ATTITUDE OF CONSUMERS TOWARDS PURCHASE AND USE OF SMALL CARS IN KANCHIPURAM DISTRICT

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ABSTRACT

Consumer’s attitude is the consumer’s liking, endorsement or preference for product attributes, which summarizes the criteria that consumers use to make decisions regarding what products to buy. In other words, consumer’s attitude explains how people’s beliefs and knowledge lead to attitudes, and how their information integration process form attitudes toward actions and influence people’s intentions to perform behaviours. Each year all the companies spend large amounts for researching consumers’ attitudes toward products and brands, and then spend many more lakhs of amounts trying to influence those attitudes through advertisements, sales promotions, and other types of persuasion.

Keywords: Attitude, Consumer’s attitude, Automobile Company, passenger vehicles.

Introduction

Attitude is a learned predisposition to respond to an object in a consistently favourable or unfavourable way. The term attitude encompasses a wide range of affective behaviours (e.g. prefer, accept, appreciate, and commit). The attitude has several characteristics. Attitudes are not inborn; they are learned through experience and attitudes can be inferred from the observed antecedent stimulus and the consequent behaviour pattern.

Attitude has been called the most distinctive and indispensable concept in many fields. In the marketing area, attitude is one of the most important concepts for marketers use to understand consumers. An attitude in
marketing terms is defined as a general evaluation of a product or service formed over time. Consumer’s attitude is the consumer’s liking, endorsement or preference for product attributes, which summarizes the criteria that consumers use to make decisions regarding what products to buy. In other words, consumer’s attitude explains how people’s beliefs and knowledge lead to attitudes, and how their information integration process form attitudes toward actions and influence people’s intentions to perform behaviours. Each year all the companies spend large amounts for researching consumers’ attitudes toward products and brands, and then spend many more lakhs of amounts trying to influence those attitudes through advertisements, sales promotions, and other types of persuasion.

The consumers’ attitudes can be examined by some models. There are several basic models about consumers’ behavioural intention. The first one is the ABC model (Affect, Behaviour, and cognition). It describes three basic components of attitude, and it is widely used in psychology. Cognitive component based on consumer’s personal knowledge, actual experience; Affective component refers to consumer’s feelings, such as like, dislike or neutral about a brand, outlet, product, service and so on. Intention component (behaviour or behavioural intention) refers to consumer’s intention to act towards the brand, outlet, and product service and so on.

Impact of Consumer’s Attitude in the Operations of Automobile Industry

A consumer is one who does some physical activities and deliberates to take decisions concerning purchase and to dispose of on to evaluate products and services. Consumer behaviour reflects the totality of consumer’s decisions with respect to acquisition, consumption and disposition of goods, services, time and idea by (human) decision making units (over time). It also includes whether, why, when, how, how much and how often and how long consumer will use or dispose of an offering. The markets are customer driven these days and the target of all marketing activities is consumers. To understand the consumers, are not easy jobs as his behaviour is mostly unique and unpredictable. This has made the firms to step into the shoes of the customers and understands from his point of view selection and purchase of products and services, consumer sovereignty needs to be enhanced in order to ensure the optimum satisfaction obtained from the money spent towards the products and the concurrent periodical consumption of products would enrich the knowledge of the consumers on that particular products in the same line similar kind of products come in to market with product differentiation, thus, in this condition consumer’s awareness and attitude towards wide range of products would be the key element for consumer choice.

Impact of consumer’s attitude in the operations of automobile industry reviews the process of buying behaviour of a consumer along with the intricacies involved in the process of doing that and then assessing the models of retaining the existing customer. With rapidly changing technology and advancement of business process, the role of organization is also changing in perceiving the needs and demands of its customer. The ever demanding customer has emerged as a major influencing agent in driving the functionality of operational model of business and has become a prominent entity in the business value chain. Automotive industries essentially are changing their existing business and operational structures and realigning the models to revolve around the customers by adoption of various customer centric models.

It is important to understand consumer buying behaviour as it plays a vital role in creating an impact on purchase of products. The human wants are unlimited and always expect more and more. Car Models are no exception to this behaviour. This lead to constant modifications of Car models and its features and today we see a new model coming into the market practically every quarter. The market is a very important place to study the behaviour of consumers and also provide useful insights what a consumer requires in a product.

Need of the Study

There is huge Growth potential for small car manufacturers, as both domestic and international manufacturers, are presented with great challenges and opportunities in the near future. It is a well-known fact that with the advent of increasing purchasing power and changing life style towards luxury products. Now a day luxury products like car has become a commodity of necessity and has become one important element of life of even to the middle class people. At present days all the marketers and advertisers have been trying to
discover why consumers buy and what they buy. Hence knowing the buying behaviour of the different market segments helps a seller to select their target segment and evolve marketing strategies to increase the sales. To be a successful marketer it is absolutely essential to read the minds and perceptions of the prospective buyers of Automobiles. Hence, Automobile manufacturers should make researches on buyer preferences, perceptions, behavior, attitudes and satisfaction of owners of cars.

Statement of the Problem
Due to the emergence of globalization and liberalization there is a stiff competition among the variety of Automobile industries which are focusing attention in capturing the Indian markets. To increase the fiercely fought market share, automobile companies are increasing their different form of advertisements and range of digital executions, particularly in the social media space and it because the consumer choice processes a complex phenomenon. In the global economy where the consumers are having an increasing exposure to foreign brands, the availability of information about the brands and awareness could play an important role in consumers’ perceptions of the product quality and as well influence consumer choice.

Making a decision to buy a product or services involves many processes and problems such as the buyers cannot look into their background and reputation cannot check the dealer’s license to ascertain the authenticity of the dealer. At present there are many curbsider is in car market they are unlicensed individual, dealer or retailer they buys up vehicles and instead of registering them under their own name, will post the same vehicle for sale with a mark-up. They might misrepresent the real condition of the car or hide major issues to make it look appealing. Most of the sellers and manufacturers mislead the buyers about a vehicle’s make, price, quality or performance. The car may not be fit for the purpose of explained to the seller and match descriptions and the demonstration model. Car companies usually offer big discounts in month of December every year to clear their inventories before they hike prices and launch new models in January. The offers attract the buyers to purchase now the vehicle will bear the registration date of December, and in a few days, it will be last year’s model. If buyers plan to change the car in 3-4 years, the registration date will be a big matter. Insurance companies also chit the car owners by not providing information about if they did not make a claim in a year, the next year’s premium fetches a discount and also no-claim bonus cannot be transferred to another vehicle to bringing down the insurance cost of a new car.

Objectives of the Study
The purpose of this research is to study the attitudes of small car buyers Hence, the study is aimed at the below objectives.

1. To find out the attitude of consumers towards purchase and use of cars.
2. To make suggestions in the light of the findings of the study.

Hypotheses of the Study
In line with the objectives stated above, the following hypotheses are to be formulated and tested for the purpose of this study.

\[ H_{01}: \text{There is no significant association between area of the respondents and evaluation of alternatives, period of collection information, sources of information, brand choice, place of purchase, place of purchase frequency of changing and match with expectation}. \]

RESEARCH METHODOLOGY
Nature of the Study
The present study is an empirical as well as analytical in nature and based on survey method.

Sources of Data
Keeping in view the versatile objectives of the study, the data collected from both the primary and secondary sources. The primary data has been collected through questionnaire. The relevant secondary data have been collected from journals, magazines, thesis, and dissertations, published and unpublished reports, online and reports.
Sampling Technique

Sampling technique adopted in the present study was systematic simple random sampling. A total of 560 questionnaires were issued, filled up and collected. A scrutiny of these questionnaires led to the rejection of 10 questionnaires on account of incomplete responses. The rejection rate was only 3 per cent. Thus 550 completed questionnaires were used for the present study.

Tools Used for Analysis

The collected data are analyzed through descriptive statistical tools such as Percentage, Mean and Standard deviation have been used to describe the profiles of consumers, preferred product attributes and level of satisfaction. For testing the significance of hypothesis, analysis of variance (ANOVA), chi-square test and student’s t test were used. The Chi-Square test has been used to test the association between the consumer demographic characteristics and the preferred product attributes. For analyzing the survey data SPSS 20 package was used.

RESPONDENTS’ ATTITUDES TOWARDS SMALL CARS

The consumer’s attitude is the consumer’s liking, endorsement or preference for product attributes, which summarizes the criteria that consumers use to make decisions regarding what products to buy. Attitude has been called the most distinctive and indispensable concept in many fields. In the marketing area, attitude is one of the most important concepts for marketers use to understand consumers. An attitude in marketing terms is defined as a general evaluation of a product or service formed over time. Consumers’ attitudes are simply as a composite of a consumer’s beliefs, feelings, and behavioural intentions toward some object within the context of marketing. An attitude satisfies a personal motive and at the same time, affects the shopping and buying habits of consumers. A marketer is challenged to understand the reason a particular attitude might exist. Consumers’ attitudes cannot be observed directly, marketers must try to do research to measure them. Marketers can justify their existence only when they are able to understand consumers’ wants and satisfy them. The modern marketing concept for successful management of a firm requires marketers to consider the consumer as the focal point of their business activity. Although it is important for the firm to understand the buyer and accordingly evolve its marketing strategy, the buyer or consumer continues to be an enigma - sometimes responding the way the marketer wants and on other occasions just refusing to buy the product from the same marketer. For this reason, the buyer’s mind has been termed as a black box, which should be opened by the seller to be a successful marketer.
1. Level of Attitude towards Various Cost Aspects of Small Cars.

### TABLE 1

<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly disagreed</th>
<th>Disagreed</th>
<th>Neither agree nor disagreed</th>
<th>Agreed</th>
<th>Strongly agreed</th>
<th>Total</th>
<th>WS</th>
<th>MW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car travelling is expensive for you in the form of expensive fuel, insurances and other fees</td>
<td>151 (27.50)</td>
<td>173 (31.50)</td>
<td>50 (9.10)</td>
<td>64 (11.60)</td>
<td>112 (20.40)</td>
<td>550 (100.0)</td>
<td>146</td>
<td>2.66</td>
</tr>
<tr>
<td>The price of your car is optimum</td>
<td>84 (15.30)</td>
<td>108 (19.60)</td>
<td>32 (5.80)</td>
<td>125 (22.70)</td>
<td>201 (36.50)</td>
<td>550 (100.0)</td>
<td>190</td>
<td>3.46</td>
</tr>
<tr>
<td>Resale Value for your car brand is more</td>
<td>32 (5.80)</td>
<td>68 (12.40)</td>
<td>50 (9.10)</td>
<td>201 (36.50)</td>
<td>199 (36.20)</td>
<td>550 (100.0)</td>
<td>211</td>
<td>3.85</td>
</tr>
<tr>
<td>Maintenance Cost for your car brand is less</td>
<td>58 (10.50)</td>
<td>90 (16.40)</td>
<td>51 (9.30)</td>
<td>148 (26.90)</td>
<td>203 (36.90)</td>
<td>550 (100.0)</td>
<td>199</td>
<td>3.63</td>
</tr>
<tr>
<td>Overall</td>
<td>46 (8.30)</td>
<td>50 (9.10)</td>
<td>68 (12.40)</td>
<td>232 (42.20)</td>
<td>154 (28.00)</td>
<td>550 (100.0)</td>
<td>204</td>
<td>3.72</td>
</tr>
</tbody>
</table>

Source: Computed from primary data.
(Figures in parenthesis refer to percentage which is rounded up to nearest10)

It is inferred from the above Table 1 that out of 550 respondents, maximum of the respondents (42.20%) indicate that they agree with the various cost aspects of small cars, followed closely by strongly agree (28%) and neither agree nor disagree (12.40%). 9.10% and 8.30% of the respondents disagree and strongly disagree respectively towards various cost aspects of small cars. The average acceptance score shows that the respondents have a higher acceptance level (3.85) towards resale value for car is more followed by maintenance cost for car is less (3.63). The mean score for price of car is optimum (3.46). However, the respondents have a lower acceptance score (2.66) towards car travelling is expensive for them in the form of expensive fuel, insurances and other fees.
2 Level of Attitude towards Technology Aspect of Small Cars

<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly disagreed</th>
<th>Disagreed</th>
<th>Neither agree nor disagreed</th>
<th>Agreed</th>
<th>Strongly agreed</th>
<th>Total</th>
<th>WS</th>
<th>MWS</th>
</tr>
</thead>
<tbody>
<tr>
<td>The latest technology of cars gives you control over your life and freedom</td>
<td>92 (16.70)</td>
<td>114 (20.70)</td>
<td>47 (8.50)</td>
<td>95 (17.30)</td>
<td>202 (36.70)</td>
<td>550 (100.0)</td>
<td>1851</td>
<td>3.37</td>
</tr>
<tr>
<td>You will choose a more environmentally friendly car the next time when you</td>
<td>60 (10.90)</td>
<td>67 (12.20)</td>
<td>41 (7.50)</td>
<td>175 (31.80)</td>
<td>207 (37.60)</td>
<td>550 (100.0)</td>
<td>2052</td>
<td>3.73</td>
</tr>
<tr>
<td>replace car</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cars that run on petrol only are classified as clean</td>
<td>121 (22.00)</td>
<td>118 (21.50)</td>
<td>43 (7.80)</td>
<td>112 (20.40)</td>
<td>156 (28.40)</td>
<td>550 (100.0)</td>
<td>1714</td>
<td>3.12</td>
</tr>
<tr>
<td>You feel the design of your car is highly attractive</td>
<td>110 (20.00)</td>
<td>87 (15.80)</td>
<td>46 (8.40)</td>
<td>125 (22.70)</td>
<td>182 (33.10)</td>
<td>550 (100.0)</td>
<td>1832</td>
<td>3.33</td>
</tr>
<tr>
<td>Your car has Latest Technology</td>
<td>55 (10.00)</td>
<td>94 (17.10)</td>
<td>73 (13.30)</td>
<td>104 (18.90)</td>
<td>224 (40.70)</td>
<td>550 (100.0)</td>
<td>1998</td>
<td>3.64</td>
</tr>
<tr>
<td>You feel that my car suits your life style</td>
<td>50 (9.10)</td>
<td>87 (15.80)</td>
<td>48 (8.70)</td>
<td>118 (21.50)</td>
<td>247 (44.90)</td>
<td>550 (100.0)</td>
<td>2075</td>
<td>3.77</td>
</tr>
<tr>
<td>Overall</td>
<td>51 (9.25)</td>
<td>57 (10.40)</td>
<td>79 (14.35)</td>
<td>217 (39.45)</td>
<td>146 (26.55)</td>
<td>550 (100.0)</td>
<td>2000</td>
<td>3.64</td>
</tr>
</tbody>
</table>

Source: Computed from primary data
(Figures in parenthesis refer to percentage which is rounded up to nearest10)

It is observed from the above Table 2 that majority of the respondents report that they agree (39.45%) with the various technology aspects towards small cars, followed by strongly agree (26.55%) and neither agree nor disagree (14.35%). 10.40% and 9.25 % of the respondents strongly disagree and disagree respectively towards various technology aspects of mall cars. The respondents have a higher acceptance mean score reveals that respondents feel that their car suits their life style (3.77), secondly by they will choose a more environmentally friendly car the next time when they replace car (3.73), followed by their car has Latest Technology (3.64), next by the latest technology of cars gives them control over their life and freedom (3.37), followed by respondents feel the design of their car is highly attractive (3.33). However, the respondents have a lower acceptance score towards Cars that run on petrol only are classified as clean (3.12). Out of six statements three statements’ score are below than overall average.
Conclusion

While describing it is argues that customers give in general, much more importance to image in their acquisition, and the current economic crisis customers prefer a branded cars for the benefits from the image of the brand which conveys also a better social status image. For all brands, customers started to buy smaller size cars, and they prefer older models in the market because as the price is much smaller, even though its designs are out fashioned. Another important aspect in reducing car using costs is the fuel consumption, which is more seriously analyzed in the purchase decision. It is obvious that satisfied customers, satisfied employees and satisfied shareholders all have one common characteristic– they are positive and enthusiastic about the company they are dealing with. The automobile companies if wants to retain their customers for long should focus on appropriate marketing mix. Similarly the automobile companies should develop an efficient system of receiving complaints and encourage consumers to record their complaints as soon as they occur, and efficiently resolve their complaints.

References