

Car Buying Decision Influencers for Consumers in Pune

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ABSTRACT

It is said that no two individuals have same buying preferences. The buying behaviour of individuals differ as per their age, need, income, lifestyle, geographical location, willingness to spend, family status and so on. In India an individual's immediate family members, friends and experts play an essential role in influencing his/her buying behaviour. Normally individuals have a habit of discussing with his / her immediate family members, friends and experts before purchasing a particular product or service. Family members, friends and experts might support an individual's decision to buy a particular product, or stop him / her from purchasing it or suggest few other options. The present study consists of the various influencers in the car buying process. A study was undertaken for Pune and Pimpri Chinchwad of Pune region. A total of 225 respondents residing in Pune and Pimpri Chinchwad form the sample. SPSS 21 was used for the statistical analysis of the study along with some graphs and percentage. Consumer behaviour is the study of why, when, how, and where people buy or don't buy a product or services or goods. It tries to understand the consumers buying process, decision making process and the characteristics of the buyer. It also studies the wants and needs of the individual and groups all the factors to some meaningful conclusion.

Key Words: *Buying, consumerbehaviour, decision, family, friends.*

I. INTRODUCTION

Maruti Suzuki India Ltd, India's largest car maker, said that the local car market will reach 5 million units in annual sales by 2020, making the country the fourth-largest market in the world. (Source: Live mint) [1] Hence in this scenario it has become very important to understand the consumer car buying behaviour and the influencers who help in the decision-making process of buying a car. What an individual imbibes from his parents becomes his/her culture. In countries like India, where children are supposed to stay with their parents till the time they get married, the influence of parents on an individual's buying decisions cannot be ignored. What he sees from his childhood becomes his habit or in other words lifestyle. Consumer behaviour is a physiological process it is all related to the emotions of the consumer. In this process the consumer starts with recognizing the need of the product, and then finds a way or a medium of solving these needs, makes purchase decisions like planning whether he should buy or not buy a certain product, and then he confirms the information, jots down a plan and then implements the plan of making the purchase. Consumer behaviour is a physiological human behaviour, it can

change with the slightest change in the market, the atmosphere and the trend. Studying consumer behaviour is a challenge for the marketer.

II.NEED OF THE STUDY

The Indian car market is booming and it also has a huge potential for the international market. The study is vital for both marketers and car manufacturers to understand the influencers who help in the decision-making process while buying a car.

III.REVIEW OF LITERATURE

Najeemudeen. et. al. (2014) [2] discussed buyer behaviour towards the dealer selection for passenger car purchase in Malappuram district. The objective of the study was to ascertain the socio-economic profile, rating the dealer and reasons for choosing a particular dealer for the purchase of cars in Tirur of Malappuram district of Kerala. A questionnaire was used to collect data from the respondents. 250 questionnaires were distributed and 201 valid filled questionnaires were received from the respondents. The findings of the study were that respondents went to a particular dealer because of good earlier experience, good after sales service and easy availability of spares, ready availability of desired color and model of car, and high resale value for exchange of cars. Very few respondents went to a particular dealer due to discounts and offers. Word of mouth and friends and dealers also played a key role in deciding a particular dealer. The author has concluded that the dealer is the link between manufacturers and customers. Hence good sales / service and customer relations matters in getting future business from the same customers or their friends and relatives.

Dheeraj (2014) [3] attempted to study the impact of advertising on customer purchase behaviour in pharmaceuticals. The objective of the study was to develop a simple framework for finding out the impact of different kinds of advertisement and promotional tools offered by pharmaceutical industry on the consumer purchase behavior and prescribing behavior of doctors. A questionnaire was used to collect data from Allahabad, Lucknow and Kanpur districts of U. P. 200 doctors and 400 consumers responded to the questionnaire. Various statistical analysis using SPSS was done on the data received for the study. The study concluded saying that consumers paid more attention to television advertisements and these advertisements were more effective for the purchase of common medicines. The advertisements for OTC medicines were persuasive but was not that impactful for the consumers to go and ask for those medicines. Visual advertisements also have a role as an influencer to buy medicines for common diseases. Medical representative plays a role in advertising the medicines to the doctors and getting their feedback and this in turn helps in marketing and advertising and creating a brand. Once a brand has been created it is easier for the doctor to remember and prescribe the brand. On the contrary these manufacturers also have seminars and publish papers and also fund the education of the doctors to motivate them to give feedback to the manufacturers after using the

medicines on their patients. Hence, this is also a form of indirect advertisement which helps in the marketing and sales of pharma companies.

Consumer behavior towards passengers' cars - a study in Delhi NCR was examined by Srivastava et. al. (2014). [4] The objective of the study was to identify the different sources of information used by the buyers and their role while making a purchase decision. The authors finally collected 50 questionnaires from Delhi NCR region which were duly filled and used for the study. The findings in this study bring out that consumers in this region are influenced by various factors such as culture, family, reference, age and life style. The most important factor that influences the consumer to use passenger car is the price of the cars, social status and durability. The author has concluded saying that consumer behaviour consists of all human behaviour that goes into making purchase decisions. An understanding of the consumer behaviour enables a marketer to take marketing decisions which are compatible with its consumer needs. There are four major classes of consumer behaviour determinants and expectations, namely, cultural, socio-economic, personal and psychological. Growing income has improved the purchasing power and more and more people are able to afford a car. Customer demands are dynamic, but their consideration is necessary for every company to make its existence in the market. In places like Delhi NCR car has become a symbol of social status. Customers are purchasing the cars not only as a means of transport but also as a status symbol.

Veerakumar (2017) [5] studied on consumer behavior and factors influencing purchase decision of durable goods. The objective was to study the socio-economic profile and the factors influencing purchase decision of the consumers. A questionnaire was used to collect data from 150 respondents from Pollachi city. Simple statistical tools were used to analyze the study. The findings of the study were that 50 % of the respondents were under the age of 20 years. All the respondents were females. 60 % of the respondents were singles and under graduates. 40 % were employed in both public and private sectors. 80 % were from joint families. 50 % had 3 to 6 members in the family and had an income of Rs 15001 to Rs 20000. 18 % felt that brand is important to make a purchasing decision. The researcher has concluded saying that consumer durables market has become very competitive and hence the interest of the consumer has a bigger role in the success and higher sales of the product. Marketers should communicate with their customers through every available media to educate and convince them. Thus, a marketer who understands the behaviour of the consumers and plans his marketing strategies to suit the needs and aspirations of the target market will definitely have an advantage over his competitors.

Schiffman et. al. (1997) [6] has said that consumer behavior focuses on how people build their preferences to spend their resources like time, money, effort on consumption-related things. Consumer behavior is a study of process wherein when people choose, purchase, use, or eliminate products, services, ideas, or experiences to satisfy wants and needs. Consumer Behavior occurs either for the individual, or within the context of a group. The usage of product is of interest to the marketer, as this might influence the product's positioning or will inspire increased consumption.

IV. RESEARCH METHODOLOGY

The data for the purpose of the present study have been collected through primary and secondary data. In order to realize the aforementioned research objectives, following research methodology was adopted by the researcher.

V. OBJECTIVES OF THE STUDY

To study the major influencers who help in the process of making a decision for individuals who buy cars in Pune.

1. Research Hypotheses

Parents affect the most in buying a car followed by friends and brothers / sisters.

2. Primary data collection

Structured questionnaires were used to collect primary data. The study was undertaken for Pune and Pimpri Chinchwad of Pune region. A total of 225 respondents residing in Pune and Pimpri Chinchwad were considered for the study. Convenience sampling technique was followed for collecting responses from the respondents.

3. Secondary data collection

The sources of secondary data include published data such as data from books, journals, periodicals, reports, etc.

4. Tools for Analysis

1. The statistical tools used for the purpose of this study are simple percentages and graphs.
2. Cochran's Test was done using SPSS version 21 to prove the hypothesis.

5. Data Analysis and Interpretation

Factors affecting the car purchasing decision

SNo	Factors	N = 225	Percentage
1)	Your spouse	140	62.22
2)	Your children	103	45.78
3)	Your parents	183	81.33
4)	Your brother /sister	131	58.22
5)	Any opinion leaders	73	32.44
6)	Your friends and well wishers	145	64.44
7)	Your own decision	24	10.67
8)	Dealers	26	11.56
9)	Any other (specify) internet / websites	1	0.44

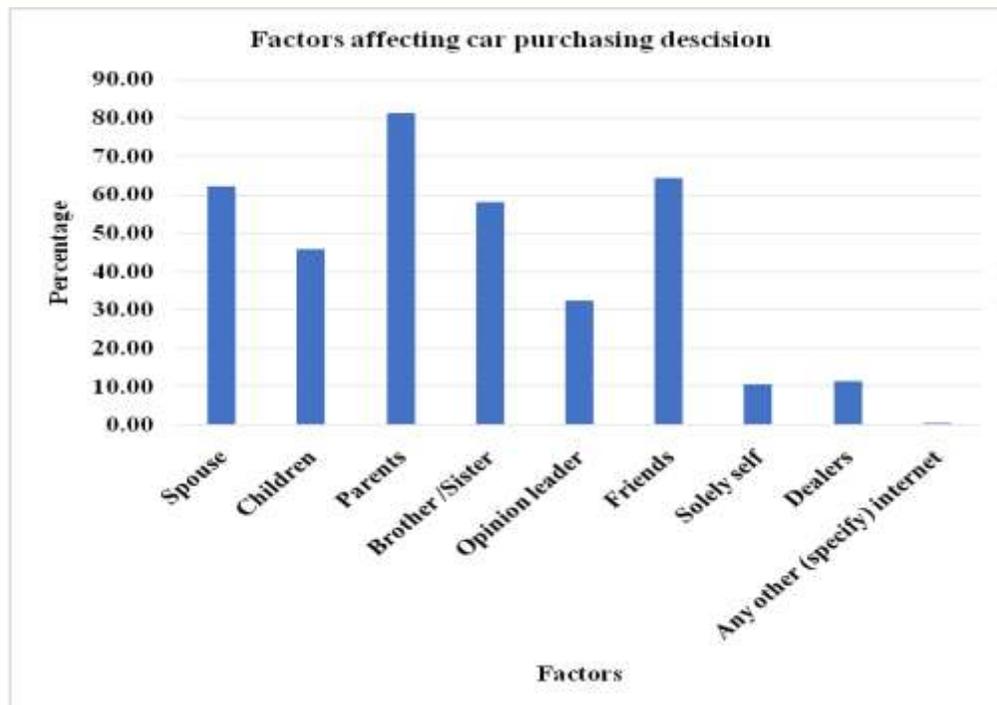


Figure. Factors affecting Car purchasing decision

Most of the respondents' (81 %) car purchasing decisions were influenced by parents whereas 64 % were influenced by friends and well-wishers. Only 0.44 % were influenced by internet / websites.

VI.HYPOTHESIS TESTING

H₀: People who affect the most in making a car purchase decision do not differ in frequency of preference.

H₁: People who affect the most in making a car purchase decision significantly differ in frequency of preference.

Level of significance $\alpha = 0.05$

Frequencies	Value		Test Statistics	
	0	1		
Your Spouse	85	140	N	225
Your Children	122	103	Cochran's Q	825.613
Your Parents	42	183	df	8
Your Brothers /Sisters	94	131	Asymp. Sig.	0.000
Any opinion leaders	152	73		
Your friends and well wishers	80	145		
Your own decision	201	24		
Dealers	199	26		

Any other (specify) internet / websites	224	1
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Q (8) = 825.613, P < 0.05

VII. CONCLUSION

Since the P value is less than level of significance (0.05) the null hypothesis is rejected hence it is concluded that people who affect the most in making a car purchase decision differ in frequency of preference. To know where the difference lie the frequency statement table is referred. From the frequency table it can be seen that parents have a frequency count of 183, Friends have a frequency count of 145, spouse have a frequency count of 140, brother / sister have a frequency count of 131, children have a frequency count of 103, opinion leaders have a frequency count of 73, dealers have a frequency count of 26, solely self (own decision) have a frequency count of 24, and any other (specify) internet have a frequency count of 1. Hence there are top three people who affect the most in making a car purchase decision. (Parents, friends and spouse.) Hence the hypothesis is proved.

VIII.FINDINGS

Majority of the respondent's car buying / purchasing decision was influenced by parents followed by friends and well-wishers and the least by internet and websites.

IX.RECOMMENDATION AND CONCLUSION

It can be concluded that buying behaviour of individuals differ as per their age, need, income, lifestyle, geographical location, willingness to spend, family status and so on. In India an individual's immediate family members, friends and experts play an essential role in influencing his/her buying behaviour. Normally individuals have a habit of discussing with his / her immediate family members, friends and experts before purchasing a particular product or service. Family members, friends and experts might support an individual's decision to buy a particular product, or stop him / her from purchasing it or suggest few other options. In India, where children are supposed to stay with their parents till the time they get married, the influence of parents on an individual's buying decisions cannot be ignored. What he sees from his childhood becomes his habit or in other words lifestyle. Consumer behaviour is a physiological process it is all related to the emotions of the consumer. Hence the marketer has a very crucial role to play as he has to take a key role in facilitating the decision of buying a car especially for first time buyers.

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