

A Study On The Impact Of Offers In The Purchase Of Hatchback Cars In Reference To Coimbatore City

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Abstract

Since liberalisation the availability of automobiles in India has risen and this made people to get more attracted towards it. Specifically, the market of Hatchback also known as Small Cars have grown due the road conditions in India and also for the easy usability. This trend has attracted more companies to market their products in India which made the customers to choose between the products. So as a marketing strategy companies started to give offers to attract the customers toward them. The main objective of the study is to concentrates to find the level of impact on offers given by the company to attract customers. The study also focuses on what kind of offer has the most impact on influencing people to choose between brands.

Keywords: Small Cars, Offers and Hatchback

1. Introduction

The usage of small cars has increased in India lately due the offers given by the company to attract customers towards them. Hatchback cars has gained popularity because of its small and stylish design, easy handling and also mainly due to the road conditions in India. Small cars are more than sufficient for a family of four to five. So people started to move towards small cars and when companies started to understand this they had adapted lots of marketing strategies to attract customers towards them.

It is obvious when there are lots of varieties to choose people will be very specific on what they want and they will start expecting things from the companies. The expectations of people started to raise as there are lots of companies and variants to choose between. Due to this scenario companies had to adapt various marketing schemas to sell their product to the customers and not move towards their competitors. One of which strategy is giving offers to customers during purchase of their product.

Offers are given to customers depending on the season, the year, their profession and the kind of car they choose. Though there are loyal customers for a company or brands people still tend to move to a brand where they get better offer compared to the brand they like. This is a common thought process of every human to move to a place where they get more things

compared to that of another place. So this made the companies to concentrate on offers real time to attract customers towards them

1.1 Statement Of The Problem

Due to the competitive atmosphere in the automobile industry after liberalisation in India car companies has to struggle to keep their position intact and to beat their competition in the market. This scenario had compelled the brands to make offers to customers upon purchase of their product as a marketing strategy to attract more customers and create a goodwill for their company. The study focuses and analyses whether customers expect offers and what kind of offers they expect upon purchase of a small car.

1.2 Objectives

1. To analyse the impact of offers during purchase that influences the purchase
2. To know the impact of offers after purchase
3. To study the type of ownership people, prefer on purchase

1.3 Research Methodology

The study analyses on the impact of offers given by the companies and the preference of ownership during the purchase of hatchback cars around Coimbatore City

1.4 Sample Size

The sample size is 110 customers who buy hatchback cars

1.5 Tools Used

The statistical tools used in this study include Percentage Analysis and Chi-square

2 Review Of Literature

Dr. A. Jaganathan (2018) in their paper “A Study on Consumer Behavior towards Small Cars in Coimbatore City” has studied and analysed the factors that accept the consumer behaviour towards small cars in Coimbatore City.

Akil Kumar Kumarasamy, Dr. D Divya Prabha, Dr. V.B. Mathipurani and S. Selvakrishna (2019) in their paper “A Study on Consumer Preference towards Luxury Cars with reference to Coimbatore City” has analysed the customer preference in buying luxury car and their need and attitude towards the sales and service of the company which would result in the increase of customer satisfaction

3 Analysis And Interpretation

3.1 DEMOGRAPHIC PROFILE

Variables	Particulars	Frequency	Percentage
Gender	Male	66	60
	Female	44	40
	Total	110	100
Age	18 - 28	51	46.4
	29 - 39	35	31.8
	40 - 50	23	20.9
	50 - 60	1	0.9
	Total	110	100.0
Marital Status	Married	65	59.1
	Unmarried	45	40.9
	Total	110	100.0
Monthly Income	Less than 20k	21	19.1
	21-40k	43	39.1
	41-60k	16	14.5
	61-80k	12	10.9
	More than 80k	18	16.4
	Total	110	100.0

Source: Primary data

Table 3.1 shows 60% of male and 40% are female. 46.4% are from the age group 18-28, 31.8% are from the age group 29-39, 20.9% are from the age group 40-50 and 0.9% are from the age group 51-60. 59.1% are married and 40.9% are unmarried. 19.1% earn income less than 20k, 39.1% earn an income between 21k-40k, 14.5% earn an income between 41k-60k, 10.9% earn an income between 61k-80k and 16.4% earn income more than 80k.

3.2 Purchase Method

Purchase Method	Full cash	43	39.1
	EMI	67	60.9
	Total	110	100.0

Source: Primary data

Table 3.2 shows 39.1% have purchase their car in full cash mode and 60.9% have purchase their car in EMI mode.

3.3 Owner Type

Owner Type	1st hand	85	77.3
	2nd hand	21	19.1
	3rd hand	3	2.7
	Above 3rd hand	1	0.9
	Total	110	100.0

Source: Primary data

Table 3.3 shows 77.3% are 1st hand owners, 19.1% are 2nd hand owners, 2.7% are 3rd hand owners, 0.9% own a car that is more than 3rd hand

3.4 Impact Of Offer During And After Purchase

Impact on offers after purchase	Yes	49	44.5
	No	61	55.5
	Total	110	100.0
Expectation on offers while purchase	Yes	91	82.7
	No	19	17.3
	Total	110	100.0

Source: Primary data

Table 3.4 shows 44.5% feels there is an impact in the after purchase offers given and 55.5% feel there is no impact on the after purchase offers given. 82.7% expect there should be an offer given while purchase and 17.3% don't expect any offer while purchase.

3.5 Purchase variable and Expectations on Offers while purchase

Chi – Square Analysis

Variable	Chi-square Test Value	Significance value
Owner type and Expectation on offers while purchase	216.25	0.000
Monthly Income and Expectation on offers while purchase	74.12	0.000
Family Size and Expectation on offers while purchase	84.23	0.000
Purchase Mode and Expectation on offers while purchase	47.36	0.022

Table 3.5 shows the chi-square test the significance value is below the table value 0.05 so the null hypothesis is rejected. There is a significant relationship between the purchase variable and the expectation on offers while purchase. Hence, it is inferred that the owner type, monthly income, family size and purchase mode is an influencing factor in the expectation of offers during purchase of the car

3.6 Purchase variable and Impact on Offers After Purchase

Variable	Chi-square Test Value	Significance value
Owner type and Impact on offers after Purchase	170.43	0.253
Family Size and Impact on offers after Purchase	38.41	0.253
Monthly Income and Impact on offers after Purchase	8.30	0.253
Purchase Mode and Impact on offers after Purchase	6.54	0.473

Table 3.6 shows the chi-square test the significance value is above the table value 0.05 so null hypothesis is accepted. There is no significant relationship between purchase variable and the offers after purchase. Hence, it is inferred that the owner type, monthly income, family size

and purchase mode is not an influencing factor on the impact of offers after the purchase of car

4. Findings

- The majority customers are willing to buy their car in monthly instalment mode
- Majority of car owners fall under the monthly salary range of 21,000 to 40,000
- Most of the customers prefer 1st hand cars other than any other owner preference
- Customers prefer offers during the purchase of cars and majority don't feel any impact on the offers given after the purchase of car
- There is a significant relationship between the purchase variables and the expectations on offers during purchase
- There is no significant relationship between the purchase variables and the offers after purchase

5. Suggestions

- Customers expect offers from the companies while they do their car purchase, so companies should come up best offers to attract customers
- As there are lots of competition in the market companies should make a comparative study about their competitor and give a best offer so that they can attract more customers
- It is important to attract customers to buy cars from showroom that is 1st hand cars. Better offers with convenient payment option would attract more customers
- As it is evidential that people are not attracted on after purchase offers, they expect offers during their purchase so companies should put more concentration on this
- Companies can keep the average income of their customers in mind and try to give products in the market

6. Conclusion

To attract customers is the key to success in the field of marketing and companies take lots of measures to do it. One of which is giving out offers to attract the customer crowd towards them rather than their competitors. By having the basic needs and wants of a customer companies can design the concept of giving offers which should not result in a loss for the company. So every company has to meticulously plan the kinds of offers they give and still result in a profit. The goodwill of the company also grows with the approach of the executives and staffs appointed by the company. So every step taken by the company to attract customers has to be planned to make the customers happy and feel better about their product and not of their competitors.

Reference

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