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# A Study on Customer Behaviour towards Automobile Industry

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**ABSTRACT:** The research report examines customer behaviour in the automobile industry, focusing on the factors that influence purchasing decisions, brand loyalty, and customer satisfaction. By analysing consumer preferences, trends, and attitudes, the study aims to uncover key motivators such as price sensitivity, brand perception, environmental concerns, and technological advancements, which shape purchasing patterns. The report draws on surveys, interviews, and data analysis to understand how demographics, lifestyle, and economic conditions impact buyer choices. Findings indicate a growing preference for sustainable and technologically advanced vehicles, with significant variations across age groups and regions. The insights gained from this research can help automobile manufacturers and marketers align their strategies with evolving consumer needs, enhancing competitiveness and customer engagement in a rapidly changing market. This research explores the evolving patterns of customer behaviours in the automotive industry, focusing on the factors that shape consumer preferences, purchasing decisions, and brand loyalty in a rapidly changing market. With the automotive industry experiencing a transformative shift towards electric vehicles (EVs), digital connectivity, and sustainable solutions, consumer attitudes are also changing, influenced by environmental concerns, technological advancements, and lifestyle shifts. This study aims to understand how these factors impact customer behaviours, examining key influences such as environmental awareness, technological innovations, brand reputation, and the effects of social media and online information on decision-making processes. The shift from traditional internal combustion engine (ICE) vehicles to electric and hybrid models is driven not only by regulatory pressures but also by a growing segment of consumers prioritizing sustainability and reduced carbon emissions. This shift has introduced a new type of automotive consumer who values eco-friendly technologies, cost-efficiency, and innovations such as autonomous driving and connected vehicle features. The rise of digital platforms has also empowered customers, providing them with instant access to vehicle comparisons, reviews, and transparent pricing, thereby increasing their expectations for personalized, convenient, and seamless purchasing experiences. This research further investigates the role of demographics, such as age, income, and geographic location, on automotive purchase behaviour, identifying generational differences in attitudes towards vehicle ownership, leasing, and shared mobility solutions. Younger consumers, for instance, are often more open to alternatives like ride-sharing or subscription models, whereas older generations may prioritize vehicle reliability and long-term ownership. Additionally, we explore how the COVID-19 pandemic has impacted consumer priorities, with a notable increase in demand for vehicles due to safety concerns and reduced reliance on public transportation. By analysing these diverse factors, this research provides a comprehensive overview of the shifting landscape of customer behaviour in the automotive industry, offering insights into how automakers can adapt their strategies to meet evolving consumer demands. This study emphasizes the importance for automotive companies to innovate and align their offerings with customer expectations around sustainability, digital experiences, and flexible mobility solutions to remain competitive in the global market.

**KEYWORDS:** Customer Perception, Automobile Industry, Product quality, Customer Behaviour.

## I. INTRODUCTION

The automotive industry is a cornerstone of the global economy, driving significant advancements in technology, engineering, and manufacturing. It encompasses the design, development, manufacturing, marketing, and sales of motor vehicles, including passenger cars, commercial vehicles, and electric vehicles. This industry is highly dynamic, influenced by factors such as consumer demand, technological innovation, regulatory changes, and economic conditions. At its core, the automotive industry is marked by continuous transformation and adaptation. Historically, the industry has been dominated by internal combustion engine (ICE) vehicles, but in recent years, there has been a growing shift toward electric and autonomous vehicles, spurred by environmental concerns and technological advancements. Additionally, the industry is embracing digital transformation through connected vehicle technologies, artificial intelligence, and data-driven services. Key players in the automotive industry include legacy manufacturers

such as Ford, Toyota, and Volkswagen, as well as emerging companies like Tesla and Rivian that are driving the push toward sustainable and electric mobility. Supporting this ecosystem are parts suppliers, technology companies, and service providers, all of which contribute to a vast global supply chain. The automotive industry faces both opportunities and challenges. On one hand, technological innovations present new growth avenues, but on the other, companies must navigate regulatory pressures, supply chain constraints, and shifting consumer expectations. These factors underscore the importance of adaptability and strategic foresight within the industry, making it a fascinating and complex area of study. In this research report, we will explore these dynamics in depth, examining how they influence the current landscape and what they might mean for the future of the automotive industry. The automotive industry is one of the largest and most influential sectors globally, encompassing the design, production, marketing, and sale of motor vehicles. This industry plays a pivotal role in the world economy, influencing employment, trade, and technological advancements. Traditionally centered around vehicles powered by internal combustion engines (ICE), the industry is undergoing a transformative shift driven by the rise of electric vehicles (EVs), advancements in autonomous driving, and the increasing demand for sustainable and smart transportation solutions. The automotive industry is marked by fierce competition and constant innovation. Major players like Toyota, Volkswagen, and General Motors, alongside new entrants such as Tesla and BYD, are pushing the boundaries of vehicle design, energy efficiency, and digital connectivity. The shift towards electric mobility, driven by environmental concerns and supportive government policies, is reshaping the manufacturing and supply chain landscape, with a significant focus on battery production, software integration, and infrastructure development. Additionally, the rise of connected cars and shared mobility services, such as ride-hailing and car-sharing, signals a broader movement toward an integrated transportation ecosystem. However, the industry also faces significant challenges, including regulatory pressures, supply chain disruptions, and changing consumer preferences. This report will delve into these evolving trends and challenges, examining how they shape the current and future landscape of the automotive industry. By analysing technological advancements, economic factors, and emerging business models, we aim to provide a comprehensive overview of the industry's trajectory.

Customer behaviour is a critical area of study in understanding how individuals make purchasing decisions, interact with brands, and form loyalty in today's marketplace. This field explores the psychological, social, and economic factors that drive consumers' choices, as well as how these choices are influenced by marketing strategies, technological advancements, and cultural trends. In recent years, customer behaviour has evolved significantly, driven by factors such as increased access to information, the growth of e-commerce, and the integration of digital experiences into everyday life. Consumers are now more informed, selective, and empowered than ever before, with the ability to compare products, read reviews, and access global brands online. This shift has led to heightened expectations for personalized and seamless experiences, which in turn challenge businesses to adapt their strategies and deliver value in ways that resonate with their target audience. Additionally, factors such as social media influence, environmental concerns, and the COVID-19 pandemic have reshaped consumer priorities, leading to new behaviours like the preference for sustainable products, a rise in health-conscious purchases, and an increase in digital shopping channels. Understanding these shifts is essential for businesses looking to attract, engage, and retain customers effectively. This research report will examine the drivers behind modern customer behaviour, analysing how demographic, technological, and cultural trends impact buying patterns. By exploring these dynamics, we aim to provide insights into the evolving nature of consumer expectations and identify strategies for businesses to meet and exceed these expectations in a competitive marketplace. Customer behaviours refers to the actions, preferences, and decision-making processes of individuals as they select, purchase, use, and dispose of products and services. Understanding customer behaviours is essential for businesses seeking to develop effective marketing strategies, enhance customer satisfaction, and build brand loyalty. This field analyses the psychological, social, and economic factors that influence consumers, exploring how motivations, attitudes, and perceptions shape buying patterns. In recent years, customer behaviours has become increasingly complex and dynamic. Digital transformation, the rise of e-commerce, and social media influence have empowered consumers with access to information and choices like never before. Customers now expect highly personalized experiences, quick delivery, and easy access to product information, which has led businesses to adapt rapidly. Additionally, societal factors such as environmental concerns, health consciousness, and the COVID-19 pandemic have reshaped buying habits, encouraging preferences for sustainable, health-focused, and online shopping options. This report will investigate these emerging trends and the factors influencing customer behaviours, examining how demographic shifts, technological advancements, and cultural changes impact the way consumers interact with brands. By analysing these patterns, we aim to provide valuable insights into current and future consumer expectations and offer strategies for businesses to effectively engage and retain their target audiences.

## **II. LITERATURE REVIEW**

Kumar (2012) explores how regional and linguistic differences create varied consumption patterns. Indian consumers are heavily influenced by social constructs such as family, religion, and community, with family playing a pivotal role in decision-making, especially for high-involvement products. Srinivasan (2012) argues that joint family structures impact purchase decisions, with collective buying behaviour often seen in rural areas.

Ramachandran (2016) discusses how status and social class influence consumption, particularly in urban areas where aspirational buying is common. The Hofstede Cultural Dimensions Theory has also been applied to understand how India's high power distance and collectivism impact consumer decision-making, showing preference for established brands that convey status and reliability.

Financial Express (2021) highlights Joy e-Bike's strategic opening of showrooms in Tier 2 and Tier 3 cities, making their products more accessible to a broader audience. This approach has enabled the company to gain a foothold in emerging markets, which are increasingly adopting electric vehicles due to government incentives and a shift towards green energy.

Gupta (2021) explores how an increasing number of young Indian consumers are becoming conscious of the environmental impact of their purchases. Indian brands promoting organic, eco-friendly, or locally-sourced products are gaining popularity, especially in food, personal care, and fashion sectors.

According to Business Standard (2022), the strategy of Joy e-Bike centres around opening new showrooms in urban as well as rural areas to cater to a wider customer base. This aligns with the government's push for the adoption of EVs in India. As noted by Electric Vehicle Web (2021), Joy e-Bike has continually expanded its product portfolio, adding new electric scooter and bike models to meet diverse consumer needs.

Economic Times Auto (2022) The challenges faced by the EV industry include the development of charging infrastructure and consumer scepticism about range and reliability. Nonetheless, sources like Economic Times Auto (2022) point out that Joy e-Bike has been able to grow its market presence by focusing on lower operating costs and easy maintenance of their electric bikes, which appeal to first-time EV buyers.

## **III. OBJECTIVE**

To study why customer prefers E-Bikes for example, Cost saving, environmental impact, low maintenance, etc.

To understand the customer buying behaviour towards the E-Bikes.

To study the factors influencing buying behaviour of customer regarding E-Bikes.

To study the key factors influencing customer choices, such as e-bike features, price, brand reputation, or environmental concerns.

To study what is the primary usage of E-Bike.

## **IV. RESEARCH METHODOLOGY**

### **RESEARCH DESIGN**

Descriptive study

### **SOURCE OF DATA**

#### **1) Primary data**

Primary data is a first-hand information collected for the first time at the time of research process. Primary data have been collected by personal interview method and telephonic interview with the help of questionnaire.

#### **2) Secondary data**

Secondary data is a second-hand information which was already collected by someone. It is opposite to the primary data; secondary data are readily available information's which are needed for the particular study or research. In this particular study secondary data have been collected through various sources.

Secondary data for the present research collected the major sources of secondary data are given below.

- Various websites, Newspaper & Articles, Showroom sales data Different marketing journals

Primary data have been gathered for the determination of the study employing all the above methods. Secondary data has been gathered from various published sources, the same has been given in detail in bibliography.

**Summary of the research Methodology**

The research methodology for this study involves a descriptive research design aimed at analysing the chosen topic in detail. A non-probability convenience sampling method was used, with a sample size of 100 participants. The sampling area is located in Kurduvadi, a region within the Solapur district. Data collection involved both primary and secondary sources, with questionnaires serving as the primary data collection instrument. For data analysis, Microsoft Excel was used to organize and interpret the gathered information effectively.

**V. DATA ANALYSIS**

Table no-1 Age group of respondents

Age	No. of Respondents	Percentage
20-30	45	45%
31-40	46	46%
41-50	9	9%
61 above	0	0%
Total	100	100%

Table no -2 Gender of customers who want buy the E-bikes

Gender	No of Respondents	Percentage
Male	93	93%
Female	7	7%
Total	100	100%

Table no- 3. Why customer prefers E-Bikes / Customers view towards E Bikes .

Customer View	No of Respondents	Percentage
Cost efficient	18	18%
Environmentally friendly	15	15%
Low Maintenance	24	24%
Easy to use	18	18%
Mileage	25	25%
Total	100	100%

Table no-4 Purpose for buying E-Bike.

Purpose to buy e bike	No of respondents	Percentage
Family	36	36%
Commercial	46	46%
College	12	12%
Other	6	6%
Total	100	100%

Table no-5. Information source of bike

Source	No of respondents	Percentage
Print Media	21	21%
Online media	41	41%
Agent	16	16%
Personal reference	22	22%
Total	100	100%

Table no – 6. Method of Payment.

Payment	No of respondents	Percentage
Cash	27	27%
By loan	45	45%
UPI	24	24%
By card	4	4%
Total	100	100%

Table no- 7 Customer satisfaction toward the E bike

Level of satisfaction	No of respondents	Percentage
Highley Satisfied	35	35%
Satisfied	25	25%
Neutral	10	10%
Dissatisfied	16	16%
Highley dissatisfied	14	14%
Total	100	100%

Table no – 8 Most liked bike or most preferred bike to buy.

Bike’s Model	No of respondents	Percentage
RTO MIHAS	44	44%
RTO WOLF PLUS	32	32%
GENNEXT PLUS	15	15%
WOLF	9	9%
Total	100	100%

Table no -9 Need of information in online form.

More information in online form	Respondents	Percentage
YES	67	67%
NO	33	33%
Total	100	100%

**VI. FINDINGS**

1. Both age categories 20-30 and 30-40 prefers to buy and E-bike due to its less cost, less maintenance and good quality with innovative technology.
2. Online marketing is one of the best options of advertisement due to many peoples uses the social media for entertainment purpose.
3. Mostly peoples who are doing job or are employees prefers to buy bike on loan and rest those who run the business can by on cash.
4. When peoples visit the showroom, they need some refreshments.
5. Quality service plays and important role before buying the bike
6. Gender: Historically, male customers tend to show a greater interest in e-bikes, but recent trends show a growing number of female customers as well, especially those looking for efficient commuting solutions.
7. Income Level: E-bikes tend to attract middle- to high-income groups due to the initial investment required. However, customers often justify the cost due to long-term savings on fuel and maintenance.
8. Buying Behaviour:  
 Test Rides: Test rides play a critical role in decision-making. Customers who take a test ride are more likely to make a purchase, as it helps them experience the performance, comfort, and handling of the e-bike.
9. Environmental Concern: Customers motivated by environmental sustainability are highly interested in the e-bike's eco-friendliness, energy efficiency, and carbon footprint Cost Savings: Customers view e-bikes as a cost-effective solution for commuting, with lower maintenance and fuel costs compared to traditional vehicles.

## VII. CONCLUSION

The automotive industry is undergoing a significant transformation, driven by evolving consumer behaviours and preferences. One prominent shift is toward sustainable choices, as consumers increasingly prioritize environmental sustainability. This has led to a growing preference for electric vehicles (EVs) and hybrids, fuelled by rising environmental awareness, economic factors like fuel savings, and government incentives for green vehicles. Alongside sustainability, consumers now expect advanced technology in their vehicles, including features like autonomous driving, in-car connectivity, and infotainment systems. These digital integrations are essential, as tech-savvy consumers seek vehicles that align with their connected lifestyles. Generational differences also play a role in automotive preferences. Younger consumers lean toward flexible access models such as leasing, subscriptions, and ride-sharing, valuing convenience over ownership. In contrast, older generations still prioritize long-term ownership, reliability, and performance, underscoring a generational divide in automotive choices. The COVID-19 pandemic has further influenced consumer behaviour, sparking an increase in personal vehicle ownership for enhanced safety and control. This trend may reverse as public transportation options improve, but the pandemic has accelerated digital engagement, boosting demand for online research tools, virtual showrooms, and digital purchasing options. The purchase process itself is undergoing a digital transformation, as consumers expect a seamless experience from research to purchase. To meet these expectations, automakers are enhancing their online presence and providing more virtual resources, with online reviews, virtual vehicle tours, and transparent pricing now integral to decision-making. Brand trust and loyalty have also grown in importance, with consumers favouring brands committed to sustainability, safety, and digital innovation. Automakers that align with these values are more likely to earn consumer loyalty. Moreover, the demand for flexible ownership models is increasing, with traditional ownership no longer being the only option. Flexible models like vehicle subscriptions and shared mobility are gaining traction, enabling automakers to better meet a wide range of customer needs. To adapt to this shifting market landscape, automotive companies must continually invest in innovation, sustainability, and digital capabilities. Aligning strategies with these evolving consumer values is crucial for long-term success, as it allows automakers to meet the diverse and dynamic demands of today's market. By responding to these trends, the automotive industry can effectively adapt to the changing landscape, fostering brand loyalty and maintaining a competitive edge.

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