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EXECUTIVE SUMMARY

New technologies have revolutionized our lives in the recent past. Today many things we do as an everyday activity were virtually science fiction hardly few years back. World has become so small because of these technologies and whether we like it or not, everything is getting globalize. The customers are becoming demanding. The products and services are converging. Even the competition is also global now.

This is putting tremendous pressure on every industry, research organization, educational institute even the Governments. The challenges that are in front of us are, How to adopt these technologies? How to create more value for our organization using these technologies? How to organize and disseminate the Knowledge created to our employees, customers, supplier etc.

Knowledge Management (KM) is now a new strategic imperative and management paradigm. Management in organizations must learn how to identify, manage, utilize and leverage on their knowledge assets. They must develop a knowledge-sharing culture and seek out the resources and tools to establish the appropriate ecosystem, as well as identify the human resources to leverage their collective knowledge to its fullest potential.

Like many new technology trends, knowledge management is often on the tips of peoples' tongues before it has sunk firmly into their minds. The consumer who had little or no choice in choosing car decades ago is today bombarded with multitude of options; there are cars which have been specially designed to suit the every pocket, taste as well as to satisfy various preferences.

Sales Promotion consists of a diverse collection of incentive tools, mostly short term, designed to stimulate quicker and or greater purchase of particular product/services by consumers or the trade. Where as advertising offers a reason to buy, sales promotion offers as incentive to buy – sales promotion includes tools for consumer promotion, trade promotion and sales force promotion.

Sales promotion tools are used by most organization, including manufacturers, distributors, retailers, trade associations and non profit organizations. Several factors contributed to the rapid growth of sales promotion, particularly in consumer markets. Internal factors include the following. Promotion is now more accepted by top management as an effective sales tool; more product managers are qualified to use sales – promotion tools; and product managers are under greater pressure to increase their current sales.

For efficient allocation & utilization of resources, every activity in the organization should be objective or goal – oriented. Objective provides guidance and direction to the activities undertaken. Any work done without an objective, is useless and does not provide any fruitful outcome. Objectives range from general, such as profit maximization to

the highly specific, such as obtaining a particular account. The present project is an attempt to access the Dealer analysis of the various brands of cars in Bangalore City in regard with Toyota Kirloskar Motor, Bidadi.

This general objective can be subdivided into following.

- ✓ To find the sales promotion of different brands of cars in Bangalore City.
- ✓ To find the fastest moving car segment in Bangalore city.
- ✓ To know the parameters, that the customer considers the most while evaluating a car before actual purchase like quality, price, brand image, after sales service.

The TKM has an average of 160 cars sale in a month and the company is doing good work in the sales range by attracting the customers, compare to other brands of cars with a limited period in their launch of a new model. All the Respondents prefer the need to train the sales staff by companies from time to time.

Majority of them feel that their sales staff should have continuous product knowledge to increase sales potential. Road shows and Test drives are the major sales force promotion tools organized by the dealers as and when required followed by the Trade shows and the Specialty Advertising.

Company can organize meeting with Dealers at random, so that company get face to face discussion about company work and get feedback from Dealers. To Improve satisfaction level company may appoint the Dealer Relation Officer who make a phone call after month or 2 month and visit the Dealers (Sales Executives most specific) to ask them about their problem and give information regarding difficulties. By knowing Dealer problems the Company can attract the customers by improving their work with dealers and increase the satisfaction level of dealers towards them.

The company should concentrate towards, the mode of its Advertisement. While launching a new model it should give the preference to the Advertising Media which is the best source of Information. As a promotional activity company can also sponsor some kinds of sports events etc.

BACKGROUND OF THE STUDY

Meaning

Sales Promotion consists of a diverse collection of incentive tools, mostly short term, designed to stimulate quicker and or greater purchase of particular product/services by consumers or the trade. Where as advertising offers a reason to buy, sales promotion offers as incentive to buy – sales promotion includes tools for consumer promotion, trade promotion and sales force promotion.

Sales promotion tools are used by most organization, including manufacturers, distributors, retailers, trade associations and non profit organizations. Several factors contributed to the rapid growth of sales promotion, particularly in consumer markets. Internal factors include the following. Promotion is now more accepted by top management as an effective sales tool; more product managers are qualified to use sales – promotion tools; and product managers are under greater pressure to increase their current sales.

External factors include the following

The number of brands has increased competitor's use promotions frequently, many brands are at parity, consumers are more deal oriented, the trade has demanded more deals from manufacturer and the advertising efficiency has declined because of rising costs, media clutter & legal restraints.

The rapid growth of sales promotion media has created a situation of promotion clutter, similar to advertising clutter. There is a danger that consumer will start tuning out, in which case coupons and other media will weaken in their ability to trigger purchase.

Manufacturers will have to find ways to rise above the clutter, for instance, by offering larger coupon – redemption values or using more dramatic point of purchase displays or demonstrations.

Definition of sales promotion:–

Promotional activities of a non – recurrent nature which are used to reinforce personal selling and advertising for stimulating consumer purchasing and dealer effectiveness. Thus sales promotion can be aimed at

- ✓ Consumers or
- ✓ Dealers

Sales promotion is an important instrument in marketing to lubricate the marketing efforts. Today sales promotion is a necessity and not merely a luxury or a fashion. It is not expenditure; it is an investment which can pay rich dividends. It is an integral part of the market effort.

Sales promotion is referred to activities other than personal salesmanship, advertising and publicity, which stimulate consumer purchasing and dealer effectiveness. It is a plus ingredient in the

marketing mix, whereas advertising and personal salesmanship is essential and basic ingredients in the marketing mix.

In short, sales promotion is a bridge or a connecting link covering the gap between advertising and personal salesmanship, the two wings of promotion. Sales promotion is a vital link between advertising and field selling.

It aims at stimulating consume purchasing at the point of sales and dealer's effectiveness at the retail channel of distribution, particularly because retaining is a highly competitive field.

It can arouse enthusiasm, create a buying mood or spark an immediate reaction from consumers, dealers and the firm's sales person. Many sales promotion campaigns involve the use of incentives. Sales promotion is often thought as special selling effort to accelerate sales.

Definition

In general usage, all the efforts made by a firm to increase its sales and included in sales promotion. In the words of George W. Hopkins – “Sales Promotion is an organized effort applied to the selling job to secure the greatest effectiveness for advertising and for dealers help”.

According to AMA, sales promotion includes – “those activities other than personal selling, advertising and publicity that stimulates consumer purchasing & dealer effectiveness, such as displays, shows & exhibitions, demonstration and various non – recurring selling efforts not in the ordinary routine”.

The ultimate aim of sales promotion is the same as that of advertising and personal selling i.e., increasing the sales of the goods and services. The immediate objectives, however, would be to introduce new products, to attract new customers, to buy more, to increase sales in slack seasons, etc.

One of the most important objectives of sales promotion is to encourage dealers to increase their stock of goods. Sales promotion techniques supplement advertising programs. These techniques are generally used to convert the awareness of consumers created by advertising into a concrete buying decision.

Objectives

Sales promotion objectives are derived from broader promotion objectives, which are derived from more basic marketing objectives developed for the product. The specific objectives set for sales promotion will vary with the type of target market.

For consumer, objectives include encouraging purchase of larger size units, building trial among non – users and attracting switches away from competitors brands.

For retailers, objectives includes inducing retailers to carry new items & higher levels of inventory, encouraging off – season buying, encouraging stocking of related items, off setting competitive promotions, building brand loyalty of retailers and gaining entry into new retail outlets.

For the sales force, objectives include encouraging support of a new product or model, encouraging more prospecting and stimulating off – season sales.

Necessity of sales promotion

Sales promotion tools vary in their specific objectives. A free sample stimulates consumer trial while a free management advisory service cements a long term relationship with a retailer.

Sellers use incentive – type promotions to attract new treys, to reward loyal customers and to increase the repurchase rates of occasional users. Sales promotions often attract the brand switches, because users of other brands and categories do not always notice or act on a promotion.

Sales promotions used in markets of high brand similarity produce a high sales response in the short run but little permanent gain in market share. In market of high brand dissimilarity, sales promotions can alter market shares more permanently.

Sellers often think of sales promotion as designed to breakdown brand loyalty and advertising as designed to build up brand loyalty. Sales promotions yield faster responses in sales than advertising does.

Small share competitors find it advantageous to use sales promotion, because they can't afford to match the large advertising budgets of the markets leader, nor can they obtain shelf space without offering trade allowances or stimulate consumer trial without offering trade allowances or stimulate consumer trial without offering consumer incentives. Sales promotions enable manufacturers to adjust to short – term variations in supply and demand.

They enable manufacturers to charge a higher list price to test “how high is up”. They induce consumers to try new products instead of never straying from their current ones. They lead to more varied retail formats, such as the every day – low = Price store and the promotional pricing store, giving consumers more choice. They promote greater consumer awareness of prices.

They permit manufacturers to sell more than they would normally sell at the list price, and to the extent that there are economic of scale, this reduces the unit costs. They help the manufacturer adopt programs to different consumer segments. Consumers themselves enjoy some satisfaction from being smart shoppers when they take advantage of price specials.

Strengths of sales promotion

1. It stimulates positive attitude towards the product.
2. It gives extra incentive to the consumer to make a purchase.
3. It gives direct inducement to make immediate action now rather than later.
4. It has flexibility and it can be used at any stage of new product introduction.
5. Sales promotion is effective when
 - ✓ When a new brand is introduced.
 - ✓ When we have to communicate a major improvement in our product.
 - ✓ When we want to amplify the results of advertising and
 - ✓ When we want to increase the number of retail stores to sell and products.

Limitation of sales promotion

1. Sales promotion have temporary and short life not exceeding than three months, sales promotion alone cannot build up brand loyalty.
2. Sales promotions are only supplementary devices to supplement selling efforts of other promotion tools.
3. They are non-recurring in their use, they have seldom re-use values.
4. Too many sales promotions may affect adversely the brand image, suggesting its lack of popularity or lower stacking by a company.

5. Advertising agencies accord low status to sales promotions and usually employ junior staff for sales promotion so that they may be well trained for more creative jobs &
6. Sales promotion are ineffective when
 - a. Established brands have a declining market.
 - b. There are no product improvements.
 - c. When there is incentive competition on consumer sales promotion.

KINDS OF SALES PROMOTION

1. CONSUMER PROMOTIONS

Sales promotion directed at consumers may be done with a view to increase the product's rate of use among existing consumers or to attract new consumers to the company's product. It may also be undertaken to retaliate against competitor's sales promotion or other activities. Sales promotion aimed at either the consumer or the dealer is also an effective tool for reducing a seasonal decline in sales.

In connection with the consumer promotion sales promotion activities can be divided into two groups according to whether they are aimed at reaching the consumer

- A At his home, or place or business
- B. In the store.

(A) IN-HOME OR IN-BUSINESS PROMOTION

Sales promotional activities or devices aimed at reaching the consumer at home or in his business establishment are generally in the form of

- ✓ samples
- ✓ contests
- ✓ demonstration &
- ✓ Coupons.

Particularly when the unit value of the article is low, samples are often distributed to ultimate consumers. Samples can also be distributed on a house to house basis or can be mailed to persons on a special mailing list or may be sent to those who submit their requires in answer to advertisements offer in such samples.

At times contests are arranged with a view to attract new users to the company's product. This is an indirect manner of introducing a new product or attracting new users. In such cases generally evidence of purchase is required to entitle a person to enter the contest.

In case of products which are portable and generally of a technical nature in operations, demonstrations can be arranged in the home or in the business establishment of the customers.

By this method, the finer points of the product can be actually demonstrated and the customer educated regarding the products

characteristics, actual operation and uses. Coupons are another method of offering a price reduction or a free package.

(B) IN-STORE PROMOTION

Devices used inside a retail shop for sales promotion consists of

- a. Temporary price reductions
- b. Premium offers
- c. In-store display promotion and
- d. In-store demonstrations

The advantage of this type of promotion is that it reaches the customer at the point of purchase, i.e., when it is possible for the customer to buy immediately. It often helps him to decide in favor of the product. A temporary price reduction may be offered by the manufacturers to attract consumers of other brands to his product.

In this way, he can increase the purchases of the present users & even induce new users towards his product. Where a different product is offered, it induces new users to purchase the product as they might not have otherwise brought this particular product offered as a premium.

In-store display promotions include counter cards, wall signs, banners and display brings. The objective here is to remind the customer constantly about the product. Demonstrations are also arranged within the store.

Cash refund offers (rebates) provide a price reduction after the purchase rather than at the retail shop. The consumer sends a specified “proof of purchase” to the manufacturer, who “refunds” part of the purchase price by mail.

Patronage awards are values in cash or in other forms that are proportional to one’s patronage of a certain vendor or group of vendors. Free trials consist of inviting prospective purchasers to try the product without cost in the hope that they will buy the product. Thus auto dealers encourage free test drives to stimulate purchase interest.

Product warranties

Companies must make a number of decisions before featuring a warranty. Clearly, companies must carefully estimate the sales – generating value of the proposed warranty against its potential cost.

TIE – IN PROMOTION

Tie – in promotions involves two or more brands or companies that team up on coupons, refunds and contests to increase their pulling power. Companies pool funds with the hope of broader exposure, while several sales force push these promotions to retailers, given them a better shot at extra display and ad space.

2. DEALERS PROMOTIONS

When products are sold by a manufacturer through the retailer to the wholesaler the co-operation of the latter is naturally necessary. Thus

dealer promotions are introduced to induce dealer to keep a larger stock of the manufacturer's product.

Since retailers and wholesalers are businessmen in their own right they are interested in profits. Therefore the types of promotions which attracts the dealer include

- ✓ Offer of cash discount on a percentage basis or on the basis of specified quantities ordered,
- ✓ Display and advertising allowance
- ✓ The offer of prizes and gifts and
- ✓ The offer of an extra free product based on the size of the order given by the dealers.

When discount are offered, they may be either deducted on the invoices or even offered in actual hard case.

After all the dealer is helped in this ways to sell more of his products which would result in extra profit to the dealers. Infect any consumer promotion should be tied in very carefully with the dealers.

For examples, if such a promotion is badly timed in relation to the dealer's stock, although consumers are attracted, the products may not be available in the nearly retail outlets.

Besides, display and advertising allowances can be offered to dealers. The objective of display allowances is to manufacturer's product. Quantity discounts often induce the dealers to stock larger quantities and therefore is some times described as a buyer allowance.

Besides, premiums can be offered to dealers or their salesmen based on sales result, as an incentive for extra effort. To influence channel members and resellers in the distribution channel, it has become a common practice for a seller to participate in a trade show, exposition or convention.

These shows are often organized by an industry's trade association and may be part of the association's annual meeting or convention. Vendors serving the particular industry are invited to the show to display and demonstrate their products for the association's members.

Shows are also used to reach the ultimate consumer. Trade shows are elaborate and reach retailers as well as individual consumers. Most markets find demonstrations at these events, particularly useful in promoting new products or products innovations. Trading stamps, too, are sales promotion techniques similar to that of premium and offer additional value when the product is purchased.

Whether or not, the consumer benefits depend upon the relative price levels that exist at the time. Trading stamps are mostly distributed by petrol pumps, grocers or service-type business.

In this way sales promotion activities, if co-ordinate effectively with other forms of advertising used, can make an important contribution to increasing the sales of the company.

Sales promotion program

The marketer must make further decisions to define the full promotion program. The marketer has to determine the size of the incentives to offer. Conditions for participation have to be established. The marketer has to decide on the duration of promotion.

The marketer must choose distribution vehicles. A fifteen-cents-off coupon can be distributed in the package, store, and mail or advertising media. Each distribution method involves a different level of reach and cost. The timing of promotion must be established. Finally, the marker must determine the total sales promotion budget.

Testing the effects of sales promotion

Evaluation is a crucial requirement and yet, according to strong, “evaluation of promotion program receives little attention. Even where an attempt is made to evaluate a promotion, it is likely to be superficial. Evaluation in terms of profitability is even less common”.

Manufacturers can use 4 methods to measure sales-promotion effectiveness. The most common methods are to examine the sales data before, during and after a promotion.

Sales promotions work best, in general, when they attract competitor's customers to try a superior product. Consumer panel data would reveal the kind of people who responded to the promotion and what they did after the promotion. If more information is needed, consumer surveys can be conducted to learn how many recall the promotion, what they thought of it, how many took advantage of it, and how the promotion affected their subsequent brand – choice behavior.

Sales promotions can also be evaluated through experiments that vary such attributes as incentive values, duration and distribution. Beyond these methods of evaluating the results of specific promotions, management must recognize other potential costs and problems.

First, promotions might decrease long run brand loyalty by making more consumers deal prone rather than advertising prone.

Second, promotions can be more expensive than they appear. Some are inevitably distributed to the wrong consumers. Furthermore, there are hidden costs of special production runs; extra sales force efforts and handling requirements.

Third, certain promotions irritate retailers and they demand extra trade allowances or refuse to co – operate in the promotion. In spite of these problems, sales promotion will continue to play a growing role in the total promotion mix.

Today's business world is so uncertain. We can't predict what will be the tomorrow's happening. In ever – growing market, there is a stiff market competition. So marketers must know each and every aspect of the marketing environment, depending on the market situation he has to act and apply marketing strategies.

The days of sellers market are gone now only buyers market a marketer can take a pride only through his quality products, high technology and slim price. Totally it should be a customer orient. “Customer is King” he is the sole decider of the marketer future.

Of course only a high technology and good product can't increase the sales unless it has no proper promotional activities, it should be come up with strong advertisement, new packages and aggressive sales promotional activities.

These are must in all most all business and non-business sector like Health, Agricultural goods, Banks, Insurance companies, Auto Industries etc.

In Auto Industries like SUZUKI, TATA, MARUTI, HONDA, etc. have their own marketing strategies to promote their products like their distribution channel may be different and their packages offering to customer may be different totally each of the company will use their own strategies to attract people.

Bangalore is considered as the fifth largest city in India & has been classified as an 'A' class city. The growth of this cosmopolitan city has been very phenomenal in recent years with people from different parts of the globe making in their nest.

It has a cosmopolitan outlook which few cities boast of, therefore this city which has a multi faced outlook given to it by a wide disprove of people is definitely the best city to conduct any kind of survey & launch new products not only that, Bangalore is a home for number of foreign multinational companies who have set their base here.

Among them a number of leading automobile manufactures have set up their shops here & so taking all these factors into consideration, the project is conducted in Bangalore City.

The study is being undertaken to analyse the present status of the product of TKM in Bangalore & thereby to analyse the various sales opportunities available in the market for TKM. So as to minimise the weakness & maximise the strength, to fulfil the needs, wants & demand of the existing & new customers of TKM.

REVIEW OF LITERATURE

As a part of the literature review, visits were made to Bangalore University Library, IIM Library and other institution's library to verify about the various research topics. Having done this, it was found that no research was conducted on the topic "*A Comparative Study On Dealer Analysis Of Different Brands Of Cars For Sales Promotion Activities In Bangalore City*" with special reference to TOYOTA KIRLOSKAR.

PURPOSE OF REVIEW OF LITERATURE:

In this, data has to be collected to decide the specific areas and issues based on the objectives of the study. Literature survey is of paramount importance because it equips the research with a macro view of micro issues and vice versa. It helps researcher to come out with diversified views on a particular issues.

The researcher must devote sufficient time in reviewing of research already undertaken on related problems. This would also help the researcher to know if there are certain gaps in previous theories or whether the existing theories applicable to the problem under the study are inconsistent with each other.

All these will enable a researcher to undertake new studies in the field of furtherance of knowledge. It helps the researcher in getting new lines of approaches to a present problem.

BENEFITS DERIVED FROM REVIEW:

It helps to know:

- ▶ Topic on which someone else has done similar research previously.
- ▶ The purpose of research.
- ▶ The type of data, advantages and disadvantages and evaluation of the data collected.
- ▶ The methodology of the earlier research and conclusion of it.
- ▶ The researcher to know the opinions of various experts and important schemes.
- ▶ In making the project / research more specific & precise and there by enabling to analyze problems systematically.
- ▶ The findings, suggestions, recommendations, views, methodology adopted and conclusion derived from this research.

It facilitates to know this research is quite different from the earlier one. It helps in making this research more specific and precise thereby enabling analysis the problem systematically.

CONCLUSION FROM REVIEW OF LITERATURE:

The central concept of literature review is data gathering. So, the review of it is carried on. A researcher should carefully scrutinize the available information and use them and also expert's opinions to find out whether the gathered data is adequate and sufficient for the problem or not.

The data that are suitable for one enquiry may not be found suitable in another enquiry. Hence if the available data are found unsuitable, then researcher should not use them.

RESEARCH DESIGN

STATEMENT OF THE PROBLEM:

The first step in research is formulating or defining the research problem. It is rightly said that, *“a problem well defined is half solved”*. Car Industry in India has grown considerably in recent years. This has resulted in the entry of many multinational brands & consequently the competition has become cut throat.

Toyota Kirloskar Motor one of the leading car brands in India, would like to get the feedback of different brands existing in the market from dealers as they are the closest to the consumers in the distribution chain.

This study was done to know the sales promotion activities adopted by the Dealers with various brands factors like Quality, after sales service, Margin, Supply & Distribution etc & to know the leading brands with regard to sales in Bangalore City.

SCOPE OF THE STUDY:

Study on sales promotion activities will enable the company to understand its market potential in Bangalore City. Study of the various factors which plays a major role in purchasing decision will provide the opportunity for the company to get the information about the most common factor which influences the purchase decision.

The aim of the study is to estimate the sales promotion of TKM in Bangalore & compare it with its competitive brands & also forecast the various sales opportunities available in the market for TKM. The study would help the company to find out the dealers preferences for a particular brand of cars before taking the dealership. The study also helps to the company to know the fast moving car & its segment.

Therefore, it is expected that the research findings would give valuable results which would benefit the Company TKM to make vital decision & to frame their marketing programs more effectively & efficiently to be a premier & a market leader in the Car Industry.

NEED FOR THE STUDY:

Aim of every Business organization is to satisfy its consumers & to earn profit. In today's world with a wide range of variety of different competing products in the market, especially in an Indian market the consumers had to choose a particular product to satisfy his wants.

Even the car makers have shown great interest in getting as much as possible information about the behavior which in turn influences their market sales. All the above stated factors emphasis the need to study the factors influencing the purchase decision of cars.

The study is subjected to know the dealers preferences & attitudes towards different Cars in Bangalore City is purely based to gather information about the different brands of cars which are fast moving in Bangalore City.

The study is being undertaken to analyse the present status of the product of TKM in Bangalore & thereby to analyse the various sales opportunities available in the market for TKM. So as to minimize the weakness & maximize the strength, to fulfill the needs, wants & demand of the existing & new customers of TKM.

OBJECTIVES OF THE STUDY:

Objective provides guidance and direction to the activities undertaken. Any work done without an objective, is useless and does not provide any fruitful outcome. Objectives range from general, such as profit maximization to the highly specific, such as obtaining a particular account.

Similarly, there are aims and objectives of a research study. The objectives, once specified become the base for the search team. The activities formulated will be in consonance with the objectives defined. Therefore, an objective must be formulated after a thorough study of the aspects to be dealt with in the study.

The present project is an attempt to access the Dealer analysis of the various brands of cars in Bangalore City in regard with Toyota Kirloskar Motor, Bidadi. This general objective can be subdivided into following:

- ✓ To find the sales promotion of different brands of cars in Bangalore City.
- ✓ To find the fastest moving car segment in Bangalore city.
- ✓ To know the parameters, that the customer considers the most while evaluating a car before actual purchase like quality, price, brand image, after sales service.

To know the attributes, a dealer looks in for while going for dealership of a Company & the factors which influence him in stocking or posting a brand more like incentives schemes & credit facilities.

RESEARCH METHODOLOGY:

According to Kerlinger, *“Research Design is the plan, structure & strategy of investigation conceived so as obtained answer to research questions & to control variance.”*

According to Green & Tall, “A research design is the specification of methods and procedures for acquiring the information needed. It is the overall operational pattern or framework of the project that stipulates what information is to be collected from which sources by what procedures”.

From the foresaid definitions, it is evident that the research design is more or less a blueprint of the research. The research design of the project work is explained as follows:

Firstly, taking the permission from the business authority to carry out all research work in their company. Then the problem is defined for which the research work has to be done. The company wants to know the dealer attitude regarding sales promotion activities of different brands of cars in Bangalore city.

According to the problem the information is collected. This information is analyzed by forming a questionnaire. Secondly, the whole research is based on sample study involving the study of 18 dealer sample analysis for sales promotion activities.

A questionnaire has been prepared for the respondent, after that meeting with them for the filling up the questionnaire with asking them about their problems regarding sales promotion activities of their different brand of cars. The field survey was organized for a month, from May to July in the city of Bangalore.

Lastly, the collected data were then tabulated & analysis is made to give the recommendation & conclusion for the define problem.

The research can be said to be divided into two types. First, the exploratory research which was through secondary data and other

published sources and the second one, conclusive research which is the actual sample survey using questionnaire method. It is also called primary data source.

SAMPLE DESIGN:

The Fundamental concept of sampling given by Crisp is:

“If a small number of items or parts called a sample are chosen at random from a large number of items or a whole (called a universe or population) the sample will tend to have the same characteristics & to have them in approximately the same proportion as the universe”.

It is impractical or even impossible always to take complete census. The reasons involve considerations of cost, time, accuracy and destructive nature of the measurement. It is advisable to take sampling procedure.

The sampling procedure can be presented as follows:

1. Defining the Population
2. Specifying the Sampling frame
3. Specifying Sampling Unit
4. Selection of Sampling Method
5. Determination of the Sample Size
6. Specify Sampling Plan
7. Select the Sample

DEFINITION OF THE POPULATION:

It is the agreement of all the elements defined prior to selection of the sample. It is necessary to define population in terms of (I) elements (II) sampling unit (III) extent (IV) time.

1. Elements : Car Dealers
2. Sample Unit : It is 25 at Random Sampling Method

3. Extent : Bangalore City
4. Time : April – May 2005

SAMPLE SIZE:

It means, one has to decide how many elements of the target population are to be chosen. Sample size should be determined, keeping in mind the objectives of the research study.

Sample size should not be too large or too small. It should be a reasonable percentage of the total population. Size selected thus, should be adequate so that it may be taken as a representative sample of the population.

In my study, the sample size was determined as 25, which are drawn from the list of Car Dealers of various Brands of Cars to the total population is still very low & 25 was a reasonable sample size.

SAMPLING TECHNIQUE ADOPTED:

Sampling is a systematic approach of selecting a few elements from an entire collection of population. In my research study, a pre-

requisite for doing sampling is that there should be complete knowledge about all the samplings units.

Since this was not so, non-probability sampling was used. A judicious mix of convenience sampling & judgments sampling was done to get a representation of dealers of different brands.

Non-Probability Sampling

This sampling does not provide a chance of selection to each population element. The merits of this sampling are simplicity, convenience & low cost.

Convenience Sampling

It means selecting sample units. In this method top 25 dealers were selected for the sample size. It is the cheapest & simplest method of sampling, also means what ever sampling units are conveniently available.

Judgment Sampling

This method means deliberate selection of sample units. It involves selection of cases (dealers) we judge as the most important ones for the study. It is the cheap & more convenient.

SOURCES OF DATA:

In marketing research literature, there are two types of data. One is secondary data and the other is known as primary data.

Primary Data:

The second type of data sources is the primary data source which is the actual respondents of the survey. “Original research performed by individual researchers or organizations to meet specific objectives is called Primary Research”.

Primary data consists of gathering of original information for specific purpose i.e. related to the objectives of the study; primary data

has been collected through a structured questionnaire. Primary data is always more accurate, more reliable and more related to the problem of study as compared to the secondary data sources. The primary data sources in this research are the actual respondents of the survey, the respondents are likely to be the Sales Executives (Dealers of different brands of Cars) and finally the company's business authorities.

Secondary Data:

The main advantages of using the secondary data can be summarized as:

- ✓ Economical, as the cost of collecting the original data is saved.
 - ✓ Much of the time of the research is saved like data collecting, tabulating and analysis, which leads to prompt completion of the research projects.
 - ✓ It can be obtained very quickly.
 - ✓ It may also provide information that could not be obtained by the typical organization.
-
- ✓ Due to the secondary data, deficiencies and gaps can be found easily and primary data collection becomes more specific and relevant to the study.
 - ✓ Finally secondary data can be used as a basis for comparison with the primary data that has been collected.

The secondary sources of data used in this project report are published article in Newspapers, Magazines, some books related to car industry, company catalogue and other published articles.

Field Work:

Field work is done throughout the Bangalore City. The data is collected by interviewing the consumers & getting the information required for the study which provides all the information regarding the influencing factors in his/her purchase decision.

The interview schedule which was prepared for the study contains questions and opens multiple answers to be ticked pertaining to the subject.

The field work took one month. Around 25 dealers were interviewed in the research. The time taken to answer each schedule was minimum 15 minutes.

The interview schedule was carefully decided upon and revised in consultation with experts in order to avoid collection of irrelevant data.

The respondents were directly approached by the Researcher. The respondents were approached in the showroom in the morning or lunch hours because in the evening hours they were busy some of the respondents were met after taking prior appointment.

OPERATIONAL DEFINITIONS OF THE STUDY:

For the purpose of this study the following concepts, models were formally relevant and are explained below.

MARKET

It is a group of people with demand with both ability and willingness to buy a product or service for the end user purpose. So the most important characteristics of a market are, there should be the ability and willingness to buy the product among the people for the end user.

PRODUCT

Product is any thing that is potentially valued by a target market for the benefits or satisfaction it provides including objects, services, organizations, places, people and ideas.

SALES MANAGEMENT

It means in to the management of Personal selling it is to Management of all marketing activities, including Advertisement, Sales, Promotion, Marketing Research, Physical Distribution etc.

MARKET POTENTIAL

It is an estimate of maximum possible sales opportunity presents a particular Market Segment and open to all sellers of good services during a future period.

BRAND

It is a name, team, sign, design or some combinations of these used to identify the products or services of one firm and to differentiate them for competitive offerings.

SALES POTENTIAL

It is estimate of the maximum possible sales opportunities present in a particular market segment open to a specified company selling a good or service during a stated future period.

- ✚ It is first in consumer acceptance process in which a product stimulates, penetrates the consumer filtration system and in his mind.
- ✚ It is exchange value of a good or service.
- ✚ It is any paid form of non – personal presentation and promotion of ideas, goods or services by an identified sponsor.

LIMITATIONS OF THE STUDY:

- ✓ Time has been a major constraint in fulfilling the research work very fulfilling the research work very accurately and all the market segments and a wider scope could not be envisaged.
- ✓ The random sampling method has been utilized and it is sometimes having its own limitations.
- ✓ The hesitation of the few Dealers (Respondents) to part with some data like their sales and margin was another limitation.
- ✓ The consideration for the cost of the study was also limitation. Considering the above factors, the sample size was limited to 25 and survey was limited to Bangalore City.
- ✓ The ranking of Brands on attributes like quality features of product. After Sales Service, incentives, credit etc. It is based on the individual perception of Respondents, which may not be accurate and binding.

- ✓ One of the factors influencing the respondent's perception could be loyalty towards a particular brand. Another limitation is the assumption of the number of dealers in Bangalore City as 25 for calculating the sales potential which may not be accurate.

OVERVIEW OF THE PROJECT

CHAPTER – I

Here there are two sub chapters. They are Introduction to the study and Background of the study. In Introduction to the study chapter the main thing is that which has been covered is what is to be studied & a brief introduction of the research study is highlighted. In Background of the study, both Theoretical & Industrial background of the study is described.

CHAPTER - II

This chapter contains the descriptive of the research study. That is, a format for the whole report (plan) i.e. what are the problem as the statement of the problem and how to go about it. What is the scope of the study, what is the need for the study, the objectives of the study, what all literature is to be reviewed for captioned topic, the research technique used i.e. the Research design, the sampling design i.e. that is the plan of sampling with definition of the population, sampling size and sample technique adopted and the sources of data i.e. primary data and secondary data. The field work i.e. the area covered, Operational definitions of the study, limitations of the study i.e. what were the problems faced during the research work & at last the overview of the report.

CHAPTER - III

This chapter is subdivided into three.

1. Profile of the Industry
2. Profile of the Organization
3. Profile of the sample unit

In profile of the Industry chapter, a brief introduction of the car Industry is described. The profile of the organization enables to know about the origin of the organization, growth, present status, functional departments of the organization chart & structure.

The profile of the sample unit chapter gives a brief Introduction of the sample unit i.e. where the Research study was conducted &

whom it had catered to get the Information regarding the Project survey.

CHAPTER – 1V

This chapter is subdivided into two. They are introduction to Analysis where a brief description of how to go about, plan & tabulate the analysis found is written and the data collected is classified and tabulated and on this basic analysis and interpretation of data is carried out. In Data analysis tools used, the data collection instrument is mentioned.

CHAPTER - V

This chapter is subdivided into two. They are summary of conclusions, here the data collected is studied and the conclusion of the study is given. Suggestions and Recommendations, after conclusion the researcher has recommended few quires which are to be taken into consideration is mentioned.

PROFILE OF THE INDUSTRY

HISTORY OF THE CAR INDUSTRY

The Chronology

A world without cars, although unimaginable today, was but a wink back in the evolution of times. The upright and the wise Man (as we know him today) first walked the earth 30,000 years ago and for the next 25,000 years, that was precisely what he continued to do.

The earliest reference to transport using the principles of

mechanics has been made in 3500 BC, when, between the rivers of the Tigris and Euphrates the ancient Sumerian Civilization used flat structures mounted on wheels. The use of horses to pull these crude carts probable followed shortly.

Through the next 5000 years (till the mid 18th century), this remained the principle form of transport embraced by all major civilizations. Horses and oxen were used to draw chariots for fighting, coaches to transport people and wagons to move their goods.

The first mechanized mode of transportation happened in 1769, and most of the action as far as the development of the car is concerned took place only in the last two centuries. The following pages of car-history talk of the very first two eras of automobile production viz.

Early Cars

Although it is Karl Benz who is credited with the first prototype (in 1885) of the modern car, the first self-propelled vehicle was invented more than 100 years earlier. However unlike the "Benz model", most of the machines designed during that period were steam-propelled. The early car era nonetheless played an extremely significant role in the evolution of today's car.

The First Modern Cars

Inspire of the vital role that the gas-driven internal combustion engine played in the evolution of cars, it had one great drawback, and

the engine had to be connected to a gas supply for re-fuelling. The solution was an engine that ran on liquid fuels, which were available more easily and readily transportable. The turning point in the development of cars was the introduction of the petrol engine in 1885, which started an entirely new era and actually made the car a practical and safe proposition. The cars produced in this period were more like the cars we see today and thus began the era of the Modern Car.

Present Culture of the Industry

An overview of the Automobile Industry in India: The great Indian automobile race has begun contestant from various countries are participating in the great role today at the door step of a new millennium the quest continues for the search of supremacy over the peers. The Industries like Maruti Uhdyog Limited, Hindustan Motors, Hyundai, General Motors, Tata, Daewoo Motors etc.

Once the Automobile Industry was deli censed in 1993, the automobile sales have zoomed up. The Indian Automobile Industry is one of the fastest growing markets in the world. The market has been experiencing the phenomenal growth rates in the recent years, since liberalization. The Industry pundits are predicting that the same growth rates can be sustained for the next 5 years well into 21st century.

The Foreign car makers are drawn towards India because the Indian Government has led to the creation of millions of house hold having a large disposable income. All this coupled with the Indian's likeness for sleek bodies has caught the imagination of the middle class people. They have never had going for them like this before.

Being a long life cycle industry, investments are based on future growth potential and expected life cycle of the market. The mid segment is the most sustained segment in the world over. Also is the simpler to go from the mid to the small segment rather than other way round in the production process. The mid segment is always center point of the investments.

However, if a shake out were to happen, it would most likely manifest at the distribution front whether it is distribution strength or brand image that will shake the day for this start up segment still remains a question mark. The fall remains that new players have managed to pick up market share fast enough.

Now the consumer who is broadly wondering that, how long the already overcrowded city roads will bear the load of the ever increasing car traffic.

PROFILE OF THE ORGANIZATION

BRIEF HISTORY OF TKM

Toyota Kirloskar Motor Limited is a joint venture between Toyota Motor Corporation (TMC) and Kirloskar group. It is situated at Bidadi Industrial area, Ramanagar Taluk. Bangalore (Rural) district.

It was started on October 6, 1997, aims to play a major role in the development of the automotive industry and the creation of

employment opportunities through not only its dealers network but also through ancillary industries in India.

It was existed with the paid in capital of Rs. 7 Billion. 99% equity is owned by the Toyota Motor Corporation and the rest 1% equity is owned by Kirloskar group.

In Bidadi factory, plant features high tech facilities such as top grade water recycling, its own power source which enable it to operate even if the Bidadi area faces a block out and modern waste management that keeps environmental impact to a minimum.

The Bidadi factory will meet ISO 9002 guidelines. ISO 9002 protects consumers by requiring companies to define and record all manufacturing live procedures and having them approved by ISO body to help and get the new factory started in India Toyota brought in engineers from Japan's world renewed Motto Machi factory.

This team proved extremely effective in helping and to get the India factory started and continue to be on hand to provide any additional support to help with cross training 300 members of the Bidadi factory went to motto made for on line training. It has automatic paint robot. The power at the Bidadi plant is supported by its own generators. Area blackouts won't interfere with production.

Generator Capacity -	800KW X1
	2500KW X2
	5800 KW

Toyota is committed to manufacture technically advanced and environmental friendly products. Toyota Kirloskar plant at Bidadi surrounded by a green belt meets high environmental standards and is scheduled for an environmental audit to obtain ISO 14001 certificate.

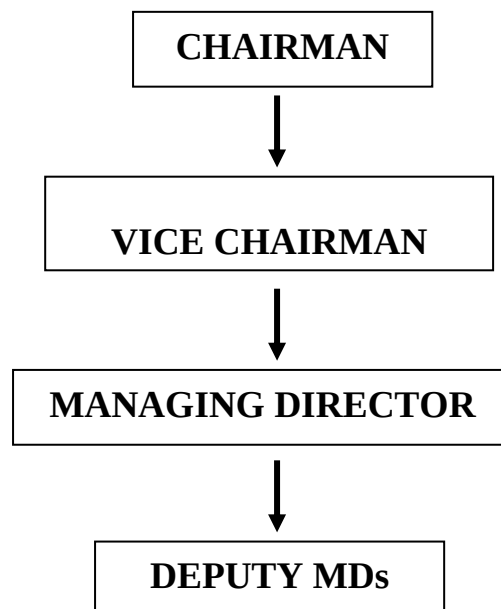
Toyota has always believed that the best way to serve society is by providing automobiles that will not only make people happy but also be environmental friendly waste water at TKM is collected and purified to a level that can be used for fish ponds and rice fields.

TKM along with its dedicated dealers, suppliers has adopted the “growing together” philosophy of its parent company TMC to create long-term business growth. In this way they aim to further contribution to progress, in the Indian automotive Industry, realize greater employment opportunities for local citizen and promote robust economic activity in India.

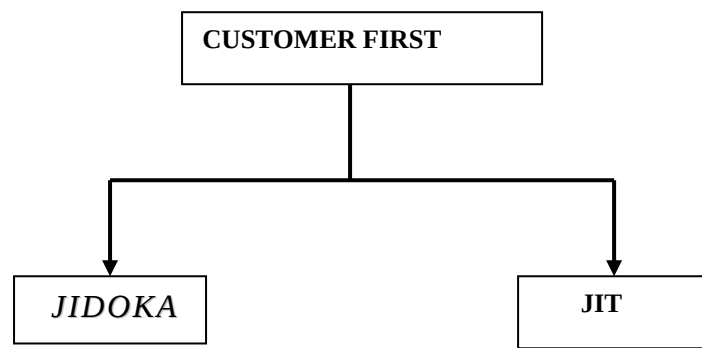
TOYOTA TECHNOPARK IN INDIA

A global first for Toyota, Toyota Techno park India (TTPI), in Bidadi near TKM, is a non profit Industrial Infrastructure company conceived around the new Toyota Kirloskar Motor automobile plant. TTPI's objectives are to foster ancillary industries in India, to help promote local Industries through technological transfer and expand employment opportunities.

Five joint ventures have already been established with Toyota Group Companies in TTPI involving TG Kirloskar automotive limited. Stan Zen Toyota India Private Limited, Sona Koyo steering system limited, steel and logistics centre private limited and Tran system logistic international private limited.

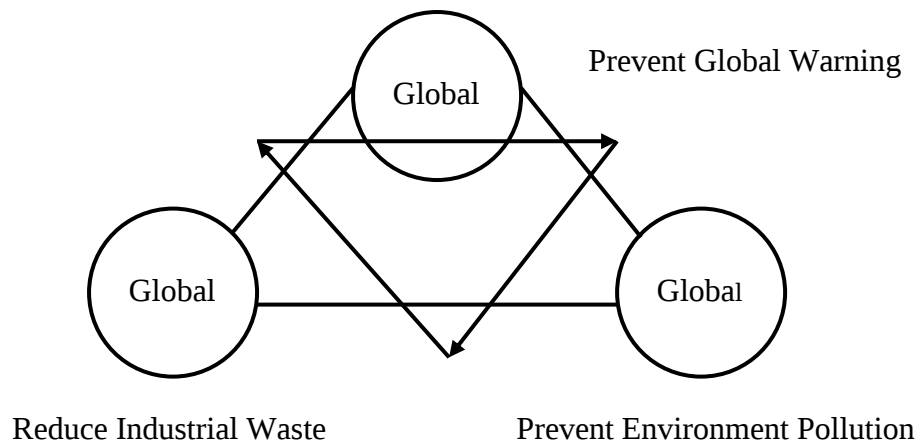


TOYOTA PRODUCTION SYSTEM



- ✓ Building quality into the production process.
- ✓ Defective items must not proceed to the next stage.
- ✓ Making only what it is needed and only in the amount that is needed.

PROTECTING THE ENVIRONMENT



Reduce Industrial waste prevent Environmental Pollution

TOYOTA PRODUCTS

Toyota products made in India have become increasingly competitive as a result of continual, comprehensive improvements made in operations. The introduction of this world famous Toyota production system and cutting edge technology has advanced Industrial Innovation professionals. In manufacturing and sales contributing to higher competitiveness and the growth of Indian Industries, in this new century.

1. QUALIS



It's not just a car.....it's a whole new life. Toyota's reputation is backed by high quality and durability.

Qualis Models

There are three models here.

They are:

1. Quails FS
2. Quails RS
3. Quails GS

QUALIS FS



QUALIS RS



QUALIS
GS



2. COROLLA



One Look and you will understand why the Toyota Corolla is the best-selling car in Japan. Drive it, and you'll know why it has been for 32 years in a row

3. CAMRY

Born from our desire to create a new quality of ownership experience.



ABOUT TOYOTA

Vision

Contributing to Indian industry and economy through technology transfer, human resource development and vehicles that meet global standards at competitive price. Contributing to well-being and stability of team members. Contributing to the overall growth for our business associates and the automobile industry.

Mission

Our mission is to design, manufacture and market automobiles in India and overseas while maintaining the high quality that meets global Toyota quality standards, and offer superior value and excellent after-sales service.

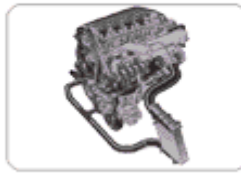
We are dedicated to providing the highest possible level of value to customers, team members, communities and investors in India.

Environment

Sound Workplace & Environmental Responsibility



Environment



Technology



Employment

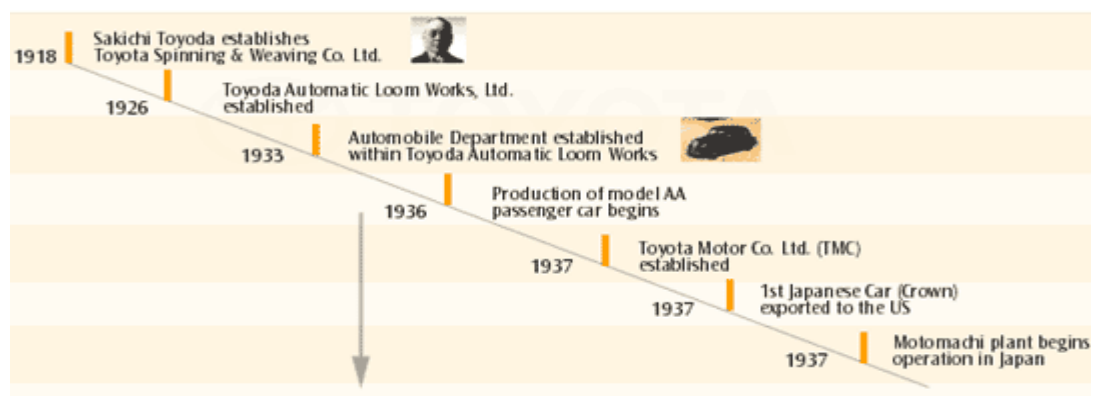
Environment, Technology & Employment

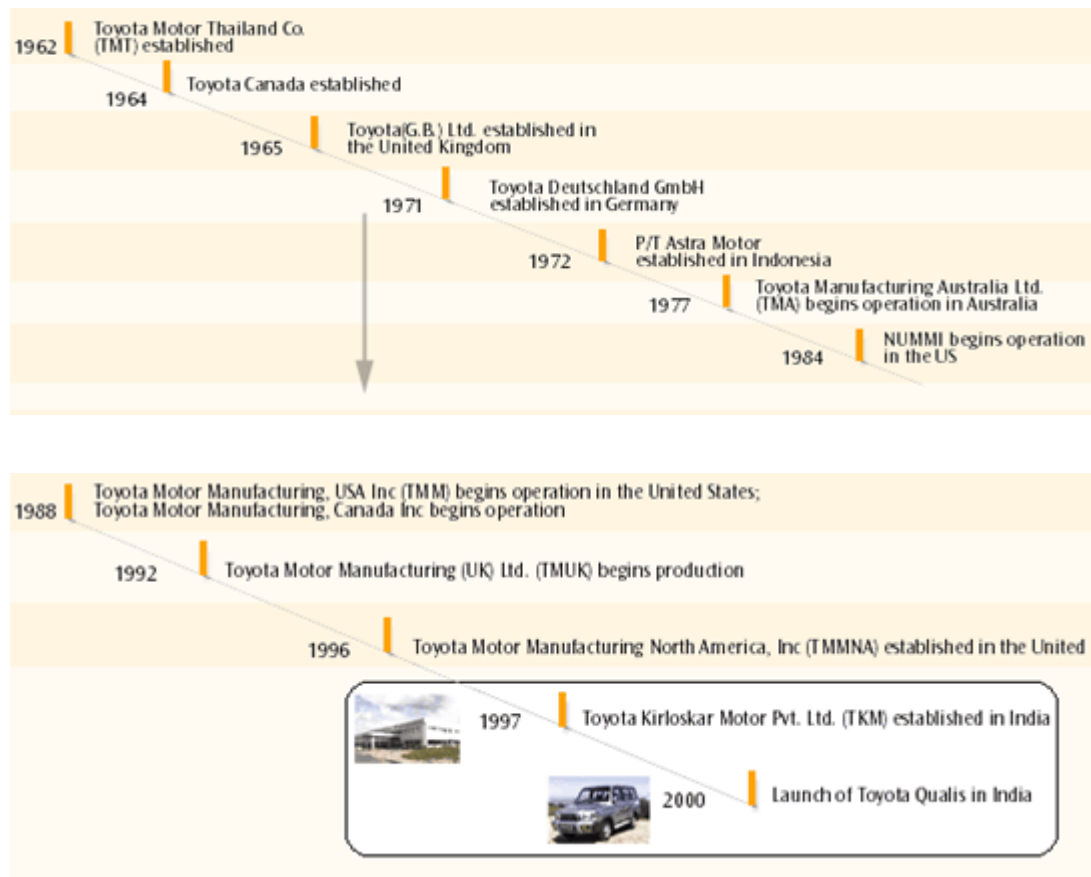
Toyota is committed to manufacture technically advanced and environment friendly products. Our plant at Bidadi surrounded by a greenbelt, Meets high environmental standards and has also obtained **ISO 14001 certification on 26th April 2001.**

Toyota has always believed that the best way to serve society is by providing automobiles that will not only make people happy, but will also be environment friendly. Wastewater at TKM is collected and purified to a level that can be used for fish ponds and rice fields.

To realize high quality vehicle production at reasonable prices, Toyota seeks the best balance between human resources and advanced robot technology. As technology constantly evolves and employees improve themselves through daily work and training programs, Toyota's production process improves.

Toyota Legacy





66 Years of Corporate Tradition

Since the company manufactured its first passenger vehicle in 1936, Toyota has continuously pursued the number one position for total customer satisfaction in all areas, ranging from manufacturing and products to sales and service. Toyota exported its first Japanese-made passenger car to the United States in 1957. Since then, Toyota has steadily expanded its global presence with the establishment of overseas bases.

Toyota's Lexus and Toyota branded vehicles rank annually among the world's highest quality cars in third party surveys of customer satisfaction. Using such success as a springboard, Toyota is pursuing a policy of sustained development and hopes to use innovation and strong R & D to create cars that are greener, safer and more fun to drive.

As a global company, Toyota realizes that local commitment is a prerequisite to success on a worldwide scale. Toyota's activities are highly appreciated around the world, a result of the company's devotion to customer-oriented activities and social contributions in every market it operates.

160 Countries



Meeting the Automotive needs of more than 160 countries

Toyota vehicles are sold in more than 160 countries and regions throughout the world. Based on the policy to "think globally and act locally", we develop and provide vehicles that fulfill the regional needs of each country. Along with manufacturing and sales activities in each region, we provide extensive automobile industry know-how, including manufacturing, development and sales, through technological transfers to local companies.

In this way, we are helping people in each region to make automobiles that meet their needs.

100 Million Vehicles



**Accumulated Domestic Production of 100 Million
vehicles**

By October 1999, Toyota had reached a domestic production of more than 100 million vehicles and a worldwide cumulative production of about 112 million vehicles, since its founding. This world-class record is proof of our continuing efforts to satisfy customer expectations.

Research and development has made possible technological advancements in quality manufacturing, safety, efficiency and environmental preservation, all of which contribute to enhancing customer satisfaction.

Further, this accomplishment is made possible through the Toyota Production System (TPS), originally a means of achieving mass-production efficiency with a small production volume of a few thousand vehicles per year. Just-in-time (JIT) production and in-process

quality assurance are hallmarks of the TPS, which is applied throughout the Company's global production structure. TPS has become the basis for highly efficient 'lean' manufacturing in industries worldwide.

Technology Transfer

Guided by the principle of "Growing Together", Toyota Group companies have contributed to the growth of the automotive industry in each country they operate in, through strong partnerships based on a high level of localization and technology transfer. Along with manufacturing and sales activities, Toyota Group companies provide extensive know-how related to product

development, manufacturing and sales through technological transfers to local corporations.

And those corporations also transfer technology to their affiliate companies. In this manner, manufacturing and sales levels will be steadily improved on a broad basis.

Toyota products made in India have become increasingly competitive as a result of continual, comprehensive improvements made in operations.

The introduction of the world-famous Toyota Production System and cutting-edge technology has advanced industrial innovation.

Our professionals in manufacturing and sales contribute to higher competitiveness and the growth of Indian industries in this new century. Toyota's Lexus and Toyota branded vehicles rank annually among the world's highest-quality cars in third party surveys of customer satisfaction.

TOYOTA PAST

Toyota's origins are rooted in innovation. The company's history goes back to 1918, when Sakichi Toyoda revolutionized the Japanese weaving industry with the invention of the world's first automatic loom.

Proceeds from the sale of production rights to a British company enabled Sakichi Toyoda's son, Kiichiro, to invest in the development of

automotive technology. Toyota's first passenger car was launched in 1936. One year later, the Toyota Motor Company was born.

Since that time, Toyota has built one vehicle every 20 seconds, with a cumulative production total in excess of 90 million units. The export of vehicles from Japan started in the 1950's. 1959 saw the start of production in other countries, and Toyota cars are now produced in 26 nations around the world.

TOYOTA PRESENT

Toyota is the 7th biggest company in the world, and the 3rd largest car manufacturer. We also have interest in house construction, boat building and telecommunications.

Our network of plants spans the globe, with 65% of vehicles sold outside Japan being made outside Japan: one million a year in North America, 600,000 a year in Asian countries and 200,000 a year in Europe. There are currently two Toyota plants in Europe - at Burnaston and Deeside in the UK - and a third is due to open at Valentines in France in 2001.

Localized vehicle production is an important way in which Toyota makes a contribution to different countries, by providing mutually beneficial long-term relationships with local companies and a commitment to the employment of local labor.

In addition, there are now some 7,000 Toyota dealerships in more than 160 countries worldwide.

TOYOTA FUTURE

Toyota leads the world in automotive innovation. 5% of annual net sales (over £2 billion per year) are invested in new technology and the development of new products – more than any other manufacturer.

Toyota is playing a leading role in the development of Intelligent Transport Systems (ITS) technology, such as automatic pilot systems.

In addition, 50% of all our engine technology R&D is focused on the search for alternative fuel sources, reinforcing the positive links between Toyota and the environment.

New models to lift Toyota's India sales in 2003



Japan's Toyota Motor Corp, the world's third-largest automaker, said that it expects its Indian sales to jump 78 percent in 2003 over the previous year helped by its recently launched Corolla car. Toyota

Kirloskar Motor Ltd told that the company expected to sell 45,000 vehicles in 2003 including 34,000 Quails utility vehicles, 1,000 Camry luxury sedans and 10,000 Corollas.

Toyota sold 25,317 vehicles in India in 2002, including 25,050 utility vehicles and 267 cars. It also said that the company expected the Indian utility vehicles market to expand by seven to eight percent in 2003. The Japanese automaker entered India in January 2000 with the Quails utility vehicle and began importing the Camry sedan in built up form in October 2002. It began assembling and selling the mid-size Corolla family car.

The low-end J version of the Toyota Corolla, powered by a 1.8litre 125bhp petrol engine, is priced at 980,000 rupees (\$20,449) while the top-end G model costs 1.2 million rupees.

The Corolla, Japan's largest selling car until a year ago, will be made in India at Toyota's plant on the outskirts of the technology capital, Bangalore. About 55 percent of the car's parts are made locally.

Both the Corolla and the Camry, which is priced at around 1.8 million rupees, are positioned in the small-volume top-end of the nearly 600,000-a-year Indian new car market. Smaller hatchbacks account for nearly 85 of India's car market.

Toyota's Indian sales fell 9.7 percent in 2002 over the previous year as production at its 50,000-units-a-year plant was hit by a strike in the first two months of the year.

But in just three years the automaker has become the second largest maker of utility vehicles in India with a market share of 27 percent in the about 120,000-units-a-year industry.

Toyota holds a 99 percent stake in the local unit and has invested over 9.0 billion rupees in its manufacturing facility. India's diversified Kirloskar group holds the rest of the stake.

The company is also investing 3.6 billion rupees in two export-oriented auto-parts units, which will have the capacity to make 160,000 automotive transmission systems a year. The units are scheduled to begin exports in June 2004.

PROFILE OF THE SAMPLE UNIT:

The sampling unit is the basic unit containing the elements, if the population is to be sampled. It may of course, be the element itself or a unit in which the element is contained. A sampling unit is often dependent upon the sampling frame. The sampling unit should be specified so that data is collected from the right person and the information so received is accurate.

The sampling unit was the dealers of different brands of cars in Bangalore City. They are:

- ✓ Advait Hyundai
- ✓ Trident Hyundai
- ✓ Saturn Hyundai
- ✓ Sagar Automobiles
- ✓ Bimal Auto Agency

- ✓ Mandovi Motors
- ✓ Pratham Motors
- ✓ RNS Motors
- ✓ Nandi Toyota
- ✓ Ravindu Toyota
- ✓ Whitefield Honda
- ✓ Arvind Motors
- ✓ Concorde
- ✓ Manipal Motors
- ✓ Garuda Auto craft
- ✓ India Garage
- ✓ Sundaram Automobiles (Koromangla)
- ✓ Sundaram Automobiles (Kasturba Road)

CHAPTER – 6

PRESENTATION OF DATA AND ANALYSIS AND INTEPRETATION

RESPONDENTS

TABLE – 1

Sl. No.	Name of the Company	No. of Respondents (Dealers)	Name of the Dealer	Respondents in Percentage
1.	Hyundai	3	Advaith Hyundai Trident Hyundai Saturn Hyundai	16.66%
2.	Maruti	5	Sagar Automobiles	
3.	Toyota	2	Bimal Auto Agency Mandovi Motors Pratham Motors RNS Motors Nandi Toyota Ravindu Toyota	27.77% 11.11%
4.	Honda	1	Whitefield	5.55%
5.	Tata	3	Arvind Motors Concorde	16.66%

SOURCE – SURVEY DATA **Analysis and Interpretation**

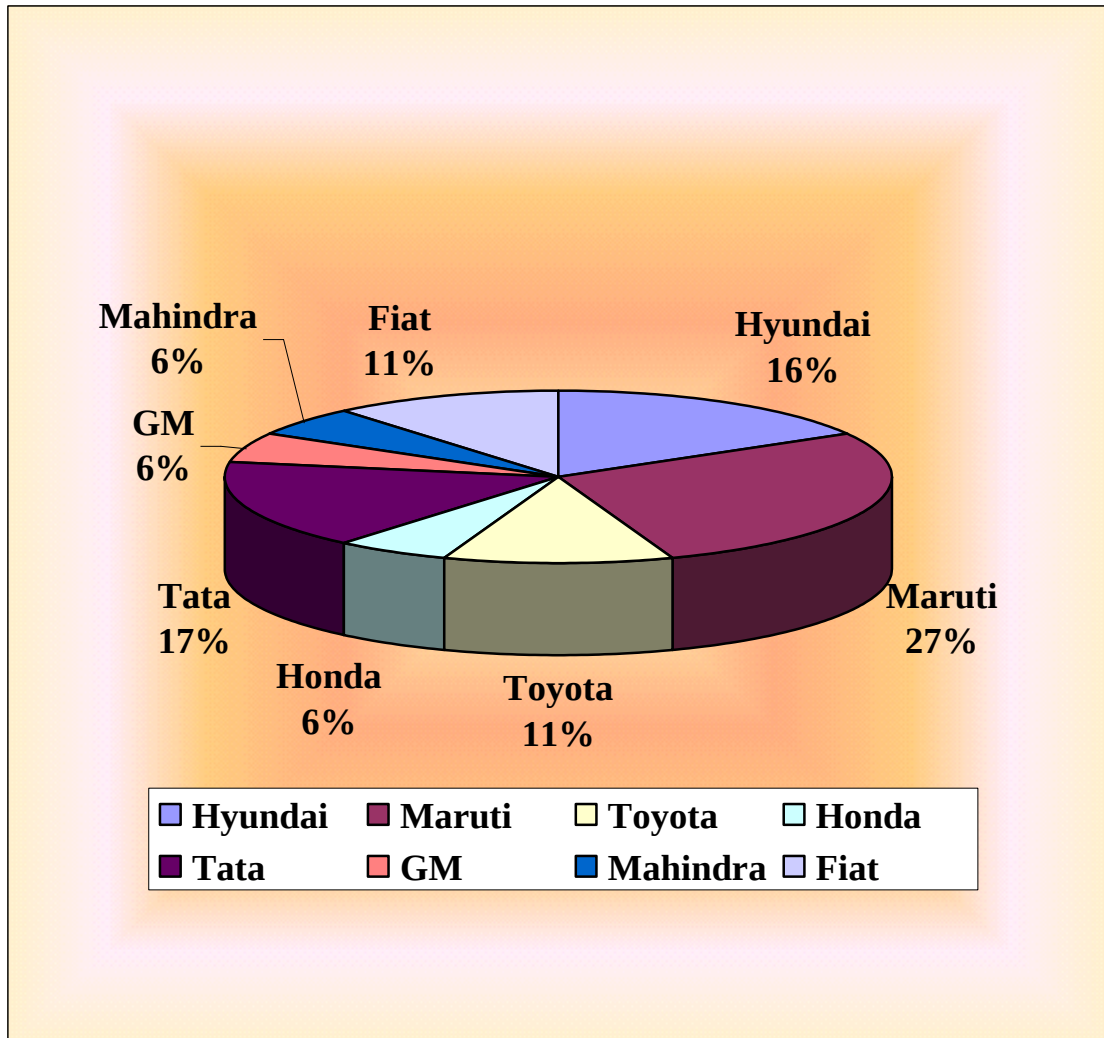
Table – 1

Explains the different companies of car Industry and number of respondents (Dealers) on whom the survey was conducted on the basis of the above analysis in Bangalore City.

According to the above table there are eight companies who manufacture Cars & sale in the Market. There are three dealers for Hyundai, 5 dealers for Maruti, 2 dealers for Toyota, 1 dealer for Honda, 3 dealers for Tata, 1 dealer for General Motors, 1 dealer for Mahindra and 2 dealers for Fiat. This says that Maruti has a highest number of dealers in Bangalore City.

RESPONDENTS

GRAPH 1



SALES PER MONTH IN DIFFERENT DEALERS.

TABLE – 2

Sales Range	Company	Sales	Percentage
0 – 50	Honda	45	1.82%
50 – 100	Mahindra	85	3.44%
100 – 150	Toyota	160	6.47%
150 – 200	GM	245	9.91%
200 – 250	Fiat	255	10.32%
300 – 350	Tata	325	13.15%
350 – 400	Hyundai	355	14.37%
950 – 1000	Maruti	1000	40.48%

SOURCE – SURVEY DATA

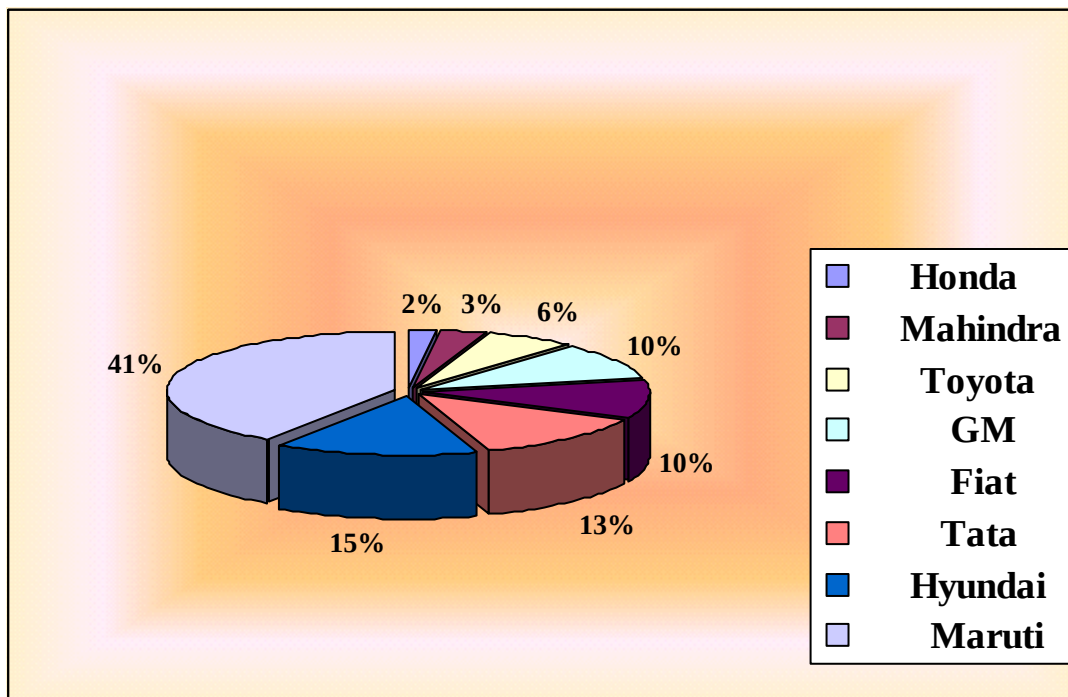
Analysis and Interpretation

TABLE 2

The table shows the sales per month of cars of different brands of Car Dealers. According to the above table, Honda comes under the selling range of 1.82% per month, Mahindra of 3.44%, Toyota of 6.47%, GM of 9.91%, Fiat of 10.32%, Tata of 3.15%, Hyundai of 14.37%, and Maruti of 40.48%.

SALES PER MONTH IN DIFFERENT DEALERS.

GRAPH - 2



SATISFACTION OF DEALERS WITH THE EXTRA INCENTIVES AND ITS FOLLOW-UP

TABLE - 3

Sl. No	Parameter	No. of Respondents	Respondents in Percentage
1.	Yes	17	94.44%
2.	No	1	5.55%

SOURCE- SURVEY DATA

Analysis and Interpretation

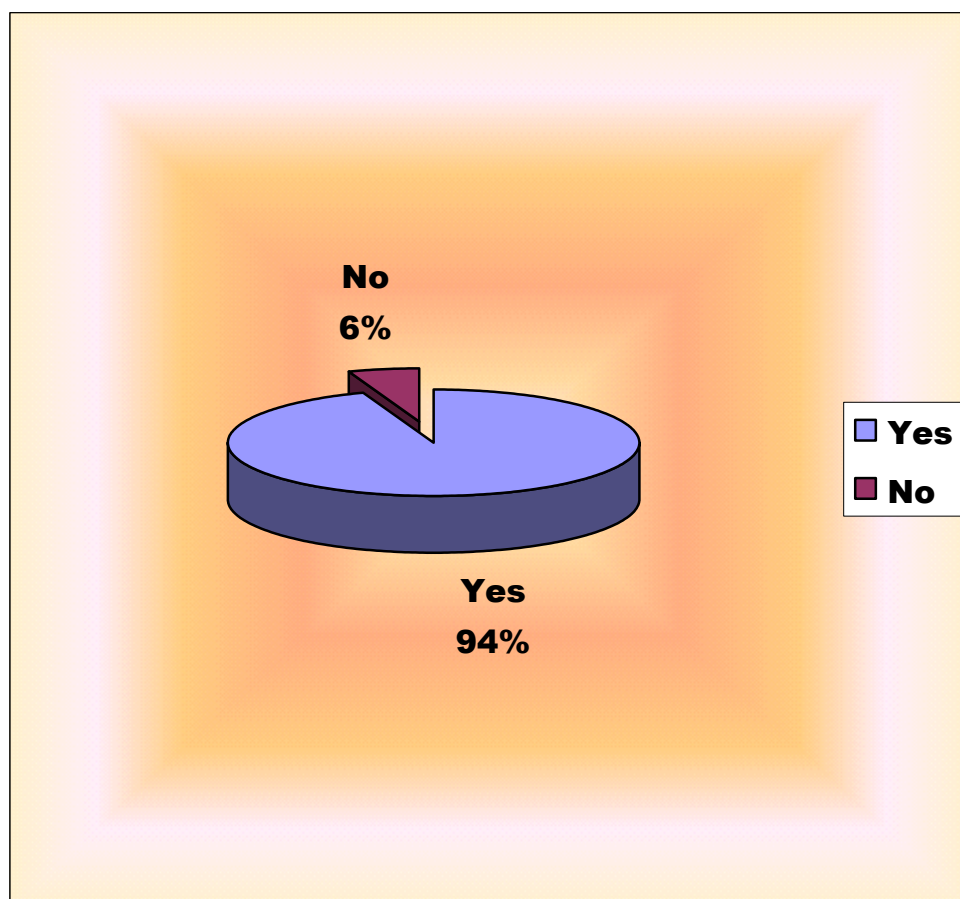
TABLE 3

The table shows the parameter of the Respondents regarding the satisfaction or dissatisfaction with the companies providing extra incentives and Benefits offered to them on target sales.

S. The table shows that 17 Respondents say that Extra Incentives and Benefits offered by companies is satisfactory and 1 Respondent is not satisfied with their offers. A

The table shows that " of the companies offering Extra Incentives and Benefit **GRAPH - 3** om this we can say that companies are performing well and good.

The satisfied Respondent percentage is 94.44% and is satisfactory, but the 5.55% Respondent is not satisfied and it shows that where the company is lacking behind from the Respondent view point. Company should try to get the 100% Respondent satisfaction.



PRIME SELLING SEASON IN ANY GIVEN YEAR

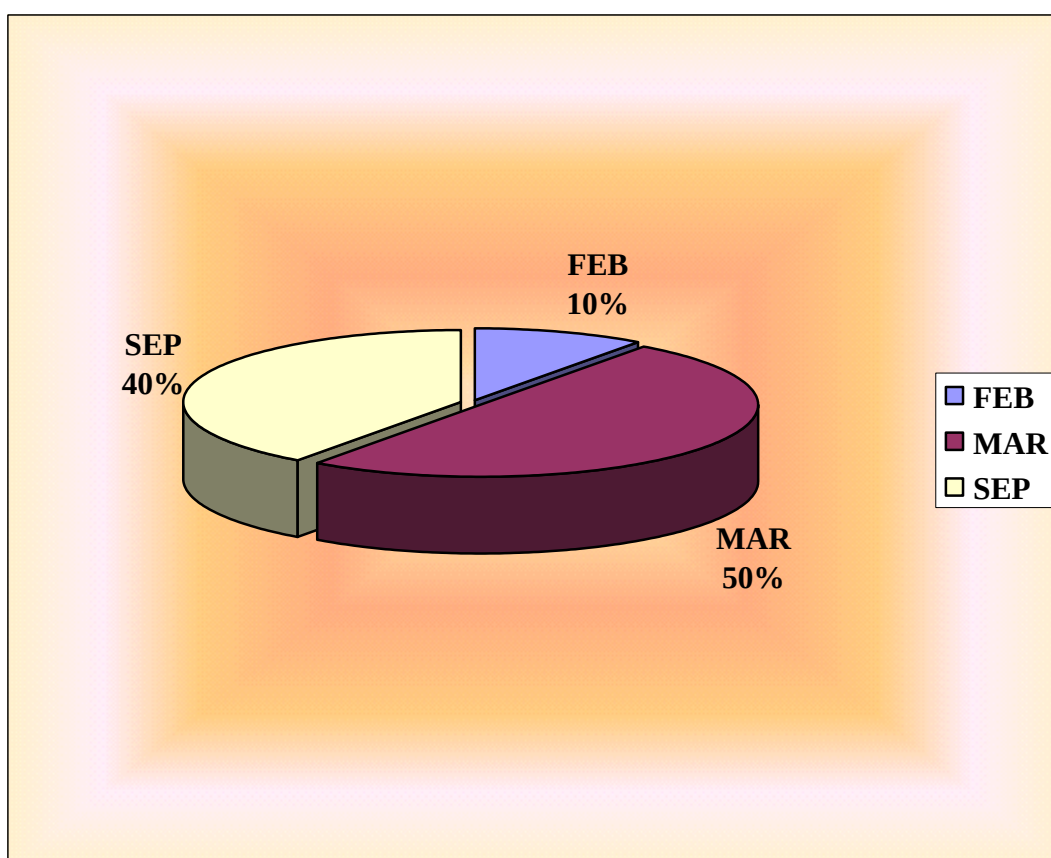
TABLE - 4

No. of Months	Month	No. of Respondents
1	January	12
2	February	
3	March	
4	April	
5	May	
6	June	
7	July	
8	August	
9	September	3
10	October	
11	November	
12	December	

TABLE 4

Table shows the prime selling season in any given year according to the Respondents (dealers) of different brands of Cars. According to the above table February, March and September are the prime selling month in any given year. March has the highest percentage of selling season in any given year, followed up by September and this followed by February.

PRIME SELLING SEASON IN ANY GIVEN YEAR
GRAPH - 4



RESPONDENTS OFFERING SPECIAL SCHEME DURING PRIME SELLING SEASON.

TABLE 5

Sl. No	Offers	Yes	No	Respondents	No. of Percentage
A	Cash Discount	13	5	18	72.22%
B	Surprise Gifts	5	13	18	27.77%
C	Installment schemes	6	12	18	33.33%

Source – Survey data

SOURCE OF DATA

Analysis and interpretation

TABLE 5

The above table shows the Respondents offering special scheme during prime selling season. All most all the respondents offer special schemes. In that Exchange offer, Low Interest Rates are most. According to the above table there is a cash discount of about 72.22%, Surprise Gifts of 27.77%, Installment schemes of 33.33%, Exchange offer of 88.88%, No service charges of 5.55%, Free offer of 5.55%, Low Interest Rates of 50%, Free Insurance of 88.88%, Prizes of 27.77%, Car warranty of 5.55%.

FACTOR – A

CASH DISCOUNTS

A Cash Discount is a price reduction to buyers who pay their bills promptly. A typical example is “2/10, net 30”, which means that payment is due within 30 days and that the buyer can deduct 2 percent by paying the bill within 10 days. Such discounts are customary in many industries.FACTOR – B

SURPRISE GIFTS

Gifts are something which makes everyone happy. Sometimes the company or the dealers of different brands of cars, in order to attract customers offer surprise gifts on every purchase of the car.FACTOR – C

INSTALLMENT SCHEMES It refers to the work done to make a product operational in its planned location. Buyers of heavy equipment expect good installment service or schemes. Differentiating at this point in the consumption chain is particularly important for companies with complex products.

Ease of installment schemes becomes a true selling point especially when the target market is technology novices who are notoriously intolerant of on-screen messages such as car.FACTOR – D

EXCHANGE OFFER

Exchange, which is the core concept of marketing, involves obtaining a desired product from someone by offering something in return. Exchange is a process rather than an event.FACTOR - E

NO SERVICE CHARGES

Sometimes, the company does not charge for the services provided by them for their branded cars. This may be for a limited period. The add-on services (credit, delivery, installation, repairs) provided by company gives success of discount indicating that many customers are willing to accept lower-service outputs if they can save money.

FACTOR - F FREE OFFER

Certificates entitling the bearer to a stated saving on the purchase of a specific product: mailed, enclosed in other products or attached to them, or inserted in magazine and newspaper advertisements.

Redemption rate varies with mode of distribution. Free offers can be effective in stimulating sales of a mature brand and inducing early trial of a new brand.FACTOR - G

LOW INTEREST RATE

Instead of cutting its price, the company can offer customers low-interest rates. Automakers have announced 3 percent financing and in some cases no-interest rates/low Interest rates to attract customers.

FACTOR – HFREE INSURANCE

Every car needs to be insured. Some companies provide this facility free in order to attract customers. If not, dealers themselves take the responsibility to insurance the cars, which they sale to customers.FACTOR – I

PRIZES (CONTESTS, GAMES, ETC)

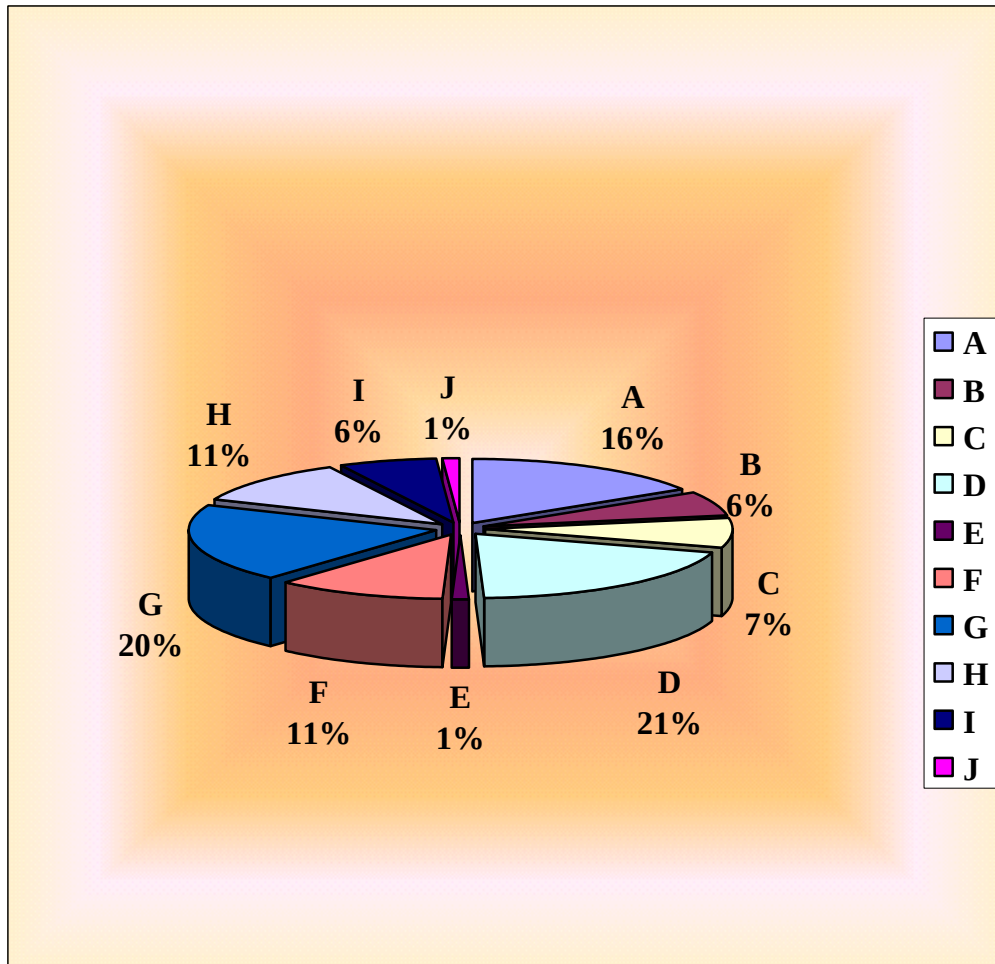
Prizes are offers of the chance to win cash, trips or merchandise as a result of purchasing something. A contest calls for consumers to submit an entry to be examined by a panel of judges who will select the best entries. A sweepstake asks consumers to submit their names in a drawing. A game presents consumers with something every time they buy bingo numbers, missing letters, which might help them win a prize.FACTOR - J

CAR WARRANTY

Explicit or implicit promises by sellers that the product will perform as specified or that seller will fix it or refund the customer's money during a specified period.

RESPONDENTS OFFERING SPECIAL SCHEME DURING PRIME SELLING SEASON.

GRAPH - 5



**NEED TO TRAIN THE SALES STAFF BY THE COMPANY
FROM TIME TO TIME.**

TABLE – 6

Sl. No.	Parameter	No. of Respondents	Percentage
1	Yes	14	77.77%
2	No	--	22.22%
3	Not applicable	4	18.00%

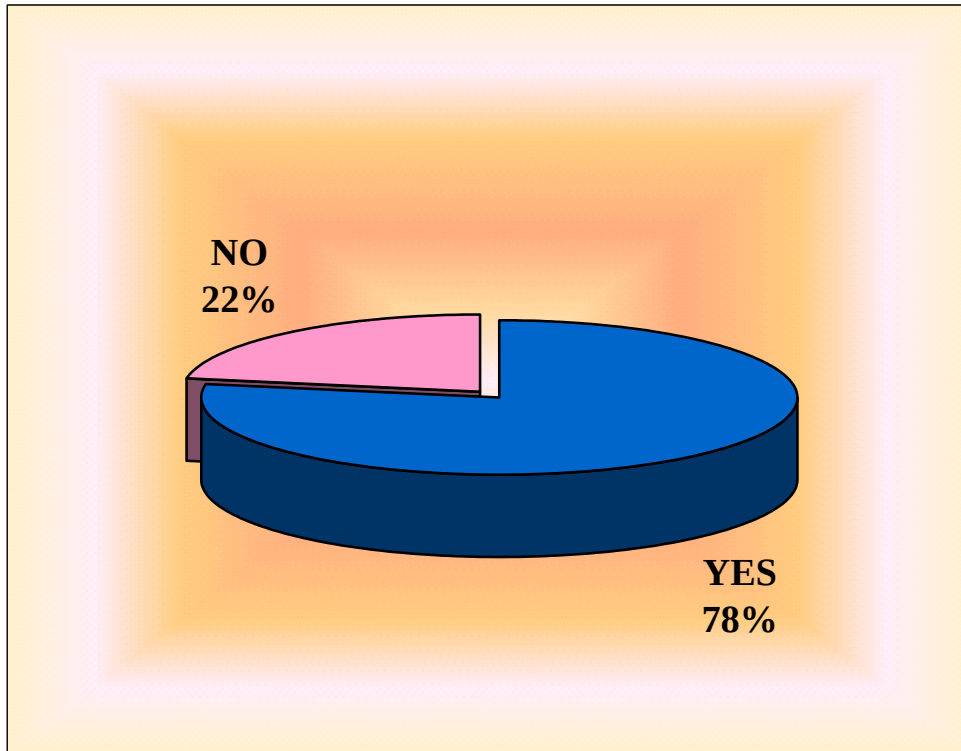
SOURCE – SURVEY DATA

Analysis and Interpretation

TABLE 6

The table shows the parameter of the Respondents whether there is a need to train the sales staff by the company from time to time. From the above table we can consider that 14 Respondents have said it is needed by the company to train the sales staff from time to time and 4 of the Respondents are not applicable for the above question to be answered as they have personally employed and not by the company.

GRAPH - 6



RESPONDENTS SELECTED MEDIA TO ADVERTISE THEIR PRODUCT

TABLE 7

Sl. No.	Media	Yes	No	Percentage
A	Newspaper	18	-	100%
B	Magazines	6	12	33.33%

SOURCE – SURVEY DATA

Analysis and interpretation

TABLE 7

The above table shows the number of Respondents selected Media to advertise their product. According to the survey conducted Newspaper is the Media which all the Respondents have chosen to advertise their product. Rest as shown in the table.

FACTOR – A

NEWSPAPERS

The advantages are to advertise the product with flexibility, timeliness, good local market coverage, broad acceptance, high believability.

FACTOR - B

MAGAZINES

Here for high geographic and demographic selectivity, credibility and prestige, high-quality reproduction, long life, good pass along readership.

FACTOR - C

TELEVISION

It combines sight, sound and motion, appealing to the senses, high attention, and high reach.

FACTOR - D

YELLOW PAGES

Excellent local coverage, high believability, wide reach, low cost.

FACTOR - E

DIRECT MAIL

Audience selectivity, flexibility, no ad competition within the same medium, personalization.

FACTOR - F

BROCHER

Flexibility, full control, can dramatize messages.

FACTOR - G

RADIO

Mass use, high geographic and demographic selectivity, low cost

FACTOR – H

TELEPHONE

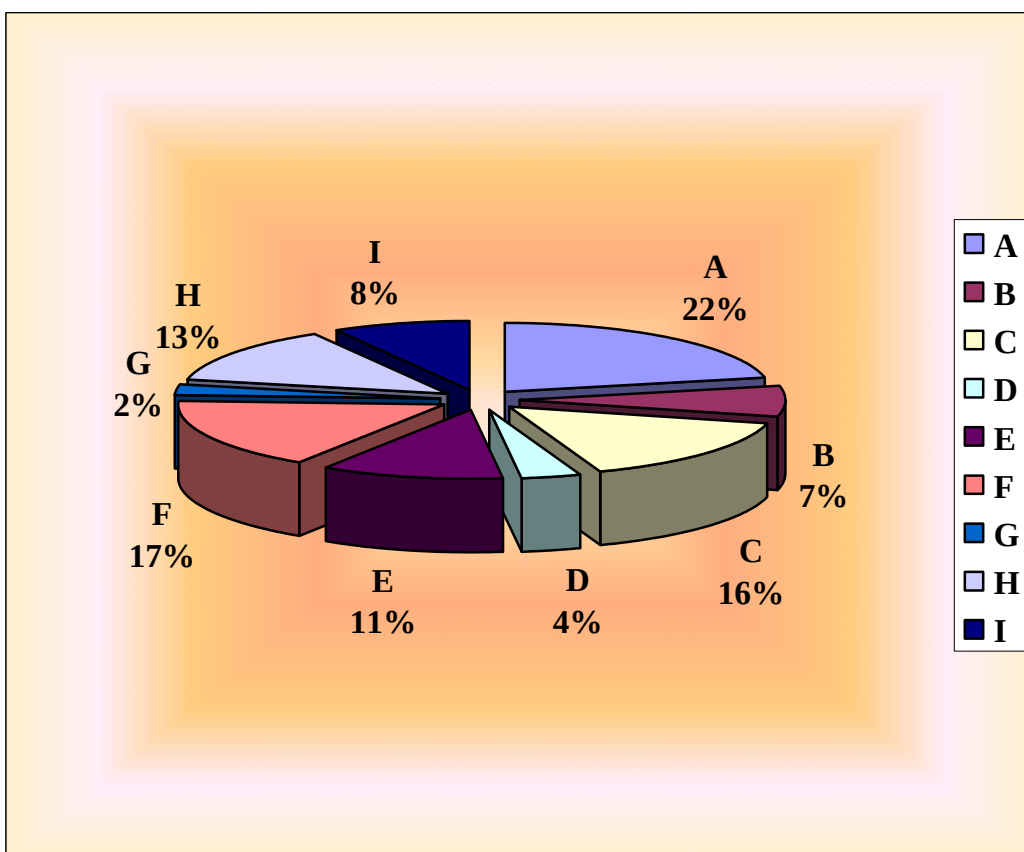
Many users, opportunity to give a personal touch.

FACTOR - I

INTERNET

High selectivity, interactive possibilities, relatively low cost.

GRAPH – 7



IN NEWSPAPER, THE POSITION PREFERABLE BY THE RESPONDENTS TO ADVERTISE THEIR PRODUCT.

TABLE 8

Sl. No.	Position	Yes	No	Percentage
A	Front Page	12	6	66.66%

SOURCE – SURVEY DATA

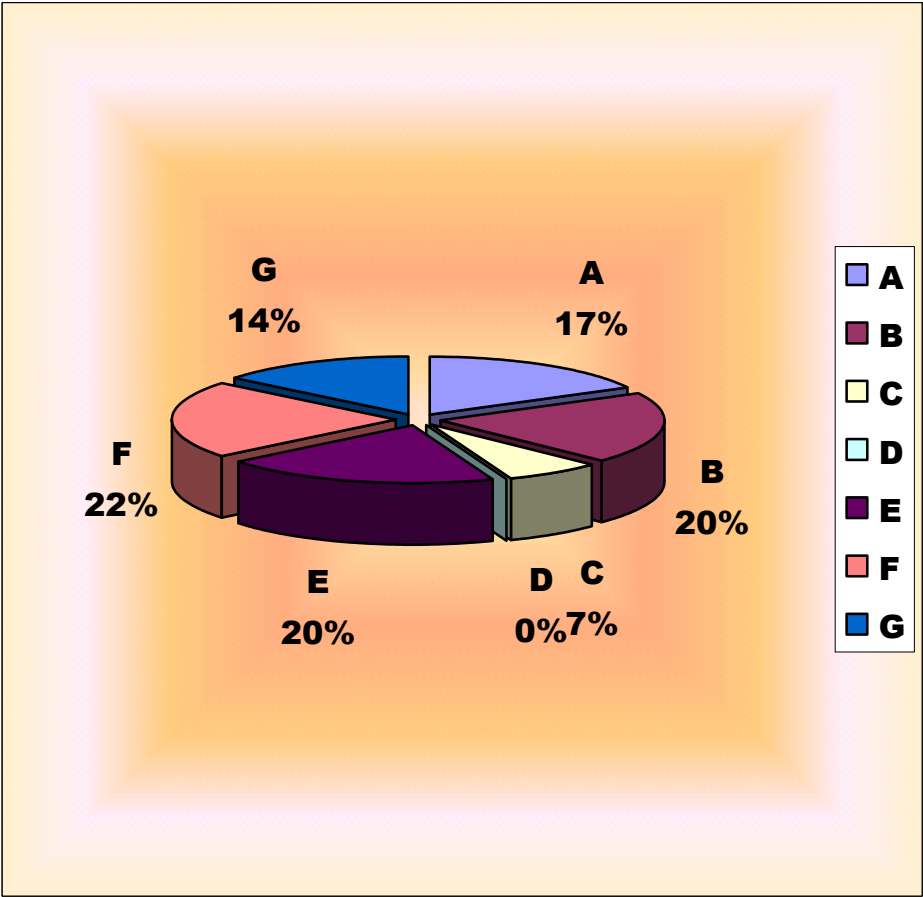
Analysis and interpretation

TABLE 8

The above table shows the position preferable by the Respondents to advertise their product. International Page is the highest preferable position with 83.33%. Next comes the Sports page with 77.77%, then Back Page with 77.77%, then Front Page with 66.66%.

IN NEWSPAPER, THE POSITION PREFERABLE BY THE RESPONDENTS TO ADVERTISE THEIR PRODUCT

GRAPH 8



**RESPONDENTS ENCOURAGING POINT OF PURCHASE
AND DEMONSTRATIONS AT THE TIME OF PURCHASE
OR SALE**

TABLE 9

Sl. No.	Parameter	No. of Respondents	Percentage
1	Yes	18	100%
2	No	--	0 %
3	Not applicable		18.00%

SOURCE – SURVEY DATA

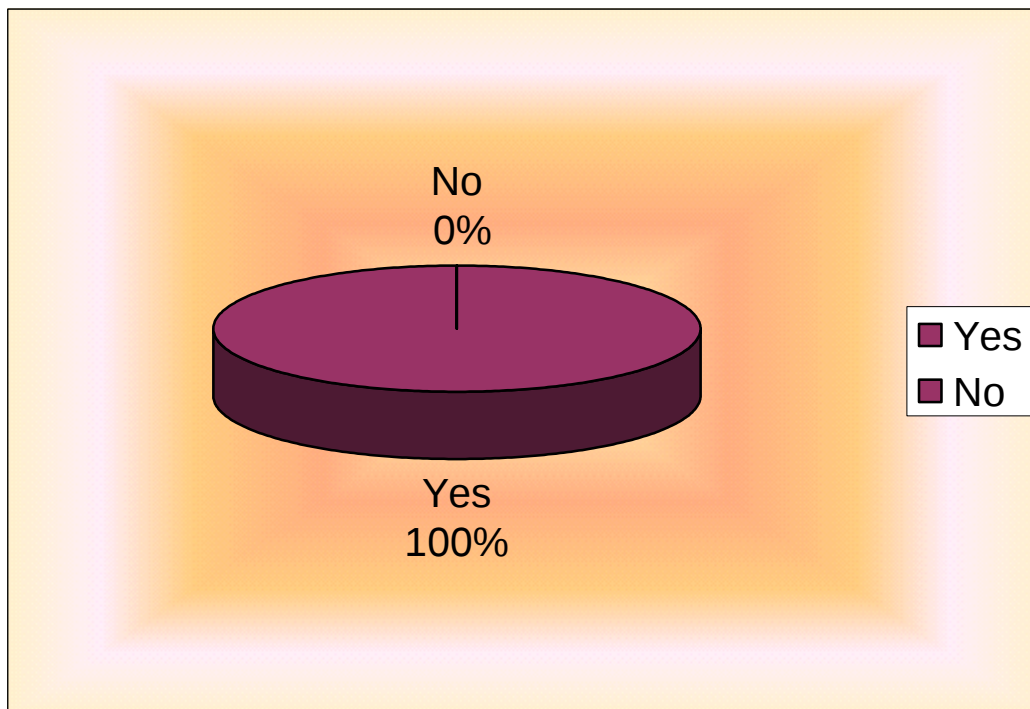
Analysis and Interpretation

TABLE 9

The above table shows that all the respondents that are; dealers will Encourage POP and Demonstrations at the time of Purchase.

**RESPONDENTS ENCOURAGING POINT OF PURCHASE
AND DEMONSTRATIONS AT THE TIME OF PURCHASE
OR SALE**

GRAPH - 9



MAJOR SALES FORCE PROMOTION TOOLS ORGANISED BY THE RESPONDENTS

TABLE – 10A

Sl. No.	Tools	Yes	No	Percentage
A	Trade shows	6	12	33%
B	Road shows	18	-	100%
C	S. Advertising	8	10	44.44%

SOURCE – SURVEY DATA

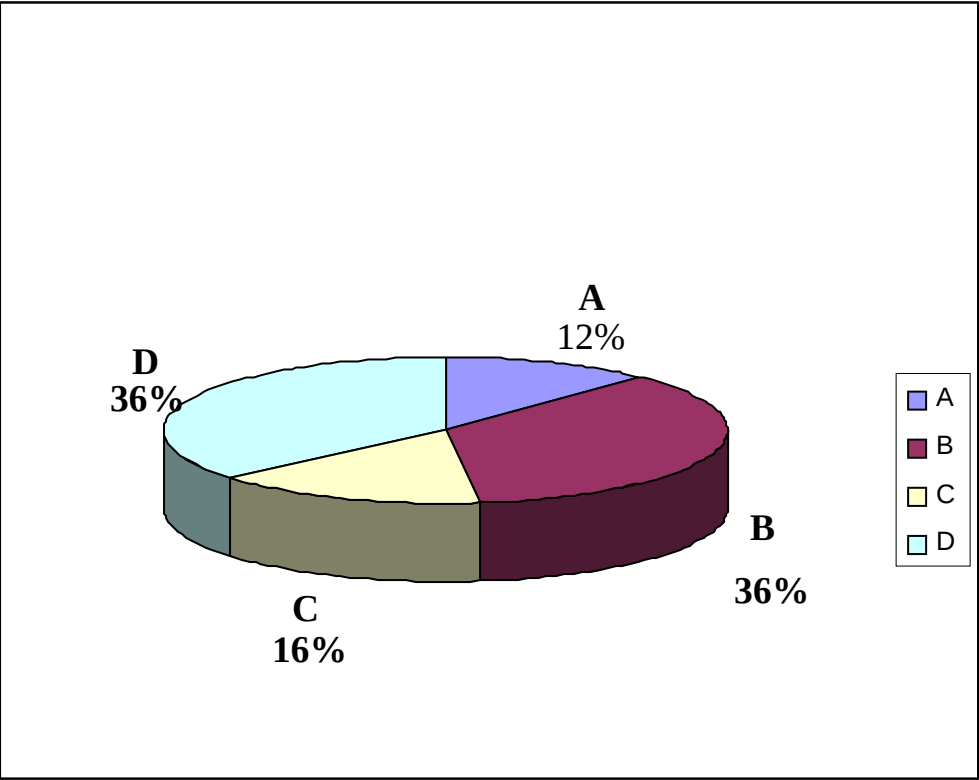
Analysis and interpretation

TABLE 10A

The above table shows the major sales promotion tools organized by the Respondents. According to that it is Road show and the Test Drives tools used by every dealer.

**MAJOR SALES FORCE PROMOTION TOOLS ORGANISED BY
THE RESPONDENTS**

GRAPH 10A



AVERAGE NUMBER OF ENQUIRIES RECEIVED

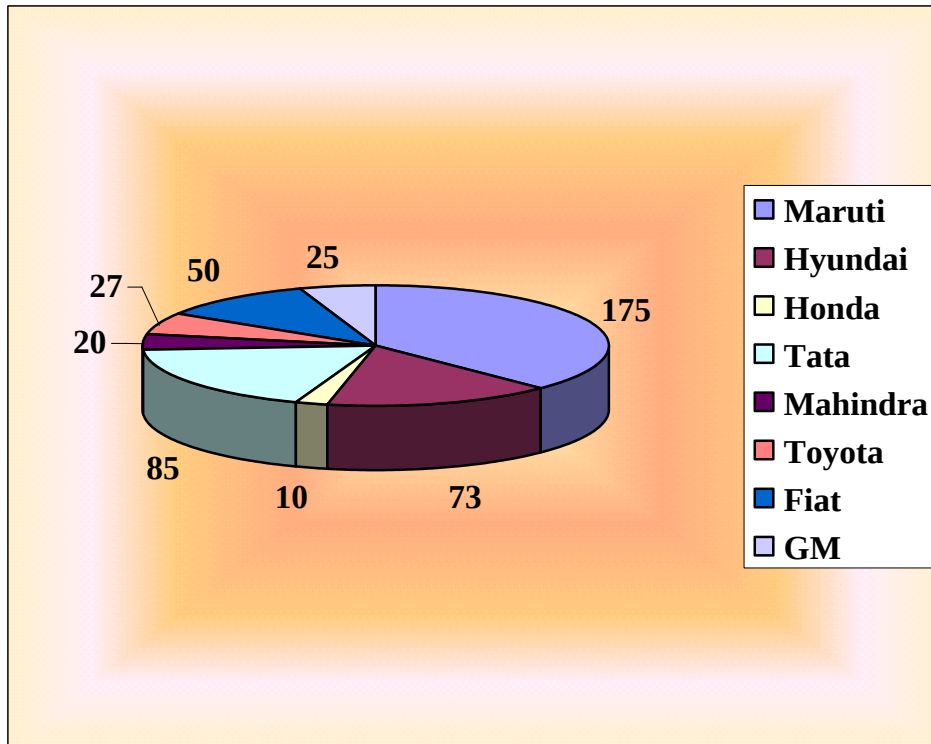
TABLE 10B

Name of the company	No. Of responses received
Maruti	175
Hyundai	73
Honda	10
Tata	85
Mahindra	20
Toyota	27
Fiat	50
GM	25

SOURCE –
SURVEY DATA

AVERAGE NUMBER OF ENQUIRIES RECEIVED

GRAPH – 10 B



DO YOU HAVE ANY TIE UP WITH BANKS?

TABLE 11

Sl. No.	Parameter	No of Respondents	Percentage
---------	-----------	-------------------	------------

1	Yes	18	100%
2	No	0	0%
	Total	18	100%

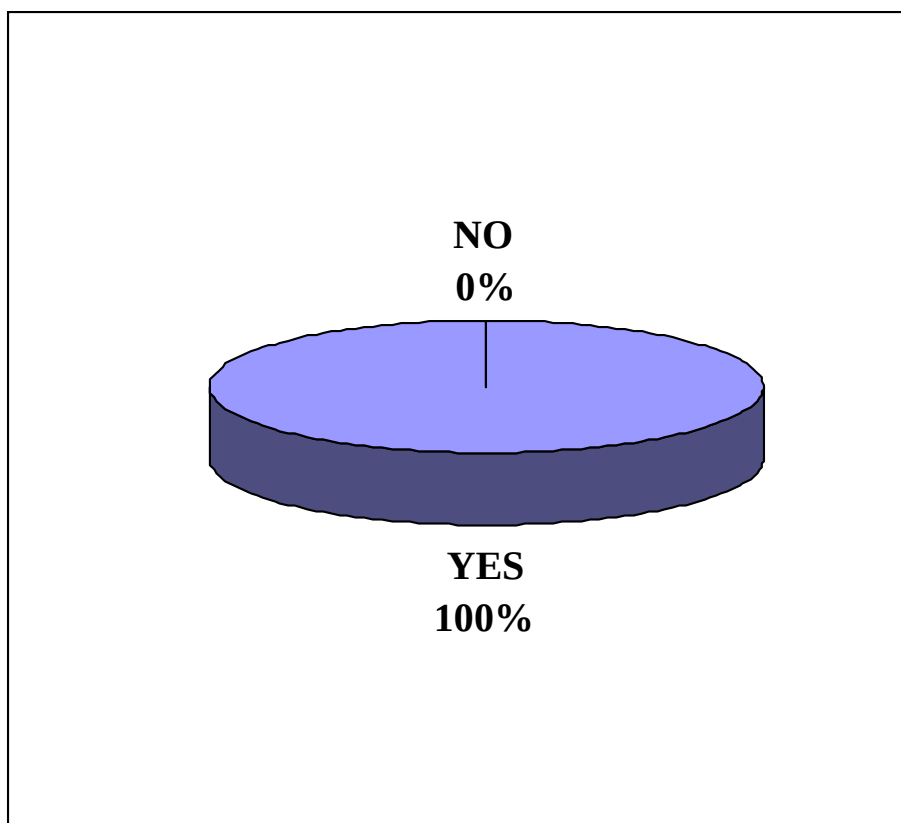
SOURCE – SURVEY DATA

Analysis And Interpretation

TABLE 11

The table shows that all the Dealers will have tie-up with a number of banks like ICICI, Canara Bank, City Bank, HDFC Bank etc.

GRAPH 11



DO YOU ORGANIZE ANY FINANCE MELA?

TABLE 12

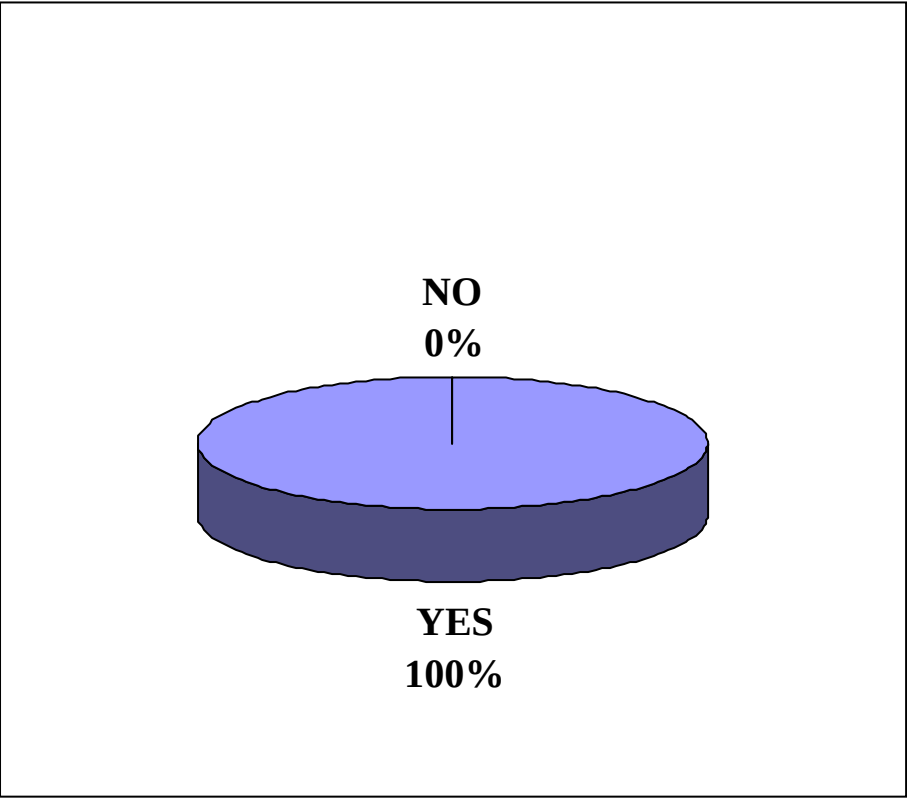
Sl. No.	Parameter	No of Respondents	Percentage
1	Yes	18	100%
2	No	0	0%
	Total	18	100%

SOURCE – SURVEY DATA

Analysis and Interpretation

According to the table, all the dealers that is respondents will organize Finance Mela.

GRAPH 12



DO YOU ORGANIZE ANY EXCAHNGE OFFER MELA?

TABLE 13

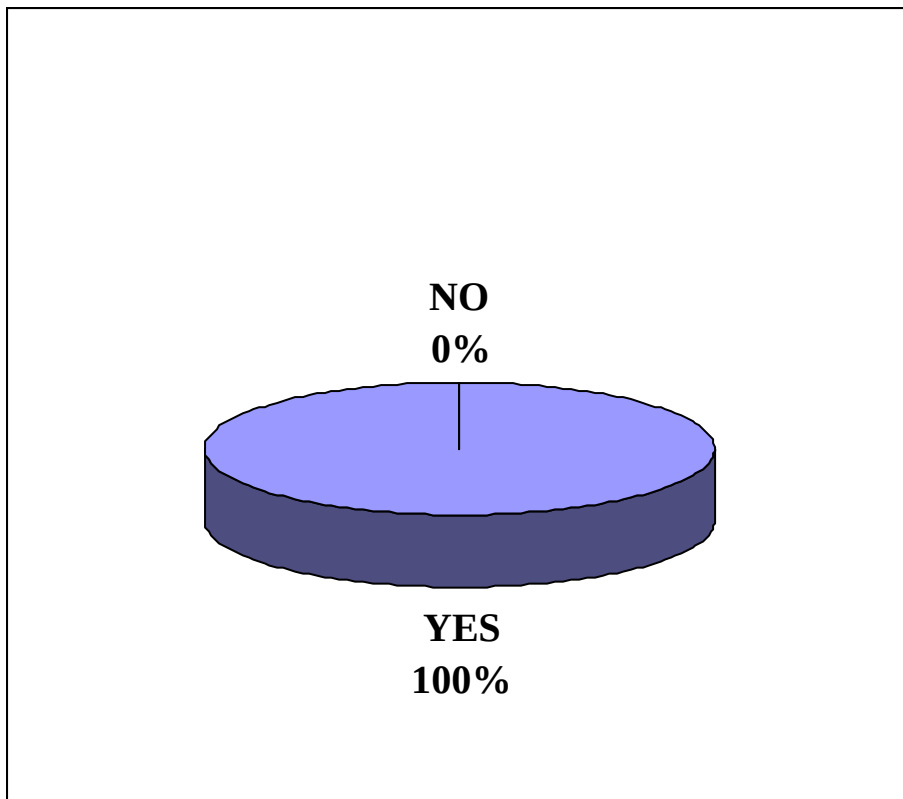
Sl. No.	Parameter	No of Respondents	percentage
1	Yes	18	100%
2	No	0	0%
	Total	18	100%

SOURCE- SURVEY DATA

Analysis and Interpretation

According to the table, all the dealers that is respondents will organize Exchange offer Mela.

GRAPH 13



SUMMARY OF FINDINGS, CONCLUSION,
SUGGESTIONS

SUMMARY OF CONCLUSIONS

Companies are quality and features of the products, after sales service and the margin or incentives by the company. The factors which influence dealer while stocking or postings particular brand more are quality and features of the product, after sales service, marking and brand full of the product, take the back seat.

On the basis of findings made through analysis we can conclude the following facts.

- ✓ For the number of dealers Maruti stands the first followed by Hyundai and Tata. TKM has only two dealers to sale their product in Bangalore City.
- ✓ Compare to various brands of Cars, TKM has a least number of Models and Variants in their product.
- ✓ The TKM has an average of 160 cars sale in a month and the company is doing good work in the sales range by attracting the customers, compare to other brands of cars with a limited period in their launch of a new model.
- ✓ For the Extra Incentives and Benefits, nearly 94.44% of all the dealers are satisfied with the incentives given to them by the companies for achieving target sales and they are happy with the companies follow – up.

- ✓ The month March is the prime selling season in any given year followed by September and February.
- ✓ All the Respondents offer special schemes during prime selling season, where Cash Discount has a percentage of 72.22%, Surprise Gifts of 27.77%, Installment schemes of 33.33%, Exchange offers of 88.88%, No service charges of 5.55%, Free offer of 50%, Low interest rate of 88.88%, Free Insurance of 50%, Prizes of 27.77% and Car warranty of 5.55% respectively.
- ✓ All the Respondents prefer the need to train the sales staff by companies from time to time as majority of them feel that their sales staff should have continuous product knowledge to increase sales potential.
- ✓ Majority of all the Respondents choose Newspaper as their Media to advertise their product, followed by Brochures and Television.
- ✓ All the Top English papers like Times of India, Deccan Herald and the Local Newspapers are chosen to advertise their product.
- ✓ International Page, Sports Page, Back Page and Front Page are the most preferable positions of the Respondents in Newspapers to give Advertisement.
- ✓ All the Respondents encourage POP Displays and Demonstrations at the point of purchase or sale.

- ✓ Road shows and Test drives are the major sales force promotion tools organized by the dealers as and when required followed by the Trade shows and the Specialty Advertising.
- ✓ All the Respondents have the Tie – ups with the Banks and SCB, ICICI, HDFC are some of the most common Banks with whom the Dealers are tied – up.
- ✓ All the Dealers organize Finance Mela and provide attractive Finance Options to the Customers according to the season.
- ✓ All the Dealers organize Exchange offer Mela and At least an average of three to four times in a year is a must and if needed as and when required is done.

SUGGESTIONS AND RECOMMENDATIONS

Car Market in Bangalore City is big and a lot of opportunities are there for the car manufacturers to tap the either to untapped sources as revealed by the sales potential figure obtained for the coming year,

Toyota can further penetrate the Market and increase its Market Share than its main competitors like Maruti, Hyundai, Honda etc.

The following Suggestions and Recommendations are drawn from findings and conclusions which may help the Company in Improving to get more and more Dealers Satisfaction.

- ✓ The company should increase the dealership network in the city.
- ✓ Toyota is behind its competitors regarding the Models and Variants provided. It should provide it more effectively.
- ✓ Toyota should carve a particular Niche (Build and Image) for itself in the minds of consumers, since consumers have a choice of a number of other brands in the Market.
- ✓ Company can organize meeting with Dealers at random, so that company get face to face discussion about company work and get feedback from Dealers.
- ✓ To Improve satisfaction level company may appoint the Dealer Relation Officer who make a phone call after month or 2 month and visit the Dealers (Sales Executives most specific) to ask them about their problem and give information regarding difficulties. By knowing Dealer problems the Company can attract the customers by improving their work with dealers and increase the satisfaction level of dealers towards them.

- ✓ Company should motivate salesman and service people to attend the customer better way be giving them various competition compensation.
- ✓ There should be weekly or monthly meeting of sales and service staff with General Manager and Director, so that problem can be discussed and solve it.
- ✓ Sales staff and service staff must regularly make improvement in courtesy. So that customers are attracted and like to take information about car from sales and service staff.
- ✓ Company should provide emergency problem solving service, so that small problems can be solved with fast service and saving Dealer time. This will satisfy the Dealer.
- ✓ The sales and service people should be trained on regular basis with new introduction for subject like technical knowledge of car. So that they can give information to customer when needed.
- ✓ Company may increase sales and service staff to attend the customer better than before; counter sales staff should give full concentration to the entire customer with importance. Salesman should know the priority factors considered by customer as per their occupation and family members to suggest perfect requirement of customer.

- ✓ The company satisfying ratio to Dealers is not a low ratio, but the company should try to reach at the 100% Dealer Satisfaction level.
- ✓ The company should concentrate towards, the mode of its Advertisement. While launching a new model it should give the preference to the Advertising Media which is the best source of Information. As a promotional activity company can also sponsor some kinds of sports events etc.
- ✓ The Company can also go for making an agreement with some Government or Private sectors or Institution for supplying its product on contract basis.
- ✓ The Present holding events in Market are no doubt helping dealers to increase sales. The success of the events is mainly depends on value of the events, so the Sales Manager should concentrate on it.
- ✓
- ✓ Because the company may face tough competition in future, hence the company should maintain the customers brand loyalty for its product by launching some regular schemes like Exchange Offer Mela, Free Gifts etc.
- ✓ The Company should concentrate more on Market Segmentation. It should increase its product design by keeping in mind also the younger segment of the market, it should also

improve some other factors like durability, good quality, comfort ability of its products because Maruti, Honda etc brands are giving tough competition in market.

- ✓ Since the study revealed that the majority of dealers recommend a particular brand to their customers, the company should try to further strengthen the Relationship with its dealers by motivating them with new incentives.

ANNEXTURE

QUESTIONNAIRE

Dear Sir/Madam,

I am a student of “AL-AMEEN INSTITUTE OF MANAGEMENT STUDIES” and studying in 4th semester, MBA. I am doing a project

on“A STUDY OF SALES PROMOTION ACTIVITIES OF CARS
WITH SPECIAL REFERENCE TO TOYOTA”.

I hope to seek all possible co – operations from you during the entire session.

1. Name of the Dealer _____

Address _____

Telephone Number _____

2. Which Company Car you are selling?

3. Name the Models and Variants you are selling.

- | | |
|-----|-----|
| (a) | (b) |
| (c) | (d) |
| (e) | (f) |
| (g) | (h) |
| (i) | (j) |

4. Name the Variant which is Fast Moving?

5. How many Cars in total do you sell in a Month?

6. Do the Companies offer you Extra Incentives and Benefits on Target Sales?

☐

Yes

☐

No

If yes, are you Happy with the Incentives and its follow – up?

7. According to you, which is the Prime Selling Season in any given Year?

8. Do you offer any special scheme during Prime Selling Season?

☐

Yes

☐

No

If Yes, which of the below?

(a) Cash Discounts [] (b) Surprise Gifts []

(c) Installment Schemes [] (d) Exchange Offers []

(e) No Service Charges [] (f) Free Offers []

(g) Low Interest Rate [] (h) Free Insurance []

(i) Prizes (Contests, Games, etc) []

(j) Others Specify _____

9. What is the Number of Sales Staff you have employed?

(a) Personally Employed []

(b) Company Demonstrators []

10. Do you feel the Need to Train the Sales Staff by the Company from Time to Time?

☐

Yes

☐

No

If Yes / No, Why?

11. Which Media will you use to advertise your product?

(a) Newspaper []

(b) Magazines []

- (c) Television [] (d) Yellow Page []
 (e) Direct Mail [] (f) Broacher []
 (g) Radio [] (h) Telephone []
 (I) Internet []

12. In which Newspaper you will advertise your product?

- (a) (b)
 (b) (d)
 (e) (f)

13. In Newspaper in which Position do you prefer to give your Advertisement?

- (a) Front Page [] (b) Back Page []
 (c) Business Page [] (d) Political Page []
 (e) Sports Page [] (f) International Page []
 (g) Entertainment Page []
 (h) Others, Please Specify _____

14. Do you Encourage Point of Purchase (POP) Displays and Demonstrations at the point of Purchase or Sale?

☐ Yes ☐ No

If Yes, Please Specify _____

15. What are the Major Sales Force Promotion Tools you organize?

- (a) Trade Shows [] (c) Specialty Advertising []
 (b) Road Shows [] (d) Test Drives []

If Yes, When and Where?

Mention the Average Number of Enquiries you received.

16. Do you have Tie – Ups with Banks?

☐

Yes

☐

No

If Yes, Please Specify

17. Do you organize any Finance Mela?

☐

Yes

☐

No

If Yes, Which is the Attractive Finance Options Available?

18. Do you organize Exchange Offer Mela?

☐

Yes

☐

No

If Yes, How many Times per year, please specify

Thank You for Your Co - Operation

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