

A STUDY ON CONSUMER BUYING BEHAVIOUR TOWARDS KIA AUTOMOBILES IN HYDERABAD

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ABSTRACT

This study investigates the consumer buying behaviour towards KIA Motors in Hyderabad, with a focus on customer perceptions, motivations, and satisfaction levels. By employing both primary and secondary data, the research evaluates how factors such as quality of service, brand image, and promotional strategies influence purchasing decisions. Findings suggest that convenience, pricing, and brand influence play critical roles in shaping consumer behaviour. The study aims to provide insights into customer expectations to help KIA Motors enhance their market positioning and service quality.

KEY WORDS: Consumer Behaviour, Buying Decision Process, Customer Satisfaction, Brand Image, Service Quality, Awareness Channels

INTRODUCTION

Consumer behaviour refers to the psychological and emotional processes involved in purchasing decisions and post-consumption experiences. This behaviour is influenced by cultural, social, personal, and psychological factors. Understanding the factors that drive consumer preferences helps companies tailor their offerings and communication strategies to meet market demands.

KIA Motors, having established a strong brand presence, aims to cater to consumer needs by providing quality service, reliable products, and appealing promotional offers. This study explores the behavioural patterns of consumers in Hyderabad regarding KIA Motors, with a focus on the decision-making journey and satisfaction with services.

In today's competitive automotive market, gaining insights into customer behavior is crucial for formulating effective marketing strategies. The study also attempts to understand the

influence of demographic factors such as age, income, and occupation on consumer preferences. Ultimately, this research helps bridge the gap between customer expectations and company offerings.

REVIEW OF LITERATURE

Ankit Katiyar and Nikha Katiyar (2018) conducted a study on Indian consumer buying behaviour with a focus on bathing soaps, a key product in the FMCG segment. They observed that consumers are increasingly open to experimenting with new brands, making the category highly dynamic. Their findings highlight how buying decisions are influenced by multiple behavioural factors, emphasizing the sector's significance in India's GDP and daily life.

Chitra R. (2018) explored customers' purchase intentions towards branded apparel. The study categorized influencing variables into general consumer factors like normative influence and confidence, and brand-specific factors such as emotional value and perceived quality. It concluded that both sets of factors significantly influence purchase intentions, showing a complex relationship between perception and buying decisions in fashion retail.

Nasrudeen R. and Mohamed (2019) analysed FMCG consumption in rural India and noted a transformation from traditional rural behaviour to urban-like consumer preferences. The study highlights how rural consumers are now adopting urban lifestyle elements, including brand awareness and fashion sensibilities. It emphasizes the importance of the rural market for FMCG growth and calls for deeper rural marketing strategies.

Rajasekaran B. and Saravanan P.A. (2019) focused on consumer satisfaction within the FMCG sector. Their study examined how attitudes, values, and beliefs shape customer perceptions and brand preferences. The research concluded that consumer satisfaction and loyalty are influenced by individual psychology and collective brand experiences, making it crucial for companies to focus on personalizing their offerings.

Shanmugapriya G. and Sethuraman R. (2019) investigated consumer satisfaction with Hamam soap in Thanjavur. They linked increased competition in the FMCG industry post-1991 economic reforms to shifting brand strategies. The study found that brand loyalty is shaped by psychological and multivariate factors, and highlighted the importance of continuous engagement in a highly competitive market.

Sonia and Garima Dalal (2020) examined customer satisfaction levels among rural consumers towards FMCG brands. They traced the evolution of the FMCG sector over the past five decades and its role in improving rural lifestyles. Their study pointed out the divide between the organized and unorganized sectors and stressed the importance of trust and accessibility in shaping rural consumer satisfaction.

Muthuvelayutham (2020) conducted a study on consumer brand loyalty for cosmetic products in Tamil Nadu. Using a sample of 600 respondents and correlation analysis, the study identified demographic factors such as age, gender, and education as having a strong influence on brand loyalty. The research demonstrated that these variables significantly impact switching behaviour and loyalty in the FMCG cosmetic market.

NEED FOR THE STUDY

Customers consider various factors for purchasing of Motors in KIA. (Formerly KIA LIMITED.). The factors they consider are based on certain demographic variables such as income, age, occupation etc. It also depends on attributes and life Performance of the customer buying behavior becomes essential to get a competitive edge.

Some of the areas that are considered are:

- * Consumer recognition of a problem in their lives and the attempt to solve it by buying something.
- *How consumers search for things that they need.
- *How consumers evaluate the products that they buy.
- *What is the impact on dissatisfaction on consumer purchases?
- *How do consumers make purchase decisions?
- *What kinds of advertising is the most effective

SCOPE OF THE STUDY

The study aims to measure buying behavior level of the customers regarding KIA LIMITED. The area within which the study was conducted regarding the information the primary data is collected in the form of questionnaire collected from the dealers in Ranga Reddy district. To

sum up the project had within the scope of the study in the area of “Customer Buying Behavior” of KIA LIMITED. in Ranga Reddy district for a particular time (2020-2024).

The research measures the experiences of customers. Defines and analyses the experiences based on key deliverables. Gains insights into Customer expectations.

OBJECTIVES OF THE STUDY

Main objective: The main objective of the study is to study the buying motives of the customers regarding purchasing Motors in KIA LIMITED. (Formerly KIA LIMITED.).

1. To gain an understanding of the theories and concepts of Buyer Behavior, to find the age group, educational back ground, occupation / profession and income and income level of the respondents.
2. To know whether the customer is interested to buy the purchasing Motors in KIA. (Formerly KIA LIMITED.) or not.
3. To find respondents reason for purchasing the purchasing Motors in KIA. (Formerly KIA LIMITED.)
4. To know the customer service satisfaction from the respondents.

SOURCES OF DATA:

SECONDARY METHOD:

Secondary data are those, which are collected from existing data. Secondary data for this study include appropriate material from newspaper, Magazines, Broachers, Company Reports, Standard Text Books, and information from Internet has also been acquired wherever necessary.

PRIMARY METHOD:

Primary data are those, which are collected fresh and for the first time and this happen to be original in character. In this study primary data was collected by interview schedule method.

DATA COLLECTION INSTRUMENTS:

The instrument used for this study is an interview schedule. Questions related to objectives of the study from the major portion of the interview schedule. It mainly consists of multiple-choice questions so that the respondents can mark one or more of the several choice of answers. Secondary data has been gathered from many published sources such as Newspapers, Journals, Magazines, Company Reports, standard textbooks and information from Internet has also been acquired wherever necessary.

METHODOLOGICAL ASSUMPTIONS:

- a) The primary data has been collected by an interview schedule.
- b) The sample for the study was selected on a convenience basis
- c) All primary data collected is true and reflects the actual actions of the Respondents.
- d) The data collected has been coded, tabulated and analyzed into logical Statement using simple statistical methods, pie charts, etc.

RESEARCH DESIGN

The present study adopts a **descriptive research design**, aimed at understanding consumer buying behaviour towards KIA Automobiles in Hyderabad. Descriptive research is appropriate here as it seeks to systematically describe the characteristics, preferences, and satisfaction levels of existing and potential KIA customers.

1. Nature of the Study:

The study is **quantitative and descriptive** in nature, using survey methods to collect data. It focuses on examining how factors such as service quality, pricing, promotional strategies, and brand image influence consumer decisions.

2. Research Objectives:

- To identify the primary motives influencing consumer purchases of KIA vehicles.

- To assess the impact of service quality, convenience, and pricing on customer satisfaction.
- To understand the role of demographic factors (age, income, occupation) in shaping consumer preferences.
- To evaluate the effectiveness of different awareness channels (print media, hoardings, electronic media, etc.).

3. Sources of Data:

- **Primary Data:** Collected through a structured questionnaire and interview schedule targeting KIA customers.
- **Secondary Data:** Gathered from company reports, newspapers, magazines, academic journals, and online sources.

4. Sampling Design:

- **Sampling Method: Convenience Sampling** was employed due to ease of access to respondents.
- **Sampling Frame:** Customers of Phoenix Motors (KIA dealership) in Hyderabad and Secunderabad.
- **Sample Size:** 100 respondents.

5. Data Collection Tools:

- A structured questionnaire with multiple-choice and close-ended questions.
- Interview schedule focusing on key customer experience and satisfaction metrics.

6. Data Analysis Techniques:

- Data was coded, tabulated, and analyzed using **simple statistical tools** such as percentages and pie charts to draw meaningful interpretations.
- The analysis focused on customer awareness, satisfaction levels, reasons for purchase, service usage patterns, and feedback on features.

STATISTICAL TOOLS AND TECHNIQUES

1. Percentage Analysis

- Used to calculate and interpret the proportion of responses for each question.
- Helped in understanding customer preferences, awareness levels, and satisfaction.

2. Descriptive Statistics

- Applied to summarize the data collected from 100 respondents.
- Included basic tools like frequency distribution and averages.

3. Pie Charts and Bar Graphs

- Used for visual representation of the data.
- Made the interpretation of responses easier and more impactful.

4. Chi-Square Test (*Recommended*)

- To examine the association between two categorical variables.
- Example: Relationship between age group and satisfaction level.

5. Cross Tabulation (*Recommended*)

- Helps in comparing responses across different demographic segments.
- Example: Comparing preferences across income or occupation groups.

6. Correlation Analysis (*Recommended*)

- To measure the strength and direction of relationship between two variables.
- Example: Income level and frequency of KIA service usage.

7. ANOVA (Analysis of Variance) (*Recommended*)

- To compare the mean satisfaction levels across different groups.
- Example: Comparing satisfaction levels across different age groups.

8. Regression Analysis (*Recommended*)

- To identify key factors influencing consumer buying behavior.
- Example: Analyzing how brand image, service quality, and pricing affect purchase decisions.

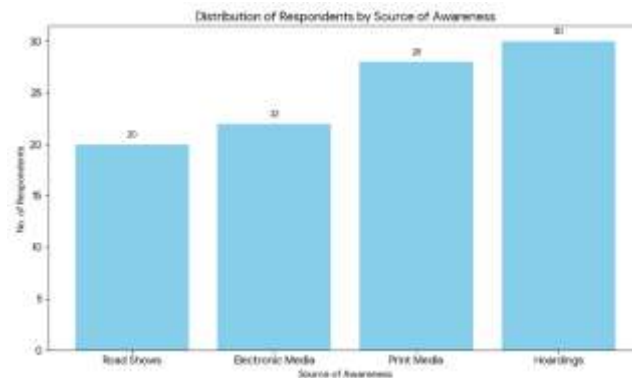
DATA ANALYSIS AND INTERPRETATION

This section presents the analysis of data collected from 100 respondents to study consumer buying behaviour towards KIA Automobiles in Hyderabad. The data

was interpreted using percentage analysis and graphical tools like pie charts and bar graphs to identify patterns, preferences, and satisfaction levels among customers.

1. How did you come to know about KIA products?

	No. of respondents	Percentage
Electronic media	22	22%
Print media	28	28%
Road shows	20	20%
Hoardings	30	30%
Total	100	100%

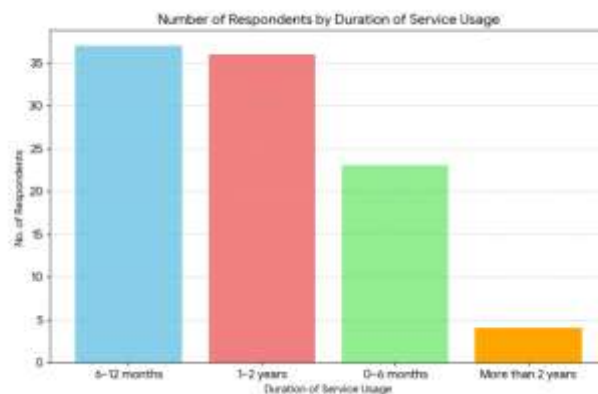


INTERPRETATION:

30% of the respondents came to know about KIA products from hoardings while 28% of the respondents came to know from print media and electronic media was assumed by 22% of the respondents. A small significant 20% of the respondents replied that road shows have helped them in understanding KIA products.

2. Since how many months have you been using this service?

	No. of respondents	Percentage
0-6 months	23	23%
6-12 months	37	37%
1-2 years	36	36%
More than 2 years	04	04%
Total	100	100%

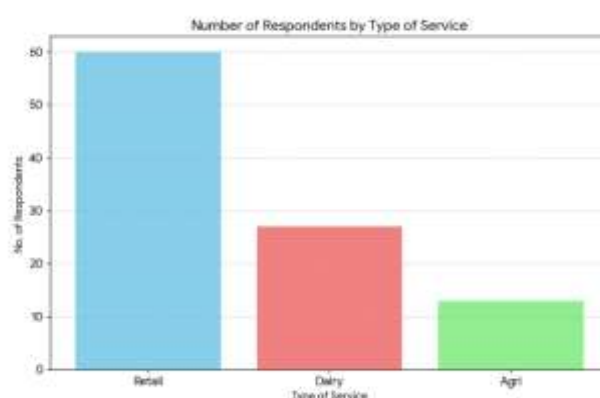


INTERPRETATION:

This bar graph displays service usage duration among respondents. The largest groups are those using the service for "6–12 months" (37 respondents) and "1–2 years" (36 respondents). A smaller segment, 23 respondents, are "0–6 months" users, while "More than 2 years" has only 4. This indicates a user base primarily established within the past two years, with fewer long-term users.

3. Which Kind of service are you using? Please mention?

Type of service	No. of respondents	Percentage
Dairy	27	27%
Retail	60	60%
Agri	13	13%
Total	100	100%

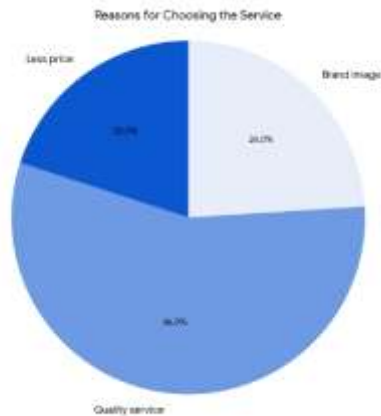


INTERPRETATION

This bar graph displays the number of respondents for different service types. "Retail" has the highest number of respondents (60), indicating its strong presence. "Dairy" has a moderate number of respondents (27), while "Agri" has the least (13). This suggests a higher engagement or representation of retail services compared to dairy and agriculture within the surveyed population in Hyderabad.

4. What is the reason for choosing this service?

Reason	No. of respondents	Percentage
Less price	20	20%
Quality service	56	56%
Brand image	24	24%
Total	100	100%

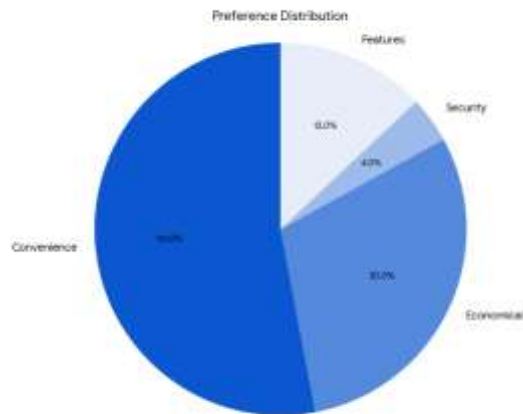


INTERPRETATION

This pie chart, titled "Reasons for Choosing the Service," clearly illustrates the primary drivers behind consumer selection. A significant majority, 56%, choose the service due to "Quality service," indicating its paramount importance to customers. "Brand image" plays a notable role, accounting for 24% of choices, while "Less price" is a factor for 20% of respondents. This distribution highlights that while cost and brand reputation are considerations, the perceived quality of service is the strongest determinant for consumers.

5. Why do you prefer for this service?

Preference	No. of respondents	Percentage
Convenience	53	53%
Economical	30	30%
Security	04	04%
Features	13	13%
Total	100	100%



INTERPRETATION

This pie chart, titled "Preference Distribution," illustrates how various factors influence consumer choice. The dominant preference is "Convenience," accounting for over half of the responses at 53%. "Economical" is the second most significant factor at 30%, followed by "Features" at 13%, and "Security" as the least impactful at 4%. This suggests that for the surveyed group, ease of use and cost-effectiveness are far more critical than advanced features or security considerations.

FINDINGS

1. KIA's reach is limited to urban areas.
2. Hoardings and print media are effective promotional tools.
3. Quality of service is a major purchase motivator.
4. Online billing and service innovations are in demand.
5. Word-of-mouth significantly influences purchase decisions.

SUGGESTIONS

1. Expand services to semi-urban and rural markets.
2. Improve communication about service offerings.
3. Launch promotional packages targeting youth.
4. Enhance after-sales customer support.
5. Offer more retail service features and schemes.

CONCLUSIONS

The respondents are of KIA LIMITED, and they came know about the service from hoardings, print media, primarily and through electronic media and road shows secondarily. Respondents are using KIA for 1 year and below 1 year in most of the cases. The service provided by KIA is used by majority of the respondents and the reason for choosing it is the quality of the service, followed by brand image. Customer satisfaction of the respondents towards KIA is high; however, a significant number of the respondents are dissatisfied with its services. In purchasing KIA products family appear to be the prime motivators of the respondents in making their purchase decisions, due to the special offers being targeted by the company at this segment. The respondents are paying their bills at the company show rooms, and these are also on delivery time. The respondents are desirous of having online bill payment service for convenience as its saves their time, money and effort. The instruments being providing with billing service are being well received by the respondents.

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