

# Major Motivating Factors of Consumers who Buy Cars in Pune

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## ABSTRACT

Consumers today use their cars as multipurpose vehicles for commuting alone on one day and taking the whole family to the beach on another day. This clearly implies that the Indian consumer is very much attached to the family. Hence the family is a motivator in all his buying decisions. The present study consists of the various factors that motivate the consumer in the 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. Understanding the consumers buying behaviour has become important for the marketing / sales people of the automobile industry as their success only lies if they cater to their needs fully. 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, consumer behaviour, motivation, marketing / sales.

## I.INTRODUCTION

India's ambition will only grow as the 2017-18 period closes, writes Abdul Majeed, Partner at Price Waterhouse, but incoming emission and safety standards will challenge OEMs of all types. The automobile sector of India is one of the largest in the world, and accounts for over 7.1% of India's gross domestic product (GDP). It also contributes to nearly 22% of the country's manufacturing GDP. The industry employs 29 million people, directly and indirectly, and contributes to 13% of the nation's excise revenue. (Source: [automotiveworld.com](http://automotiveworld.com)) [1] Consumer buying behaviour has become vital for the manufacturers and the marketing personnel of this industry. The consumer is the king of the market and is the one who dominates the market and the market trends. He is the one who also pays a sum for the goods and services produced by the organization. The demand and supply chain of every economic system of every nation is controlled by the consumers. So, we can say that without them there cannot be any demand for the goods and services produced. 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 has a huge potential for growth domestically and internationally. The study is valuable for both marketers and car manufacturers to understand the motivating factors of the Indian car buyer.

## III.REVIEW OF LITERATURE

Veerakumar (2017) [2] 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.

Indushri (2011) [3] researched on buying roles in the purchase decision making process of consumer durables. Primary data was collected from Chennai city, Tamil Nadu from 210 respondents out of 300 respondents to whom questionnaires were given. The questionnaires were given to women only because they were the primary users of the consumer durables. Microwave oven, washing machine, Television, Refrigerator and Air conditioners were included in the study. Later major roles on the purchase decision was decided such as Initiator, Influencer, Decider and Purchaser. The role of each of them was measured statistically. The findings were that family consisted of individuals of varied cognitive, emotional, and behavioral characteristics and abilities that can greatly affect family decision making process. There is more than one-persons involvement in the decision-making process. The temperament of each individual is different and hence influences the discussion in a dynamic manner especially when parents and siblings are involved in the process. Most of the respondents have said the males in the family are the deciders and purchasers. The women in the house are only initiators for kitchen items as their role is weak and the male is the decider and purchaser. It was found that less women were working and hence their role was less of a decider and purchaser. It was also revealed that fathers make decision before marriage and husbands after marriage. There are also social and cultural factors that doesn't allow women to be deciders and purchasers. In the study it was found that except for washing machine the remaining four consumer durable initiator and influencer were the same family members of the family. The initiator feels strongly about it and hence influences the final decision and purchase. This shows that the need is felt and hence the purchaser persuades the other family members in the purchase decision.

Bakshi (2012) [4] suggested in her research impact of gender on consumer purchase behaviour through literature survey that gender is not only a biological concept as being a male or female, but beyond. Gender with different dimensions is not only a market segmentation variable but it is a variable that has a strong impact on the decisions. To satisfy the customers, marketers need to understand gender-based tendencies. It has been noted that there is a large difference between both the genders due to psychological and physiological differences. The purchasing behaviour of the genders are different the women seem to be more open and talks to more people internally to inform connect and network with others whereas the men are externally focused and tend to talk more often and still doesn't pass on information. Men try to gather more information whereas women go into the depth of the information. Women are more subjective and intuitive in nature but men are more analytical and logical and opines based on others purchases than by themselves. Men value for quality and efficiency and immediate needs whereas women are emotional and look for long term needs.

Schiffman et. al. (1997) [5] 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 products 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 motivating factors of consumers who buy cars in Pune.

##### **1. Research Hypotheses**

Family requirement and economy (budgets) are the major motivating factors while buying a new car.

##### **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. Friedman's Test was done using SPSS version 21 to prove the hypothesis.

##### **5. Data Analysis and Interpretation**

Variables that motivate the Respondents in the purchase of a new car

(MI – Most Important, I – Important, N – Neutral, L – Least Important, NI – Not Important, % – Percentage)

SNo	Variables	MI %	I %	N %	LI %	NI %	Mean	Standard Deviation
1)	It is a symbol of social status	64	12	8	9	7	4.17	1.303
2)	It is a time saving device	53	32	3	8	4	4.23	1.084
3)	It is a source of entertainment	25	10	49	10	5	3.4	1.13
4)	Warranty / Guarantee	95	5	0	0	0	4.95	0.225
5)	It is an item of necessity	44	32	15	4	5	4.04	1.115
6)	Influenced by marketing	55	34	9	1	1	4.41	0.769
7)	It is considered as a luxurious item	43	24	29	2	1	4.06	0.964
8)	Requirement of the family	98	1	1	0	0	4.97	0.21
9)	It is economical	96	3	1	0	0	4.95	0.278

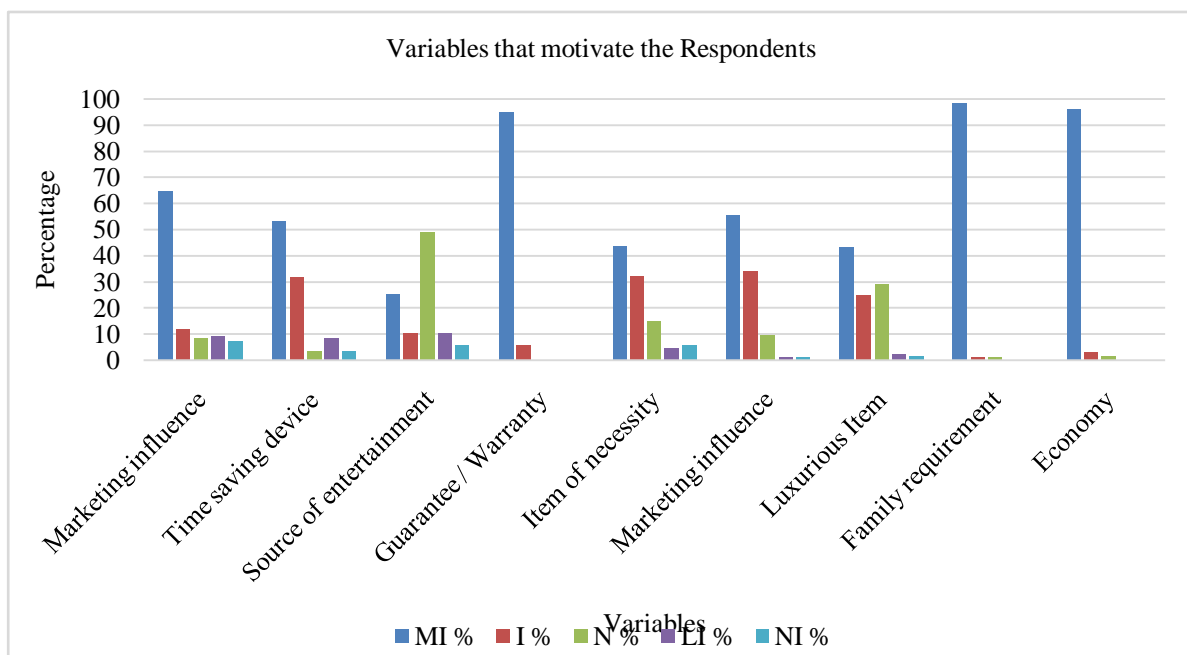


Figure.

Variables that motivate the Respondents in the purchase of a car

Under most important option since the mean is 4.97 and standard deviation is 0.210 it can be concluded that most of the respondents' (98 %) were motivated to purchase a car because it was a requirement of the family whereas since mean is 4.95 and standard deviation is 0.278 it can be concluded that 96 % were motivated because it was economical. As mean was 3.40 and standard deviation is 1.130 it can be concluded that only 25 % were motivated in purchasing a car as a source of entertainment.

Under important option since the mean is 4.41 and standard deviation is 0.769 it can be concluded that most of the respondents' (34 %) were motivated to purchase a car because they were influenced by marketing whereas since the mean is 4.04 and 4.23 respectively and standard deviation is 1.115 and 1.084 respectively it can be concluded that 32 % each were motivated because they felt it was an item of necessity and a time saving device. As mean is 4.97 and standard deviation is 0.21 it can be concluded that only 1 % were motivated in purchasing the car because it was a requirement of the family.

Under neutral option since mean is 3.40 and standard deviation is 1.130 it can be concluded that most of the respondents' (49 %) were motivated to purchase a car as a source of entertainment whereas since mean is 4.06 and standard deviation is 0.964 it can be concluded that 29 % were motivated because they considered it as a luxurious

item. As mean is 4.95 and 4.97 respectively and standard deviation is 0.278 and 0.210 respectively it can be concluded that only 1 % each were motivated in purchasing a car because it was economical and requirement of the family.

Under least important option since mean is 3.40 and standard deviation is 1.130 it can be concluded that most of the respondents (10 %) were motivated to purchase a car because it was a source of entertainment whereas since mean is 4.17 and standard deviation is 1.303 it can be concluded that 9 % because it was a symbol of social status. As mean is 4.41 and standard deviation is 0.769 it can be concluded that only 1 % were motivated in purchasing a car because they were influenced by marketing.

Under not important option since mean is 4.17 and standard deviation is 1.303 it can be concluded that most of the respondents (7 %) were motivated to purchase a car because it was a symbol of social status whereas since mean is 3.40 and 4.04 respectively and standard deviation is 1.130 and 1.115 respectively it can be concluded that 5 % each were motivated because it was a source of entertainment and an item of necessity. As mean is 4.41 and 4.06 respectively and standard deviation is 0.769 and 0.964 respectively it can be concluded that only 1 % each were motivated in purchasing a car because they were influenced by marketing and also considered it as luxurious item.

Each factor was measured using a 5-point scale.

## **VI.HYPOTHESIS TESTING**

**H0:** Factors motivating purchase of a new car do not differ in magnitude of importance.

(Means are equal.)

**H1:** Factors motivating purchase of a new car significantly differ in magnitude of

importance. (Means are different.)

Level of significance  $\alpha = 0.05$

## **VII.TEST STATISTICS**

N	225
Chi-Square	911.923
df	8
Asymp. Sig.	.000

$$\chi^2(8) = 911.923, P < 0.05$$

## **VIII.CONCLUSION**

Since the P value is less than the level of significance the null hypothesis is rejected as it is concluded that factors motivating the purchase of new cars significantly differ in magnitude of importance. To find out where the difference lies the table is referred. From the table it can be seen that requirement of family has mean of 4.97. It is economical (budget) and warranty & guarantee has a mean of 4.95 respectively. And the top three motivating factors for purchase of a new car are requirement of the family, economics (budget) and warranty & guarantee.

## **IX.FINDINGS**

Majority of the respondents were motivated in buying a car as it was a family requirement. This was followed by economics i.e. budget of the respondents and warranty & guarantee factor.

## **X.RECOMMENDATION AND CONCLUSION**

The life style of present day consumers has changed due to globalization, liberalization, growing income level, disposable income and easy availability of cheap loans and this has brought in remarkable changes in the marketplace. The Indian consumers behaviour is difficult to predict hence research is the best methodology to come to conclusions. The present research brings out very clearly three motivating factors for purchase of a new car. They are requirement of the family, the budget / economics and warranty & guarantee.

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