Perception of Customers towards SUV Car Brands in Punjab

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Abstract- *SUV sales have increased quickly in recent years compared to prior years, which is caused by a variety of variables. People tend to buy cars on the more expensive end of the price spectrum as their disposable income rises. Additionally, with a surge in social media influencers and presence, consumer lifestyle and behaviour have seen considerable changes recently. Any product is typically chosen through a series of stages, and at each stage, the consumer must take a lot of time to consider, assess, and select the desired brand in accordance with their needs or requirements. This study conducts a thorough investigation on Punjab consumers' perceptions of major SUV car brands and the root causes of local brand preferences. The current study was carried out in Punjab with SUVs costing between Rs. 12 and 30 lakhs.*

Keywords- *Customer Perception, Satisfaction, SUV cars, Brand Preferences*

1. INTRODUCTION

India has experienced a significant change in lifestyle and ownership of opulent goods like televisions, refrigerators, household appliances, and cars as a result of liberalisation and globalisation. The car is one of the most popular modes of transportation for the upper and middle classes nowadays. A few decades ago, waiting weeks, months, or even years to purchase an automobile in India was the norm. There were only a handful different car models available. Today, a car is not just purchased for social prestige but has evolved into a necessity due to the rising earning power of the middle class. In the auto sector, a strong car brand can generate enormous value. Depending on the brand, consumers' expectations for the cost of otherwise comparable luxury vehicles can differ by as much as 8 Lakh to 10 Lakh. Which things a buyer considers purchasing when it comes to mass-market automobiles depends on brand. Superior brands also spread their halo to every kind of car they manufacture. In the past, automakers have attempted to evaluate their brands using a wide range of image characteristics in an effort to gain more knowledge on how to differentiate their brands. But across several metrics of value, consumer opinions of a brand's reputation are typically stable. Customers believe, for instance, that automakers whose lines have a reputation for

luxury and distinction typically build cars that excel in many other categories, such as ride, handling, safety, and reliability. In fact, the correlation between a brand's scores on different attributes is sometimes so strong that it is possible to combine these scores into a single indicator of how likely a car line is to provide high-quality goods.

Consumers are also well-versed in how much things cost. They understand that automobiles vary not just in terms of their original purchase price but also in terms of their anticipated operating and maintenance costs as well as their eventual resale worth. The sum of these many forms of expenses during the course of ownership determines the cost to the consumer.

2. REVIEW OF LITERATURE

Various research studies on brand preference reveals that few attempts have been made to examine brand preferences for passenger cars and the variables that are used to measure such preferences. Studies on the creation of scale variables and gauging the degree to which those elements influence the decision to buy an automobile are likewise few. The researchers have created factors that are more pertinent and significant for the study in order to close this gap. The choice of a consumer to purchase a something or service is the outcome of the interaction of

numerous internal and external forces or stimuli. The manufacturers' and marketers' stimuli in the form of product offerings made possible by integrated marketing communication techniques serve as the foundation for marketing strategies that help companies position their goods or services effectively. Following client acquisition, sustained brand relationships are created through retention strategies implemented through a variety of marketing measures. According to Dharmaraj and Clement (2010), a consumer's choice to purchase a product is the result of the interaction of numerous factors. Making a decision is a complicated process. There are several steps involved in choosing a good or service, particularly when choosing durable goods. The consumer must take a lot of time to consider, assess, and select the ideal brand depending on his or her needs. In their study, Mandeep Kaur and Sandhu (2006) discovered a number of significant elements that a client takes into account while making the decision to buy a new car. The survey includes people who live in Chandigarh Union Territory and Punjab State's major cities who own passenger vehicles. According to the respondents, luxury comes in second place behind safety and comfort as the most significant attributes of a passenger car. Therefore, producers must incorporate these variables heavily into the product's design. With regard to the Coimbatore District, Clement Sudhakar and Venkatapathy (2009) conducted research on the impact of peer group on car buying decisions. Additionally, it was discovered that friends have a stronger influence on people when they buy small and mid-sized cars. In the Indian auto business, Dr. P. Natarajan and U. Thiripurasundari (2010) note that consumers favour international brands over local brands. Marketing must take consumer brand perceptions seriously. The study's conclusions suggested that consumers who owned global automobile brands liked those brands because of things like their global presence, their global repute, and the quality of being a foreign-made product.

3. OBJECTIVES OF THE STUDY

The study has been conducted to know the customer perception towards various brands of cars. The specific objectives of the study are:

- To classify the customer demographics who purchase different SUV car brands.
- To determine the elements that impact customers' decisions to acquire SUV cars.

4. DATA BASE AND METHODOLOGY

The major data used in the current study was obtained by a non-disguised structured questionnaire that included multiple choice, open-ended, and likert scale questions. Using a straightforward random sample technique, 400 respondents from Punjab were chosen, each with a different demographic profile. Editing of the survey was done to remove unclear, incoherent, and incomplete answers. The brands of SUV cars with price tags between Rs. 12 and 30 lakhs were the focus of the current investigation. In order to analyse the data, statistical techniques like mean, etc. were used. Statistical software like SPSS was used to carefully apply these mathematical skills. The acquired data was also submitted to exploratory factor analysis in addition to tabular analysis. Here are some quick explanations of the factor analysis process.

5. DATA ANALYSIS AND INTERPRETATION

Both a tabular technique and a factor analysis approach were used to analyse the data in the portion at hand. The mean score and percentages were obtained separately for rank-based questions and multiple-choice questions using a tabular approach. The likert scale questions, which included 14 statements, were analysed using factor analysis.

5.1 Personal Characteristics of Respondents

The majority of respondents were between the ages of 26 and 30, with 39% and 18% being the lowest for respondents younger than 25. 19.7% of the population was between the ages of 31 and 35, while 23% were above 35. Males made up 71.2% of them, while females made up 28.7%. 19% of respondents work as service class employees, whereas 47% of respondents are businessmen. The majority of respondents also had a good education, with 44.7% having a graduate degree and 25.5% having a postgraduate degree. 42.2% of the respondents, as anticipated, earn a monthly income of $40,000 to $60,000 or more.

Table 1: Demographic Profile of Respondents

	Frequency (Total 400)	Percentage (100)
Age		
Up to 25 years	73	18.2
26-30 years	156	39.0
31-35 years	79	19.7
Above 35 years	92	23.0

Sex		
Male	285	71.2
Female	115	28.7
Occupation		
Farmer	115	28.7
Business	188	47.0
Service	76	19.0
Student	12	3.00
Housewife	09	2.25
Education		
Undergraduate	119	29.7
Graduate	179	44.7
Post Graduate	102	25.5
Income		
Below Rs.20,000 pm	36	9.0
Rs.20,000-40,000 pm	105	26.2
Rs.40,000-60,000 pm	169	42.2
Above Rs.60,000 pm	90	22.5

5.2 Reliability of the Scale

Cronbach's Alpha, a widely used technique, can be used to assess the scale's dependability. Although its value ranges from 0 to 1, a desirable Alpha value is more than 0.6. (Cronbach, 1951). The suitability of factor analysis was assessed using the Kaiser-Meyer-Olkin (KMO) measure of sample adequacy. High scores (between 0.5 and 1.0) show that the data are sufficient to use factor analysis. Values below 0.5 indicate that the data are inadequate (Kaiser, 1974; Malhotra, 2002, p. 588). In the current investigation, another adequacy testing tool was the Bartlett's test of sphericity. This test determines the correlation matrix's overall significance and offers the statistical likelihood that there are significant correlations between at least some of the variables. A significant test result would indicate that the correlation matrix is not an identity matrix (Bartlett, 1950; Hair, 2003, p. 99; Malhotra, 2002, p. 588). The number of components to be preserved was determined by the Latent-root criterion and the number of factors was extracted using Principal Component Analysis (PCA). Only variables with latent roots (Eigen values > 1) are regarded as relevant. The Varimax rotation method was used to rotate the main factors orthogonally. The % total variance explained and the communalities are unaffected by this rotation. The amount of variance that each element contributes to does, however, fluctuate. It reduces the amount of factors that heavily influence an element (Hair, 2003). The degree of variance that one variable shares with all the other variables under consideration is expressed as communality. Large communalities show that the factor solution extracts a lot of variance from a variable. Communities are rated high (very acceptable) if they are 0.8 or higher and approved if they are between 0.40 and 0.70. (Costello and Osborne, 2005, P. 4). Data were suitable for factor analysis, as demonstrated by measures of sample adequacy including Bartlett's test of spherecity (approximate chi-square is 1301.12, degree of freedom is 98, significance is 0.005) and KMO value (0.871).

Table 2: KMO Values

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.965
Bartlett's Test of Sphericity	Approx. Chi-Square	1301.12
	Df	398
	Sig.	.005

Table 3: Rotated Component Matrix

S. No.	Statements	1	2	3	4
1	Fuel efficiency	**.924**	.614	.208	.604
2	Brand	.287	**.678**	.509	.479
3	Price	**.912**	.524	.639	.415
4	Driving comfort	.307	.367	**.787**	.264
5	Pick up	.241	.424	**.559**	.490
6	Maintenance cost	**.572**	.398	.422	.553
7	Exterior Styling	.253	**.476**	.353	.214
8	After sales service	.235	.430	.595	**.963**
9	Warranty rules	.293	.443	**.643**	.307
10	Resale value	**-.519**	.084	.055	-.043
11	Interior Styling	.498	**.699**	.559	.583
12	Cost of spare parts	**.537**	.396	.153	.421
13	Technology	.305	.283	**.551**	.192
14	Spare parts availability	.205	.186	.247	**.552**

The following four components (Table 3) may be extracted:

Component 1: Factor 1, 3, 6, 10, 12 **(Price sensitiveness)**

Component 2: Factor 2,7,11 **(Media Stimuli)**

Component 3: Factor 4, 5, 9, 13 **(Technical features)**

Component 4: Factor 8, 14 **(In-store and after-sales Service)**

The rotated component matrix suggests presence of the four interrelated factors.

Factor 1: Price Sensitiveness: According to the rotated matrix, respondents believed this component to be the most significant factor, with a 19.834% explained variance. 14 statements are loaded on significantly by five of them. This encapsulates the aspirations of the typical price-conscious Indian buyer. This covers cost, pricing, maintenance expenses, resale value, and the price of replacement parts.

Factor 2: Media Stimuli: With an explained variance of 12.132%, it has been found to be the second most significant component. This component had three different kinds of characteristics added to it. As anticipated, Indian consumers rank brand second only to price. This would imply that the buyer searches for affordable, high-quality products after deciding on his price range. Brand, exterior styling, and interior styling were included in this factor.

Factor 3: Technical features : The following crucial variable, which explains 11.814% of the variance, is this one. This component had four different kinds of features placed onto it. This explains why a customer looks at the car's technical qualities next, after price and brand. This component takes into account the ease of driving, acceleration, warranty policies, and in-car technologies.

Factor 4: In-store and after-sales Service: Service, which is responsible for 9.012% of the overall variance, is the least significant factor. This covers the availability of spare parts and post-purchase support.

6. CONCLUSIONS

All human behaviour that influences purchasing decisions is referred to as consumer behaviour. A marketer can make marketing decisions that are in line with the needs of their target audience by having a solid understanding of consumer behaviour. The association between the four independent criteria and the user demographics was highlighted in the current study of consumers of various automobile brands. Based on a factor analysis of the extensive array of statements, several factors were investigated. It was determined that the following four factors—Price Sensitivity, Media Stimuli, Technical Features, and In-Store and After-Sales Service—are the most important. The objective of the current study was to experimentally evaluate consumer brand preference for passenger cars. The study's findings showed that: Hyundai Creta is the best-selling model among vehicles priced between 12 and 18 lakh Indian rupees. As expected from Indian customers, family plays a large role in car purchasing decisions, followed by media signals and dealer networks, and then the Kia and XUV. The top three considerations for buyers when buying a car are fuel efficiency, brand, and price. These are followed by spare part availability, comfort while driving, and pick-up. The majority of car buyers are well educated, own postgraduate degrees, and have annual incomes of at least Rs. 40,000. Furthermore, businessmen and service class workers in the 30 to 40 year old age range completely control this area of the auto market. The majority of respondents expressed satisfaction with their vehicle's performance. Volkswagen and Kia customers reported the highest levels of satisfaction.

7. REFERENCES

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8. ANNEXURE

Table: Influencers of purchase decision

	Frequency	Percent
Friends	31	15.7
Family	69	35.0
Media	62	31.4
Dealers	35	17.7
Total	197	100

Table: Mean Scores of Ranks

S. No.	Factors	Rank	Mean
1	Fuel efficiency	1	5.30
2	Brand	2	5.11
3	Price	3	5.04
4	Spare parts availability	4	5.02
5	Driving comfort	5	5.00
6	Pick up	6	4.97
7	Maintenance cost	7	4.95
8	Exterior Styling	8	4.82
9	After sales service	9	4.72
10	Cost of spare parts	10	4.64
11	Resale value	11	4.61
12	Interior Styling	12	4.55
13	Warranty rules	13	4.43
14	Technology	14	3.67