



A STUDY ON CONSUMER PREFERENCE TOWARDS LUXURY CARS WITH REFERENCE TO COIMBATORE CITY

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Abstract:

Customer preference is a concept that more and more companies are putting at the heart of their strategy, but for this to be successful they're needs to be clarity about, what customer preference means and what needs to happen to drive improvement. The main objective is to know about the attitude of customers towards sales and service of the company and to analyze the need of the customers based on primary data. For this purpose a sample of 130 has been collected and percentage analysis, and chi-square analysis were used as tool and the conclusion is that the quality of work with showrooms can be increased in future so that the level of satisfaction of customers can be increased.

Keywords: Customers, sales and service and Coimbatore.

Introduction:

Consumer is a king in the kingdom of market. To understand his behaviour is very necessary for the marketing man. Consumer is the focus of all the marketing activities. Knowledge of his activities and behaviour is one of the most important aspects of the marketing. The consumers buy the goods to satisfy a number of needs and drives. Human wants are unlimited and varying time to time; from place to place and man to man. The study of consumer behaviour holds great interest for us as consumers, as students and scientists, and as marketers. Consumer Behaviour is a rapidly growing discipline of study. There are various reasons why the study of consumer behaviour developed as a separate marketing discipline are shorter product life cycles, increased interest in consumer protection, growth in marketing services, growth of international marketing, development of computer and information technology and increasing competition, etc.

Consumer research process involves six major steps (1) defining research objectives (2) collecting and evaluating secondary data (3) primary research design (4) collecting primary data (5) analyzing data and (6) report preparation. Consumer behaviour doesn't remain the same or constant in every situation it changes time to time. There are various factors which affects consumer behaviour. As the change comes in these factors, consumer behaviour also changes. Following are the factors which affect consumer behavior: (1) age (2) sex (3) marital status (4) income (5) family background (6) education (7) occupation (8) family size (9) geographic factors (10) psychological factors. In this grim battle for snatching maximum share of market, only those producers are destined to emerge victorious who will be able to read the pulse of the buyers. And this is here, where buyer behaviour has a very important role to play.

Consumer Satisfaction:

Every human being is a consumer of different products. If there is no consumer, there is no business. Therefore, consumer satisfaction is very important to every business person. According to Philip Kotler, consumer satisfaction is defined as, "personal feeling of pleasure resulting from comparing a product's pursued performance in relation to his /her expectations".

Consumer attitude measurements are taken on either potential buyers or existing client's buyers in order to identify their characteristics. Why should the competent market engineer conduct consumer research? Consumer's surveys can provide the researcher with a wealth of information, valuable of the marketing function. Detailed information regarding the customer in a market will provide the basic platform for all marketing decisions. Marketing decision maker needs descriptive information about the total potential unit and dollar sales in each segment. Perhaps the most important one is that a seller needs to be aware of the relevant objective and need of consumer and how their objectives might best be served by the products.

Statement of the Problem:

Customer preference is a study of physiological, social, physical behaviors of all potential customers as they become aware of evaluation, purchase and consumption and tell others about the products and services.

The study is to analyze the customer preference towards luxury cars which may be useful for reference in the future.

Objectives of the Study:

- To know about the attitude of customers towards sales and service of the companies.
- To analyze about the customer expectations and service rendered by the companies
- To know about the level of brand awareness of the companies.
- To identify the factors that influence consumer Satisfaction towards products of luxury cars.
- To analyze the need of the customers based on primary data.
- To suggest about the level of satisfaction of customers to the companies.

Scope of the Study:

The main scope of the study is to analyse the customer satisfaction about luxury cars and that will help the organisation to rectify the errors to develop the quality of service in future period of time.

Limitations of the study

- The results and findings are confined to a limited area.
- The opinions of the respondents may be biased.
- Time and resource constraint.
- Since the data was collected using questionnaire, there is a possibility of ambiguous replies or omission of replies altogether to certain items mentioned in the questionnaire.

Research Methodology:

Research Design: Descriptive research design is used for testing. Descriptive research includes surveys and fact-finding enquires of different kinds.

Research Instrument: The research instrument used in the study is a ‘structured questionnaire’.

Method of Data Collection: The two types of data used for the purpose of the study are

- Primary data
- Secondary data

Primary Data: The primary data for the research study were collected through structured questionnaire from different consumers.

Secondary Data: Secondary data are those data that have been collected by someone else and which have already been passed through the statistical process. Secondary data here has been collected from books, newspapers, magazines, journals and websites.

Sampling Design: It refers to the technique or the procedure the researcher would adopt in selecting items for the sample i.e., the size of the sample. Same design is determined before data are collected. There are many sample designs from which a researcher can choose.

Sampling Procedure:

Sample Size: The sample size is 250 customers who buy luxury cars.

Area of Sampling: The area selected for collection of data is Coimbatore district.

Tools Used for Analysis: The data collected are analyzed by using the following tools: Percentage analysis, Chi-square test, Descriptive statistics and Standard deviation

Analysis and Interpretation:

Demo-Graphic Variables	Particulars	Frequency	Percent
Gender	Male	91	70
	Female	39	30
	Total	130	100
Age	Below 18	4	3.1
	18-25	47	36.2
	26-35	41	31.5
	Above 35	38	29.2
	Total	130	100
Place of living	Semi rural	10	7.7
	Rural	45	34.6
	Urban	65	50
	Semi urban	10	7.7
	Total	130	100
Occupational Income	5000-10000/month	19	14.6
	10000-20000/ month	64	49.2
	Above 20000/month	47	36.2
	Total	130	100

Occupation	Employee	9	6.9
	Business or professional	106	81.5
	NRI	8	6.2
	Others	7	5.4
	Total	130	100

70% are male and 30% are female. 3.1% are from the age group of below 18, 36.2% are from the age group of 18-25, 31.5% are from the age group of 26-35, and 29.2% are from the age group of above 35. 7.7% are from semi rural area, 34.6% are from rural area, 50% are from urban area, 7.7% are from semi urban area. 14.6% are earning from 5000-10000/month, 49.2% are earning from 10000-20000/month, 36.2% are earning above 20000/month. 6.9% are employee, 81.5% are business professionals, 6.2% are NRI's and 5.4% are from other occupation.

Model of Luxury Cars Owned by the Respondents:

	Frequency	Percent
Compact Cars	42	32.3
Mid-Size Cars	39	30
Crossover Cars	30	23.1
Minivan Cars	19	14.6
Total	130	100

Interpretation:

The above table shows about model of luxury cars owned by the respondents were out of 130 respondents 32.3% are having compact cars, 30% are having mid size cars, 23.1% are having crossover cars and 14.6% minivan cars. It depicts that maximum of the respondents are having compact type of luxury cars.

Best Feature with Luxury Cars:

	Frequency	Percent
Price	31	23.8
Style	47	36.2
Quality	32	24.6
Brand	20	15.4
Total	130	100

Interpretation:

The above table shows about best feature with luxury cars were out of 130 respondents 23.8% said as price, 36.2% said as style, 24.6% said as quality and 15.4% said as brand. It depicts that maximum of the respondents said that style is the best feature with luxury cars.

Price Range Affordable by the Respondents:

	Frequency	Valid Percent
20,00,000-35,00,000	18	22.2
40, 00,000-65, 00,000	15	18.5
70, 00,000-1.33 corer	24	29.6
1.40 above	24	29.6
Total	81	100

Interpretation:

The above table shows about price range affordable by the respondents. Out of 81 respondents who are affordable with the price of the car 22.2% are affordable between the price range between Rs.20,00,000-35,00,000, 18.5% are affordable between the price range 40, 00,000-65, 00,000, 29.6% are affordable between the price range between 70, 00,000-1.33 corers and 29.6% are affordable even if the cars price is more than 1.40 corers. It depicts that most of the respondents said that the price range is even if the cars price is more than 1.40 corers.

Chi-Square Analysis:

Gender * Type of Luxury Cars Owned by the Respondents:

H₀: There is no significant relationship between gender and Type of luxury cars owned by the respondents

H₁: There is a significant relationship between gender and Type of luxury cars owned by the respondents

Satisfaction towards vehicle mileage

		Benz	Audi	BMW	Rolls Royce	Total
Gender	Male	7	39	32	13	91
	Female	8	16	0	15	39
Total		15	55	32	28	130

Observed Frequency	Expected Frequency	(O-E)	(O-E) ²	(O-E) ² /E
7	12.41	-5.41	29.26	2.36
39	45.5	-6.5	42.25	0.93
32	26.47	5.53	30.55	1.15
13	17.37	-7.37	54.36	3.13
8	5.32	2.68	7.19	1.35
16	19.5	-3.5	12.25	0.63
0	11.35	-11.35	128.72	11.35
15	7.45	3.55	12.63	1.7
				24.87

Degrees of freedom = (number of rows - 1) * (number of columns - 1) = (r-1) * (c-1) = (5-1) * (2-1) = (4)*(1) = 4

Table value = 9.488 for degrees of freedom and 5% level of significance

Calculator value = 24.87

As calculated value > table value the null hypothesis is rejected.

Therefore, it is that there is a significant relationship between gender and type of luxury cars owned by the respondents

Findings:

- Most of the respondents are male.
- Most of the respondents are from the age group of 18-25.
- Maximum of the respondents are earning from 10000-20000/month.
- Maximum of the respondents are having compact type of luxury cars.
- Maximum of the respondents said that style is the best feature with luxury cars
- Maximum of the respondents are owning Audi car.
- Most of the respondents said that the price of the car is affordable.
- Most of the respondents said that the price range is even if the cars price is more than 1.40 corers.
- Maximum of the respondents said that the car is worth value for money.
- Maximum of the respondents are saying about the worthiness based on quality of the car.
- Most of the respondents are satisfied towards the quality of service.
- Most of the respondents are satisfied with quality requirements for services.
- Most of the respondents said that there is an attractive specification with the luxury bought.
- Most of the respondents said as brand as a reason for attractive specification with the luxury cars.
- There is a significant relationship between gender and type of luxury cars owned by the respondents.

Suggestions:

- The small segment cars can be manufactured in a large scale as the employees showing more willingness towards the segment cars and if they do so then the sales volume can be increased in future period of time.
- The employees feel that style is the best feature of the company and if the company launches stylist cars in future then the sales can be increased.
- The quality of work with showrooms can be increased in future so that the level of satisfaction of customers can be increased.

Conclusion:

Customer satisfaction is a concept that more and more companies are putting at the heart of their strategy, but for this to be successful they're needs to be clarity about, what customer satisfaction means and what needs to happen to drive improvement. The main objective is to know about the attitude of customers towards sales and service of the company and to analyze the need of the customers based on primary data. For this purpose a sample of 130 has been collected and percentage analysis, and chi-square analysis were used as tool and the conclusion is that the quality of work with showrooms can be increased in future so that the level of satisfaction of customers can be increased.

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