

A STUDY AND ANALYSIS OF CUSTOMER SATISFACTION OF TATA MOTORS IN JAIPUR, RAJASTHAN

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Abstract

Objective: To find the satisfaction amongst the customers, Market performance and Market position of TATA Motors.

Design: Convenient Sampling

Place and Duration: Users of TATA (Car) AutoMobile

Method: Total sample size is 100 the following sample size according to area wise as follows (20 Rajapark, 20 Sodala, 20 GPO, MI Road, 20 Rambagh Circle, 20 Tonk Road Gopalpura bypass)

Key findings: Evaluate and identify car owners' perception and behavior pertaining the purchase and use of cars, detailed analysis of the company shows that the company has had a strong fundamental as well as a strong market performance over the years. On an average more than 73% people feel that the prices are affordable whereas 12% do not agree, 74% believe that attractive discounts are offered whereas 26% are not satisfied with the discounts offered. The overall opinion about TATA Motors is very good.

Conclusion: A Tata Motor is one of the best cars manufacturing company in India, customers are satisfied because of affordable price, but the maintenance is a problem and resale value is very low. These are the two main reasons and other reasons are customer care does not respond to customers complaints, so the customers are dissatisfied. TATA Motors have to improve its customer care and decrease the price of their spare part and make available in all part of the country

Key word:

TELCO (TATA Engineering and Locomotive Company), R&D (Research and Development)

Introduction:

India is an emerging country with huge potential. The domestic economy is now growing at around 9-10% per annum and India's importance in global terms is being reinforced by rapidly rising exports and domestic consumption. The automotive industry is at the center of India's new global dynamic. Expectation are high that India can develop as a global hub for vehicle manufacturers and as an outsourcing center that offers the global automotive industry solution high up the automotive value chain.

The automobile industry in India accounts for a business volume of \$45 billion and has the potential to grow much faster both through Indian as well as international manufacturers who have established huge facilities in the country. With the world's second largest and fastest-growing population, there is no denying India's potential in both economic and population terms and the effect it will have on the auto industry in the years to come.

Tata Motors Limited is India's largest automobile company, with consolidated revenues of approximately Rs.70,938.85 crores (USD 14 billion) in 2008-09. It was formerly called TELCO (TATA Engineering and Locomotive Company), has its headquarters in Bombay, now Mumbai, India. Established in 1945, listed on the New York Stock Exchange in 2004. With manufacturing facilities in the towns of Jamshedpur, Lucknow, and Pune. This company was founded by Jamshetji Tata and is run by Ratan Tata under the flagship company known as Tata and sons group.

It is the leader in commercial vehicles in each segment, and among the top three in passenger vehicles with winning products in the compact, midsize car and utility vehicle segments. The company is the world's fourth largest truck manufacturer, and the world's second largest bus manufacturer.

The company's 24,000 employees, working in three plants as well as other regional and zonal offices across the length and breadth of India, are guided by the vision to be "best in the manner in which we operate, best in the products we deliver, and best in our value system and ethics." Tata Motors' presence indeed cuts across the length and breadth of India.

Following a strategic alliance with Fiat in 2005, it has also set up an industrial joint venture with Fiat Group Automobiles at Ranjangaon (Maharashtra) to produce both Fiat and Tata cars and Fiat powertrains. The Company is establishing a new plant at Sanand (Gujarat).

Given that the customer is king (or queen), it would be logical to presume that establishing — and nurturing — a relationship with such royalty is a priority for enterprises looking to sell a product or service. Fact is, it may be a priority but organisations rarely pay more than lip service to what goes by the grandiose nomenclature of customer relationship management. For Tata Motors, though, this has always been an imperative.

Tata Motors got started on what it has tagged the customer relationship management-dealer management system (CRM-DMS) at the turn of the millennium, when it was battling to regain relevance at a difficult time in its history. That's when it realised that survival in the auto business depended on managing its relationships with its customers, dealers and anyone else who had a deep connection with the mother company.

Due to the emergence of globalization there is a stiff competition, the Company's growth over the last 50 years has been enormous. Tata Motors always look after his customer needs, and the ability to translate them into customer-desired offerings through leading edge R&D.

With over 3,000 engineers and scientists, the Company's Engineering Research Centre, established in 1966, has enabled pioneering technologies and products. The Company today has R&D centres in Pune, Jamshedpur, Lucknow, Dharwad in India, and in South Korea, Spain, and the UK. It was Tata Motors, which developed the first indigenously developed Light Commercial Vehicle, India's first Sports Utility Vehicle and, in 1998, the Tata Indica, India's first fully indigenous passenger car. Within two years of launch, Tata Indica became India's largest selling car in its segment.

Car satisfies the need of owners for transportation they also obtain psychological satisfaction from the possession of products like a car keeping in mind Tata Motors unveiled its People's Car, the Tata Nano, which India and the world have been looking forward to. The Tata Nano has been subsequently launched, as planned, in India in March 2009. A development, which signifies a first for the global automobile industry, the Nano brings the comfort and safety of a car within the reach of thousands of families. The standard version has been priced at Rs.100,000. Tata Motors is equally focussed on environment-friendly technologies in emissions and alternative fuels. It has developed electric and hybrid vehicles both for personal and public transportation. It has also been implementing several environment-friendly technologies in manufacturing processes, significantly enhancing resource conservation.

Research Methodology:

The purpose of methodology is to describe the process involved in research work. This includes the overall research design, data collection method, the field survey and the analysis of data.

Sampling Frame : The list of sampling units from which sample is taken is called sampling frame. Jaipur City map was studied thoroughly and samples were selected from the place in a scattered manner to get effective result.

Sampling Technique: Convenient Sampling

Sampling Size: Total sample size is 100. The following sample size according to area wise is as (20 Rajapark, 20 Sodala, 20 GPO, MI Road, 20 Rambagh Circle, 20 Tonk Road)

Sampling Procedure: The selection of respondents were accordingly to be in a right place at a right time and so the sampling were quite easy to measure, evaluate and co-operative. It was a randomly area sampling method that attempts to obtain the sample of convenient.

Source of data collection

Primary: For my survey primary data have been used as a questionnaire to collect the data. Filled questionnaires were taken. After confirming the same, the filled up questionnaires were fed for analysis as per coding.

Secondary: The secondary data has been collected from the following modes :

- Journals
- Magazines
- Newspaper
- Data through internet sources
- Data collected from organization

Purpose of the study:

To understand the customer satisfaction levels of tata motors.

Significance of the study:

To gain insights whether the tata motors delivers what it promises.

Results:

A detailed analysis of the company shows that the company has had a strong fundamental as well as a strong market performance over the years, after buying a product, the consumer compares it with his or her expectation (before buying he/ she compare the product with others brand) is either satisfied or not. If the consumer is satisfied, market must decide what else they can do to make it more effective. Tata Motor is striving hard to achieve this goal.

Tata Motors Group continuously assesses customer needs to develop new and innovative products which deliver better value to its customers. In pursuance of this strategy, the Company has developed significant in-house capabilities and works with a range of partners to keep its product profile rich and meet market expectations. Variants of the Nano, to suit specific needs of the domestic and international markets are being developed. Increased thrust is being made to explore opportunities for launch of the Indica Vista and the Indigo Manza in various international markets.

One of the question to which results were tabulated was Are prices of Tata Passenger vehicles affordable? On an average more than **73%** people feel that the prices are affordable whereas **12%** do not agree. Other parameters on which Tata Motors was rated were:

Attractive Discounts: **74%** believe that attractive discounts are offered whereas **26%** are not satisfied with the discounts offered.

Test Drive: **20%** said that the test drives are not offered while **80%** agreed that test drives were offered to them .

Post Sales Follow ups: **15%** disagreed that post sales follow ups are done regularly whereas **85%** said that they were done regularly

While Tata Motors was rated satisfactory on all the other remaining parameters: knowledgeable sales persons, employees spend enough time before and during sales, attractive display of merchandise, availability of product, variety of merchandize, vehicle in good condition, décor of the waiting area is

pleasing, responds to complaints quickly, service at TATA Motors service station is excellent, careful with personal information and value for money. The overall opinion about TATA Motors is very good. In another question people were asked whether they were satisfied of the facilities provided by the Tata Motors, we found that over all **63% male customers & 9% female customers are satisfied, That mean total 72% customers are get full level satisfied, and 15% male customers & 4% female customers are not satisfied, That is total no of unsatisfied customers 19%, and 8% male customers & 1% female customers are not decided.**

Table 1

Gender wise:

Gender	Satisfied (%)	Unsatisfied (%)	Neither satisfied or unsatisfied (%)
Male	63	15	8
Female	9	4	1
Total	72	19	9

Overall 9% customers are satisfied with Tata Motors Insurance, with extended warranty 2% customers are satisfied, while Tata Finance customers are 50% satisfied & 2% customers are not satisfied, 5% customers are not satisfied from Autocard and Genuine accessories.

On base of market research, 18-25 age customers satisfied is 2%, 26-35 age customers is satisfied 18%, 36-50 age customers is satisfied 36% & 50 above age customers is satisfied 16%, That is total no of satisfied customers is 72%, and unsatisfied customers is 5% (26-35 age), 36-50 unsatisfied customers is 8%, and 50 above unsatisfied customers is 6% that is total no of unsatisfied customers is 19% and 18-25 age customers are not decided 1%, 26-35 age customers 2% are not decided, 36-50 age customers are 6% are not decided , That is total 9% customers are not decided.

Table 2

Age wise:

Age	Satisfied (%)	Unsatisfied (%)	Neither satisfied or unsatisfied (%)
Below18	0	0	0
18-25	2	0	1
26-35	18	5	2
36-50	36	8	6
50 above	16	6	0
Total	72	19	9

It is important to study the consumer perceptions and behaviour of car owners which will give us feedback on marketing strategies.

Competitors of Tata Motors are Maruti Suzuki and Hyundai Motors in passenger car. Tata Motor holds the 2nd Position in Indian Market. Tata motor's passenger cars still need to reach acceptable international requirements. The company commands an imposing 65% share of the domestic commercial vehicle market and is trying to modernize this segment.

Tata Motors try to provide best service to customer when we compare Tata cars with other brands, Tata provide better facilities from other cars. Tata cars is successful in Indian Market & people want Tata car to change the models & name of car like (Tata Indica Vista is totally change from Tata Indica but name is Indica)

Although Tata NANO customers have some problems with Tata NANO, Tata NANO is totally unsuccessful in Indian Market. NANO customers are unsatisfied. That is demerit of Tata Motors but at the same Tata Motors is striving hard .

Maruti Suzuki India has been subdued and moving probably - selling pressure coming in it on high levels, Tata Motors seemingly to be highly volatile stock but lot of customers are coming in the lower end of that particular stock

In spite of these conditions, Company has made a giant leap forward thanks to its advanced management philosophy, designed to ensure a better future for Company and its customers. Company is growing and the brand is being appreciated by its customers because it is continuously striving to achieve the single goal of making good quality products with an emphasis on the customer first principle across all management levels, including production, sales, and service.

Discussion:

Business around the world recognizes that the consumer is the king. Knowing why and how people consume products helps marketers to understand how to improve existing products, what types of products are needed in the market place or how to attract consumers to buy their products.

Consumer behaviour focuses on how individuals make decisions to spend their available resources on consumption related items. That includes what, why, when, where, how often they buy it how they evaluate it after the purchase and the impact of such evaluation on future purchase.

The passenger vehicle market, which constitutes around 80% of automobile sales, has immense growth potential .Anticipating the future market potential, the production of passenger vehicle is forecasted to grow at a CAGR of around 11% from 2009-10 to 2012-13.

According to the secondary study, Tata Motors' Group sales were 880,396 vehicles across its entire range of products and markets. The Company recorded a sale of 633,862 vehicles in 2009-10, a growth of 34% over previous year (472,885 vehicles) in the domestic market in India, representing a 25.5% share in the industry (improving from 24.4% share in the previous year).

Passenger vehicle sales were 260,020 vehicles, highest ever, achieving a growth of 25.3% over previous year and a market share of 13.7% (stable compared to 13.6% in the previous year). The Company continues to be amongst the top three players in the passenger vehicle market which has over 25 players.This shows that Customers of Tata motor are satisfied because of affordable price,

but the maintenance problem and resale value is too low. These are the two main reasons of customers dissatisfaction and other reason is not responding to customers complaints quickly especially said by nano customers, that means all the comments are not fulfilled properly, and indigo customers says engine performance are not good.

Creating Customer Delight is not a recent discovery for the company rather the expression finds roots in the company vision. Taking forward the same spirit the company is committed to serve many more customers through a numerous way in times to come.

That is the big reason of Tata Motors is No. 2 position in Indian Market, thus, we can say that If Tata motors look after following few problems (findings) they may become first in Indian market.

1. Tata otors is positioned as a Low Cost Producer so Sustainability and environmentalism could mean extra costs for this low-cost producer. This could impact its underpinning competitive advantage. Obviously, as Tata globalizes and buys into other brands this problem could be alleviated.
2. Tata Motors Limited has to catch up in terms of quality and lean production as there are some some issues on safety standards of Tata Nano.
3. The company's passenger car products are based upon 3rd and 4th generation platforms, which put Tata Motors Limited at a disadvantage with competing car manufacturers.
4. Tata has not got a foothold in the luxury car segment in its domestic, Indian market. Is the brand associated with commercial vehicles and low-cost passenger cars to the extent that it has isolated itself from lucrative segments in a more aspiring India?

Next in line was the question: How likely would you recommend Tata Motors? And the results were 96% was very good and 4% was good.

From the above discussion, it is evident that over all customers are satisfied with the passenger cars and the company is delivering what it promises to delivers but at the same time Tata Motors is taking a number of initiatives to strengthen both product reliability and durability and marketing processes. Enhancing distribution reach and a robust sales process system have been key elements in consolidating the company's leadership position in the domestic market. The implementation of this strategy has begun in a few markets abroad.

Conclusion:

Tata Motors is one of the best cars manufacturing company in India. People feel that Tata Cars are people's car as it is satisfactory on all parameters. Tata Motors have knowledgeable sales persons, the employees of TATA Motors spend enough time before and during sales. The prices are affordable as it is a low cost producer, attractive discounts are offered, waiting area is pleasing, TATA Motors service station is excellent.

The Maintenance Cost of Tata Motors is high and resale value is low. These are the only two main areas in which the customers are dissatisfied. Therefoe, Tata Motors has to work in terms of maintaining quality standards. In continuation with its commitment to providing Indian customers with

cutting-edge global technology, the auto industry aims to become a centre of excellence for engineering and ensure quick turnaround time to changing consumer needs.

All and all With a product line spanning commercial, utility, and passenger vehicles, Tata Motors is on the road to forging ever stronger relationships with the people who have bet their money on the company's products.

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