

ATTRIBUTES AFFECTING THE CAR PURCHASE DECISION OF THE CONSUMER

J. Omprakash

(Research Scholar)

Richa Bansal

(Associate Professor)

Glocal School of Business & Commerce
Glocal University, UP

DECLARATION: I AS AN AUTHOR OF THIS PAPER /ARTICLE, HERE BY DECLARE THAT THE PAPER SUBMITTED BY ME FOR PUBLICATION IN THE JOURNAL IS COMPLETELY MY OWN GENUINE PAPER. IF ANY ISSUE REGARDING COPYRIGHT/PATENT/ OTHER REAL AUTHOR ARISES, THE PUBLISHER WILL NOT BE LEGALLY RESPONSIBLE. IF ANY OF SUCH MATTERS OCCUR PUBLISHER MAY REMOVE MY CONTENT FROM THE JOURNAL WEBSITE. FOR THE REASON OF CONTENT AMENDMENT/OR ANY TECHNICAL ISSUE WITH NO VISIBILITY ON WEBSITE/UPDATES, I HAVE RESUBMITTED THIS PAPER FOR THE PUBLICATION. FOR ANY PUBLICATION MATTERS OR ANY INFORMATION INTENTIONALLY HIDDEN BY ME OR OTHERWISE, I SHALL BE LEGALLY RESPONSIBLE. (COMPLETE DECLARATION OF THE AUTHOR AT THE LAST PAGE OF THIS PAPER/ARTICLE)

ABSTRACT

Over the years, the Indian vehicle industry has expanded significantly, propelled by factors including rising disposable incomes, urbanization, and an expanding middle class. Understanding the elements that affect consumers' decisions to buy cars is crucial for car makers to succeed in this cutthroat industry as automobile ownership becomes more accessible to a greater segment of the population. The research was carried out in Bhopal. For the purpose of gathering statistics, 250 customers who had purchased the autos were contacted. Primary and secondary data are the foundation of the investigation. Data analysis has been done using a structural equation model. The study's findings revealed that brand, price, quality, design, utility, and technical factors all had a favorable impact on the desired research variable, which measured customer perceived value.

Keywords: Automobile industry, Customers, Purchase decision, Car, Brand

I. INTRODUCTION

In the vast and dynamic landscape of the Indian automobile industry, consumers' car purchasing decisions have become a captivating phenomenon that drives the growth and evolution of the sector. With a population of over a billion people and a burgeoning middle class, India has emerged as one of the world's largest automotive markets. The automobile industry in India has witnessed significant transformations over the years, with new players entering the market, innovative technologies being introduced, and consumer preferences evolving rapidly. Understanding the

complex interplay of factors that influence consumers' car purchasing decisions is essential for automakers and policymakers alike. This comprehensive study delves into the multifaceted dynamics that shape consumers' preferences, the impact of socio-economic and cultural factors, the role of marketing and branding, the influence of environmental concerns, and the significance of government policies on the automotive landscape in India.

At the core of consumers' car purchasing decisions lies the interplay of various factors that collectively shape their preferences and choices. One of the primary determinants is the socio-economic status of the consumer. As the Indian middle class continues to grow, their purchasing power and aspirations have expanded, leading to an increasing demand for personal mobility. A significant portion of this burgeoning middle class comprises young professionals and millennials, who prioritize convenience, style, and technology in their automotive choices. These aspirational consumers often seek cars that align with their social status and lifestyle, prompting manufacturers to innovate and offer trendy and feature-rich vehicles.

Furthermore, the diversity of India's cultural fabric plays a vital role in shaping car purchasing decisions. Different regions have distinct preferences and requirements, influenced by historical, climatic, and cultural factors. For instance, consumers in metropolitan cities may prioritize compact and fuel-efficient cars due to traffic congestion and fuel prices, while those in rural areas might seek robust and spacious vehicles suited for rough terrains. Understanding these regional variations becomes crucial for automakers to tailor their products and marketing strategies effectively.

The automobile industry's marketing and branding efforts also significantly impact consumers' car purchasing decisions. Successful advertising campaigns, celebrity endorsements, and effective brand positioning can create a strong emotional connect with the target audience. The allure of owning a car that represents success, status, and achievement can be a powerful driving force for consumers. On the other hand, negative perceptions or a tarnished brand image can deter potential buyers even if the product itself might be competitive. Consequently, automakers invest substantial resources in building and maintaining their brand reputation in the Indian market.

Moreover, environmental concerns and the shift towards sustainable practices are increasingly influencing consumers' car purchasing decisions in India. The escalating concerns about air pollution and climate change have sparked a growing interest in eco-friendly and electric vehicles (EVs). As the government and industry players emphasize sustainability, consumers are becoming more environmentally conscious and seeking greener alternatives. The adoption of EVs, hybrid vehicles, and fuel-efficient models is witnessing a gradual but steady rise, signaling a shift towards more sustainable transportation solutions.

In addition to individual preferences, government policies and regulations wield considerable influence over the Indian automobile industry. Policy measures such as emission norms, taxation policies, and incentives for electric vehicles can significantly impact the market dynamics. The Indian government's ambitious plans for promoting electric mobility and reducing the country's carbon footprint have accelerated the development and adoption of EVs. Subsidies, tax benefits, and other incentives provided by the government have stimulated the growth of the electric vehicle market in India, attracting both consumers and manufacturers.

The Indian automobile industry is witnessing a transformative phase, shaped profoundly by consumers' car purchasing decisions. The changing socio-economic landscape, cultural diversity, marketing and branding strategies, environmental consciousness, and government policies all contribute to the intricate tapestry of factors influencing consumers' choices. As India continues to evolve as a global automotive powerhouse, understanding these factors becomes critical for automakers to remain competitive and relevant. By staying attuned to consumers' needs, preferences, and evolving expectations, the industry can navigate the road ahead with confidence and drive innovation that meets the aspirations of millions of Indian consumers.

II. KEY FACTORS INFLUENCING CAR BUYING BEHAVIOR

The car buying behavior of consumers is influenced by a wide range of factors, some of which have a more significant impact than others. These factors can vary from individual to individual and are shaped by personal preferences, socio-economic status, cultural influences, and technological advancements. Here are some key factors that play a crucial role in influencing consumers' car buying decisions:

Price and Affordability

The price of the car is one of the primary factors that influence buying behavior. Consumers' purchasing power and budget constraints heavily impact their choice of car. While some consumers may be price-sensitive and opt for budget-friendly options, others may prioritize premium features and luxury, even if it means a higher price tag.

Brand Reputation

The reputation of the car brand holds significant weight in consumers' minds. Established and well-regarded brands tend to instill trust and confidence, leading consumers to lean towards their products. Brand perception, reliability, and after-sales service contribute to a positive image and influence purchase decisions.

Fuel Efficiency and Environmental Concerns

Rising fuel costs and growing environmental consciousness have led consumers to prioritize fuel efficiency and eco-friendliness in their car buying decisions. Fuel-efficient cars, hybrids, and electric vehicles are gaining popularity among environmentally conscious consumers.

Features and Technology

Innovative features and cutting-edge technology play a crucial role in attracting consumers. Advanced safety features, infotainment systems, smartphone connectivity, and driver-assistance technologies are increasingly sought after by consumers looking for modern and convenient driving experiences.

Vehicle Type and Purpose

Consumers' lifestyle, family size, and usage patterns determine the type of vehicle they prefer. Some may opt for compact cars suited for urban commuting, while others may prioritize spacious SUVs for family use or off-road adventures.

Word of Mouth and Online Reviews

Recommendations from friends, family, or online reviews significantly influence car buying decisions. Positive experiences shared by others can create a sense of trust and assurance in potential buyers.

Advertisements and Marketing

Effective advertising and marketing campaigns have the power to shape consumers' perceptions and desires. Clever branding and emotional appeals can sway consumers towards a particular brand or model.

Cultural and Social Factors

Cultural and social norms can influence car preferences. For example, certain communities may have a preference for specific car brands or models due to cultural associations or societal influences.

Financing Options and Incentives

Favorable financing options, low-interest rates, and attractive incentives, such as cashback offers or discounts, can sway consumers towards a particular car model or brand.

Resale Value

The expected resale value of a car is a critical consideration for many buyers. Resale value impacts the overall cost of ownership and influences the decision-making process.

Perception of Status and Prestige

For some consumers, owning a particular brand or model of car may symbolize status, success, or social prestige. Luxury car brands often capitalize on this aspect to attract buyers seeking a sense of exclusivity.

Personal Experience and Test Drives

Test driving a car provides a first-hand experience of the vehicle's performance, comfort, and handling. A positive test drive experience can significantly impact the final purchase decision.

III. REVIEW OF LITERATURE

Vaidya, Alpana et al., (2021) This research tries to explore and explain the patterns of consumer behavior towards buying an automobile in light of the exponential rise in the number of cars purchased. 1015 adults from various racial and occupational backgrounds made up the sample for this study, with 469 females and 546 males. The researchers created the study's questionnaire, and Google forms were used to collect data online. The results were interpreted using percentage analysis and mean comparison. As a consequence of the research, it was discovered that purchasing a car was regarded as a need, with family use being the main driver. Consumers were thought to be influenced by things like familiar brands, parking spaces being available, advertisements, and better deals. The ease of a vehicle

Siddiqui, Dr et al., (2020) This study attempts to create a careful index for assessing and quantifying the variables influencing the purchase of personal vehicles by various fuel categories. 700 car owners completed questionnaires to gather empirical data, and 569 of those samples were used in the final study. The variables were analyzed using factor analysis and ANOVA. The empirical results show that there are only a few key characteristics to consider when choosing a car, and that nine elements should be taken into account before making a decision to buy a car. The study can help brand managers and academics develop strategies and add to the scant amount of material on personal automobiles for various fuel categories. According to the authors' knowledge, no other researchers have attempted to use factor analysis to identify the variables that influence customer purchasing decisions for personal vehicles by different fuel categories.

Chaturvedi, Mayuri & Reddy, Baddam (2019) Automobiles are now an essential component of daily mobility in this cutthroat environment, and the competition between the many auto sectors has sparked high-level developments in cars to meet consumer demands. By conducting a survey, this study aims to provide some answers to queries about the brand personalities of particular automobiles. This study will assist in determining what consumers believe about a particular car brand and the elements that might influence a potential purchase. The primary goals of this research are to analyze the sales of a specific automaker and to pinpoint the ads and sales promotion strategies used by automakers. The goal of the current study is to assess how consumers choose which cars to buy. This study identifies the many variables that affect consumers' decisions to buy compact sedan vehicles and four-wheelers as well as their behavior and degree of satisfaction.

Mathur, Dhruv et al., (2018) India has one of the largest automobile industries in the world, and it is expanding consistently year after year. There has been an increase in the number of automobiles on the road as a result of the ease with which auto loans are available, the rise in salary structures, and the higher purchasing power of the middle income class. In the current work, the buying habits of automobiles in India are studied. A questionnaire survey was undertaken in addition to a review of the relevant literature to better understand the different aspects that affect people's decisions to buy cars in India. A survey questionnaire was created in Google Forms and distributed to participants by email, Facebook, WhatsApp, and other channels. A hard copy of the questionnaire was given to people who were not familiar with these instruments for completing out. Statistics were used to analyze the survey's results, which are now provided.

Joshi, Dipanti & Bhatt, Viral (2018) Among other industries, the automobile business is currently the most profitable. The primary drivers of high volume car sectors are a growth in disposable income, an increase in lifestyle factors in both rural and urban areas, and the availability of simple financing. With a number of new competitors entering the market and major international brands preparing to enter the Indian market, the rivalry is intensifying. For the existing and newly established vehicle manufacturing enterprises in India, the results of this study will be useful in determining the market offerings and consumer expectations. Numerous domestic and international firms have an impact on the Indian automotive industry. In this essay, consumer behavior research in the subject of car customer behavior is analyzed. The marketer and new entrant will flourish in the market with the aid of a thorough understanding of customer purchasing behavior. The study of all automobile market sectors in India revealed that consumers' priorities vary by segment, whereas disposable income serves as the primary motivator for car purchases. Customers prioritize value for money, safety, and comfort while driving, whereas perceived quality is mostly influenced by brand image. This study's goal is to identify the variables that affect consumers' choices for a certain car segment.

David, Arokiaraj & Banumathi, M (2014) One of the global industries with the quickest growth rates is the automotive one. India is the sixth-largest producer and the world's fourth-largest exporter of passenger cars. Leading international automakers formed joint ventures and began creating a range of models with various features and adding value-added services to entice customers. Thus, the decision-making process for the customer is complicated. Therefore, this study tries to pinpoint the elements that clients use to decide whether or not to buy a passenger car. A systematic questionnaire was used to gather secondary data from 100 Puduchery drivers of passenger cars. A number of possibilities were developed and examined. It was discovered that customers during their purchase of the car were more focused on the performance and technological aspects. They placed the least emphasis on environmental considerations while making their purchases. Interstate disparities and the lack of publications to raise public awareness are the key weaknesses of the Indian policy framework. Therefore, it is crucial to raise awareness of numerous environmental hazards among those who drive passenger cars.

Prieto, Marc & Caemmerer, Barbara (2013) The GDP of most industrialized nations is significantly influenced by the automobile sector. Although studies have primarily concentrated on the new car markets, the goal of this research is to examine how consumers' socio-demographic profiles affect their choice to purchase new or used automobiles across various automobile segments. The study focuses on France, a significant auto market in Europe. The information was acquired from the French Institute of Statistics (INSEE), and it included 1,967 French homes who had purchased a new or used car within the previous year as a representative sample. The paper uses multinomial logit modeling and is based on random utility theory. The results imply that economic, individual, and family characteristics have an impact on the choice of car category as well as the option of buying a new or used car. One of the few studies to look at demand for both new and used cars simultaneously across automotive segments in a European environment is this one. It offers crucial information about consumer preferences in an established market.

Amutha, Das (2012) India is home to the ninth-largest vehicle sector in the world. In 2009, India overtook Japan, South Korea, and Thailand to become the fourth-largest exporter of automobiles. The automotive industry is anticipated to grow quite quickly over the next ten years and is anticipated to reach production volumes of almost three million passenger cars and more than thirty million two-wheelers. The likely capacity and production of the automotive sector for the period 2007–12, with an indication of the perspective for ten to fifteen years. Between March and April 2007, the passenger vehicle market grew by a total of 20.70%. In the fiscal year 2006–07, sales of passenger cars increased by 22.01%, utility vehicles by 13.21%, and multifunctional vehicles by 25.20%. The market for commercial vehicles increased by 33.28%. Light commercial vehicle growth was 33.93%, while medium and heavy commercial vehicle growth was 32.84%. An examination of the variables influencing purchasing decisions and product usage in the

Tuticorin district is part of the research of consumer behavior. The sample respondents for the study were chosen using a simple random sampling procedure. Due to the small size of the universe, the survey only included respondents who are owners of all types of passenger cars. Through the use of an interview schedule, information was gathered about the respondents' opinions on driving. The information applies to June 2012. According to the study, more respondents (80.0) give the price greater weight. Fuel efficiency and driving comfort are the other significant factors, according to 7.6% of respondents, when buying a car. The remaining 4.8% shows that customers' purchasing decisions are influenced by beautiful models, but the difference is not statistically significant.

IV. RESEARCH METHODOLOGY

Explanatory survey methodology was used in the current research, which is a descriptive type of study. As a consequence, it provides a comprehensive description of each variable and then analyzes the variables to determine the results. Customers who have utilized Tata Motors automobiles serve as the research's analytical unit while Tata Motors dealers serve as its observational unit. The convenient sample methodology of non-probability sampling was utilized to choose the already-respondents who are readily available. 250 respondents were chosen from Bhopal's corporations as the sample size for this analysis, which is concerned.

V. DATA ANALYSIS AND INTERPRETATION

Demographic Profile

There were 250 respondents, with 160 men and 90 women. 60 respondents utilized the car for travel, while 190 used it for personal usage.

Validity and Reliability Test

In order to determine the validity and reliability of each study factor, we computed the composite reliability (CR) and the average variance extracted (AVE). Each factor's AVE was more than 0.5 since its CR value was over the threshold of 0.70 indicated for full reliability. That all estimates were credible was demonstrated. The details of the test variables' validity and reliability are provided in Table 1.

Table 1 Results of Validity and reliability test

Constructs	CR	Mean	STD	AVE
------------	----	------	-----	-----

Perceived Value	0.87	4.91	1.25	0.79
Brand	0.92	4.95	1.33	0.72
Quality	0.93	5.13	1.09	0.85
Design	0.86	4.29	1.49	0.77
Utility	0.96	5.49	1.40	0.74
Technical considerations	0.94	5.35	1.39	0.82
Purchase decision	0.92	5.64	1.36	0.88

Table 1 shows that the results verified the discriminant validity of all constructs by showing that the diagonal values in the matrix were always greater than the off-diagonal values in the corresponding rows and columns. The proposed constructs of the measurement model were validated using reliability and convergent and discriminant validity analyses.

Table 2 AVE and Correlation among the Constructs

	Perceived Value	Brand	Quality	Design	Utility	Technical considerations	Purchase decision
Perceived Value	0.95						
Brand	0.73	0.91					
Quality	0.85	0.62	0.97				
Design	0.77	0.69	0.71	0.89			
Utility	0.66	0.76	0.75	0.81	0.88		
Technical considerations	0.63	0.68	0.67	0.76	0.61	0.92	

Purchase decision	0.75	0.57	0.63	0.62	0.59	0.67	0.91
--------------------------	------	------	------	------	------	------	------

VI. CONCLUSION

Customers' perceived value and final purchasing decisions were found to be most affected by brand, price, quality, design, utility, and technical factors. Customers' evaluations of a product's value are a major factor in their final purchasing decisions. High quality, practicality, and technical consideration were shown to have the strongest positive relationships, indicating that they are the most important variables. Manufacturers would be well to pay attention to these trends and incorporate them into their cars if they want to boost the vehicles' perceived worth. Perceived value can be affected by a number of factors, including brand name recognition and price. The key to the success of the Indian auto industry is identifying and satisfying the many different motivations people have for purchasing automobiles. The automotive industry must maintain a culture of constant innovation by providing customers with a wide selection of vehicles that cater to their needs, wants, and technological aspirations. As the market shifts toward greener choices, embracing sustainability and eco-friendliness will become increasingly important.

REFERENCES: -

1. Sekhar, Mr.s & Murthy, J & Karim, Shaik & Reddy, Mr & Bhupathi, C. (2022). Factors Influencing Customers' Buying Behavior: A Study of Electric Vehicles with reference to Tirupati City. 2022. 10.9756/INT-JECSE/V14I2.790.
2. Vaidya, Alpana & Patil, Ameya & Vaidya, Ajay. (2021). Car Buying Behaviour in India. 8. c335-c343.
3. Gokhale, Aishwarya & Veluchamy, Ramar & Veluchamy, Ramar & Mishra, Abinash. (2021). FACTORS INFLUENCING PURCHASE DECISION AND CONSUMER BEHAVIOR IN LUXURY CARS. 11. 176-186.
4. Siddiqui, Dr & Shoeb, Amima & Usmani, Kainat. (2020). Factors Affecting Buying Behavior of Consumers for Personal Cars by Fuel Categories. International Journal of Advanced Science and Technology. 29. 1707-1718.
5. Chaturvedi, Mayuri & Reddy, Baddam. (2019). A Study of Customer Purchasing Behaviour of Automobiles in Kukatpally, Hyderabad. International Journal of Trend in Scientific Research and Development. Volume-3. 650-654. 10.31142/ijtsrd21376.

6. Hooda, Ritu & Singh, Bhanwar & Dhall, Rosy. (2019). Factors Affecting Car Buying Behaviour of Women Customers in Haryana.
7. Mathur, Dhruv & Bhardawaj, Avdesh & Pandey, Aditi & Oberoi, Ashish & Rani, Divya. (2018). Consumer Buying Behaviour of Cars in India - A Survey.
8. Joshi, Dipanti & Bhatt, Viral. (2018). "A STUDY ON FACTORS INFLUENCING CONSUMER'S PREFERENCE WHILE MAKING PURCHASE DECISION OF FIRST OWN CAR IN AHMEDABAD CITY".
9. Dr. T. Dhanabalan, Dr. K. Subha, R. Shanthi and A. Sathish, Factors Influencing Consumers' Car Purchasing Decision In Indian Automobile Industry, International Journal of Mechanical Engineering and Technology, 9(10), 2018, pp. 53–63.
10. David, Arokiaraj & Banumathi, M. (2014). Factors Influencing the Purchase Decision of Passenger Cars in Puduchery. International Journal of Exclusive Management Research. 4. 1-10. 10.2139/ssrn.2986661.
11. Prieto, Marc & Caemmerer, Barbara. (2013). An exploration of factors influencing car purchasing decisions. International Journal of Retail & Distribution Management. 41. 10.1108/IJRDM-02-2012-0017.
12. Amutha, Das. (2012). A Study on Factors Influencing Buying Behaviour of Passenger Car Market in Tuticorin District - Tamil Nadu.

Author's Declaration

I as an author of the above research paper/article, hereby, declare that the content of this paper is prepared by me and if any person having copyright issue or patent or anything otherwise related to the content, I shall always be legally responsible for any issue. For the reason of invisibility of my research paper on the website/amendments/updates, I have resubmitted my paper for publication on the same date. If any data or information given by me is not correct, I shall always be legally responsible. With my whole responsibility legally and formally I have intimated the publisher (Publisher) that my paper has been checked by my guide (if any) or expert to make it sure that paper is technically right and there is no unaccepted plagiarism and hence it is genuinely mine. If any issue arises related to Plagiarism

/Guide Name /Educational Qualification /Designation /Address of my

university/college/institution/Structure or Formatting/ Resubmission / Submission /Copyright / Patent/Submission for any higher degree or Job/Primary Data/Secondary DataIssues. I will be solely/entirely responsible for any legal issues. I have been informed that the most of the data from the website is invisible or shuffled or vanished from the data base due to some technical fault or hacking and therefore the process of resubmission is there for the scholars/students who finds trouble in getting their paper on the website. At the time of resubmission of my paper I take all the legal and formal responsibilities, If I hide or do not submit the copy of my original documents (Aadhar/Driving License/Any Identity Proof and Photo) in spite of demand from the publisher then my paper may be rejected or removed from the website anytime and may not be consider for verification. I accept the fact that as the content of this paper and the resubmission legal responsibilities and reasons are only mine then the Publisher (Airo International Journal/Airo National Research Journal) is never responsible. I also declare that if publisher finds any complication or error or anything hidden or implemented otherwise, my paper maybe removed from the website or the watermark of remark/actuality maybe mentioned on my paper. Even if anything is found illegal publisher may also take legal action against me

J. Omprakash
Richa Bansal
