

BRAND PREFERENCE ON CAR PURCHASE – A STUDY WITH CONSUMERS IN TAMIL NADU

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Abstract *A car is essential and one in our day-to-day life. Nowadays, there is a drastic change in society on purchasing cars. Unambiguously there is a healthy race to buy the various brand cars among adolescents and young adults due to the generation gap and trend change. In Tamil Nadu, the customers have a unique concern in buying and using the cars. The young adults and youth customers have a craze for purchasing luxurious cars to make uniqueness and trendy look among their friends. This paper aims to find the brand preferences by the consumers on the cars among various brands available in the market. This study helps to know different factors that stimulate the customers to buy specific car brands. The primary data was collected through a questionnaire from 300 respondents using the purposive sampling technique. Chi-square tests have been performed to discover the association between the variables. All four factors like brand uniqueness, brand image, brand quality and brand sentiments have a positive and significant influence on the customers brand preferences towards a car purchase. Furthermore, the researcher identified that buyers normally purchase new cars from exclusive showrooms. The paper concludes with a discourse of the managerial implications.*

Keywords *Brand Uniqueness, Brand Image, Brand Quality, Brand Sentiment and Brand Preferences*

INTRODUCTION

A car is essential and one in our day-to-day life. Nowadays, there is a drastic change in society on purchasing cars. Unambiguously there is a healthy race to buy the various branded image cars among adolescents and young adults due to the generation gap and trend change. The people are interested in purchasing cars for their daily usage, fashion, dignity and showing the royal look in their personal life. In India, several individuals have a craze for car purchases. Also, to drive with a focus on the trendy look. There are several national & international brands of cars available in India. The vehicle industry is rising quickly in India. Due to distinctive car fragments and simple funds advertised by the carmakers, the clients are sharp to purchase a car. India will become as third-biggest vehicle industry in the world. India holds 11th position in car generation and 13th in commercial vehicle generation all-inclusive. India's current share is around 1.6% of world generation as the entire number of traveler cars being fabricated within the world is 60 million against the introduced capacity of 90 million. Among the several brands, some of the brands of cars are easy to buy based on buyer interest. In Tamil Nadu, the customers have a unique concern in buying and using the cars. The young adults and youth customers have a craze for purchasing luxurious cars to make uniqueness and trendy look among their friends. Several brands are available in the market in that some of the brands like Tata Motors, Maruthi Suzuki,

Mahindra, Hyundai, Honda etc. have attracted the purchaser.

Nowadays, there are many brands available for cars buyer. This number of car purchases is expected to increase drastically in the next decade. In Tamil Nadu car buyers is increased due to various factors in the current generation. Some buyers are willing to purchase cars to show their trend and dignity, so this research mainly deals with brand preferences on a car purchase. The consumer purchase is different with regard to design, purpose and availability of a car. The decisions rise significantly with the increasing number of alternatives on new offers and trendy appearance car designs among the competitors. So, it is significant to know the customers brand preference while purchasing a car. The objectives of this study are: 1) To study various factors which stimulate the consumers to purchase the specific brand, 2) To examine the demographics related to the stimulating factors of brand preferences and 3) To explore the relationship between the stimulating factors and brand preferences.

LITERATURE REVIEW

The review of literature identified little work directed toward brand preference on purchasing cars among the consumers. The customer preference is more than an instrument for selling products and services. These studies have as their product focus on branded car, either individually or in broad

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groups. It has one prevailing task, to position a brand in the prospectus perception or perceptual space in relation to competitors, so as to create uniqueness and preference. To bring up the significance of undertaking this examination, it is fundamental to show a concise review of examines undertaken here. In spite of the fact that the survey included an expansive number of studies just a few of studies which have an immediate and indirect bearing in the present examination have been assessed. Brian Thomas (2002) has mentioned that brand awareness plays an important role in consumer preferences.

Mohanty and Bhasker (2005) have proposed a different methodology to the consumers based on the decision support tool for the shopping. This tool generally comprises of multiple number of attributes of the products which are generally conflicting and ambiguous.

They have mentioned in the following example, the data such as, comfort, maintenance seems to be imprecise in nature. Here fuzzy logic has been used to solve the complex issue. Arjun Chowdhri (2006) has remarked that brand commitment is an important determinant in buying behavior for consumers. David B. Eastwood et al. (1987) have examined the consumer behavior based on the purchase regularity, satisfaction, origin and willingness to pay for selected product. Ali Nasr Esfahair (2012) has analyzed the psychological factors on consumer's buying behavior. Soren W. Scholz et al. (2010) have stimulated and expanded on the substantial discussion on the preference measurement for complex attributes products which are imprecise in nature and vague to predict which is suitable and where to use which is based on paired comparison-based preference measurement. To perceive and predict the decision, preference measurement approaches are needed that accommodate large number of attributes without overburdening the respondents. The brand preference had not varied with the demographic factors namely age, gender and area of the respondents. The study also varied with income of the respondents. There was a significant relationship between consumer brand preference and purchase decision (Anand et al., 2016).

The following hypotheses were formulated based on the literature review.

H₁ - There is an association between the age of the respondents and feeling felt after driving a specific brand car.

H₂ - There is an association between the annual income of the respondents and factors considered while purchasing a specific brand car.

H₄ - Brand image has a positive and significant influence on the brand preference of a car.

H₂ - Brand uniqueness has a positive and significant influence on the brand preference of a car.

H₂ - Brand quality has a positive and significant influence on the brand preference of a car.

H₂ - Brand sentiment has a positive and significant influence on the brand preference of a car.

CONCEPTUAL FRAMEWORK

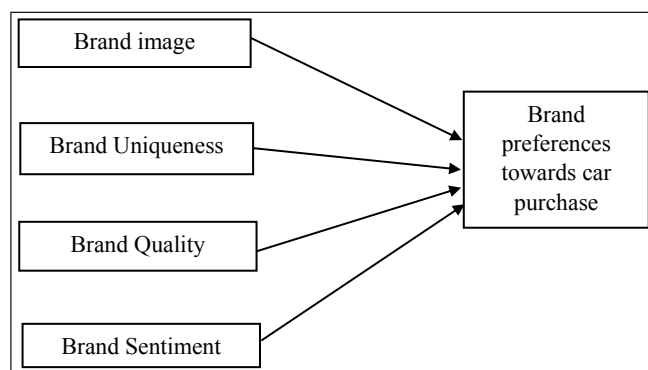


Fig. 1

RESEARCH METHODOLOGY

The research is descriptive in nature. The questionnaire has developed based on the previous literature. A Five-point Likert scale of closed-ended type has been used in this research. The questionnaire consists of 39 items in total. The first part of the questionnaire contains five questions about the demographic profile of the respondents like name, age, marital status, education, annual income and profession. The second part consists of eleven questions on the respondent's characteristics and the last part includes 23 items related to brand image, brand uniqueness, brand quality and brand sentiment. The purposive sampling method has been used to collect the primary data. The samples collected for this research had 346. Among them, 46 responses had rejected due to the incompleteness of the questionnaire. Finally, 300 samples have been considered for this study. The data analysis was analyzed using the (SPSS) version 20 software package. The statistical tools applied were percentage analysis, chi-square test, correlation and regression to study the brand preferences on car purchasing.

RESULTS AND DISCUSSION

Table 1: Demographic and Characteristics Profile: N=300

Factors	No. of Respondents	Percentage (%)	Factors	No. of Respondents	Percentage (%)
Age			Occupation		
Between 20 and 25	30	10.01	Students	68	22.66
Between 25 and 30	64	21.33	Private employee	33	14.38
Between 35 and 40	102	34	Govt.employee	107	35.66
Between 45 and 50	53	17.66	Entrepreneurs	82	27.3
Above 50	51	17			
Gender			How Long have You been using Cars?		
Male	183	61	1 to 2 years	35	11.66
Female	117	39	2 to 3 years	46	15.33
Educational Qualification			3 to 4 years	133	44.33
Diploma	28	9.33	4 to 5 years	39	13.02
Graduate	114	36.85	Above 5 years	47	15.66
Post Graduates	93	28.81			
			No. of Times did You Buy Cars Your Past		
Doctorates	47	15.77	One time	43	14.33
Diploma	18	9.24	Two times	97	32.33
			Three times	31	10.33
Income Level of the Respondents			Four times	93	31
Rs 40000 - 50000	19	6.33	Five times	36	12.01
Rs 50000 - 60000	71	23.76	Favourite Car Brand		
Rs70000 - 80000	113	37.56	Maruthi	37	12.33
Rs 80000 - 90000	57	19.02	Ford	34	11.33
Above Rs 90000	40	13.33	Tata	77	25.56
			BMW	99	33.11
The Main Motivation for Buying Cars			Benz	42	14
Royal	132	44.02	Others	11	3.66
			Type of Cars Liked by the Respondents		
Social prestige	34	11.33			
Self-confidence	80	26.66	Hatchback	59	19.66
Self-esteem	37	12.33	Sedan	71	23.66
Different from	17	5.66	SUV	113	37.67
On What Occasions Do You Buy Cars			MPV	33	11.01
Festivals	40	13.33	Convertible	24	8
Offer Mela	113	37.66			
Functions	35	11.66	Factors Consider When Buying Cars		
Not specific occasion	52	17.33	Fashion	60	20
Joining in college	60	20	Offers	111	37
higher studies					
Feelings were Felt after Driving the Car					
Feeling happy	70	23.33	Stylish	71	23.66
Satisfaction	40	13.33	Offers	17	5.66
Prestigious one	93	31.02	Colours	41	13.66
Attracting	38	12.66			
Nothing felt	59	19.66			

Table 1 shows the demographic profile of the respondents like age, annual income, educational qualification, marital status and occupation of the respondents and the consumers' characteristics like number of times bought cars and how many years they are using cars in Madurai:

- 61% are male respondents 39% of the respondents are female.

- The analysis shows clearly that the majority percentage of the respondents (34.33%) are between the age group of 35 to 40 years are purchasing the basic model of the car at a low cost.
- The maximum percentage of respondents (36.85%) of the survey are graduates and the next place occupied the postgraduates by 28.81% of the respondents.

- 35.66% of the respondents are employees working in government jobs followed by students (22.66%) from various institutions.
- 37.56% of the respondent's income slab is between 70,000 and 80,000 per month followed by (23.76%) 50,000 and 60,000.
- Most of the respondents 44.33% have been using the car for 3 to 4 years followed by 15.33% 2 to 3 years.
- 32.33% of the respondents bought the car two times in past followed by one time.
- 31% of respondents were migrated from hatchback cars to sedan cars to make them unique.
- The majority (33.10%) of the respondents were chosen their favourite brand is BMW for the stylish and royal look followed by 25.56% were chosen Tata cars and indicated as the favourite because mileage and maintenance are low with compared to other cars.
- 37.66% of the buyers bought cars during offer Mela conducted by the showrooms followed by 20% was bought the cars for their child when they were joining higher studies.
- After using the cars, the majority of the consumers (32.33%) felt prestigious in society and 23.33% felt excited with their driving.
- 44% of respondents felt royal after driving the car, followed by 26.66% felt self-confidence after their deriving.
- 37.67% of the respondents liked SUV type of cars, followed by 23.66% of buyers liked sedan type of the cars.
- Tata Motors and Maruti Suzuki are the most favourable car for buyers followed by other brands like Mahindra, Ford, Hyundai, Chevrolet etc.

RELIABILITY

Reliability test is used to measure consistency and data quality in measured items. It has been tested using Cronbach's Alpha. The accepted value of Cronbach alpha is between 0.6 and 0.7. The Cronbach alpha value between 0.8 and 0.9 is very good level (Hulin et al., 2001).

Table 2: Chi Square Values

Factors	No. of Items	Cronbach Alpha
Brand image	5	0.811
Brand uniqueness	4	0.727
Brand quality	4	0.723
Brand sentiment	4	0.794

The value obtained for in this research was 0.829 for 17 items which are greater than 0.7, so the value is acceptable. The Cronbach alpha value for each construct (brand image, brand uniqueness, brand quality and brand sentiment) is more than 0.6. This value shows that the data collected for this research are reliable.

CHI-SQUARE TEST

Test No. 1

The chi-square test was performed at a 5% level of significance and hypothesis was tested.

H_1 - There is an association between age and feelings felt after driving a car.

Table 3: Age and Feelings Felt After Driving a Car

Feelings Felt After Driving a Car	Age					Frequency	Percentage
	Between 20 and 25	Between 25 and 30	Between 35 and 40	Between 45 and 50	Above 50		
Feeling happy	25	35	4	3	3	70	23.33
Satisfaction	1	24	12	1	2	40	13.33
Prestigious	2	1	81	8	1	93	31.0
Attracting	1	2	3	30	2	38	12.68
Nothing felt	1	2	2	11	43	59	19.66
Total	30	64	102	53	51	300	100

As observed, the majority of respondents (31%) felt prestigious followed by (23.33%) are felt happy after driving a car.

Table 4: Chi square values

Particulars	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	711.617 ^a	16	.000
Likelihood Ratio	651.447	16	.000
Linear-by-Linear Association	267.484	1	.000
N of Valid Cases	300		

The Table 4 shows that the significance value is 0.000 which is less than the probability value ($p < 0.05$). It supports the hypothesis hence there is a significant relationship between age and feeling of the customers after driving a car. This result clearly shows that feeling happy, satisfaction, prestigious, attracting and nothing felt varies with age of the respondents.

Test No. 2

The chi-square test was performed between annual income and factors considered while purchasing a specific brand car. The chi-square test was performed at a 5% level of significance and hypothesis was tested.

H_1 - There is an association between annual income and factors considered while purchasing a specific brand car.

Table 5: Annual Income and Factors Considered while Purchasing a Specific Brand Car

Factors	Annual Income					Frequency	Percentage
	40000 to 50000	40000 to 50000	40000 to 50000	40000 to 50000	40000 to 50000		
Fashion	13	37	2	1	1	54	18.02
Offers	1	29	79	2	1	112	37.31
Stylish	2	3	30	36	2	73	24.33
Offers	1	1	1	17	1	21	7.01
Colours	2	1	1	1	35	40	13.33
Total	19	71	113	57	40	300	100

The majority of respondents (37.31%) have mentioned that they purchased a car during offers provided by the company, followed by (24.33%) were felt stylish was a vital factor that influenced them to purchase a car.

Table 6: Chi Square Values

Particulars	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	165.742 ^a	16	.000
Likelihood Ratio	143.668	16	.000
Linear-by-Linear Association	6.642	1	.002
N of Valid Cases	300		

Table 4 shows that the significance value is 0.000 which is less than the probability value ($p < 0.05$). It supports the hypothesis and hence, there is a significant relationship between annual income and factors considered while purchasing a specific brand car. This result clearly shows that fashion, offers, stylish, offers and colours vary concerning respondents' income.

CORRELATION ANALYSIS

It is a statistical method used to find the correlations between the variables. It helps to describe the direction and strength of the relationship between the variables. This analysis was tested to know the relationship among variables in the constructs. To identify the correlation between brand image,

brand uniqueness, brand quality and brand sentiments variables were correlated by using this analysis. The mean score of multiple items in each construct was calculated and used for more analysis (Wang et al., 2012). The correlation coefficient (r) value is considered weak when it from 0.10 to 0.29 and 0.30 to 0.49 its medium then 0.5 to 1 is considered strong (Hong et al., 2002). To evade multicollinearity the coefficient of correlation value should be less than 0.8 (Kabengele et al., 2019).

Table 7: Pearson Correlation Analysis Results

Constructs	BI	BU	BQ	BS
Brand Image (BI)	1			
Brand Uniqueness (BU)	0.712**	1		
Brand Quality (BQ)	0.708**	0.721**	1	
Brand Sentiment (BS)	0.719**	0.662**	0.627**	1

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

The result shows the correlation value 0.721, which is high among all variables. So, all values obtained in the correlation matrix table are smaller than 0.80. Hence, there is no multicollinearity in this research. The dimensions in the model were positively related with each other.

MULTIPLE REGRESSION ANALYSIS

This statistical method helps to understand which exogenous variables impact the endogenous variables. In this research

regression analysis is analyzed to know the factors which create brand preferences towards cars purchase. The independent variables are brand image, brand uniqueness, brand quality and brand sentiments and the dependent variable is brand preferences of customers in car buying. The table exhibits the p-value of all independent variables are less than 0.05 ($p < 0.05$) and t-test value is positive. Henceforward the result supported the hypotheses (H3, H4, H5 & H6) and influence either positively on the brand preference of customers towards cars purchase.

Table 8: Coefficient^a of Brand Image, Brand Uniqueness, Brand Quality and Brand Sentiments and Brand Preferences

R ² value – 0.504 (50.4%)					
Model	Coefficient of PU & PEOU, PT, PE, PR			T-Value	Sig.
	Unstandardized Coefficients		Standardized Coefficients		
	B	Standard Error	β		
(Constant)	0.543	0.238		2.418	.010
BI	0.236	0.047	0.212	4.571	.000
BU	0.541	0.051	0.436	9.213	.000
BQ	0.182	0.037	0.213	3.712	.000
BS	0.256	0.031	0.142	5.102	.000

The main contribution is brand uniqueness (BU) which explains the brand preferences towards a car purchase which has 0.541 unstandardized beta value. So, brand uniqueness value increases by one unit, the customers brand preferences towards a car purchase increase by 0.541 units. It explains that the buyers' most vital factor to selecting the particular brand is brand uniqueness. The significance value is less than the p-value (0.05), hence H3 is supported that is BU has a positive and significant influence on the brand preference. The customers get opinions and suggestions from families, friends and colleagues while purchasing a car. The customers are interested to buy any branded cars if they offer unique models. The customers feel that the car brand make them unique when they show it to others. The respondents agreed that most of the car brands are similar and alike. Hence, the marketer can use different models to differentiate them from its competitors.

The second factor is a brand image (BI) has an unstandardized beta value of 0.236. It means that an increase of one unit of brand image factor describes the customers brand preferences towards a car purchase increase by 0.236. The significance value is less than the p-value. Hence H4 is accepted, it explains BI factor has a positive and significant

influence on the customer brand preferences towards a car purchase. It explains that the buyers second most factor to selecting the particular brand is brand image. Brand image is most important for the buyers while purchasing a car and regular usage. Hence, the marketer should focus on promotional activities to establish the brand image among the competitors. The unstandardized beta value of a brand sentiment (BS) is 0.256 and the significance value is less than the p-value, it clarifies that the H5 is supported that is BS has a positive and significant influence on the brand preference towards a car purchase. It explains that a rise of one unit of brand sentiment factors explains the increase of brand preferences by 0.256. It shows that the customers feel the brand is a sentiment to their life and make the brand their favourite one based on the sentiment. Finally, the least among all four factors is brand quality (BQ). The beta value is 0.182 and significance value is less than the p-value, hence the H6 is accepted that is the BS has a positive and significant influence on the brand preferences. It describes a surge of one unit of brand quality factor enlightens the increase by 0.182. Generally, quality is a vital factor for the brand preferences, but in a car purchase customers were focused on the brand uniqueness, brand image and brand sentiment and made the brand quality at last place in the brand preferences while purchasing a car.

CONCLUSION

There are several brands available in the Indian market for a car. Generally, companies follow the pull strategy as a marketing and promotional strategy that helps them sell a car through exclusive showrooms and retail outlets through strong consumer advertising. The study helps to know that customers brand preference mainly depends on the brand image, brand uniqueness and brand sentiment. They used to get opinions and suggestions from friends and colleagues before purchasing. Hence, the marketer should focus on the brand image and offer unique models at an affordable price, creative & catchy advertisements and captions to achieve the number one product among their competitors. Majority of the customers are willing to buy any brand cars which has affordable price. The consumers are repeatedly purchasing the same brand; hence, the marketer should offer unique models and promotional techniques to establish the brand in the customers' minds.

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