

A Study on Millennials & Generation-Z Perceptions During Buying of A New Car At KDMC Region of Thane District

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Abstract

Automobile industry is growing market in world. And India is fourth largest market in world, so here we try to various factors that organization need to consider while making a car and here we have taken various factors that influence consumer behavior, factors responsible for change in buying behaviors, strategy that makers should adopt & future of EV's. Mainly this study has taken only two generating for study namely Generation- Z & Millennials, because either they will enter job market or many of them are into job market and willing to buy first car for own or family.

Keywords: EV's, Generation-Z, Millennials, SUV, KDMC.

Introduction

In this world one thing is constant that is change, with pass of time there is always seen a changes in trends of buying behaviors of customers across globe. There are various region for shift in buying behaviors consumers like perception change, pass of time, culture, tradition, income, advertisement, increase awareness, government norms, environmental concern and etc. If organization need to maintain its dominance position in markets then it is necessary to make its products as per current trends of markets. Many organization are doing very well in some niche segment like EV, SUV while some are doing well in hatchback, sedan. India has

largest road connectivity in world is third largest car market in world second, and fourth largest car producer country in world. But there has been seen shift in buying behaviors of consumer in country, and this shift in consumer behaviors has force manufactures to change its strategies also. In modern world the customer are becoming more awareness for sustainability and they have more concern for Mother Nature, to it has also seen that there is increasing trends for EV in country.

Objective of Study:

To study different players in Indian Market with market shares

To find about the various factors that influences the purchasing decisions of consumers

To study different factors responsible for change in buying behaviors

To study different strategy adopted by manufacturer to attract customers

To study future scope of EV in Indian market

To Study comparative study between Millennials & Generation Z

Review of Literature:

N. Selvaraj, P. Murugesan & V. Alagupandi (2019): has studied the behavior of consumer mainly his study is considering both male and female and he has find in his studies that there is no difference between both gender when it comes to buying of car like both gender look for latest technology, comfort, ABS breaking systems, has good ground clearance, good to ecological balance that is releasing lesser carbon. In his studies he has found similarities buying behavior of both genders.

M.R Tausif and M.I Haque (2019): has done his research on buying behavior for car taking variables like Fuel economy, resale price, maintenance cost, emission of carbon, image of product, home country of make, and they found that mostly consumer like product who have two factors like low maintenance and high fuel efficiency.

R.A Laxmi & A.A.S Priya (2017): has done study about various factors which influence while purchasing a cars some on them are gender, income level, cost, maintenance cost, spare parts and its cost and availability, and other quality of products influence buying behaviors.

V. Mathankumar & R. Velmurugan (2015): has done a study of consumer regarding four wheeler buying keeping in mind various factors like education, income, age, family status, occupation and maintenance cost for vehicle.

A.Y. Alif Fianto (2014): in her study found that brand image has a strong impact for influence for buying car. Also found that brand trust plays a vital role brand image building and buying behavior.

Hong-Youl & Swinder Janda (2013): they have talk about how a brand personality plays a important role in automobile industry and its sales. And how perceived quality play important role for purchasing their study is mainly in chines market.

Research Methodology:

Research Methodology is a way of doing research process that researcher intended to carry out for find the outcome of its research.

Sample Size: As per the need of our study we have used infinite sample size population formula to calculate sample size at 95% confidence level, the minimum level of sample we calculated the figure of 385 samples, but we have floated a questionnaires to 756 candidates out of which we have received 553 candidate data after many follow-ups and out of which 533 response were used for my study remaining 20 respondent were discarded because it was not filled completely.

Study Area: The study cover the major automobile manufacturer that sales their car in KDMC region which comes under thane district. KDMC website has been used to identify the region which comes under it. KDMC region is a one of the taluka in thane district. And Thane District place in India where it has highest registration for automobile in India.

Sampling Technique: Convenience sampling methods has been used to collect data for this study. Primary and secondary both types of data has been used, data has been collected through structured questionnaires.

What is perception, and consumer behavior?

Perception are the way of looking the thing in a particular way, and understanding about it. Different consumer has different perception about car which one to buy, consumer behavior is an understanding of all the activities related to purchase, use and disposal of goods.

Players in Indian market for passengers cars!

Maruti Suzuki, Tata Motors, Hyundai, Mahindra & Mahindra, KIA, Nissan, Toyota, Honda, Renault, MG, Skoda, Volkswagen, Jeep, BMW, Mercedes, BYD, are the players in Indian market. Maruti Suzuki has highest market share with 42. 61% followed by 14.49% Hyundai, TATA 13.88%, Mahindra 9.55% Kia 8.28%, Toyota 3.68% and remaining all others players.

Various factors that influences the purchasing decisions of consumers:

We can broadly divide factors that influence purchasing on consume in four categories like Culture, Social, Personal, and Psychological.

Culture: It can be term as complex sets of behaviors that individual has and it passes from one generation to other, it can also term sets of belief, customs, and the ways of leaving a life. It also include sub-culture it is a small group of people who share a common culture but with slight custom changes, for example the people in India celebrate festive of Diwali in their own cultural ways and as per their custom which they learn from their insister.

Social: Social word is taken from society, which mean society or group they belong too, it include reference group, family & status in society they belong too. Reference group are the people to whole they consider as reference and he or she learn many thing from this group and has a wish to become like them. Family are the people where a person has taken a birth and here a buyer may be in close leaving with many generation together like son, father, and grandfather or nuclear there only son, father and mother leaves, both type of family has different impact on buying behavior.

Personal: It is the characteristics which are unique to each individual like gender, age, income, education level, occupation, personality trait and life style. The buying pattern of person id different for different gender, and it changes with changes in age, income, education, occupation and the person quality they possess and the type of life style they leave all this has impact on buying behavior.

Psychological: It is one of the most important factors responsible for buying behavior of individual, it also include perception that is what a person presume about the quality about product and services. Motivation it is motive that create urge for anything it may be negative or positive factors that force the person to behave a person in a particular way. Attitude are the feel are act in a given manner toward a specific person, idea, place or object.

Factors responsible for change in buying behaviors:

Development of ICT: In this internet world there is tremendous growth of information communication technology, today people are aware of international standards, consumers has started to do comparison between product and services on different countries and all this is due to revolution of internet and communication technology and all this has led to behavioral changes.

Exposer to world: Today's world is global village, due to advancement of transportation and advancement of education of society it has been seen that travelling to each corner of nation or world has become more easy as compare to early, as people travel around the world they learn new culture, custom, tradition, taste, language and etc. so it lead to change in taste and preference of consumer and this exposer to world lead to change in buying behavior

International Standards: Different country has different standards for their products and services like advance nation has higher standards and compare to developing nation as people from developing nation learn about this they demand same standards goods in their nation so business houses has to integrate it.

Governments Norms: In any country governments are the higher authorities to take all decision for society, if there is change in norms or government initiative then the behavior of consumer also change, for example government of India is promoting vocal for local then consumer has started to preference for local goods.

Improvements in leaving standards: As the economic develop there is an improvement in standards of leaving as there is direct relation between income and expenditure, as economic grow, per capita income of people increase and increase in income lead more expenditure on quality goods and service, as consumer enjoy quality goods there in improvements in standards of leaving.

Change in technology: there is always technology development as the technology change and new technology come in to existence consumer always give preference to latest goods and service which has more features.

Promotion strategy development: With digital world the promotion strategy of organization has been change as compare to traditional one, like social media marketing, SEO, Pay per click, You Tube ads, and Facebook ads there is more customization in tern of advertisement offering as compare to traditional one, here we can track output of promotion campaign and after launch of 3G and 4G and 5G services there is increment in user subscription and due to this there is change in buying behaviors also.

Differnt strategy adopted by manufacturer to attract customers:

Many organization at their level try different strategy to attract more customers for their product and services, we can take several example in Indian market.

Mamaearth- Claim to plant a tree on each order they get and also share GPS location via email to their customer.

Ather – Is an EV scooter they says to switch for electric scooter for you can save mother earth form pollution.

Patanjali- They claim that they make herbal product and free from adulteration.

Flipkart India- Claim that as social responsibility they have remove all plastic packaging and switch to paper packaging

Apple- As a social relevance and concern for mother nature and reduce plastic use they say they have remove charger from phone box.

BEST- BEST are the transport services provided by Mumbai Corporation and they have introduce EV buses to save the mother earth.

Above are the few example of promotion strategy adopted by different organization that make shift in consumer buying behaviors.

Data Analysis and interpretation comparative study between Millennials & Gen- Z:

Age wise distribution of sample

Sr. no	Gen-Z	Respondent	Millennials	Respondent	Total
01	Age 11 to 16	89	Age 27 to 34	181	
02	Age 17 to 26	134	Age 35 to 42	129	
Total		<u>223</u>		<u>310</u>	<u>533</u>

Table no-01, Source: Extract from Primary Source

Explanation- out of 533 respondent 223 from Gen-Z and remaining 310 are millennials and from 223, 89 belong to age group between 11 to 16 and remaining 134 in between age group of 17 to 26. From 310, 181 respondent belong to age group of 27 to 34 and remaining 129 falls in age of 35 to 42.

Popularity of Automobile makers as per generations

Generations	Automobile Makers
Gen -Z	KIA, Hyundai, MG, Skoda, Volkswagen, Jeep, BMW, BYD, AUDI
Millennials	Maruti Suzuki, Tata Motors, Mahindra & Mahindra, Toyota, Honda, Nissan, Renault, Mercedes.

Table no-02, Source: Extract from Primary Source

Explanation- Gen-Z mostly automakers which produce power pack machine, which produce power full motor and more stylish body. Where in case of millennials they are more focus on balance between power and fuel machine.

Factors that are consider while purchasing an automobiles by both generations

Generations	Different Factors
Gen -Z	Reviews, Pick up, Driving comfort, Design and style, Latest Technology, Space, Road Grip, and Brand, Cruise control, Drive mode
Millennials	Maintenance cost, Easy accessible to service center and showroom, Good after sale service, Fuel Economy, Resale Value, Interior Space, Comfortable, Boots Space, Previous experience, Desired Features, Availability of spare parts, Road Grip, Status symbol.

Table no- 03, Source: Extract from Primary Source

Explanation- Gen- Z check reviews, latest technology, style and driving mode while millennials always to go for balance option like cost, safety, features, resale value, space, economy in mileage and boot space.

Future scope of EV in Indian market: EV's are getting popular at now a days there are different reasons for it, in KDMC region both generation has shown interested to go for electric vehicle once the price will come down and charging stations in fracture grow nationwide. In India TATA is leader in electric vehicle with 80% of market shares and remaining 20% include all player! The future scope of EV are good if government and automakers make an efforts about its advantages to public, they should come out with concrete plan. As per the latest update Maharashtra has highest EV charging station that is 2354 second position is occupied by Delhi 1619, third position by Karnataka 736, fourth by Tamil Nadu 465, fifth Uttar Pradesh 449, sixth Telangana 425, Rajasthan 330, Gujrat 299, MP 257, Haryana 250. As per the Bureau of Energy Efficiency there are total 8735 public charging station in the country, and 84 total charge point operators.

Conclusion:

In in above study we have seen the different players in automobile market, with their market share in industry, we have gone through the different factors that has influence on buying behavior, and what are the different factors responsible for changes that influence to purchases, and different organization that are adopting to attract customers for their product & services we have also discussed about EV's what its scope, also mention about top ten

state in country with most charging station. We has specially mention about two generation in our study that is Gen-Z and Millennials which factors convincing them to purchase cars. The industry is changing at high pace. Everyday there is some new innovation that in introduce in product that help the company to compete as compare to their competitors.

Recommendation:

From the above studies we have get insight about automobile sectors about various factors that has influence the buying behaviors of customers and which influencing factors is important for which generation more. We have recommend that the organization has to work better for improvement on their after sale service and improvement in infrastructure specially in case of EV's for they can reduce cost of production, so they can achieve economy of scale, they also has to put more charging station. Over all there is good scope for automobile industry as country GDP increase the purchasing power improves more people will purchase cars.

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