

The Study of Factors Affect of Consumer Buying Behaviour of Hyundai Car in Indore City

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ABSTRACT:

The research focuses on the factors influencing consumer buying behavior. The aim of this study is to find out the factors influencing consumer's decision to purchase Hyundai car. The design of the research is completely quantitative and qualitative. Primary data collected for this study and the Chi-square test has been used. According to the results of this study, there are certain factors that influence consumer buying behavior, including brand, satisfaction, fuel consumption and lifestyle, safety feature etc. Different ages of the consumer, stages of the life cycle, motivations, perceptions and environment also play an important role in influencing the purchasing decision.

Keyword: Consumer buying behaviour, Automobile industry, Purchase decision, brand satisfaction.

INTRODUCTION:

Hyundai Motor Limited was founded on 6 May 1996 in South Korea. Hyundai Company entered the Indian automobile market in 1996. Hyundai Company has two manufacturing plants in Irungattukottai and Sriperumbudur State of Tamil Nadu. The Indian automobile industry currently consists of many Indian and multinational brands, including Marti suzuki, Honda, Chevrolet, Skoda, Renault, BMW, Hyundai, Nissan, Fiat, Toyota and General Motors. Hyundai Company is one such automaker that has mass-produced and sold more than one million cars. This company has been successful in winning the trust of the people in the automobile sector of India. It is credited with starting the automobile revolution. Upper and middle class people often use small cars. Until a few years ago, only a few hundred industrialists and rich people owned cars. However, after industrialization, the earning capacity of the middle class has also increased and now more people than ever can afford to buy a car for their family. A car is not only bought for one's social status but is also considered a necessity by people. Hyundai Company is known for fulfilling the needs and desires of people.

Review of Literature

1. Qazzaifi Sheikh (2020) the research focused on the factors that influence consumer buying behavior. The aim of this study is to understand the factors that influence consumer buying decisions regarding goods and services, as well as how these influences the individual consumer's purchasing decision. It also found that different age, different stages of life cycle, motivations and perceptions influence the buying decision of a consumer, and that the environment around the consumer plays a significant role in influencing the buying decision. This report helps to better understand the factors that influence consumer buying behavior in order to make informed decisions about the products.

2. GAJJAR B.NILESH (2013) Customer behavior studies are based on consumer buying behavior, in which the customer performs three distinct roles: user, payer, and buyer. Consumer behavior is difficult to predict, according to studies. Because these are the people who ultimately buy the company's products and services, the organization always motivates them to buy in order to earn money. Because of the many variables involved and their ability to interact with and influence each other, the study of consumer behavior is quite difficult. These three main categories have been grouped as the most influential general influences on consumer behavior. Consider three concentric circles, one at the outermost point, one at the middle, and one at the innermost point.
3. Sata Mesay (2013) this study sought to understand the underlying causes of purchasing a cell phone device. According to the survey, the majority of consumers own Nokia mobile phones. In addition, the majority of Nokia Smartphone users are considering switching to other brands such as Samsung, apple, and blackberry. To test the effects of six independent variables (price, social status, reputation, brand name, product feature, and after-sales service) on the decision to buy a mobile phone device, this study used multiple regression analysis. The six independent variables combined have a major effect on consumers' purchasing decisions for mobile phone products. The most important factor is the price, followed by the product's functionality and durability.
4. Modi Sakshi, Jhulka Tapasya (2012) The findings of the study show that various factors play a role in the consumer's purchasing decision in one way or another. It should also be noted that Indian consumers are sentimental, as family needs override fuel efficiency or the price of the vehicle. Consumers' purchasing of a vehicle can be explained by their behavior, as shown by the following examples. This dissertation explores some of the recent advances made in consumers' research into such psychological influences, from the quantitative analysis of motivational data to the quantitative analysis of key consumer attitudes and their application to the modern mass marketing problem.

BUYING BEHAVIOUR:

As shown by the following characteristics, buying behavior refers to the way individuals or groups make purchasing decisions. It involves a variety of activities, ranging from assessing the need for a particular product or service to researching alternatives and ultimately making a purchase. Businesses must understand customer behavior in order to effectively market their products or services and satisfy their target audience's needs and preferences. Here are a few of the most important aspects of purchasing behavior: it is a complicated process. This occurs when consumers get regular purchases without even considering it. This oftentimes includes low-cost, commonly purchased items such as groceries or household items. Consumers have some information about the product category in this fashion of shopping, but they can still consider a few choices before making a decision. Consider choosing a restaurant for dinner or a new smart phone as examples. Extensive decision making: before making a purchase decision, consumers conduct extensive research and testing, particularly for high-involvement items such as cars, homes, or expensive electronics.

The factors affect of buying behaviour process.

1. Brand:

Features and performance of the product - the characteristics and performance of the vehicle greatly influence customers' decision-making process when selecting a brand. Brands that have innovative features, advanced technologies, safety features, and superior performance are better positioned to attract and retain customers.

When considering the factors that influence car brand perception and purchasing decisions, several main factors come into play. These factors can be broken down into several groups, each contributing to how a car brand is perceived and chosen by consumers.

1.1 Describe the following points.

- Brand reputation and image
Heritage and history: long-standing brands with a rich history (e.g., Mercedes-benz, ford) have a strong, established reputation.
- Values of the brand: innovation (Tesla), luxury (Lexus), or dependability (Toyota) is the main values and mission of the company.
- Public perception: the brand is perceived by a broad audience and media portrayal.

1.2. Product Quality and Reliability

- Build quality: The materials used and the craftsmanship involved in the car's construction is both fascinating.
- Reliability: A car's dependability over time is often expressed in warranty offers and reliability ratings.

1.3 Design and Style

- Engine Performance: Power, acceleration and overall driving dynamics all depend on the characteristics of the vehicle.
- Handling and Ride Quality: How well the vehicle maneuvers and the ride itself is comfortable.

2. Satisfaction: in the automotive industry, customer satisfaction plays a vital role, impacting not only individual purchasing decisions but also wider market dynamics. Customers are most likely to be loyal, positive word-of-mouth, and sustained company growth.

- **Brand Loyalty:** Customers who are satisfied are more likely to retain their brand image. If a consumer has had a positive experience with a particular car brand, they are more likely to purchase from the same brand again in the future. This loyalty can be attributed to good product quality, prompt after-sales service, or positive past ownership experiences.
- **Word-of-Mouth and Recommendations:** decisions, as personal recommendations are often trusted more than advertisements. Customers who are satisfied with their purchases often share their positive experiences with colleagues, family, and online communities. Positive word-of-mouth can greatly influence others' buying
- **Repeat Purchases:** A high point of satisfaction increases the likelihood of repeat purchases. If consumers are content with their current vehicle, they are more likely to buy their next vehicle from the same manufacturer or dealership.
- **Perception of Quality and Value:** Satisfaction can raise the perceived value and quality of a vehicle. Customers are more likely to rate the brand highly and recommend it to future purchases when they feel they received good value for their money and the vehicle met or exceeded their expectations.

3. Price: Price is a crucial factor in driving car purchasing decisions. Price can influence consumers' purchasing decisions in many ways Firstly there are several ways in which price can influence their purchasing decisions.

- **Affordability:** The price of a vehicle can greatly affect its affordability. Consumers have different spending goals, and the price point of a vehicle can make it either accessible or out of reach for potential buyers. High prices may deter some consumers, while lower prices may attract a wider audience.
- **Perceived Value:** The price of a vehicle's product determines its perceived value. Consumers often ask whether the car's features, quality, and benefits outweigh the price. A car that is perceived as offering a good value for its money is more likely to be purchased than one that is considered to be overpriced.
- **Price Sensitivity:** Different consumers have different wealthy-person of price sensitivity. Price-sensitive buyers are more likely to be affected by price increases and discounts. They may prioritize finding the best deal over brand loyalty, while less price-sensitive consumers may prioritize brand reputation or features.
- **Comparison Shopping:** Price is a factor in comparison shopping. Consumers often compare prices between different brands and models to ensure they are getting the best price. If all other factors are considered equally, competitive pricing can sway consumers towards one brand over another.
- **Financing and Payment Options:** The total cost of ownership, as well as financing and payment options, influences purchasing behavior. Attractive financing options, such as low-interest rates or extended payment plans, can make higher-priced cars more affordable and appealing to consumers. Price is a multifaceted factor that plays a role in various aspects of a consumer's purchasing decision in the car industry. Car manufacturers and dealers can strategically price their vehicles to attract and retain customers by balancing affordability with perceived value and quality.

4 Lifestyle:

In the car industry, lifestyle factors play a vital role in shaping consumer buying decisions. These factors affect a person's daily life, hobbies, interests, convictions, and values, which collectively influence their preferences and choices. There are several ways in which lifestyle factors influence car buying behavior: firstly, there are several ways in which lifestyle factors play a role in driving behavior

4.1 Personal Preferences and Interests

- **Vehicle Type:** For their spaciousness and off-road capabilities, people who live in active lifestyles will like SUVs or crossovers. In contrast, those who value style and convenience tend to favor high-end sedans.
- **Technology and Features:** People who are savvy with technology will want cars with advanced infotainment systems, autonomous driving functions, and connectivity options.

4.2 Family Dynamics:

- **Size and Needs:** Families with children often prefer spacious vehicles with ample seating and safety features, such as minivans or SUVs. In contrast, single people or couples without children may prefer smaller, sportier cars.
- **Safety:** Parents usually prioritize safety features such as advanced driver assistance systems (ADAS), airbags, and child safety locks.

4.3 Environmental Concerns:

- **Eco-friendly options:** due to their lower carbon footprint and fuel consumption, environmentally conscious consumers are more likely to choose hybrid or electric vehicles (evs).

- **Sustainability:** buyers who value sustainability should also consider the car manufacturer's dedication to environmentally friendly practices and materials.

4.4 Social Status and Images

- **Luxury and prestige:** consumers who value social status will gravitate towards luxury brands like BMW, Mercedes-Benz, or Tesla. Owning such a vehicle can be a sign of success and prestige.
- **Brand perception:** a car brand's image and greatly influence purchase decisions. Customers who want to match their personal image with brands that are perceived as innovative, reliable, or trendy are often drawn to them because they are perceived as being these qualities.

4.5 Cultural and Regional Factors:

- **Cultural norms:** preferentiality's for certain types of vehicles can be influenced by cultural background. For example, some cultures will place a lot of emphasis on large family vehicles while others will emphasize compact, economical vehicles.
- **Regional Preferences:** the geographical location will also influence car choices. Trucks and SUVs will be a big hit in rural areas, while urban areas will be looking for smaller, more fuel-efficient vehicles.

5. Safety features:

When it comes to cars, safety considerations are a significant factor in consumer purchasing decisions. A buyer's decision can be influenced by many aspects of security, and knowing them will give insight into their needs and wants. Here are some of the most important facts about how safety features influence car buying behavior Using the following keywords, you will find out how safety features impact car buying behavior.

5.1 Perception of Safety:

- **Brand reputation:** consumers often associate such brands with high risk requirements based on their previous performance, reputation, and marketing.
- **Crash test ratings:** ratings from organizations such as the national highway traffic safety administration (NHTSA) and the insurance institute for highway safety (IIHS) can greatly influence perceptions of a vehicle's safety.

5.2 Specific Safety Features

- **Airbags and ABS:** today include standard equipment such as airbags and anti-lock brake systems (abs) in cars. For many buyers, their presence can be a minimum requirement.
- **Advanced Driver Assistance Systems (ADAS):** Features such as lane-keeping assist, adaptive cruise control, blind-spot monitoring, and automatic emergency braking are becoming increasingly popular.
- **Child Safety Features:** for families, features such as isofix seat anchors, rear-door child safety locks, and rear-view cameras are vital.

5.3 Psychological Comfort:

- **Peace of Mind:** Knowing that a vehicle is equipped with the latest safety technology can give the driver and passengers' peace of mind, making them more likely to buy.
- **Responsibility:** Drivers have a responsibility for their own wellbeing, which is what drives them to choose safer vehicles.

RESEARCH METHODOLOGY:

A research methodology is a systematic approach to conducting and analyzing a study. It describes where and how the data used to perform the analysis is collected. The present study includes all of the research's theoretical approaches and arguments.

Research area: These Data are collected from Indore in Madhya Pradesh. The population is highly heterogeneous in terms of race, caste, Business, client tradition, social system, language proficiency, education, occupation and wealth.

Sample Technique: This study was conducted using random sampling method and sample 150 participants were selected by the researcher. Primary data collect for this research and used Chi-square test. A brand attracts customers and creates trust in the product. The brand image is created by consumers. It helps in increasing the sales of the product and establishes the brand as a company.

OBJECTIVE OF THE STUDY

1. To study the factors responsible for consumer buying behaviour.
2. To assess Brand & price factors influence the consumer buying behaviour.

HYPOTHESIS:

H₀ the factors of consumer behaviour influencing the purchasing process.

H₁ There is no significant relation factors of consumer behaviour and purchasing process.

Table 1

S.NO	FACTOR	RESPONDENTS	PERCENTAGE OF RESPONDENTS
1	Brand	35	23.33
2	Satisfaction	28	18.67
3	Price	33	22
4	Lifestyle	24	16
5	Safety features	30	20
	Total	150	100

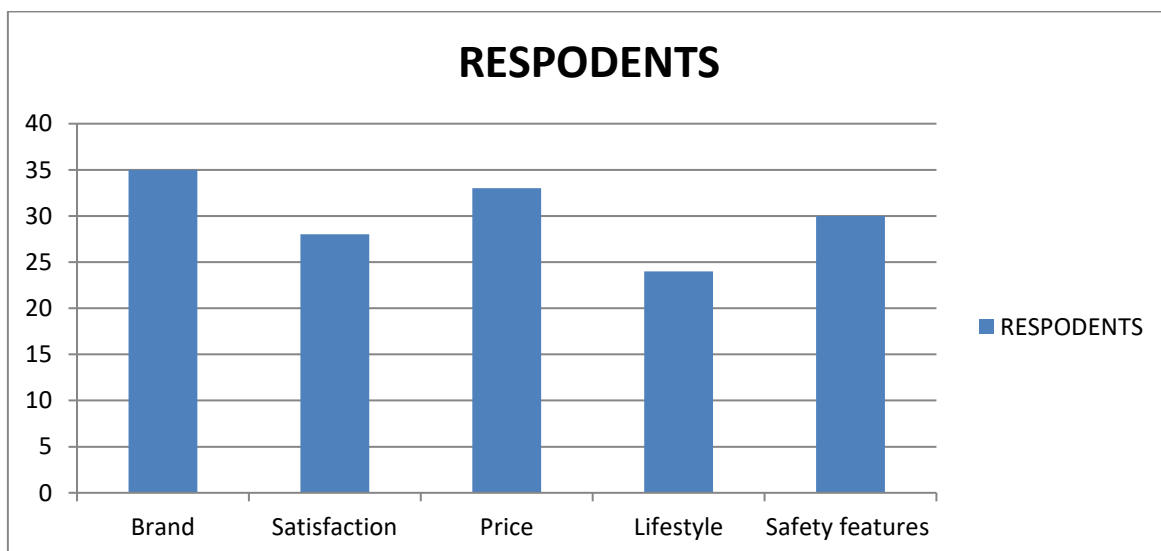


Figure 1

Table 2

S. no	Observe value(O)	Expected value (E)	(O-E)	(O-E) ²	(O-E) ² /E
1	35	30	5	25	0.83
2	28	30	-2	4	0.13
3	33	30	3	9	0.3
4	24	30	-6	36	1.2
5	30	30	0	0	0
	Total				2.46

$$\sum = (O-E)^2 / E = 2.46$$

Calculated value of χ^2 is = 2.46

Degree of Freedom (n-1) = (5-1) = 4

The table value of χ^2 for 4 degrees of freedom at 5 percent level of significance is 9.488. Comparing calculated and table values of χ^2 . We find that calculated value less than the table value.

The result is H_0 (null) hypothesis is accepted and H_1 hypothesis is rejected.

Conclusion:

The presented research studies the factors influencing car buying behaviour. This study includes all the consumers who are involved in decision making before and after the purchase. Leadership in a competitive market can be achieved only when complex consumer behaviour is understood. Today Hyundai Company remains the first choice of customers and is performing well in the automobile sector. The most preferred factors in the study are brand, satisfaction, price, lifestyle, safety feature, fuel consumption etc. and the display scheme of the company is acceptable as per the opinion of the customers. These factors, apart from gaining market share, play an important role in determining the success of the business.

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