

Rural Customers' Attitude and Satisfaction towards Honda Two Wheelers and Showroom Services, Tiruvarur

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Abstract

Objectives: A buyer in general compares the performance of the products they bought with their expectation with regard to satisfaction. Firms have to constantly meet the expectations of the buyers by means of their offer which meet and exceed the buyers' expectation. This will ensure firms endurance in the competitive environment which may give them competitive advantage to surpass the rest of the players in the market. Honda is one of the biggest firms in India. They have many models of two wheelers for the customers and also they launch many new models every year. This study deals with the consumer attitude and satisfaction towards Honda two wheelers and services at Honda showroom, Tiruvarur in India. This study was conducted to find out the factors influencing consumer behaviour of Honda two wheelers and the factors influencing consumer behaviour of Honda two wheelers. **Methods/Analysis:** Primary and secondary data were utilised for this study. 230 two wheeler customers of Honda showroom, Thiruvarur was included for this study. In order to find out the respondents' opinion about awareness about Honda two wheelers, model of Honda, celebrity endorsement, price of Honda, employee behaviour in the showroom and level of services at the showroom structured questionnaire was used. In order to test the structured questionnaire, 20 respondents were used for pilot study. For Data analysis Software package SPSS was used. Statistical techniques like Chi-square test, Factor analysis and percentage analysis were used to analyse the collected data. **Findings:** From the analysis it is inferred that majority of the customers are highly satisfied with Honda two wheelers and the dealer of Honda motors) in Tiruvarur. Majority of the customers were highly loyal and satisfied (except vehicle provided with the reasonable amount of fuel at the time of delivery) with the service at the showroom. At the time of purchase, customers should be educated towards handling and maintenance of two wheelers and dealers have to ensure the availability of spare parts. **Applications/Improvements:** This study was conducted in rural area to understand the customer opinion about the Honda two wheelers and showroom experience. Automobile dealers have opportunities to meet the buyers in person and can contact them. In order to understand the buyers' opinion of Honda two wheelers and showroom, dealers have to conduct these kinds of surveys periodically.

Keywords: Customer Attitude, Dealer, Satisfaction, Service, Two Wheeler

1. Introduction

In the rapid changing environment two wheelers is almost inevitable and considered to be a member in any family. By 2016, automobile industry in India is anticipated to attain the top three levels in the world. With the yearly production of 23.37 million vehicles in FY 2014-15, auto industry in India is growing rapidly. With regard to India's

Gross Domestic Product (GDP), automobile industry accounts for 7.1%. Due to rising young and middle class population in India, with 81% market share, two wheelers segment is the leader in automobile industry. Moreover, Government of India promotes 100% Foreign Direct Investment (FDI) under the automatic route (IBEF, 2015). Automobile industry in India market share by volume is given in Figure 1. Honda is the fastest growing company

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in India, a 100% subsidiary of Honda Motor Company limited, Japan, established in India at Manesar, Gurgaon in 1999. With regard to product category, Honda offers two wheelers under three categories, namely, motorcycle, scooter and superbikes. Wings is the symbol of Honda two wheeler with the 'The Power of Dreams' as their slogan. This study was conducted with the two wheeler customers of Honda showroom at Thiruvarur, Tamil Nadu. Honda showroom at Thiruvarur is dealing with Honda bike like Activa, Aviator, CB 1000R, CB Unicorn 160, Dio, Dream Yuga, Twister, VFR 1200F, VT 1300 CX. As per the theory of consumer behaviour cultural, personal, social and psychological factors influence the buying behaviours of consumers¹. Understanding the customer's preferences and expectations are imperative for the endurance and expansion of automobile industry. In order to understand the satisfaction level of customers regarding their purchase decisions this study was conducted. The research has been conducted for HONDA showroom at Tiruvarur district only. From this study, the sources of information, influencing factors and preference of the customer can be identified. This study will be useful to the HONDA showroom to understand the existing customers' opinion, expectations, level of satisfaction and to acquire new customers. Understanding the customer tastes, preferences and expectations are important for the survival and growth of any organization especially in the competitive environment. This study will be useful for the HONDA showroom, Tiruvarur to understand the opinion of their customers regarding the various aspects of their service levels. The study will be useful for HONDA showroom to satisfy their existing customers and to acquire new customers. In order to predict the satisfaction of consumer and their preferences of brand, self-image congruity is a powerful forecaster². Image of the product with the help of congruence effect persuades the preferences and satisfaction of the consumer³. Customers with high income favoured Honda Bikes and most of the buyers were aware of Honda Bikes⁴. Main concern for satisfaction of customer is quality irrespective of the high price of products⁵. Essential reason of personal transport with reasonable price was satisfied with the help of motor cycle and after sale service was the main factor with regard to satisfaction of the buyers⁶. Because of huge population and people with diverse tastes and preference, India can be considered as the appropriate place to sell their products for two wheeler manufacturers⁷. When customer receives the vehicle, the main concern for them is to know

the location of after sale service⁸. In order to satisfy the customers in the competitive business environment and also to ascertain their requirements automobile industry in India is investing enormous money⁸. Customer satisfaction depends upon their expectation about the product and the performance of the product, Philip Kotler (2003). Main⁹ aspect of customer satisfaction is to create and keep customer faith in a firm and its offer¹. The opinion of the people about the advertisement will have an impact about the brand in the advertisement¹⁰. Relationship of two-wheeler dealers with the customers, their nearness and their service will facilitate the automobile manufacturer to enhance their brand equity¹¹. Various features of the two wheeler and other value added services could satisfy women two wheeler consumers in India¹²⁻¹⁴.

2. Materials and Methods

Primary and secondary data were utilised for this study. 230 two wheeler customers of Honda showroom, Thiruvarur was included for this study. In order to find out the respondents' opinion about awareness about Honda two wheelers, model of Honda, celebrity endorsement, price of Honda, employee behaviour in the showroom and level of services at the showroom structured questionnaire was used. In order to test the structured questionnaire, 20 respondents were used for pilot study. For Data analysis Software package SPSS was used. Statistical techniques like Chi-square test, factor analysis and percentage analysis were used to analyse the collected data. Researcher referred various research papers for this study. Various objectives were framed to find out the customer attitude and satisfaction of Honda two wheelers, factors influencing consumer behaviour of Honda two wheelers, various attributes customers prefer in Honda two wheelers, customer opinion for the advertisement given for Honda two wheelers, customer's opinion about the various aspects of the services of CA Honda, Tiruvarur and to suggest some guidelines to the Honda showroom to satisfy their existing customers and acquire new customers.

3. Data Analysis and Discussion

Following research questions were framed for the study:

- There is no significant relationship exists among the gender of the respondents and their opinion about bike model.
- There is no significant relationship exists among the gender respondents and their opinion about source of awareness about two wheelers.
- There is no significant relationship exists among the gender of the respondents and their opinion about showroom working hours.
- There is no significant relationship exists among the marital status of the respondents and their opinion about celebrity endorsement.
- There is no significant relationship exists among the educational qualification of the respondents and their opinion about source of awareness about two wheelers.
- There is no significant relationship exists among the educational qualification of the respondents and their opinion about celebrity endorsement.
- There is no significant relationship exists among the income of the respondents and their opinion regarding the bike model.
- There is no significant relationship exists among the income of the respondents and mode of payment for two wheelers.
- There is no significant relationship exists among the occupation of the respondents and their view regarding the bike model.
- There is no significant relationship exists among the occupation of the respondents and their view regarding the mode of payment.

As per the Table 1, it is clear that study sample comprised of 76.4% male and 23.6% of female. With regard to monthly income, 34.5% of respondents' monthly income was in the range from Rs. 10001 to Rs. 20000 and 22.7% of respondents' monthly income was in the range from Rs. 20001 to Rs. 30000. Study sample comprised of 36.4% of private employee, 24.5% of businessmen and 14.5% of Govt. employee.

In order to recognize the lesser number of factors underlying huge number of observed variables, factor analysis is used. Table 2 shows KMO and Bartlett's test, KMO value ideally is to be greater than 0.7. As per table KMO value is 0.718 and Bartlett's test of sphericity is significant. [Chi-square x 2 (136) = 311.014, $p < 0.001$]. Therefore the factor analysis is suitable for this data set.

As per Table 3, total variance gives the total variance described by the factor analysis solution and gives sug-

gestion about the number of helpful factors. The figure under the column 'cumulative' in this part indicates that the six extracted factors explain 59.793 of the variance. The analysis indicates that out of the 17 factors used for analysis six factors are extracted with Eigen value greater than 1 suggesting a six factor solution.

Table 1. Demographic profile of the respondents

| S.NO. | Characteristics | Categories | (%) |
|-------|---------------------------|------------------------|------|
| 1 | Gender | Male | 76.4 |
| | | Female | 23.6 |
| 2 | Age | 15-18 years | 2.7 |
| | | 19-22 years | 65.9 |
| | | 23-26 years | 31.4 |
| 3 | Educational qualification | SSLC | 16.6 |
| | | HSC | 16.8 |
| | | UG Degree | 43.9 |
| | | PG Degree | 22.7 |
| 4 | Monthly income | Below Rs. 10000 | 20 |
| | | Rs. 10001 to Rs. 20000 | 34.5 |
| | | Rs. 20001 to Rs. 30000 | 22.7 |
| | | Rs. 30001 to Rs. 50000 | 12.7 |
| | | More than Rs. 50000 | 10 |
| 5 | Marital status | Single | 43.6 |
| | | Married | 56.4 |
| 6 | Occupation | Student | 12.7 |
| | | Government Employee | 14.5 |
| | | Private Employee | 36.4 |
| | | Businessman | 24.5 |
| | | House Wife | 7.3 |
| | | Retired | 4.5 |

Table 2. KMO and Bartlett's test

| | | |
|--|--------------------|---------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | 0.718 |
| Bartlett's Test of Sphericity | Approx. Chi-square | 311.014 |
| | Df | 136 |
| | Sig. | 0 |

Table 4 shows the factor loadings of all the items. Except for two items factor loadings for all the items were above 0.5. The minimum factor loading is 0.439 for the item 'Condition and cleanliness of the vehicle during the

Table 3. Total variance explained

| Component | Initial Eigenvalues | | | Extraction Sums of Squared Loadings | | | Rotation Sums of Squared Loadings | | |
|-----------|---------------------|---------------|--------------|-------------------------------------|---------------|--------------|-----------------------------------|---------------|--------------|
| | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1 | 3.618 | 21.285 | 21.285 | 3.618 | 21.285 | 21.285 | 2.114 | 12.433 | 12.433 |
| 2 | 1.515 | 8.913 | 30.197 | 1.515 | 8.913 | 30.197 | 1.850 | 10.883 | 23.316 |
| 3 | 1.398 | 8.225 | 38.423 | 1.398 | 8.225 | 38.423 | 1.718 | 10.105 | 33.422 |
| 4 | 1.296 | 7.623 | 46.046 | 1.296 | 7.623 | 46.046 | 1.631 | 9.595 | 43.017 |
| 5 | 1.187 | 6.983 | 53.029 | 1.187 | 6.983 | 53.029 | 1.527 | 8.982 | 52.000 |
| 6 | 1.150 | 6.764 | 59.793 | 1.150 | 6.764 | 59.793 | 1.325 | 7.794 | 59.793 |
| 7 | .919 | 5.407 | 65.200 | | | | | | |
| 8 | .844 | 4.965 | 70.165 | | | | | | |
| 9 | .720 | 4.236 | 74.401 | | | | | | |
| 10 | .705 | 4.146 | 78.547 | | | | | | |
| 11 | .665 | 3.911 | 82.458 | | | | | | |
| 12 | .628 | 3.693 | 86.151 | | | | | | |
| 13 | .579 | 3.405 | 89.556 | | | | | | |
| 14 | .518 | 3.049 | 92.605 | | | | | | |
| 15 | .477 | 2.803 | 95.408 | | | | | | |
| 16 | .428 | 2.516 | 97.924 | | | | | | |
| 17 | .353 | 2.076 | 100.000 | | | | | | |

time of delivery' and maximum factor loading is .717 for the item 'Availability of space inside the shop'.

Table 5 shows the Chi-square test value for the association between demographic variables of the respondent and their view about various features of Honda two wheelers. As per the table, it is clear that the P values are less than the commonly accepted level of 0.05 or 0.10. So we have to reject the null hypothesis. That means important relationship exists among opinion of the respondent about bike model versus gender of the respondent, opinion of the respondent about source of awareness versus gender, opinion of the respondent about showroom working hours versus gender, opinion of the respondent about celebrity endorsement versus marital status of the respondent, opinion of the respondent about source of awareness versus educational qualification, opinion of the respondent about celebrity endorsement versus educational qualification of the respondent, opinion of the respondent about bike model versus income, opinion of the respondent about mode of payment versus income,

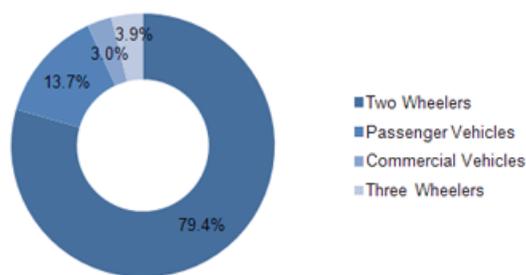
opinion of the respondent about bike model versus occupation and opinion of the respondent about mode of payment versus respondents' occupation.

3.1 Results and Implications

It is found that based on the analysis it can be inferred that majority (76.4%) of the Honda two wheelers customers are male. Majority of the customers (64.5) of Honda were qualified with UG and PG degree and 74.5% of the customer opted for test drive before buying two wheelers. It is found that 31.8% of respondents own Honda Activa, 18.2% of respondents own Honda shine and 15.5% of respondents own Honda Activa I. It is found that 58.2% of respondents said friends, 20% of respondents said TV advertisements and 3.6% with regard to source of awareness about Honda two wheelers. Word of mouth playing is a vital role in the purchasing decision of two wheelers. It is found that majority (80.9%) of the customers opined that celebrity endorsement was essential for two wheeler advertisement. Majority (62.7%) of the respon-

Table 4. Communalities

| Factors | Initial | Extraction |
|--|---------|------------|
| Waiting time before being greeted at the dealership showroom | 1 | 0.583 |
| Explanation of the features, advantages and benefits by sales person | 1 | 0.609 |
| Service station ambience | 1 | 0.635 |
| Location of the showroom | 1 | 0.617 |
| Exteriors of the showroom | 1 | 0.581 |
| Availability of space inside the shop | 1 | 0.717 |
| Display of merchandise | 1 | 0.693 |
| Time taken in completing paper work process and documentation process. | 1 | 0.544 |
| Knowledge level of sales person about vehicles and accessories | 1 | 0.543 |
| Behaviour and characters of sales person. | 1 | 0.621 |
| Time given by the sales person for taking purchase decision | 1 | 0.685 |
| Time taken to deliver the vehicles | 1 | 0.622 |
| Vehicle delivery time at the time requested by the customer | 1 | 0.583 |
| Availability of spare parts | 1 | 0.693 |
| Condition and cleanliness of the vehicle during the time of delivery | 1 | 0.439 |
| Time taken for the delivery process | 1 | 0.518 |
| Vehicles provided with reasonable amount of fuel at the time of purchase | 1 | 0.482 |



Source: SIAM, TechSci Research

**Source: <http://www.ibef.org/industry/india-automobiles.aspx>

Figure 1. Market share by volume (FY 15)**.

dents' opinion was in favor of the mileage given by the Honda two wheelers. It is found that 59.1% of respondents bought the Honda two wheelers through full cash payment and 40.9% of respondents bought through loan. It is found that 47.3% of respondents opined high, 24.5% of respondents opined neutral and 18.2% of respondents

Table 5. Chi-square test-relationship between demographic variable of the respondent and their opinion about various aspects of Honda two wheelers

| Variables | Chi-square | Value | Df | Asymp. Sig. (2-sided) | Result/Null hypothesis |
|--|--------------------|---------------------|----|-----------------------|------------------------|
| Bike model Versus Gender | Pearson Chi-square | 65.212 ^a | 7 | .000 | Rejected |
| Source of awareness Versus Gender | Pearson Chi-square | 9.127 ^a | 3 | .028 | Rejected |
| Showroom working hours Versus Gender | Pearson Chi-square | 7.866 ^a | 3 | .049 | Rejected |
| Celebrity endorsement Versus Marital status | Pearson Chi-square | 12.364 ^a | 3 | .006 | Rejected |
| Source of awareness Versus Educational qualification | Pearson Chi-square | 23.704 ^a | 12 | .022 | Rejected |
| Celebrity endorsement Versus Educational qualification | Pearson Chi-square | 29.540 ^a | 12 | .003 | Rejected |
| Bike model Versus Income | Pearson Chi-square | 46.226 ^a | 28 | .017 | Rejected |
| Mode of payment Versus Income | Pearson Chi-square | 16.032 ^a | 4 | .003 | Rejected |
| Bike model Versus Occupation | Pearson Chi-square | 62.641 ^a | 35 | .003 | Rejected |
| Mode of payment Versus Occupation | Pearson Chi-square | 16.814 ^a | 5 | .005 | Rejected |

opined low with regard to price of Honda two wheelers. Majority (96.4) of the customers were satisfied with the performance of Honda two wheelers and 77.3% of the respondents were satisfied with the performance of Honda two wheelers showroom at Tiruvarur. It is found that 46.4% of respondents opined high, 24.5% of respondents

opined low and 23.6% of respondents opined neutral with regard to charges for after sales service at Honda showroom, Tiruvarur. 77.3% of the respondents were satisfied with the after sale service of Honda two wheelers showroom at Tiruvarur. 64.5% of respondents opined that they would recommend the showroom to others and 70.9% of respondents opined that the showroom working hours was convenient. With regard to media suitable to give advertisements for two wheelers.

79.1% of buyers gave rank 1 to "TV", 49.1% of buyers gave rank 2 to "Internet" and 50% of buyers gave rank 3 to "Print media". It is found that 57.3% of buyers gave rank 1 to "Comfort", 36.4% of buyers gave rank 2 to "Brand image" and 36.4% of buyers gave rank 3 to "Pickup/Power", with regard to factor decides buying decision for Honda motors. As per the theory of consumer behaviour, factors influencing consumer behavior like personal and psychological have included in this study.

4. Conclusion

Automobile industry is an assembly industry and a highly specialized, technical, sophisticated and expensive industry. Dealers are playing a vital role in the supply chain network of automobile industry. Understanding customer requirements is very vital for the endurance and expansion of any industry. In automobile industry dealers have an opportunity to contact buyers directly. Honda Motors dealer, Tiruvarur has to understand the requirements of the buyers in order to maintain the existing customers and to acquire new customers. In order to survive and outshine in the competitive scenario, Honda motorcycle and scooter India private limited and the dealers in Tiruvarur have to conduct these kinds of surveys periodically. This will pave the way to enhance the brand image of Honda motorcycle and scooter India private limited automobile business and also their market share.

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