

MEASUREMENT OF CUSTOMER PERCEPTION TOWARDS TWO-WHEELER MOTORBIKES IN SALEM CITY

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ABSTRACT

The ranks that customers place for choosing products are: reliability, durability, easy maintenance, service, ease of use, a trusted brand name, and low price etc. The quality of a product has a considerable impact towards its performance, thus it is linked to a customer's worth and satisfaction. Similar is the case with the purchase of an automobile. People prefer a motorbike over a four-wheeler car, because the former is economical and affordable. As there are a lot of motorbike companies in the market currently thus there is a huge competition among the players. As a result people also have a set of choices and preferences over a company or a brand. Keeping in consideration that people have a criteria of preference in the minds before they go to purchase a motorbike, the researcher has tried to summate some of the factors which people evaluate before the actual purchase. Through survey the paper has tried to explore a real order of preference which a customer places and rank of some important factors, which play an important role in making the final purchase decision towards a two-wheeler.

KEYWORDS: - Consumer Durables, Performance, Features, Product Preference, Service Benefits.

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INTRODUCTION

India is the second largest producer of two-wheelers in the world. The Indian two-wheeler industry has seen stunning growth in the last few years as majority of the Indians; especially the youth prefer motorbikes than cars. Large varieties of two wheelers are available in the market, known for their advanced technology and better mileage. Retaining a large share in the two-wheeler industry, bikes and scooters cover a major segment. Bikes are considered to be the favorite among the young generation, as they help in easy commutation. Indian bikes, scooters and mopeds characterize style and class for both men and women in India.

The two-wheeler consumer durable market in India has appeared as the most exciting and changing segment of the overall Indian automobile industry, witnessing an extraordinary growth. Rising urban as well as rural demand for motorbikes, price and fuel efficiency are among the major factors enhancing the growth in the market. The Indian automobile industry has been performing consistently well, compared to other major markets of the world. The Indian two-wheeler industry recorded sales volumes of 13.4 million units in 2011-12, a growth of 14.0% over the year 2010-11. The Indian two-wheeler market hold on a significant potential, and is expected to grow at a compound annual growth rate of around 11% during FY 2011- 2015 to reach 17.8 million units by the end of FY 2015.

The Indian two-wheeler industry has come long way since its modest beginning in 1948. Of the first was Bajaj Auto, which started importing and selling Vespa brand of scooters in India. Since then, the customer preferences have changed towards of motorcycles and scooters that keep count higher on technology, fuel efficiency, safety, engine capacity, service benefits, style, design and aesthetic appeal, etc. These changes in customer preferences have had an impact on destiny of the players. The former leaders have either perished or have considerably lost market share, whereas new players have emerged as leaders.

Consumer survey is necessary in any form of marketing research because consumer is the sovereign in the market and his behavior also changes as the products and services change day by day. Selection of products by the consumer reflects the trust in the products. The buyers' behavior may also change according to their age, income, sex and other factors. Buyers' purchasing always depends on the price, quality, service and other factors. Peer recommendation is another important feature for consumers choosing a brand. Frequently consumers are seen to be taking opinions of other brand users especially for durables, to know about the brand features

and hence develop their value perceptions, before making a final choice of the brand. The study of consumer perception is necessary to know the opinion of different consumers to implement the most effective marketing policy of the firm. To conduct the consumer survey, questionnaire method was used. The questionnaire method can secure relevant facts or opinions from the interested respondents included in the sample survey.

REVIEW OF LITERATURE

A considerable amount of literature available in the form of books, magazines, research papers and articles etc. with reference to customer perception and satisfaction with automobiles is viewed in this part. **Beatty and Smith, (1987)** stated that the psychological standpoint assumes that there are other factors in addition to the cost and benefit tradeoff that impacts the consumer information search process. **Coupey et al., (1998)** argue that prior knowledge of product attributes allows consumers to formulate more questions and therefore, lead them to look for more information. These researchers further argue that category-specific knowledge helps individual consumers to evaluate responses to questions, thereby reducing cognitive cost of using information and increasing the benefits of obtaining it.

Consumers influence more trust in product information created by other consumers than in information generated by manufacturers. Another consumer's personal experience with a product seems important to several participants who view such feedback as more credible than that obtained from other sources some consumers may be unlikely to complain regardless of the context, due to their extremely polite and restraining nature. More specifically, they may have an interaction style that prevents them from confronting the dealer/ retail employees. Politeness may have such an unassuming effect on the consumer behavior. Politeness has already been identified as an interaction style within customer-salesperson encounters by **(Goodwin and Smith, 1990)**. **Sharma and Patterson, (1999)** affirm that car dealers are implementing a strategy to position themselves, more effectively in the market place than before, by means of continuous improvement of quality maintenance through services delivery packages, as car dealers are increasingly being confronted by demanding and technologically knowledgeable consumers, shortened product model lifecycles, intensified competition and fragmented market segments. Highly satisfied customers will convey their success stories of satisfaction and directly recommend that others try the source of satisfaction, as stated in the studies conducted by

(Reynolds and Arnold, 2000). Ewing, (2000) investigated brand loyalty by examining actual past behaviour and its impact on future behavioral intentions, as well as willingness to recommend the brand to another customer known to him. Findings indicate that purchase expectation/intention remain a valid research metric. It would appear that the brand/consumer interface offers greater predictive ability than the retailer/consumer interface. Willingness to recommend a brand to another consumer does not seem to be influenced by past behavior, but the higher the respondents' expectation to purchase the brand, the higher will be their willingness to recommend the brand. Chaudhuri and Holbrook, (2001) examined two aspects of brand loyalty, purchase loyalty and attitudinal loyalty, as linking variables in the chain of effects from brand trust and brand affect to brand performance (market share and relative price).

Information - processing theories posit that consumers use product and psychological cues to form beliefs and to evaluate products. Generally, country of origin of the brand, peer recommendation and whether the brand is used by people who are considered affluent by the prospective buyers etc. are considered as an extrinsic product cue (Cordell, 1992; Thorelli, et al., 1989). Consumers are known to develop stereotypical beliefs about products from particular countries and have opinions about the attributes of those products. Thus, the country of origin image has the power to arouse importers' and consumers' belief about the product attributes and to influence the evaluation of products and brands (Srikatanyoo and Gnoth, 2002).

Several studies suggest that when a brand becomes associated with a celebrity via the endorsement process, information regarding that celebrity's activities and achievements can transfer to the brand and have an effect on its image (Till and Shimp, 1998). It is plausible, therefore, that this effect can be leveraged by brand managers. The process may involve screening out less favorable information and/or selectively communicating appealing information to the brand's target market. This can be thought of as "activating" the celebrity for the benefit of the brand. Evidence for the proposed effects of celebrity activation is provided by (Farrell, et al., 2000), who initiated that the proficient success of a celebrity endorser, if publicized by the endorsed product's firm, improved consumer brand-evaluations of the endorsed product (measured as excess returns for the endorsed brand). On the basis of Farrell et al. (2000) discussion, it is proven that more a celebrity endorser is activated, the more the endorsed product's brand image will benefit from endorsement by the celebrity.

White, (2004) discusses the factors that affect car-buyers' choices and comments that people expect to haggle with dealers over price and to receive substantial rebates or incentives as well as low-interest payment plans. He points out that with an increase in multi-car households, car porch and advertisers need to target the right audience, taking into account the pester power of children and the importance of life stage. Despite the fact that women are the primary buyers of most new cars, he admits that the motor trade has traditionally been contemptuous of women's role in the car-buying process. **Herrmann, et al., (2007)** seek to examine specific factors that influence fairness perceptions, including price perception and consumer vulnerability, in the context of car purchases in major German car dealerships. Their research paper shows that price perceptions directly influence satisfaction judgments as well as indirectly through perceptions of price fairness.

First, prior knowledge suffices the need to know about the attributes of various alternatives and consequently limits the additional information search from external sources. Second, the knowledgeable consumers can perform more efficient information searches because they know what information is important and useful. Information may be categorized by consumers according to their degree of importance (**Awasthy et al., 2012**). **Menon and Raj, (2012)** Customer satisfaction can be considered the central determinant in all phases of the contact chain. Multi-dimensional recording of customer loyalty reveals clear differences in the interactions, first, with brand loyalty and, second, with dealer loyalty. In contrast to the opinion widely held in practice, customers in the automotive sector definitely do not perceive the brand and the dealer as one unit. Since similar studies in different countries come to almost the same conclusions, it can be argued that the results are valid in several cultural settings.

OBJECTIVES

The main aim of the research study is to analyze and explore the various factors/variables, which influence the purchase decision of the customers of two-wheeler in Salem city, in terms of: information gathering and product selection, preference based on personal needs, convenience factors and comfort factors, service benefits, physical attributes, dealer choice, brand choice etc.

METHODOLOGY

Six company dealer outlets: TVS, Hero, Honda, Bajaj, Yamaha and Suzuki were chosen for the study in the Salem City of Tamilnadu for the survey. A structured questionnaire was administered to the customers of these six brands who come to the dealer outlets for either enquiry or purchase. A sample of equal number of customers, through convenience sampling, was chosen from each category summing the overall sample to 100. Data was analyzed by simple percentage analysis, tabular and chart presentation.

RESULTS AND DISCUSSIONS

After getting the proper feedback from the respondents through the structured questionnaire, the results have been compiled by the researcher and presented in the part below.

Table 1. Demographic profile of respondents

1. Age in years	No. of respondents	Percentage
20-25	09	09%
26-30	46	46%
31-35	21	21%
36-40	16	16%
Above 40	08	08%
Total	100	100%
2. Gender		
Male	83	83%
Female	17	17%
Total	100	100%
3. Marital Status		
Married	63	63%
Unmarried	37	37%
Total	100	100%
4. occupation		
Student	22	22%
Service	47	47%
Business	25	25%
others	06	06%
Total	100	100%

5. Income		
Below 1 lakh.	07	07%
1-2 lakh.	15	15%
2-3 lakh.	55	55%
Above 3 lakh.	23	23%
Total	100	100%
6. Family		
Joint	73	73%
Nuclear	27	27%
Total	100	100%

Source: compiled by author

Table 1 shows the demographic profile of the respondents, it is viable from the table that 55 percent of the respondents are in the age group between 20-30 years, which indicates that youth are very much interested in motorbikes and are potential customers for the companies. 83 percent of the respondents are males and 17 percent females indicating that still males are dominant purchasers of two-wheelers. Majority of the respondents are married i.e. 63 percent and only 37 are unmarried. Only 22 percent of the respondents are students the remaining 88 percent being employed or are in business. 78 percent of the respondents have an income level above Rs.2 lakh. While 22 percent has income below Rs. 2 lakh. 73 percent of the respondents belong to joint family and 27 percent to nuclear families.

Table 2. Main source of information

Source	No. of respondents	Percentage
TV/Radio	33	33%
Newspaper	16	16%
Magazine	05	05%
Posters/banners	07	07%
Family/friends/relatives	39	39%
Total	100	100%

Source: compiled by author

Table 2 depicts the answer of the respondents towards the main sources of information about the company or brand, it is evident that TV/Radio and Family/Friends/Relatives dominate the scene with contribution of 33 percent and 39 percent respectively taking it to the total of 72 percent, while Newspaper is also a source of information to 16 percent of the respondents. Magazines and posters/banners contribute 5 percent and 7 percent to the sources information. The same is represented by the chart below

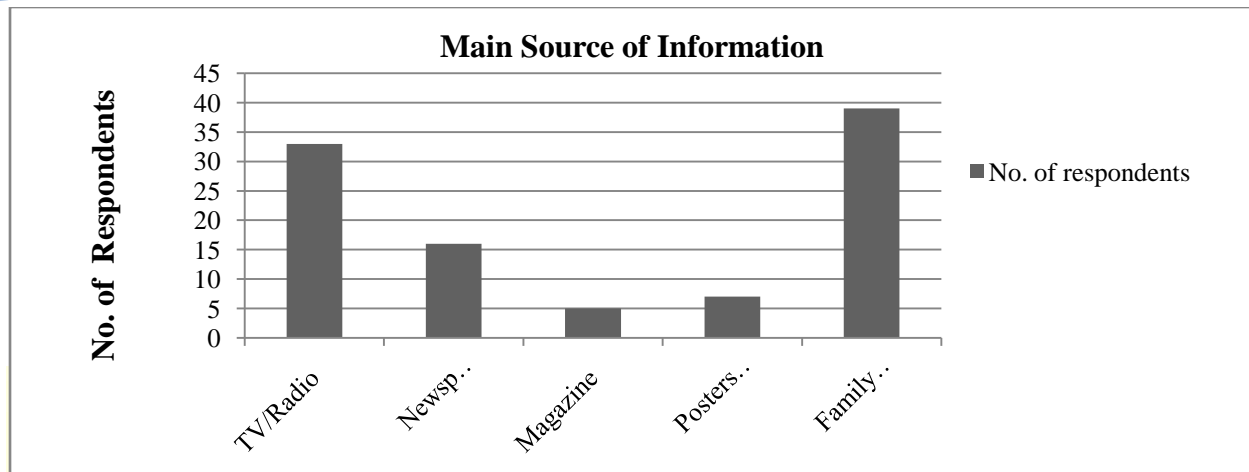


Fig. 1. Main source of information

Table 3. Influence Group/Opinion Leader

Influence group	No. of respondents	Percentage
Self	25	25%
Family/friends/relatives	47	47%
Media	22	22%
Dealer	06	06%
Total	100	100%

Source: compiled by author

Table 3 portrays the information on influence group or opinion leader of the respondents. It is practical from the table that most of the respondents depend on Family/Friends/Relatives and media for their purchase decision, 47 percent and 22 percent respectively, while 25 percent are self deciders and 6 percent are influenced by the dealer. It is also presented by the chart below

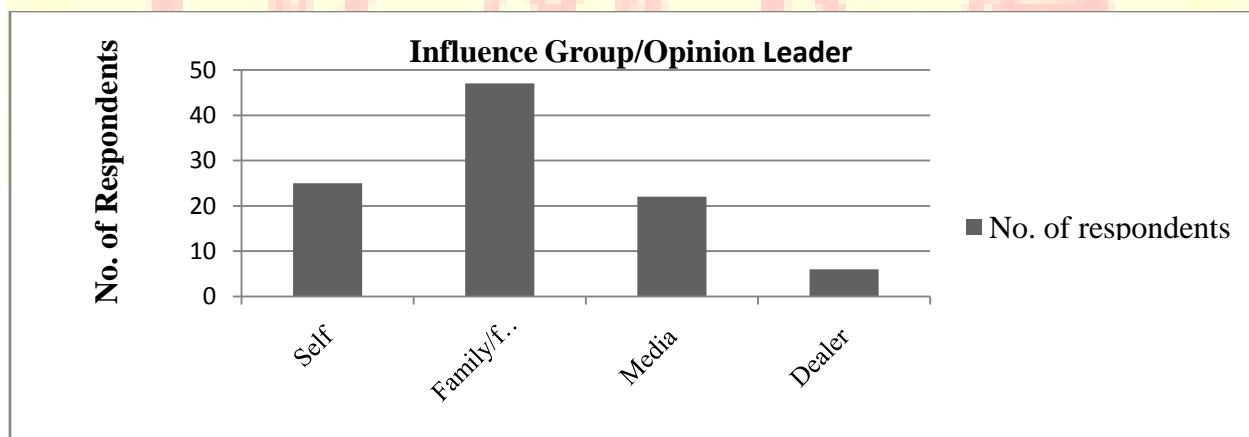


Fig. 2. Influence group/opinion leader

Table 4. Choice of purchase

Choice	No. of respondents	Percentage
On cash	88	88%
On credit	12	12%
Total	100	100%

Source: compiled by author

Table 4 shows the results on the choice of purchase either on cash or on loan, it is evident from the table that only 12 percent of the respondents purchase two-wheeler on vehicle loan offered by the banks, while 88 percent makes purchases on cash only. The chart below represents the same.

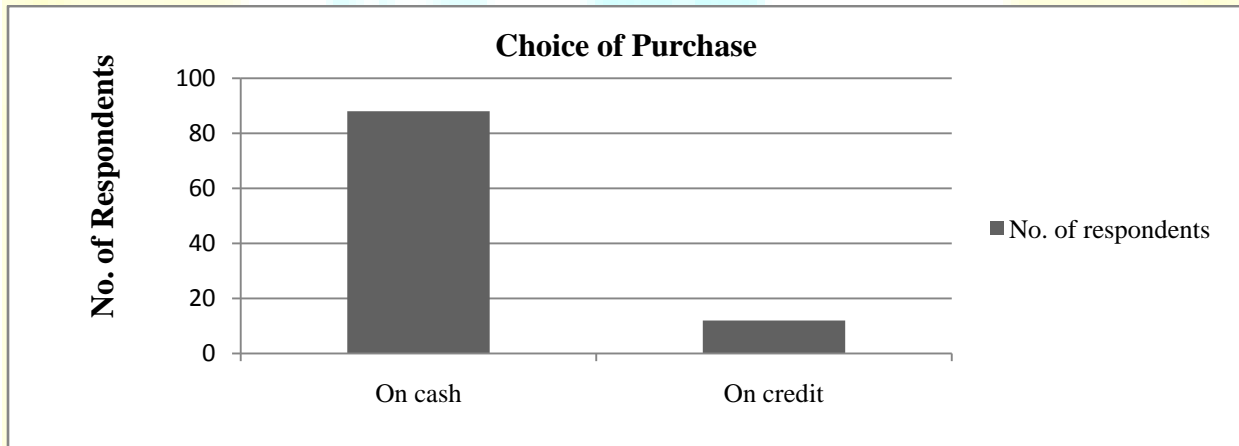


Fig. 3. Choice of purchase

Table 5. Rank wise criteria for selecting a brand

Criteria for selecting a brand	No. of Respondents								Total
	R1	R2	R3	R4	R5	R6	R7	R8	
Price	20	40	20	10	-	-	10	-	100
Mileage	30	30	30	-	10	-	-	-	100
Service	40	20	10	-	-	-	20	10	100
Brand loyalty	-	-	30	30	30	-	10	-	100
Comfort	-	-	10	-	20	30	30	10	100
Style/Design	10	-	-	20	30	30	-	10	100
Safety	-	10	-	20	-	20	10	40	100
Engine capacity	-	-	-	20	10	20	20	30	100
Total	100	100	100	100	100	100	100	100	

Source: compiled by author, (R = Rank)

The respondents rated the above eight factors based on their preference and liking, the results presented in the table 5 shows that price, service and mileage are the high ranked attributes while as brand loyalty, style/design, safety and engine capacity are ranked next. It is evident from the table that customers are price sensitive and economical in purchasing a two-wheeler. The same is represented by the chart below.

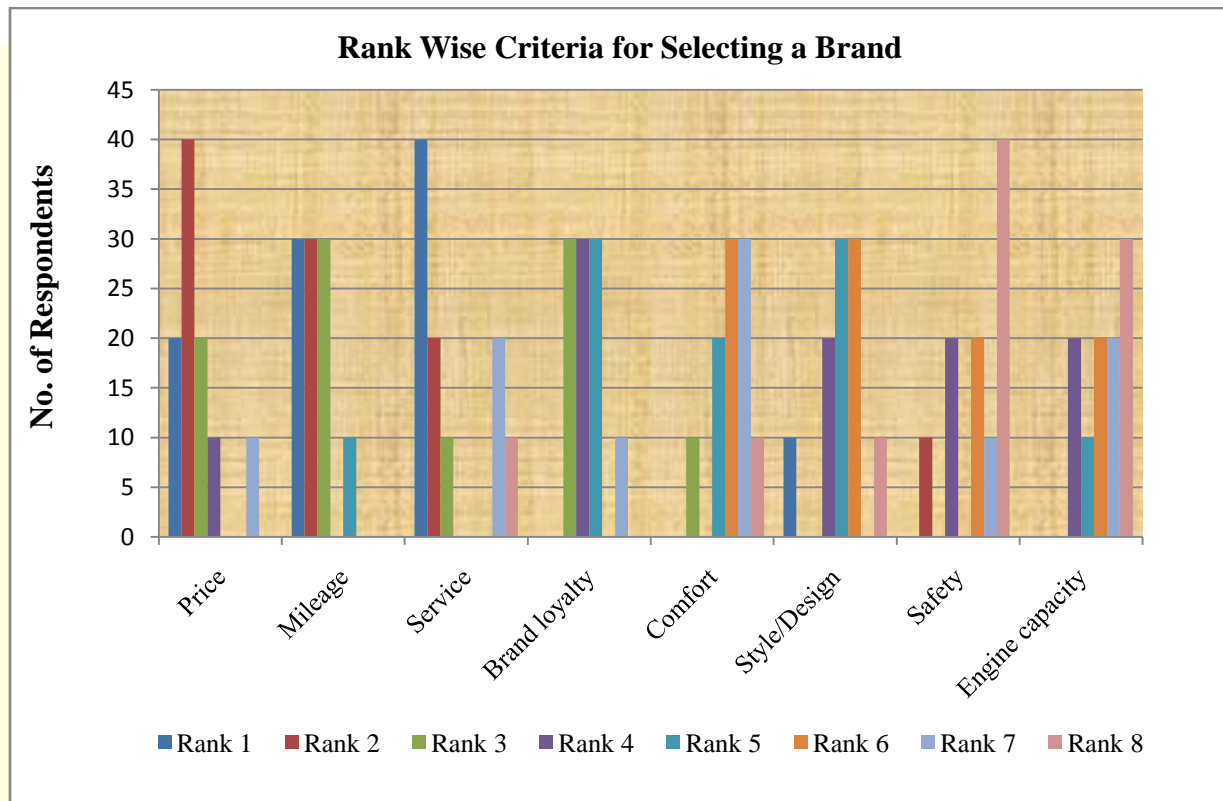


Fig. 4. Rank Wise Criteria for Selecting a Brand

Table 6. Company/Brand preference rank

Brand	No. of Respondents						Total
	R1	R2	R3	R4	R5	R6	
TVS	20	35	30	10	03	02	100
Bajaj	20	20	25	25	07	03	100
Yamaha	25	25	15	25	05	05	100
Hero	15	05	10	10	30	30	100
Honda	15	10	10	05	30	30	100
Suzuki	05	05	10	25	25	30	100
Total	100	100	100	100	100	100	

Source: compiled by author, (R = Rank)

Table 6 reveals the company/brand preference of the respondents, it can be viewed that rank 1, 2, 3 and 4 is occupied by TVS, Bajaj and Yamaha mostly while as the low rank 5 and 6 is obtained by Hero, Honda and Suzuki. So the former are more favorites than the later. It is also represented by the figure below.

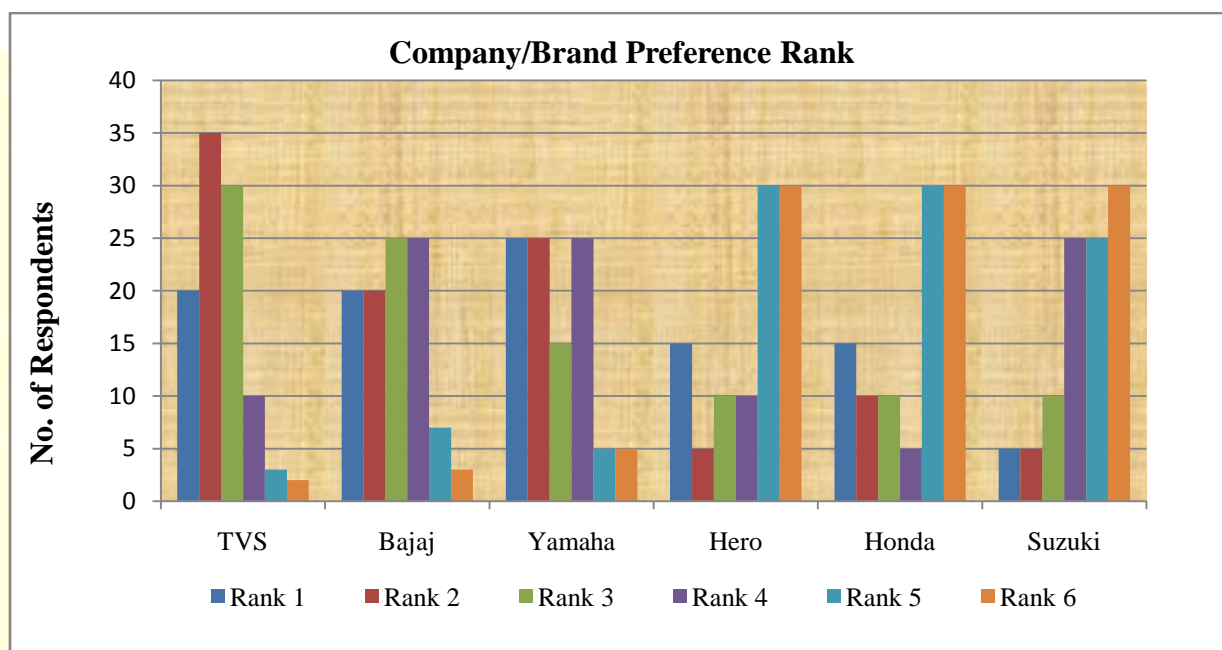


Fig. 5. Company/Brand Preference Rank

Table 7. Store Choice

Store Choice	No. of Respondents				Total
	R1	R2	R3	R4	
Location	15	20	25	40	100
After sale service	30	30	20	20	100
Courteous behaviour	22	28	20	30	100
Offers and discounts	33	22	35	10	100
Total	100	100	100	100	

Source: compiled by author, (R = Rank)

Table 7 presents the rank of store choice variables; almost there is almost uniformity in the matrix, After sale service and offers/discounts are high rated on rank 1, 2 and 3, While store location and courteous behaviour are rated high on rank 3 and 4. All the above factors contribute equally in choosing a dealer-outlet for purchasing a two-wheeler.

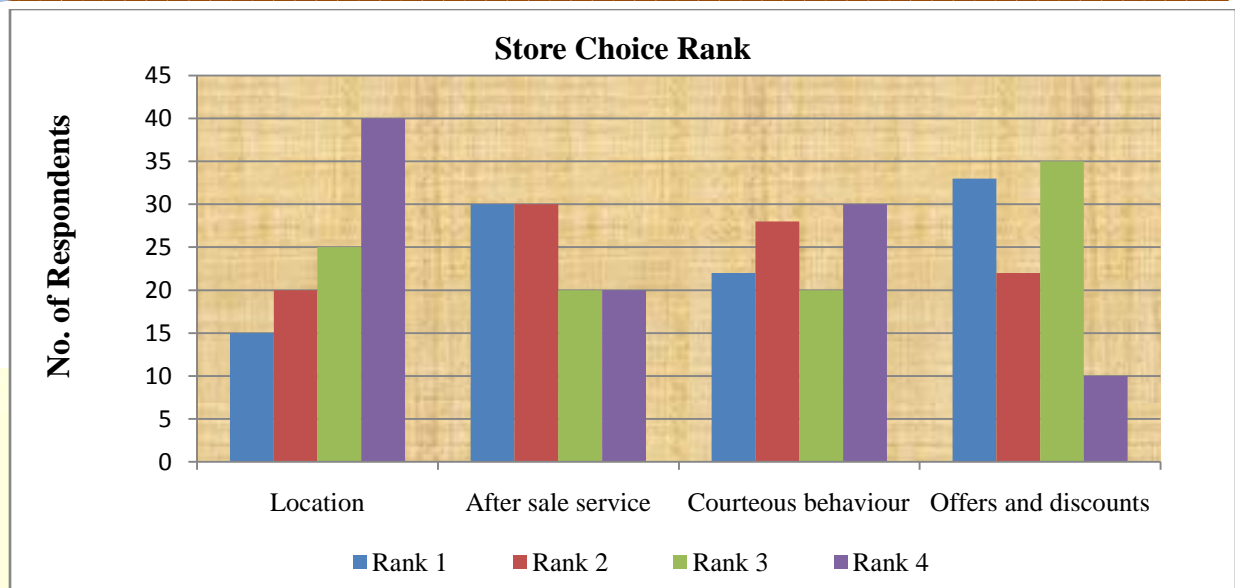


Fig. 6. Store Choice Rank

FINDINGS

The study is a type of micro study and is only concerted towards six brands of two-wheelers in Salem city of Tamilnadu only. Keeping time constraints in consideration the sample size has been restricted to 100 respondents for the ease of researcher. Though the study is small but the research on the subject has got a lot of scope and has been able to draw effective inferences about the customers' perception and order of preference towards two-wheeler motorbikes in Salem city.

The major findings of the study are presented below:-

- Majority of the respondents (over 50 percent) are youth.
- Males are the dominant customer (83 percent) group for two-wheeler companies.
- Family/friends/Relatives are the most influential group and main source of information to the customers.
- Media plays a dominant role in making final purchase of the two-wheeler.
- Most of the respondents (88 percent) prefer to make purchase on cash over (12 percent) who purchase on loan.
- Price, Mileage, Service are the most desirable variables which customers give top priority while purchasing a two-wheeler.

- The brands like TVS, Bajaj and Yamaha are mostly preferred over Hero, Honda and Suzuki brands.
- Customers also seek offers and discounts while choosing a store or outlet. After sale service, location of the store and courteous behaviour of sales people are also important for choosing a particular store.

SUGGESTIONS AND CONCLUSION

There is a huge competition in the two-wheeler industry in India and every two-wheeler company wants to make more and more share in the market. In order to become a market leader one has to differentiate from the other in terms of product quality, price, mileage, service, design/style, comfort, accessibility, customer convenience, special offers/discounts and overall customer satisfaction. The study revealed that customers evaluate a lot of variables while purchasing these durables. So enough care must be taken to be competitive in the market and to lead the situation. Customer expectations must be met efficiently and there must be a high retention rate in the two-wheeler industry as like other consumer durables, two-wheeler industry has got an after sales market also in addition to the sales markets. So it is like two way benefit from a single good approach. It is also desirable keeping customer expectations from a product more on high side as it will help to obtain higher customer satisfaction scores. There must be awareness about the need of the customers in order to measure and continuously improve performance and performance improvement must essentially be focused on the acquisition of technical and tangible factors.

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