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An Empirical Approach to Quality Management and Purchase Decision of Customers with Reference to Global Automobile Company at Honda Motors Ltd

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Abstract:
Globalization has changed the face of business all over the world. Those countries who opened their doors for liberalization and globalization have recorded a tremendous economic growth. India is one among those countries who enjoyed these benefits. The changing Global motor vehicle industry enabled the development of a vibrant automotive industry in the World market. Customer's ever-changing demands and priorities for product features force manufactures to produce quality products which have a significant impact on the product or service performance. Product quality is thus linked to customer's value and satisfaction, both of which are vital doe the marketer's product positioning tools. In tis competitive environment and dynamics market, no two wheelers manufacturing company can survive without knowing its product's strengths and weaknesses. Manufactures must fortify themselves against threats from the market environment and exploit their strengths or increase profits. To do so, the company must conduct regular surveys to understand customer opinions, needs and preferences as part of incorporating the "voice of customers". This helps the company to meet the customer expectations.

1. INTRODUCTION ABOUT THE STUDY:

Honda's overseas expansion began with the exportation go motorcycles. Honda continued its strategic expansion of corporate activity by building a sales network for the United States, and by producing motorcycles, automobiles, and power products at plants located around the world. Honda is the world's largest manufacturers of two-wheelers and is the fastest growing in country today. India is in the process to take over Indonesia and Vietnam from being the Honda's biggest two-wheeler market. As for the bigger goal of 30% share in its Global business, Honda's annual two-wheeler volumes here to be in the region of 10 million units annually. The present study attempts to understand the behaviour of customers for their choice in purchasing two-wheelers with special reference to Honda bikes.

1.1 OBJECTIVES OF THE STUDY:

The following are the objectives of the study:

1. To study the factors influencing Customer Decisions for purchasing automobile products.
2. To determine the factors of Product Quality Management.
3. To determine the effectiveness of branding on Purchase Decisions.
4. To analyse the Customer Perception and Satisfaction level with respect to Honda two wheelers.
5. To find out how Honda has used its Strategies to gain Competitive Advantage over its competitors in two-wheeler market.

1.2 SCOPE OF THE STUDY:

This study will help to understand customer preference, their needs and expectations from the company. This research also helps to predict the satisfaction of consumers and their preferences of brand, self-image congruity which is a powerful forecaster. Moreover, it will assist the Honda showrooms to improve their service standards through understanding the customers in a better manner.

1.3 RESEARCH METHODOLOGY:

The study has been carried out by questionnaire-based data. Simple Random Sampling has been adopted to collect the samples. The methodology used for this research is Percentage Analysis and Chi- Square method.

1.4 LIMITATIONS OF THE STUDY:

- The number of samples collected is only in and around Bangalore.
- There was a lot of time constraint.
- Some respondents were not willing to answer the questions.

2. REVIEW OF LITERATURE

Dr. N. Chandrasekaran (2018) investigated the wants of the customer are carefully studied by conducting surveys on consumer behaviour. The study also helps to know various marketing variables such as price and product features. This study will help gain knowledge about the influence of consumer to prefer a brand and the problems faced by them using such brands.

Dr. S.K. Sinha & Ajay Waugh (2016) examined that India is one of the fastest growing telecommunication markets of the twenty first century. The common man, artisans, agricultural labours, vendors and workers from every walk of life are comfortably using the services provided by automobile

industries. The potential of capturing market segment will surely depend upon understanding dynamics of customer's preference. **According to Lewis&Boom (2016)**service quality is considered as a measure of how well the service delivered matches customers expectations on providing a better service than the customer expect organizational brand promotional strategies should be based on developing innovative offers &products, developing cost friendly value driven packages and tariffs, offering quality services after sales service & ability to make calls without getting cut off &also to provide cheaper cost of calls to other networks.

Abhijeet Singh and Brijesh Kumar (2011) Hero Honda Motors Ltd, is running a program called Good life Passport to Relationship Reward, with an objective to create an innovative environment for interaction between Hero Honda and its customers. Members of this program are given a magnetic card in which all information is stored and this card is swiped when using any service at a showroom or workshop and it works like a loyalty benefit card.

Abhijeet Singh (2011) Tata Motors uses a customer relationship management and dealer management system (CRM-DMS) which integrates one of the largest applications in the automobile industry, linking more than 1200 dealers across India. CRM DOS has helped Tata Motors to improve its inventory management, tax calculation and pricing. This system has also proved to be beneficial to dealers because it has reduced their working capital cost.

3. ANALYSIS AND INTERPRETATION

Tools used for this study are:

1. Percentage method
2. Chi-square method

3.1 PERCENTAGE METHOD

Percentage analysis is a statistical tool which is used to identify the percentage from the respondent's response to a single question which are the accounted samples. It is used to compare the relative terms and distributions of two or more data.

$$\textbf{PERCENTAGE} = \frac{\textbf{Number of Respondents}}{\textbf{Total Number of Respondents}} \times \mathbf{100}$$

3.2 CHI-SQUARE TEST

Chi-Square test enables the researcher to find out whether the divergence between expected and actual frequencies is significant or not.

$$\textbf{CHI-SQUARE} = \frac{(\mathbf{Oij}-\mathbf{Eij})\mathbf{2}}{\mathbf{Eij}}$$

Where,
Oij - observed value
Eij - expected value
Eij = Row total × column total / Grand Total
Degree of Freedom = (C-1) x (R-1)
Where, C = No of Column
R = No of Row

PERCENTAGE ANALYSIS

Table. 3.1.1. Gender wise Representation

Option	Male	Female	Total
No: of Respondents	16	34	50
Percentage (%)	32	68	100

Interpretation: From the above table, shows that 32% of the respondents are males and 68% are females. So, we conclude that majority (68%) of the respondents are Females.

AGE WISE REPRESENATION

TABLE 3.1.2 Age Wise Representation

Option	**20-30 years**	**30-40 years**	**40-50 years**	**Total**
No of Respondents	31	15	4	50
Percentage (%)	62	30	08	100

Interpretation: From the above table, shows that 62% of the respondents are under the age group of 20-30 years, 30% are under 30-40 years of age group, 8% of the respondents are between 40-50 year of category. We conclude that majority 62% of the respondents are in the age group between 20-30 years of category.

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PERCENTAGE ANALYSIS

Table.4.1.1.Gender Wise Representation

Option	Male	Female	Total
No: of Respondents	16	34	50
Percentage (%)	32	68	100

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Table 4.1.2. Age Wise Representation

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Interpretation: From the above table, shows that 62% of the respondents are under the age group of 20-30 years, 30% are under 30-40 years of age group, 8% of the respondents are between 40-50 year of category. We conclude that majority 62% of the respondents are in the age group between 20-30 years of category.

CHI-SQUARE ANALYSIS CHI-SQUARE

Table 4.2.1. Relationship Between Gender of the Respodents and the Opinion on Preference for Honda Bikes.

Ho: There is no significant difference between the gender and the opinion on preference for Honda bikes.

Degree of Freedom	Calculated Value	Table Value	Level of Significance	Accepted/Not Accepted
4	2.463	0.711	5%	Not Accepted

Interpretation: The table value is lesser that the calculated value. Therefore, the null hypothesis is rejected and there is a significant difference between the gender of the respondents and the opinion on preference for Honda bikes.

CHI-SQUARE

Table.4.2.2. Relationship Between Age of the Respondents and the Opinion on Factors Influencing for the Purchase Decision.

Ho: There is no significant difference between the age of the respondents and the opinion on factors influencing for the purchase decision.

Degree of Freedom	Calculated Value	Table Value	Level of Significance	Accepted/Not Accepted
12	22.522	5.226	5%	Not Accepted

Interpretation: The table value is lesser that the calculated value. Therefore, the null hypothesis is rejected and there is a significant difference between the age of the respondents and the opinion on factors influencing for the purchase decision.

CHI-SQUARE

Table 4.2.3. Relationship Between Area of Residence of the Respondents and Their Opinion About Quality Affecting Loyalty.

Ho: There is no significant difference between the area of residence of the respondents and their opinion about quality affecting loyalty.

Degree of Freedom	Calculated Value	Table Value	Level of Significance	Accepted/Not Accepted
4	0.422	0.711	5%	Not Accepted

Interpretation: The table value is lesser that the calculated value. Therefore, the null hypothesis is rejected and there is a significant difference between the area of residence of the respondents and their opinion about quality affecting loyalty.

CHI-SQUARE

Table .4.2.4. Relationship between Age of the Respondents and Their Opinion for Improvements Needed by the Company.

Ho: There is no significant difference between the age of the respondents and their opinion for improvements needed by the company.

Degree of Freedom	Calculated Value	Table Value	Level of Significance	Accepted/Not Accepted
2	0.136	0.352	5%	Not Accepted

Interpretation: The table value is lesser that the calculated value. Therefore, the null hypothesis is rejected and there is a significant difference between the age of the respondents and their opinion for improvements needed by the company.

CHI-SQUARE

Table.4.2.5. Relationship between area of residence of the respondents and opinion about the after-sale service by the company

Ho: There is no significant difference between the area of residence of the respondents and opinion about the after-sale service by the company.

Degree of Freedom	Calculated Value	Table Value	Level of Significance	Accepted/Not Accepted
6	2.335	1.635	5%	Not Accepted

Interpretation: The table value is lesser that the calculated value. Therefore, the null hypothesis is rejected and there is a significant difference between the area of residence of the respondents and opinion about the after-sale service by the company.

5.FINDINGS SUGGESTIONS AND CONCLUSIONS

FINDINGS

- Majority of the Honda customers are in the age group of 18 to 25 years.
- Majority of them are under graduates.
- Honda two-wheeler customers are middle class and upper middle class.
- Normally a customer uses a Honda vehicle to a maximum period of 10 years
- Activa, Unicorn and Shine brands are bread winners to Honda.
- Customers buy Honda for its technical features like mileage, easy maintenance, superior technology etc.,
- Customers buy Honda influenced by their friends.
- Customers normally prefer local dealers and service dealers for buying a vehicle.

6. SUGGESTIONS

- Regular availability of all models should be ensured.
- Efforts have to be taken to ensure no stock outs for Activa, Unicorn and Shine.
- Dealer has to put efforts to improve quality of after sales service as majority opined that they would not prefer the dealer after free services.
- Customer feedback system after sale and service would improve the image of the dealer. Dealer has to tie up with banks to provide finance at competitive interest rates.
- Dealer has to be aggressive in marketing the vehicles as they face a very tough competition from local Honda Dealer i.e., Jupiter Honda Dealer as well as the company has to put all efforts to enhance the image of the brand as well as the dealership.

7. CONCLUSION

Honda is one of the leading two-wheeler producers in the globe. It holds a prominent place in the minds of consumer by providing efficient service and better products. Product efficiency and innovations are the method they live up today. Their engineering is comprehensive. Consumer perception towards Honda motorcycles is particularly good. It has created a particularly good brand image for itself by providing low maintenance, fuel efficient, sleek looking models along with efficient after sales service. It has attracted every class of customers. In today's competitive business environment, it is only due to the positive perception of the consumer that the company is being able to compete in the market with its other competitors.

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