

**“A STUDY ON THE CUSTOMER PERCEPTION OF HONDA CARS”  
PROJECT REPORT**

*Submitted in partial fulfillment of the requirement for the award Degree*

**MASTER OF BUSINESS ADMINISTRATION**



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**2020 - 2022**

**UNIVERSITY OF CALICUT**  
**BONAFIDE CERTIFICATE**

Certified that this project report “**A STUDY ON THE CUSTOMER PERCEPTION OF HONDA CARS**” is the bonafide work of Mr. V KIRAN PRAKASH (YPAUMBA058) who carried out the project work.

Place: Pongam, Thrissur

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## **DECLARATION**

I, V Kiran Prakash, hereby declare that the Project Report entitled “**A STUDY ON THE CUSTOMER PERCEPTION OF HONDA CARS**” has been prepared by me and submitted to the University of Calicut in partial fulfilment of requirements for the award of the Master of Business Administration, is a record of original work done by me under the supervision of Ms. Nayana S, Asst. Professor of Naipunnya Business School, Pongam, Koratty East, Thrissur.

I also declare that this Project work has not been submitted by me fully or partly for the award of any Degree, Diploma, Title or recognition before any authority.

Place: Pongam, Thrissur

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**CHAPTER I**  
**INTRODUCTION**

## **1.1 INTRODUCTION**

The world automotive market has been hit hard by the Covid-19 pandemic. Many manufacturers have had to temporarily shut down production due to the lack of demand from customers. In the first quarter of 2020, global sales of passenger cars fell by 15% compared to the same period last year. The situation is likely to deteriorate further in the second quarter as the pandemic continues to spread around the world. Many countries have gone into lockdown, meaning that factories have had to close and there has been a decrease in demand for new cars. This has had a knock-on effect on the global economy and has meant that many people have lost their jobs. However, there are some positive signs for the future. New car trends are changing due to covid 19 pandemic and people are expecting something new and different. They would like to have a good quality car which can help them save money and time. Hence, auto companies are launching new models of cars. In China, the world's largest car market, sales have begun to recover and there is hope that this will lead to a recovery in other markets around the world.

Honda has been one of the few companies to weather the storm and maintain its production levels. Honda has been able to shift its production levels to meet the needs of the customers. This has allowed Honda to maintain its production levels despite the decrease in demand from customers. Honda's ability to adapt to the changing market conditions has been one of the key factors in its success during and after the Covid-19 pandemic. Honda's sales have begun to recover and the company is hopeful that this will lead to a recovery in other markets around the world. Honda is committed to providing its customers with the best possible experience and is looking forward to a bright future.

Research on customer perception of cars can help automotive companies better understand how customers feel about their products and services. This type of research can also help these companies improve their customer relationships and overall satisfaction levels.

## **1.2 STATEMENT OF THE PROBLEM**

Customer perception in the global automotive sector has shifted as a result of the Covid19 epidemic. The automotive manufacturing business has undergone numerous modifications as a result of changes in customer perception. The problem selected for present study is to identify the customer perception of Honda cars among the customers in Ernakulam district. The main purpose of the study is to know the customer perception towards Honda cars by the owners in Ernakulam district.

### **1.3 OBJECTIVE OF THE STUDY**

1. To study customer perception towards cars of Honda.
2. To identify the factors considered by customers while buying Honda Cars.

## **1.4 SCOPE OF THE STUDY**

The scope of the study is limited only to Ernakulam district. Project is clearly done for learning intention. The study is limited to the customer perception about Honda cars. A study will be beneficial for both the company and its customers. The study is done by direct interaction with customers through the survey. The survey consists of questionnaires related to the company which gives a clear picture about the company in the minds of customers, which helps the company to give a successful output by providing the requirement to the customers.

## **1.5 SIGNIFICANCE OF STUDY**

In the post covid era, people’s perception about car buying has changed. The car manufacturers have used various methods for increasing customer attention. This creates a better perception of cars with more satisfaction. This study is conducted to understand the customer’s requirement for car purchases. It also provides the customer perception level of the Honda cars. It offers more knowledge about Honda car users and helps to understand the perception and awareness level of Honda car owners in Ernakulam district.

## **1.6 INDUSTRY PROFILE**

The automobile industry is one of the leading industries at the global level. It plays a crucial role in the development of the global economy because of the high revenues and increased customer demands. The automobile industry helps to foster economic development of the country therefore, it is widely recognized as a major economic sector. The automobile industry consists of multiple companies specialized in car manufacturing, as well as the ones involved in marketing and distribution of automobile products, such as cars, buses, vans, trucks, motorcycles, mopeds and motorized bicycles. The global automobile industry incorporates several large car manufacturers' blocs that work collaboratively suppliers at the global level. The automobile industry is highly competitive, and companies are always looking for ways to improve their products and services. Innovation is a key part of the industry, and new technologies are constantly being developed to make cars more efficient and safer. The industry is also very important to the economy, and the production of cars and other vehicles is a major source of revenue for many countries. The automobile industry is expected to continue to grow in the coming years, and it will remain an important part of the global economy.

The automotive industry is a wide range of companies and organizations involved in the design, development, manufacturing, marketing, and selling of motor vehicles. It is one of the world's largest economic sectors by revenue. The automotive industry does not include industries dedicated to the maintenance of automobiles following delivery to the end-user, such as automobile repair shops and motor fuel filling stations. The automobile industry is a perfect example of an industry that has undergone tremendous changes in recent years. Once a labour-intensive industry with a high level of customization, the automotive industry is now dominated by assembly line production of vehicles that are increasingly similar in design and function. This change is largely due to the rise of the Japanese automotive industry, which has used assembly line techniques to produce high-quality, low-cost vehicles that have captured a large share of the global market. The global automotive industry is highly competitive, and companies are constantly striving to develop new and innovative products to meet the ever-changing needs of

consumers. The industry is also facing challenges from new technologies, such as electric vehicles, and from changing government regulations. Despite these challenges, the automotive industry is expected to continue to grow in the coming years. This growth will be driven by factors such as the increasing global population and the growing middle class in emerging markets.

Today, the automotive industry is in the midst of a transformation. Rapid technological change and globalization are reshaping how vehicles are designed, engineered, and assembled, as well as how they are sold, serviced, and recycled. These changes present both challenges and opportunities for the industry and for the millions of people who work in it.

### **1.6.1 HISTORY OF CARS**

With the invention of the wheel in 4000 BC, man's journey on the road of mechanized transport had begun. Since then, he continually sought to devise an automated labour-saving machine to replace the horse. Innumerable attempts reached conclusion in the early 1760s with the building of the first steam driven tractor by a French Captain, Nicolas Jacob Cugnot.

It was however left to Karl Benz and Gottlieb Daimler to produce the first vehicles powered by the internal combustion engine in 1885. It was then that the petrol engine was introduced, which made the car a practical and safe proposition. The cars in this period were more like the cars on our roads today. With cars, came the era of speed. The first ever land-speed record was established about 100 years back, in 1898. Count Gaston de Chasse Loup-Laubat of France drove an electric car (in Acheres near Paris) at a speed of 39.24 miles per hour. This flagged off the era of 'Wheels racing', which lasted till 1964, after which jet and rocket –propelled vehicles, were allowed. Then onwards, it has been one big journey... on the roads.

### **1.6.2 HISTORY OF AUTOMOBILE INDUSTRY IN INDIA**

It begins from 1769. The automobile sector is one of the key factors of the economy having extensive forward and backward linkages with other key factors of the economy. It contributes about 4 per cent in India's Gross Domestic Product (GDP) and 5 per cent in India's industrial production. Indian



Automobile sales growth rate would be 9.5 % by 2010. Indian market before independence was seen as a market for imported vehicles while assembling of cars manufactured by General Motors and other brands. Indian automobile industry mainly focused on servicing, dealership, financing and maintenance of vehicles. Later only after a decade from independence Companies started manufacturing. Since independence the Indian automobile industry faced several challenges and hurdles like manufacturing capability was restricted by the rule of license and could not be increased but still it lead to growth and success it has achieved today. Last three decades the total production of passenger cars was limited. Even the production was limited to three main manufacturers Hindustan Motors, Premier Automobiles and Standard Motors. There was no expertise or research & development initiative taking place. Initially labour was unskilled and had to go through a process of learning through trial and error. In the 1950's, The Morris Oxford, became the Ambassador, the Fiat 1100 became the Premier Padmini. Then in 1960's nearly 98% of the product was developed indigenously. There were significant changes witnessed by the end of 1970's in the automobile industry. Strong and huge initiatives like joint ventures for light commercial vehicles did not succeed. Till later part of 1980's India by and large followed a socialist system. The Indian Automobile industry includes two-wheelers, trucks, cars, buses and three-wheelers which play a crucial role in growth of the Indian economy. India has emerged as Asia's fourth largest exporter of automobiles, behind Japan, South Korea and Thailand. The country is expected to top the world in car volumes with approximately 611 million vehicles. The Economic progress of this industry is indicated by the amount of goods and services produced which gave the capacity for transportation and boost the sale of vehicles. There is a huge increase in automobile production with the effect by indirectly increasing the demand for a number of raw materials like steel, rubber, plastics, glass, paint, electronics and services. The Automobile industry is one of the key functions of economic growth of the nation. Government has relicensing of the sector in 1991 and the subsequent opening up of 100 percent FDI through automatic route; Indian automobile sector has come a long way. Today, almost every global auto major has set up facilities in the country. India's transport network is developing at a fast pace and the automobile industry is growing

too. The automobile industry also provides employment to a large section of the population. Thus, the role of automobile industry cannot be overlooked in Indian Economy. All kinds of vehicles are produced by the automobile industry. It includes the manufacture of trucks, buses, passenger cars, defence vehicles, two-wheelers, etc. The industry can be broadly divided into the car manufacturing, two-wheeler manufacturing and heavy vehicle-manufacturing units.

The major car manufacturers in India are Maruti Suzuki, Hyundai, Tata Motors, Kia, Mahindra & Mahindra, Toyota, Renault, Honda, MG Motor, Skoda etc.

The world standings for the Indian automobile sector, as per their genre, which are as follows:

- Largest three-wheeler market
- Second largest two-wheeler market • Tenth largest passenger car market
- Fourth largest tractor market
- Fifth largest commercial vehicle market
- Fifth largest bus and truck segment

The automobiles sector is divided into four segments - two-wheelers (mopeds, scooters, motorcycles, electric two-wheelers), passenger vehicles (passenger cars, utility vehicles, multi-purpose vehicles), commercial vehicles (light and medium heavy vehicles), and three wheelers (passenger carriers and good earners). This has shown by the following chart of the genre of automobile sector.

### **1.6.3 EVENTS AND MILESTONE**

A behind- the- scenes look into the making of one of India's most vibrant industries. The landmarks along the way...

**1928** - The first imported car was seen on Indian roads

**1942** - Hindustan Motors incorporated

**1944** - Premier automobiles started

**1948** - First car manufactured in India

**1953** - The Government of India decreed that only those firms which have a manufacturing program should be allowed to operate

**1955** - Only seven firms, namely, HM, API, ALL, SMPIL, PAL, M& M and TELCO received approval

**1960 - 1970** - The two, three-wheeler industry established a foothold in the Indian scenario.

**1970 - 1980** - Not much change was witnessed during this period. The major factors affecting the industry were the implementation of the MRTP Act (Monopolies and Trade Restrictive Practices Act), FERA (Foreign Exchange Regulation Act) and the Oil Shock of 1973 and 1979.

**1980 - 1990** - The first phase of liberalization was announced by the Govt. With the liberalization of the Government's protectionist policies the advantages hitherto enjoyed by the Indian car manufacturers like monopoly, oligopoly, slowly began to disappear. This period is also marked by the entry of a large number of firms in the market. Japanese manufacturers entered the Commercial Vehicle and Two-Wheeler market. The Government agreed to the demand for allowing foreign collaboration in the automobile sector. The industry witnessed resurgence due to major policy changes like relaxation in MRTP and FERA DE licensing of some ancillary products, broad banding of the products and modification in the licensing policy. The Government of India tied up with Suzuki Inc. of Japan which produced India's most successful car- the Maruti.

**1991** - Under the Government's new National Industrial Policy, the license Raj was dispensed with, and the automobile industries were allowed to expand freely.

**1993** - With the winds of liberalization sweeping the Indian car market, many multinationals like Daewoo Motors, Peugeot, General Motors, Mercedes-Benz and Fiat came into the Indian car market.

**1997** - The Government also laid down the emission standards to be met by car manufacturers in India in the coming millennium. There were two successively stringent emission levels to be met by April 2000 and April 2005,

respectively. These norms were bench marked on the basis of those already adopted in Europe hence the names Euro I (equivalent to India 2000) and the Indian equivalent of Euro II.

#### **1.6.4 EVOLUTION OF THE INDIAN AUTOMOBILE INDUSTRY**

This sub-section presents an evolutionary analysis of Indian automotive industry's growth over the four decades since independence. The evolution of India's automotive industry from a fairly slow-paced growth (from 1940s till 1980s) to the recent impressive showing of dynamism owes formidable precedence to history. Indian automotive industries' wholesome development since independence in 1947, one would most certainly huddle with either political surmise of industrial developments. India's industrial development is characterized by more complex processes than one can find in other transition economies and industrialized nations. If one keenly observes the differences in industrial development of some transition economies with India, among many distinct observations (e.g., a clear and favourable state patronage to liberalization at the initial phase of development), an interesting aspect would emerge, which to my knowledge has flayed the probing eyes of industrial economists or political scientists. India's development and its sustainability in any economy is contingent upon the stock and accumulation of human capital. The number of educated people among young generations during 1960s and 1970s could make the key difference between the paces of industrial development in the comparable nations.

#### **1.6.5 AUTOMOTIVE GROWTH OF INDIA**

Indian automotive industry's build up their role from the pre-independence period till date shows distinct phases. It all started in 1940s for the first embryonic automotive industry to emerge in the pre-independent India. Almost after a decade and a half since then, leading entrepreneurs and the government in the independent India have extended efforts to create a manufacturing industry to supply the automotive industry with components in 1953. This was the beginning of the take-off phase of Indian economy. In the next three decades, the growth in the automotive industry did not stand as the

national economic growth was constantly following the Hindu rate of growth - an annual growth that stagnated between 3.5 percent over 1950-1980. Despite the sluggish growth of the economy during that time, the automotive industry began to witness a relatively fast growth during 1970-1980 mainly due to the leading production role of Ashok Leyland's, Mahindra & Mahindra, Hindustan Motors, Premier Automobiles, and Bajaj Auto. The global automotive productions were severely checked by the Indian government by introducing several licenses, trade restrictions and banders. However, the growing demand for more cars since 1980s has changed the whole growth scenario. During 1980-1985 the first major change was sighted as Japanese manufacturers began to build car and commercial vehicle factories in India in partnership with Indian firms. At the same time, component manufacturers also entered the joint-venture scenario with European and US firms. During the period of economic reforms (that is during 1985-1990) the industry marked the entry of Maruti Udyog into the production of passenger car segment as persistent high import tariffs were relaxed to a great extent, and with lesser import cost adding to the overhead production cost, higher productions were possible leading to the start of growing exports. This period registered the triumph of liberalization which kick-started the much-awaited reform for the automotive sector paving the way for the firms which were genuinely waiting for joint-ventures, private investment with duty-free technology transfer indirectly through FDI and directly by importing the new technologies. It is during 1990-1995, Hero Honda emerged as a major operator in the motorcycle market while Maruti Udyog established itself as the leading passenger car maker. During 1995-2000, leading international car makers entered the Indian market, a trend that continues to accelerate till this date. During this time advanced technology was introduced to meet competitive pressures, and environmental and safety imperatives. The automobile companies started investing in service network to support maintenance of on-road vehicles and auto financing started emerging as an important driver for demand. Since 2000, significant impacts on trade and investment restrictions were removed to speed up the momentum of liberalization of the automotive industry. Indigenous production of cars started the domestic and international market needs. Increasing efficiency was achieved with growing investment in research and development while

satisfying the strictest environmental standards. As a result, the export and import technology know-how has improved the impetus for improvements in quality and productivity, to a point where many global companies now view India more favourably than China as a source point for components. It seems that global Tier Is are increasingly confident about India's ability to build more international level, and are relocating more complicated systems work to India rather than simply building basic parts there.

India is emerging as a global automobile giant. In recent years the industry has made pioneering efforts in adopting modern technology and allowing the entry of foreign players. The liberalization of the industry from a restrictive environment has helped itself for global development. Increasing competition as a result of liberalization has led to continuous modernization as well as international standard brands. Automobile industry in India is growing rapidly. The opportunities in the automobile industry in India are attracting big names and they are investing vigorously in infrastructure, design and development, and marketing. Automobile industry in India is today poised for a big leap. Automobile industry contributes 15% of the total indirect taxes collected by the exchequer and is a driver of product and process technologies, and has become an excellent manufacturing base for global players. All this is due to:

- High machine capabilities.
- Extremely capable component industry
- Better technology
- Low-cost manufacturing base.
- Highly skilled man power.
- Special capability in supplying large volume.

The Indian automobile industry has witnessed significant growth over the past decade with a compound annual growth rate (CAGR) of about 18% over this period. The industry has grown from \$37 billion in 2006 to \$71 billion in 2016, recording an export revenue of \$2 billion during FY2016-2017. The Indian automotive industry is one of the most important sectors in India's economy. It contributes to about 12% of the country's manufacturing output, 25% of total exports, and provides employment to over six million people.

The Indian automobile industry is mainly driven by passenger vehicles and commercial vehicles. Passenger vehicles are mainly driven by passenger cars, while commercial vehicles are mainly driven by three-wheelers and buses. The Indian automobile industry has seen a significant growth in the past few years. This is due to the rise in purchasing power and increase in number of people opting for private transportation. India's automobile export has grown by a whopping 45% over the last five years. In a recent study, it was found that 84% of Indians would like to buy a car in the next one year. This will further boost the market for automobiles and fuel its growth further. The Indian automotive industry is one of the most competitive industries in the world. The Indian automobile industry has grown at a rapid pace with production and exports of automobiles having increased.

In recent years, many new players have entered the market, some of them foreign companies. The most important factor driving this growth has been an increase in demand for passenger vehicles as well as commercial vehicles. The major factors hindering growth are high costs of borrowing and lack of skilled labour. Indian automobile industry is one of the fastest growing industries in the world and has been making rapid strides in the past few years. The Indian automobile industry is one of the fastest growing industries in the world. It has been making rapid strides in the past few years and has become a major player in global automotive market.

At present the Indian automobile industry has become one of the fastest growing markets in the world basically in the passenger car segment .it is due to government in the early 1990's, with the present growth in the economy, there has been a considerable increase in the disposable incomes of the Indian consumers. This in turn leads to higher spending as the expectation of better comfort in terms of anything. Taking the advantage of liberalization program, a number of world-famous car makers have jumped into the car segment of Indian automobile industry as it has become one of the most prominent areas of the growth in the automobile sector. These car makers started giving the competition with the Indian car manufacturers by innovating new ideas and introducing with the Indian car manufactures by innovating new ideas and introduction new features towards their car which are offered to customers, not

only through the product but also with after sales service offered by their service centres. The car manufacturers in the Indian soil, both foreign and Indian are updating their products frequently with international standard.



## **1.7 COMPANY PROFILE**

The Honda Motor Company, Ltd. is a Japanese multinational corporation primarily known as a manufacturer of automobiles, aircraft and motorcycles. The company was founded on September 24, 1946 by Soichiro Honda in Hamamatsu, Japan with the capital of ¥15 million. Honda is the world's largest manufacturer of internal combustion engines measured by volume production. Honda became the second-largest Japanese automobile manufacturer in 2001 and the fifth-largest in the world in 2008. In 2017 Honda manufactured about 9 million motorcycles globally for both road and off-road use. The company produces automobiles primarily for the Japanese market, but it has also produced cars for export to Europe, North America, Latin America, Asia-Pacific (including Australia), Africa, and the Middle East. Honda's global sales exceeded 4 million units in 2008 with more than 2 million sold in Japan alone. Honda is ranked as one of four major international automakers within North America by US new car sales: second behind Toyota as of 2016. Honda is the world's largest manufacturer of internal combustion engines and the second-largest manufacturer of automobiles. Honda was founded in 1948 by Soichiro Honda in Hamamatsu, Japan. Honda's global sales reached 4,959,000 units in 2008. In 2009, Honda surpassed Toyota Motor Corporation as the world's top selling automobile maker.

Honda Motor Company, Ltd. operates under the basic principles of "Respect for the Individual" and "The Three Joys" - commonly expressed as The Joy of Buying, The Joy of Selling and The Joy of Creating. "Respect for the Individual" reflects our desire to respect the unique character and ability of each individual person, trusting each other as equal partners in order to do our best in every situation. Based on this, "The Three Joys" expresses our belief and desire that each person working in, or coming into contact with our company, directly or through our products, should share a sense of joy through that experience. In line with these basic principles, since its establishment in 1948, Honda has remained on the leading edge by creating new value and providing products of the highest quality at a reasonable price, for worldwide customer satisfaction. In addition, the Company has conducted its activities with a commitment to protecting the environment and enhancing safety in a

mobile society. The Company has grown to become the world's largest motorcycle manufacturer and one of the leading automakers. With a global network of 492 subsidiaries and affiliates accounted for under the equity method, Honda develops, manufactures and markets a wide variety of products, ranging from small general-purpose engines and scooters to specialty sports cars, to earn the Company an outstanding reputation from customers worldwide.

Honda is the world's largest manufacturer of internal combustion engines. They produce motorcycles, automobiles, and power equipment. Honda also manufactures robots for use in factories. They are a multinational company with their headquarters in Tokyo, Japan. Their first product was the Honda Super Cub motorcycle which became popular worldwide and led to the establishment of Honda as an internationally known brand. Honda is a Japanese multinational automaker headquartered in Tokyo, Japan. The company was founded on September 24, 1948. The company has sold more than 12 million units of cars and motorcycles worldwide as of October 2018. In the year 2018, Honda became the sixth largest global car manufacturer by production volume. Honda was the fourth largest Japanese automobile manufacturer in 2017 by production volume behind Toyota, Nissan, and Mazda respectively. In 2022, Honda will be a leading global company in the automobile industry. It will continue to produce high-quality, fuel-efficient vehicles that are popular with consumers around the world. The company will also be a major player in the development of new technologies, such as electric vehicles and autonomous driving. Honda will continue to invest in research and development, so that it can maintain its competitive edge in the marketplace.

With more than 215 000 employees, Honda Motor Co. is considered one of the world's largest motorcycle manufacturers, one of the world's largest automobile manufacturers, and one of the world's largest manufacturers of internal combustion engines measured by volume. According to Forbes, it is considered one of the World's Most Valuable Brands, one of the Most Regarded Companies, and one of the Largest Public Companies in the World.

### **1.7.1 HISTORY**

The founder of Honda Motors, Soichiro Honda, was an engineer who started the Honda Technical Research Institute in a location near Hamamatsu, Japan, in 1946. The goal was to create small and efficient engines for use in bicycles that could help to provide a cheap and reliable source of transportation. A couple years later in 1948, Honda Technical Research Institute assumed the name Honda Motor Company and began development of motorcycles in 1949. Honda had created several small-displacement motorcycles which were gradually becoming more advanced and more reliable with each generation. It was in 1953 that Honda began sales of what would become the bestselling motorcycle on the planet, the Honda Super Cub. Shortly after this, Honda entered the global market and established a U.S subsidiary known as the American Honda Motor Co. in 1959. Honda began to enter the fray of automotive manufacturing in 1963 and eventually set up manufacturing plants for motorcycles and automobiles across the globe. Despite being the world leader in Motorcycle sales amongst the big four, as of the year 2020, Honda currently generates a majority of its revenue from automobile sales. Honda's expertise in creating lightweight, reliable, and efficient motorcycles spilled over into automobile production which has helped propel it to being one of the leading automobile, machinery, and engine manufacturers. Honda has continued to play an important role in various countries, especially those in Southeast Asia, due to Honda products' low cost and reliability. It is important to keep in mind that motorcycles play a different role in people's lives across their respective markets, which is why in the analysis of Honda's marketing strategy it is important to distinguish between the motorcycle market and the automobile market. For the purpose of this paper, automobile manufacturers will not be taken into account as they are not direct competitors.

### **1.7.2 COMPANY TIMELINE**

**1937** - A friend gives car enthusiast Soichiro Honda money to found Honda, and Soichiro begins to create pistons.

**1941** - By this point, Honda's piston rings are a considerable success.

**1946** - Honda founds the Honda Technical Research Institute and begins producing motor bikes, which are met with critical acclaim.

**1949** - The Honda Technical Research Institute is liquidated, and the resulting funds are used to create the Honda Motor Company.

**1964** - Honda stands as one the most successful motorcycle manufacturers in the world.

**1973** - Honda begins exporting their vehicles to America. They also release the fuel-efficient Civic Hatchback.

**1979** - Honda officially creates the first Japanese auto production facility in America.

**1986** - The company distributes its Acura luxury car line in the U.S. and Canada.

**1988** - Honda becomes the first company to have an American-built car exported to Japan. The Honda Accord becomes the best-selling car in the U.S.

**1998** - Honda presents the Civic Natural Gas to the world.

**1999** - The company releases the 2000 Honda Insight in the U.S. It's the country's first gasoline-electric hybrid vehicle one gallon of gasoline can last for 70 miles.

**2001** - The Civic Coup is the first car to receive a 5-Star Safety Rating from the NTHSA.

**2008** - Honda releases its first hydrogen fuel cell vehicle, the FCX Clarity, in the United States.

**2012** - The global sales for Honda vehicles officially reach over 1 million.

**2022** - Honda remains one of the top vehicle manufacturing companies in the world. They maintain their title by constantly evaluating consumer needs as they move into the future. The company hopes to distribute solely electrical vehicles by 2025.

### **1.7.3 BUSINESS SEGMENT**

The Company's segments include Motorcycle Business, Automobile business, financial services business, and Power product and other businesses. Honda conducts its operations in Japan and around the world, including North America, Europe and Asia. Honda markets its products through a sales network of independent local dealers. Its motorcycles are distributed through outlets, including PRO'S shops and Honda Dream authorized dealerships. Its automobiles and power products are distributed in Japan through retail dealers. Its manufacturing facilities are located in Japan, the United States, Canada, Mexico, the United Kingdom, Turkey, Italy, France, China, India, Indonesia, Malaysia, Thailand, Vietnam, Argentina and Brazil.

#### **Motorcycle Business**

The Company produces a range of motorcycles, with engine displacement ranging from the 50 cubic centimetres class to the 1,800 cubic centimetres class. Honda's motorcycles use internal combustion engines developed by Honda that are air-or water-cooled, four-cycle, and are in single, two, four or six-cylinder configurations. Honda's motorcycle line consists of sports (including trial and moto-cross racing), business and commuter models. Honda also produces a range of off-road vehicles, including all-terrain vehicles (ATVs) and side-by-side (SxS).

#### **Automobile Business**

The Company's automobiles use gasoline engines of three, four, or six cylinder, diesel engines, gasoline-electric hybrid systems and gasoline-electric plug-in hybrid systems. Honda also offers alternative fuel-powered vehicles, such as ethanol, battery electric and fuel cell vehicles. Honda's principal automobile products include passenger cars, light trucks and mini vehicles. Its passenger car models include Accord, Accord Hybrid, Amaze, Brio, Brio Amaze, Brio Satya, City, Civic, Civic Tourer, Civic Type R, Crider, CR-Z, Fit/Jazz, Fit/Jazz Hybrid, Freed, Freed Hybrid, Freed Spike, Freed Spike Hybrid, Grace, Grace Hybrid, Greiz, Honda Mobilio, Insight, Jade, Jade Hybrid, Legend Hybrid, Mobilio, Shuttle, Shuttle Hybrid, Spirior, Acura ILX,

Acura RLX and Acura TLX. Its light trucks models include BR-V, Crosstour, CR-V, Elysion, Odyssey, Odyssey Hybrid, Pilot, Step WGN, Vezel/HR-V, Vezel Hybrid, XR-V, Acura MDX and Acura RDX. Its mini vehicles models include Acty, N-BOX, N-BOX +, N-BOX Slash, N-ONE, N-WGN, S660 and Vamos.

### **Financial Services Business**

Honda offers a range of financial services to its customers and dealers through finance subsidiaries in countries, including Japan, the United States, Canada, the United Kingdom, Germany, Brazil and Thailand. The services of these subsidiaries include retail lending, leasing to customers and other financial services, such as wholesale financing to dealers.

### **Power Product and Other Businesses**

Honda manufactures a range of power products, including general-purpose engines, generators, water pumps, lawn mowers, riding mowers, grass cutters, brush cutters, tillers, snow blowers, outboard marine engines, power carriers, sprayers and pressure washers. Honda offers cogeneration units.

## **1.7.4 MEMBERS OF THE BOARD**

- Toshihiro Mibe - President, Chief Executive Officer & Director
- Kohei Takeuchi - CFO, Director & Compliance Officer
- Noriya Kaihara - Managing Executive Officer & GM-Customer Support
- Shinji Aoyama - Managing Executive Officer & GM-North America
- Keiji Otsu - Managing Executive Office

## **1.7.5 HONDA MISSION STATEMENT**

“A dynamic growth oriented company through market leadership, excellence in quality and service and maximizing export, ensuring attractive returns to equity holders, rewarding associates according to their ability and performance, fostering a network of engineers and researchers ensuing unique contribution to the development of the industry, customer satisfaction and protection of the environment by producing emission friendly green products as a good corporate citizen fulfilling its social responsibilities in all respects.”

### **1.7.6 HONDA VISION STATEMENT**

Serve people worldwide with the joy of expanding their life's potential - Lead the advancement of mobility and enable people everywhere in the world to improve their daily lives.

### **1.7.7 HONDA CARS IN INDIA**

Honda SIEL Cars India Ltd. (HSCI) currently known as Honda Cars India Ltd. (HCIL) was incorporated in December 1995 as a joint venture between Honda Motor Co. Ltd., Japan and SIEL Limited, a Siddharth Shriram Group company, with a commitment to providing Honda's latest passenger car models and technologies, to the Indian customers. The total investment made by the company in India till date is Rs 1620 crores in Greater Noida plant and Rs 784 crores in Tapukara plant.

HSCI's first state-of-the-art manufacturing unit was set up at Greater Noida, U.P in 1997. The green-field project is spread across 150 acres of land (over 6,00,000 sq. m.). The annual capacity of this facility is 100,000 units. The company's second manufacturing facility is in Tapukara, Rajasthan. This facility is spread over 600 acres and will have an initial production capacity of 60,000 units per annum, with an investment of about Rs 1,000 crore. The first phase of this facility was inaugurated in September 2008. The company's product range includes Honda Jazz, Honda City, Honda Civic and Honda Accord which are produced at the Greater Noida facility with an indigenization level of 77%, 76%, 74% and 28% respectively. The CR-V is imported from Japan as Completely Built Units. Honda's models are strongly associated with advanced design and technology, apart from its established qualities of durability, reliability and fuel-efficiency. The company currently operates two plants in Greater Noida, Uttar Pradesh and Tapukara, Rajasthan. Honda Cars India has a total of four models - the Amaze, Brio, Jazz and Mobilio to cater to the Indian market. Honda cars are famous for their fuel efficiency, safety features, and the quality of their vehicles. Honda has been in the Indian car market for more than a decade now. The company is known for its innovative approach to designing and manufacturing automobiles. Honda cars are very popular in India because of their affordability and fuel efficiency. Honda has a

wide range of models in the Indian market, catering to all kinds of budgets and needs. The company has models that are priced as low as Rs 4 lakhs and as high as Rs 1 crore. The company manufactures cars in India at its plant in Greater Noida, Uttar Pradesh. Honda also exports some models to countries like Sri Lanka, Nepal, Bangladesh, Bhutan and Myanmar from this plant. Honda Cars India Limited is the Indian subsidiary of Honda Motor Company. The company is the largest two-wheeler manufacturer in the world and is one of the leading car manufacturers in India. The company was established on October 25, 1995, as a joint venture between Honda Motor Company and Kinetic Engineering Ltd. It has its headquarters in Gurgaon, Haryana.

Honda's models are strongly associated with advanced design and technology, apart from the established qualities of durability, reliability and fuel-efficiency. HCIL's first manufacturing unit was set up at Greater Noida, U.P in 1997. The green field project is spread across 150 acres and has an annual production capacity of 100,000 units. The company's second manufacturing facility is in Tapukara, Rajasthan. This facility is spread over 450 acres and currently has a state-of-the art Power train and Press shop. The first phase of this facility was inaugurated in September 2008. Honda Siel Power Products Limited (HSPP) Honda Siel Power Products Ltd (HSPP) is a Joint venture between Honda Motor Co., Japan and Siel Ltd. India. Currently Honda Motor Company, Japan has a 67% Equity Stake in this company. It was incorporated in September 1985 and produces a range of Power Products in India, like Portable Gensets, Portable Engines, Portable Water Pumping set and Lawnmowers. Honda R&D (India) Pvt. Ltd. By establishing R&D facilities in three key regions beyond Japan (designated as the Americas, Asia and Europe), Honda R&D develops technologies and products that reflect the needs of people in individual regions, yet bound together by common values including environmental preservation and regional economic development. The company's objective is to make an R&D that works jointly with the people of India to produce motorcycles for the enrichment of society and lifestyle of users of India Honda Motor India Pvt Ltd. (HMI) Honda Motor India the wholly owned subsidiary of Honda Motor Co. Ltd Commences Operations, Beginning with HSCI Parts Operations (HMI) formally began its operations from its corporate office in Greater Noida,



Uttar Pradesh, India from December 1, 2006 The plan to set up HMI was first announced by Mr Takeo Fukui, President and CEO, Honda Motor Co., Ltd, during his visit to New Delhi. Formation of HMI is part of the overall strategy to strengthen and integrate operations of Honda companies in India with respect to service parts.

Honda's vision and role fulfilling the global needs of personal mobility in the new automotive society - go hand in hand with the corporate philosophy: maintaining a global viewpoint, they are dedicated to supplying products of the highest efficiency and quality at a reasonable price for worldwide customer satisfaction. In India, it is through HSCI that customers can enjoy the benefits of Honda's expertise. Soichiro's vision was international in character. His desire was to lead the world in technology, and make a significant contribution to the creation of a better society. As a result, most of the products that Honda developed started out by making a difference. However, the most enduring challenge has been to satisfy the ever-changing needs of their customers. This is the essential spirit of Honda. The Company's vision is "To be a Company that the Society would want to Exist". It strongly believes in Co-existence and Co-evolution, wherever it operates.

### **1.7.8 ADDRESS AND CONTACT DETAILS**

HCIL Head Office - Honda Cars India Ltd, Plot No. A-1, Sector 40/ 41, Surajpur-Kasna Road, Greater Noida Industrial Development Area, Distt. Gautam Budh Nagar, U.P. 201306.

Manufacturing Facility - Tapukara, Rajasthan SPL-1, Tapukara Industrial Area, Khushkhera, Distt: Alwar, Rajasthan 301707.

Email: [customer\\_relations@hondacarindia.com](mailto:customer_relations@hondacarindia.com)

1800 113 121 – Toll Free Number

### **1.7.9 SWOT ANALYSIS**

**1. Strengths:** One of the Honda strengths is its brand equity. As an automobile business, Honda beliefs to manage a strong image of its vehicle. The company's focus on technology, customer experience and product innovation

has led to strong brand equity. In addition, Honda enjoys full awareness in North America as an Asian and European market. Honda has set up seven manufacturing and assembly plants in the United States. These are the locations of the plants include Alabama, Ohio, Georgia, North Carolina, South Carolina and India. Other is Honda have a strength market leadership in United States (US). According to market sources in US, Honda’s market share in the U.S. was 9.1% in 2018. The company generated RM 282.98 billion in 2019 in net revenue from the United States.

**2. Weakness:** Honda has been dealing with a very high number of vehicles recalls. Between 2008 and 2017, the company made more than 11 million withdrawals. While vehicle recalls on the one hand signify attention to passenger safety and product quality, on the other hand, the cars made by Honda have also continued to lose shine. All the major problems Honda has dealt with for several years, the severest are its complex organizational structure and red tape. Red tape inside the organization has mostly stopped it from investing in new innovations and latest technologies.

**3. Opportunity:** The demand for electric vehicles is growing around the world would become an opportunity for Honda. People want cars that are fuel efficient and free of harmful emissions. Plug-in rates in hybrids and electric cars have grown exponentially. China leads the world as the largest market for electric vehicles. Apart from investing in the growth of its electric vehicle portfolio, Honda should also focus upon growing its manufacturing and sales network in China to achieve superior sales there. The automobile industry is experiencing a slight decline in 2019 but the Chinese market is still full of opportunities and not just China but other Asian markets like India, Malaysia, and Singapore etc. also hold significant growth opportunities for Honda.

**4. Threat:** In the U.S., laws are stringent requiring companies to pay special attention to compliance in areas including passenger safety, product quality and labour. With higher regulations, entry and exit barriers are higher and faster growth can be difficult. Incumbent players form an alliance for growth and development around the world.

### **1.7.10 VISION HONDA**

Vision Motors Pvt Ltd is one of the largest authorized dealers of Honda Passenger Cars in South India and the biggest in the state of Kerala. They started association with Honda cars with first dealership in Kottayam in 2009 and expanded operation to Trichur in 2011 and Pathanamthitta in 2014. The 4th dealership got inaugurated in January 2016 at Calicut. In February 2016, Vision Honda have taken over two existing dealerships of Honda cars in Ernakulam and Muvattupuzha and there by the expanded horizon to almost the length and width of Kerala, i.e., from Calicut to Pathanamthitta. Vision Honda is a part of the most prestigious Automobile group who are pioneer in Automobile Spares and dealerships business having associated with several OEMs. The group's origin is from 1939 onwards and getting bigger and bigger. It has been run by professionals who are committed to customer satisfaction and excellence. Commitment of the team to the people of Kerala in respective market has been recognised by Honda Cars India Ltd by constantly giving opportunity for expansion of business in Kerala.

Address: Vision Motors Pvt Ltd, Palm Street, Swamipady, Perandoor Road, Elamakkara, Ernakulam – 682026.

**CHAPTER II**  
**REVIEW OF LITERATURE**

## 2.1 INTRODUCTION

A literature review may be a detailed summary of prior research on a specific subject. The literature review examines academic articles records and other bases that are associated with a specific study topic within the review. This prior study should be computed described summarized objectively estimated and clarified within the review. It should provide a theoretical foundation for the study and assist the author in determining the choice of the study. The literature review distinguishes the efforts of earlier researchers promising the reader that the study is well assumed out. By acknowledging a previous adds the subject of study, it's expected that the author has read, evaluated, and assimilated that employment into the current work. A literature review delivers the reader with a "landscape," allowing them to completely comprehend the field's advances. The reader may even see from this landscape that the author has incorporated all (or the vast majority) of earlier, significant works within the topic into her or his research. A literature review could also be required as a slice of graduate and post graduate scholar work like for a thesis paper or journal article. Evaluative examining and contributory literature reviews are the three commonest types. The systematic review, a fourth type, is usually classified separately, but it's fundamentally a literature review fixated on a research problem, with the goal of identifying, evaluating, selecting, and summarizing all high-quality research evidence and arguments associated with that question. A meta-analysis may be a methodical review that employs numerical tools to efficiently aggregate the data from all of the studies in order to obtain a more reliable result. An integrated literature review's goal is to develop new knowledge a few topics by reviewing, critiquing, and then synthesizing the literature under consideration. An important and crucial feature of every research work is survey and related studies which implies locating and evaluating previous and recent literature of research related with the proposed research project. This chapter presents a comprehensive literature review on various researches related to consumer behavior around the world. The systematic review of previous research not only helps clarify our current understanding of consumer behavior but also enlightens future research. The time period spent on such a study is invariably a wise investment as the

orientation provided by a survey of related literature is helpful in making a straightforward statement on the need for investigation and of avoiding two extremes of apologetic attitude and exaggerated claims. For a research scholar having first-hand knowledge of literature about selected topic is of great significance. By virtue of which he/she may come to know about earlier efforts made and obstruction faced. Also, researcher can fix the four corners of his/her research work by having good supportive literature so that researcher can come out with an effective piece of research work. The next section presents the survey of related studies conducted in India as well as abroad.

## **2.2 LITERATURE REVIEW**

**E. Thangasamy & Dr. Gautam Patikar (2014):** The consumers aim at attaining optimum consumer surplus, be it durables or non- durables, while making such purchases to satisfy their wants. For this reason, the marketers do continually rely on research studies about the dynamic consumer behaviour to position their product planning and development strategies to meet the requirements efficiently. This complex consumer buying behaviour does, therefore, necessitate a critical investigation by the researchers in every nook and corner of the world. In this paper researcher has study about buying behaviour of consumer, the behaviour of consumer not same for any locality. The Behaviour of consumer are depended on their income, standard of living, size of family there are factors influence of consumer buying behaviour.

**Rakesh Kumar (December 2013):** The term consumer behaviour is defined as the behaviour that consumer display in searching for, purchasing, using, evaluating and disposing of product, services and ideas that they expect will satisfy their needs. Consumer behaviour is the process whereby, individuals decide whether, what, when, where, how, and from whom to purchase goods and services. Due to the increase in income level and easy finance being provided by all the financial institutes, the four wheelers sales have been significantly increased. This paper we analysis the buying behaviour of consumer towards four wheelers Industries. And how the consumer has preferences specific brand, quality products, good services and so on.

**D. ARTHI & K. MALAR MATHI (Oct 2013):** Customer playing the three distinct roles of user, payer and buyer differ in their intention towards buying a product, some purchase for need, while some purchase for the want of status, status seeking consumers are those who give much importance to the non functional attributes of the product such as beauty, attractiveness, brand, social comparison, prestige etc than the functional attribute. Car a common means of transport is bought by people not only for the transportation purpose, it is also bought for comfort, convenience, fun, prestige/status. The research paper has indicate consumer has buy four wheelers for increasing the income and to show their status.

**Ratan Binodini Amiya Priyadarsini (May 2013):** As India’s economy continues to grow at a rapid pace, the automobile industry will be a key beneficiary. This is widely true across automotive markets—from those serving customers with four-wheelers to those offering commercial vehicles. The main factors behind such growth are the increasing affluence of the average consumer, overall GDP growth, the arrival of ultra-low-cost cars, and the increasing maturity of Indian original equipment manufacturers (OEMs). However, India’s path to mass motorization will be very different from that of developed countries; it must first develop the new technologies, business models, and government policies that will pave the way to increased automobile penetration. The automotive sector is one of the core industries of the Indian economy, whose prospect is reflective of the economic resilience of the country. This research paper are give the information for how the automobile sector has grown up in this city due to increasing the GDP rate in the city.

**Dr. H. S. Adithya (Jan 2013):** Automobile Industry is one of the fastest growing sectors in our country. Cars were once considered as a luxury and now it has become a necessity. They have become a part and parcel of today’s life and most of the car manufacturers target the middle class segment to a great extent. The introduction of small cars is a classic example for this. Today’s consumer has plenty of options available to him. We are in a consumers market where the marketers do not merely satisfy a need but try to achieve consumer delight. The decision to purchase a car is not a one man decision. The purchase

is normally influenced by many including their own perceptions and behaviour. The author has clearly define in this paper perception of consumer towards car owner and their behaviour of purchasing decision. Every consumer decision different so they analysis then give the opinion.

**Prof. Elizabeth Chacko, Ms. Punnya Selvaraj (2014):** The Automobile Industry is growing and if compared the sales and production of four wheelers is more. Also if we compare the four wheeler models like car which can be driven by females were least in market because the market was male dominant. But now there is drastic change. Earlier car which can be driven by female was only Maruti 800, all other like Tata Sumo, Bolero, Ambassador etc. In this new era we can see segment for small four wheeler car quite large. This research paper has most innovative, author are analysis only female consumer Pattern and how they driving new car and also the purchasing pattern of their brand, Services, quality, mileage etc

**Prof. Madhavi Dhole, (June 2013):** The automobile sector is a key player in the global and Indian economy. Indian automobile industry embarked on a new journey in 1991 with de licensing of the sector and subsequent opening up for 100 percent FDI through automatic route. In India, the automobile industry provides direct employment to about 5 lakh persons. In this paper the author has given information about the history of automobile sector and they also inform how the Indian market are developing & increasing by financial way so the consumer purchasing power has increasing.

**K.P Najeemudeen and Dr. N. Panchanatham (December 2014):** India's automobile industry is one of the key drivers that boost the economic growth of the country. Spurred by rapid economic growth, personal vehicle ownership in India is increasing at a fast pace. The relative popularity of the various vehicle segments by size and price are also undergoing marked changes. A fast-paced shift towards private motorized transport is a substantial change, especially in a country where motorized and non- motorized informal transport serves the majority of the trips, along with public transport in bigger cities. The research paper has giving knowledge about the automobile sector and how it



was small and not that much develop and now its to much growth and also getting perpetual succession.

**Vikram Shende (February 2014):** The automobile industry today is the most lucrative industry. Due to increase in disposable income in both rural and urban sector and availability of easy finance are the main drivers of high volume car segments. Further competition is heating up with host of new players coming in and global brands like Porsche, Bentley, and Ferrari all set to venture in Indian market. All segments in Indian Car industry were studied and found that buyer has different priority of behaviors in each segment, where as main driver for car purchase is disposable income. Now a days competition has to much increasing due to this every company will try to capture the market and develop their business, similarly four wheelers sectors are increasing due to easy finance available, different-different attractive scheme has came so consumer can easy affordable the four wheelers.

**M.C. VIJAYAKANTH URS, A N SANTOSH KUMAR, A.N. HARI RAO (May, 2013):** Automobile Industry has played a major role in the Indian economy during the last decade. With the Indian market opening its wings to MNC's, the competition has become severe in terms of product quality and service. This has brought forward the focus on customer satisfaction especially at the dealer level. Companies now are becoming more responsive, they offer a better product and keep improving it through Total Quality Management technique. Dealers are core part of this they are not just sale the four wheelers to the customer but also providing after sale services. When the dealers are giving good services or quality for any product then consumer are satisfy. Consumer are important part of market with them not any product will sale in market.

**M.C. Vijayakanth Urs, A N Santosh Kumar, A.N. Hari Rao (OCT 13):** Customer satisfaction is the key to business servers. According to a study Customer in India are more concerned with the service that are performed at timely manner with the affordable cost The Dealer in India must be responsive to all the needs of their customer; simply providing a good product at a good price is no longer enough. satisfied customer's form the foundation of any

successful business as customer satisfaction leads to repeat purchase, brand loyalty, and positive word of mouth. Customer are satisfy only they get good or positive services from the dealers. It is good enough to the dealers when they maintain proper quality so customer can attract.

**Dr. M. Prasanna Mohan Raj, (January 2013):** The heterogeneous behaviour of consumers towards the choice of various brands in a particular segment can be explained by the influence of various factors underlying their decisions and its brand equity. The objective of this study is the identification and study of factors influencing customers' brand preferences of the economy segment SUV's and MUV's as well as brand equity as a function of product choice. This paper has indicate how the customer are prefer the particulars brand for example there are people select specific brand in four wheelers like Maruti or TATA, so people are purchase car which they really like. Brand factors are core part for customer point of view.

**Gupta Bhuvan, Agarwal Nisha (2013):** The Indian Automobile Industry has got a incredible market potential. With the growth of population and change in their pattern of life style as a result of urbanization, there has been a rapid increase in demand for Indian automobiles. The purpose of this chapter is to survey the growth of Automobile Industry in India and their role in economic development and to bring out the profile of the study area. In recent days India is witnessing a change in consumerism. The market is now mainly consumer driver. The focus is shifting for product based marketing to need based marketing. Consumer is given many options to make a decision. Passenger car segment is no omission to this general trend. In this paper the author has indicate costumer preferences to their car and how they behave for taking decision to purchases car.

**Dr. G. Syamala, Vinayak Ghosh (DEC2012):** The automotive industry in India is one of the largest in the world; it is one of the fastest growing industries globally. Its passenger car and commercial vehicle segment is the sixth largest in the world. Indian small car market is increasing by leaps and bounds. The indigenous market for small cars now occupies a substantial share of around 70% of the annual car production in India which is about one million. Almost

all automobile in India are competing with each other in terms of design, innovation, pricing and technology. The following paper is an attempt to study the satisfaction level of customers who own small car. The research covers the areas of Aundh, Pashan, Baner in Pune, Maharashtra. The author has inform in this paper about the small car and consumer satisfaction regarding this for example Maruti alto, maruti 800, Chevrolet Beat. The small car buy only the small family, they are satisfy to purchase small car with good mileage and services

**Dr. K. Ravichandran (December):** This paper has made a scientific approach to identify the key factors that influence the consumers (1) while selecting the appropriate four wheelers especially cars by considering the parameters such as mileage, maintenance cost, brake failure, comfort and brand which are obscure and imprecise in nature. With regards to the selection of four wheelers like cars, the consumers are in dilemma to identify and select an appropriate model. The survey has been conducted in an automobile industry by analysing the customer’s preferences in buying a car. Whenever any consumer buy four wheelers they should identify which company has providing good quality, services, mileages and most important after sale services so consumer can buy without any hesitation.

**Nikhil Monga (February 2012):** The concept of “buying behaviour” is of prime importance in marketing and has evolved over the years. It is important to understand consumer buying behaviour as it plays a vital role in crating an impact on purchase of products. The human wants are unlimited and always expect more and more. Car Models are no exception to this behaviour. This lead to constant modifications of Car Models & its features and today we see a new model coming into the market practically every quarter. The market is a very important place to study the behaviour of consumers and also provide useful insights what a consumer requires in a product. It is only through research that a company will be able to study the buying behaviour of consumers. The four wheelers sectors has launch any car before they launch they analysis the market, locality, income level of particulars group or family for example TATA Nano has capture middle class people and they get good response and also increasing sales.

**NATARAJ S; DR. N.NAGARAJA (June 2012):** Online bookings and online purchase are the current wave in Indian car industry. Internet is gradually hitting the core of every industry including the car industry. It creates a greater awareness of the vehicle and influences the buyer to purchase. Internet is believed to have a greater impact on the sales process and will definitely give higher level of sales satisfaction. In this paper has giving the information about online purchase or booking four wheelers, due to rising the competition company has develop their strategy to sell the car for example now a days most popular website is CarDekho.com and CarTrade.com both of this getting nice response from customer and customer will satisfy.

**Minwir Al-Shammari (November 2014):** In today's high competitive global market, the importance of the service sector has sharply increased in both the developing and already developed countries. Service providers are primarily focused on delivering superior service quality to achieve high levels of customer satisfaction and loyalty. This research paper has the author has study or examine the quality providing by automobile company and whether the consumer are really satisfy with this services. To develop the reputation in the business market every company have to do the good services and maintain the quality.

**CUSTOMERS PERCEPTION TOWARDS TATA NANO CAR IN COIMBATORE. (May, 2014):** The Indian automobile industry is the tenth largest in the world with an annual production of two million units. Indian Auto Industry promises to become the major automotive industry in the upcoming years and the industry experts are hopeful that it will touch ten million units mark. Tata Motors dominates over 60% of the Indian commercial vehicle market. Tata motors are the largest medium and heavy commercial vehicle manufacturers in India. This research paper has purely base on only one four wheelers that is TATA NANO. This car is more comfort to suitable for small family even price are also reasonable so consumer can easily affordable. Verities of colours and effective advertising display by company so customer are attract more.

**Consumers’ Perceived Quality, Perceived Value and Perceived Risk Towards Purchase Decision on Automobile. 2011:** As the level of competition keep on increasing in Malaysia automobile market, it is essential for every automobile producer companies to understand customer insight in order to further increase their share of wallet. Thus, they need to understand what factors might influence their customers’ decision in purchasing an automobile. Due to raising the competition in the market every company has to do something new or innovative so people can buy quickly. If we talking about the quality Honda name has came in our mouth. It is not that much costly but people can buy for showing their status.

**Third edition Michael Solomon, Gary Bamossy Consumer Behaviour:** The field of consumer behaviour covers a lot of ground: it is the study of the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires. In its early stages of development, the field was often referred to as buyer behaviour, reflecting an emphasis on the interaction between consumers and producers at the time of purchase. Consumer response may often be the ultimate test of whether or not a marketing strategy will succeed. In its early stages of development, the field was often referred to as buyer behaviour, reflecting an emphasis on the interaction between consumers and producers at the time of purchase. Every consumer decision, purchase behaviour, buying power are different its not analysis for quickly. In this book the author has given details how the consumer behaviour changes for there lifestyle, culture, income level etc. sometime consumer behaviour or their decision are unique in nature.

**Dr. khaled ibn Abdul-raheman Al-jeraisy :** As a consumer behaviour defined as the activity of the consumer engages in when looking for a goods and a services to satisfy his need or want and when evaluating, obtaining, using. In addition to related decision making processes. When any consumer has to take decision to buy the product he should analysis or getting information for particulars product then he will purchase to take decision. After the purchasing the product and using this consumer are satisfy. For example when the consumer are take decision to buy four wheelers they he will get information for other people about this car and then he purchase. Some time

company has giving the test Drive also if customer like than they buy otherwise they move to buy other four wheelers.

**Inamullah khan (March 2012):** The results show that customer satisfaction has significant while customer behaviour has impact on customer loyalty. The implications of the study are that a company should better manage their relationships with the customers as a competitive policy in four wheelers market place. The crucial part of this when the company has providing better services and also the good quality the consumer can trust blindly for this company and company has to fulfil the all requirement which consumer wants. It is significant important to analyse it in the context of customer behaviour and customer satisfaction, these two variables are of immense important to analyse the customer loyalty. Firms can maximize level of profitability by providing safe and sound products and services to their loyal customers. With this the company has not just giving good product but they provide after sales service to the customer.

**Dacia-Group Renault -focus to customers' satisfaction:** The decisions of a company with global vision is oriented mainly on product markets rather than on the domestic market. Since 2000 we witness companies focus on knowing how to conquer a market (marketing know-how), to the will to choose strategic alternatives, sustained by the will to act according to a strategy anchored to the changes in the company's marketing environment. Thus, now the company becomes a producer of product proposals offered to the market, the consumer produces satisfaction, the distribution produces exchanges, and the environments are producing beliefs. The best example of this long time ago Mahindra & Renault are merger but now a days when the Renault has launch their individual four wheelers i.e Renault Duster in Mumbai area it is good responses for this car, even with attractive colours consumer are not just satisfy but also delight. Renault are capture the market very quickly and they not just launch on four wheelers they are try to doing something innovative so consumer car attracting more for this company.

**K. J. Vinodini (Jan-Mar 2014):** The Automobile Sector plays a very important role in the economy, where they manufacture millions of wheelers

and sell it year by year. This sector is the fastest growing sector where it holds the ‘n’ number of customers for buying their vehicles. The wants are unlimited in nature; though a person belongs to a middle class family his desire in buying a four wheeler can ‘t be predicted. People may belong to rural or urban area but they want to change their lifestyle at least by consuming a car. The four wheeler market is getting expanded day by day with new innovations. As we all know due to increasing the population, competition also increasing day by day, year by year. Every new company has enter in the market specially in four wheelers sector.

**Paul Greenberg CRM at the speed of light, Third Edition:** In the business market selling a product like four wheelers or any luxury car is not that much easy task for sales persons. When he talk to the consumer for the car feature, whether the customer agree with him and whatever he said about the product. In whole process of marketing if businessman really want to do the satisfy the customer then Customer Relationship has crucial part of marketing process. To make a good relationship with the customer, businessman or Dealers has give special offers, Discount, Schemes, to providing easy finance when the customer buy four wheelers. When the term CRM is use in business process, we are typically talking about a set of possible interaction that lead to a result from a customers. This is governed by business rules that are set by the company.

**Philip Kotler, Marketing Management: analysis, planning, implementation, and control. 9th edition:** The aim of four wheelers industries has to satisfy target customers needs & their wants. To identify or analysis consumer market and consumer behaviour is not that much easy task. The four wheelers sectors has introduce any product they looking first or analysis the individual, family, group, high class people as well as low class people. With that or after the analysis whole market they launch product. For example in six to seven year ago luxury car like BMW, Mercedes are not that much popular in Mumbai area, as income level are increasing for people they are starting to launch in Mumbai are now they are running well in this area. Due to increasing the technology four wheelers market has try to do every time

innovative, creative. For that second example in four wheelers more comfort in that TV facility, Google map, automatic lock system etc.

**Consumer Behavior sixth edition by Leon G. Schiffman and Leslie Lazar Kanuk:** To run successful business in the business Market, business man has to focusing on competitors and also the customer satisfaction. As specially in four wheelers industries making innovative ideas that have been developing world class four wheelers in the market. Due to changing pattern & lifestyle needs wants to the consumer. Whenever four wheelers industry has making the product it aim to helping the safety of every individual customer. When the four wheelers sectors build up any product they take care and protect the consumers its creating good image in customers mind. The luxuries example in that Jaguar, Range Rover, Land Rover this four wheelers are highly costly in the market but there are consumer for showing their status they can buy this. In Mumbai area this kind of four wheelers are hardly buying for few consumer either top industrialist or Politician.

**Consumer Behaviour Buying, Having, and being: sixth edition by Michael R. Solomon:** Consumer satisfaction is determine by the person's overall feeling toward the product after purchase. There are many factors influencing preference of product quality, including price, brand name, and product performance. Satisfaction is often determining by the degree to which a product's performance is consistent with the consumer's prior expectations of how well it will function. Consumer satisfaction is determining by overall feelings, or attitude, a person has about a product after has been purchasing consumer engage in a constant process of evaluating the things they buy as they integrate these products into their daily consumption activity.

**Consumer Behaviour ninth edition by Leon G. Schiffman, Leslie Lazar Kanuk:** It is important to understand how consumer attitudes vary from situation to situation. For instance, it is useful to know whether consumer preferences for various brand of like Maruti, Mahindra, Renault, Mitsubishi etc. first identify consumer needs and then develop product & services to satisfy those needs. Consumer research also is used to better understanding consumption behaviour. Many of these applications of consumer research are



managerial in perspective, they are designed to help a market make specific marketing decisions concerning product, price, promotion, and distribution. It also enables the marketer to build consumer meaning into the product or services by discovering which attributes are most important to the target market and integrating them into the product or services design.

## **2.3 THEORITICAL FRAMEWORK**

### **2.3.1 Perception**

In philosophy, psychology, and cognitive science, perception is the process of attaining awareness or understanding of sensory information. The word "perception" comes from the Latin words perceptio, percipio, and means "receiving, collecting, action of taking possession, apprehension with the mind or senses."

Perception is one of the oldest fields in psychology. The oldest quantitative law in psychology is the Weber-Fechner law, which quantifies the relationship between the intensity of physical stimuli and their perceptual effects. The study of perception gave rise to the Gestalt school of psychology, with its emphasis on holistic approach.

What one perceives is a result of inter plays between past experiences, including one's culture, and the interpretation of the perceived.

### **2.3.2 Customer Perception**

Customer perception refers to the process by which a customer selects, organizes, and interprets information/stimuli inputs to create a meaningful picture of the brand or the product. It is a three-stage process that translates raw stimuli into meaningful information.

In simpler terms, it is how a customer see's a particular brand with whatever he or she has been able to understand by watching the products, its promotions, feedback etc. It is the image of that particular brand in the mind of the customer

Passive perception (conceived by Rene Descartes) can be surmised as the following sequence of events:

Surrounding → input (senses) → processing (brain) → output (re-action).

Although still supported by mainstream philosophers, psychologists and neurologists, this theory is nowadays losing momentum.

Active perception has emerged from extensive research of sensory illusions, most notably the works of Richard L. Gregory. This theory can be surmised as dynamic relationship between

"Description" (in the brain) ↔ senses ↔ surrounding, all of which holds true to the linear concept of experience

### **2.3.3 Perception and reality:**

In the case of visual perception, some people can actually see the perceptive shift in their mind's eye. Others, who are not picture thinkers, may not necessarily perceive the 'shape-shifting' as their world changes. The 'simplistic' nature has been shown by experiment: an ambiguous image has multiple interpretations on the perceptual level. The question, "Is the glass half empty or half full?" serves to demonstrate the way an object can be perceived in different ways.

The processes of perception routinely alter what humans see. When people view something with a preconceived concept about it, they tend to take those concepts and see them whether or not they are there. This problem stems from the fact that humans are unable to understand new information, without the inherent bias of their previous knowledge. A person's knowledge creates his or her reality as much as the truth, because the human mind can only contemplate that to which it has been exposed.

### **2.3.4 Cognitive theories of perception:**

Assume there is a poverty of stimulus. This (with reference to perception) is the claim that sensations are, by themselves, unable to provide a unique description of the world. Sensations require 'enriching', which is the role of the mental model. A different type of theory is the perceptual ecology approach of James J. Gibson. Gibson rejected the assumption of a poverty of stimulus by rejecting the notion that perception is based in sensations. Instead, he investigated what information is actually presented to the perceptual systems. He and the psychologists who work within this paradigm detailed how the world could be specified to a mobile, exploring organism via the lawful projection of information about the world into energy arrays. Specification is a 1:1 mapping of some aspect of the world into a perceptual array; given such a mapping, no enrichment is required and perception is direct perception.

### **2.3.5 Perception-in-action:**

An ecological understanding of perception derived from Gibson's early work is that of "perception-in-action", the notion that perception is a requisite property of animate action; that without perception action would be unguided, and without action perception would serve no purpose. Animate actions require both perception and motion, and perception and movement can be described as "two sides of the same coin, the coin is action". Gibson works from the assumption that singular entities, which he calls "In-variants", already exist in the real world and that all that the perception process does is to home in upon them. A view known as constructivism (held by such philosophers as Ernst von Glasersfeld) regards the continual adjustment of perception and action to the external input as precisely what constitutes the "entity", which is therefore far from being invariant.

Glasersfeld considers an "invariant" as a target to be homed in upon, and a pragmatic necessity to allow an initial measure of understanding to be established prior to the updating that a statement aims to achieve. The invariant does not and need not represent an actuality, and Glasersfeld describes it as extremely unlikely that what is desired or feared by an organism will never suffer change as time goes on. This social constructionist theory thus allows for a needful evolutionary adjustment. A mathematical theory of perception-in-action has been devised and investigated in many forms of controlled movement, and has been described in many different species of organism using the General Tau Theory. According to this theory, tau information, or time-to-goal information is the fundamental 'percept' in perception. In today's globalizing economy competition is getting more and more fierce. That means it becomes more difficult for products and services to differentiate themselves from other offerings than ever before. Not only is the number of competitive offerings rising due to globalization of production, sourcing, logistics and access to information. Many products and services face new competition from substitutes and from completely new offerings or bundles from industry outsiders. Since product differences are closed at an increasing speed and many companies try to win the battle for customers by price reductions, products and services tend to become commodities.

In the result, customers have a wider choice of often less distinguishable products and they are much better informed. For many offerings the balance of power shifts towards the customer. Customers are widely aware of their greater power, which raises their expectations on how companies should care for them. Bringing it all together, it becomes ever more difficult to differentiate a product or service by traditional categories like price, quality, functionality etc. In this situation the development of a strong relationship between customers and a company could likely prove to be a significant opportunity for competitive advantage. This relationship is no longer based on features like price and quality alone. Today it is more the perceived experience a customer makes in his various interactions with a company that can make or break the relationship. Problems during a single transaction can damage a so far favourable customer attitude.

Traditionally, companies have focused their efforts of customer relationship management on issues like customer satisfaction and targeted marketing activities like event marketing, direct marketing or advertising. They narrow the relationship between company and customer down to a particular set of contacts in which the company invests its efforts. Most likely this will produce not more than a satisfied customer who is well aware of the companies' offerings and has a positive attitude towards them. However, a satisfied customer is not necessarily a loyal one. When the customer makes his buying decision, he evaluates the benefits he perceives from a particular product and compares them with the costs. The value a customer perceives when buying and using a product or service go beyond usability. There is a set of emotional values as well, such as social status, exclusivity, friendliness and responsiveness or the degree to which personal expectations and preferences are met. Similarly, the costs perceived by the customer, normally comprise more than the actual price. They also include costs of usage, the lost opportunity to use another offering, potential switching costs etc. Hence, the customer establishes an equation between perceived benefits and perceived costs of one product and compares this to similar equations of other products. Based on this, customer loyalty can be understood as to how customers feel about a product, service or brand and whether their perceived total investments

with a live up to their expectations. The important point here is the involvement of feelings, emotions and perceptions. In today’s competitive marketplace, these perceptions are becoming much more important for gaining sustainable competitive advantage.

Customer perceptions are influenced by a variety of factors. Besides the actual outcome i.e., did the product or service deliver the expected function and did it fulfil the customer’s need the whole process of consumption and all interactions involved are of crucial importance. Customer perceptions are dynamic. First of all, with the developing relationship between customer and company, his perceptions of the company and its products or services will change. The more experience the customer accumulates, the more his perceptions will shift from fact-based judgement to a more general meaning the whole relationship gains for him. Over time, he puts a stronger focus on the consequence of the product or service consumption. Moreover, if the customers’ circumstances change, their needs and preferences often change too. In the external environment, the offerings of competitors, with which a customer compares a product or service will change, thus altering his perception of the best offer around. Another point is that the public opinion towards certain issues can change. This effect can reach from fashion trends to the public expectation of good corporate citizenship. Shells intention to dump its Brent Spar platform into the ocean significantly altered many customers perception of which company was worth buying fuel from.

The concept of customer perception does not only relate to individual customers in consumer markets. It is also valid in business-to-business situations. For example, a competitor bench marking survey of a large industrial supplier revealed that the market leader, although recognized for excellent quality and service and known to be highly innovative, was perceived as arrogant in some regions. If we take into consideration that there are about four other large players with a similar level of quality and innovative ideas, this perceived arrogance could develop into a serious problem. Customers here are well aware the main characteristics of all the offerings available at the market are largely comparable. So, they might use the development of a new product generation of their own to switch to a supplier that can serve them not

better or worse, but with more responsiveness and understanding. Companies have done a lot to improve customer satisfaction and customer relationships in the past. As discussed above, this will not be enough anymore. Any serious effort to manage customer perceptions starts with a good measurement system. Companies must be truly willing to look at the whole process of interaction through the customers eyes. For many companies, this requires a more or less extensive shift in mindset, since most departments from development to sales will be involved.

**CHAPTER III**  
**RESEARCH METHODOLOGY**



### **3.1 INTRODUCTION**

Research methodology is the specific procedures or methods used to identify, select process and analyse information about a topic in a research paper, the methodology section allows the reader in critically evaluate a study's overall validity and liability. Methodology is the systematic theoretical analysis of the methods applied to field of the study.

Research is a method of logical and systematic software of the basics of technology to the overall and average question of an observed and clinical method which give tools, particular processes and technical in preference to philosophical manner for buying ordering the information previous to their logical evaluation and manipulation.

Research provides the right kind of information that helps in successfully dealing with problems.

Research is a way of preparing the mind to look at things in a fresh or different way. Out of such an orientation would come new and innovative observations about everyday events and happenings.

### **3.2 RESEARCH DESIGN**

A research design is the set of methods and procedures used in collecting and analysing measures of the variables specified in the problem research. A research design is a framework that has been created to find answers to research questions.

The research design is the blueprint for the fulfilment of objectives and answering questions. It is a master plan specifying the technique and approaches for accumulating and analysing wanted information. Descriptive research is a fact-finding investigation with adequate interpretation. It is usually related to determining frequency with which something occurs or how two variables vary together. It is used for the purpose of describing the characteristics of certain groups to make specific predictions and to determine the association of the variables.

### **3.3 POPULATION OF THE STUDY**

Population refers to the total number of people that are the subjects or respondents of the study. The population here is the customers of Honda cars in Ernakulam district.

### **3.4 SAMPLE SIZE**

A sampling is a limited portion of a population whose characteristics are researched to learn more about the population as a whole. It can be described as a group of responders (people) chosen from a wide population for the purpose of a survey when referring to people. The process of selecting sample participants from a population is known as a sampling method. In research study, 100 respondents are taken to study the customer perception of Honda cars.

### **3.5 SAMPLING TECHNIQUE**

The primary data collected using Convenience sampling technique, Convenience sampling is a sampling technique which is used during the preliminary research efforts. As the name suggests the elements of such a sample are picked only on the basis of convenience in terms of availability, reach and accessibility. I took this as a sampling technique, because, the sample is being drawn from that part of the population that is close to hand.

### **3.6 CONVENIENCE SAMPLING**

Convenience sampling is a sampling method that uses participants who are most conveniently available. This sort of sample is usually biased. It most likely does not fit the correct definition of random sample, where everyone in the population has an equal 83 chance of being selected. Since it does not truly represent the population, it is limited when it comes to generalization. Valid inferences about the large groups cannot be made based on the results drawn from the convenience samples. Convenience sampling is a non-probability method, which may be appropriate when a researcher wants to get a gross approximation of the truth, while avoiding the time and cost of a random sample.

The scaling used for the study is ‘Five Point Likert scale’. Scaling is the division of measurement that contains the production of a gadget that associates qualitative builds with measurable metric units. A Likert scale is a scale used to represent people's attitudes to a topic. It is the most widely used approach to scaling responses in survey research. The Likert Scale is used to allow the individual to prompt how much they are satisfied or dissatisfied with a specific statement.

The format of a typical five-point Likert scale, for example, could be:

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

### **3.7 DATA COLLECTION**

This study was based on both primary and secondary data:

1) Primary data:

The primary data were collected only in the field survey by meeting the respondents personally and getting information through a questionnaire. Primary data are collected expressly to help solve the problems at hand. Survey experimental data are therefore secondary data if they are collected earlier for another study and are primary data if they are collected earlier for another study and are primary data if they were collected for the present one.

2) Secondary data:

Secondary data were collected from the company brochure, fact sheets, report copies, websites. Secondary data were collected for other purposes other than helping to solve current problem.

### **3.8 DATA COLLECTION TOOL**

The tool used for data collection is through questionnaires using Likert scale, which is termed as a summated instrument scale. It consists of a number of

statements which express whether a positive or negative attitude towards the object of interest. The respondents are asked to agree or disagree with each statement. Each response is given a mathematical score to reflect its degree of attitude, and the scores are equalled to measure the respondent's attitude.

### **3.9 STATISTICAL TREATMENT**

Statistical treatment means the tool or technique that is used for analysing and interpreting the data. Through this researcher can do an easy study on data collected by him and make the interpretation. The statistical action used for the clarification is: Percentage Analysis

### **3.10 PERCENTAGE ANALAYSIS**

Percentage analysis is the method to signify raw streams of data as a percentage (a part in 100 percentage) for better understanding of collected data. Percentage analysis is applied to create a contingency table from the frequency distribution and represent the collected data for better understanding.

### **3.11 SOFTWARE USED FOR ANALYSIS**

MS Excel was utilized in this project research in order to analyse the data and draw conclusions.

MS EXCEL:

A spreadsheet programme called Microsoft Excel is accessible on Windows, Android and iOS devices. It features calculators, graphing tools, pivot tables, and the macro programming language Visual Basic for Applications. For these schemes, it has created the production standard for spreadsheets, especially after version 5 in 1993, when it replaced Lotus 1-2-3 as the industry standard. A component of Microsoft Office is Excel.

**CHAPTER IV**  
**DATA ANALYSIS AND INTEPRETATION**

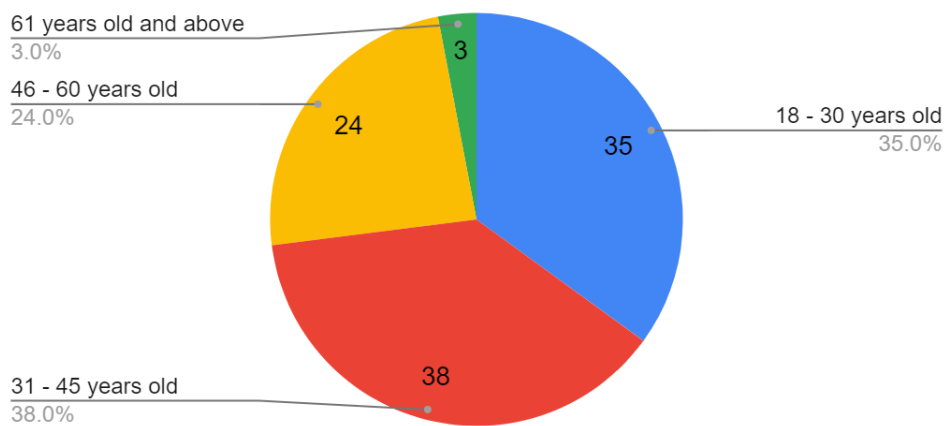
**4.1 Age:**

Table 4.1 showing number of respondents according to their age groups

AGE	NO. OF RESPONDENTS	PERCENTAGE
18 - 30 years old	35	35
31 - 45 years old	38	38
46 - 60 years old	24	24
61 years old and above	3	3
TOTAL	100	100

Source: Primary data

**Figure 4.1** Showing number of respondents according to their age groups.



**Interpretation:**

According to the above graph 38% of respondents were 31-45 years old, 35% of respondents were age between 18 to 30 years, 24% respondents were 46 to 60 years old and 3% respondents were 61 years old and above. We can say that majority of the respondents fall between the age group between 31 to 45 years old.

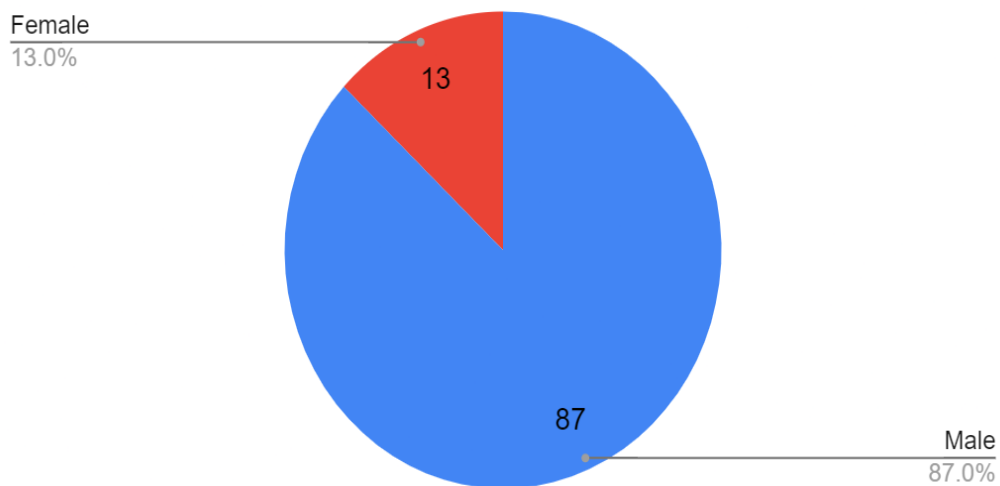
## 4.2 Gender

Table 4.2 showing number of respondents according to their gender groups

GENDER	NO. OF RESPONDENTS	PERCENTAGE
Male	87	87
Female	13	13
Other	0	0
Prefer not to say	0	0
TOTAL	100	100

Source: Primary data

**Figure 4.2** Showing number of respondents according to gender.



### Interpretation

According to the above graph 87% of respondents were males and 13% of respondents are female. We can say that most of the respondents approached were males.

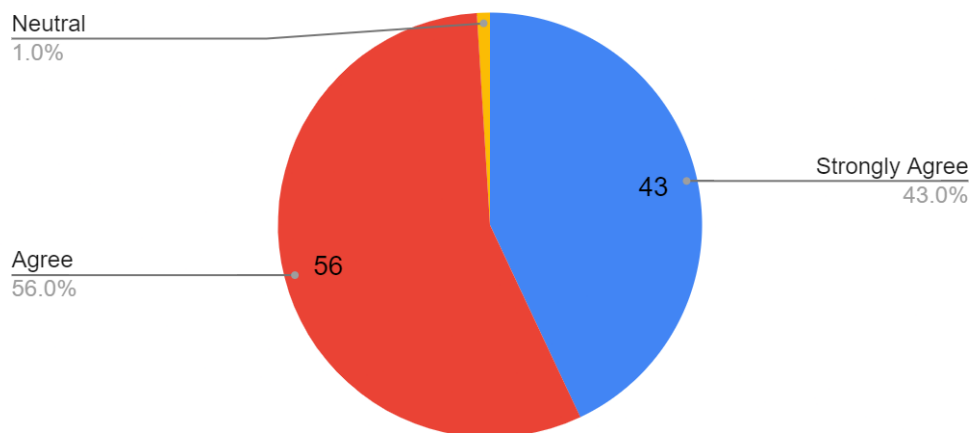
### 4.3 Build quality

Table 4.3 showing number of respondents according to the response regarding build quality of Honda cars.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Strongly Agree	43	43
Agree	56	56
Neutral	1	1
Disagree	0	0
Strongly Disagree	0	0
TOTAL	100	100

Source: Primary data

**Figure 4.3** Showing response regarding the build quality of Honda cars.



### Interpretation

According to the above graph 56% of the respondents strongly agree that Honda cars have good build quality, 43% of respondents agree and 1% has neutral response.



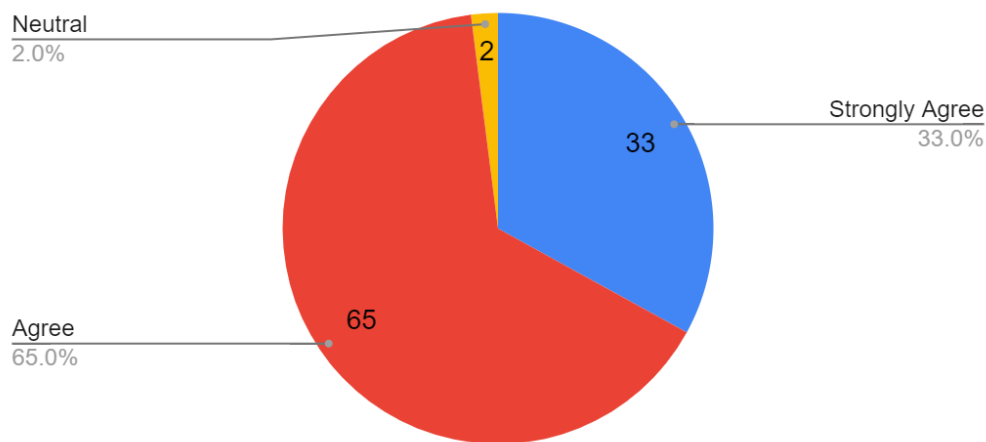
#### 4.4 Adequate safety features

Table 4.4 showing number of respondents according to the response regarding adequate safety features of Honda cars.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Strongly Agree	33	33
Agree	65	65
Neutral	2	2
Disagree	0	0
Strongly Disagree	0	0
TOTAL	100	100

Source: Primary data

**Figure 4.4** Showing response regarding adequate safety features of Honda cars.



#### Interpretation

According to the above graph 65% of the respondents agree that Honda cars have adequate safety features, 33% of respondents strongly agree and 2% has neutral response.

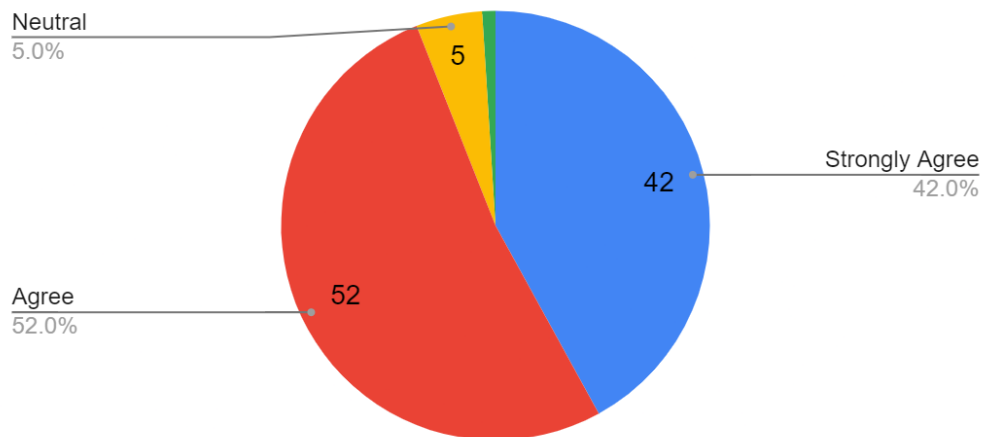
#### 4.5 Driving comfort

Table 4.5 showing number of respondents according to the response regarding driving comfort of Honda cars.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Strongly Agree	42	42
Agree	52	52
Neutral	5	5
Disagree	1	1
Strongly Disagree	0	0
TOTAL	100	100

Source: Primary data

**Figure 4.5** Showing response regarding good driving comfort of Honda cars.



#### Interpretation

According to the above graph 52% of the respondents agree that Honda cars have good driving comfort, 42% of respondents strongly agree and 5% has neutral response.

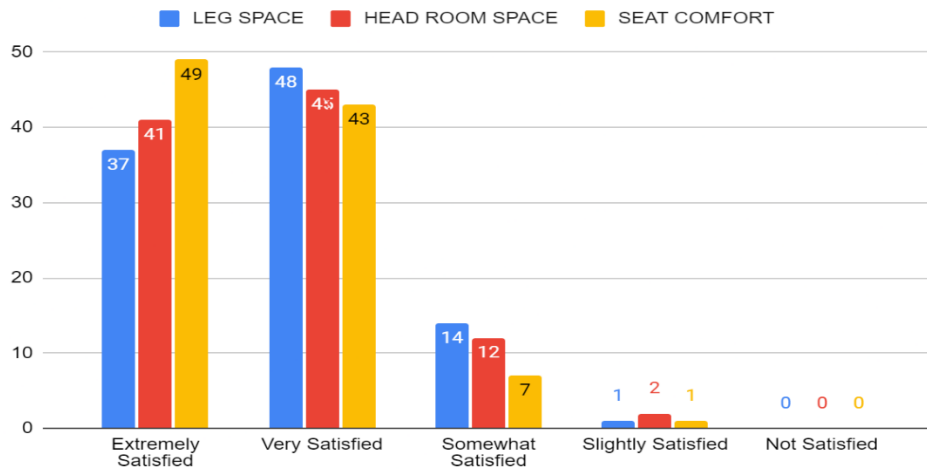
#### 4.6 Passenger comfortability

Table 4.6 showing number of respondents according to the response regarding passenger comfortability of Honda cars.

PARTICULARS	NO. OF RESPONDENTS		
	LEG SPACE	HEAD ROOM SPACE	SEAT COMFORT
Extremely Satisfied	37	41	49
Very Satisfied	48	45	43
Somewhat Satisfied	14	12	7
Slightly Satisfied	1	2	1
Not Satisfied	0	0	0
TOTAL	100	100	100

Source: Primary data

**Figure 4.6** Showing response regarding the passenger comfortability of Honda cars.



#### Interpretation

According to the above graph the response of passenger comfortability are as follows, the response regarding the leg space was 48% of the respondents were very satisfied, 37% was extremely satisfied, 14% somewhat satisfied and 1% slightly satisfied. 45% of respondents were very satisfied with the head room space, 41% extremely satisfied, 12% somewhat satisfied, 2% slightly satisfied.

49% of respondents were extremely satisfied with the seat comfort, 43% was very satisfied, 7% was somewhat satisfied and 1% of the respondents were slightly satisfied.

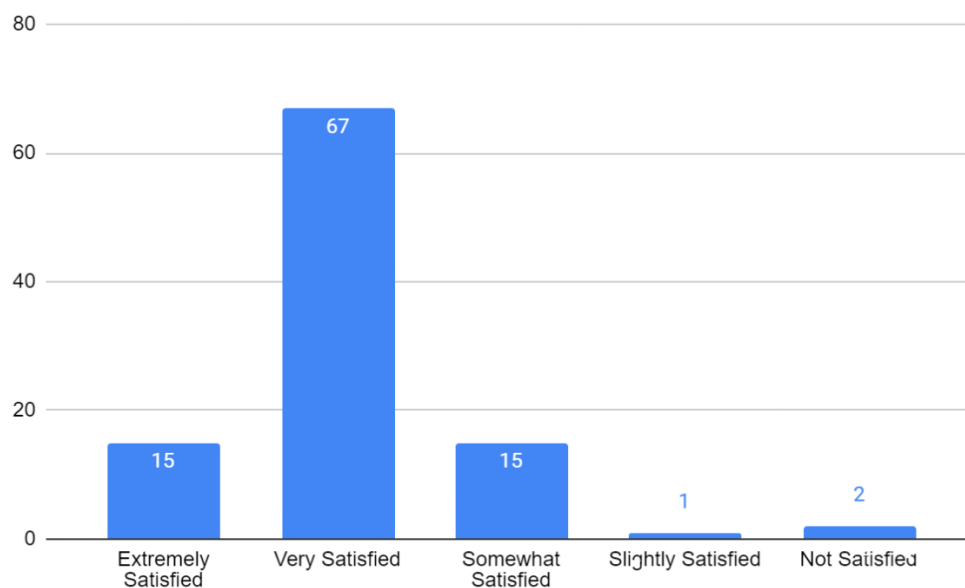
#### 4.7 Infotainment system

Table 4.7 showing number of respondents according to the response regarding infotainment system of Honda cars.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Extremely Satisfied	15	15
Very Satisfied	67	67
Somewhat Satisfied	15	15
Slightly Satisfied	1	1
Not Satisfied	2	2
TOTAL	100	100

Source: Primary data

**Figure 4.7** Showing response regarding the infotainment system of Honda cars.



#### Interpretation

According to the above graph 67% of the respondents are very satisfied with the infotainment system of Honda cars, 15% of respondents are extremely satisfied and somewhat satisfied and 2% of the respondents are not satisfied.

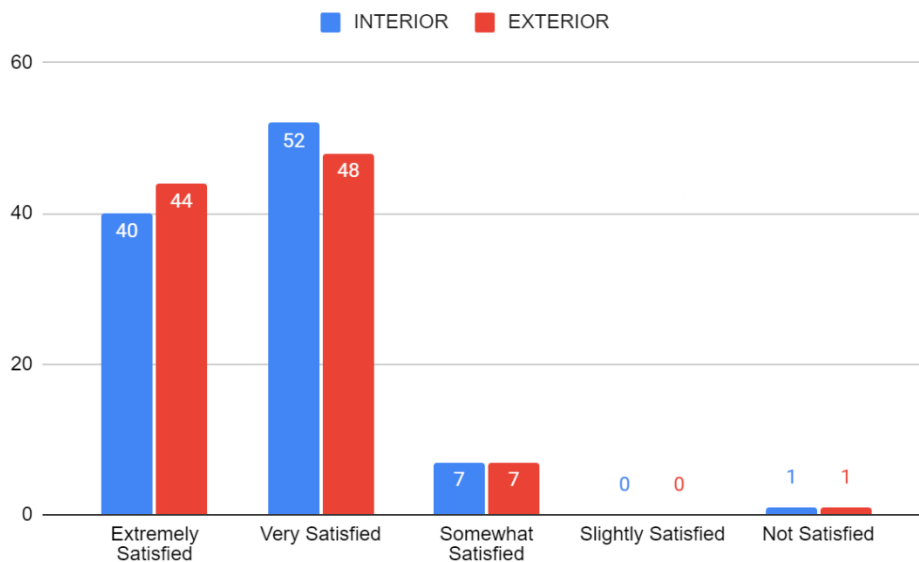
### 4.8 Design efficiency

Table 4.8 showing number of respondents according to the response regarding design efficiency of Honda cars.

PARTICULARS	NO. OF RESPONDENTS	
	INTERIOR	EXTERIOR
Extremely Satisfied	40	44
Very Satisfied	52	48
Somewhat Satisfied	7	7
Slightly Satisfied	0	0
Not Satisfied	1	1
TOTAL	100	100

Source: Primary data

**Figure 4.8** Showing response regarding the design efficiency of Honda cars.



### Interpretation

According to the above graph the response of design efficiency are as follows, the response regarding the interior design was 52% of the respondents were

very satisfied, 40% was extremely satisfied, 7% somewhat satisfied and 1% not satisfied. 48% of respondents were very satisfied with the exterior design, 44% was extremely satisfied, 7% was somewhat satisfied and 1% of the respondents were not satisfied.

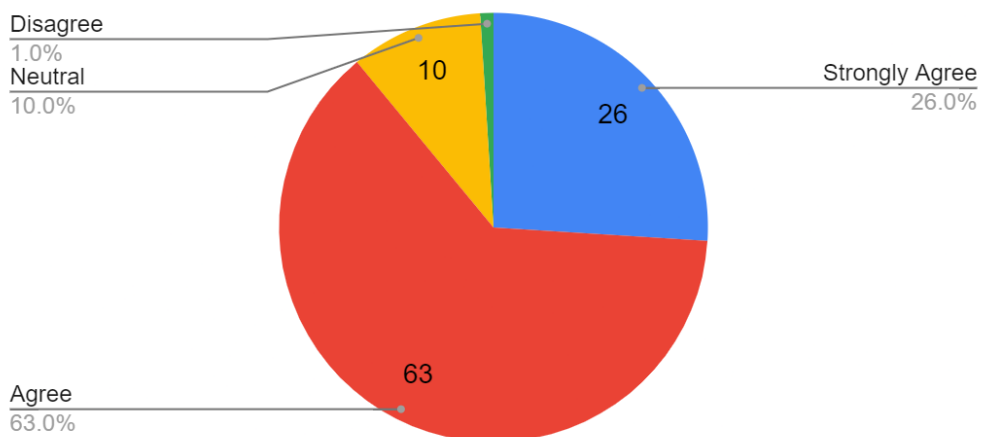
#### 4.9 Convenient boot space capacity

Table 4.9 showing number of respondents according to the response regarding convenient boot space capacity of Honda cars.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Strongly Agree	26	26
Agree	63	63
Neutral	10	10
Disagree	1	1
Strongly Disagree	0	0
TOTAL	100	100

Source: Primary data

**Figure 4.9** Showing response regarding the boot space capacity of Honda cars.



#### Interpretation

According to the above graph 63% of the respondents agree that Honda cars have boot space capacity, 26% of respondents strongly agree and 10% has neutral response.



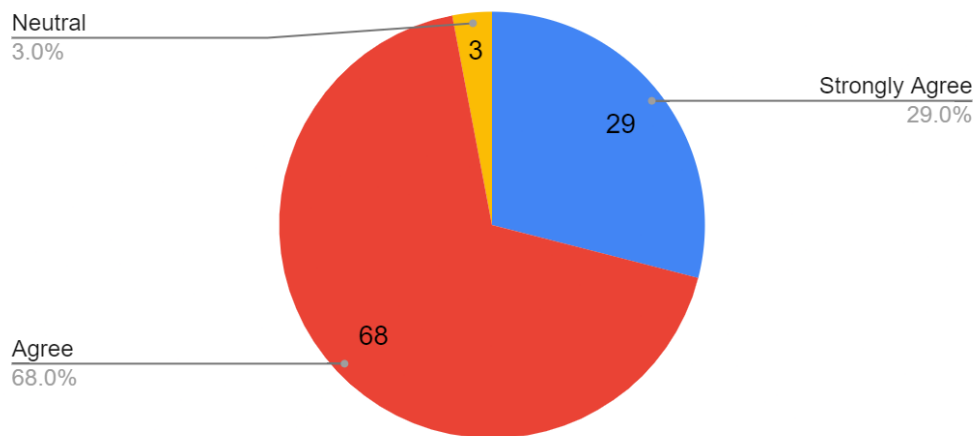
#### 4.10 Efficient braking system

Table 4.10 showing number of respondents according to the response regarding efficient braking system of Honda cars.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Strongly Agree	29	29
Agree	68	68
Neutral	3	3
Disagree	0	0
Strongly Disagree	0	0
TOTAL	100	100

Source: Primary data

**Figure 4.10** Showing response regarding the efficient braking system of Honda cars.



#### Interpretation

According to the above graph 68% of the respondents agree that Honda cars have efficient braking system, 29% of respondents strongly agree and 3% has neutral response.

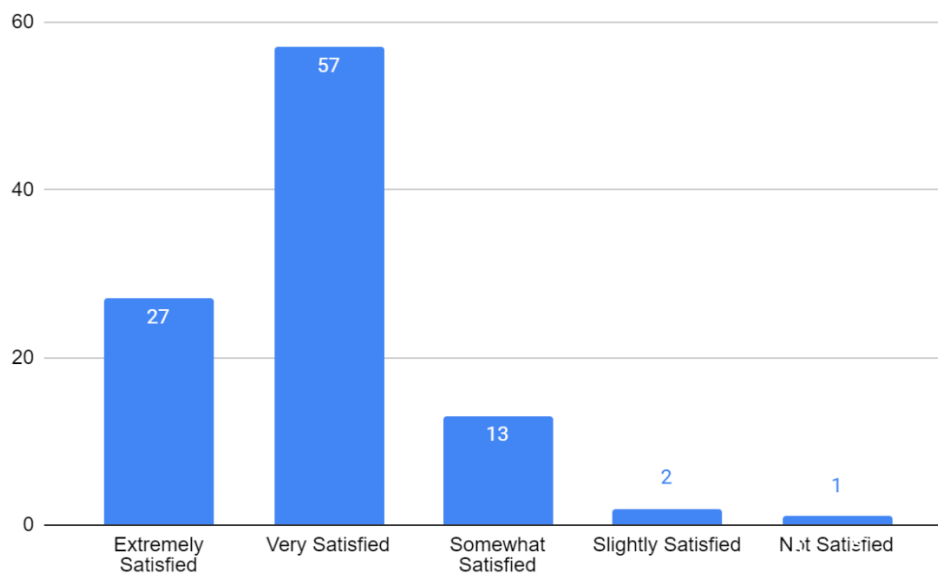
#### 4.11 Expected mileage

Table 4.11 showing number of respondents according to the response regarding expected mileage of Honda cars.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Extremely Satisfied	27	27
Very Satisfied	57	57
Somewhat Satisfied	13	13
Slightly Satisfied	2	2
Not Satisfied	1	1
TOTAL	100	100

Source: Primary data

**Figure 4.11** Showing response regarding the expected mileage of Honda cars.



#### Interpretation

According to the above graph 57% of the respondents are very satisfied with the expected mileage of Honda cars, 27% of respondents are extremely satisfied, 13% of respondents are somewhat satisfied and 2% are slightly satisfied.

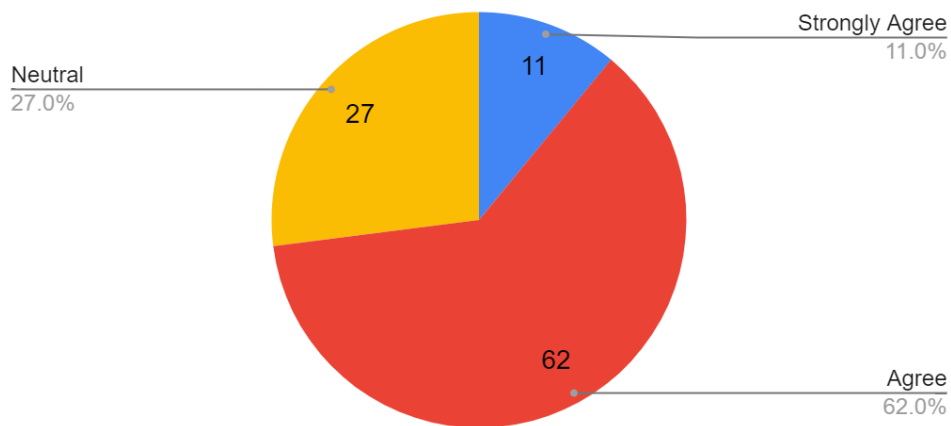
#### 4.12 Reasonable price

Table 4.12 showing number of respondents according to the response regarding reasonable price of Honda cars.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Strongly Agree	11	11
Agree	62	62
Neutral	27	27
Disagree	0	0
Strongly Disagree	0	0
TOTAL	100	100

Source: Primary data

**Figure 4.12** Showing response regarding the reasonable price of Honda cars.



#### Interpretation

According to the above graph 62% of the respondents agree that Honda cars have of reasonable price, 11% of respondents strongly agree and 27% has neutral response.

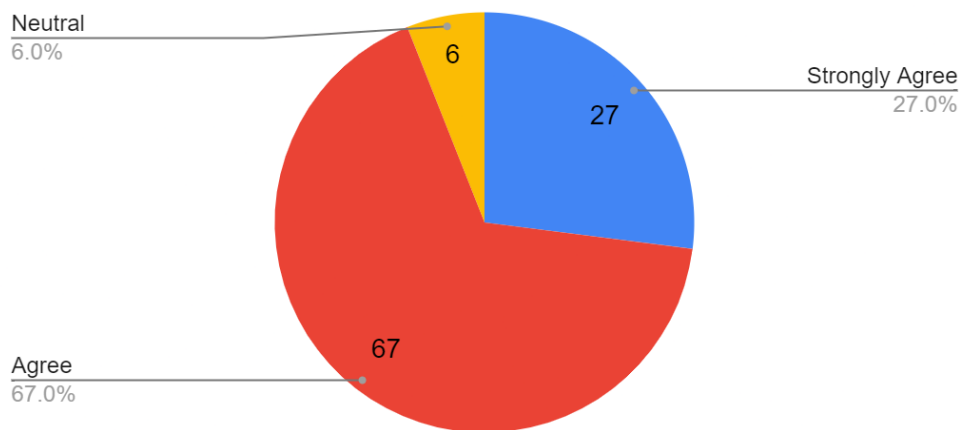
### 4.13 Easy maintenance

Table 4.13 showing number of respondents according to the response regarding easy maintenance of Honda cars.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Strongly Agree	27	27
Agree	67	67
Neutral	6	6
Disagree	0	0
Strongly Disagree	0	0
TOTAL	100	100

Source: Primary data

**Figure 4.13** Showing response regarding easy maintenance of Honda cars.



### Interpretation

According to the above graph 67% of the respondents agree that Honda cars has easy maintenance, 27% of respondents strongly agree and 6% has neutral response.

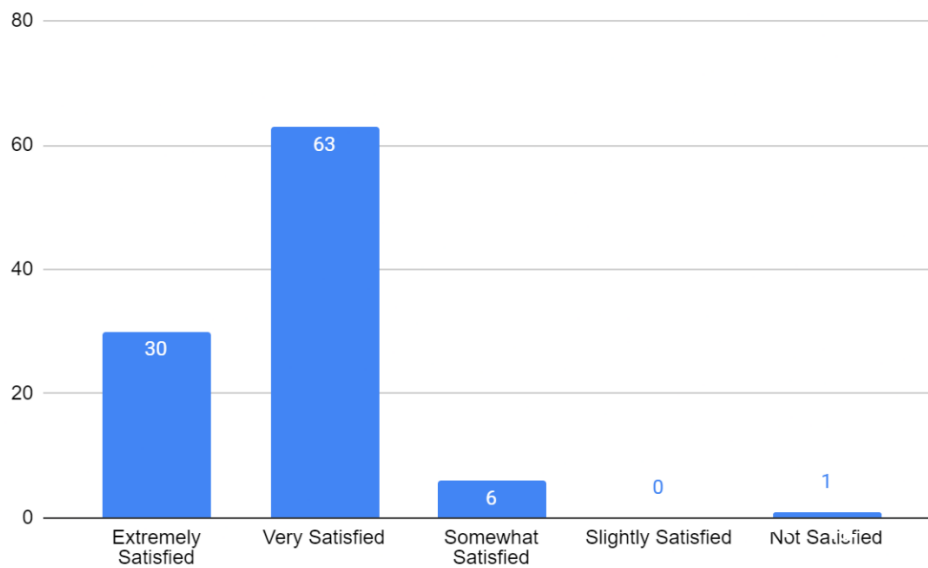
#### 4.14 After sales service

Table 4.14 showing number of respondents according to the response regarding “After sale service” of Honda cars.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Extremely Satisfied	30	30
Very Satisfied	63	63
Somewhat Satisfied	6	6
Slightly Satisfied	0	0
Not Satisfied	1	1
TOTAL	100	100

Source: Primary data

**Figure 4.14** Showing response regarding the after sales service of Honda cars.



#### Interpretation

According to the above graph 63% of the respondents were very satisfied with after sales service of Honda cars. 30% of respondents were extremely satisfied and 6% are somewhat satisfied.

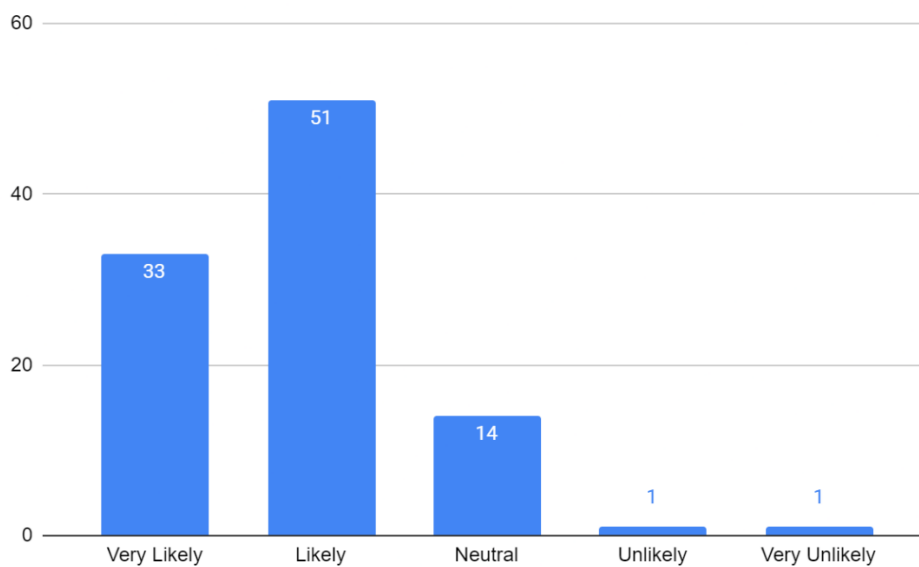
#### 4.15 Recommendation

Table 4.15 showing number of respondents according to the response regarding recommendation of Honda cars.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Very Likely	33	33
Likely	51	51
Neutral	14	14
Unlikely	1	1
Very Unlikely	1	1
TOTAL	100	100

Source: Primary data

**Figure 4.15** Showing response regarding the recommendation of Honda cars.



#### Interpretation

According to the above graph 51% of the respondents are likely to recommend Honda cars to friends and relatives. 33% of respondents are very likely, 14% has neutral response and 1% has very unlikely response.

**CHAPTER V**  
**FINDINGS, SUGGESTIONS AND CONCLUSION**

## 5.1 FINDINGS OF STUDY

A total of 100 respondents were collected to conduct the study. And the data was collected through convenience sampling. The main findings of the study are given below.

- The survey shows that most of the respondents owning a car fall in the age group of 31 to 45 years old (38%)
- It is also observed that most of the respondents are males (87 %)
- From the survey conducted, most of the respondents that is (56%) agree that Honda cars have good build quality.
- From the survey conducted, respondents were asked about driving comfort of Honda cars, most of the respondents, that is (52%) agree that Honda cars have good driving comfort.
- According to the survey conducted, the response regarding passenger comfortability are as follows, (48%) of the respondents were very satisfied with leg space. (45%) of respondents were very satisfied with the head room space. (49%) of respondents were extremely satisfied with the seat comfort of Honda cars.
- From the survey conducted, respondents were asked about infotainment system of Honda cars, most of the respondents, that is (67%) were very satisfied with the infotainment system.
- According to the survey conducted, the response regarding design efficiency are as follows, (52%) of the respondents were very satisfied with interior design. (48%) of respondents were very satisfied with the exterior design of Honda cars.
- From the survey conducted, respondents were asked whether Honda cars have convenient boot space capacity, most of the respondents, that is (63%) agree that Honda cars have convenient boot space capacity.
- From the survey conducted, respondents were asked whether Honda cars have efficient braking system, most of the respondents, that is (68%) agree that Honda cars have efficient braking system.



- From the survey conducted, most of the respondents, that is (57%) are very satisfied with the expected mileage of Honda cars.
- From the survey conducted, respondents were asked whether Honda cars have efficient braking system, most of the respondents, that is (68%) agree that Honda cars have efficient braking system.
- From the survey conducted, respondents were asked whether Honda cars have reasonable price, most of the respondents, that is (62%) agree that Honda cars have reasonable price.
- From the survey conducted, respondents were asked whether Honda cars have easy maintenance, most of the respondents, that is (67%) agree that Honda cars have easy maintenance.
- According to the survey conducted, the response regarding “After sales service”, (63%) of the respondents were very satisfied with the servicing of Honda cars.
- From the survey conducted, respondents were asked whether they would recommend their relatives or friends to buy Honda cars, most of the respondents, that is (51%) are likely to recommend Honda cars.

## 5.2 SUGGESTIONS

- Honda should put more of an emphasis on "driving comfort" in their upcoming car models because this factor is what influences the majority of buyers.
- The key draw for customers is the "easy maintenance" of Honda cars. Honda should maintain this quality.
- Majority of customers are satisfied by the “after-sales service” of Honda cars. Honda should concentrate on this area by adopting new innovations to have better customer satisfaction.
- The customers of the study suggested that Honda should become more competitive in their pricing for the features offered in cars, so that buyers could still afford them and generate more sales in the market.
- It is also suggested that the interior and exterior design of the Honda cars can be further upgraded, focusing on making elegant designs, in order to attract more customers.

### **5.3 LIMITATION OF THE STUDY**

- Study is based mainly on the responses collected from the respondents.
- The information collected is mainly through primary data and the accuracy is subject to the responses received.
- Due to lack of time the good amount of data collection was not possible so research had to rely on limited data of sample size of 100 respondents only.
- The respondents might not share their original opinions.

## **5.4 CONCLUSION**

This study was conducted to identify different factors which are significant for customers when purchasing Honda cars and to reduce the large number of factors to a reasonably small number so that it will be easy for the manufacturer to focus on them while manufacturing the product.

Therefore, it can be concluded that all 100 respondents have the opinion that Honda cars are very good in all these aspects: build quality, safety, driving comfort, passenger comfortability, spaciousness, braking system, mileage, easy maintenance, and after-sales service. Also, in this study, all these 12 variables were reduced to only four factors, such as "Quality", "Features", "Safety" and "Spaciousness". While manufacturing the product, the manufacturer can focus on these four dimensions.

Keeping in mind these three aspects ("Price", "Design", and "Features"), they can make further improvements and developments so that they can satisfy their customers. They can also have a greater market share.

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## **APPENDIX**

## QUESTIONNAIRE

1) Name: \_\_\_\_\_

2) Age:  18 – 30 years old     31 – 45 years old  
 46 – 60 years old     61 years old and above

3) Gender:  Male  Female  Other  Prefer not to say

4) Which car do you currently own: \_\_\_\_\_

5) I believe Honda cars are of good build quality.

Strongly Agree     Agree                       Neutral  
 Disagree             Strongly Disagree

6) Do you agree Honda cars have adequate safety features?

Strongly Agree                       Agree             Neutral  
 Disagree                               Strongly Disagree

7) Honda cars have good driving comfort.

Strongly Agree                       Agree             Neutral  
 Disagree                               Strongly Disagree

8) Opinion about passenger comfortability of Honda cars.

	Extremely satisfied	Very satisfied	Somewhat satisfied	Slightly satisfied	Not satisfied
Leg space					
Head room space					
Seat comfort					

9) Are you satisfied with Infotainment system of Honda cars?

Extremely satisfied     Very satisfied     Somewhat satisfied  
 Slightly satisfied         Not satisfied



10) Your opinion about design efficiency of Honda cars.

	Extremely satisfied	Very satisfied	Somewhat satisfied	Slightly satisfied	Not satisfied
Interior					
Exterior					

11) Honda cars have convenient boot space capacity.

- Strongly Agree       Agree       Neutral  
 Disagree       Strongly Disagree

12) Do you agree Honda cars have efficient braking system?

- Strongly Agree       Agree       Neutral  
 Disagree       Strongly Disagree

13) Honda cars have expected mileage.

- Extremely satisfied       Very satisfied       Somewhat satisfied  
 Slightly satisfied       Not satisfied

14) Do you agree Honda cars have reasonable price?

- Strongly Agree       Agree       Neutral  
 Disagree       Strongly Disagree

15) Honda cars have easy maintenance.

- Strongly Agree       Agree       Neutral  
 Disagree       Strongly Disagree

16) Are you satisfied with “After sales service” of Honda cars?

- Extremely satisfied       Very satisfied       Somewhat satisfied  
 Slightly satisfied       Not satisfied

17) Would you recommend to your friends or relatives to buy Honda cars?

- Very likely       Likely       Neutral  
 Unlikely       Very Unlikely

18) If you are asked to suggest one improvement that will help to make your car the best, what it will be?

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