provide solid backing for their customers after they purchase the product and help assure total customer satisfaction and enthusiasm.

4. Honda

Honda Siel Cars India Ltd., (HSCI) was set up in December 1995 as a joint venture between Honda Motor Co. Ltd., Japan and Siel Limited to manufacture passenger cars in India. The company has brought about three models in India - Honda City, Honda Accord, and Honda CR-V. Its first model was launched in 1997. Very recently Honda Siel Cars has launched one more market friendly model, Honda Civic on 9th July 2006 in India. Honda Siel Cars India Ltd. is ISO 9002 & ISO 14001 certified.

5. Maruti Udyog Ltd

December 1983 heralded a revolution in the Indian car industry. Maruti collaborated with Suzuki of Japan to produce the first affordable car for the average Indian. At this time, the Indian car market had stagnated at a volume of 30,000 to 40,000 cars for the decade ending 1983. This was from where Maruti took over.The sales figure for the year 1993 reached up to 1,96,820. The company reached a total production of one million vehicles in March 1994 becoming the first Indian Company to cross this milestone.

It crossed the two million mark in 1997.India's largest automobile company, Maruti entered the Indian car market with the avowed aim to provide high quality, fuel - efficient, low - cost vehicles. Its cars operate on Japanese technology, adapted to Indian conditions and Indian car users. Maruti comes in a variety of models in the 800 segment. To fend off growing competition, Maruti has recently completed a Rs. 4 billion expansion project at the current site, which has increased the total production capacity to over 3,20,000 vehicles per annum. It has further plans to modernize the existing facilities and to expand its capacity by 1,00,000 units in the year 1998-99. The total production of the company will exceed 4,00,000 vehicles per year. The latest addition to the Maruti stable is the Classic, billed as the car that will lead the way to the next millennium. Other models on their way include the Wagon R and the Baleno.

6. Tata Motors

Established in 1945, Tata Motors is India's largest automobile company, with revenues of Rs 24,000 crore (USD 5.5 billion) in 2005-06. The company began manufacturing commercial vehicles in 1954 with a 15-year collaboration agreement with Daimler Benz of Germany. It is the leader by far in commercial vehicles in each segment, and the second-largest in the passenger vehicles market with winning products in the compact, midsize and utility vehicle segments. The company is the world's fifth-largest medium and heavy commercial vehicle manufacturer.

4.1. Analysis of Data:

After the data have been collected from the actual respondents, the next step in the research process is data analysis. The purpose of analysis is to interpret and draw conclusion from the data collected; here a four-step procedure is followed for data analysis.

- Editing
- Coding
- Data entry
- Tabulation and statistical analysis

1. Editing: It involves checking for researcher and respondents' mistakes. The mistakes can be as follows,

a. The researcher must have failed to ask some questions or record answer for certain questions.

b. The researcher may not follow the skip pattern (the requirement to pass over certain questions in response to respondents answer to a previous question is called skip pattern).

c. Responses to open-ended questions are checked.

2. Coding: It is the process of grouping and assigning numeric codes to the various responses to questions. This means that numeric codes have been assigned to various responses on the questionnaire itself. They are stated open-ended because the interviewer either had no idea what answers to expect or wanted richer response. The open-ended questions can also be coded but it is a very time consuming process.

3. **Data entry:** This refers to the process of converting information from a form of actual data into numerical form, which can be read by the computer.

4. **Tabulation and statistical analysis:** the next step is to tabulate the survey results. The most basic tabulation is a frequency table. Frequency table is a table showing the number of responses to each answers of a survey question. In addition to the frequencies, these tables typically indicate the percentage of those responding to a question that gave each possible response.

GRAPHICAL PRESENTATION OF DATA

Graphical representation involves the use of pictures other than tables to present research results. Statistical analysis helps the company to identify important findings. Graphs are the best way to present those findings and they are eye-catching, which makes it easier for the readers to understand the facts.

4.2. PROFILE OF RESPONDENTS

Table 1:

Table showing gender of the respondents:

Gender	Segment C Car users	Percentage	Segment B car users	Percentage
Male	81	67	39	65
Female	39	33	21	35

Source: Primary Data

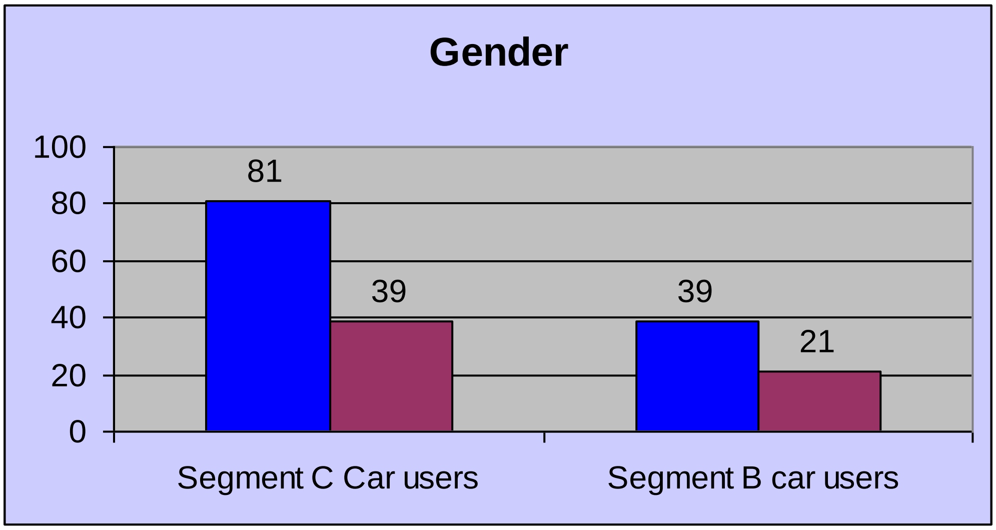
Analysis:

From the above table it is clear that most of the respondents surveyed are male. The total no of male respondents are 81 for segment C and 39 for segment B. Female respondents being 39 segment C and 21 segment B cars.

Inference:

It can be inferred that most of the respondents surveyed are male for the segments.

Graph No 1: Chart showing gender of the respondents:



Source: Primary Data

Table 2

Table showing the age group of respondents

Age Group	Segment C Car users	Percentage	Segment B car users	Percentage
Below 25	27	23	11	18
26-30	38	32	23	39
31-35	41	33	18	30
Above 35	14	12	8	13

Source: Primary Data

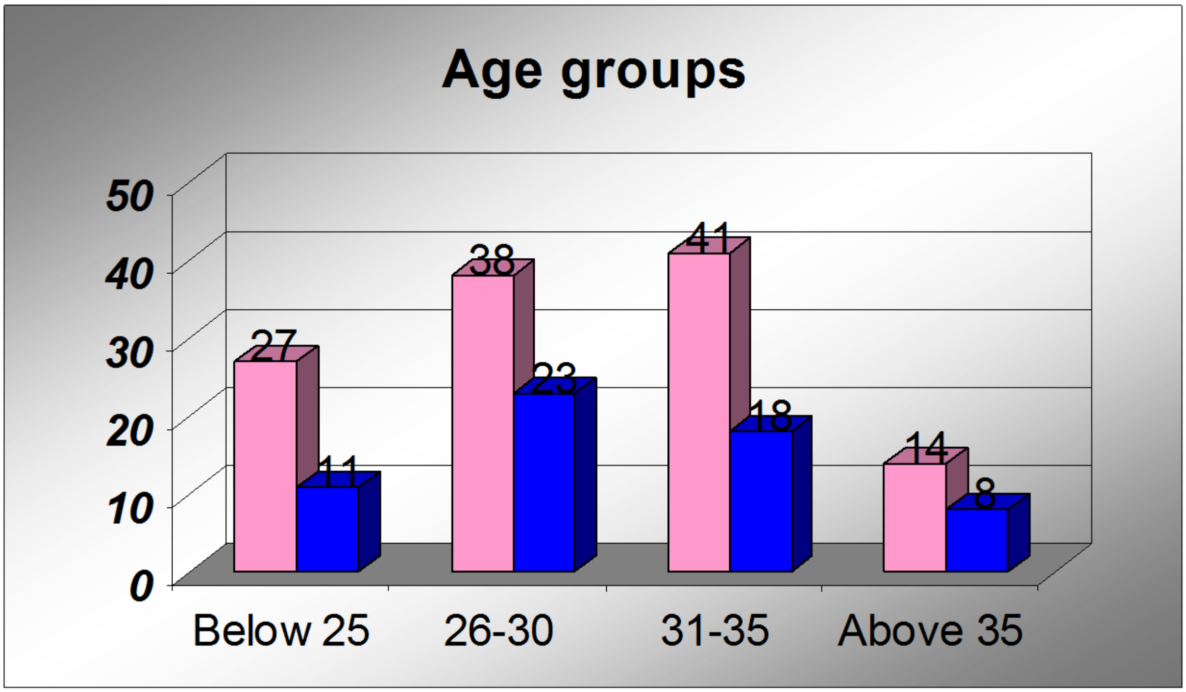
Analysis

From the above table the researcher found that the majority of the people using the segments C and B cars were mainly belonging to 26-30 and 31-35 age groups. From the above table it is observed that for segment C cars, 79 respondents were aged between 26-35 & 27 respondents i.e., 27 were from aged below 25. For segment B cars 41 respondents were from the age group 26-35 and 11 respondents belonged to age groups of below 25.

Inference:

Research found that maximum number of respondents is in the age group of 26-35.

Graph No 2: Chart showing the age group of the respondents



Source: Primary Data

Table3:

Table showing the occupation of the respondents

Occupation	**Segment C Car users**	**Percentage**	**Segment B car users**	**Percentage**
Businessmen	32	27	15	25
Self Employed	17	14	11	18
Professional	46	38	18	30
Service	11	9	7	12
Others	14	12	9	15

Source: Primary Data

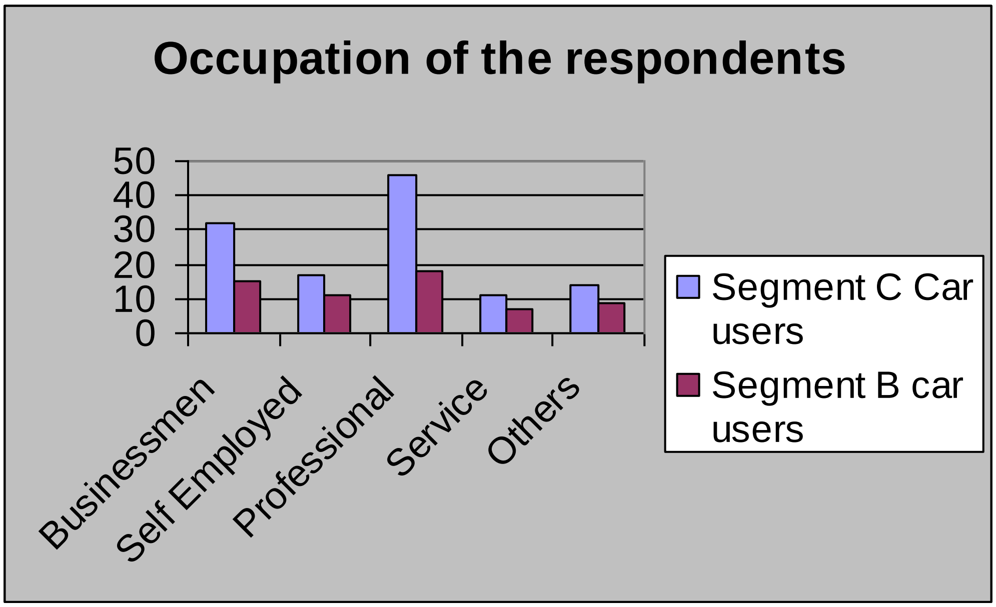
Analysis

From the above table the researcher found that the sample comprised of mainly professionals and businessmen. Among segment C car users 46 were professionals and 32 were businessmen. Among segment B users 18 of them were professionals and 15 were businessmen.

Inference

From the above interpretation majority of respondents were professionals and businessmen.

Graph No 4.3: Chart showing the occupation of the respondents:



Source: Primary Data

Table 4:

Table showing the Monthly Income of the respondent

Income group	Segment C	Percentage	Segment B	Percentage
Below 15000	17	14	5	8
15000-20000	28	23	21	35
20000-25000	43	36	27	45
Above 25000	32	27	7	12

Source: Primary Data

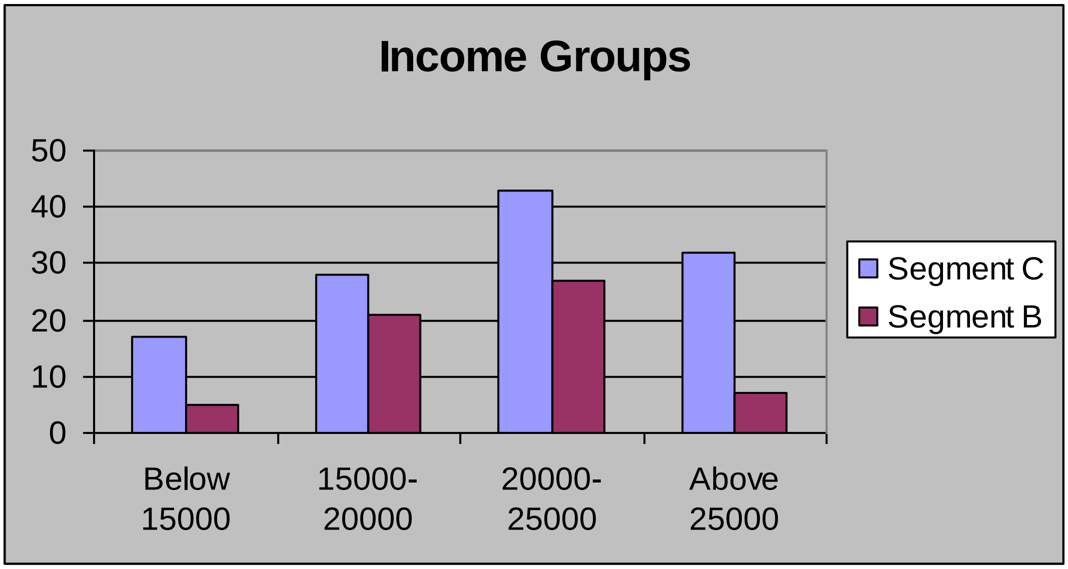
Analysis

From the above table the researcher found that the majority of the respondent using segment C cars belonged to 20000-25000 category followed by above 25000 category. Segment B car users belonged to 15000 t0 25000 category.

Inference

From the above table it can be inferred that majority of respondents were from high-income groups.

Graph No 4: Chart showing the Income group of the respondents:



Source: Primary Data

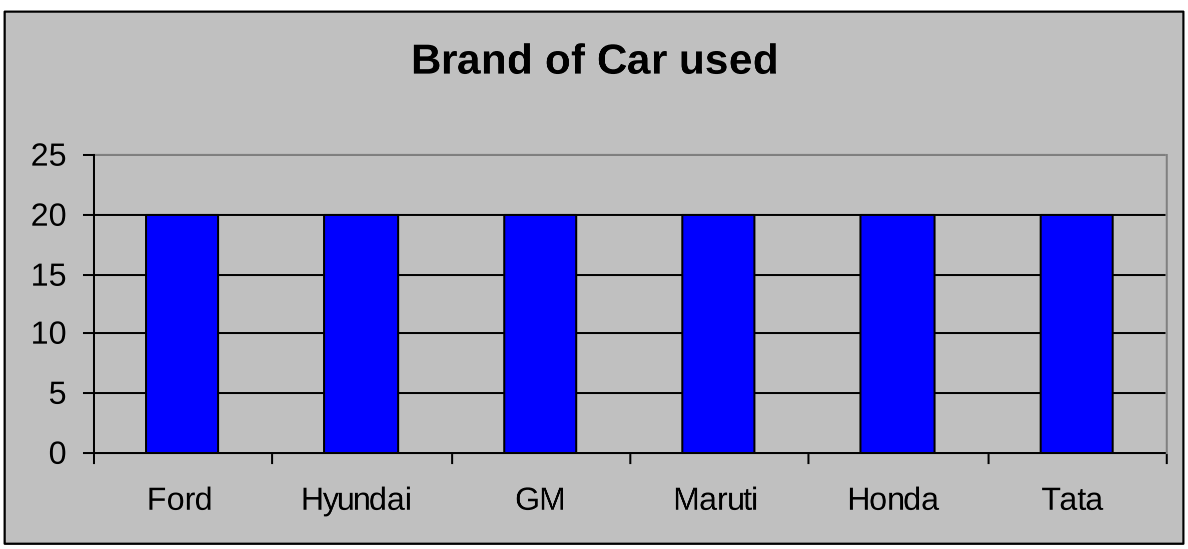
Table5: showing brand of car used for Segment C users

Brand	Number	Percentage
Ford	20	16.66
Hyundai	20	16.66
GM	20	16.66
Maruti	20	16.66
Honda	20	16.66
Tata	20	16.66

Analysis

From the above table it can be said that the sample comprised of users of 6 brands of segment C car users. The size for each segment c car was taken as 20 users.

Figure 5: showing brand of car used for Segment C users



Source: Primary Data

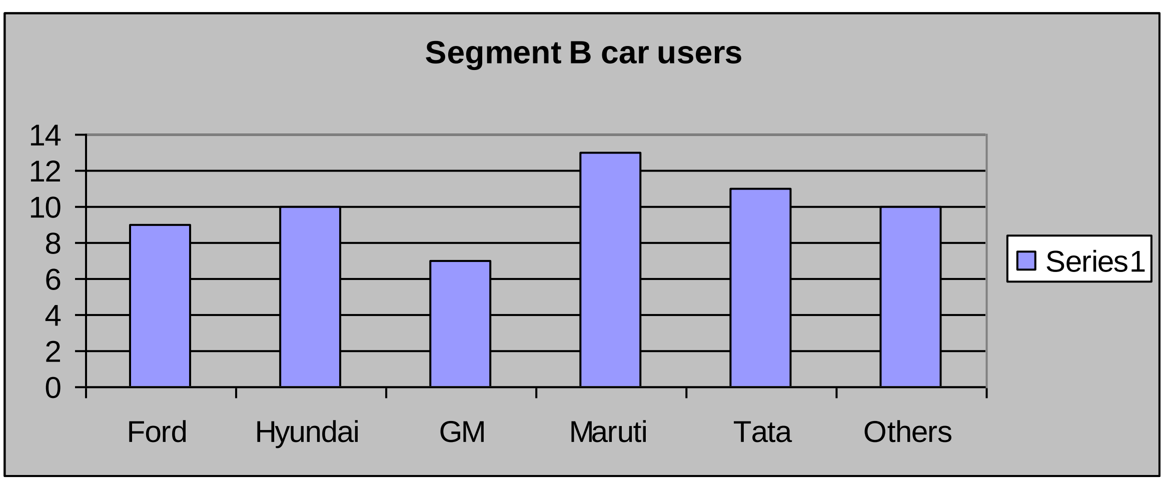
Table 6: showing brand of car used for Segment B users

Brand	Number	Percentage
Ford	9	15
Hyundai	10	17
GM	7	12
Maruti	13	21
Tata	11	18
Others	10	17

Analysis

From the above table it can be said that the sample comprised of 13 customers of Maruti, 11 customers of Tata, 10 each of Hyundai and other brands, 9 customers of Ford and 7 customers of GM.

Figure 6: showing brand of car used for Segment B users



Source: Primary Data

Part A: Customer Satisfaction Towards Segment C car users

Table 7: Table showing information-gathering source for the vehicle owned by the respondents.

Source of Information	Number	Percentage
News papers	27	22
Films	3	3
TV ads	30	24
Magazines	21	18
Posters/catalogs	12	10
Exhibitions	9	8
Referrals	18	15

Source: Primary Data

Analysis:

From the above table the researcher found that the customers got information through TV ads and newspapers (30 and 27). Magazines and referrals were next important source of information with 21 and 18 customers indicating that choice. Posters and exhibitions formed the next source of information and films can’t be taken as media for advertising with only 3 being influenced by that.

Interpretation:

From the above table we can infer that TV ads and newspaper are the two strong media to promote the cars.

Figure 7: sources from which the information gathered for the vehicle owned

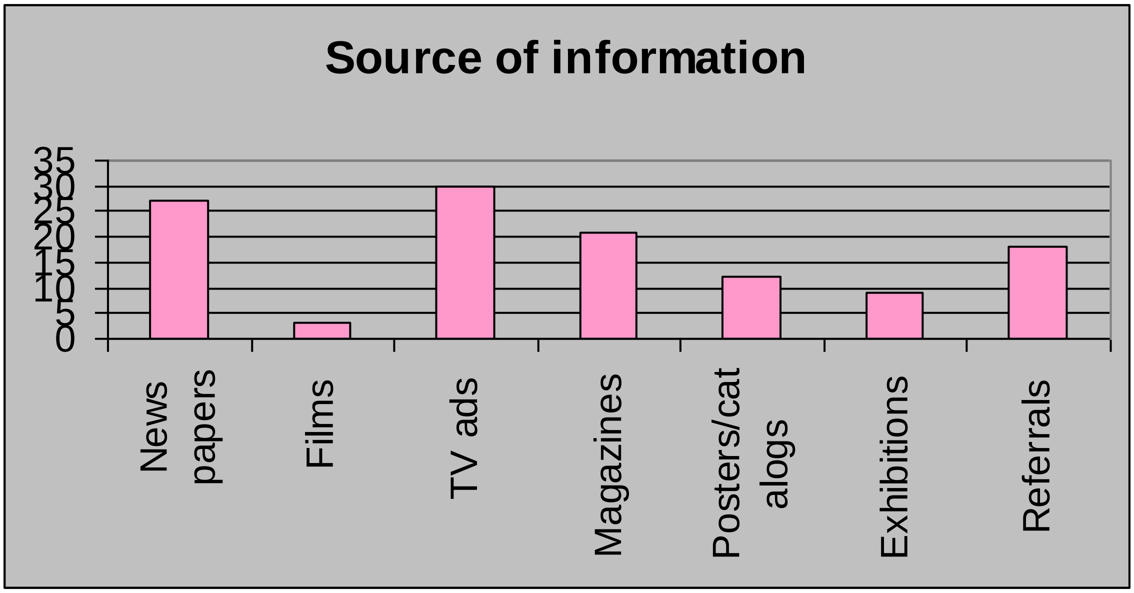


Table 8:

Table showing the reasons for buying the car.

Reasons	**Number**	**Percentage**
Increase in income	47	19
Peer group pressure	38	15
Official requirement	71	29
Easy to avail	43	17
Good price	26	11
Others	21	9

Source: Primary Data

Analysis:

From the above table the researcher found that the most important reason for buying the car is for official requirement with 71 customers opting for this option. Increase in income and easy to avail are next important reasons for buying the car (47 and 43). Peer group pressure is also an important aspect to purchase the car with 38 customers buying for this reason. Price and other reasons are not so important with only 26 and 21 customers opting for this reason.

Interpretation:

From the above table we can infer that official requirement is most influential reason to buy a segment C car.

Figure 8: showing the reasons for buying the car.

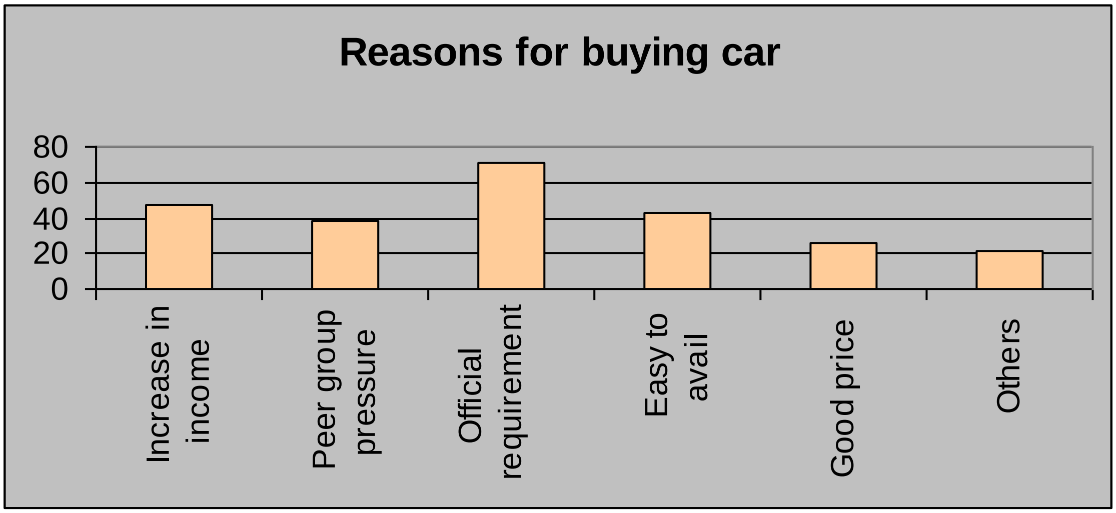


Table 9 : showing important factors for choosing the car

Reasons	Unimportant		Not so important		Important		Very important	
	No	**%**	**No**	**%**	**No**	**%**	**No**	**%**
Price	-	0	4	3	39	33	77	64
Advertisements	11	9	41	34	46	39	22	18
Status level	12	10	19	16	53	44	36	30
Brand name	-	0	9	8	34	28	77	64
Tie up with the financial institution	29	24	41	34	42	35	8	7

Analysis:

From the above table the researcher found that the most important factor for buying the car is price and brand name with 77 customers feeling it is very important. Looking into these aspect further price ranks first with 39 customers opting for important scale. Status level is the next important factor for purchasing the car followed by advertisements. Tie up with the financial institutions is the least important factor rated.

Interpretation:

From the above analysis we can infer that price and brand name most influential reason to buy a segment C car.

Figure 9: showing important factors for choosing the car

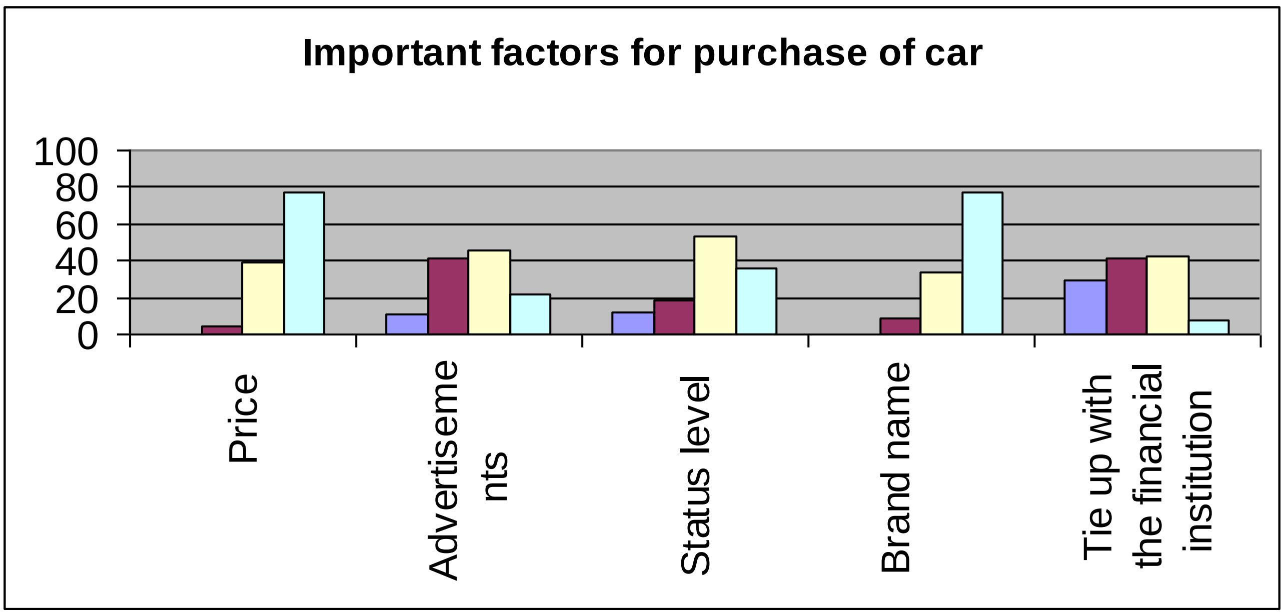


Table 10: purpose for using the car

Reasons	**Number**	**Percentage**
Official purpose	79	35
Long distance travel	40	18
Family	71	32
Casual city usage	34	15

Analysis:

From the above table the researcher found that the customers are using the segment C car for official purpose. 79 customers have given consent to this option. Family requirements are the second purpose of usage with 71 customers opting for this option. Long distance travel and casual city usage is not given much importance.

Interpretation:

From the above analysis we can infer that the customers are using segment C cars for official and family requirements.

Figure 10 : purpose for using the car

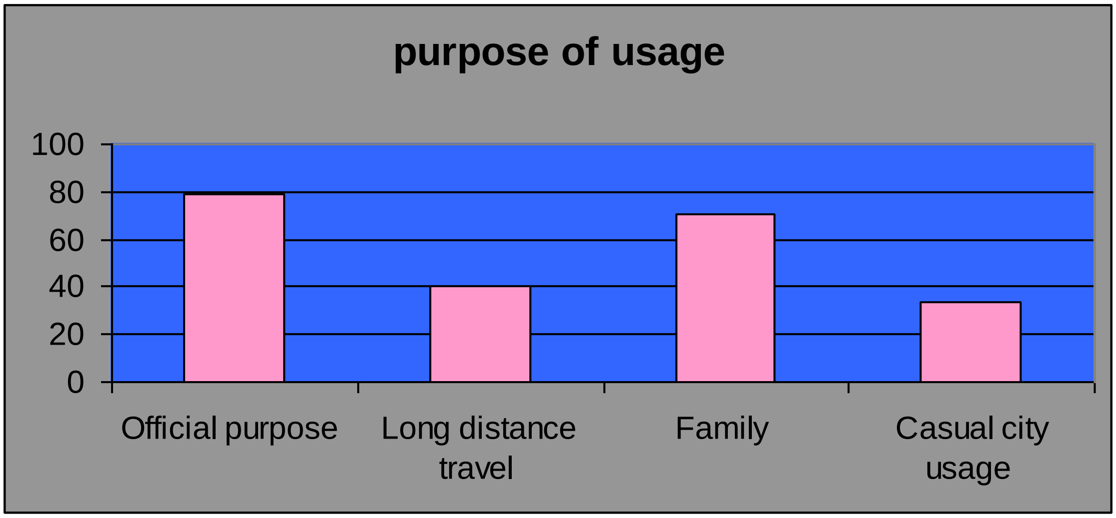


Table 11: time since using the car

Time	**Number**	**Percentage**
Below two years	38	32
2-4 years	54	45
Above 4 years	28	23

Analysis:

From the above table the researcher found that most of the customers are using the segment C car for 2-4 years. That is 54 customers have purchased the car in the last 2-4 years, followed by new users who have purchased the car recently.

Interpretation:

From the above analysis we can infer that most of the customers have bought the car 2-4 years back.

Figure 11: time since using the car

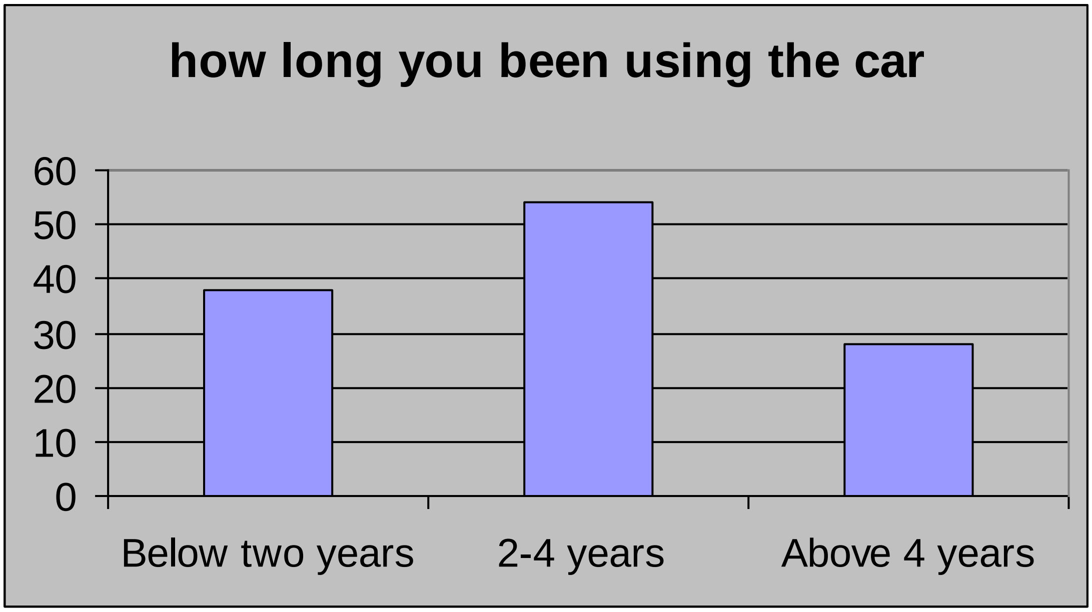


Table 12: Feeling towards price of the car

Feeling	Number	Percentage
Very expensive	22	30
Expensive	61	52
Value for money	36	18

Analysis:

From the above table the researcher found that most of the customers feel that the car is expensive with 61 of them opting for this option.22 of them feel it is very expensive and 36 of them the car gives value for money.

Interpretation:

From the above analysis we can infer that the car is expensive but not very expensive.

Figure 12 : Feeling towards price of the car

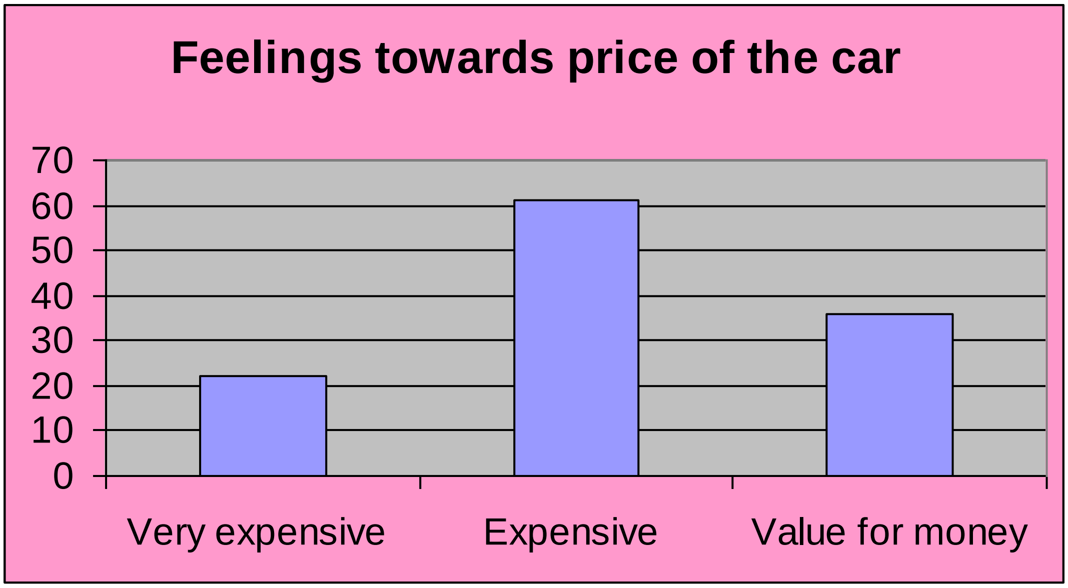


Table 13 : Mode of payment

Mode	Number	Percent
Credit card	7	6
Cash	22	18
Loan	81	68
Others like gift	10	8

Analysis:

From the above table the researcher found that most of the customers are have bought the car by availing bank loan with 81 customers going for this option. While 22 of them have bought the car cash mode 7 used credit card facility.

Interpretation:

From the above analysis we can infer that bank loan is the favorite mode of payment.

Figure 13 : Mode of payment

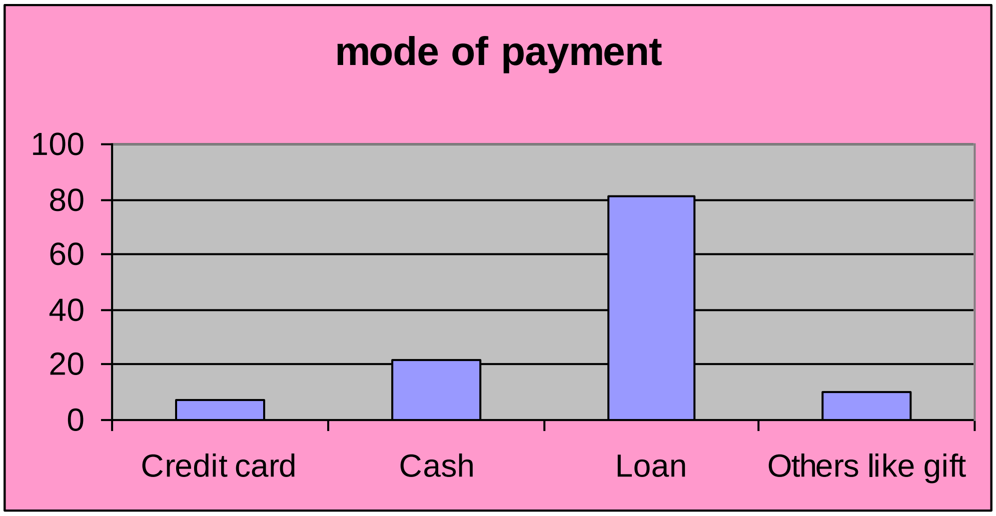


Table 14: Ratings for different Brands on Car attributes

Factors	Brands	Very poor		Poor		Satisfied		Good		Excellent		Mean
		F	%	F	%	F	%	F	%	F	%	
Fuel Efficiency	Ford	0	0	0	0	10	50	8	40	2	10	3.6000
	Maruti	0	0	0	0	5	25	12	60	3	15	3.9000
	GM	3	15	9	45	8	40	0	0	0	0	2.2500
	Honda	0	0	0	0	9	45	11	55	0	0	3.5500
	Hyundai	0	0	0	0	7	35	10	50	3	15	3.8000
	Tata	0	0	0	0	7	35	10	50	3	15	3.8000
Interiors and exteriors Designs	Ford	0	0	0	0	5	26	12	60	3	15	3.9000
	Maruti	0	0	0	0	11	55	9	45	0	0	3.4500
	GM	0	0	4	20	12	60	4	20	0	0	3.0000
	Honda	0	0	0	0	0	0	11	55	9	45	4.4500
	Hyundai	0		0	0	0	0	15	75	5	25	4.2500
	Tata	0	0	0	0	7	35	13	65	0	0	3.6500
Gear shifts	Ford	0	0	0	0	0	0	17	85	3	15	4.1500
	Maruti	0	0	0	0	4	20	16	80	0	0	3.8000
	GM	0	0	0	0	0	0	17	85	3	15	4.1500
	Honda	0	0	0	0	0	0	11	55	9	45	4.4500
	Hyundai	0	0	0	0	7	35	13	65	0	0	3.6500
	Tata	0	0	5	25	11	55	4	20	0	0	2.9500

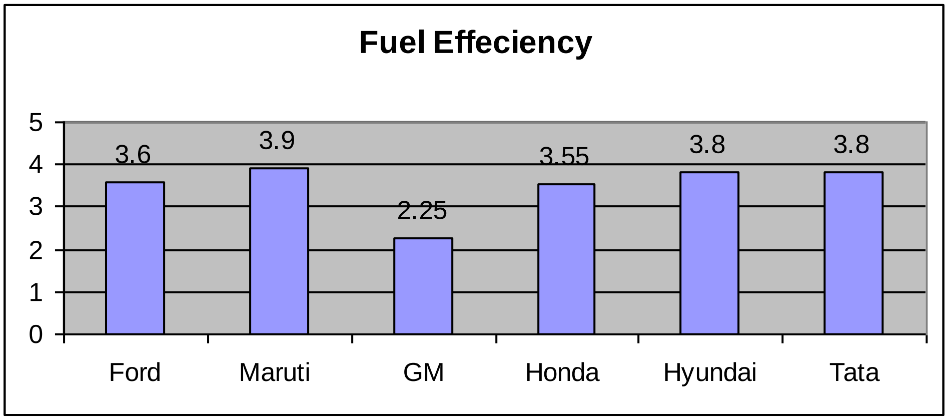
Factors	Brands	Very poor		Poor		Satisfied		Good		Excellent		Mean
		F	%	F	%	F	%	F	%	F	%	
Ride, Handling and Braking	Ford	0	0	0	0	2	10	15	75	3	15	4.0500
	Maruti	0	0	0	0	4	20	12	60	4	29	4.0000
	GM	0	0	0	0	0	0	12	60	8	40	4.4000
	Honda	0	0	0	0	1	5	11	55	8	40	4.3500
	Hyundai	0	0	0	0	0	0	18	90	2	10	4.1000
	Tata	0	0	0	0	12	60	8	40	0	0	3.4000
Seating Capacity and traveling comfort	Ford	0	0	0	0	10	50	8	40	2	10	3.6000
	Maruti	0	0	0	0	12	60	8	40	0	0	3.4000
	GM	0	0	0	0	0	0	13	65	7	35	4.3500
	Honda	0	0	0	0	1	5	11	55	8	40	4.3500
	Hyundai	0	0	0	0	8	40	8	40	4	40	3.8000
	Tata	0	0	0	0	2	10	13	65	5	20	4.1500
Economy	Ford	0	0	0	0	12	60	8	40	0	0	3.4000
	Maruti	0	0	0	0	4	20	10	50	6	30	4.1000
	GM	0	0	0	0	13	65	7	35	0	0	3.3500
	Honda	0	0	0	0	0	0	16	80	4	20	4.2000
	Hyundai	0	0	0	0	4	20	14	70	2	10	3.9000
	Tata	0	0	0	0	11	55	9	45	0	0	3.4500

Factors	Brands	Very poor		Poor		Satisfied		Good		Excellent		Mean
		F	%	F	%	F	%	F	%	F	%	
Electronics and Electrical	Ford	0	0	0	0	3	15	17	85	0	0	3.8500
	Maruti	0	0	0	0	10	50	10	50	0	0	3.5000
	GM	0	0	0	0	2	10	11	55	7	35	4.2500
	Honda	0	0	0	0	0	0	12	60	8	40	4.4000
	Hyundai	0	0	0	0	1	5	16	80	3	15	4.0500
	Tata	2	10	2	10	10	50	6	30	0	0	2.9500
Safety	Ford	0	0	0	0	0	0	20	100	0	0	4.0000
	Maruti	0	0	0	0	7	35	13	65	0	0	3.6500
	GM	0	0	0	0	0	0	9	45	11	55	4.5500
	Honda	0	0	0	0	2	10	10	50	8	40	4.2000
	Hyundai	0	0	0	0	3	15	17	85	0	0	3.8500
	Tata	0	0	0	0	13	65	7	35	0	0	3.3500
Maintenance cost	Ford	0	0	0	0	14	70	6	30	0	0	3.3000
	Maruti	0	0	0	0	0	0	17	85	3	15	4.1500
	GM	0	0	0	0	15	76	5	25	0	0	3.2500
	Honda	0	0	0	0	2	10	10	50	8	40	4.3000
	Hyundai	0	0	0	0	5	25	10	50	5	25	4.0000
	Tata	0	0	0	0	11	55	9	45	0	0	3.4500

Factors	Brands	Very poor		Poor		Satisfied		Good		Excellent		Mean
		F	%	F	%	F	%	F	%	F	%	
Availability of Spares	Ford	0	0	0	0	7	35	13	65	0	0	3.6500
	Maruti	0	0	0	0	1	5	15	75	4	20	4.1500
	GM	0	0	2	10	14	70	4	20	0	0	3.1000
	Honda	0	0	0	0	11	55	9	45	0	0	3.4500
	Hyundai	0	0	0	0	10	50	10	50	0	0	3.5000
	Tata	0	0	0	0	7	35	9	45	4	20	3.8500
After sales service	Ford	0	0	3	15	7	35	10	50	0	0	3.3500
	Maruti	0	0	0	0	2	10	7	35	11	55	4.4500
	GM	0	0	0	0	12	60	8	40	0	0	3.4000
	Honda	0	0	1	5	3	15	11	55	5	25	4.0000
	Hyundai	0	0	2	10	10	50	8	40	0	0	3.3000
	Tata	0	0	2	10	9	45	9	45	0	0	3.3500

Note: F- frequency, % percentage

Figure 14a : showing rating for fuel efficiency of the car



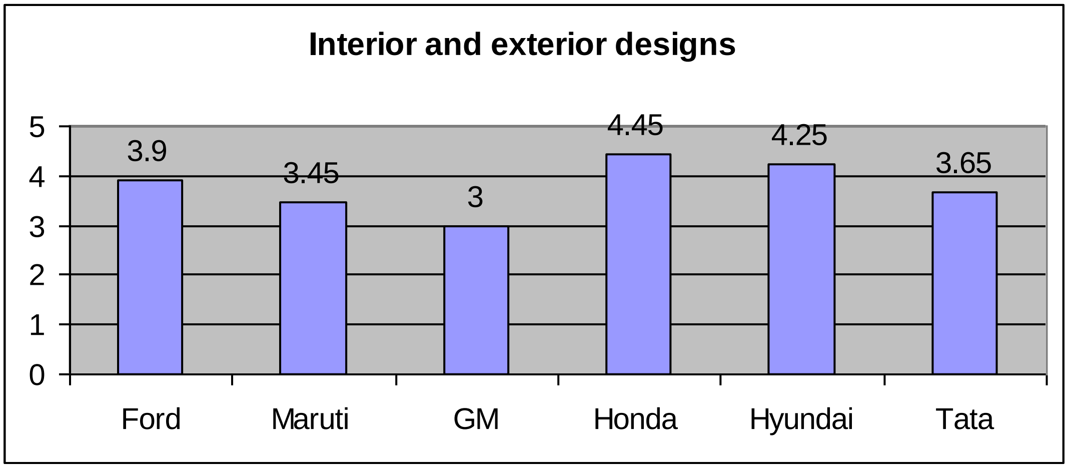
Analysis:

From the above table the researcher found that ratings for Maruti, Tata and Hyundai are very good with mean scores of 3.9 and 3.8. Ford and Honda are rated moderately. The least rated brand is GM with a low mean score of 2.25.

Interpretation:

From the above analysis we can infer that maruti is ranked higher for fuel efficiency.

Figure 14b : showing rating for fuel Interiors and exterior design of the car



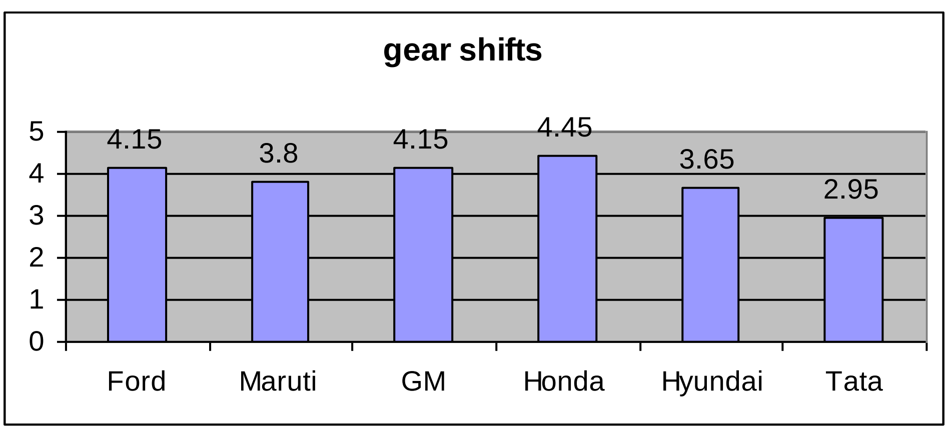
Analysis:

From the above table the researcher found that ratings for Honda and Hyundai are excellent with mean scores of 4.45 and 4.25. Ford, Tata and Maruti are rated moderately. The least rated brand is again GM with a low mean score of 3.0.

Interpretation:

From the above analysis we can infer that Honda is ranked higher for interior and exterior design of the car.

Figure 14c : showing rating for gear shifts of the car



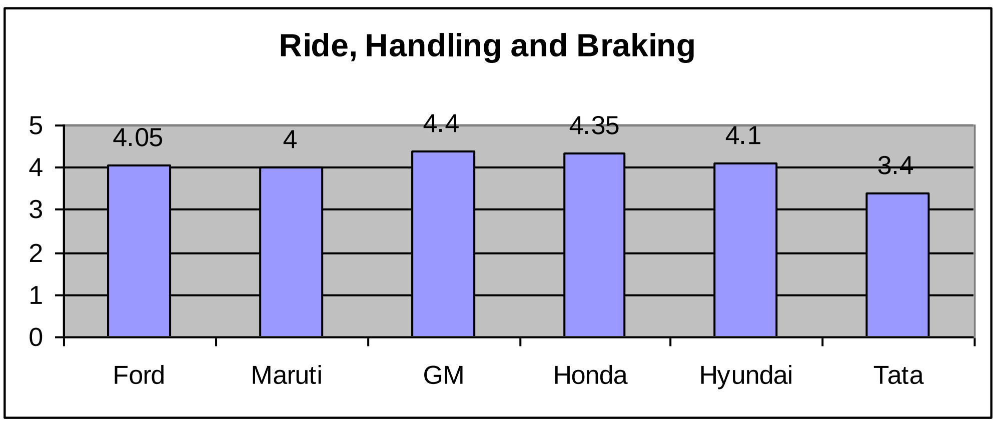
Analysis:

From the above table the researcher found that ratings for Honda, ford and GM are excellent with mean scores of 4.45 and 4.15. Maruti and Hyundai are rated moderately with scores of 3.8 and 3.65. Tata is the least rated with a score of only 2.95.

Interpretation:

From the above analysis we can infer that Honda is ranked higher for gearshifts of the car.

Figure 14d : showing rating for Ride, Handling and Braking of the car



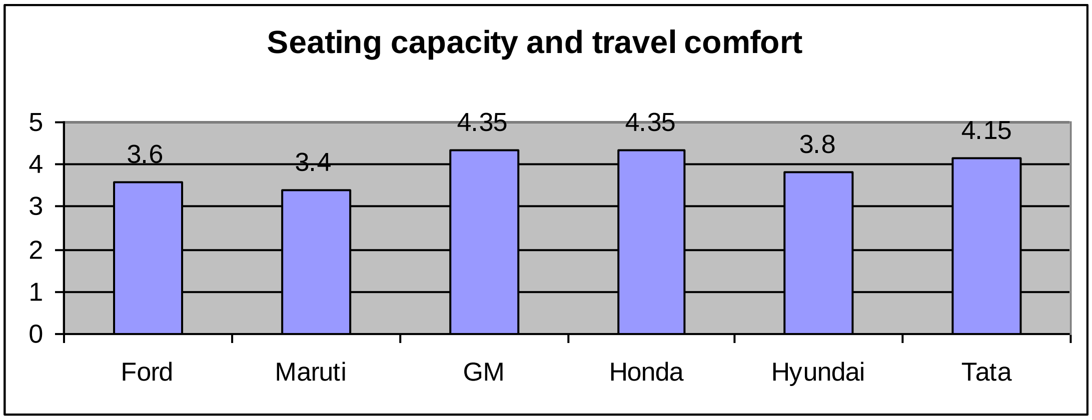
Analysis:

From the above table the researcher found that ratings for all the brands are good with high mean scores of above 4.0, with Gm toping the ratings and followed by Honda.Tata is the least rated brand.

Interpretation:

From the above analysis we can infer that GM is ranked higher for Ride, Handling and Braking of the car.

Figure 14e : showing rating for seating capacity and travel comfort of the car



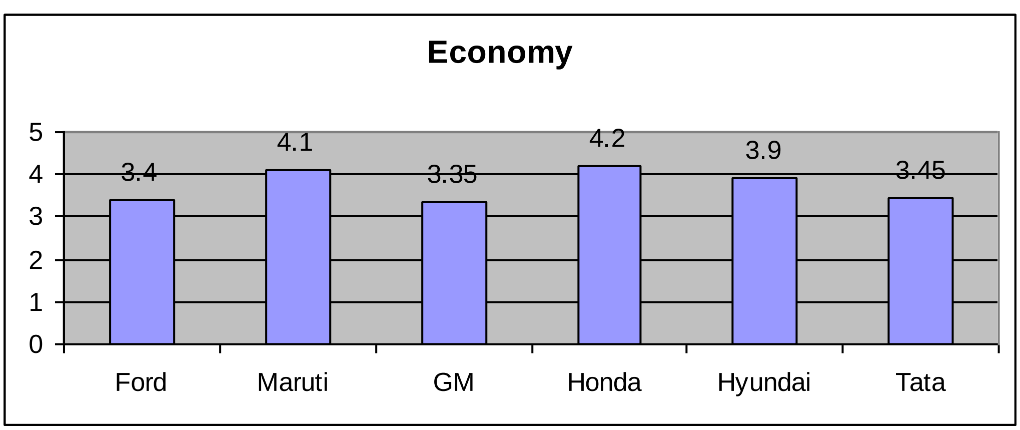
Analysis:

From the above table the researcher found that Honda and Gm tops the list with score of 4.35 each. Tata is also rated highly with 4.15 score. Hyundai and Ford are moderately rated whereas Maruti is least rated with score of only 3.4.

Interpretation:

From the above analysis we can infer that GM and Honda are ranked higher for seating capacity and travel comfort of the car.

Figure 14f : showing rating for economy of the car



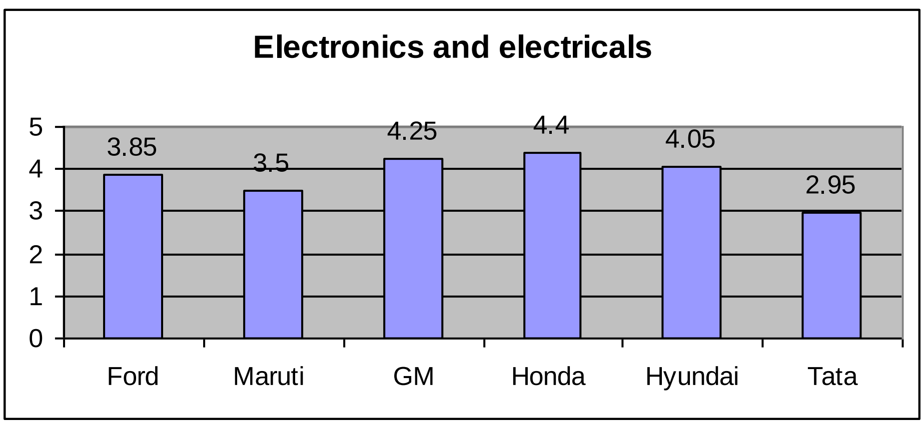
Analysis:

From the above table the researcher found that Honda and Maruti are rated highly for economy of the car with scores of 4.2 and 4.1 respectively. Hyundai is moderately rated whereas GM, Tata and Ford are least rated with scores of only 3.4, 3.45 and 3.35.

Interpretation:

From the above analysis we can infer that Honda and Maruti are ranked higher for economy of the car.

Figure 14g : showing rating for electronics and Electrical of the car



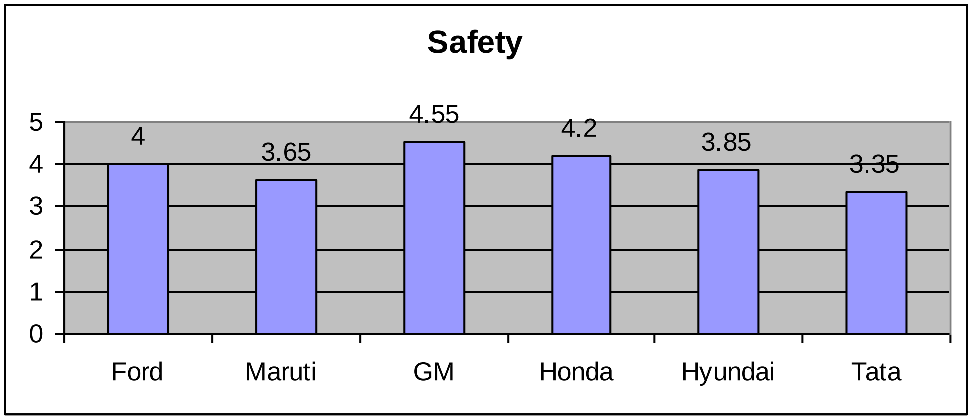
Analysis:

From the above table it can be seen that Honda, Gm and Hyundai are rated highly with scores of above 4.0. Ford and Maruti are rated low with below 4.0 mean scores. Tata is the least rated with score of only 2.95

Interpretation:

From the above analysis we can infer that Honda is ranked higher for its electronics and electrical.

Figure 14h : showing rating for safety of the car



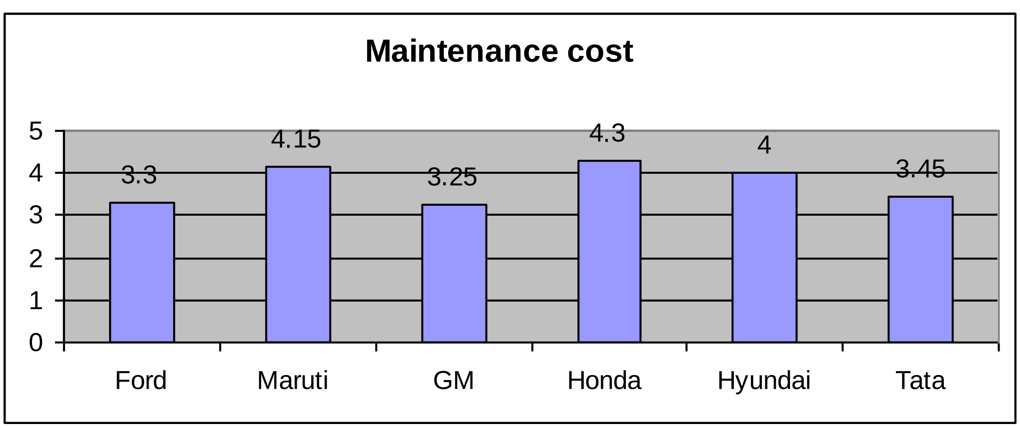
Analysis:

From the above table the researcher found that GM is rated very highly for security with very high score of 4.55. Honda and Ford follow GM with scores of 4.2 and 4.0. Maruti, Hyundai and tata are least rated with scores of only 3.85, 3.65 and 3.35.

Interpretation:

From the above analysis we can infer that GM is accepted as the car, which gives maximum security.

Figure 14i : showing rating for Maintenance cost



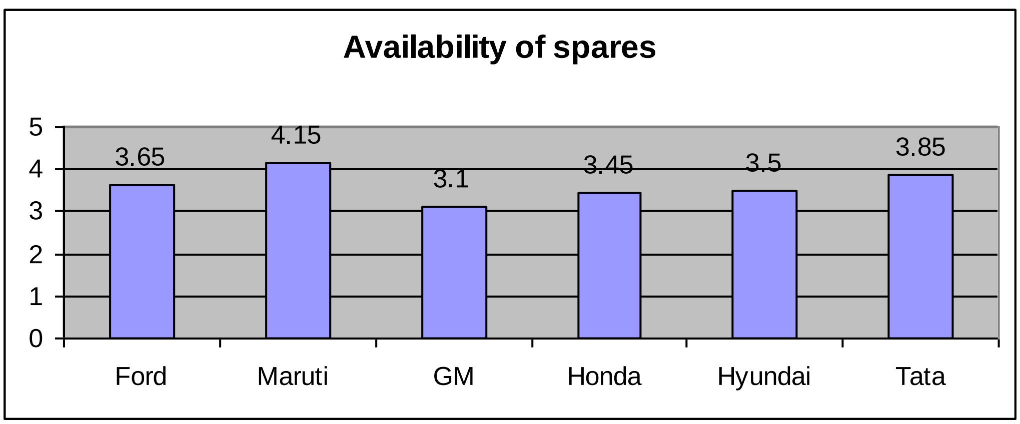
Analysis:

From the above table the researcher found that Honda is acknowledged as car, which provides low maintenance costs, followed by Maruti and Hyundai. The ratings for Ford and GM are very high suggesting that these cars have high maintenance costs.

Interpretation:

From the above analysis we can infer that Honda gives the least maintenance costs.

Figure 14j : showing rating for Availability of spares



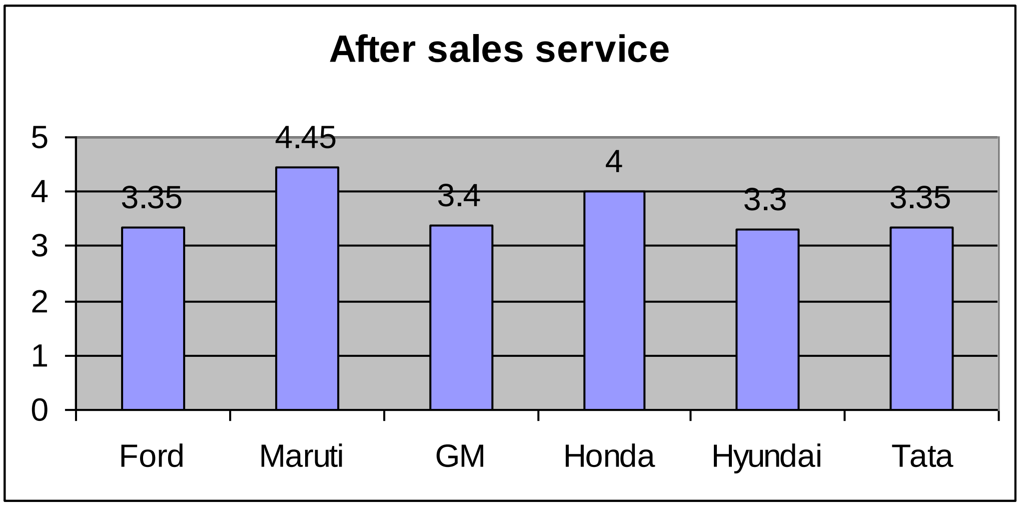
Analysis:

From the above table the researcher found that except for Maruti the ratings for all the brands are lower indicating that availability of spare parts is the biggest problem for any customer. Maruti is rated high with score 4.15 while GM the least with 3.10.

Interpretation:

From the above analysis we can infer that Maruti is the brand whose spare parts are easily available.

Figure 14k : showing rating for after sales service



Analysis:

From the above table the researcher found that Maruti is rated highly for after sales service with high mean score of 4.45. Honda is second with a score of 4.0. Other brands are rated poorly.

Interpretation:

From the above analysis we can infer that Maruti is rated highly for its after sales service.

Table 15 : Mean score analysis of Segment C car brands

Factors	Ford	Maruti	GM	Honda	Hyundai	Tata
Fuel efficiency	3.6000	3.9000	2.2500	3.5500	3.8000	3.8000
Interiors and exteriors	3.9000	3.4500	3.0000	4.4500	4.2500	3.6500
Gear shifts	4.1500	3.8000	4.1500	4.4500	3.6500	2.9500
Ride, Handling and Braking	4.0500	4.0000	4.4000	4.3500	4.1000	3.4000
Seating capacity and travel comfort	3.6000	3.4000	4.3500	4.3500	3.8000	4.1500
Economy	3.4000	4.1000	3.3500	4.2000	3.9000	3.4500
Electronics and electrical	3.8500	3.5000	4.2500	4.4000	4.0500	2.9500
Safety	4.0000	3.6500	4.5500	4.2000	3.8500	3.3500
Maintenance cost	3.3000	4.1500	3.2500	4.3000	4.0000	3.4500
Availability of spare parts	3.6500	4.1500	3.1000	3.4500	3.5000	3.8500
After sales service	3.3500	4.4500	3.4000	4.0000	3.3000	3.3500
Total	3.7136	3.8682	3.6409	4.1545	3.8364	3.4864

Analysis:

Table 9 gives the comparative mean scores for all the segment C cars. It can be seen that total mean score is highest for Honda. The mean score is 4.15. The next rated brand is Maruti followed by Hyundai, Ford and GM. Tata is the least rated brand.

Interpretation:

From the above analysis we can infer that Honda is rated highly for are all the attributes and is consistent of all the brands.

Table: 16 : complaints about the car

Have you made complaints to the company regarding the car?

Complaints	**Number**	**Percentage**
Yes	28	23
No	92	77

Analysis: It can be seen from the table that 92 customers have not made complaints about the car to the company. Only 28 have complaints.

Inference: It can be inferred from the analysis the customers complaints about the performance of the cars are less.

Figure: 16 : complaints about the car

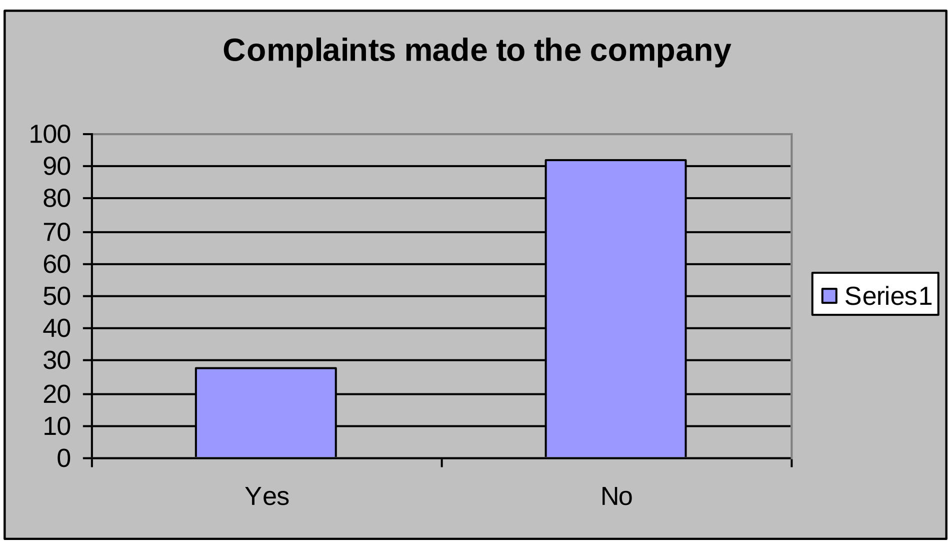


Table 17 : Reasons for not complaining

Reasons	Number	Percentage
No complaints	37	40
Not interested	19	21
No time	24	26
Others	12	13

Analysis: It can be seen from the table that out of 92 customers who have not made complaints about the car to the company, 37 actually do not have any.24 customers do not have time to complain and 19 are not interested.

Inference: It can be inferred from the analysis that the customers do not complain to the company because they do not have any complaint or they have no time to do so.

Figure 17 : Reasons for not complaining

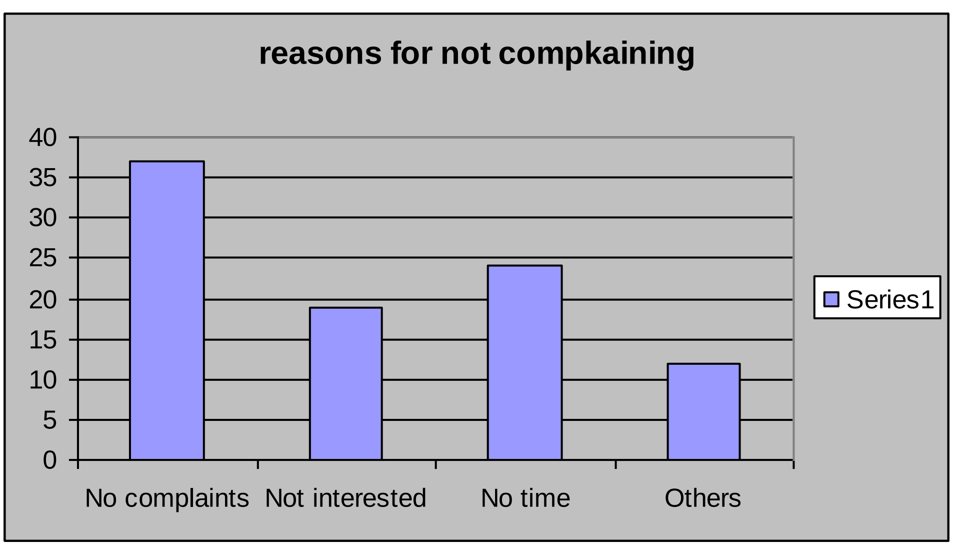


Table 18 : would you recommend the brand to others?

Brand	**Yes**	**Percentage**	**No**	**Percentage**
Ford	12	14	8	17
Maruti	15	20	5	11
Tata	6	8	14	31
Honda	18	24	2	4
GM	10	16	10	22
Hyundai	13	18	7	15

Analysis: It can be seen from the table that 18 of 20 customers of Honda are willing to recommend the product to others. Hence Honda has the highest brand equity. Maruit is second with 15 of them willing to recommend. Hyundai, Ford and GM follow the list. Tata has the least brand equity.

Inference: It can be inferred from the analysis that the Honda has the highest brand equity followed by Maruti.

Figure 18 : would you recommend the brand to others?

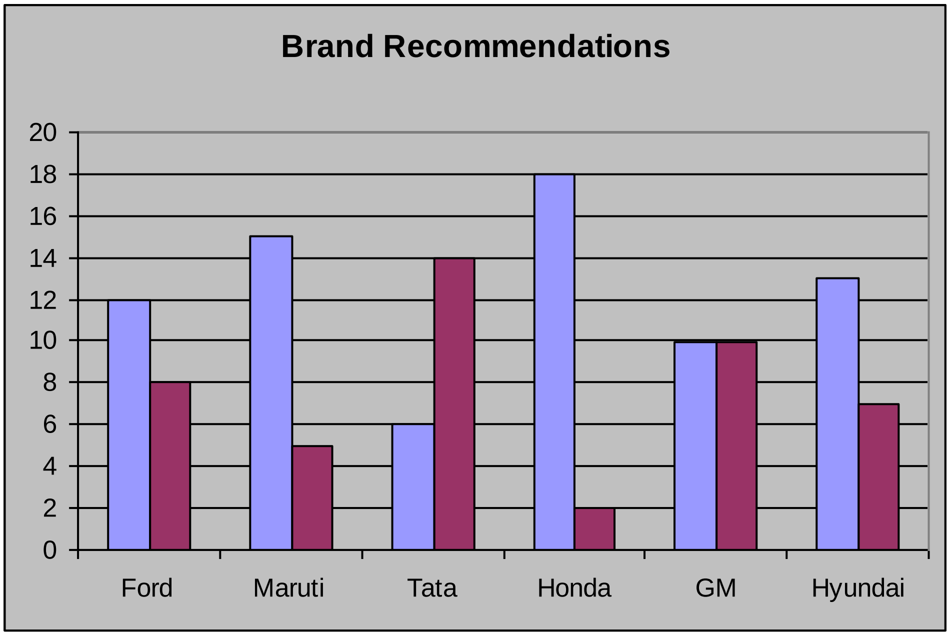


Table 19 : are you thinking of replacing the present brand with a new one in the near future

Willing to replace	Number	Percentage
Yes	76	63
No	44	37

Analysis: It can be seen from the table that 76 of the customers are willing to replace their existing brand with a new one. Only 44 have told no to replacing.

Inference: It can be inferred from the analysis that the there is low brand loyalty among the customers.

Figure 19 : are you thinking of replacing the present brand with a new one in the near future

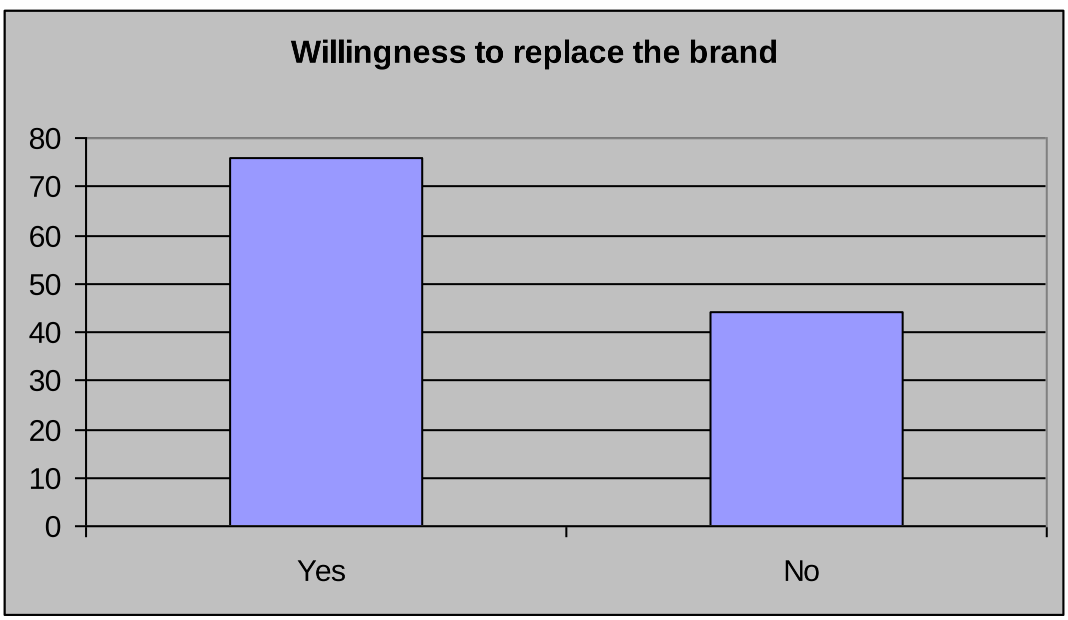


Table 20 : would you recommend the brand to others?

Brand	**Number of respondents**	**Percentage %**
Ford	14	16
Maruti	13	15
Tata	4	4
Honda	18	20
GM	9	10
Hyundai	10	11
Others (New entrants)	21	24

Analysis: It can be seen from the table that 21 of 76 customers are willing to go for new entrant car brand and 18 wish to have Honda. Ford and Maruti are next choices followed by GM. Least preferred choice are Tata.

Inference: It can be inferred from the analysis that the customers are willing to shift to a new brand of car or to Honda.

Figure 20 : would you recommend the brand to others?

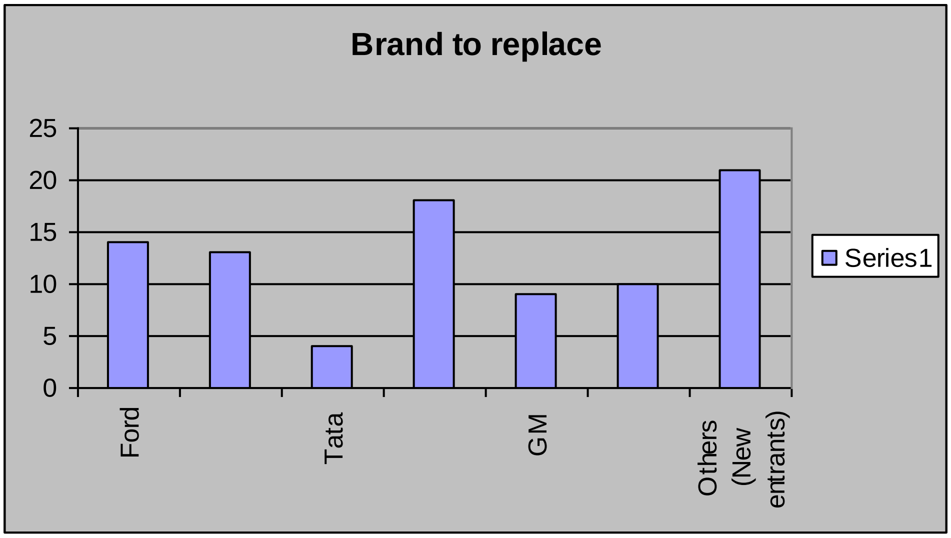


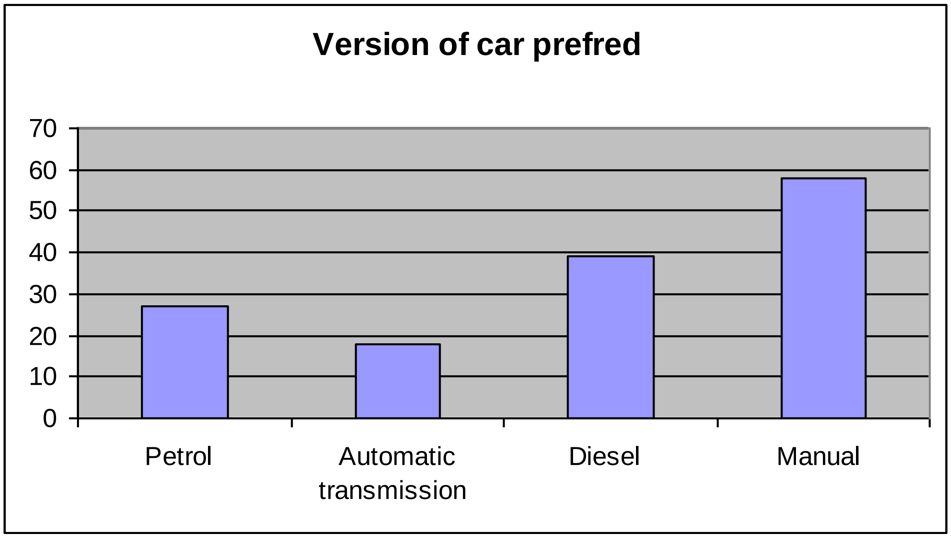
Table 21 : which version of the car would you prefer?

Version	Number	Percentage
Petrol	27	19
Automatic transmission	18	13
Diesel	39	27
Manual	58	41

Analysis: It can be seen from the table that 58 of the customers wish to have manual version of the car, 39 of them diesel version, 27 petrol and 18 of then automatic transmission.

Inference: It can be inferred from the analysis that the customers are willing have a manual version or a diesel version.

Figure 21: which version of the car would you prefer?



Part B: Consumers Switching over to C Segment Cars from B Segment

Table 22 : What is the reason for considering changing your present car to a bigger one?

Reasons	Number	Percentage
Increase in income	31	19
Larger family	24	14
Status symbol	39	23
Affordability	9	5
Easy finance	42	26
Trend	18	11
Peer group pressure	4	2

Analysis: from the table it is clear that most of the customers that is 42 of them want to shift to other brands because of easy available finance, 39 of them for status symbol, 31 of them for increase in income.24 of the customer have told they will change because of increase in family number and 18 of them for changing trend.

Inference: Easy finance and increase in income are the major reasons for the customers to change to segment B to C car.

Figure 22 : What is the reason for considering changing your present car to a bigger one?

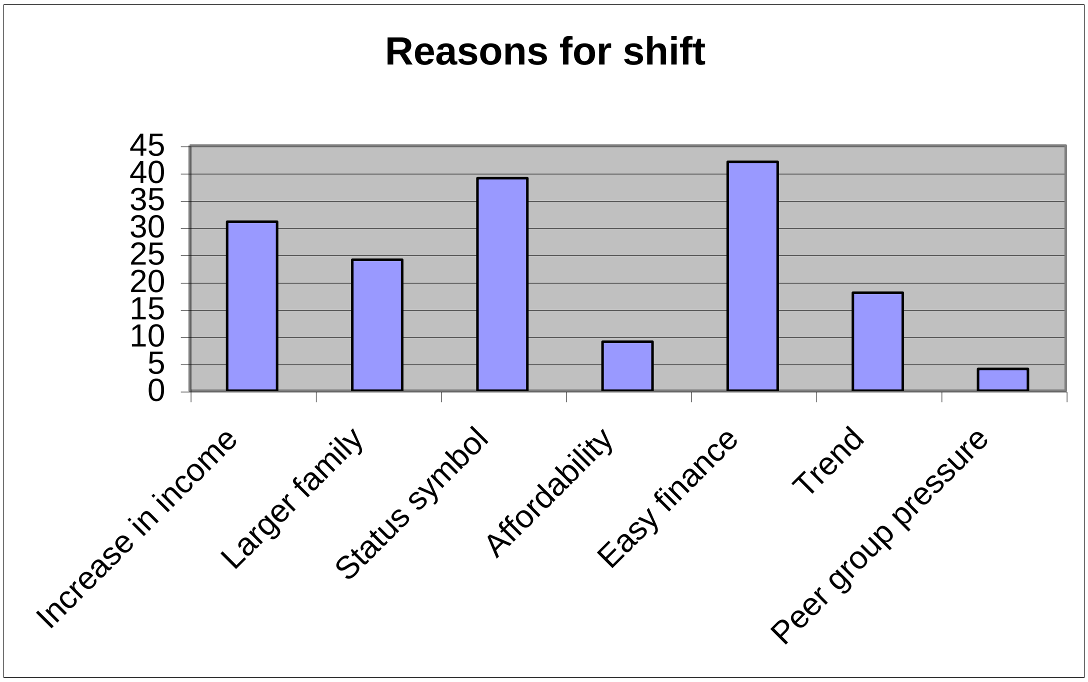


Table 23 : what would you intend to do with your present one?

Intention	Number	Percentage
Exchange	24	40
Sell it	12	20
Pass it on to spouse or children	5	8
Keep it as a 2^{nd} car	10	17
Rent it	9	15

Analysis: from the table it is clear that most of the customers that is 24 of them want to exchange the car with the new one, 12 of them would sell it .10 of the customers will keep it as second car. 9 of them would rent the car and 5 would pass it on to the spouse or children.

Inference: From the analysis it can be inferred that the customers are willing to exchange the present car with the new segment C car.

Figure 23: what would you intend to do with your present one?

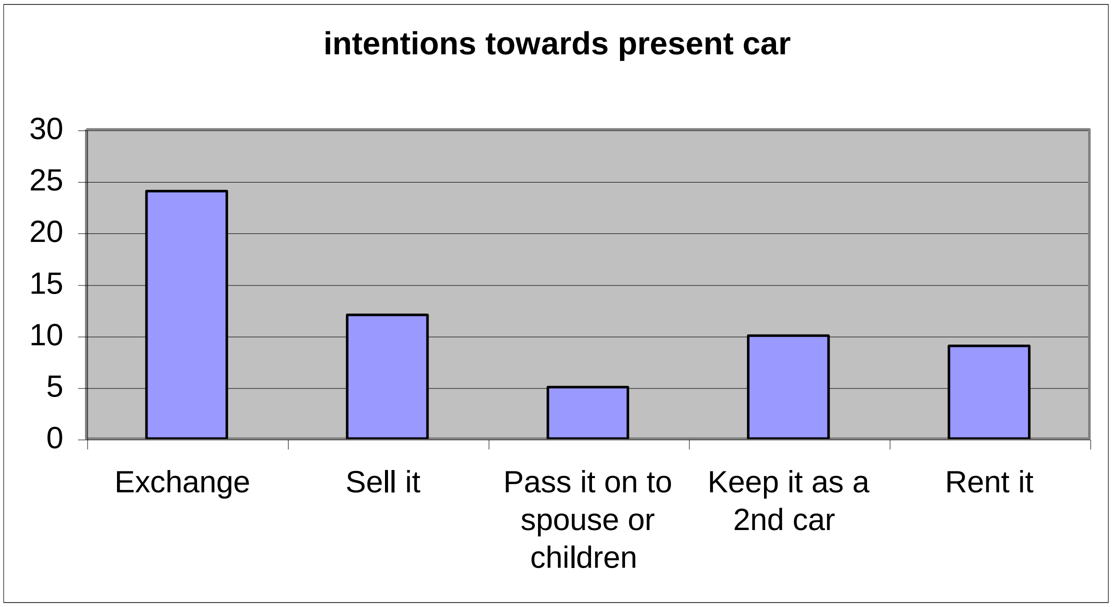


Table 24 : which brand do you currently intend to switch over?

Brand	**Number**	**Percentage**
Honda	16	26
GM	6	10
Ford	13	22
Maruti	10	17
Tata	3	5
Other new entrants	12	20

Analysis: from the table it is clear that Honda is the brand of car the customer would like to purchase after giving the segment B car.16 of them have indicated the desire to buy Honda. Ford is the next option and there is good acceptance for any new entrants in this segment. 12 of them have indicated that would try a new brand of car.10 of them would go for Maruti and 6 of them for GM. Tata is the least preferred one.

Inference: From the analysis it can be inferred that the customer's choice is for Honda, Ford and any new entrant.

Figure 24 : which brand do you currently intend to switch over?

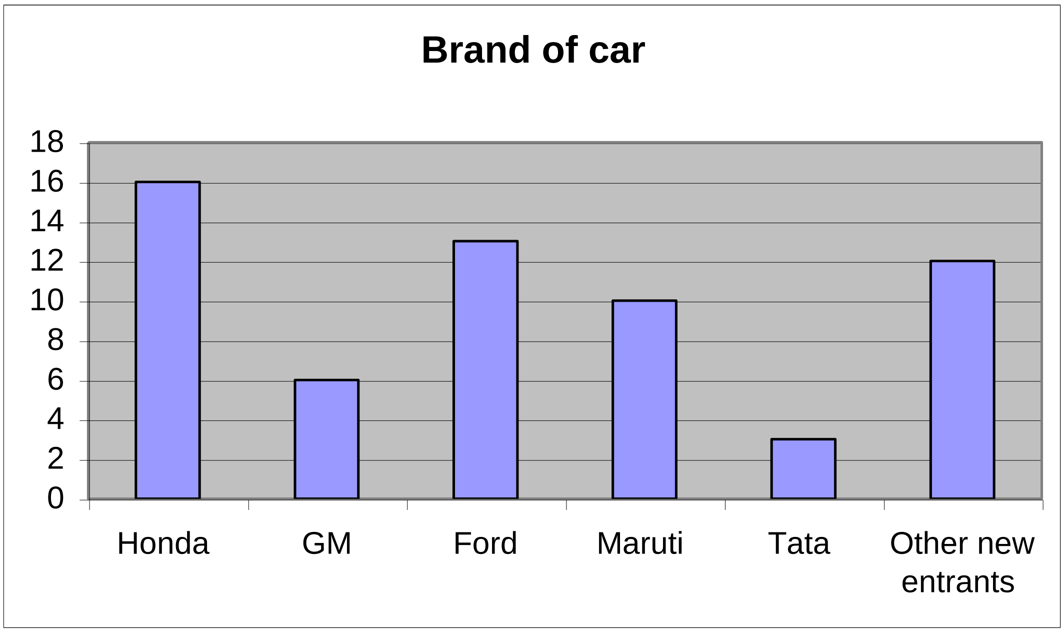


Table 25 : attributes desired for in a new car

Attribute	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Rank 6	Rank 7	Rank 8
Fuel efficiency	12	18	14	6	7	-	3	-
Performance	13	17	12	8	6	4	-	-
Interiors and exteriors	10	14	12	9	5	4	5	-
Seating capacity and travel comforts	9	11	12	8	5	3	10	2
Safety	10	8	7	12	11	3	1	8
Status symbol	9	12	11	9	5	7	-	7
Economy	17	12	7	14	7	1	2	-
After sales service	5	4	9	10	4	9	8	11

Analysis: from the table it is clear that economy is the most desired aspect to purchase the car with 17 of them opting for rank 1. Performance and fuel efficiency are the next two attributes desired by a customer. Safety and interiors and exterior designs are also moderately desired by the customers.

Inference: From the analysis it can be inferred that the customers desire economy, performance and fuel efficiency than other attributes..

Table 26 : which publicity media gives you maximum retention?

Media	**Number**	**Percentage**
News papers	12	17
Magazines	9	13
Posters/Catalogs	7	10
Films	0	0
Point of display (showrooms)	14	20
Exhibitions	9	13
Television	19	27

Analysis: from the table it is clear that television is the most effective media for advertising, with 19 of the customers agreeing for this. Point of display is rated highly with 14 of the customers agreeing for this option. Newspaper is the next source of media, followed by magazine, exhibitions and posters. Films are not recognized at all.

Inference: From the analysis it can be inferred that the most effective media for advertising is television and point of display showrooms.

Figure 26 : which publicity media gives you maximum retention?

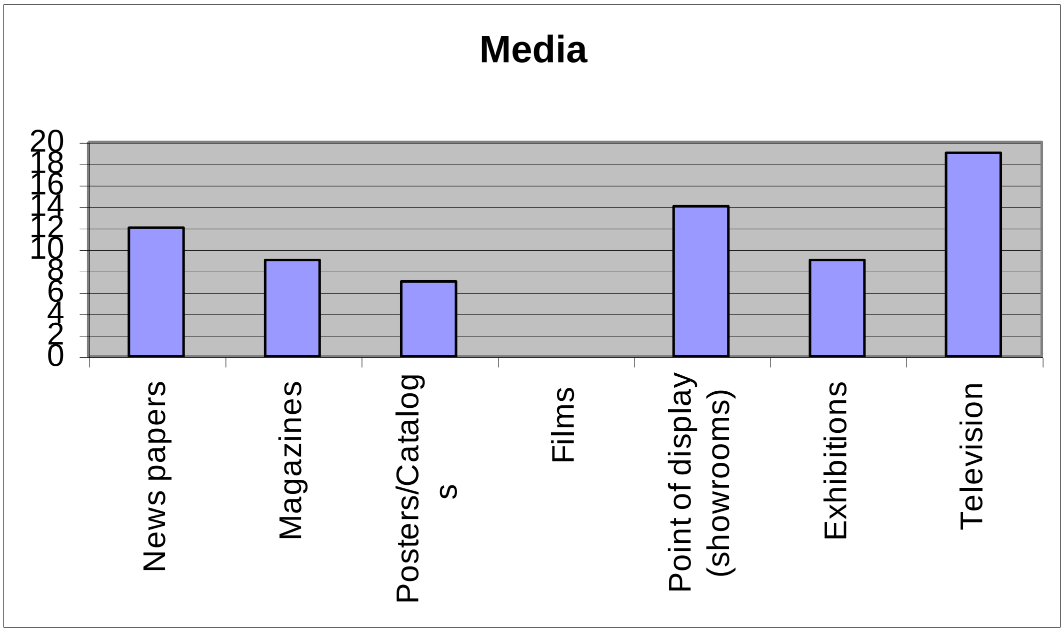


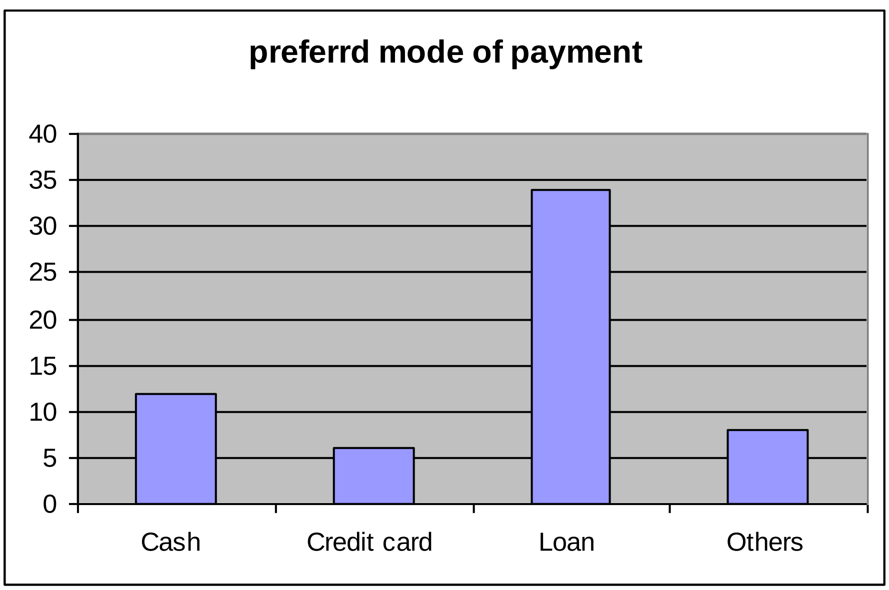
Table 27 : mode of payment for next car?

Mode	Number	Percentage
Cash	12	20
Credit card	6	10
Loan	34	57
Others	8	13

Analysis: from the table it is clear that loan is the most preferred mode of payment; followed by cash other options are given importance.

Inference: From the analysis it can be inferred that the loan is the most preferred mode of payment.

Figure 27 : mode of payment for next car?



5.1. Findings

- The analysis shows that TV ads and newspaper are the two strong media to promote the cars.
- The analysis shows that Official requirement is most influential reason to buy a segment ‘C’ car.
- The analysis shows that Price and brand name are the most influential reasons to buy a segment C car.
- The analysis shows that Customers are using segment C cars for official and family requirements.
- The analysis shows that most of the customers have bought the car 2-4 years back.
- The analysis shows that customers feel car is expensive but not very expensive.
- The analysis shows that bank loan is the most preferred mode of payment.
- The research found that ratings for Maruti, Tata and Hyundai are very good with mean scores of 3.9 and 3.8. Ford and Honda are rated moderately. The least rated brand is GM with a low mean score of 2.25, with regard to the fuel efficiency.
- The research found that ratings for Honda and Hyundai are excellent with mean scores of 4.45 and 4.25. Ford, Tata and Maruti are rated

moderately. The least rated brand is again GM with a low mean score of 3.0 with regard to the interior and exteriors designs.

- The research found that ratings for Honda, ford and GM are excellent with mean scores of 4.45 and 4.15. Maruti and Hyundai are rated moderately with scores of 3.8 and 3.65. Tata is the least rated with a score of only 2.95, with regard to the gearshifts / transmission.
- The research found that ratings for all the brands are good with high mean scores of above 4.0, with Gm toping the ratings and followed by Honda.Tata is the least rated brand with regard to ride, handling and braking.
- The research found that Honda and Gm tops the list with score of 4.35 each. Tata is also rated highly with 4.15 score. Hyundai and Ford are moderately rated whereas Maruti is least rated with score of only 3.4, with regard to the seating capacity and traveling comfort.
- The research found that Honda and Maruti are rated highly for economy of the car with scores of 4.2 and 4.1 respectively. Hyundai is moderately rated whereas GM, Tata and Ford are least rated with scores of only 3.4, 3.45 and 3.35.
- Research found that Honda, Gm and Hyundai are rated highly with scores of above 4.0. Ford and Maruti are rated low with below 4.0 mean scores. Tata is the least rated with score of only 2.95, with regard to electrical and electronics.

- Researcher found that GM is rated very highly for security with very high score of 4.55. Honda and Ford follow GM with scores of 4.2 and 4.0. Maruti, Hyundai and tata are least rated with scores of only 3.85, 3.65 and 3.35, with regard to safety.
- Research found that Honda is acknowledged as car, which provides low maintenance costs, followed by Maruti and Hyundai. The ratings for Ford and GM are very high suggesting that these cars have high maintenance costs.
- Research found that except for Maruti the ratings for all the brands are lower indicating that availability of spare parts is the biggest problem for any customer. Maruti is rated high with score 4.15 while GM the least with 3.10.
- Research found that Maruti is rated highly for after sales service with high mean score of 4.45. Honda is second with a score of 4.0. Other brands are rated poorly.
- The study found that customer's complaints about the performance of the cars are less.
- Customers do not complain to the company because they do not have any complaint or they have no time to do so.
- Research found that Honda has the highest brand equity followed by Maruti.
- Research found that there is low brand loyalty among the customers.

- The research customers are willing to shift to a new brand of car or to Honda.
- The study found that customers are willing to have a manual version or a diesel version.
- Easy finance and increase in income are the major reasons for the customers to change to segment B to C car.
- The study found that customers are willing to exchange the present car with the new segment C car.
- The study found that customer’s choice is for Honda, Ford and any new entrant.
- The study found that economy is the most desired aspect to purchase the car with 17 of them opting for rank 1. Performance and fuel efficiency are the next two attributes desired by a customer. Safety and interiors and exterior designs are also moderately desired by the customers.
- The study found that according to the segment B customer’s most effective media for advertising is television and point of display showrooms.
- For segment B car users loan is the most preferred mode of payment.

6.1 Based on the research work recommends the following suggestions:

- Company should work on its mileage & maintenance cost of product as most of customers have low scores for these two aspects.
- The companies can promote the cars as official cars and also highlight the family benefits.
- Company should start releasing colures that are vibrant.
- Availability of spare parts is the biggest problem for any customer. Hence companies should have exclusive showrooms for the spare parts of the products.
- Price and brand name are the most influential reasons to buy a segment C car. Hence the prices can competitive with schemes.
- Company should advertise more of its product through television, newspapers & make the showrooms stylish and effective.
- Company should tie up with banks and make the loans very easy and accessible.
- The study found that customer's complaints about the performance of the cars are less. Hence the company can speed up complaint readdressal cell to get the feedback from the customers.

Conclusions

The research aimed at finding the customer satisfaction towards C segment car users in Bangalore city. The study also made a comparative analysis of different brands of segment C and B cars. This study also found out the switching characteristics of B segment car users to C segment car users. This study revealed that Honda is the most preferred brand and highly rated brand in the market. The study also found that there is lot of scope for new market entrant in the segment.

QUESTIONNAIRE

(PART A)

CONSUMER SATISFACTION OF C SEGMENT CARS

1) Name of the respondent :

2) Address and contact number :

3) Gender:

☐ Male ☐ Female

4) Age Group:

☐ below 25 yrs ☐ 25-30 yrs ☐ 30-35 yrs

☐ above 35 yrs

5) Occupation:

☐ Businessman ☐ Self Employed ☐ professional

☐ Service ☐ Others

7) Monthly income:

☐ Below 15000 ☐ 15000-20000 ☐ 20000-25000

☐ Above 25000

Specific information

1. Which brand of cat do you presently own? Please tick

Car	**Tick**
Ford	
Maruti	
Hyundai	
Honda	
TATA	
GM	

2) Tick the sources from which you gathered information for your present vehicle:

☐ Newspapers ☐ TV Advertisements ☐ Films

☐ poster/catalogs ☐ exhibitions ☐ referrals

3) Which of the following medium influenced you the buy this car

Reasons	**Tick**
Increase in income	
Peer group pressure	
Official requirement	
Easy to avail	
Good price	
Others	

4) For choosing a car how important are these factors?

Reasons	**Unimportant**	**Not so important**	**Important**	**Very important**
Price				
Advertisements				
Status level				
Brand name				
Tie up with the financial institution				

5) What purpose the car is used

Reasons	**Tick**
Official purpose	
Long distance travel	
Family	
Casual city usage	

6) How long you have been using this car

Time	Tick
Below two years	
2-4 years	
Above 4 years	

7) What do you feel about the price of the car?

Feeling	Tick
Very expensive	
Expensive	
Value for money	

8) What was the mode of payment?

Mode	Tick
Credit card	
Cash	
Loan	
Others like gift	

9) How do you rate the following attributes with respect to your car brand?

Factors	Very poor	Poor	Satisfactory	Good	Excellent
Fuel efficiency					
Interiors and exteriors					
Gear shifts					
Ride, Handling and Braking					
Seating capacity and travel comfort					
Economy					
Electronics and electrical					
Safety					
Maintenance cost					
Availability of spare parts					
After sales service					
Total					

10) Have you made any complaints to the company regarding the car?

- Yes
- No

If yes what are the reasons for complaints

____

____

If no, is it because of

Reasons	**Tick**
No complaints	
Not interested	
No time	
Others	

11) Would you recommend the product which you are presently using to others?

- Yes
- No

12) Are you thinking to replace the brand with other brands?

- Yes
- No

If yes which brand

Brand	**Tick**
Ford	
Maruti	
Tata	
Honda	
GM	
Hyundai	
Others	

13) Which version of the car would you go for?

Version	**Tick**
Petrol	
Automatic transmission	
Diesel	
Manual	

Any suggestions:

Thank You for sparing your valuable time.

QUESTIONNAIRE

(PART B)

CONSUMER SWITCHING OVER FROM SEGMENT 'B' to 'C' CAR.

1) Name of the respondent :

2) Address and contact number :

3) Gender:

☐ Male ☐ Female

4) Age Group:

☐ below 25 yrs ☐ 25-30 yrs ☐ 30-35 yrs

☐ above 35 yrs

5) Occupation:

☐ Businessman ☐ Self Employed ☐ professional

☐ Service ☐ Others

7) Monthly income:

☐ Below 15000 ☐ 15000-20000 ☐ 20000-25000

☐ Above 25000

Specific information

1. Which brand of cat do you presently own? Please tick

Car	**Tick**
Ford	
Maruti	
Hyundai	
TATA	
GM	
Others	

2) What is the reason for considering changing your present car to bigger one?

Reasons	**Tick**
Increase in income	
Larger family	
Status symbol	
Affordability	
Easy finance	
Trend	
Peer group pressure	

3) What would you intend to do with your present car

Intention	**Tick**
Exchange	
Sell it	
Pass it on to spouse or children	
Keep it as a 2nd car	
Rent it	

4) What brand do you currently intend to switch over?

Brand	**Tick**
Honda	
GM	
Ford	
Maruti	
Tata	
Other new entrants	

5) What are the attributes you are looking for in your next car (rank in the order of preference

Attribute	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Rank 6	Rank 7	Rank 8
Fuel efficiency								
Performance								
Interiors and exteriors								
Seating capacity and travel comforts								
Safety								
Status symbol								
Economy								
After sales service								

6) Which publicity media gives you the maximum retention?

Media	Number
News papers	12
Magazines	9
Posters/Catalogs	7
Films	0
Point of display (showrooms)	14
Exhibitions	9
Television	19

7) What will be the mode of payment?

Mode	**Tick**
Credit card	
Cash	
Loan	
Others like gift	

Any suggestions:

Thank you for sparing your valuable time.

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