

# ASSESSING THE SATISFACTION LEVELS OF HATCHBACK CAR OWNERS IN SALEM DISTRICT

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**Abstract-** Understanding consumer behavior is a complex yet essential aspect of business strategy. Consumer behavior differs from one individual to another, and as the driving force behind market dynamics, consumers determine the success and longevity of brands. Companies must recognize the needs and expectations of their consumers to create products and services that resonate with them. It is crucial to study shifts in consumer attitudes, preferences, and perceptions from production to marketing. Factors like brand color, pricing, product quality, service offerings, and resale value play a significant role in shaping consumer satisfaction. To explore these preferences and measure satisfaction levels, a study has been conducted in Salem District. This research aims to understand how various attributes influence consumer choices and contribute to the overall customer experience, thus providing valuable insights for businesses seeking to improve their offerings and strengthen their brand presence.

**Keywords:** Brand preference, Hatchback cars, Satisfaction.

## 1. INTRODUCTION

Indian automobiles sector is the powerful pillar of Indian economy. There were only few players found in 1980s. Obsolete and substandard technologies affected the growth of this sector till 1990s. As a result of globalization of economies in 1991, multinational brands entered into Indian Automobile Sector. 19 percent of indirect tax revenue in GDP was achieved due to the contribution of automobile industries. Indian status and standards of hatchback cars were estimated high at international level. Market share of Indian automobiles were splendid despite of recession in 2019. Purchase of cars have also started to increase not as 'luxury' but as 'basic necessity'. Hatchback cars in India has gained popularity due to the introduction of Maruti Swift, Renault triber, Maruti Baleno etc. Hatchback refers to a compact or small cars in US. However, it can also refer Sports cars and Large size luxury cars with a hatch-type rear door than often opens upwards.

## 2. REVIEW OF LITERATURE

Kohli and Singh (2021) utilized the Kano model to explore customer satisfaction with advanced car technologies in India. Their study identified safety features, affordability, and post-sales service as primary drivers of satisfaction. The findings emphasized that manufacturers focusing on these areas could achieve higher customer loyalty and competitive advantage. Srikanth and Madhavi (2020) analyzed consumer behavior regarding car purchases, highlighting factors such as brand name, after-sales service, and pricing. They found affordability and service quality to be critical determinants of customer satisfaction, indicating a preference for value-for-money options with reliable service. Sujith and Ranjani (2021) investigated hatchback car sales in Tamil Nadu, revealing that advertisements and dealer networks strongly influence customer satisfaction. The study recommended better marketing strategies to enhance consumer experiences.

## 3. NEED FOR THE STUDY

Due to the impact of Liberalization and Globalization, huge growth potentials and new vistas were opened up for the car manufacturers at global level. Positive changes in the purchasing power and life style of the people resulted into the use of hatchback cars. Marketers and advertisers were doing continuous researches about the preferences and changing mind sets of the consumers. Buying behaviour needs to be analyzed among different market segments. Manufacturers and marketers must understand to read the attitudes and perceptions of buyers of hatchback cars along with their level of satisfaction, hence the need for the present study.

#### 4. STATEMENT OF THE PROBLEM

Owing to the stiff competition for hatchback cars are prevailing at global level, Indian marketers were paying special attention to increase the sales of hatchback cars. Various brands are competing each other to capture sizeable market share. Massive advertisements and use of digital technology make the variety of choices. Brand awareness and global level contacts and communication play a significant role to influence the perception and choice of consumers in one hand and product quality on the other hand. Buying decisions of consumers includes many processes including the authentication of dealers. Misrepresentation of real conditions of the car and hiding the facts about the cars were the major issues which make buying decisions so complex. Most of the buyers were misled by the dealers, manufacturers and other sellers with regard to manufacturing defects, price, quality and working conditions of the vehicle. However, poor quality of roads and lack of infrastructural facilities affect the sale of hatchback cars in India. Consumers always correspond with the descriptions of manufacturers. When there is a mismatch between the descriptions and actual performance, the car owners were dissatisfied. Sometimes, offers were given during the month of December to attract the customers to purchase the previous year car tactfully. Problems in credit insurance, attraction through advertisements, poor after sales service and support, fast changing life styles, lapse of technology, spare parts unavailability, strict rules and regulations of Financial Institutions etc. influence the purchase behaviour of car owners of hatchback cars. Therefore, there is a need to conduct empirical surveys to observe the changing intentions of consumers from time to time, hence the present study.

#### 5. RESEARCH OBJECTIVES

- To analyse the Satisfaction Levels of Hatchback Car Owners in Salem District.

#### 6. RESEARCH METHODOLOGY

The study is analytical in nature. Primary data has been collected through well structured questionnaire among the hatchback car owners chosen from four revenue divisions in Salem District. In order to understand the trend, status and progress of automobile industry and car markets, secondary data has been used in the relevant places by referring various sources viz., books, reports, magazines, web portals etc.

#### 7. SAMPLING FRAMEWORK

For the present investigation, hatchback car owners are the target population. The use of hatchback cars is high in the areas with more number of middle-income group and industrial based areas. Basically, Salem district is business-oriented and possesses a greater number of the middle-income group population. Therefore, the Salem district of Tamilnadu is purposively selected as a study area. The study used the proportionate random sampling method for collecting qualitative data.

The sample size was determined by adapting the Cochran principle to an infinite population:

$$n = \frac{Z^2 pq}{e^2}$$

$$n = \frac{1.96^2 \times 0.5 \times 0.5}{0.035^2} = 784$$

Where,

Z = 1.96 (95% Confidential Level)

P = 0.05

q = (1-p) = 0.5

e = Acceptable Error = 3.5% i.e, 0.035

According to Cochran’s sampling procedure, a sample size of 784 is needed. So, the researcher decided to collect data from the 784 hatchback car owners. The study covers 196 hatchback car owners from each 4 revenue divisions of the Salem District, namely Salem, Attur, Mettur, and Sankagiri (Table-7.1).

**Table-7.1 Sample Size**

Block	Total
Attur	196
Mettur	196
Salem	196
Sankagiri	196
<b>Total</b>	<b>784</b>

## 8. RESULTS AND DISCUSSION

**Table-8.1 Socio-economic Status of the Respondents**

Category	Description	Frequency (N = 784)	%
Age	Below 35 (Young)	195	24.9
	36-55 (Middle)	262	33.4
	Above 55 (Old)	327	41.7
Gender	Male	459	58.5
	Female	325	41.5
Educational Qualification	School Level	122	15.6
	Diploma /Technical	244	31.1
	Graduate	293	37.4
	Professional	125	15.9
Marital Status	Single	260	33.2
	Married	524	66.8
Nature of Family	Joint Family	524	66.8
	Nuclear	260	33.2
Family Size	Upto 3	130	16.6
	4-6	262	33.4
	6-8	327	41.7
	Above 8	65	8.3
Occupation	Agriculturalist	197	25.1
	Government Employee	262	33.4
	Private Employee	130	16.6
	Business	65	8.3
	Student	130	16.6
Family Income (pm)	Below ₹50,000	62	7.9
	₹50,001-1,00,000	92	11.7
	₹1,00,000-1,50,000	441	56.3
	Above ₹1,50,000	189	24.1

Source: Primary data

The respondents were classified into three categories viz., young, middle and old. One fourth of the respondents were in young age group. Middle and old age group respondents were abounding in the sample consisting 33.4 percent and 41.7 percent respectively. Most of them were male (58.5 percent). Except 15.6 percent of the respondents having school level education, rest of them were diploma holders or graduates or professionals. Majority of them (66.8 percent) were married and following joint family system. Only 16.6 percent of them had family members upto three. Most of them were agriculturists (25.1 percent) and Government employees (33.4 percent). Majority of them earned income ranging Rs.1 lakh to Rs. 150000 (56.3 percent) and above Rs.150000 (24.1 percent). In short, the respondents were in middle or upper layers in the socio-economic ladder.

### 8.1 Customers Satisfaction towards Hatchback Cars

Level of satisfaction of customers must be measured time-to-time in order to understand the changing needs and wants of customers. Products are offered for customers. But the customers should really enjoy the benefits of the products. Measuring the level of satisfaction of customers would be helpful to understand the expectation of customers and fulfil their changing needs and preferences through prompt measures. If the customers are not satisfied, the product cannot withstand in the market for a long time. Therefore, this study used EFA to the reduction of data and groups the variables of customers' satisfaction towards hatchback cars for further analysis.

**Table – 8.2 Communalities for Customers' Satisfaction towards Hatchback Cars**

Variables	Initial	Extraction
The car gives good mileage	1.000	.685
I feel more comfortable while driving	1.000	.764

Variables	Initial	Extraction
Accessories are available in almost all the services stations	1.000	.727
The performance of the car is effective whenever the speed increases	1.000	.797
Engine quality is assured and the long life of the vehicle is ensured.	1.000	.747
Pickup capacity is appreciable	1.000	.720
I feel that the car increases safety feelings	1.000	.860
I am satisfied with the spaciousness of the car	1.000	.767
Maintenance of the car is affordable to me	1.000	.664
I enjoy the Style/ Design of the car	1.000	.826
The car provides more Brake safety	1.000	.911
My car gives good resale value	1.000	.889
The brand image of the car is high to the best of my knowledge.	1.000	.873
More colour options of the car are available	1.000	.773
More number of service stations are available	1.000	.864
I am satisfied with the battery performance of the car	1.000	.574

The communality values for the variables of customers’ satisfaction towards hatchback cars concerning before and after extraction are exhibited in the above table. A variable with the communality value lower than 0.5 should be omitted (Hair et al., 2010). The communality values for the variables of customers’ satisfaction towards hatchback cars are above 0.50. So, no need to remove any variable because of the low communality value. It discloses that all the variables of customers’ satisfaction towards hatchback cars are satisfactorily represented in the formation of factors.

**Table – 8.3 Total Variance Explained for Customers satisfaction towards Hatchback Cars**

Component	Initial Eigen values			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.877	30.484	30.484	3.250	20.310	20.310
2	2.901	18.129	48.613	2.962	18.513	38.823
3	1.866	11.665	60.278	2.663	16.645	55.468
4	1.714	10.713	70.991	2.073	12.955	68.423

The factors based on Kaiser’s criterion extracted four Eigen-values such as 3.250, 2.962, 2.663, and 2.073 respectively. The Eigen values values are higher than one. Hair et al. (2010) suggested that the factors should expound at least 60 percent of the total variance. In the present study, four major factors of customer satisfaction towards hatchback cars are obtained with 75.783 percent of the total variance.

**Table – 8.4 Rotated Component Matrix for Customers’ Satisfaction towards Hatchback Cars**

Factors/ Component	Variable Loadings
<b>Factor I - Design</b>	
I enjoy the style/ design of the car	.894
More colour options of the car are available	.705
I am satisfied with the spaciousness of the car	.624
<b>Factor II - Technology and Durability</b>	
The performance of the car is effective whenever the speed increases	.838
I am satisfied with the battery performance of the car	.703
Maintenance of the car is affordable to me	.658
Pickup capacity is appreciable	.578
<b>Factor III - Features and Value for Money</b>	

Factors/ Component	Variable Loadings
The car gives good mileage	.739
Accessories are available in almost all the services stations	.701
Engine quality is assured and the long life of the vehicle is ensured.	.693
My car gives good resale value	.536
The brand image of the car is high to the best of my knowledge.	.511
<b>Factor IV - Comfort &amp; Safety</b>	
I feel that the car increases safety feelings	.748
The car provides more brake safety	.705
More number of service stations are available	.610
I feel more comfortable while driving	.530

The orthogonal rotation method is a widely accepted rotation method for data reduction (Hair et al., 2010; Tabachnick & Fidell, 2006). This study applied the varimax orthogonal method. It is an established successful analytic method to obtain an orthogonal factor rotation. In the measurement of the factor loading, a variable with the cross-loading value below 0.5 should be omitted (Hair et al., 2010). In this study, the factor loadings for the variables of customers' satisfaction towards hatchback cars are more than 0.50. So, there is no need to remove any variable from the analysis. The first factor includes three items epitomize 'Design' with 20.310 percent of the variance. The second factor entails four variables represent 'Technology and Durability' with 18.513 percent of the variance. The third factor entails five items representing 'Features and Value for Money' with 16.645 percent of the variance. The fourth factor represents four items representing 'Comfort & Safety' with 12.955 percent of the variance.

## CONCLUSION

The consumer behavioural aspects would predict the effects of brand loyalty. But, multiple factors bring differentiations from product to product based on the requirements, usage, performance and extent of satisfaction of consumers. With this added conceptual clarity, the present research has well-thrown light on the field level realities. The study explored that the respondents were in the middle or upper layers of socio-economic ladder. Though lot of hatchback cars were gaining significance, Maruthi and Hyundai brands have attracted numerous consumers using the cars frequently. The customers have the idea to repurchase the hatchback cars due to the strong bondage with their choices and preferences of the brand selected by them. They have adequate exposure and brand knowledge especially with regard to the physical features, aesthetic appeal and quality. They expressed their high level satisfaction towards spaciousness, colour, style, design, pick up capacity, maintenance, speed performance, resale value and safety features of hatchback cars. However, 49 percent of them did not have high level satisfaction. High tariffs, high service charges and high cost of spares were the problems of faced by the car owners.

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