

THE SOCIO ECONOMIC FACTORS INFLUENCING THE BUYER BEHAVIOR IN THE TWO WHEELER MARKET IN MADURAI

Mr. K. MurugaDoss¹, Dr. P. Kannadasan²,
Research Scholar¹, Associate Professor², Department of Management Studies,
Madurai Kamaraj University

ABSTRACT

The study is to investigate buyer behavior of the two wheeler customer in Madurai

The study of buyer behavior has presume more important in the two wheeler automobile industry, it has also thrown several challenges to the two wheeler manufacturers and the Dealers, in formulating and adapting effective technology, policy norms and the digitalization and Competitive promotional strategies for growth and market acceptance. It stimulates the process of understanding why a customer or a buyer makes a two-wheeler purchase. Without such an understanding, the industry will be very difficult to respond to the basis of wants and needs of the customers

INTRODUCTION

The Two wheeler automobile Industry in India has been witnessing an unprecedented changes since 1991 when liberalization and the globalization took place in India for the first time, The wave of globalization has directly affect the promotional strategies and buyer behavior in the two wheeler market, which reorganize of it.

The two wheeler market has a significant growth over the last decade. An increased demand in urban and semi urban areas and relatively low cost are the leading factors leading the growth of two wheeler market in India, likely the industry has been facing slowdown and weakness with rising fuel prices, growing safety measures norms, emission Norms (BS VI-Bharath Stage VI) ,High financial interest rate, Higher insurance, Higher Road Tax & Registration Fees, Increase in parts price which slows down the two wheeler market in India

The Indian government unforeseen announcement regarding the norms of BS-VI transition and the electrification of two wheelers by 2025 made the two wheeler market volatile

OBJECTIVE OF THE STUDY

A two-wheeler purchase by the customer is influenced by several factors like social economic, technological, safety, fuel efficiency, consumable usage, sturdy and durability, Reputed brand name, Better look and style, Pickup and speed, Easy maintenance, After sales and services,

Price, New models, Value for money, and Offer and schemes, The manufacturer and the marketers should be take this factors into consideration to improve the competitiveness for the future growth.

Hence, this research has been made to analyze the social factor that are responsible to make decision on purchasing the two wheeler and to determine the most important promotional tools and activities that influenced the customer decision to purchase the two wheeler

1. To study the social factors that influences the purchase of two Wheelers in Madurai region
2. To analyze the importance of various promotional tools in the purchase of two wheelers in Madurai region
3. To identify the brand preference for two-wheelers in the Madurai region

RESEARCH FOCUS

1. What is the relationship between social factors and a two wheeler Purchase decision?
2. What is the relationship between promotional tools and a two wheeler Purchase decision?

METHODOLOGY

This is a descriptive study of the buyer behavior in the two-wheeler market in the Madurai region of Tamilnadu and to analyze the characteristics and the variables influencing the buyer behavior, The study is based on both primary and secondary data which are analyzed using statistical tools

SOURCES OF PRIMARY AND SECONDARY DATA

Since most of the information necessary to full fill the objectives of the study are based on the study on relevant primary data which were collected by conducting a Field survey from the selected sample units in Madurai. The primary data were collected from 109 two-wheeler owners through a structured interview schedule. The secondary data necessary for the study were compiled from Published and Two wheeler dealers

AREA OF THE STUDY

The Madurai region of Tamilnadu state has been chosen for the area of the study

The Two wheeler industries in India

The two-wheeler automobile industry in India is the largest market segment of the domestic auto industry which comprise in terms of 80% of market share in total automobile industry in India. At time of eighties and earlier the two-wheeler is a luxury product for the middle class people The two wheeler now not only the preferred mode for the personal transport but also the most favorite personal household durable among nearly all consumer classes.

Classes are like

1. students (Boys) – Preferred the bikes
2. Students (Girls) - Preferred the scooter
3. Office workers and marketing workers (male) –Preferred fuel efficient bikes
4. Micro small and medium scale industries-consumer classes
5. old age people and women preferred light weight two wheelers
6. Social Status (based on income source)
7. Professional (Engineer/Doctor/CEO/Teacher)

Based on the consumer classes the two wheeler's are segmented as stylish, fuel efficient, safety–sturdy two wheelers. The purchase of these two wheelers are influenced by various factors like socio economic status and the technological factors,

The two wheelers are divided into 3 major product classifications:

1. Mopeds
2. Motor cycles
3. Scooters

Where the scooters and mopeds are **ungeared** vehicle where as motor cycle are **geared two-wheeler vehicles**. Further the scooters and the bikes are classified as **depend on cc –Cubic capacity** of the engine:

1. Scooter -90cc to 150 cc
2. Motor cycles -100 cc to 500 cc
3. Mopeds- 50cc to 100cc

Increase in CC (cubic capacity) leads Increase in engine horse power and pick up speed

SCOOTERS: Scooter is a two wheeler vehicle with small tyres as compare to motor cycle and with the **mono shock absorber**

The leading players of scooter in India are

- 1 Honda – active
- 2 Suzuki – Access 125
- 3 TVS – Jupiter, scooty pep and zest
- 4 Hero- Pleasure
- 5 Yamaha- Fascino ,Ray

Scooters are perceived as most utility vehicle for a family than other Vehicle in India. It has more safety features than a motorcycle e.g. the Front metallic cover that prevents the rider's legs from an injury on Collision or some accident

MOTOR CYCLES: The major players in the motorcycle market are:

1. Hero moto corp.-splender
2. Bajaj Auto Ltd –Discover and Pulsar
3. Tvs motor company- Star city, Sport, Apache and Radeon
4. Honda Motor company- Shine
5. Suzuki
6. Yamaha- RX 150
7. Royal Enfield

Motor cycles all are comes under the geared vehicle And are classified mainly as

- 2 –stroke motorcycle and
- 4-stroke motorcycle

In a 2-stroke motorcycle,

The engine works on a two stroke cycle 1- compression cum suction and 2- expansion cum exhaust.

In a 4-stroke motorcycle,

The engine works on a 4 stroke cycle viz

- (1) Suction stroke,
- (2) compression stroke
- (3) Expansion Stroke and
- (4) exhaust stroke

As of now in current scenario the manufacturer are stopped manufacturing the 2 stroke engine as of emission policy norms

MOPEDS - Moped is one the smallest two wheelers as compare to the motorcycles and the scooter, its engine cc (cubic capacity) was also lower as compare to scooter and the bike. TVS MOTOR COMPANY is the major leader for the moped market. The moped manufacture is stated at eighties .where as 50cc engine capacity - TVS 50 is the first indigenous moped two stroke engine which covers the major market share in India, Then it evolved in to TVS XL 70cc to now TVS XL 100 cc 4 Stroke engine with fuel injection technology. The major customer for TVS XL is small and medium business owners, and the economically lower customers

RESULTS OF THE ANALYSIS

Brand of two-wheelers owned in the Madurai region of Tamilnadu

The major players in the two-wheeler market are HONDA,HERO,TVS,BAJAJ, SUZUKI,YAMAHA, and ROYAL ENFIELD,The two wheeler market in Madurai ,is comprise with motor bikes, scooters, and mopeds with wide variety of models and attractive features catering to the usage ,preference and the consumable of the customer in Madurai city, these two wheelers are sold through main dealer for urban dense population , and branches and Authorized dealer for semi urban and villages ,

ACCORDING TO THE SURVEY

1. The HONDA –ACTIVA ,The SUZUKI-ACCESS,TVS – JUPITER are the top preference of the customer in above 100 cc SCOOTER Market
2. The HERO AND The BAJAJ brands are preferred mostly by the customer for the TWO WHEELER BIKE Market
3. For the MOPED, the customer preferred the TVS brand.

TABLE 1:

Brand of two-wheelers owned in MADURAI

BRAND	NO OF RESPONDENT	PERCENTAGE
HONDA	22	20.18
HERO	19	17.43
BAJAJ	18	16.52
TVS	15	13.76
YAMAHA	11	10.09
SUZUKI	19	17.44
ROYAL ENFIELD	5	4.58
TOTAL	109	100

As it could be seen from TABLE 1

- 20.18% Own Honda two wheelers, 17.43% Own Hero two wheelers, 16.52% Own Bajaj two wheelers, 13.76% Own TVS two wheelers, 10.09% Own Yamaha two wheelers, 17.44% Own Suzuki two Wheelers, and 4.58 %Own royal Enfield two wheelers
- Buyer in the Madurai Region prefer mostly HONDA brand, as compare to other brands
- In Madurai Region the scooter market and the Bike markets are nearly equal; Suzuki scooter- ACCESS 125 model is now gaining the market share in recent times

TABLE 2

- **The Total Respondent segregated to scooters and bikes**

BRAND		NO OF RESPONDENT	PERCENTAGE
HONDA	BIKE	6	5.5
	SCOOTER	16	14.69
HERO	BIKE	16	14.68
	SCOOTER	3	2.76
BAJAJ	BIKE	18	16.5
	SCOOTER	0	0
TVS	BIKE	4	3.67
	SCOOTER	7	6.43
	MOPED	4	3.67
YAMAHA	BIKE	5	4.59
	SCOOTER	6	5.5
SUZUKI	BIKE	2	1.83
	SCOOTER	17	15.59
ROYAL ENFIELD	BIKE	5	4.59
	SCOOTER	0	0
TOTAL		109	100

As in TABLE 2

- The Total two wheelers which are owned by the respondent are further segregated into Bikes, Scooters, and Moped
- Bajaj and hero bikes are sold higher than the other brand as compare 16.52% owned the Bajaj bikes and 14.68% owned the HERO bikes as compare to other products
- As for the scooter, HONDA Owned 14.69%, SUZUKI Owned 15.59% and the TVS Owned 13.76% are the preferred by the customer where the TVS comes at the third position in scooter markets.

TABLE 3

The Total Numbers of Scooters and Bike Respondent

BRAND	SCOOTER	BIKE	MOPED	TOTAL
HONDA	16	6	0	22
HERO	3	16	0	19
BAJAJ	0	18	0	18
TVS	7	4	4	15
YAMAHA	5	6	0	11
SUZUKI	17	2	0	19

ROYAL ENFIELD	0	5	0	5
TOTAL	48	57	4	109

AS in TABLE 3

- On survey The Total Number of scooter owned is 48 the total Number of bikes 57 and The Total Number of moped 4

Promotional tools influencing the two-wheeler purchase decision in the Madurai region

A purchase decision in the two-wheeler market in the Madurai region could be influenced by promotional tools like newspaper, television, radio, internet, magazines, word of mouth from friends and relatives ,financial melas, test rides, exchange melas, road show, demo vehicle camps ,pamphlet distribution, direct marketing and others.

The extent to which the promotional tools will influence the purchase decision will depend on the social ,cultural and economic environment.

Table 4. Ranking of promotional tools influencing the two wheeler Purchase decision

Promotional Tool	Ranking
Newspaper	4
TV	2
Radio	9
Internet	5
Magazine	3
Word of mouth	1
Bike shows & Financial melas	6
Test ride	7
Exchange melas	8

As it could be seen from Table 4,

Among the different promotional tools that influence the purchase decision in the two-wheeler market in the Madurai city, 'word of mouth' is ranked the highest rank -1 followed by TV advertisement rank -2 and the least ranked among them is exchange melas, Radio and other promotional tools.

The word of mouth is the significant promotional tools that influence the purchase decision in the two wheeler, the sources of word of mouth classified as **Primary Reference Group and The secondary reference group**

Primary reference group are very near and close reference where the customer meet face to face on daily activities , **The secondary reference group** are influenced by the group of communities where they are keeping relationship for long period or even generations

The **Primary Reference Group**” factor are

1. Friends
2. Own family members
3. Relatives
4. Co-workers/colleagues
5. Neighbours

The Secondary **Reference Group**” factor are

1. Religious associations
2. Political parties
3. Clubs
4. Community Halls

A purchase decision of a two-wheeler could be influenced by many primary reference group factors like friends, relatives, neighbours and own family members. These social factors exercise their influence differently across income groups, age, gender and occupation.

Table 5. Influence of Primary Reference Group Factors

Social Factors	Number of Respondents	Percentage
Friends	31	28.44
Relatives	18	16.54
Own Family Members	34	31.19
Neighbours	7	6.42
Own Decision	8	7.4
Consumable usage	11	10.01
Total	109	100

It could be seen on table 5, the influence of friends and relatives are the top primary reference group which influence the buyer behavior of two wheeler in Madurai city.

The influence of promotional tools and the factors on buying two wheeler varied depend on the role in society and the status (income source)

Variables under “Role in the Society” factor:

1. Parent (Father/Mother/Grandparent)
2. Professional (Engineer/Doctor/CEO/Teacher)
3. Sibling (Brother/Sister)
4. Student
5. Child (Son/Daughter/Grandchild)

Variables under “Social status factor”

1. Upper income class
2. Upper middle income class
3. Middle income class
4. Lower middle income class
5. Lower income class

CONCLUSION AND SUGGESTION

1. Majority of the buyers in the Madurai region rely on word of mouth from friends ,family member relatives and neighbours whom are immediate near to the customer and followed by internet and their own decisions for their consumable and convenient usage of their own
2. Majority of the two wheeler buyers in the Madurai city prefer HONDA, HERO. followed by SUZUKI ,BAJAJ ,AND TVS and for also satisfaction of after sales and service
3. Increase in fuel cost the customer looking forward switchover to Electric vehicle(EV)
It is zero emission environment friendly, there is no doubt the EV is the future market of the India, where government also subsidizing to the manufacturers and for the customer to motivate on buying EV
4. The buyers also looking one more important factors is **the revaluation** –exchange value of the vehicle after the usage
5. The men age group of 18 to 25 preferring the race type bikes above the 150cc category bike like FZ – Yamaha, TVS – apache, and BAJAJ Pulsar
6. The upper income class buyers are ready to the risk of buying the new models launch of their own decision without influencing of any other factors
7. concluded that Honda and Hero, TVS and Bajaj showed great level of satisfaction among the two-wheeler owners
8. Therefore it was concluded that the “Primary Reference Group” factor was the most Important factor which influenced their two wheeler purchase decision followed by Role In the society and social status factor

The manufacturers and dealers are always need to be a social concern as well of conducting health camps, literacy campaign for the people of rural area, and for urban existing customer render a free training and health fitness camp, health check up campaign in urban area, conducting institutional sales camp on providing low financial interest two wheeler loans for the workers and employs, This will not only improve the sales of the marketer but also create a brand image.