



**A MARKET STUDY ON CUSTOMER SATISFACTION OF MID-SEGMENT MAHINDRA
PASSENGER CAR IN COIMBATORE**

by

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BONAFIDE CERTIFICATE



BONAFIDE CERTIFICATE

Certified that this project report titled, **“A MARKET STUDY ON CUSTOMER SATISFACTION OF MID-SEGMENT MAHINDRA PASSENGER CAR IN COIMBATORE”** is the bonafide work of **Mr. HIDDU KIFF** who carried out the project under my supervision. Certified further, that to the best of my knowledge the work reported herein does not form part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate.

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DECLARATION

I hereby declare that this project report entitled "**A MARKET STUDY ON CUSTOMER SATISFACTION OF MID – SEGMENT MAHINDRA PASSENGER CAR IN COIMBATORE**" as has been undertaken for academic purpose submitted to Anna University in partial fulfillment of the requirements for the award of the degree of Master of Business Administration. The project report is the record of the original work done by me under the guidance of Dr. **Mary Cherian**, Professor during the academic year 2011-2012.

I, also declare hereby, that the information given in this report is correct to best of my knowledge and belief.

Date:

Place : Coimbatore

HIDDU KIFF

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SYNOPSIS

SYNOPSIS

Customer satisfaction is one of the key elements in the promotion of the product. Every organization who deals with customer have specific department to handle customers. A satisfied customer can bring another new customer to the company and the same vice versa. Customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy.

Automobile industry is facing rapidly changing market, new technologies, economic uncertainties, fierce competition and more demanding customers. Hence for the success of the company customer satisfaction is very important. Customer satisfaction has a range of meaning to individuals, but it is generally seems to be a positive assessment of the service. The word "satisfied" itself had a number of different meanings for respondents, which can be split into the broad themes of contentment/happiness, relief, achieve aims and happy with outcome and the fact that they did not encounter any hassle.

The automotive industry in India is one of the largest in the world and one of the fastest growing globally. India manufactures over 17.5 million vehicles (including 2 wheeled and 4 wheeled) and exports about 2.33 million every year. It is the world's second largest manufacturer of motorcycles, with annual sales exceeding 8.5 million in 2009. India's passenger car and commercial vehicle manufacturing industry is the seventh largest in the world, with an annual production of more than 3.9 million units in 2011. An automobile, auto car, motor car or car is a wheeled motor vehicle used for transporting passengers, which also carries its own engine or motor. Most definitions of the term specify that automobiles are designed to run primarily on roads, to have seating for one to eight people, to typically have four wheels, and to be constructed principally for the transport of people rather than goods.

The primary objective of the study is to measure the customer satisfaction towards the product and services provided by the CAI Industries. The secondary objective is to analyze the opinion of the owners of cars regarding its features like mileage and comfort. To measure the level of customer satisfaction towards usage of car. To identify customer's perception towards services rendered by the sales person.

CHAPTER 1: INTRODUCTION

CHAPTER I

INTRODUCTION

1.1 Introduction to the study

Customer satisfaction, a business term, is a measure of how products and services supplied by a company meet or surpass customer expectations. It is seen as a key performance indicator within business. In a competitive marketplace where business competes for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. Customer satisfaction is an ambiguous and abstract concept and the actual manifestation of the state of satisfaction will vary from person to person and service to service. The state of satisfaction depends on both psychological and physical variables. Automobile industry is facing rapidly changing market, new technologies, economic uncertainties, fierce competition and more demanding customers. Hence for the success of the company customer satisfaction is very important.

Satisfied customer is an asset of the company, a highly satisfied customer

1. Stays as loyal customer in the company for longer period,
2. Buys more as the company introduces new products and upgrades existing products,
3. Talks favorable about the company and its products.
 4. Pays less attention to competing brands and advertising and is less sensitive to prices.
5. Offer products or service ideas to the company.

Customer's definition:

ACCORDING TO PHILIP KOTLER, "Customer is a person who brings us his want, it is our job to handle to handle them prodigality to him and to ourselves".

Meaning of customer satisfaction:

Customer satisfaction has a range of meaning to individuals, but it is generally seems to be a positive assessment of the service. The word "satisfied" itself had a

number of different meanings for respondents, which can be split into the broad themes of contentment/happiness, relief, achieve aims and happy with outcome and the fact that they did not encounter any hassle. Some of the interpretations fit with the definitions used in much of the service quality and satisfaction literature, where satisfaction is viewed as a zero state, merely an assessment that the service is adequate as opposed to “delight” which reflects a service that exceeds expectations. However, most respondents have more positive interpretations of the term. These questions allow us to identify priorities for improvement by comparing satisfaction with stated importance, comparing satisfaction with modeled importance as well as respondents’ own stated priorities.

Expectations of the customer:

Expectations of the customer is divided into two types

1. Expressed
2. Implied

Expressed customer expectations are those requirements that are written down contract and agreed upon by both for example, product specifications and delivery requirements. Supplier’s performance against these requirements is most of the items directly measurable. Implied customer expectations are not written or spoken but are the ones the customer would “expect” the suppliers to meet nevertheless. For example, a customer expects the service representative who calls on him to be knowledgeable and competent to solve a problem on the spot.

The needs to measure customer satisfaction-satisfied customers are central to optimal performance and financial returns. In many places in the world business organizations have been elevating the role of the customer to that of a key stake holder over the past twenty years. Customers are viewed as a group whose satisfaction with the enterprises be incorporated in strategic planning efforts. Forward –looking companies are findings values in directly measuring and tracking customer satisfaction as an important strategic success indicator.

1.2 Industry Profile – Indian Automotive Industry

The automotive industry in India is one of the largest in the world and one of the fastest growing globally. India manufactures over 17.5 million vehicles (including 2 wheeled and 4 wheeled) and exports about 2.33 million every year. It is the world's second largest manufacturer of motorcycles, with annual sales exceeding 8.5 million in 2009. India's passenger car and commercial vehicle manufacturing industry is the seventh largest in the world, with an annual production of more than 3.9 million units in 2011. India is home to 40 million passenger vehicles. More than 3.7 million automotive vehicles were produced in India.

India in 2010 (an increase of 33.9%), making the country the second (after China) fastest growing automobile market in the world. According to the Society of Indian Automobile Manufacturers, annual vehicle sales are projected to increase to 5 million by 2015 and more than 9 million by 2020. By 2050, the country is expected to top the world in car volumes with approximately 611 million vehicles on the nation's roads.

1.2.1 Industry Definition

This class consists of units mainly engaged in manufacturing motor vehicles or motor vehicle engines. The primary activities of this industry are:

- Motor cars manufacturing
- Motor vehicle engine manufacturing

The Major products and services in this industry are:

- Passenger motor vehicle manufacturing segment (Passenger Cars, Utility Vehicles & Multi Purpose Vehicles)
- Commercial Vehicles (Medium & Heavy and Light Commercial Vehicles)
- Two Wheelers
- Three Wheelers

1.2.2 Segmentation

The automotive industry of India is categorized into passenger cars, two wheelers, commercial vehicles and three wheelers, with two wheelers dominating

the market. More than 75% of the vehicles sold are two wheelers. Nearly 59% of these two wheelers sold were motorcycles and about 12% were scooters. Mopeds occupy a small portion in the two wheeler market however; electric two wheelers are yet to penetrate.

The passenger vehicles are further categorized into passenger cars, utility vehicles and multi-purpose vehicles. All sedan, hatchback, station wagon and sports cars fall under passenger cars. Tata Nano, is the world's cheapest passenger car, manufactured by Tata Motors – a leading automaker of India.

Multi-purpose vehicles or people-carriers are similar in shape to a van and are taller than a sedan, hatchback or a station wagon, and are designed for maximum interior room. Utility vehicles are designed for specific tasks. The passenger vehicles manufacturing account for about 15% of the market in India.

Commercial vehicles are categorized into heavy, medium and light. They account about 5% of the market. Three wheelers are categorized into passenger carrier and goods carriers. Three wheelers are categorized into passenger carriers and goods carriers. Three wheelers account for about 4% of the market in India.

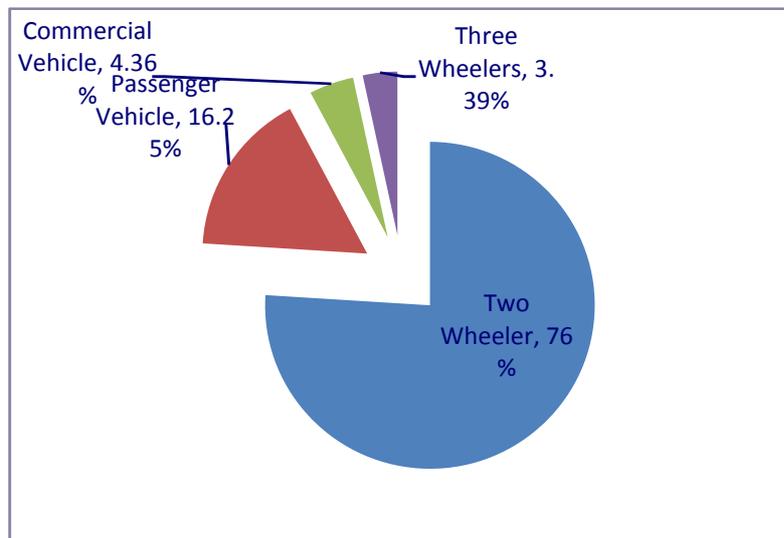


Figure 1.1. Figure Showing Market share of Automobile Industry in 2011

1.2.3 Market Size

The Indian Automotive Industry after de-licensing in July 1991 has grown at a spectacular rate on an average of 17% for last few years. The industry has attained a turnover of USD \$35.8 billion, (INR 165,000 crores) and an investment of USD

10.9 billion. The industry has provided direct and indirect employment to 13.1 million people. Automobile industry is currently contributing about 5% of the total GDP of India. India's current GDP is about \$1.4 trillion and is expected to grow to \$3.75 trillion by 2020. The projected size in 2016 of the Indian automotive industry varies between \$122 billion and \$159 billion including USD 35 billion in exports. This translates into a contribution of 10% to 11% towards India's GDP by 2016, which is more than double the current contribution.

1.2.7 Major Players – Passenger Vehicle Category

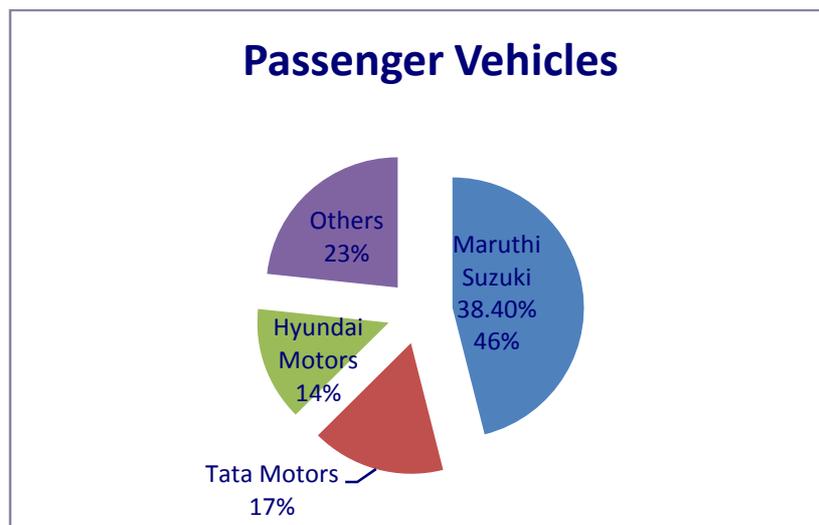


Figure 1.2. Figure showing Market share of Passenger segment in India

1.2.8 Introduction to Passenger Car

An automobile, auto car, motor car or car is a wheeled motor vehicle used for transporting passengers, which also carries its own engine or motor. Most definitions of the term specify that automobiles are designed to run primarily on roads, to have seating for one to eight people, to typically have four wheels, and to be constructed principally for the transport of people rather than goods.

The term motorcar has also been used in the context of electrified rail systems to denote a car which functions as a small locomotive but also provides space for passengers and baggage. These locomotive cars were often used on suburban routes by both interurban and intercity railroad systems.

1.3 Organization Profile – Mahindra & Mahindra

1.3.1 Heritage

The company was founded in 1945 in Ludhiana as Mahindra & Mohammed by brothers K.C. Mahindra and J.C. Mahindra and Malik Ghulam Mohammed. After India gained independence and Pakistan was formed, Mohammed immigrated to Pakistan where he became the nation's first finance minister. The company changed its name to Mahindra & Mahindra in 1948. It is ranked #21 in the list of top companies of India in Fortune India 500 in 2011.

1.3.2 Overview

Founded in 1945 as a steel trading company, we entered automotive manufacturing in 1947 to bring the iconic Willy's Jeep onto Indian roads. Over the years, they have diversified into many new businesses in order to better meet the needs of our customers. We follow a unique business model of creating empowered companies that enjoy the best of entrepreneurial independence and Group-wide synergies. This principle has led our growth into a US \$15.4 billion multinational group with more than 144,000 employees in over 100 countries across the globe.

Today, our operations span 18 key industries that form the foundation of every modern economy: aerospace, aftermarket, agribusiness, automotive, components, construction equipment, consulting services, defense, energy, farm equipment, finance and insurance, industrial equipment, information technology, leisure and hospitality, logistics, real estate, retail, and two wheelers.

Our federated structure enables each business to chart its own future and simultaneously leverage synergies across the entire Group's competencies. In this way, the diversity of our expertise allows us to bring our customers the best in many fields.

Since 1945, we've built our company around the core idea that people will succeed if they are just given the opportunity. Employees across the Group constantly challenge conventional thinking to create solutions that make a significant difference in the lives of our customers. That's why everything we build—be it a

tractor, financial service, solar-powered lamp, or software—is designed to empower you to reach your potential. Internally, we follow three basic tenets—accepting no limits, thinking alternatively, and driving positive change in everything we do. These brand pillars guide all our actions and business decisions from deciding whether or not to enter a new field or planning a portfolio of services.

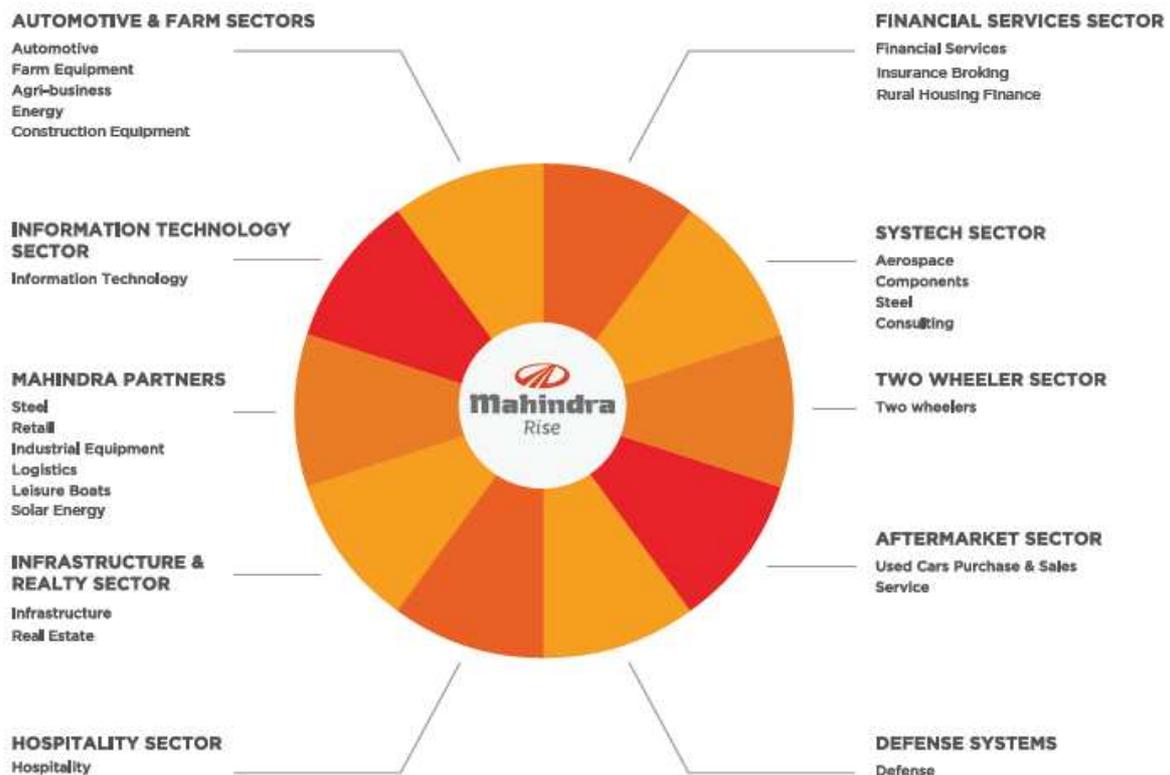


Figure 1.3. Figure showing Mahindra diversified development in India

1.3.3 Milestones of company

The 50's: The first business with Mitsubishi Corporation commenced and 5000 tons of wagon-building plates from Yawata Iron & Steel were supplied

The 60's : International Tractor Company of India established - a joint venture with International Harvester Company, USA.

The 70's : International Tractor Company of India merged with Mahindra & Mahindra to become its Tractor Division.

The 80's : Mahindra became market leader in the Indian tractor market, a position it has retained till date.

Tech Mahindra (formerly known as Mahindra British Telecom) established - a joint venture with British Telecommunications Plc (BT), UK

The 90's : The 90's saw the company diversifying into a large number of new business areas and many new companies were established including:

- Mahindra Financial Services Limited as a wholesale fund provider.
- Mahindra USA Inc. for distribution of tractors in the USA.
- Mahindra Ford India Limited - a joint venture with Ford Motor Company, USA, to manufacture passenger cars.
- Mahindra Holidays & Resorts India Limited.
- Mahindra Consulting (now Bristlecone).
- Mahindra United World College of India.
- The largest online used vehicle website in India by Mahindra Network Services.

The New Millenium: The Company started the new millennium with unveiling a new logo to give a fresh new 21st century look. In this decade, the company is already on a fast track for growth and expansion by establishing and acquiring new companies and with launch of new & innovative products across all its sectors. Scorpio launched, a new generation, world-class sports utility vehicle that redefined the SUV market and lived up to its positioning: 'Nothing else will do'.

1.3.5 Company Profile – CAI Industries

CAI Industries Limited deals with the marketing of Mahindra Tractors and Automotive Vehicles. CAI Industries is the part of prestigious Rajashree Group, which from textiles, has diversified its domain into automotive trading, transport, travel, finance and sugar with the annual turnover of Rs 300 Crores.

CAI Industries is established in 1957 as a work shop for servicing all kinds of vehicles. In 1971 CAI got the Mahindra & Mahindra Dealership for selling tractors. Subsequently in 1986, we obtained the dealership for selling Utility Vehicles and LCV Range Vehicles from Mahindra & Mahindra. The Tractor Division and The Automotive division at CAI are involved in the marketing of Mahindra Tractors and Automotive Vehicles respectively.

1.3.6 Milestones in the history of CAI

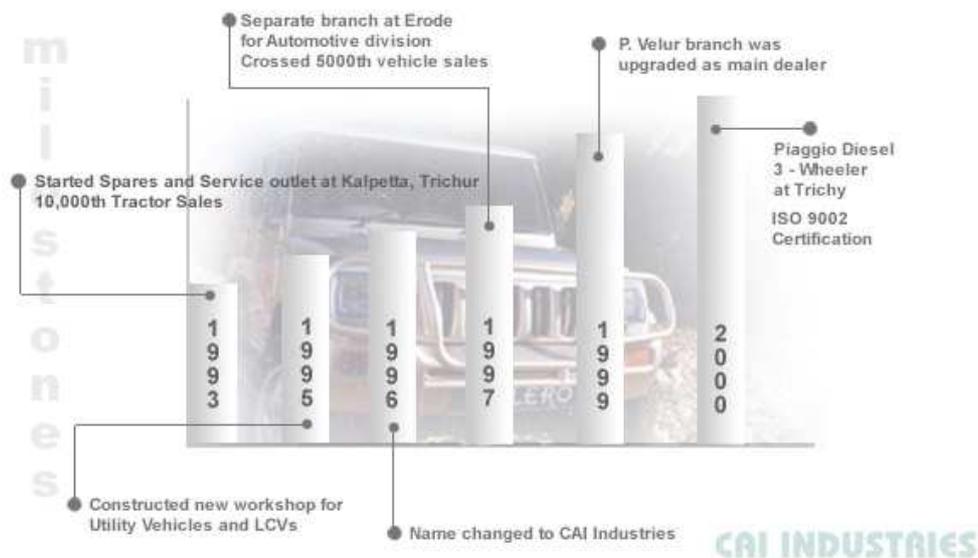


Figure 1.4. Figure showing milestones development of CAI Industries

- **1993** Started Spares and Service Outlet at Trichur, Crossed 10, 000th Tractor Sales
- **1995** Constructed new workshop at Coimbatore for servicing Mahindra Utility Vehicles and LCVs
- **1996** Company's Name changed as CAI Industries Limited Started Sales Outlet at Gudalur
- **1997** Separate branch at Erode for Automotive division Crossed 5000th vehicle sales (Utility Vehicles and LCVs)
- **1998** Distributorship for Bharat Shell Automotive Lubricants.
- **1999** P. Velur branch was upgraded as main dealer
- **2000** Dealership for "Piaggio Diesel 3 - Wheeler" at Trichy Opened new branch (Sales, Service and Spares) at Uthangarai Got ISO 9002 Certification for Sales and servicing of tractors, utility vehicles, LCVs and Spare parts sales. Crossed 20, 000th tractor sales.

1.3.9 Mahindra Passenger Car

Mahindra Verito

The Mahindra Verito is a small family car produced jointly by the French manufacturer Renault and Mahindra. It is manufactured at Dacia's automobile plant in Mioveni, Romania, and in Colombia, Brazil, Russia, Morocco, Iran, India and

South Africa. It is also marketed as the Renault Logan, Nissan Aprio, Mahindra Verito or Renault Tondar 90 depending on the existing presence or positioning of the Renault brand. This Renault made tie up with Mahindra Automotives and introduced Logan in India, later on Renault came into Indian market as its own products, the Logan was later made modification and Mahindra launched Logan as Verito.

1.4 Statement of the problem

Mahindra Automobiles has initially positioned its products for various domestic needs. These needs were fulfilled by the company in agricultural, passenger transport vehicles and trucks. After the launch of new passenger car “Verito” from Mahindra, after repositioning the name of the car from Logan, it is important to study and measure the customer satisfaction towards the product and service offered by the company. The new product Verito – passenger car launched by Mahindra, this car has changed the entire image from its old name Mahindra Renault Logan to Mahindra Logan. The problem is defined to measure the customer satisfaction of the repositioned product.

1.5 Objectives of the study

1. To measure the customer satisfaction towards the product and services provided by the CAI Industries.

2. To analyze the opinion of the owners of cars regarding its features like mileage, comfort and measure the level of customer satisfaction towards usage of cars.

3. To measure customer’s perception towards services rendered by the sales person.

1.6 Scope of the study

Deeper the company understand the consumer needs, the earlier the products or service is introduced ahead of competition. This study will help us to understand the about the customer satisfaction about CAI Mahindra services. This study will also help CAI Industries to understand how a customer selects, organize and interrupt quality of service offered. This will help CAI Mahindra to customize the service according to the customer need.

1.7 Need of the study

Customer satisfaction is important for every organization. the success of every business is depend upon the customer. Hence this made to analyze the satisfaction of the customers towards service rendered by CAI Mahindra.

CHAPTER 2: REVIEW OF LITERATURE

CHAPTER 2

REVIEW OF LITERATURE

1. **Oliver, 1981; Brady and Robertson, 2001** conceptualize customer satisfaction as an individual's feeling of pleasure or disappointment resulting from comparing a product's perceived performance (or outcome) in relation to his or her expectations.

2. **Boulding et al., (1993) and Yi and La (2004)** conclude satisfaction into two general conceptualizations: transaction-specific satisfaction and cumulative satisfaction. Transaction-specific satisfaction is a customer's evaluation of his or her experience and reactions to a particular service encounter (Cronin and Taylor, 1992; Boshoff and Gray, 2004). Cumulative satisfaction refers to the customer's overall evaluation of the consumption experience to date (Jones and Suh 2000). Because customer satisfaction is highly variable assessment individuals do based on their experiences with specific features of products and services they receive, it makes sense for servicing organizations to involve customer satisfaction measurement as their meaningful benchmark for development. Many researchers have realized the interrelated values of service quality and customer satisfaction.

3. **Corrin and Taylor (1992)** consider that service quality and customer satisfaction "share a close relationship". Service quality is the key to measure user satisfaction (Pitt et al., 1995)

4. **Taylor and Baker (1994) and Rust and Olivier (1994)** identified several factors that precede customer satisfaction. They argued that there are 5 antecedents that contribute to satisfaction: clear understanding of customer needs and expectations, perceived value, service quality, internal satisfaction and complaint management. This research showed that Service quality is one major attribute of satisfaction. It is said by Olivier (1993) that service quality is a casual antecedent of customer satisfaction, due to the fact that service quality is viewed at transactional level and satisfaction is viewed

as an attitude. Dabholkar et al. (1996) reported that the service quality dimensions are related to overall service quality and or customer satisfaction.

5. Fornell et al., (1996) expressed that satisfaction is a consequence of service quality. To another extent, other researchers suggested that in service field service quality and customer satisfaction (also called the “construct”) are separate but distinct constructs (Boulding et. al., 1993) organizations using to serve customers. However, defining and measuring quality in services might be difficult due to intangible nature of service offering. SERVQUAL model developed by extensive research by Parasuraman et. al. (1985, 1988 and 1991) has been carried out widely to measure service quality in many sectors. Early research done by Parasuraman et al. realized that determinants of Perceived service quality comprise of 02 elements of expected service and perceived service. This discrepancy is illustrated by Service Quality Gap. This gap is displayed in A “Gaps” Model in Service Quality as follows:

Gap 1: This gap appears when there is discrepancy between Customer Expectations and Management Perceptions of Customer Expectations.

Reasons creating this gap are because the servicing organizations don't have sufficient marketing research, or there is inadequate use of marketing research, lack of interaction between management and customers, or there is insufficient communication between contact employees and managers.

Gap 2: appears when there is discrepancy between Management Perceptions of Customer Expectations and Service Quality Specifications. This gap exists when the company management is not committed to service quality. Or even when they are committed, but they lack of formal process to set up the service quality goals, and there is inadequate standardization of tasks to implement the promises. It also happens the managers don't have

the perception of infeasibility to the areas that customer expectations can't be met.

Gap 3: occurs when there is differentiation between Service Quality Specifications and Service Delivery. This gap might be originally caused by lack of team work, poor employees, poor technology, lack of appropriate compensation system, role conflict among contact employees or role ambiguity among contact employees.

Gap 4: happens when there is discrepancy between Service Delivery and External Communications to Customers. If a Sales person fails to communicate with customers the service quality properly, it may cause to create the gap. Poor advertising of the organization service quality also fail ways of customers approach. Big organizations are likely to commit this mistake if there are differences between policies and procedures across the branches and departments.

6. Parasuraman et al. (1985) established a model based on dimensions of service quality that customers use to assess the service. There are 10 potentially overlapping dimensions: tangibles, reliabilities, responsiveness, communication, creditability, Security, competence, courtesy, understanding/knowing the customer and access.

7. Babakus and Boller (1992), there is a need to develop industry-specific measures of service quality. This is particularly important from a managerial perspective (Shemwell and Yavas, 1999). Because many of the questions in existing instruments (notably SERVQUAL batteries) intended to be applied across situations/services just do not apply in a specific context and force researchers to drastically alter

8. Parasuraman, et. al. (1984) identified a set of discrepancies, or gaps, between how executives perceive the quality of the service they provide and the tasks associated with delivering those services to customers. They found that the customer's perception of service quality depends upon the size and direction of the gap between the service the customer expects to receive and what he or she perceives to have been received. The magnitude of this gap (which can be either positive or negative) was determined by four interrelated variables: (1) the difference between actual consumer expectations and management perceptions of those expectations; (2) between management perception of expectations and the

translation of those perceptions into service quality specifications; (3) between service quality specifications and service delivery; and (4) between both service quality specifications and service delivery, and external communications to customers. Parasuraman, et. al. (1984) noted that these gaps "can be a major hurdle in attempting to deliver a service which consumers would perceive as being of high quality." Because this study focused on the interaction between the firm's representatives and its customers, this author found the fourth gap (between both service quality specifications and service delivery, and external communications to customers) to be of particular relevance.

9. Zeithaml, et. al. (1990), Heskett, et. al. (1990) found that good service delivery elicits the best outcome in terms of customer satisfaction. They noted that the next best outcome was achieved when problems were elicited and resolved, followed in descending order by problems that were elicited but not satisfactorily resolved and problems that were not elicited or expressed.

10. Bowen and Lawler (1990) also recommended that service workers be empowered to solve problems creatively and effectively. Like Zeithaml, et. al. (1990), they emphasized the importance of keeping frontline personnel informed about organizational performance; providing problem solving skills and other knowledge that helped employees contribute to organizational performance; and basing rewards on performance. They found that empowering employees to provide a quick response to customer.

11. Bitran and Hoeh (1990) also noted that defections are seldom the result of ordinary interactions, but of an organization's failure to handle abnormal situations to the customer's satisfaction.

12. Leon G.Schiffman explains in his book "consumer behaviour" that the overall objective of providing value to customers continuously and more effectively, than the competition is to have and to retain highly satisfied customers this strategic of customer retain makes it in the best interest of customers to stay with the company rather than switch to other firms. If almost all business situation it is more expensive to win new customers than to keep existing ones. Studies have shown that reduction in customer defection have produced significant increases in profit because

1. Loyal customers buy more products.

2. Loyal customers are fewer prices sensitive and pay less attention to competitor advertising.

3. Loyal customers spread positive word of mouth and refer other customers.

13. J.Paul Peter and Jerry's in the chapter of "internal analysis" of the book "strategic market management" explains that customer satisfaction and brand loyalty are the most important assets of many firms. Measures of sales and market share are useful but crude indicators of how customers really feel of the firm. Such measure reflects market inertia. Because of competitor actions and market fluctuations measures of customer satisfaction and brand loyalty are much more sensitive and provide diagnostic values as well.

14. Dhruv Grewal and Michael Levy in his study "understanding the market place" said that setting unrealistically high consumer expectations of the product through advertising, personal selling or other types of promotion may lead to higher initial sales but it eventually will result in dissatisfaction when the product fails to achieve the high performance expectations.

15. Westlake Village an article published in California on December 8 explains that overall satisfaction with the new vehicle purchase experience has improved from **2008**, but automakers are losing 12 percent of new vehicle sales to other brands on average, as a result of poor customer treatment at dealership.

CHAPTER 3: RESEARCH METHODOLOGY

CHAPTER 3

RESEARCH METHODOLOGY

Research may be defined as the search for knowledge through an objective and scientific method of finding solution of problem. Research methodology is a way to systematically solve the research problem. It includes the various steps that are generally adopted by a researcher in studying problem along with the logic behind them.

3.1 Data collection method

A collection of raw facts and figures which provide meaningful information is called data collection. Data collection methods are an integral part of the research design. Data are classified into two categories that is primary data and secondary data.

3.2 Primary data

Primary data is collected from existing users of Mahindra Verito car users. These data are taken in the form of taking sample with the questionnaire which is attached in the appendix part of this project.

3.3 Secondary data

Secondary data refers to the information gathered by someone other than the researcher conducting the current study. In this study the data has been collected from books, magazines and websites. Those data has been attached in the review of literature of this project.

3.4 Sampling method

Sampling is the process of selecting a sufficient number of elements from the population so that study of sampling and the understanding of its properties or characteristics would make it possible for us to generalize such properties and characteristics.

In this study researcher has adopted convenience sampling method.

3.4.1 Convenience sampling

Convenience sampling refers to the collection of information from members of population, who are conveniently available to provide. Hence this study is mainly depending upon the customer's attitude, it is necessary to collect the data from them through convenience sampling.

3.4.2 Sample size

The larger the sample is more accurate the result would be but practically it is not feasible to survey the entire target population or even the substantial proportion of it. In this project, being aware of the time and cost constraints, sample size of 72 respondents was taken.

3.4.3 Statistical tools used

The researcher has used two different tools for analysis for interpreting the data. In this study the following tools have been applied.

- Percentage analysis
- Weighted Average
- Average Ranking Method

3.5 Limitation

The study is carried out only inside the Coimbatore city and the respondents of this study are existing users of Mahindra Verito passenger car. The perceptions of respondents are who already owns Mahindra Verito car. Finally due to time constraints a sample size of 72 was only taken which was not sufficient to do depth analysis and to get high precision in results.

CHAPTER 4: ANALYSIS & INTERPRETATION

CHAPTER 4
ANALYSIS & INTERPRETATION

4.1 Percentage Analysis

4.1.1 Table showing the frequency of respondents on the basis of Age

AGE	Total No. of respondents	Percentage of respondents
20-29 years	13	18.1
30-39 years	29	40.3
40-49 years	21	29.2
50-59 years	6	8.3
above 60 years	3	4.2
Total	72	100.0

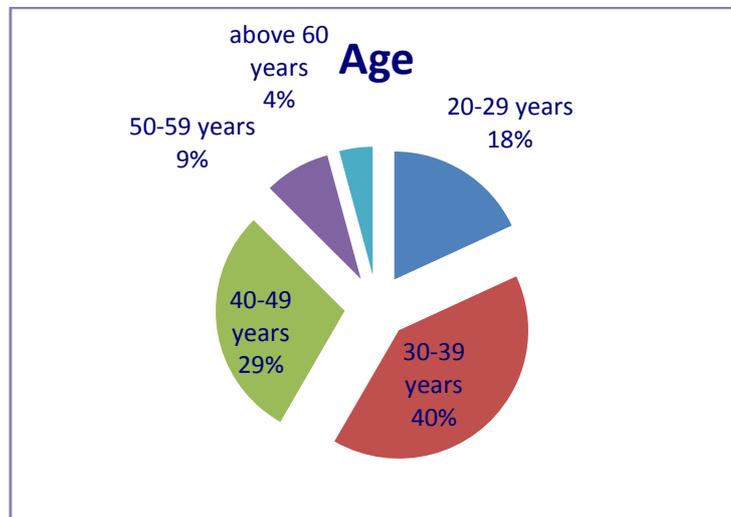


Figure 4.1.1 Figure showing frequency of respondents on the basis of Age Inference

The above table shows the age details of respondents and large percentage of people under the category of 30-39 years only. So, the most preferred age is the above the young and less than old people buy Mahindra Verito car, and nearly 18% of youth prefer Mahindra Verito car.

4.1.2 Table showing the frequency of respondents on the basis of family

FAMILY	Total No. of respondents	Percentage of respondents
1-3 members	15	20.8
3-6 members	54	75.0
more than 6 members	3	4.2
Total	72	100.0

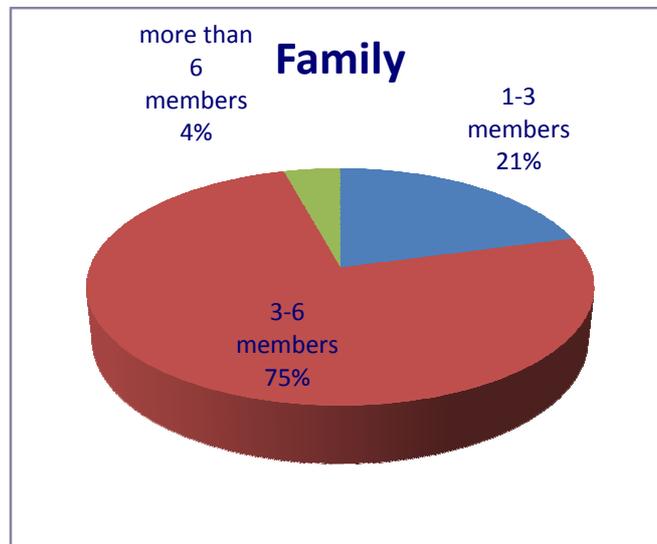


Figure 4.1.2 Figure showing frequency of respondents on the basis of family

Inference

From the above table we can interpret the family size of the Mahindra Verito users; mostly they are 3-6 members per family. Family size of 1-3 members uses only 21%. Family size which is more than 6 person very few prefer Maindra Verito.

4.1.3 Table showing the frequency of respondents on the basis of occupation

OCCUPATION	Total No. of respondents	Percentage of respondents
Employed	14	19.4
Self employed	58	80.6
Total	72	100.0

Inference

Only 19% of the respondents are employed and Self employed respondents are 81%. The interesting fact is self employed are the more users of Mahindra Verito car.

4.1.4 Table showing the frequency of respondents on the basis of ultimate experience felt in their Mahindra Car

Ultimate experience felt	Total No. of respondents	Percentage of respondents
Luxury	12	17
Speed	24	33
Comfort	57	79
Look & Design	16	22
Technology	10	14
Convenience	21	29

Inference

From the above table, comfort is the most likely experience respondents felt in the Verito car. Speed is the next most liked experience by the respondents. Design is liked by 22% of 72 respondents. Convenience and technology is the most lacking part in the development of the car as very few respondents have preferred.

4.1.5 Table showing the frequency of respondents on the basis of sources of advertisement of new launches from Mahindra

Source of new launches	Total No. of respondents	Percentage of respondents
TV Ad's	06	08
News Paper Ad's	04	05
Internet	29	40
Magazine	04	05
By Friends	57	79

Inference

Mahindra promote its product by mass media communication. But most of the promotion of passenger car is made in TV Ad's, Newspaper etc. 79% of Respondents has provided information that new launches of Mahindra are suggested or recommended by friends next source as Internet. Only 5% has provided that they get source of new launches from Newspaper and Magazine.

4.1.6 Table showing the frequency of respondent's on the basis interested in buying another new passenger car

	Total No. of respondents	Percentage of respondents
YES	67	93.1
NO	5	6.9
TOTAL	72	100

4.1.7 Table showing the frequency of respondent's time take to buy another new passenger car

Planned year	Total No. of respondents	Percentage of respondents
Within a year	22	32.9
1-2 years	24	35.8
2-3 years	04	6
After 3 years	17	25.3
TOTAL	67	100

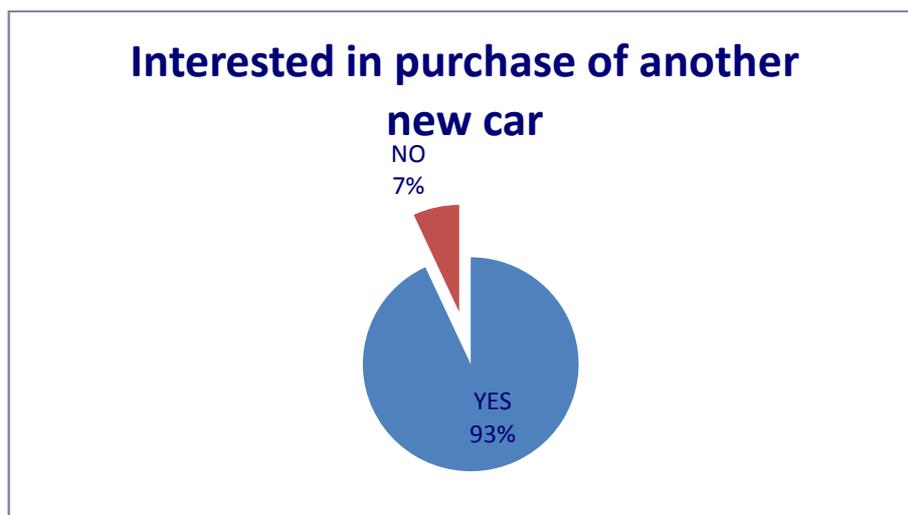


Figure 4.1.3 Figure showing frequency of respondents on the basis of interested in buying another new passenger car.

Inference

93% of the respondents of the existing customer of Mahindra interested in buying another new passenger car and 5% of the responders are not interested in buying another new passenger car.

Almost 35.8% of respondents preferred 1-2 years time taken by respondents to buy another new passenger car. 2-3 years time is preferred by 6% of the entire respondents.

4.1.8 Table showing the frequency of respondent's on what factor influenced them to buy another new passenger car.

Factors	Total No. of respondents	Percentage of respondents
Increased comfort level	10	13.9
Out dated model & design of old car	9	12.5
Product life	16	22.2
Increased family members	26	36.1
Symbol of luxury	6	8.3
Not interested respondent's	5	6.9
TOTAL	72	100.0

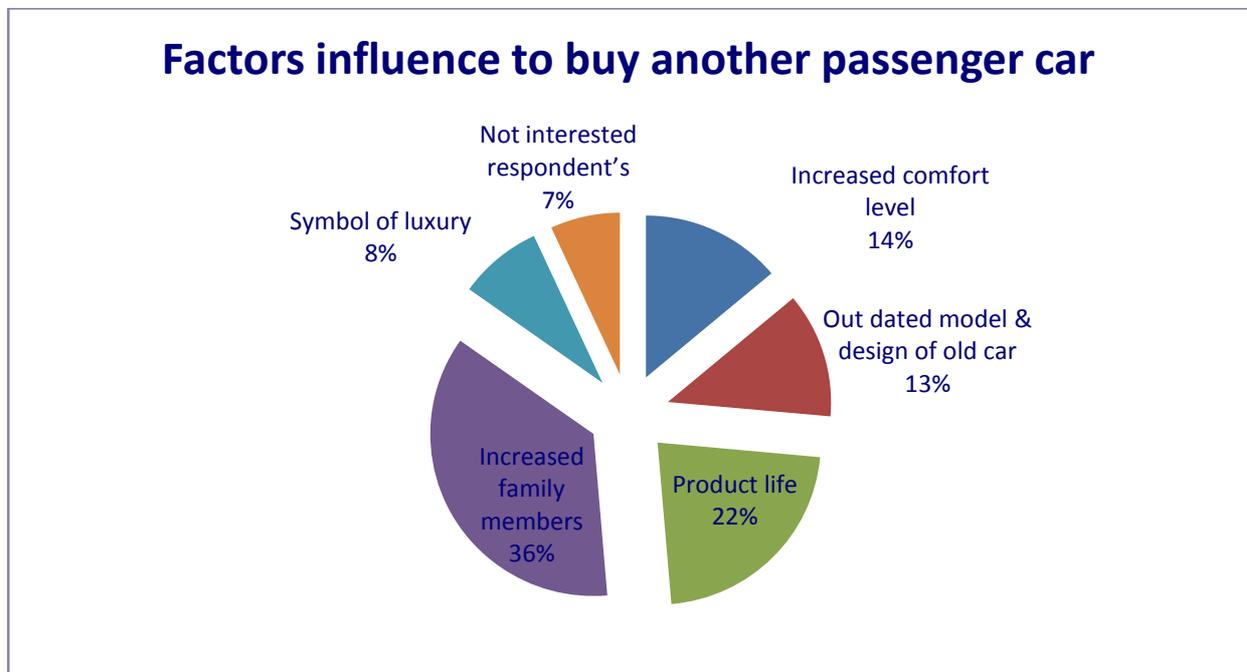


Figure 4.1.4 Figure showing frequency of respondents on what factor influenced them to buy another new passenger car.

Inference

The major factor is 36% which is increased family members made respondents to go for another car. Symbol of luxury is only the least 8% of the total respondents. 7% of the respondents are not interested in purchase of another car. 14% of the respondents are looking forward increased comfort level in the car.

4.1.9 Table showing the frequency of respondent's and their affordable price to buy for the new passenger car

Affordable Price	Total No. of respondents	Percentage of respondents
Less than 10 lakhs	26	36.1
10 -12 lakhs	9	12.5
12 – 14 lakhs	16	22.2
Above 14 lakhs	16	22.2
Nil	5	6.9
TOTAL	72	100.0

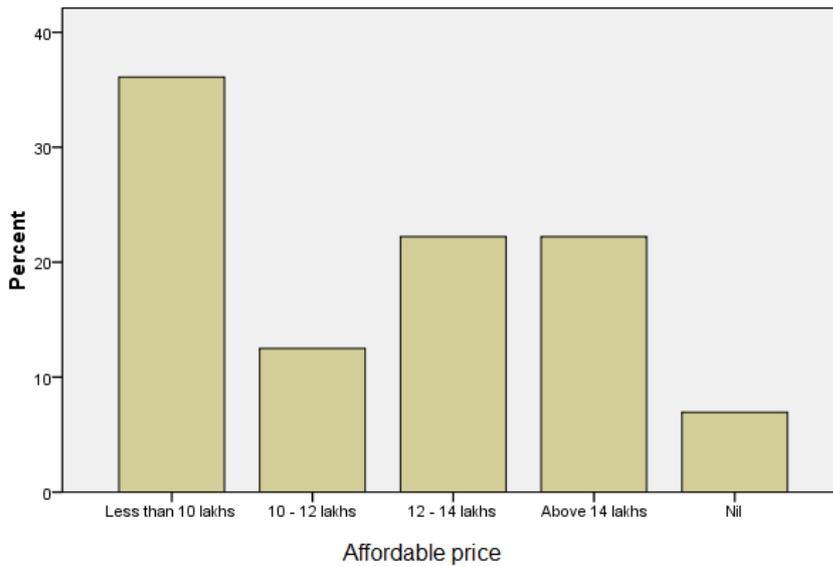


Figure 4.1.5 Figure showing frequency of respondent's and their affordable price to buy for the new passenger car

Inference

36.1% of the respondent have given that, they have planned to purchase another new car which is less than 10 lakhs, it is taken as the affordable price to the respondents to buy another car. 10-12 lakhs is another pricing provided by the respondent which is 12.5% of the total respondents. It is assumed that if we a new car with best features less than 10 lakhs will have high demand in the market place.

4.1.10 Table showing the frequency of respondent's and their expected time period of delivery during the purchase of another new car.

Expected delivery time	Total No. of respondents	Percentage of respondents
Up to two weeks	13	18.1
up to three weeks	13	18.1
up to one month	41	56.9
Nil	5	6.9
Total	72	100.0

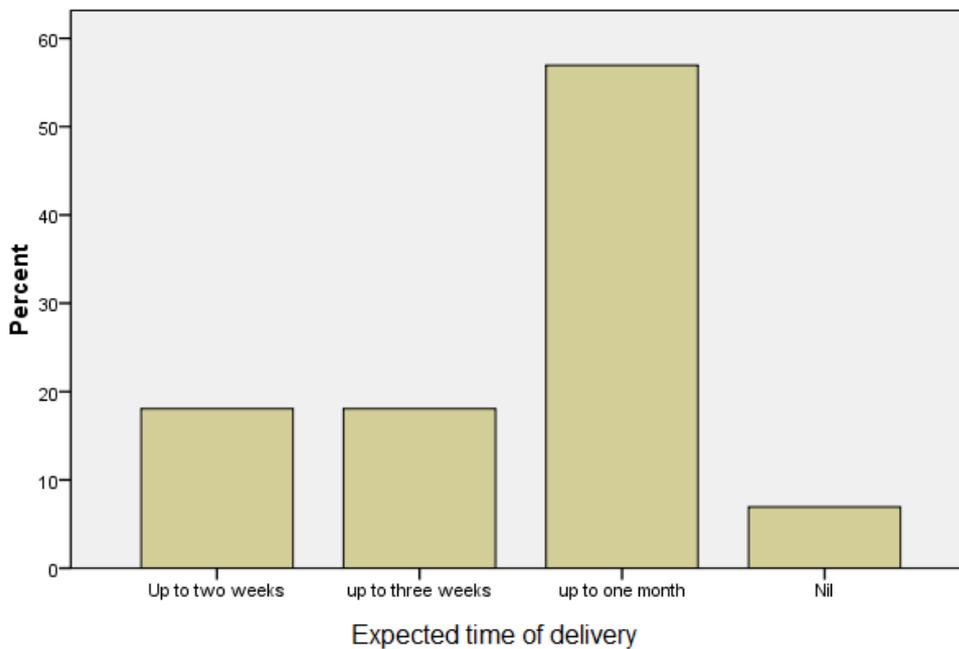


Figure 4.1.6 Figure showing frequency of respondent's and expected time period of delivery during the purchase of another new car.

Inference

During the purchase of another new passenger car respondent gave their expected time as up to one month by the 59.6% of the entire respondent. Up to two and three weeks occupied 18.1% of the entire respondent. It is assumed that respondent expect the delivery time up to one month.

4.2.1 Table showing the weighted average.

The weighted mean is similar to an arithmetic mean (the most common type of average), where instead of each of the data points contributing equally to the final average, some data points contribute more than others. The notion of weighted mean plays a role in descriptive statistics and also occurs in a more general form in several other areas of mathematics.

S. NO	Particulars	Poor	Average	Good	Excellent	Weighted average	Rank
1	Sales executive response during first enquiry	1	4	45	22	3.22	2
2	Sales executive educating to respondent	1	3	51	17	3.16	3
3	Vehicle booking, processing, registration	1	2	57	12	3.11	4
4	Delivery service of vehicle	2	2	40	28	3.30	1

Inference

The delivery service of the vehicle is the most weighted and highly experienced by the respondents. Sales executive response, sales executive educating the respondent during the first visit are the next weighted average given by the respondent.

4.2.2 Table showing the weighted average of the overall satisfaction of respondents.

Particular	Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly dissatisfied	Weighted average
Overall satisfaction level	14	49	9	0	0	4.06

Inference

The overall satisfaction of the respondents was measured by giving weights to the every variable. The overall satisfaction of the respondents is Satisfied as the weight taken as 4.

4.3.1 Table showing the average ranks which are important factors in Mahindra Verito passenger car.

S. No.	Factors	Rank
1	Brand Image	5
2	Affordable	3
3	Less maintenance cost	2
4	Quality & reliable product	4
5	Better Mileage	1
6	Style/Design	6

Inference

Mahindra Verito car has important factors, the most important factors is mileage and the least factor ranked to style/design.

4.3.2 Table showing the ranks which are important factors in buying another new passenger car.

S. No.	Factors	Rank
1	Boot Space	5
2	Safety purpose	2
3	Off-road capability	6
4	Family trips/usage	1
5	Status symbol/ uniqueness	3
6	Power/pulling capacity	4

Inference

Respondents has given average rank while purchasing a another car are, the most important factor are Family trips and the least important factor is off-road capability.

CHAPTER 5: FINDINGS, SUGGESTION AND CONCLUSION

**CHAPTER 5
FINDINGS, SUGGESTION AND CONCLUSION**

5.1 Findings

- Only 19% of the respondents are employed and Self employed respondents are 81%. The interesting fact is self employed are the more users of Mahindra Verito car.
- Comfort is the most likely experience respondents felt in the Verito car. Speed is the next most liked experience by the respondents. Design is liked by 22% of 72 respondents. Convenience and technology is the most lacking part in the development of the car as very few respondents have preferred.
- Family size of the Mahindra Verito users; mostly they are 3-6 members per family.
- 19% of the respondent felt that they are highly satisfied with the overall performance of the Mahindra Verito car. 68% of the respondent felt that they are satisfied with the overall performance of the Mahindra Verito car. 13% of the respondent felt that they are neutrally satisfied with the overall performance of the Verito Car. Its surprise that, no respondent is dissatisfied with their car.
- Mahindra promote its product by mass media communication. But most of the promotion of passenger car in made in TV Ad's, Newspaper etc. 79% of Respondents has provided information that new launches of Mahindra are suggested or recommended by friends next source as Internet. Only 5% has provided that they get source of new launches from Newspaper and Magazine.
- Almost 35.8% of respondents preferred 1-2 years time taken by respondents to buy another new passenger car. 2-3 years time is preferred by 6% of the entire respondents. 93% of the respondents of the existing customer of Mahindra interested in buying another new passenger car and 5% of the responders are not interested in buying another new passenger car.

- The major factor is 36% which is increased family members made respondents to go for another car. Symbol of luxury is only the least 8% of the total respondents. 7% of the respondents are not interested in purchase of another car. 14% of the respondents are looking forward increased comfort level in the car.
- 36.1% of the respondent has given that, they have planned to purchase another new car which is less than 10 lakhs, it is taken as the affordable price to the respondents to buy another car. 10-12 lakhs is another pricing provided by the respondent which is 12.5% of the total respondents. It is assumed that if we a new car with best features less than 10 lakhs will have high demand in the market place.
- The purchase of another new passenger car respondent gave their expected time as up to one month by the 59.6% of the entire respondent. Up to two and three weeks occupied 18.1% of the entire respondent. It is assumed that respondent expect the delivery time up to one month.
- The delivery service of the vehicle is the most weighted and highly experienced by the respondents. Sales executive response, sales executive educating the respondent during the first visit are the next weighted average given by the respondent.
- Mahindra Verito car has important factors, the most important factors is mileage and the least factor ranked to style/design.
- Respondent has given average rank while purchasing another car are, the most important factor are Family trips and the least important factor is off-road capability.

5.2 Suggestion

Comfort is the most likely experience respondents felt in the Verito car. Speed is the next most liked experience by the respondents. Design is liked by 22% of 72 respondents. Convenience and technology is the most lacking part in the development of the car as very few respondents have preferred. Convenience and technology has to be developed in the Mahindra Verito car.

. Only 68% of the respondent felt that they are satisfied with the overall performance of the Mahindra Verito car. 13% of the respondent felt that they are neutrally satisfied with the overall performance of the Verito Car. This 13% neutrally satisfied customer's has to provide specific importance in service of the car.

Most of the promotion of passenger car is made in TV Ad's, Newspaper etc. 79% of Respondents has provided information that new launches of Mahindra are suggested or recommended by friends next source as Internet. Only 5% has provided that they get source of new launches from Newspaper and Magazine. So the Mahindra Company has to give more advertisements in new launches.

The major factor is 36% which is "increased family members" factor made respondents to go for another car. Symbol of luxury is only the least 8% of the total respondents. 7% of the respondents are not interested in purchase of another car. 14% of the respondents are looking forward increased comfort level in the car. Mahindra can launch new car with more passenger capacity but still the car doesn't look like an SUV.

The delivery service of the vehicle is the most weighted and highly experienced by the respondents. Sales executive response, sales executive educating the respondent during the first visit are the next weighted average given by the respondent. The registration, booking has to be made on given time by the company.

Mahindra Verito car has important factors, the most important factors is mileage and the least factor ranked to style/design. The style of the car has to more sleek design. Respondent has given average rank while purchasing another car are, the most important factor are Family trips and the least important factor is off-road

capability. If Mahindra could launch new vehicle with high passenger number it will attract the customers.

5.3 Conclusion

Customer satisfaction is very important now days. Though customer satisfaction does not guarantee repurchase on the part of the customers. But still it pays a very important part in ensuring a customer's loyalty and retention. Customer satisfaction is a direct determination of customer retention.

The project was directed towards calculation the customer satisfaction towards service provided by CAI Industries. The objective of the study is to analyze the opinion of the owners and the level of customer satisfaction, the customer perception towards service rendered by the sales person. The data was collected through questionnaire provided to the customers. Based on the analysis of the data obtained through the questionnaire of 72 respondents, it is clear that service rendered by the CAI Industries lead to high customer satisfaction. Customers are highly satisfied with the performance of the car and also the service rendered by CAI Industries.

5.4 Scope for the further study

Customer satisfaction has no end in its study as the day to day wants, needs and demand changes dynamically. In the Customer satisfaction of Mahindra Verito car, company has made a complete change in look and style of the car as the earlier study has been done to make changes as per customer preference. The Verito refresh model has been launched in the market. So, the customer satisfaction of the existing car can be under taken to find out the positive changes in the upcoming study.

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APPENDIX
QUESTIONNAIRE

Dear respondent, this is a study carried out to understand the various factors which influence the choice and satisfaction of Passenger Car's among existing Passenger

Car users. Hence, I request your honest assessment for questions below which is extremely valuable for my study.

Age: - 20 – 29 years 30 – 39 years
 40 – 49 years 50 – 59 years Above 60 years

Gender: - Male Female

Marital Status: - Single Married

Family Size: - 1 – 3 members 3 – 6 members more than 6 members

Occupation: - Employed Self employed

Others (Please specify) _____

If Employed,

Public Sector Private Sector MNC Defence

If Self employed,

Proprietor/Partnership Investor/Finance Agriculture

1. What is the name of the Mahindra Car Model that you own?

2. How many years you own Mahindra Verito Car? _____ Years

3. What is the Ultimate experience you felt in your Mahindra Car? (multiple option)

Luxury Speed Comfort Look & Design

Technology Convenience

4. What is the overall level of satisfaction with your Mahindra Car?

Highly satisfied Satisfied Neutral

Dissatisfied Highly Dissatisfied

5. Can you rank the factors that are important in purchasing a passenger Car?

Brand Image ____

Quality & Reliable Product ____

Affordable__ Better Mileage__
Less Maintenance Cost__ Style/design__

6. How did you come to know about the new Mahindra launches? (Multiple options)

TV Ad's News Paper Ad's Internet Magazine By Friends
Others (Please specify) _____

7. How was our sales executive's response during your first enquiry of purchase of your vehicle?

Poor Average Good Excellent

8. Rate your satisfaction on our sales executive educating you about the technical specification of your Passenger Car?

Poor Average Good Excellent

9. Rate our processing - Vehicle booking, processing and registration made on given time.

Poor Average Good Excellent

10. Rate our Delivery service of your vehicle.

Poor Average Good Excellent

11. What Car you own before Mahindra Verito?

No Yes, please specify the Car model _____

12. Are you interested in buying another New Passenger Car?

Yes No

If yes then when are you planning to buy a Passenger Car?

Within a year 1 – 2 years 2 – 3 years After 3 years

13. The purpose of buying another Passenger Car is for?

(Rank the following choices "1 for most likely usage and 6 for the least")

Boot Space ____

Family trips/ usage ____

Safety purpose ____

Status symbol/ uniqueness ____

Off-road capability ____

Power/Pulling capacity ____

14. Factors make you to buy another Passenger Car?

Increased comfort level out dated model & Design of old Car

Product life Increased family members Symbol of luxury

15. What is the Affordable price that you are ready to pay for the new Passenger Car?

Less than 10 lakhs 10 – 12 lakhs
 12 – 14 lakhs Above 14 lakhs

16. What is your expected time period of delivery of your car?

Up to two weeks up to three weeks up to one month

17. Can you specify any suggestions or feedback about the showroom?

Thank you . . .

