

# Consumer behaviour towards Passenger Cars- A Study in Delhi-NCR

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**Abstract**— This paper investigates the purchaser conduct towards traveler autos in Delhi NCR. The extent of the review is restricted to certain vital behavioral viewpoints like data hunt and assessment, mark inclination and brand unwaveringness and elements of inspiration. Understanding the consumer loyalties of the item will help the vehicle producer in building up their items to address client's issues what's more, outlining the best possible showcasing projects and methodology.

**Keywords**— Consumer Behavior, Automobile Industry, Purchase decision, Brand choice.

## I. INTRODUCTION

The car business in India is one of the bigger markets on the planet. It had beforehand been one of the quickest developing universally, however is as of now encountering level on the other hand negative development rates. India's traveler auto and business vehicle fabricating industry is the 6th biggest on the planet, with a yearly generation of more than 3.9 million units in 2011. As indicated by late reports, India overwhelmed Brazil and turned into the 6th biggest traveler vehicle maker on the planet (beating such old and new automobile creators as Belgium, United Kingdom, Italy, Canada, Mexico, Russia, Spain, France and Brazil), grew 16 to 18 percent to offer around three million units throughout 2011 and 2012. Mandeep Kaur and Sandhu (2006) endeavored to discover the critical elements which a client considers while going for the buy of another auto. The review covers the proprietors of traveler autos living in the significant urban areas of the State of Punjab and the Union Territory of Chandigarh. The respondents see that security and solace are the most imperative components of the traveler auto took after by extravagance. So the makers must plan the item giving most extreme weightage to these components.

Chidambaram and Alfreed (2007) hypothesizes that there are sure components which impact the brand inclinations of the clients. Inside this structure, the review uncovers that clients give more significance to fuel effectiveness than different components. They trust that the brand name

reveals to them something about item quality, utility, innovation and they want to buy the traveler autos which offer high fuel effectiveness, great quality, innovation, sturdiness and sensible cost. Numerous thorough speculations/models have been produced inside the field of shopper conduct (HARWARD and SHETH 1969; NICOSIA 1966). Models have moreover been produced for particular setting, for example, for family basic leadership and data preparing. These hypotheses have assumed an essential part by specifying how different component impact purchaser conduct. A broad audit of writing uncovers that there is no straightforward structure that fits a thorough investigation of purchaser conduct. The worldview proposed four consecutive stages to speak to the buy and utilization forms. These four phases are named as Access, Buying conduct, Consumption Characteristics and Disposal.

## II. LITERATURE REVIEW

Satya Sundaram (2008) dissected how the opposition makes the vehicle maker to dispatch no less than one new model or a variation of the model each year. This study likewise called attention to that diesel autos are getting to be distinctly well known in India and the declaration of diminishment in extract obligations by the administration has served to a few degree to support the request. Forebearing Sudhakar and Venkatapathy (2009) concentrated the impact of associate gathering in the buy of auto with reference to Coimbatore District. It was likewise found that the impact of companions is higher for the buy of little measured and average sized autos. Cocoa et al (2010) investigated the consumers' state of mind towards European, Japanese furthermore, the US autos. The country-of-origin assumes a critical part in the consumers' conduct. The brand name, bring down cost and distributors notoriety totally have a critical effect on the offer of passengers auto. Notwithstanding, the present review varies from the above, in that, the purchaser conduct in Delhi NCR is looked to be dissected here. The degree and the region of the review are one of a kind in nature.

### III. OBJECTIVE OF THE STUDY

The targets of this review is to recognize diverse wellsprings of data utilized by the purchasers and their part while settling on a buy choice.

### IV. RESEARCH METHODOLOGY

The research aims to examine the buying behavior of consumer for passenger cars in Delhi. As the universe of the

study is large, the researchers have decided to select sample respondents by adopting the Simple Random Sampling Technique. A total of 100 Interview schedules were prepared and out of this, only 80 interview schedules were filled up and collected. A scrutiny of these schedules led to the rejection of 30 interview schedules on account of incomplete responses. Thus 50 completed interview schedules were used for the present study. (Table 1)

Table.1: Distribution of consumers by Age

| S. No | Age              | No of Respondents | Percentage |
|-------|------------------|-------------------|------------|
| 1     | Less than 25 Yrs | 5                 | 10         |
| 2     | 25-35 Yrs        | 5                 | 10         |
| 3     | 35-45 Yrs        | 15                | 30         |
| 4     | 45-55 Yrs        | 10                | 20         |
| 5     | Above 55 Yrs     | 15                | 30         |
| Total |                  | 50                | 100        |

Table 2: Consumer's Occupation

| S. No | Occupation               | No of Respondents | Percentage |
|-------|--------------------------|-------------------|------------|
| 1     | Agriculturist            | -                 | -          |
| 2     | Businessman              | 5                 | 10         |
| 3     | Employed in Govt Service | 15                | 30         |
| 4     | Employed in Pvt Service  | 10                | 20         |
| 5     | Professional             | 10                | 20         |
| 6     | Housewife                | -                 | -          |
| 7     | Others                   | 10                | 20         |
| Total |                          | 50                | 100        |

Table.3: Consumer's Education

| S. No | Education Level     | No of respondents | Percentage |
|-------|---------------------|-------------------|------------|
| 1     | No Formal Education | -                 | -          |
| 2     | School level        | -                 | -          |
| 3     | Graduate            | 5                 | 10         |
| 4     | Post Graduate       | 15                | 30         |
| 5     | Professional        | 25                | 50         |
| 6     | Others              | 5                 | 10         |
| Total |                     | 50                | 100        |

Table.4: Consumer's Income

| S. No | Monthly Income          | No of respondents | Percentage |
|-------|-------------------------|-------------------|------------|
| 1     | Less than Rs 10,000     | -                 | -          |
| 2     | Rs.10,001-<br>Rs.15,000 | -                 | -          |
| 3     | Rs 15,001-Rs20,000      | 5                 | 10         |
| 4     | Rs.20,001-<br>Rs.25,000 | 5                 | 10         |
| 5     | Above Rs.25,000         | 40                | 80         |
|       | Total                   | 50                | 100        |

Table.5: Number of Own Cars

| S. No | No of Own Cars | No of respondents | Percentage |
|-------|----------------|-------------------|------------|
| 1     | 1              | 20                | 40         |
| 2     | 2              | 30                | 60         |
| 3     | 3              |                   |            |
|       | Total          | 50                | 100        |

## V. PURCHASE BEHAVIOR OF CUSTOMERS

For determining the pre-purchase behavior of the customers, they were asked about the sources of information while purchasing new product and who influenced their decision. Majority of respondents were found to be relying upon friends and advertisements.

Table.6: From where did you get the information about this brand?

| S. No | Sources       | No of Respondents | Percentage |
|-------|---------------|-------------------|------------|
| 1     | Advertisement | 15                | 30         |
| 2     | Friends       | 15                | 30         |
| 3     | Relatives     | 5                 | 10         |
| 4     | Dealers       | 5                 | 10         |
| 5     | Others        | 10                | 20         |
|       | Total         | 50                | 100        |

Table.7: Who influenced your purchase decision?

| S. No | Factors to be Influenced | No of Respondents | Percentage |
|-------|--------------------------|-------------------|------------|
| 1     | Self                     | 20                | 40         |
| 2     | Wife/Husband             | 10                | 20         |
| 3     | Children                 | 5                 | 10         |
| 4     | Parents                  | 10                | 20         |
| 5     | Friends                  | 5                 | 10         |

|   |            |    |     |
|---|------------|----|-----|
| 6 | Peer Group | -  | -   |
| 7 | Others     |    |     |
|   | Total      | 50 | 100 |

Table.8: Brand Name

| S. No | Brand Name | No of respondents | Percentage |
|-------|------------|-------------------|------------|
| 1     | Hyundai    | 20                | 40         |
| 2     | Honda      | 5                 | 10         |
| 3     | Maruti     | 15                | 30         |
| 4     | Ford       | 2                 | 4          |
| 5     | Renault    | 2                 | 4          |
| 6     | Skoda      | 1                 | 2          |
| 7     | Mahindra   | 5                 | 10         |
| 8     | Others     | -                 | -          |
|       | Total      |                   |            |

## VI. TEST OF HYPOTHESIS

The consumer behavior towards passenger cars was analyzed with the help of following respondent's profile  
Occupation, Usage of car, Income and Brand Name Chi Square test =  $(O-E)^2/E$

Table.1: Occupation and the Usage of Car

| Occupation     | Personal Use | Social Status | Total |
|----------------|--------------|---------------|-------|
| Businessman    | -            | 5             | 5     |
| Govt Service   | 5            | -             | 5     |
| Private Sector | 12           | -             | 12    |
| Professional   | 20           | -             | 20    |
| Others         | 8            | -             | 8     |
| Total          | 45           | 5             | 50    |

Expected Frequency

| Occupation     | Personal Use | Social Status | Total |
|----------------|--------------|---------------|-------|
| Businessman    | 4.5          | .5            | 5     |
| Govt Service   | 4.5          | .5            | 5     |
| Private Sector | 10.8         | 1.2           | 12    |
| Professional   | 18           | 2             | 20    |
| Others         | 7.2          | .8            | 8     |
| Total          | 45           | 5             | 50    |

ChiSquare test

| O | E   | (O-E) | (O-E) <sup>2</sup> | (O-E) <sup>2</sup> /E |
|---|-----|-------|--------------------|-----------------------|
| 0 | 4.5 | -4.5  | 9                  | 2                     |
| 5 | 4.5 | .5    | 1                  | .22                   |

|    |      |              |     |              |
|----|------|--------------|-----|--------------|
| 12 | 10.8 | 1.2          | 2.4 | .22          |
| 20 | 18   | 2            | 4   | .22          |
| 8  | 7.2  | .8           | 1.6 | .22          |
| 5  | .5   | 4.5          | 9   | 18           |
| 0  | .5   | -.5          | 1   | 2            |
| 0  | 1.2  | -1.2         | 2.4 | 2            |
| 0  | 2    | -2           | 4   | 2            |
| 0  | .8   | -.8          | 1.6 | 2            |
|    |      | <b>Total</b> |     | <b>28.88</b> |

## VII. RESULT AND DISCUSSION

Degree of freedom = (C-1) (r-1) =5

For 5 degree of freedom at 55 level of significance =9.49 Calculated value=28.88 Table value =9.49

The calculated value 28.88 is greater than the table value 9.49 and the hypothesis is rejected. Hence, there is significant relationship between the occupation and usage of car.

## VIII. INCOME AND BRAND NAME

| Income           | Hyundai | Maruti | Honda | Others | Total |
|------------------|---------|--------|-------|--------|-------|
| Rs 15,001-20,000 | 3       | -      | 2     |        | 5     |
| Rs 20,001-25,000 | 7       | -      | 3     | 5      | 15    |
| Above Rs.25,000  | -       | 25     | 5     | -      | 30    |
| Total            | 10      | 25     | 10    | 5      | 50    |

### Expected Frequency

| Income           | Hyundai | Maruti | Honda | Others | Total |
|------------------|---------|--------|-------|--------|-------|
| Rs 15,001-20,000 | 1       | 2.5    | 1     | .5     | 5     |
| Rs 20,001-25,000 | 3       | 7.5    | 3     | 1.5    | 15    |
| Above Rs.25,000  | 6       | 15     | 6     | 3      | 30    |
| Total            | 10      | 25     | 10    | 5      | 50    |

### Chisquare test

| O  | E   | (O-E) | (O-E) <sup>2</sup> | (O-E) <sup>2</sup> /E |
|----|-----|-------|--------------------|-----------------------|
| 3  | 1   | 2     | 4                  | 4                     |
| 7  | 3   | 4     | 16                 | 5.33                  |
| -  | 6   | -6    | 36                 | 6                     |
| -  | 2.5 | -2.5  | 7                  | 2.8                   |
| -  | 7.5 | -7.5  | 15                 | 2                     |
| 25 | 15  | 10    | 100                | 6.67                  |
| 2  | 1   | 1     | 1                  | 1                     |
| 3  | 3   | 0     | 0                  | 0                     |
| 5  | 6   | -1    | 1                  | .17                   |
| -  | .5  | -.5   | 1                  | 2                     |
| 5  | 1.5 | 3.5   | 7                  | 4.67                  |
| -  | 3   | -3    | 3                  | 1                     |
|    |     |       |                    | 35.64                 |

Source: Calculated Data

Degree of freedom =  $(C-1)(r-1) = (4-1)(3-1) = 5$

The calculated value 35.64 is greater than the table value 9.49 and the hypothesis is rejected. There is significant relation.

### IX. FINDINGS

Buyers in this district are impacted by different variables, for example, culture, family, reference, age and way of life. The most imperative element that impacts the buyer to utilize traveler auto is the cost of the autos, societal position and strength.

### X. CONCLUSION

Purchaser Behavior comprises of all human conduct that goes in making buy choices. A comprehension of the purchaser conduct empowers an advertiser to take advertising choices which are perfect with its customer needs. There are four significant classes of customer conduct determinants and desires, in particular, social, financial, individual and mental.

Rising salary has improved the acquiring force and an ever increasing number of individuals are ready to manage the cost of an auto. Client requests are changing, yet its thought is fundamental for each organization to make presence into the market. Set up like Delhi NCR auto has turned into an image of economic wellbeing moreover. Clients are obtaining the autos as a method for transport as well as a status image too.

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