

A Study on Consumer Satisfaction Towards Price and Performance of Honda Activa Scooters in Bengaluru

Manahila Ansar

Student, Department of Commerce and Management, Mount Carmel College, Bengaluru, India

Abstract: In this dynamic world, consumers are given varied alternatives of products and services to choose from to satisfy their needs and requirements. Consumers are considered to be the king of the market, which makes it very pivotal for the marketers to make consumer satisfaction their ultimate objective, which will indirectly fetch them more profit and help in increasing the level of consumer loyalty. There are various factors that influence the purchasing behaviour of an individual consumer which are backed up his occupation level and the degree of purchasing power he has. In this research paper, main focus is given to find out the satisfaction level of Honda Activa users in terms of the price and performance of the scooters, based on the various demographic factors. For this purpose, primary and secondary data was collected from the various users of Honda Activa in Bengaluru. The data has been analysed using SPSS software. The findings showed that most of the female respondents were the users of the Honda Activa. Youth showed the maximum level of satisfaction in terms of the performance and comfort.

Keywords: Consumer Satisfaction

1. Introduction

India is one of the largest manufactures of two wheelers in the world, after China and Japan. The Indian two wheeler industry made a moment foundation in the mid-50s when Vehicle Products of India (API) began assembling bikes in the nation. Over the most recent couple of years, the Indian bikes industry has made terrific development in regard with creation and deals separately. Dominant part of Indians particularly the youth lean toward motorbikes as opposed to vehicles. Catching a substantial offer in the bikes business, scooters and bikes cover major segment of the two wheeler industry.

Consumer satisfaction affects the gainfulness of about each business. For instance, at the point when customer sees great item/administration, each will regularly advise nine to ten individuals. It is evaluated that almost one portion of American business is manufactured upon this casual, "informal" correspondence. Enhancement in customer retention, by even a barely any rate focuses can build benefits by 25 percent or more. Subsequently, organizations that would like to flourish will understand the significance of this idea, putting together a useful and suitable operational definition and various strategies to gain the maximum level of consumer satisfaction. This level

of satisfaction can be influenced by various factors the product/service give in terms of quality, price, performance, after sales services etc.

2. Review of literature

According to Priyanka Jain, in "A Study of Consumer Satisfaction of Two Wheelers on Yamaha", 2015 believed that the inclination of the buyers plainly depended on the buyers' family, his companions and friends, who impacted their buy, their after sales services expected, and many. In the start of the century, the car entered in the transportation showcase as a teddy bear for the rich. In any case, it moved toward becoming bit by bit increasingly prominent among the overall public since it gave explorers the opportunity to travel when they needed to and where they needed.

Karolina Illieska, in her research paper titled "Customer Satisfaction Index – as a Base for Strategic Marketing Management", 2013 believed that the focal point of research is customer fulfilment index is the base for new key advertising the board. For this reason, she has completed an overview on agent tests of Macedonian traveller and research administrations quality and consumer fulfilment index (CSI) in the Macedonian traveller transport.

Nick Mehta et al, in their book "Customer Success" highlights on the important models of customer management and shows how this leads to building the business in becoming the most competitive companies in the world. The main objective is to enable the customers to realise value in products, maximising revenue and retaining the customer.

A. Statement of problem

At present there are numerous competitors prevailing in the same two wheeler industry that act as a hindrance for the business in creating a USP for their own products/services. As most of the Indians are price sensitive, it becomes a vital part of the business to follow proper pricing strategies depending upon the various changes that take place in the political environment that includes ever changing government policies and their ability to purchase. Therefore, this paper seeks to understand the level of satisfaction consumers have towards the pricing and performance of Honda Activa Scooters.

B. Scope of the study

This study would help the marketers of Honda Activa Scooters to determine the various satisfaction levels of the users based on their demographic factors. This study aims to give a brief picture of how price and performance of the scooter impacts the users.

C. Objectives of the study

- To find out the satisfaction level of the users
- To find out impact of performance on users
- To find out impact of price on users
- To provide feasible suggestions and recommendations based on the findings of the study.

D. Operational definition

- *Consumer satisfaction*- refers to the level of utility derived by the consumers of the use of a product or a service.
- *Purchasing power*- refers to the ability and capability of an individual to purchase a particular product/ service to satisfy his needs.
- *Pricing*- refers to allotting a value for the product/service.
- *Performance*- refers to meeting the prior standards set to evaluate the efficiency of the product/service.

3. Research methodology

- *Research Design*: This study is descriptive in nature and will be based mainly on the survey method by using target population residing in Bengaluru. A structured questionnaire will be administered to the buyers of two wheeler scooters, to obtain results with respect to the research problem
- *Research instrument*: A well-structured questionnaire will be prepared to collect the required information.
- *Data collection*: Both primary and secondary data required to carry out the investigation.

A. Sample design

- Sampling unit - Honda Activa users
- Sample size – 100
- Sampling method – Random sampling method is used for this study

B. Limitations

- The data is restricted to Bengaluru city due to travelling constraints.
- Sample size is limited to 100 respondents only
- Satisfaction levels of various users may differ.

C. Hypothesis

- *Ho*: There is no significant level of satisfaction towards the price and the performance of the scooter
- *H1*: There is significant level of satisfaction towards

the price and the performance of the scooter

4. Data analysis

Table 1
 Frequency and percentage of Gender of respondents

		Gender			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	56	56.0	56.0	56.0
	Male	44	44.0	44.0	100.0
	Total	100	100.0	100.0	

The above table shows the representation of the respondents based on their gender. Among 100 respondents, 56% are female and 44% are male. This shows that female respondents prefer riding scooters more than the male respondents by 12%.

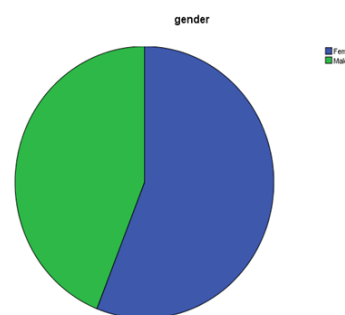


Fig. 1. Gender

Table 2
 Age wise representation of respondents

		Age group			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	56	56.0	56.0	56.0
	26-35	23	23.0	23.0	79.0
	36-45	16	16.0	16.0	95.0
	>50	5	5.0	5.0	100.0
	Total	100	100.0	100.0	

Table 2 represents the age group of respondents. Among 100, 56% belonged to the 18-25 years of age group and the least belonged to the >50 category. This shows that youth are more likely to ride scooters for their varied purposes.

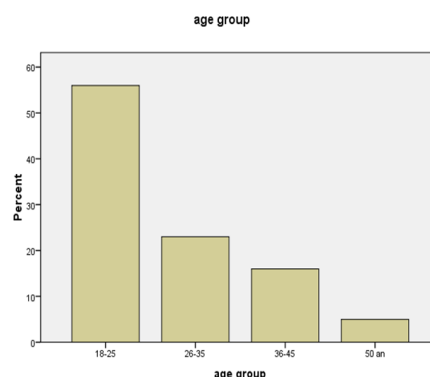


Fig. 2. Age group

A. Chi-Square test

Table 3
Income level in rupees * price of activa honda

		Price of activa			Total
		Cheap	Expensive	Moderate	
Income level	Above Rs. 400000	1	0	0	1
	Above Rs.400000	1	0	24	25
	Below Rs. 100000	2	8	23	33
	Rs.100000-Rs.250000	1	2	6	9
	Rs.250000-Rs.400000	0	4	28	32
Total		5	14	81	100

Chi-Square tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	29.465 ^a	8	.000
Likelihood Ratio	20.865	8	.008
Linear-by-Linear Association	.615	1	.433
N of Valid Cases	100		

11 cells (73.3%) have expected count less than 5. The minimum expected count is .05.

Interpretation:

From table 3 we can see that Pearson Chi-Square is 29.465 with 8 degrees of freedom and significant value $p=0.000$ which means the alternative hypothesis is accepted. There is significant level of satisfaction towards the price and the performance of the scooter.

Table 4
Occupation * Satisfactory level

		satisfactory level		Total
		No	Yes	
Occupation	Business	0	6	6
	Employed	3	30	33
	Home maker	0	1	1
	Professional	2	15	17
	Retired	0	4	4
	Student	2	37	39
Total		7	93	100

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.852 ^a	5	.869
Likelihood Ratio	2.529	5	.772
Linear-by-Linear Association	.140	1	.708
N of Valid Cases	100		

8 cells (66.7%) have expected count less than 5. The minimum expected count is .07.

Interpretation:

From table 4 we can see that Pearson Chi-Square is 1.852 with 5 degrees of freedom and significant value $p=0.869$ which means the null hypothesis is accepted. There is no significant level of satisfaction towards the price and the performance of the scooter.

5. Findings and suggestions

A. Findings

- Majority of the respondents were female as they prefer riding scooters over bikes.
- Youth showed more interest in riding Activa Honda because of its comfort and durability.
- The study shows that there is a certain degree of relation between the price of Activa Honda and the income level of the respondents.
- The study shows there is no significant difference between the satisfaction level and occupation of the respondents.

B. Suggestions

- The professional class and business class group can be provided with niche scooters.
- 360 degree marketing approach with intensive research must be carried out
- Focus more on scooters as well as bikes in order to maximize the profits.
- Launch stylish features in the existing line of two wheeler scooters.

6. Conclusion

It can be rightly concluded from the project that Honda Activa Scooters have done well in establishing their grounds in the two wheeler industry. They are also known for their comfort and performance and the satisfaction is high among the students and the working class. Youth is the target of Honda Activa Scooters and the potential target are the people working in MNCs.

References

- [1] <https://www.slideshare.net/ranpariyah/a-study-on-customer-satisfaction-towards-honda-activa>