

K. J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH,

Vidyavihar, Mumbai- 400077

Program: PGDM FS (Batch 2018-19), Trim.-II

Subject: Business Research Methods

(End Term Examination)

Maximum Marks: 50

Duration: 3 hours

Date: 19th Jan. 2019

Instructions

- 1. Exam will be conducted in the computer Lab.**
- 2. All Questions are compulsory.**
- 3. Prepare a word document.**

Case – Purchase behavior of the consumers for Cars in India-

The automobile industry of India is one of the largest in the world, contributing 7.1% to the Gross Domestic Product (GDP). As a person moves up the ladder in his income, his/her first priority is to buy a car. It is becoming more of a necessity nowadays to own a car than a luxury. Presently, a 100% Foreign Direct Investment (FDI) is allowed in this area meaning the foreign investors do not need any prior permission from the government of India. The sales of private vehicles grew by 9.17% commercial vehicles by 3.03% and 2 wheelers by 8.29% during the period April-January 2017[2]. During the financial year 2016-17 a total of 37, 91, 540 units of passenger vehicles; 8, 10, 286 units of commercial vehicles; 7, 83, 149 units of three-wheelers and 1, 99, 29, 485 units of two-wheelers were produced as shown in table 1. The world standing for the Indian automobile sector, as per the Confederation of the Indian industry is the largest three-wheeler market, second largest two-wheeler market, tenth largest passenger car market, fourth largest tractor market, fifth largest commercial vehicle market and fifth largest bus and truck segment. In India, a total of Rs. 92, 218.42 crore or 5.02% of the total FDI inflows in India, from April 2000 to March 2017 has been towards the automobile industry.

In today's world, consumers do not only consider engine performance as a major factor. They look for those differentiating parameters, through which they can make the choice from one

brand to another. As stated by financial time, India has become fifth largest passenger vehicle market, after China, US, Japan, and Germany. The sale of passenger vehicles too grew 9.24% to 3.04 million during 2016-17, the fastest growth rate seen since 2010-11, when they grew .28.2%

TABLE 1: Automobile Production Trends in India from 2011 – 2017

Year	Passenger vehicle production	Passenger vehicle domestic sales
2011-12	31, 46, 069	26, 65, 015
2012-13	32, 31, 058	25, 03, 509
2013-14	30, 87, 973	26, 01, 236
2014-15	32, 21, 419	26, 01, 236
2015-16	34, 65, 045	27, 89, 208
2016-17	37, 91, 540	30, 46, 727

With the boom in Indian economy post 1990's, a lot number of consumers have graduated from two wheelers to cars, thus leading to a boom in the B segment market. The b segment car market constituted the likes of Maruti 800, Alto, Wangnor, Hyundai and Santro etc. Now with the increasing income levels, consumers are opting for more than one car per family, with the second car generally belonging to the b segment.

A study was carried out to understand what influence the purchase of B segment cars in India. A sample of 100 current cars owners of B segments cars in the NCR region was contacted for filling of the questionnaire only 75 respondent to the survey. The questions seeking information on the criteria for the purchase of B segment cars were purchased as:

Questionnaires:

How important according to you are the following criteria in the purchase of B segment cars (where 1 – extremely important, 2 – very important, 3 important, 4 – Neutral, 5 – unimportant, 6 – very unimportant, 7 – extremely unimportant).

Criteria	Extremely imp	Very imp	imp	Neutral	Unimportant	Very unimportant	Extremely unimportant
Price on road (x1)							
Brand name							

(x2)							
Engine capacity (x3)							
Look and design (x4)							
Fuel efficiency (x5)							
Discount schemes (X6)							
Resale value (x7)							
After sales services (x8)							
Running and maintenance cost (x9)							
Convenience features (x10)							
Purpose of purchase (x11)							
Performance information available (x12)							
Driving pleasure (x13)							
Car image and positioning (x14)							
Economical (x15)							
Colors available (x16)							
Advertising and marketing (x17)							
Safety (x18)							

Gender (x19) - Male – 1, female -2

Income (x20) – lower income group -1, medium income group -2, higher income group -3

Occupation(x21): (a) Employed, (b) Self Employed, (c) Unemployed, (d) Housewife, (e) Student

Education (x22): (a) Less than undergraduate (b) Undergraduate (c) Graduate (d) Postgraduate (e) Beyond post Graduate

Case Analysis Questions –

Question 1- Identify the favorable and unfavorable perceptions of the consumers for Fuel efficiency, Discount schemes and Driving pleasure.

Question 2- Identify the difference in the average perception of male and female consumers with respect to Price on road and Advertising and marketing?

Question 3 – Identify the difference in the average perception for the factors performance, information available, purpose of purchase, colors available and advertising and marketing with respect to income?

Question 4 - Identify the relationship between purposes of purchase with respect to after sales services, resale value, look and design and engine capacity?

Question 5- estimate the impact of purpose of purchase with respect to after sales services, resale value, look and design and engine capacity?

Question 6- Identify the association between occupation and education.