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CHAPTER I

INTRODUCTION AND DESIGN OF THE STUDY

1.1 INTRODUCTION

A Brand is a name or trademark connected with a product or producer. Brands have become increasingly important components of culture and the economy, now being described as "cultural accessories and personal philosophies". Brands are valued for the equity; they add value. Everyone in the marketing profession agrees that brands can add substantial value. It is a fact that sometimes that brand becomes a burden. It is established that brands can be value enhancers and also decrease the profit. Brand Building process is a value addition technique which projects the image of the product, the company and the country at large. Brand strategy aids businesses in achieving their targeted performance. The area of brand equity has received significant research attention in recent years. The study of brand equity is increasingly popular as some marketing researchers have concluded that brands are one of the most valuable assets that companies possess. As a result, current marketing research attempts to conceptualize, measure and manage brand equity in a way that drive brand market performance and helps firms in strategic decision making. This research gives an empirical outcome of the determinants of Brand Equity with special reference to Indian Car Industry. "Brand Equity is a set of brand asset and liability linked to a brand, its name and symbol add to or subtract from the value provided by a product or service to a firm and /or to the firm's customers" (Aaker 1991)[1]

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1. Aaker, David (1991), "Managing Brand Equity: Capitalizing on the value of a brand Name, NY: Free Press.pp.2-5.

"Brand Equity is defined in terms of marketing effects uniquely attributable to the brands for example when certain outcomes result from the marketing of a product or service because of

its brand name that would not occur if the same product or service did not have the name"
(Keller 1993)[2] Brand Equity refers to the marketing effects or outcomes that accrue to a product
with its brand name compared with those that would accrue if the same product did not have the
brand name. It is to observe that at the root of these marketing effects is consumers' knowledge.
In other words, consumers' knowledge about a brand makes manufacturers/advertisers respond
differently or adopt appropriately adept measures for the marketing of the brand.

1.2 ORIGIN OF THE CAR

The Origin of the car can be traced to Europe. But it became a major form of
transportation first in the United States. Most European cars were build by hand and they were
expensive. Only rich people could afford them. In the early 1900's Ransom E.Olds , Henry Ford
and other pioneers began mass-production of cars.

❖ **The First Car**

During the late 1700's, the development of steam –powered engines progressed rapidly in
Europe. Inventors dreamed of a horseless carriage and a vehicle that could travel under its own
power and steam.

❖ **The Steam Car**

Nicholas Joseph Cugnst, a French military engineer, build the first self-propelled road
vehicle in 1769 and 1770. In 1801 and 1803 Richard Trevithick of England demonstrated a four-

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2. Keller,Kevin L.(1993), "Conceptualizing, Measuring and managing Customer-Based Brand
Equity", Journal of Marketing, 57(January),pp.1-5.

wheeled steam-propelled road vehicle to carry passengers. During the 1860's, another American
inventor , Sylvester Harper , developed a much smaller steam vehicle. It looked more like the

present day car. In later 1800's , many engineers experimented with steam cars and the most successful firm was founded by American Twin Brothers , Francis.E and Freelan O.Stanley. They build the famous Stanley steamer.

❖ **The Electric Car**

Electric Cars[3] were at first more successful than steam cars . They were powered by batteries. In 1990, they accounted for 38 percent of all car sales. A few electric cars could travel faster than 32 kilometers per hour , and the batteries were recharged at least every 80 Kilometers. In 1905, only about seven percent of all cars sold in the United States were electric.

The car, as we know it today, resulted from the development of the internal combustion engine. In 1820, the British inventor W.Ceil[4] designed an engine driven by the explosion of a mixture of hydrogen and air. In 1983, another British inventor, William Bernett , build a gas engine that compressed the fuel mixture.

In 1885 , Gottleks Daimier and Karl Benz , two Germans Working separately developed the first successful four-stroke petrol engine . Daimier powered a two-wheeled motor-cycle with his engine.Benz installed his engine in a three-wheeled carriage. Soon afterwards , a petrol-driven tricycle was build in Britain by Edward Butler .

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3. Kihlstorm , Richard E & Riordan , Michael H , 1984."Advertising as a signal", Journal of Political Economy, University of Chicago Press ,June, Vol.92(3), pp-427-50.
4.Prosenjit , "Car War II " , Business world , 4th October 1999, Vol 19 , Issue 21.

The general design of the present day cars was developed in frame by Emile Levassor and Rene Panhard in 1890.The Duryea brothers, Charles E and J.Frank , built the first successful

American petrol car in 1985. In the same year, the first British car was built by John Might and Lanchester Brothers.

From the beginning, the car industry had an enormous impact on western Economics. As car production increased, the demand for steel, rubber, glass, machine tools and other goods grew. At the same time, the motor industry began to develop its own supporting divisions for sales, service and repairs.

1.3 OVER VIEW OF CAR MARKET IN INDIA

The first car rolled onto the Indian Roads in the year 1898 and since then announced the onset of the Indian automobile market or as can be said, the Car Market in India. Initially, the car market in India did not experience much boom but with intervention of the favorable government policies the automobile market in India and car market in India, specifically, have seen great developments.[5]

In 1949 , HM began to manufacture Hindustan 10 and it was offered for Rs.7,000. In the same year Mahindra and Mahindra made willy's Jeep roll out . In 1950 PAL signed collaboration and launched Fiat 500.During 1954, HM Landmaster was launched in the market and the price was Rs.10, 000.PAL launched its Fiat Millicento , during the Telco also entered the automobile Industry with TMB 312 , Standard launched in 1955.At that time Ashok Motors charged to Ashok Leyland and manufactured Leyland Vehicles. The fuel prices in 1956 were petrol Rs.0.58

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5. The Birth of Car.http://auto.indiamate.com/cars/events.html, Retrieved 2010-11-1

paise/litre and disel Rs.0.31 paise/litre. Next year (1957) the Hindustan Motors began to manufacture Bedford trucks and a new version of Ambassador MKL, launched with DHV engine. The price was Rs.17, 000.Bajaj Temp Ltd was incorporated in 1958 and Standard Herald was launched in 1960.The 1210 series and 1100D were launched by Telco and 7C 150 Petrol trucks in 1965. Fiat, leading the market, rolled out its 50,000th car in 1966.After 22 years of collaboration with PAL which ended n 1972, Fiat started selling its car under a Premier brand name. The fuel prices during 1973 were petrol Rs.1.52/litre and diesel Rs.0.83paise/litre-HM brought about some changes and Ambassador MK III was launched in 1975.Ambassador with diesel engine was launched in 1978.[6]

The radical changes in the car market happened in 1981, when Maruti Udyog Ltd was established. It introduced 800 (SS80) with a price tag of Rs.48000. Maruti decided to give new models and Maruti Omni was launched in 1984.By understanding the potential market, HM launched Contessa with the Ambassador engine. In 1985,the government announced the broad-branding policy. Remarkably Maruti Gypsy , Mahindra MM 540 , Standard 2000 and Premier 118 NE were launched in 1985.As the Maruti had gone for mass production,it produced the last of 100000 vehicles,Maruti 800 (S308),and Tata 407 was introduced .The leader in Trucks,Telco had reached in production one million trucks in 1990.Maruti was gaining the upper hand and to attract its customers, it launched Maruti 1000 the same year when the petrol price was Rs.13.72/litre and diesel price was Rs.5.62/litre.[7]

6.Peeru Mohammed (1988) , " The Passenger car industry of India : A study of Market condition and Brand Selection".Ph.D.Thesis.
7. Hormazd Sorabjee,"Small Car War"Business India , October5-18,1998.p.6.

In 1991, India opted for globalization and it attracted more companies.Tata, the ruler in manufacturing trucks, concentrated on car industry by introducing Tata Sierra and Tata Estate in 1991 and 1992 respectively. As the result of globalization, the auto Industry was delicensed in 1993.Maruti launched Zen and Mahindra launched its Armada. Maruti reached one million units in 1994 and the same year Tata sumo hit the road.[8]

By seeing the potential market, in 1995 Mercedes came to India with E-class, targeting the higher income group.DCM entered into collaboration with Daewoo and as a result , Cielo was born as a direct competitor to Maruti Esteem. Peugeot 309 was launched but it failed to gain the market , due to various factors . Fiat analysed the changes and introduced Fiat UNO , followed by Opel Astra and Ford Escort . Peugeot 309 diesel was launched in 1996.The research conducted by various manufacturers revealed that there was very less competition in mid-size car segment as Maruti was launched to get the market in all segments.The 2001 saw new models like Palio, Versa , Baleno , Altura , opelswing an yet there was a lot of models to be experienced by customers.

❖ Family Cars

Family Cars is a classification that is commonly used to describe the cars or vans which can fit in a whole family. Whether you are going for shopping with your family or you are going on a family vacation, traveling in a family car makes it the most convenient mode of traveling. Most of these family cars or vans are saloons or hatchbacks even though there are estates, MPVs and cabriolets with similar structure but different body styles.

8.Sanjay Narayan,"Car Wars",Business World,22nd January 1988,Vol.17,Issue20.p.12.

Table1.1: Popular Family Cars in India

Hyundai Santro	Honda City	Chevrolet Tavera
Santro XK Santro XK (Non AC) Santro XL Santro XO Santro AT Santro CNG	Honda City ZX EXi Honda City ZX GXi Honda City ZX VTEC Honda City ZX CVT Honda City ZX VTEC Plus	Chevrolet Tavera: 10-Seater Chevrolet Tavera NY B1: 7-Seater Chevrolet Tavera NY B2: 10-Seater Chevrolet Tavera NY B2: 7-Seater Chevrolet Tavera Neo LS - B3: 7-Seater Chevrolet Tavera Neo LS - B3: 10-Seater Chevrolet Tavera Neo LS - B4: 7-Seater Chevrolet Tavera Neo LT - L: 9-Seater Chevrolet Tavera Neo LT - L: 7-Seater Chevrolet Tavera Neo SS - D1: 8-Seater Chevrolet Tavera Neo SS - D1: 7-Seater
Maruti Suzuki Swift	**Skoda Octavia RS**	**Chevrolet Tavera**
Maruti Suzuki Swift LXi Maruti Suzuki Swift VXi Maruti Suzuki Swift VXi (ABS) Maruti Suzuki Swift LDi (Diesel) Maruti Suzuki Swift VDi (Diesel) Maruti Suzuki Swift ZXi Maruti Suzuki Swift VDi ABS (Diesel)	Skoda Octavia RS 1.8 Turbo	Toyota Innova 2.5 EV MS - 8-Seater Toyota Innova 2.5 EV MS - 7-Seater Toyota Innova 2.0 G1- 8 seater Toyota Innova 2.5 EV PS - 8-Seater Toyota Innova 2.5 EV PS - 7-Seater Toyota Innova 2.5 G1 - 8 seater Toyota Innova 2.0 G4 - 8 seater Toyota Innova 2.5 G4 - 7 Seater Toyota Innova 2.0 V- 8 seater Toyota Innova 2.5 V - 7 Seater Toyota Innova 2.5 V - 8 Seater
Tata Indigo	**Mahindra Scorpio**	**Maruti Suzuki Omni Van**
Tata Indigo GLS - BS III Tata Indigo GLX - BS III Tata Indigo LS - BS III Tata Indigo LS DiCOR - BS III Tata Indigo LX - BS III Tata Indigo LX DiCOR - BS III	Mahindra Scorpio W Turbo 2.6 LX Mahindra Scorpio W Getaway Mahindra Scorpio W Turbo 2.6 DX 7-Seater Mahindra Scorpio W Turbo 2.6 DX 8-Seater Mahindra Scorpio W Turbo 2.6 SLX 7-Seater Mahindra Scorpio W Turbo 2.6 SLX 8-Seater	Maruti Suzuki Omni 5-Seater - BS III Maruti Suzuki Omni 8-Seater - BS III Maruti Suzuki Omni LPG - BS III -5 seater

Source: Cardekho

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9.Family cars,http://blog.cardekho.com/2010/07/top-10-family-cars-india.html, Retrieved2010-7-11.

1.4 CONDENSE OF BRAND EQUITY

The term Brand Equity refers to the inherent in a well-known brand name from customer perspective. Brand Equity is the added value best owed on the product by the brand name. It can be conceptualized from the three different perspectives

At the firm level, it is the incremental cash flow arising from the use of the brand name. At the trade level, it is the leverage from the use of the brand name. At the consumer level, it occurs when the consumer is familiar with the brand and holds some favorable, strong and unique associations in memory.

Consumer based Brand Equity arises from consumer being more likely to be aware of some brands in addition to possibly preferring some brands over others. Brand equity can also to be defined as a set of assets (&liabilities) linked to a brand's name symbol that adds to (or subtracts from) the value provided by a product/service to a firm and/or to that of firm's customers[10]."A Brand name i.e. well know and well liked by consumers has greater equity and is worth more."

1.5 STATEMENT OF THE PROBLEM

As we celebrate our entry into the new millennium and the completion of more than half century's independent existence, the innings of the Indian Automobile Industry unfolds as a sad story of missed opportunities .India had great opportunities. India had great opportunity to emerge as a dominant player in Asia Automobile Market, but lost the race due to conservative

10.Aaker,D.A.(1991).Measuring brand equity.New York , N.Y:Free Press.pp.17-19.

policy of the government of self-reliance and indigenization of products. Today, India has become a low cost manufacturing base for multinational giants .the fact remains that the potential in the other developing nations, where the economy has been opened up under a process of liberation, has been fully tapped by MNCs .This leaves India as a point of attraction for world automobile manufacturers.

Until 1983, there were limited players in the car market and mainly Hindustan Motors and Premier Automobiles limited were the two major giants in India's car market. The wind of the automobile market took a turn with the launch of Maruti800 .The Maruti800 DX was then considered in the premium segment which was earlier shared by contessa 1.8 GL and Premier 118 NE .Soon in early 1990s, Maruti 1000, Tata Estate, Rover Montego and Maruti Zen became the considered as a status symbol.

The increased competition changed Indian car market from ''seller's market to buyer's market'' and also changed the manufacturer's priorities. Good dealer network , increasing customer satisfaction , financing customers , better product finish and luxury became the marketing tool to nab the potential customers .During the last 10 years , the automobile industry has been extensively liberalized; sales and production of automobiles have doubled the number of players in the car market . The choice of models in the family car segment has been almost tripled, the standards of quality, customer expectations, awareness level and dealer service have considerably improved and surprises, now one can very easily get almost any automobile off the shelf.

Looking at the immense competition ahead , the ultimate outlook ,every player tries to offer better terms , greater value for money , better dealer and service networks , easy finance ,

better deals etc., so as to get the customers before they go to other competitor, as the number of potential customers in the premium car segment is still limited as compared to the cars available in the market. Each company is trying to deliver greater value to its customers. As customer delivered value is the difference of total customer value and total customer cost, companies are trying to convince their target market that their offer is the best offer where they get maximum value for their money (ie., greater customer value and minimum customer cost , ultimately greater delivered value.)

The customer satisfaction level is the person's felt state, resulting from comparing the product's actual performance or outcome in relation to the expectations. The buyer's expectations are formed on the basis of the buyer's own past experiences, statements made by friends and relatives, information provided by marketers and promise made by the seller. The highly satisfied customer becomes the loyal customer and does word - of - mouth publicity for that product and company. The revolution is not merely in terms of the range available, but also in terms of marketing. Automobile companies are facing a buyer's market and sales promotion has become a big business. To induce the demand, the car industry presents brand equity. In the present study an attempt is made to study the brand equity of various cars in family car segment with reference to Madurai District.

1.6 OBJECTIVES OF THE STUDY

The following will be the major objectives of the study

- To study about the concept of brand equity and various family car.
- To identify the various factors influencing the brand equity of a car brand.
- To analyse and compare the brand equity of various car brands in Madurai region.
- To explore the impact of brand equity towards the brand choice.

1.7 HYPOTHESIS

Based on the objectives of the study the following hypotheses are framed:

- ✪ There is a significant relationship between personal characteristics of the respondent and brand preference
- ✪ There is a positive relationship amongst brand equity dimension
- ✪ There is a positive Relationship between brand equity dimension and brand choice
- ✪ There is a significant difference between Car owner and potential Car buyer opinion towards the brand equity of car brands.

1.8 RESEARCH METHODOLOGY

The methodology followed in the course of the study is explained in this chapter. This study is a fact gathering expedition assuming the characteristics of both exploratory and descriptive research. As an exploratory research , it would be useful in familiarizing the phenomena associated with the car market , in clarifying concepts , in developing hypotheses and in establishing priorities for further research relating to the Indian car Market.

The study assumes descriptive nature as it attempts to describe the characteristics of certain groups, to estimate the proportion of people in a specified population who behave in a certain way and to make specific predictions.

The study aims at developing a complete and accurate description of the problem selected . It also attempts to provide quantitative evidence to the findings to the extent possible.

1.8.1 Research Design

The study is based on both primary and secondary data. Required secondary data regarding car production, price, sales and the like were collected from Journals. The Journals, Business world, Motor India, Auto India, India Today and The Hindu Survey of Indian Industries have been extensively used. To ascertain the brand equity, information was collected from the respondents with the help of a comprehensive interview schedule, which forms the primary data.

1.8.2 Sample Design

A list of respondents was prepared from the car broker and the car dealer . The respondents are car owner and potential car buyer living in the Madurai district. The Madurai district is divided into five divisions (5stratas) such as Madurai district south, north, east, west and middle. From each stratum 50 respondents were selected at random in both categories. A total number of 500 respondents were considered as target.

1.8.3 Data Collection Instrument

The study involved a field survey by using a close-ended structured questionnaire. The preliminary questionnaire was first pre-tested by undertaking a pilot survey of around 50 customers. The questionnaire was redesigned by incorporating that the changes suggested and a tentative questionnaire was arrived at by modifying again. The final questionnaire was administered through personal interview.

1.8.4 Data Analysis

In this study, the data were analysed by using statistical methods like Mean, Standard deviation, Chi-square test, Factor Analysis , Structural Equation Model ,Mc Nemer test, Garatte ranking method, Anova, Rank Correlation method and Simple percentage analysis. Chi-square test is used to find out how far the factors like Demographic characteristics and usage patteren of respondents influence brand choice. The various statistical tools used in the study were as follows:

❖ Mean, Median, Quartiles and Standard Deviation [11]

Mean score were used to find out the respondents overall perception of brand equity of selected car. Median was used to classify the level of influence into good and not so good. Quartiles show the distribution of influence scores of the respondents.

❖ Factor Analysis

Factor Analysis [12]aims at explaining the relationships among numerous variables in terms of a relatively few underlying factor variables. Factor scores are composite variables that represent the status of factor –dimensions. The variables influencing the selection of brand were separately processed to arrive at the cluster of factors.

Out of several methods available for orthogonal solution, a Varimax technique was used. This method seeks maximum sum of variances of squared loading across a factor for all factors.Varimax minimizes any tendency towards a general factor in the solution. The rotated factor matrix is prepared using the orthogonal varimax rotation. Kaiser's criterion was applied

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11.Underhill,L.G.;Bradfield d.(1998) Introstat,Juta and Company Ltd. ISBN 070213838X p.181.

12. Velicer,W.F.& Jackson, D.N . (1990)."Component analysis versus common factor analysis : Some issues in selecting an appropriate procedure". Multivariate Behavioral Research ,25(1),pp.1-28.

and only those components whose characteristic root or Eigen value is greater than one are retained for further analysis.

In this study, factor analysis is applied over 57 variables which are the features of a car preference. All these fifty seven variables are rated by the respondents on a five point scale. The Scale indicates the degree of importance attached to the factors in the choice of a car.

✪ Structural Equation Model [13]

A structural theory is a conceptual representation of the relationships between constructs .It can be expressed in terms of a structural model that represents the theory with a set of structural equations and is usually depicted with a visual diagram.

✪ Garret Ranking

Garrett's ranking technique[14] was adopted to analyse customer's inducement to purchase a brand. The customers were asked to rank the factors according to their inducement while purchasing. The order to merit thus given by the respondents was converted into rank by using the following formula:

Percent Position [15]= $100 (R_{ij} - 0.50) / N_j$

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13. Bollen,K.A and Long , S J (1993) Testing Structural Equation Models. SAGE Focus Edition,Vol.154, ISBN 0-8039-4507-8.p.12.
14. Fleiss , J.L.(1981). Statistical methods for rates and proportions (2nd ed). New York : John Wiley.p.114.ISBN 0-471-06428-9.pp.145-51.
15. Simon,J.L., and Holmes,A(1969)," A Really New way to teach probability and Statistics," The Mathematics Teacher, LXII, April,pp.283-288.

Where R_{ij} = rank given for the ith factor by j[th] individuals

N_j = Number of factors ranked by j[th] individuals

✪ Analysis of Variance (ANOVA)

The basic principle of ANOVA[16] is to test for differences among the means of the populations by examining the amount of variation within each of these samples, relative to the amount of variation between the samples. Two-way ANOVA technique is used when the data are classified on the basis of two factors.

✪ Rank Correlation

A Rank Correlation[17] is the relationship between different ranking of the same set of items. A rank correlation coefficient measure the degree of similarity between two ranking , and can be used to assess its significance .

✪ T-test [18]

One of the applications of the t-test is to verify the statistical significance of the difference between the means of two independent samples.

T-test has been used to study the statistical significance of the difference in brand equity components between car owner and potential car buyer.

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16. Howell,David(2002) . Statistical Method for Psychology . Duxbury .P-324-325.ISBN 0-534-37770-X.pp.176-79.

17. Everitt, B.S (2002) , The Cambridge Dictionary of Statistics , Cambridge : Cambridge University Press , ISBN 0-521-81099-X .pp.167-71.
18.Raju TN (2005) ."William Sealy Gosset and William A.Silverman:two"students"of science".Pediatrics116(3):pp.732-35.

1.8.5 Brief Profile of Madurai District

Madurai, probably over 2500 years old, is the oldest city in Tamil Nadu. Madurai is an ancient and prestigious city in the Indian state of Tamil Nadu, situated on the banks of the River Vaigai in Madurai district.

❖ **Geographical Features**

Tamil Nadu is one of the 18 states in India and is located in the southern part of the country. Madurai District has an area of 374.73 square kilometers and population is 25.62 lakhs as per 2001 census. It has seven taluks and 13 blocks in Madurai District.

FIGURE 1.1 : Madurai District Map
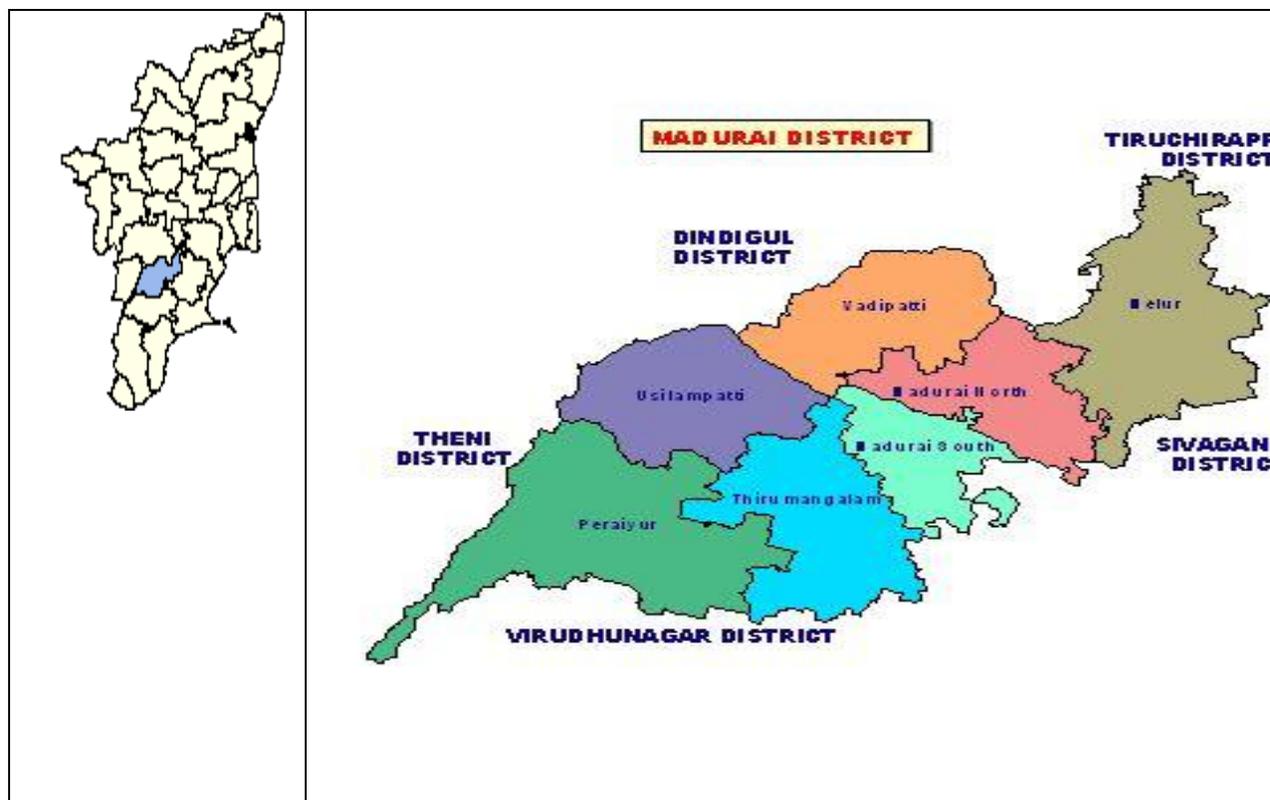
Source: tnmaps[19]

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19. http://tnmaps.tn.nic.in , Retrieved 2010-11-11.

❖ **Demographic Features**

The demographic features of a country mainly refer to population, density of population distribution, literacy and sex ratio. These aspects with respect to the study area, Madurai District is given below.

TABLE 1.2: **Demographic Features as per 2001 census**

Particulars	Madurai District

1. Population	25,78,201
a) Male	13,03,363
b) Female	12,74,838
2. Percentage of Literates	
a) Male	87%
b) Female	69.93%
3. Sex Ratio (Number of Females per 100 Males)	970

Source: Census India [20]

❖ Population

Madurai district population is 25,78,201. The male population is 13, 03,363 and female population is 12, 74,838 according to 2001 census.

❖ Density

Madurai district occupies the fifth place in terms of density among the districts and its density is 453. The socio-economic factors affecting population distribution are the type of

20. Census Details,http://www.censusindia.gov.in/2001-common/censusdataonline.html, Retrieved 2010-12-10

employed and social policy. In Madurai district, the concentration of population is due to various economic activities carried out in the area. The activities include trade, business, transport and other services. Economic activities and technology used are mutually related and influence distribution of population. The high density of the district is also due to migration from the surrounding villages in search of employment opportunities.

❖ Level of Literacy

The United States has a defined level of literacy as the ability of a person to read and write with understanding a short simple statement in his everyday life and should be collected from those who are ten years of age or above. The level of literacy has an important bearing on socio-economic development of the economy. Literacy statistics is useful in preparing development plans as well as for framing educational policy. In Madurai district the male literacy is 87 percent and female literacy is 69.93 percent according to 2001 census.

❖ Sex Ratio

As per 2001 census, the sex ratio of the district is the number of female per 1000 males is 970. The society as such is male dominated at all levels.

❖ Economic Features

The economic features that are considered include work force and occupational distribution, agriculture, industry and credit structure in the study area.

❖ Work Force and Occupational Distribution

The economic and social development of a nation depends on the number of persons who are economically active, the quality of their work and the regularity of employment. Young adult population constitutes the labour force or economically active population.

Occupation can be classified into primary, secondary and tertiary. Manufacturing Industries include small scale and cottage industries. The total workers include those who are employed in all sectors of the economy. Main workers include those who are employed as cultivators, agricultural labourers and household industry. The tertiary sector includes all types of services like Administration, Banking, Insurance and the like.

TABLE 1.3

Occupation Distribution in Madurai District

Occupation	Madurai District (Percentage to population)
Total workers	42.14
Main workers	40.62
Marginal workers	1.52

Source: Census India [21]

Among the total workers, the main workers constitute 40.62 percent and 1.52 percent as marginal workers in Madurai District.

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21. Employment Details,http://www.censusindia.gov.in/2001-workers/censusdataonline.html, Retrieved 2010-12-10

❖ **Industry**

In any economy, industries play a prominent role in terms of its contribution to total output, total income and employment. The industries are engaged in the manufacture of a wide

variety of products like textiles, readymade garments, metal and alloys, metal products, food products, sugar and sugar products. Khadi and Village industries also furnish in Madurai district, especially in rural areas.

❖ **Madurai Market**

The mark of liberalization in the Indian economy had created a change in market. Due to entrance of many foreign manufacturers the car market has gained its importance . As the life styles of consumer changes , an attempt is made to study the car dealer in Madurai District , the list of car dealers are given below.

TABLE 1.4

Car Dealers in Madurai District

Sl.No	Name of Car	Car Dealer
1	Maruti	ABT , Union Motor Services
2	Tata	ARAS and PVPV , ARAS Motors Pvt.Ltd
3	Ford	Rajshree Ford
4	Toyota	Annamalai Agencies
5	Hyundai	Susee

Source: Madurai.click.in[22]

22.Car Dealers,http://Madurai.click.in/classifieds/automobile/1/127/car-dealers.html,Retrieved 2010-12-11

Table 1.4 gives the information on car dealers. Every car dealer is offering many finance options . Dealers tie up with various financial institutions like ICICI , Sundaram Finance , Kotak

Mahendra Finance Limited and Cholamandalam Finance to offer spot car loans . Though the financial institutions have set up permanent counters at the show rooms the terms and conditions largely remain the same. Features like 24 hour emergency on road service are being introduced and copied by everyone to assist in emergencies like car breakdowns.

As there are a number of car brands available in different colours , with attractive features, advanced technology, more comfort , affordable prices , service facilities , innovative promotion schemes from dealers , a study on brand equity of various cars in family car segment with reference to Madurai District.

1.9 REVIEW OF LITERATURE

In any scientific study, conceptualization forms an integral part and well-defined concepts tools and methods of analysis are essential to help the researchers in collecting, processing and analyzing the data and arriving the plausible conclusions. This chapter attempts to review the relevant literature relating to the field of investigation to form a basis for definition of concepts and to draw meaningful conclusions. For the purpose of clarity and convenience, a review has been organized under the following headings:

- Brand Preference
- Brand Awareness
- Perceived quality
- Brand Loyalty
- Brand Association
- Brand Equity
- Purchase Intention
- Car segment

Ravichandran.K and Narayanarajan.S [23] in his article "factors determining the brand preference of consumer durables" analysed aspects relating brand preference is largely influenced by a number of factors such as advertisement, price , quality, performance , availability of spares, and after-sales service.

Karajaluoto [24] in his article "consumer choice in the context of automobile industry" analysed aspects seven estimated factors influencing automobile choice were: product variety, product performance, product features , product design , product presentation, product size, product quality.

Dr. P. Natarajan & Thiripurasundari U,[25] in their paper Brand Preference on 'B'Segment Maruti Cars, emphasized that strong brands quality increase trust in intangible products enabling customers to better visualize and understand them.

Cobb.W.C et al [26] in their article "Brand equity on customer preference and purchase intentions" analysed the antecedents of brand equity are considered to be brand attitude and brand image, and the consequences of brand equity are considered to be brand preference and purchase intentions.

23. Ravichandran.K and Narayanarajan.S , "factors determining the brand preference of consumer durables" Indian Jouranal of Marketing , November 2010 , pp.29-34.
24. Karjaluoto" consumer choice in the context of automobile industry" , Indian Journal of Marketing , April2011,pp.38-42
25. " Factor facilitating brand equity dynamics"Research World journals of Arts , science and commerce , Vol-II,Issue-2,April2011 ,pp148-152
26. Cobb,W.C., Rubble, C., & Donthu, N.(1995). Brand equity, brand preference, and purchase intent Journal of Advertising, 24(3), pp.25-40.

Gaedebe [27] in his article "Consumer Attitude Towards cars made in developing countries", identified brand name , pricing and distributor's reputation are the most important factors to brand equity of different models of cars.

Morgan [28] in his article " A customer oriented framework of brand equity and loyalty" identified that brand equity can be studied in terms of perceived quality , brand awareness , brand association and brand loyalty.

Rangaswamy [29] in his article "Brand Equity and the Extendibility of Brand Names " emphasized on certain dimensions of brand equity and their effect on financial performance of the firms.

Park and Srinivasan [30] in their article "A Survey Based Method for Measuring and Understanding Brand Equity and its Extendibility," conducted study on various car models in European market and concluded that brand equity should be evaluated in terms of consumer knowledge, and associations with respect to the brand.

27. Gaedebe R(2007), Consumer Attitude Toward s Cars made in Developing Countries, Journal of Retailing, 49,(summer), pp13-24.
28. Morgan, R.P.(2000), A customer-oriented framework of brand equity and loyalty, International Journal of Market Research 42 (3), pp.65–120.
29. Rangaswamy, A., R. R. Burke and T. A .Olive (1993), Brand Equity and the Extendibility of Brand Names, International Journal of Research in Marketing, 10,1, pp.61-75
30. Park, Chan S. and V. Srinivasan (1994), A Survey Based Method for Measuring and Understanding Brand Equity and its Extendibility, Journal of Marketing Research, 31 (May), pp.271-288.

Simon and Sullivan [31] in their article "The Measurement and Determinants of Brand Equity: A Financial Approach," conducted empirical study on automobile firms and concluded that brand equity is important measurement issue for intangible assets in the new economy. He also validated the effect of brand equity on the value of the firm and addressed the capital market effects of intangible associations with brand value.

Yoo et.al[32] in their article "Developing and validating a multidimensional customer-based equity scale" designed brand metrics for measuring the qualitative parameters of brand performance evaluated effectiveness of brand-building.

Chen C and Chang Y[33] in their article "Airline brand equity, brand preference, and purchase intentions-The moderating effects of switching costs" evaluated the effects of brand equity on brand preference and purchased intentions. They demonstrated the moderating effects of switching cost on the relationship between brand equity and purchase intentions on airline profitability.

Keller and Kevin Lane [34] in their article "Conceptualizing, Measuring, and Managing Customer-Based Brand Equity" coined the customer-based definition of brand equity as the differential effect of brand knowledge on consumer response to the marketing of the brand. A

31. Simon, Carol J. and Mary W Sullivan (1993), ―The Measurement and Determinants of Brand Equity: A Financial Approach, Marketing Science, 12 (Winter), pp.28-52.
32. Yoo, B., Donthu, N. (2001), ― Developing and validating a multidimensional customer-based equity scale,. Journal of Business Research 52 (1), pp.1–14
33. Chen Ching Fu and Chang Yu Ying(2008), ―Airline brand equity, brand preference, and purchase intentions—The moderating effects of switching costs, Journal of Air Transport Management 14,pp. 40–42
34. Keller, Kevin Lane (1993), ―Conceptualizing, Measuring, and Managing Customer-Based Brand Equity, Journal of Marketing, 57 (January).pp.1-22.

thorough understanding of brand equity from the customer's point of view is essential for successfully managing the brand.

Biel [35] in his article suggests that brand image has three contributing sub-images – that of the maker (corporate image), of the product/service, and of the users.

Liu [36] in his article examined factors affecting the brand decision in the automobile industry in Asia. It is concluded that brand attributes and product quality is essential element for choosing the brand for purchase.

Washburn and Plank[37] investigated the validation of multidimensional consumer-based brand equity(MBE). After measuring brand equity with items of MBE, they concluded that measurement of the MBE had validation of the measuring. However, they implied that using only three dimensions which combined awareness with association should be carefully considered when adapted to other studies.

Cathy et al ,[38] in his article examines the consequences of brand equity. In particular, it examines the effect of brand equity on consumer preferences and purchase intentions.

Chattopadhyay, Shivani and Krishnan[39] in their article examined the Brand awareness along with strong brand association forms a strong brand image. Brand association, which results

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35. Biel, A. L. (1992) How brand image drives brand equity. Journal of Advertising Research, 32(6), pp.6-12.
36. Liu, C M (2002), 'The Effects of Promotional Activities on Brand Decision in the Cellular' Journal of Product and Brand Management, Vol.11, Number 1, pp. 42-51.
37. Washburn, J.H., Plank, R.E. (2002). Measuring brand equity: An evaluation of a consumer-based brand equity scale. Journal of Marketing Theory and Practice, 10(1), pp.46-62
38.cathy j Cobb-Walgren , Cynthia A Ruble , N Donthu (1995) , "The Impact of brand equity on brand preference and purchase intentions in service industries . Journal of Advertising ,Vol:24, Issue-3,American Academy of Advertising ,pp-25-40.
39. Chattopadhyay et al , " Marketing Mix Elements influencing brand equity and brand choice".Vikalpa,Vol 35, No-3,july-sep 2010,pp.67-84.

in high brand awareness, is positively related to brand equity as it can be a signal of quality and may thus help the buyer consider the brand at the point of purchase.

Dr. P. Natarajan & U. Thiripurasundari[40] in their article observe that consumer preference of global brands vs. local brands in the Indian car industry. Consumer brand perceptions have substantial implications in Marketing. The findings of the study advised that the consumers who possessed global car brands, preferred their car brands due to factors such as global presence, worldwide reputation and quality of being a foreign made.

Manoj Pandey & Dr. J.K. Raju [41] in their article examine the outcome of brand positioning is brand perception which can be gathered from multiple routes including customer experiences, marketing communication efforts and word of mouth.

Shanmuganathan.S[42] , has found out that brand preference among direct online Electronic Motor start as in Madurai City , has been influenced by the factors like good quality and better performance.

J.D.Singh and Raghbin Singh [43], in " A Study of Brand Loyalty" found that there is in existence a high degree of store loyalty rather brand loyalty among respondents. But store loyalty

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40. Dr. P.Natarajan & Thiripurasundari U. (2010), Local brand vs. Global brand syndrome –A study with reference to Indian car industry, Advances in Management, Vol. 3, No:10.pp.12-13.
41. Manoj Pandey & Dr. J.K. Raju (2009), Analyzing Relationship between Brand Perception and Customer Loyalty in Life Insurance Industry, The Journal – Contemporary Management Research, Vol.3, No 1, March (2009).pp.15-17.
42. Shanmuganathan.S, brand preference for direct online Electronic Motor start as in Madurai City.(MKU March 2002),pp.40-45.
43. J.D.Singh and Raghbin Singh – " A Study of Brand Loyalty " – Indian Journal of Marketing – 14(4)-1983-pp15-21.

contribute more to the brand loyalty. The main reasons for loyalty are quality of the product , ready and regular availability and brand/company reputation.

Jeyalakshmi Sethuraman [44], in her study on brand preference for toothpaste in Madurai city found out the following factors influencing brand preference : family members 56% ; friends 8% ; TV advertisements 20% ; News paper advertisement 5% ;Self 4% ; and Medical advice 7%.

Niraj Dawar and Philip Parker[45] in their study on Marketing universals stated that " Consumers used brand name , price , physical appearance and retailer reputation as signal of product quality and found that brand name signals are always ranked the highest and retailer reputation signals are always ranked as the lowest and price signals are always ranked between brand name and retailer reputation . There is a positive and statistically significant correlation among Price , Brand , Physical appearance and retailer reputation . It shows that there are people who are generally more signal oriented than others. The more one uses brand names as a signal , for example , the more one also will use price , physical appearance and retailer reputation as signals of product quality.

Mohamed Abdul Azeem [46] in his study on " New products introduction – a study of detergents", pointed out that the major factor influencing the purchase are brand name , price ,

44. Jeyalakshmi Sethuraman "brand preference for toothpaste in Madurai city"-TSM –MKU-March19994)-p.34
45. Niraj Dawan and Philip Parker in their study on Marketing Universals stated that " Consumer's use of brand Name , Price , Physical appearance and retailer reputation as signals of product quality" – Journal of Marketing – 58(2) – April 1994 . pp.81-95
46. Mohamed Abdul Azeem-" New products introduction – a study of detergents"- Indian Journal of Marketing -25(8-9)-August 97- pp 25-26.

availability and service respectively. The source of awareness about multinational brands are television advertisements , friends and relatives , dealers Magazines , and News papers .

Hormazd Sorabjee[47] in his article " Small Car War" analyzed aspects relating to new compact cars like Telco's Indica , Daewoo's Matiz , Hyundai's Santro and their advantages which would shake up the Indian Market.

Bodhisatva Ganguli[48] in his article , " Small Cars , Big Fight " analyzed the launch of small cars from Daewoo, Telco and Hyundai for the Indian Market and the kind of challenge they posed to Maruti 800.

Jerry Flint[49] in his article , "Car Sales Zoom Past the Slowdown " analyzed the motivating factors of auto buyers in the economy and how the new products were wooing the customers with great success.

Sooraj Bhat and Puneet Dhamija[50] in their article " The Indian Passenger Car Market : Outlook for Maruti " compared the recent price decrease , marking the replacement of a cost-plus pricing region with that of a market-driven pricing mechanism. The work in progress and finished goods inventory was low , because Maruti was opening in a market where demand for each product was in excess of supply. Anecdotal evidence suggested that many customers preferred roadside mechanics and Maruti was motivating its dealers to open more workshops.

47. Hormazd Sorabjee , " Small Car War " , Business India , October 5-18,1998,pp.69-72.
48. Bodhisatva Ganguli, " Small Cars , Big Fight ", Business India , January 26 – Feburary 8,1998,pp.70-73
49. Jerry Flint, "Car Sales Zoom Past the Slowdown ", Economics Times , 17 April 2002 , p.7
50. Sooraj Bhat and Puneet Dhamija , " The Indian Passenger Car Market : Outlook for Maruti ", Management Review , December 1999 , pp.5-16.

Roshun Povaiah[51] in his article ," Big Deels "analyzed how D-segment cars aimed at sedan users who needed to move up.

R.N.Agarwal[52] in his article ,"Profitability and Growth in Indian Automobile Manufacturing Industry",analysed how firms had been making super normal profit since 1975, when price controls were removed .

Kanika Goswami[53] in his article , " Zip and Zap of Marketing " analysed how Santro's ad using the actor , Sharuk Khan for Hyundai Santro , a product designed from chassis to the finish , to address consumer needs succeeded.

Aresh Shirali[54] in his article discussed car advertising in india which had finally had taken off . Since more manufacturers were entering the market , brand building would take a decade to familiarize their names through advertisement . Analysts expect real action in the small car segment , where full throated advertising is still to begin. In the year 2003 , and the expenditure level exceeded that of soaps and detergents put together.

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51. Roshun Povaiah , "Big Deels", Advertising and Marketing , 15-31 August 2001,Vol.XIII, Issue VIII,p.44.
52.R.N.Agarwal, " Profitability and Growth in Indian Automobile Manufacturing Industry", Indian Economic Review , Vol.XXVI , No.1,1991,pp.81-95.
53.Kanika Goswami " Zip and Zap of Marketing ", Advertising and Marketing , 15 Aug 2001 , Vol.123, Issue No.6 , pp.20-23.
54. Aresh Shirali , " Flag , Car Advertising " , Advertisement and Marketing , 31st August 1998,pp.52-57.

Anusha Raman[55] in her article " Secondhand cars : Not New ? So What ? " pointed out that the market for second- hand cars was improving all over the country and added tips for second-hand car buying .

Kala Vijayaraghavan[56] in her article , "Used is Very Useful" analyzed how the car makers , dealers and financiers joined hand to push the sale of used cars.

Chang et al[57] in her article "The impact of brand equity on brand preference and purchase intension in the service industries" examine the antecedents of brand equity are considered to be brand attitude and brand image, and the consequences of brand equity are considered to be brand preference and purchase intentions.

Gunningham[58] made a study on " Brand loyalty – What , Where , How much?".He measured that brand loyalty is the proportion of total purchase within a given product category resorted to the most frequently purchased brand or set of brands.

Samuel Sharer[59] emphasized the fact that brand loyalty is a specific phenomenon and the same products are likely to have more loyalty than others . It was found that higher income

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55. Anusha Raman," Secondhand cars : Not New ? So What ? " , Industrial Economist, 15-29 August 2001,Vol.11,pp.10-17.
56. Kala Vijayaraghavan, "Used is Very Useful", Economic Times , 16 Dec 2001 , p.7.
57. Chang, Hsin Hsin and Liu, Ya Ming 'The impact of brand equity on brand preference and purchase intentions in the service industries', The Service Industries Journal, 29: 12 (2009), pp 1687 – 1706
58.Roses M.Gunninggham (1956) " brand loyalty – What , Where , How much?"Harvard Business Review , Vol.34(jan-feb)pp116-128
59.Samuel Sharer (Sharier) , Brand Loyalty and the Household's Cost of time ", Journal of Business ,Vol47, Jan.1974,pp53-55.

groups are loyal to their brands. But when they are confronted with an out-of-stock situation, they would switch to other brands rather than spend time to seek their preferred brand.

Rositer and Percy[60] argued that brand loyalty is often characterized by a favourable attitude towards a brand and repeated purchase of the same brand over time.

Roger A.Kerin&Raj Sethuraman[61] ,in their article, "Exploring the brand value shareholder value Nexus for consumer goods companies " emphasized the fact it is generally claimed that brand name are a corporate asset with an economic value that creates wealth for a firm's shareholders . However , the scholarly literature has neither provided a comprehensive theoretical basis for this claim nor documented an empirical relationship between brand value and shareholder value . This exploratory study describes a rationale for, and documents the statistical strength and functional form of a brand value shareholder value relationship for publicly held consumer goods Companies in the united states . A theoretical argument supportive of a positive relationship between a firms' accumulated brand value and market –to-book (M/B) Ratio was empirically validated. Even through firms with higher accumulated brand value have higher M/B Ratios, the functional form of the relationship was found to be concave with decreasing return to scale.

60.Rossiter J.R and Piercy (1987) , " Advertising and promotion Management, Mc Graw Hill, New York.pp.12-15.
61. Roger A.Kerin & Raj Sethuraman (1998) ,"Exploring the brand value shareholder value Nexus for consumer goods companies ", Journal of the Academy of Marketing Science,Vol:26,pp260-273.

Thomas J.Madden , Frank Fehle and Susan Fournier[62] ,in their article " Brands Matter : An Empirical Demonstration of the creation of shareholder value through branding " this research responds to the attendant need for empirical evidence pertaining to how marketing affects firm performance . The authors provide empirical evidence for the branding – shareholder value creation link. The results showing that strong brands not deliver greater returns to stockholders.

Fang Wang and Xiao-Ping (Steven) [63] enquire into the nature and degree of advertising effects on firm intangible values.Based on marketing research on consumer based brand equity, this paper challenges the prevailing decaying assumption employed in accounting / finance disciplines to model the advertising –firm value relationship. Meanwhile, using financial data and methods, they provide new measures for the marketing discipline to evaluate the effectiveness of advertising to create brand intangible. Results indicate that advertising effects on firm intangible assets are sustainable and accumulative and support the asset/investment –like characteristics of advertising expenditures. The research provides an empirical method to assess long-term advertising performance and suggests firms, varying effectiveness in creating brand equity through advertising performance and suggests firms' varying effectiveness in creating brand equity through advertising. This study is the first to report negative persistence effects of advertising to firm intangible values.

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62. Thomas J.Madden , Frank Fehle & Susan Fournier (2006) , " Brands Matter : An Empirical Demonstration of the creation of shareholder value through branding " , Journal of the Academy of Marketing Science, Vol.34,pp224-235
63.Fang Wang & Xiao-ping(Steven) Zhang & Ming Ouyang (2008) , " Does advertising create sustained firm value? The capitalization of brand intangible", Journal of the Academy Marketing Science 2008 , Vol:37, pp 130-143.

Ravichandran.K,and Narayanarajan.S[64], in their article studied factors determining the brand preference of consumer durables . They concluded that the study with brand preference of consumer durables is largely influenced by a number of factors such as advertisement,Price, quality,Performance , availability of spares , and after sales service. Moreover, these factors play a vital role in the decision making process and in the brand preference.

Tickwell, Paul A , M Horgan , Dianne D and Keeny Charles[65] in their article " Relationship between self-image , brand image , and brand loyalty and whether people use products to enhance self Image "investigated the implications of loyal and non-loyal brands and in his study they found that significant differences exist between loyal and non-loyal brands and also high correlation exists between self image and product user rating .

Dorsch et al[66] in their article " Consumer intensions to use a service category " studied consumer choice behavior using the five-step process (need –information scarch-evaluation of alternative –purchase-post purchase evaluation) problem solving paradigm or through the progression of consumer choice from a product class to brand choice.

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64. Ravichandran K . Narayanarajan S (2004) , " Factors determining the brand preference of TV with special reference to Thoothukudi District in Tamil Nadu", Indian Journal of Marketing . Volume xxxiv.Number4 April. Pp.17-21.
65. Tick well Paul M , Horgon. Dainne D and Keeny Charless (1993) , " Relationship between self-image , brand image , and brand loyalty and whether people use products to enhance self Image " Research and Review , vol.22.July Issue .pp.151-55.
66. Dorsch.M.J., Grove.S.J and Darden.W.R (2000) . " Consumer intensions to use a service category " . Journal of service Marketing .14(2).pp.92-117.

Smita Sharma[67] in her study " Celebrity endorsement - Is it the only survival recipe for marketers?" pointed out the importance of celebrity endorsement in advertisement and concluded that advertisers use endorsers to add excitement and glamour to their brands. Basically, celebrity endorsements give a brand a touch of glamour in the minds of people, and the hope that a famous face will provide added appeal and name recognition in a crowded market.

Broadbent and Cooper[68] in their study noted that, if the brand is to be successful,image and symbols must relate to and indeed exploit the needs , values and life styles of consumers in such a way that the meanings involved give added values, and differentiate the brand from other brands.

Ambler and styles[69] in their article "Brand development versus product development : toward a process model of extension decisions" describe two different views of defining a brand . The first is the product plus view, when the brand is seen as an addition to the product ,and in this view , a brand is also called an identifier.The second is the holistic view that communicates the focus on the brand itself that is considered to be much more than just the product.

Wee[70] conducted a study to indentify the factors affecting adoption of new product innovations in the consumer electronic industry of Singapore using qualitative and quantitative research techniques , the researcher considered two brands and using factor analysis, seven

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67. Smita Sharma (2006) . " Celebrity endorsement is it the only survival recipe for marketers?". Indian Journal of Marketing . Volume xxxvi.Number 10 October . pp.19-24.
68. Broadbent . K and Cooper P (1987) . " Research is good for you", Marketing Intelligent Planning .5:pp.3-9.
69. Ambler.T and Styles.C (1996) , " Brand development versus product development : toward a process model of extension decisions", Journal of Product brand Management, 6(4):pp.223-234
70. Tan Tsu Wee T (2003) . Factors affecting new product innovation in the consumer electronic industry –Singapore. Management Review . pp.121-24.

factors were identified as critical in effecting adoption of a player , relative advantage , perceived risk , complexity , compatibility , observability , image and trialability.

Joseph and Richard[71] in their article " Multivariate Analysis of Brand Loyalty for Major Household Appliance " emphasized the known fact of brand loyalty emerge from brand satisfaction .They observed that a relatively strong relationship exists between brand loyalty and satisfaction with a present product of that brand.

Charles and French[72] in their article "Brand Loyalty and the Household's Cost of time ", emphasized the fact that brand loyalty is a specific phenomenon and the same products are likely to have more loyalty than others . It was found that higher income groups are loyal to their brands. But when they are confronted with an out-of-stock situation , they would switch to other brands rather than spend time to seek their preferred brand.

The review of literature reveals that many studies were done on brand equity only in relation to FMCG Products and Service Sector Units. This study focuses on durable goods relating to automobile industry, especially family cars. Further, literature review vividly shows that the studies were focused on building and conceptualizing brand equity with no consensus on how to measure it or what constructs to include in the measurement process. Therefore, there is an urgent need to identify brand equity constructs in a way that allows researcher to measure them and effectively analyze the key factors associated with brand market performance.

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71. Joseph W Newman , Richard A Werbel (1973) " Multivariate Analysis of Brand Loyalty for Major Household Appliance " , Journal of Marketing Research , Vol-10, Issue-4, pp-404-409.
72.Charles and French, "Brand Loyalty and the Household's Cost of time ", Journal of Business ,Vol47, Jan.1974,pp53-55.

1.10 LIMITATION OF THE STUDY

However it cannot be denied that the study has its own limitation. Since the study was limited to Madurai District alone , the finding of the study cannot be applied to other areas.

The researcher collected data through direct interview with a pre-structured schedule. Therefore the study was affected by the limitations of method adopted for collecting the primary data.

Some limitations are associated with the respondents such as unwillingness or their inability to provide certain information. Similarly there are memory bias and reporting bias.

The responses of the respondents were momentary and they were not given any prior intimation regarding the survey.

The primary data collection takes a good deal of time. The collection of primary data involves considerable expenses.

Further, the present study is confined to only brand equity of various cars in family car segment and not brand equity of passenger car segment.

1.11 SCHEME OF THE WORK

The first chapter deals with Introduction , Origin of the Car , Overview of Car Market in India , Family Cars , Brand Equity , the Review of relevant Literature , Methodology which includes Research Design , Sample Design , Data Collection , Data Analysis Methods , Main Objectives and Scheme of Work.

The second chapter deals with the Global car Market, Global Car Giants in India and the Domestic Car Market.

Chapter Three discusses the Brand Equity which includes different author's opinion and valuation methods.

Chapter Four deals the impact of respondents demographic and usage pattern towards brand preference.

Chapter Five is devoted to explaining the brand equity of various cars in family car segment.

The final chapter is a summation of findings and suggestions made in the context of the findings.

CHAPTER II

CAR MARKET

2.1 INTRODUCTION

Automobile Industry is considered to be one of the key sectors of any economy; it is capable of being the driver of economic growth because of both its backward as well as forward linkages with other sectors in the economy. According to the automotive Mission Plan (2006 – 16), india is one of the fasted growing automobile industries in the world . The sector's share in Gross Domestic Product (GDP) rose from 2.8% in the fiscal year 1992-93(April 1992 – March 1993) to 5% in the fiscal year 2005-06 and it has been rising every year since then . In the year