



## ‘A STUDY ON CONSUMER PREFERENCE OF TWO WHEELER BIKE AMONG YOUTH IN THRISSUR’

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### ABSTRACT

*This paper carries out a study on what factors determine preference of consumer for two wheeler bike. Identifying consumer preference towards two wheeler bikes helps the marketer to market their products more effectively. And also help in finding which attribute is more important in preferring a two wheeler bike. And studying consumer preference helps in identifying consumer preference, and satisfies them more effectively than competitors. It makes marketing consumer oriented. It also helps to satisfy unfulfilled consumer needs and thereby achieving marketing goals. It helps to identify the attitude of young generation towards bikes and analyze the market for two wheeler bikes. It projects the future market trends and can identify emerging opportunities and facing challenges and threats. So it is very much important to make a study on consumer preference towards two wheeler bikes because of two wheeler boom in the country.*

**KEYWORDS:** Consumer Reference, Two Wheeler Bike.

### INTRODUCTION

The underlying foundation of demand, therefore, is a model of how consumers behave. The individual consumer has a set of preferences and values whose determination is outside the realm of economics. They are no doubt dependent upon culture, education, and individual tastes, among a plethora of other factors. The measure of these values in this model for a particular good is in terms of the real opportunity cost to the consumer who purchases and consumes the good. If an individual purchases a particular good, then the opportunity cost of that purchase is the forgone goods the consumer could have bought instead. The consumer's objective is to choose the bundle of goods which provides the greatest level of satisfaction as they the consumer define it. But consumers are very much constrained in their choices. These constraints are defined by the consumer's income and the prices the consumer pays for the goods.

The two-wheeler industry in our country is constantly growing. The Indian two-wheeler market comprised 1.2 million scooters & just 7, 60,000 Motorcycles. In 2004-05 it is 0.92 million scooters and 4.96 million motorcycles. It is really amazing how motorcycles market have moved on in the last three or four decades. Because of evolution coupled to better thought and insight into the psyche of the buyers began to throw up many new ideas. Social behavior took a turn towards modernity. The entry level motorcycle offered them the means to escape the means to enthusiasm and the means to earn their livelihood independent of public transportation. Rural market already account for almost

1/3 of all motorcycle sales. Forty years ago if you wanted to buy a motorcycle or scooter, we would get to choose between a maximum of three models in all over India. But this dynamic hyper competition world we have thousands of model today. Motorcycle and scooter are much loved for their practicality, storage space, stylish, fashionable, ease of use and good fuel economy. They are simple to ride and the bodywork generally helps you remain clean during the monsoon. The Indian two-wheeler industry has finally transformed to this level of achievement. Unlike in the past the two-wheeler companies are no longer dependent on foreign companies for technology to survive in the intensely competitive industry. Some of the indigenously developed two-wheelers are at par with best available models in the industry such as Bajaj Auto and TVS Motors to set up manufacturing facilities in the immensely competitive South East Asian and Latin American Markets. In addition, Indian companies now export their indigenously developed two-wheelers to some of the world's toughest markets.

The annual turnover of the global auto industry is around US\$5.09 trillion, which is equivalent to the sixth largest economy in the world. In addition, the auto industry is linked with several other sectors in the economy and hence its indirect contribution is much higher than this. The auto-components manufacturing sector is another key player in the Indian automotive industry. In India, the automobile industry provides direct employment to about 5 lakhs persons. It contributes 4.7 per cent to India's GDP and 19 per cent to India's indirect tax revenue. Till early 1980s, there

were very few players in the Indian auto sector, which was suffering from low volumes of production, obsolete and substandard technologies. With de-licensing in the 1980s and opening up of this sector to FDI in 1993, the sector has grown rapidly due to the entry of global players. A rapidly growing middle class, rising per capita incomes and relatively easier availability of finance have been driving the vehicle demand in India, which in turn, has prompted the government to invest.

The automobile manufacturing sector, which involves assembling the automobile components, comprises two-wheelers, three-wheelers, four wheelers, and passenger cars, light commercial vehicles (LCVs), heavy trucks buses and coaches. In India, mopeds, scooters and motorcycles constitute the two-wheeler industry, in the increasing order of market share. Indian two wheelers comply with some of the most stringent emission and fuel efficiency standards worldwide.

**Importance of the study:** This paper carries out a study on what factors determine preference of consumer for two wheeler bike. Identifying consumer preference towards two wheeler bikes helps the marketer to market their products more effectively. And also help in finding which attribute is more important in preferring a two wheeler bike. And studying consumer preference helps in identifying consumer preference, and satisfies them more effectively than competitors. It makes marketing consumer oriented. It also helps to satisfy unfulfilled consumer needs and thereby achieving marketing goals. It helps to identify the attitude of young generation towards bikes and analyze the market for two wheeler bikes. It projects the future market trends and can identify emerging opportunities and facing challenges and threats. So it is very much important to make a study on consumer preference towards two wheeler bikes because of two wheeler boom in the country.

**Scope of the study:** The scope of the study is to evaluate what factors affect the preference of consumers for the two wheeler bikes in Thrissur district. The study helps to know what about the youth's preference and attitude towards two wheeler bikes in Thrissur district. The study will find out consumer opinion about different two wheeler bikes. The study will also helpful for the bike dealers to know about the consumer's opinion about different two wheeler brands. The particular research is designed and directed on the young consumers and the factors that affect their preference towards two wheeler bikes. And the work evaluates the main factors like price, mileage, brand, design, resale value, maintenance, comfort, performance on the preference of customers towards two wheeler bikes.

#### Objective of the study

- To evaluate the attitude of young generation towards two wheeler Bike.
- To identify the factors influencing in selection of two wheeler Bike.

- To evaluate various environmental factors influences the buying behavior.

**Population and the Sample:** The study is conducted among youth in Thrissur District. The term 'youth' is defined to mean person with the age group of 18 to 29. Those who have purchased Two Wheelers during the last six months have been taken as the population for the purposes of the study. A sample of 100 is chosen at random using stratified random sampling method. The population has been stratified according to sex, age, educational qualification and type of employment. Due representation was ensured from all strata's. Samples were identified using lottery method. Both primary and secondary data are used in the study. Primary data has been collected from the respondents using a structured questionnaire. Secondary data consist of data retrieved from college data base, such as articles, journals, literatures in addition to books borrowed from college library or retrieve from Google scholar and other websites.

**Tools used:** Considering the type of study the collected data were processed using latest scientific software's like Ms. Excel, SPSS etc. The data were analyzed using averages, percentage. Appropriate tables and diagrams are also used for better presentation and conceptualization of data.

#### Data Analysis

**Demographic Profile of Respondents:** the samples selected consist of 40% females and 60% males. 42% of the respondents are students, 21% are self-employed, 3% are government employees, 11% professionals, 9% are businessmen, and 14% are having varied occupational status. Regarding annual income 46% are having income below ten lakhs per annum, 24% are having income below 6 lakhs per annum, and the rest 30% are having income below 250000 per annum.

**Influence of Brand Preference:** An analysis of the brand preference of youth reveals that royal Enfield is the most preferred brand (34%), bajaj Pulsar stands second (18%), Yamaha R15 stands third (10%). Hero Karizma (7%), Honda Hornet (4%), Suzuki Gixxer (3%) and KTM Duke (2%) occupy fourth, fifth, sixth and seventh position in the order of preference of youth. Other brands have poor response among youth which altogether has a market share of 20%.

**Price Sensitivity:** An analysis of the influence of price on purchase decision by youth reveals that price is an important factor in taking a purchase decision. 34% opined it is very important, 37% opined it is important, 22% opined it is moderately important and 7% opined is slightly important. Responses show that Price is an important factor in taking a purchase decision on two wheelers.

**Mileage Sensitivity:** An analysis of the influence of Mileage (Kilometers run per liter of fuel) on purchase decision by youth reveals that mileage is an important factor in taking a purchase decision. 40% opined it is very important, 37% opined it is important, 18% opined it is moderately important and 5% opined is slightly important. Responses show that Mileage is an important factor in taking a purchase decision on two wheelers.

**Role of Driving Comforts:** An analysis of the influence of driving comforts on purchase decision by youth reveals that comforts is an important factor in taking a purchase decision. 42% opined it is very important, 36% opined it is important, 17% opined it is moderately important and 5% opined is slightly important. Responses show that driving comfort is an important factor in taking a purchase decision on two wheelers.

**Role of Engine Performance:** An analysis of the influence of Engine Performance on purchase decision by youth reveals that Engine Performance is an important factor in taking a purchase decision. 46% opined it is very important, 39% opined it is important, 10% opined it is moderately important, 4% opined is slightly important and 1% opined it is not important. Responses show that Engine Performance is an important factor in taking a purchase decision on two wheelers.

**Brand Image and Purchase Decision:** An evaluation of the influence of Brand image on purchase decision by youth reveals that Brand image is an important factor in taking a purchase decision. 46% opined it is very important, 35% opined it is important, 14% opined it is moderately important, 3% opined is slightly important and 2% opined it is not important. Responses show that Brand image is an important factor in taking a purchase decision on two wheelers.

**Maintenance Cost:** An investigation of the influence of maintenance cost on purchase decision by youth reveals that maintenance cost is an important factor in taking a purchase decision. 35% opined it is very important, 40% opined it is important, 21% opined it is moderately important, 4% opined is slightly important and 1% opined it is not important. Responses show that maintenance cost is an important factor in taking a purchase decision on two wheelers.

**Impact of Style and Appeal:** An assessment of the influence of style and appeal on purchase decision by youth reveals that style and appeal is an important factor in taking a purchase decision. 33% opined it is very important, 44% opined it is important, 16% opined it is moderately important, 5% opined is slightly important and 2% opined it is not important. Responses show that style and appeal is an important factor in taking a purchase decision on two wheelers.

**Influence of Resale value:** An examination of the influence of resale value on purchase decision by youth reveals that resale value is an important factor in taking a purchase decision. 34% opined it is very important, 47% opined it is important, 17% opined it is moderately important, 3% opined is slightly important and 0% opined it is not important. Responses show that resale value is an important factor in taking a purchase decision on two wheelers.

**Other Motivating Factors:** It is observed that friends and relatives are the most motivating factor in taking a purchase decision (47%). Family stands second (25%), Advertisement stands third (21%) others have poor sway (7%). It is observed that friends, relatives and family are the most influential factor in taking a purchase decision.

**Source of Information:** It is observed that friends and family are the major news source for the youth (40%), Newspaper and print media stands second (29%), Visual Media stands third (20%) and Internet stands fourth (11%).

**Expression of Personality:** A look into the responses of youth reveals that 75% consider two wheelers as a token of expression of personality. 21% are neutral to the question and 4% do not have such intentions.

**Promotional Offers and Buying Decision:** An analysis of responses show that 15% of the respondents strongly agree that promotional offers are highly influential while purchasing a bike. 28% is agree with this statement. 33% of the respondents have no comments about the influence of promotional offers. 19% is disagree and 5% is strongly disagree with the influence of promotional offers.

**Celebrity Endorsement and Buying Decision:** It is learnt that shows that 13% of the respondents strongly agree that celebrity have power to influence the buying behavior of the consumer. 22% is agree with this statement, 21% of the respondents are neutral towards the influence of celebrity, 29% of the respondents are disagree and 15% are strongly disagree that celebrity have an important role in buying behavior.

From the study and the analysis undertaken, it has been observed that young generation mostly prefer the features like performance, brand, comfort, mileage before making a decision to purchase a two wheeler. Consumer is day by day becoming conscious about their buying. The environmental factors which he lives have very important role in his buying behavior. Instead of getting information from the advertisement they consider the feedbacks obtained from existing two wheeler users, review from their dear and near, ideas shared in social media and the expert opinion. The survival and existence of the manufactures is mainly depends on consumer preferences. So the producers and dealers must focus on the changing consumer preference and also try to develop new models in accordance with the preferences.

The study was constrained by many factors during its currency. To make a detailed review more and more sub factors are to be studied in detail with relative importance. May more and more studies come in this direction and bring to light the inner driving force that drive the youth to a purchase decision.