



A STUDY OF CUSTOMER SATISFACTION WITH REFERENCE TO TATA MOTOR PASSENGER VEHICLES

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Abstract: *Satisfaction is crucial concern for both customers and organizations. Satisfaction is a subjective concept and therefore difficult to determine. It depends on many factors and varies from person to person and product to product. The importance of customer satisfaction in strategy development for customers and market oriented cannot be underdetermined. Now a day it has become very important factor for each and every organization to enhance the level of customer satisfaction. The overall study reveals that It was found that the customer are mostly satisfied with price , design, safety, mileage, interior space, status brand name, comfort level, spares part and after sale service.*

Keywords: *Customer, Customer satisfaction, Automobile company, passenger vehicles, Tata motors.*

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INTRODUCTION

Satisfaction is crucial concern for both customers and organisations. Satisfaction is a subjective concept and therefore difficult to determine. It depends on many factors and varies from person to person and product to product. The importance of customer satisfaction in strategy development for customers and market oriented cannot be underdetermined. Now a day it has become very important factor for each and every organization to enhance the level of customer satisfaction. Customer satisfaction, a term is used in marketing, it's a measure how product and service supplied by the company meet or surpass customer expectation. Customer satisfaction according to ISO 9000, users opinion about the degree to which its meets its requirements. Customer satisfaction is a highly personal assessment.

Customer satisfaction is a measure of post purchase behaviour of the customers. If customer expectations meet with the perceived value of goods and service then customer is satisfied but if the perceived value of goods and service is less than the customer expectations than customer is dissatisfied and if the perceived value exceeded the expected value of the goods and service than the customer is delighted. In addition, customers generally want the best possible product or service for a low cost. The perception of the best product or service at lowest price with safety effect the industry and customer segment significantly.

Thus customer satisfaction is defined as "The number of the customers or percentage of the total customers, whose reported an experience with a firm, it product or its service exceeds specified satisfaction goods". Customer satisfaction is very important for any business whether it sale the product or services because if the customer is satisfied then they make the repeat purchases and tell other persons like their friends, neighbourhoods, family members etc. about their good experience and satisfied customers tell five other people about their good experience.

IMPORTANCE OF CUSTOMER SATISFACTION

Customer satisfaction is an important because a higher level of satisfaction can deliver many satisfactions. Those satisfactions are as follows:

Loyalty: A highly satisfied customer is a loyal customer.

Repeat purchases: A highly satisfied customers buy more products.



Referral: A highly satisfied customer tells their friends and family about the product or service.

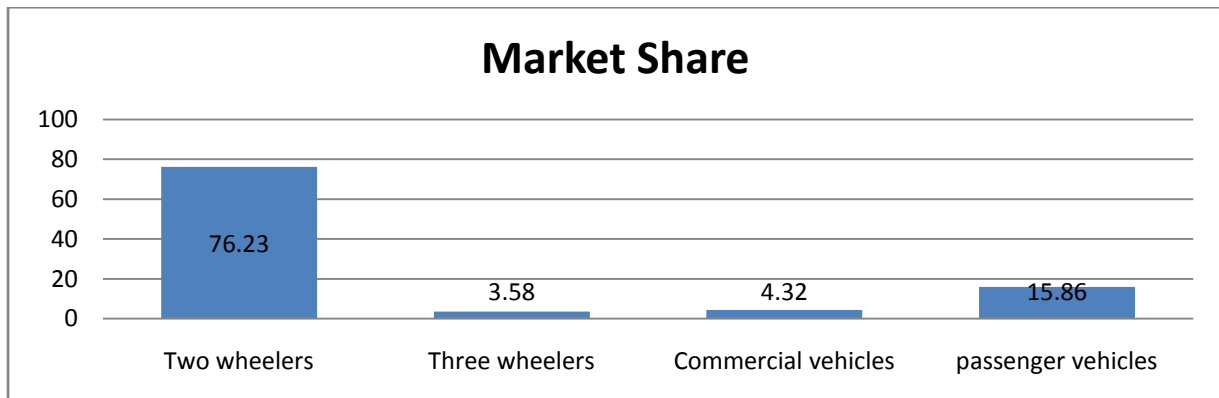
Retention: A highly satisfied customer is less likely to switch brands.

Reduced cost: A highly satisfied customer costs less to serve than a new customer.

Premium safety: A highly satisfied customer is willing to pay more for the products or service.

INDIAN AUTOMOBILE COMPANY

Peter Drucker called the automobile industry as “**the Industry of Industries**”. Automobile industry has been recognised as one of the drivers of economic growth. During the last-decade, well directed efforts have been made to provide a new look to the automobile policy for realizing the sector’s full potential for the economy.



The automotive industry of India categorized into the passenger vehicles, two wheelers, commercial vehicles and three wheelers with two wheeler dominant the market. Figure shows that 76.23% of the vehicles sold are two wheelers, nearly 59% of these two wheelers sold are motorcycles and 12% are scooters. The passenger vehicles are categorized into passenger cars, utility vehicles, and multipurpose vehicles. All sedans, hatchback, station wagons, and sport cars fall under the passenger car. The passenger vehicles manufacturers account for 15.86% of market in India. Commercial vehicles are categorized into heavy, medium and light. They account for 4.32% of the market. Three wheelers are categorized into Passenger carrier and good carrier, three wheeler account 3.58% of market share in India.

TATA MOTOR PROFILE

Tata is founded by Jamsetji Tata in 1868. The Tata group comprises over 100 operating companies in seven business sectors: communications and information technology,



engineering, materials, services, energy, consumer products and chemicals. The group has operations in more than 80 countries across six continents, and its companies export products and services to 85 countries Tata Motors is among the top five commercial vehicle manufacturers, in the world. Tata Motors Limited is India's largest automobile company. It is the leader in commercial vehicles in each segment, and among the top three in passenger vehicles with winning products in the compact, midsize car and utility vehicle segments. It is the world's fourth largest truck and bus manufacturer. The Tata Motors Group's over 55,000 employees are guided by the vision to be "best in the manner in which we operate, best in the products we deliver, and best in our value system and ethics."

REVIEW OF LITERATURE

It is noteworthy to investigate what research work has been done throughout the world in the context of "Customer satisfaction with reference to Tata Motors Passenger vehicles" so that their contribution in the existing body of literature and gaps in their findings can be explored. While going through review of previous research finding, particularly conducted empirically the researcher came across many studies which covered the various aspects related to this topic but researcher mainly focus attention on those studies which are relevant for this topic.

Mahapatra, kumar and Chauhan (2010) mentioned a study on "customer satisfaction, dissatisfaction and post purchase evaluation: an empirical study on small size passenger cars in India" with the main objectives to examine the satisfaction and impact on future purchase decision and explore the performance of different attributes in automobile in giving satisfaction to customer with the sample size of 150 customers and they used the multiple regression techniques and they revealed from this study that customers are highly satisfied with the performance of attributes like pickup, wipers, etc. and other attributes like pollution, engine, quietness, battery performance, and pick up influence the consumer future purchase decisions and consumer give the more importance to these factors.

Kurkoti and Prabhu (2011) revealed a study on "Study on Satisfaction with reference to Tata nano car customers in Pune city" with the objectives to determine the customer satisfaction towards Tata Nano, to study the gap analysis and to find out the impact of fire incidences on Nano car users. For this study they taken the sample size of 125 customers and techniques used by them were paired sample, ANOVAs, and Turkey test. They concluded from this



study that Nano car customers are not satisfied with the performance and waiting period of car but they satisfied with the safety of car and fire incidences report that has impact on the customer satisfaction.

Sharma, Kiran Sharma and Khan (2011) conducted "A study and analysis of customer satisfaction of Tata motors in Jaipur, Rajasthan with the objectives to find out the satisfaction among the customers, market performance and market position of Tata motors. They taken the sample size of 100 customers in Jaipur city and concluded from this study that 73% people feel that safety are affordable whereas 12% do not agree, 74% believe that attractive discount are offered but 26% are not satisfied with the discount offered , but the overall opinion about Tata Motors is very good.

Singh (2011) revealed a study on " An empirical review of the product and customer satisfaction of Tata commercial vehicles" to find out the quality of service , performance of Tata motors and to know the consumer perception towards Tata motors with the sample size of 100 customers and used the statistical techniques tables, bar charts etc. This study concluded that consumer prefer the Tata commercial vehicles due to its better quality, brand image, easy availability of service stations, spare part quality etc.

Ganesh and Soundarapandiyan (2011) conducted a study on "i10 Hyundai Chennai: customer satisfaction level" with the sample size of 150 customers and tools used percentage analysis, chi square and multiple regression analysis. The objectives of the study was to identify the post purchase behaviour and customer satisfaction level and find the effectiveness of after sales service of customer of Hyundai i10. They revealed from the study that customers are satisfied with the car after purchase because its gives the feel of luxury to customers and a convenience of smaller car in crowded area. It's most stylish as compared to others.

Lohana and sharma (2012) conducted a study on "customer satisfaction towards Hyundai cars in Nanded city" with the objectives is to identify the customer preferences and parameter about the Hyundai cars. They have taken the sample of 60. They concluded from the study that 50% customers are satisfied with the overall performance of their vehicle. The customers are satisfied with the fuel efficiency, brand image, after sales service and economy in purchase etc.



Rao and Kumar (2012) revealed study on "Customer satisfaction towards Tata Motors - A study on Passenger cars in Warangal district of Andhra Pradesh" with the objectives to study the customer satisfaction with the usage of vehicles, after sale service, key area of strength, pricing affects, service and quality. They taken the sample of 100 respondents and used the percentage technique. They concluded from the study that majority of customers are satisfied with the safety, dealer service, customer relationship and availability of spares etc.

RESEARCH OBJECTIVES

Every study has some objectives behind it. Present study seeks to achieve the following research objectives:

RO₁: To evaluate car owner's perception and behaviour pertaining to the purchase and use of cars.

RO₂: To study the customer satisfaction level of Tata motor passenger vehicles.

RO₃: To find out the most crucial factor for Customer satisfaction of Tata Motor Passenger vehicles.

RO₄: To find out the customer loyalty and competitive position of Tata Motors with other brands.

RESEARCH METHODOLOGY

Research design of the present study is exploratory cum descriptive and partially casual in nature, as the study aims at achieving insights into a relatively new phenomenon of **A Study of Customer Satisfaction with reference to Tata Motors Passenger division..**As the research is aimed at to find out the consumers satisfaction level towards Tata Motors passenger division, so only those were selected who were having selected Tata cars and using them.

SAMPLE SIZE

In this study, sample size of 100 respondents is chosen who are using the Tata car.

SAMPLING TECHNIQUE

Non-probability sampling was the only sampling technique available for the present study. Which produce an objective measure of the reliability of sample estimate? Here simplest non-probability sampling technique '**convenience sampling**' was applied. Respondents were approached must all the places e.g. on the road, colleges, markets, houses, offices, etc., by the way of questionnaires.



TOOLS OF DATA ANALYSIS

In the Present study, the data collected were edited, coded and tabulated to make study meaningful. Then data were interpreted and analyzed to get the results for conclusions and recommendations. The data so collected has been analyzed with help of various tools and techniques to fulfill the research objectives. These include percentage table, frequency table, and mean keeping in context with the objective of the study. It was further suitably analyzed by Multi Dimensional Scaling (MDS) method. To conduct the statistical techniques, **SPSS (Statistical Package for Social Science) version 18 for windows** has been used.

ANALYSIS AND INTERPRETATION OF DATA

The analyses and interpretation of data according to research objectives is as follow:

Ro₁: Car owner perception and behaviour

Table1-Time period

Particulars	Frequency	Percent
Upto 1 Year	33	33.0
1-5 Year	56	56.0
5-10 Year	9	9.0
10-15 year	2	2.0
Total	100	100.0

Source: based on primary data

From the data of sample collected regarding the time period of car they have , it is clearly understand by the data collected are that 33% of them have the car upto the 1 year, 56% have the car in between 1-5 years , 9% have the car in between 5-10 years and only 2% have the car between 10-15 year.

Table 2- Purpose of using the Tata car

Particulars	Frequency	Percent
Commercial Purpose	10	10.0
Personal Purpose	80	80.0
Both	10	10.0
Total	100	100.0

Source: based on primary data

From the data of sample collected regarding the purpose of car , it is clearly understand by



the data collected that 10 % customers use the Tata cars for commercial purpose , 90% use the car for the personal purpose and 10 % use the car for both commercial and personal purpose.

Table 3-How purchased

Particulars	Frequency	Percent
Cash	44	44.0
Loan	56	56.0
Total	100	100.0

Source: based on primary data

From the data of sample collected regarding the how customer purchased their car, the table shows that 44% customers purchased the Tata car on cash while 56% purchased on loan.

Table 4- Anyone recommend

Particulars	Frequency	Percent
Yes	41	41.0
No	59	59.0
Total	100	100.0

Source: based on primary data

From the data of sample collected regarding that if any one recommended the customers to purchase the Tata cars, it is clearly understand by the data collected that 41% customers recommended by anyone.

Table 5- Source of recommendation

Particulars	Frequency	Percent
Relatives	18	43.9
Media	4	9.8
Friends	19	46.3

Source: based on primary data

From the data of sample collected regarding that if anyone recommended them to purchase the Tata car from this 41% are recommended by anyone these include that 18 % are recommended by their relatives, 9% are recommended by the media and 19% are recommended by their friends.



Table 6- Preventive maintenance

Particulars	Frequency	Percent
Yes	97	97.0
No	3	3.0
Total	100	100.0

Source: based on primary data

From the data of sample collected regarding that are customers regularly taking the preventive maintenance of their Tata car its clearly understand by data that 97% customers take the maintenance and only 3% are not take preventive maintenance

Table 7- Sources of preventive maintenance

Particulars	Frequency	Percent
Authorized Dealer	89	91.75
Road side Mechanic	8	8.25
Total	97	100

Source: based on primary data

From the data of sample collected regarding the preventive maintenance of car 97% take the preventive maintenance of this 91.85 take the preventive maintenance from authorized dealers and 8.2% are take the preventive maintenance from road side mechanic.

Ro₂: Factor affecting Tata Motors passenger vehicles

Table 8- Factor affecting the customer Satisfaction

Particulars	Mean	Implications
Price	4.07	Satisfied
Design	3.75	Satisfied
Safety	3.66	Satisfied
Mileage	3.78	Satisfied
Interior Space	4.07	Satisfied
Status/Brand Name	3.91	Satisfied
Comfort Level	3.88	Satisfied
Spares	3.74	Satisfied
After Sale service	3.50	Satisfied

Source: based on primary data



Table depicts that mean score of price, design, safety, mileage interior space, status /brand name, comfort level, spares and after sale service shows that customers are satisfied with Tata motors passenger vehicles.

Ro₃: Most crucial factor for Customer satisfaction

Most crucial factor for customer satisfaction

For detailed analysis, Multi dimensional scaling (MDS) technique is used for each Factor of customer satisfaction in context of Tata motors car. MDS yields to perceptual mapping which expounds to find out most crucial factor for customer satisfaction with reference to Tata Motorson a 2 X 2 matrix. RSQ values are the proportion of variance of the scaled data (disparities) in the partition (row, matrix, or entire data) which is accounted for by their corresponding distances. Higher the RSQ value, the better the model explains the variation present in the data. Stress values are Kruskal's stress formula 1.

Number of parameters is 10. Number of data values is 10.

Iteration history for the 2 dimensional solution (in squared distances)

Young's S-stress formula 1 is used.

Iteration	S-stress	Improvement
1	.13072	
2	.10512	.02559
3	.08938	.01575
4	.07923	.01015
5	.07415	.00508
6	.07171	.00244
7	.06994	.00176
8	.06848	.00147
9	.06727	.00121
10	.06626	.00101
11	.06542	.00084

For matrix

Stress = .05095 RSQ = .97414



Configuration derived in 2 dimension

Stimulus Number	Stimulus Name	1	2
1	Price	1.6390	-.7884
2	Mileage	1.1536	.7543
3	Interior Space	-.1979	-.0993
4	Attractive look	-1.0407	.8531
5	After sale service	-1.5539	-.7197

Multidimensional scaling indicates that it is appropriate to represent the results in two dimensions. The variance in the data is accounted for (RSQ=0.97414) with a fairly low level of residual stress (0.05095).

Derived Stimulus Configuration

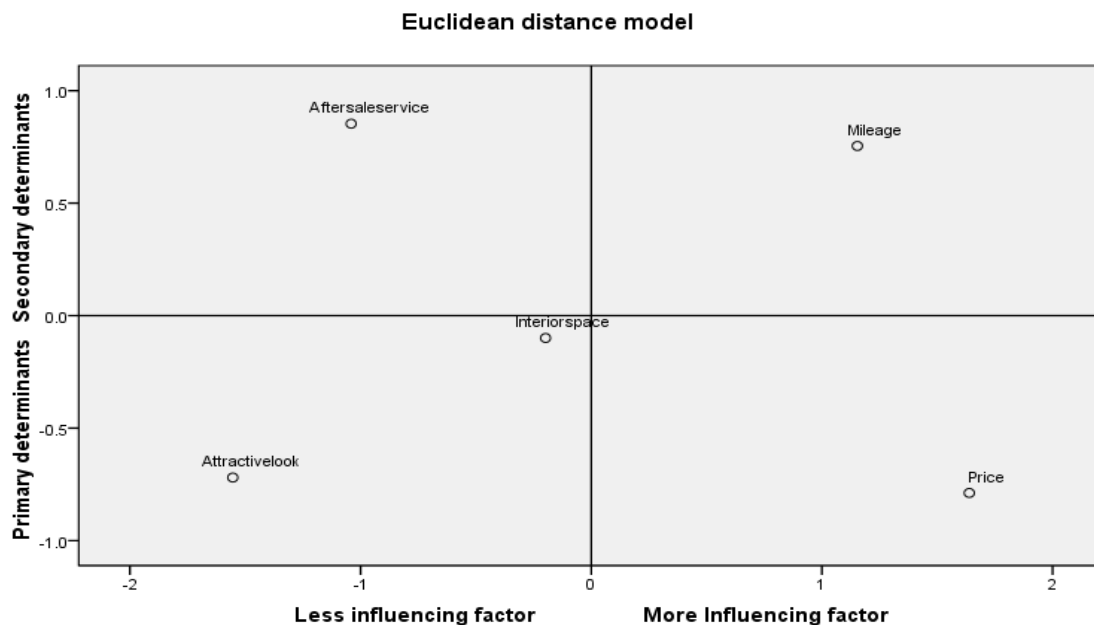


Figure 1- MDS model

Results of most crucial factor of customer satisfaction of Tata Motors by Multi dimensional scaling showed that price are the more influencing and primary determinant for customer satisfaction. Mileage and interior space were considered to be important but were determined as secondary determinants. After sale service were found to be less influencing as well as the secondary determinants.



Table 11- Competitive position of Tata Motors

Particulars	Mean
Maruti Udhog Ltd.	1.73
Hyundai Motor Ltd.	2.43
Tata Motors Ltd.	1.84

This table show that majority of respondents preferred the Maruti Udhog ltd as mean score is highest which 1.73 is, next preferred brand is Tata Motors.

Table 12- Recommended the Tata car

Particulars	Frequency	Percent
Yes	75	75.0
No	25	25.0
Total	100	100.0

Source :based on primary data

Table shows that 100 respondents were asked that will they recommended Tata car to anybody in which 75% respondents say that they will recommend car to other person and 25% say that they will not recommended Tata car.

Table 13- Repeat purchase

Particulars	Frequency	Percent
Yes	75	75.0
No	25	25.0
Total	100	100.0

Source :based on primary data

Table shows that 100 respondents were asked that will they make the repeat purchase of Tata car in which 75% respondents say that they will make the repeat purchase of Tata car and 25% say that they will not make the repeat purchase of Tata car.

CONCLUSION

In this study concluded that mostly Tata customers purchased car on loan, used the Tata car for personal purpose, having the car from 1-5 year and they are recommended by their friends as well as take preventive maintenance from authorised dealer. In case of level of



customer satisfaction, It was found that the customer are mostly satisfied with price , design, safety, mileage, interior space, status brand name, comfort level, spares part and after sale service. Finding pertaining to most influencing show that most influencing factor for customer satisfaction in case of Tata Motors were price, mileage and interior space. At the end finding pertaining to competitive position show that customer preferred Maruti as comparison to Tata Motors but mostly customers are loyal with Tata Motors.

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Distribution of respondents according to Gender

Particulars	Frequency	Percent
Male	90	90.0
Female	10	10.0
Total	100	100.0

Distribution of respondents according to Residential status

Particulars	Frequency	Percent
Urban	74	74.0
Rural	26	26.0
Total	100	100.0

Distribution of respondents according to Age

Particulars	Frequency	Percent
Less than 25 Year	15	15.0
25-35 Years	46	46.0
35-45 Years	26	26.0
45 above	13	13.0
Total	100	100.0



Distribution of respondents according to Income Level

Particulars	Frequency	Percent
Less than Rs. 2,00,000	24	24.0
Rs. 2,00,000- Rs.5,00,000	36	36.0
Rs. 5,00,000- Rs.8,00,000	23	23.0
Rs. 8,00,000 above	17	17.0
Total	100	100.0

Distribution of respondents according to Education Level

Particulars	Frequency	Percent
Upto +2	20	20.0
Graduation	26	26.0
Post graduation	33	33.0
Diploma	9	9.0
Professional Qualification	10	10.0
Other	2	2.0
Total	100	100

Distribution of respondents according to Work Line

Particulars	Frequency	Percent
Business	38	38.0
Service	46	46.0
Profession	10	10.0
Student	6	6.0
Total	100	100.0