CHAPTER - 8
CONCLUSION AND SUGGESTIONS
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Recommendations:

In rivalry surroundings a considerable number of management focuses is directed at setting up their firms as the leaders in market. In a focused industry where three to four leading players enjoy huge share market such an issue becomes much essential.

The topic of research –“Impact of consumer behavior over marketing strategy-A comparative study of two wheeler industry with special reference to Bajaj Auto” is aimed to suggest what Bajaj needs to do in Jaipur market to improve its market share over Hero and TVS Company.

In our research it has come out clearly that BAJAJ AUTO has a negative correlation between consumer behavior and marketing strategy in Jaipur market.

Further basis component extraction 4 variables-Price, Quality, features and warranty were found having maximum correlations with their respective components and independent to each other.

If BAJAJ AUTO works on above four Variables-Price, Quality, features and Warranty than perhaps the Company will have a higher market share in Jaipur market. Following are the suggested recommendations for BAJAJ-

PRICE-

It is found from our research that Buying decision of consumers having their age less than 35 years and unmarried are more influenced with price of product than the consumers having their age equal or more than 35 years.
Under price segment, motor cycle industry is divided in 3 segments-
1. Entry level price segment.
2. Executive level price segment.
3. Premium level price segment.

Entry level price Segment is in the Bracket of Rs. 36000-46000 and contributes to 40% of Jaipur motor cycle industry.

In this Price range **BAJAJ AUTO** have following products-
1. CT 100 -Kick start in Spoke wheel (Ex showroom Price-36000).
2. CT 100- Kick start in Alloy wheel (Ex showroom Price-38000).
3. Platina 100 –Electric start in Alloy wheel (Ex showroom Price-41000).
   Total three products are available in Entry level price segment.

**HERO MOTO CORP** have following Products in this segment -
1. Dawn-(Ex showroom Price-40312).
2. Deluxe-Kick start in Spoke wheel (Ex showroom Price-43095).
3. Deluxe- Kick start in Alloy wheel (Ex showroom Price-44043).
5. Deluxe- Electric start in Alloy wheel (Ex showroom Price-46208).

**TVS MOTORS** have following products in entry level price segment-
2. Star Sports 100- Kick start in Alloy wheel (Ex showroom Price-40330).
4. Star City 110- Kick start in Spoke wheel (Ex showroom Price-40030).
5. Star City 110- Kick start in Alloy wheel (Ex showroom Price-42240).

Executive level price Segment is in the Bracket of Rs. 46000-52000 and contributes to 40% of Jaipur motor cycle industry.
In this Price range **BAJAJ AUTO** and **TVS MOTORS** do not have any product.

**HERO MOTO CORP** have following Products in this segment:

<table>
<thead>
<tr>
<th>Product</th>
</tr>
</thead>
<tbody>
<tr>
<td>SPLENDOR + SPOKE KS</td>
</tr>
<tr>
<td>SPLENDOR + (ALLOY) KS</td>
</tr>
<tr>
<td>SP-PRO-DRS-SCR</td>
</tr>
<tr>
<td>SP-PRO-DRK CCR</td>
</tr>
<tr>
<td>SPL I-SMART SPOKE SELF (SCR)</td>
</tr>
<tr>
<td>SPL I-SMART ALLOY SELF (ccr)</td>
</tr>
<tr>
<td>PASS X PRO DRS ALLOY (ccr)</td>
</tr>
<tr>
<td>PASS X PRO DISC SELF</td>
</tr>
<tr>
<td>PASSION PRO DRS ALLOY (ccr)</td>
</tr>
<tr>
<td>PASSION PRO DISC SELF</td>
</tr>
</tbody>
</table>

Recently company has introduced splendor I smart in Electric start variant in alloy and spoke wheels.

In Above price range in entry and Executive Price segment which contributes to 80 % of motor cycle industry of Bajaj Auto, Hero moto corp and TVS clearly shows that consumers have very less choice in BAJAJ product range in entry level segment with completely no product in Executive Price segment.

Following were the **BAJAJ** products in Executive Price segment which are now closed down:

1. **BAJAJ Discover 4G**-Stopped production in 2015.
2. **BAJAJ Discover 100 M**-Stopped production in 2014
3. **BAJAJ Discover 100 T**-stopped production in 2013. These frequent changes have given a blow to consumers resulting in loss of trust in BAJAJ Bikes in this segment resulting in removing from their
consideration sets. To gain confidence to consumers Bajaj need to first prevent frequent closure of Product range.

Whereas HERO MOTO CORPS have a good range of products in entry level and Executive level price segment.

From our study on consumer behavior following were the results-
1. After post hoc testing, it is found that buying decision of consumers having TVS brand have more Influence with price of products than others. Buying decision of consumers having Bajaj and other brand have less Influence with price of products than others.
2. Buying decision of consumers having their age less than 35 years is more Influenced by marketing strategies of HERO company than the consumers having their age equal or more than 35 years.
3. Buying decision of unmarried consumers is more influenced by marketing strategies of HERO company than the married consumers.
4. Buying decision of consumers having their age more than 35 years is less influenced with Consider Price over Features when buying their first two wheeler than the consumers having their age equal or less than 35 years.

This means if Bajaj Auto launch few more products in entry and Executive segment than consumers less than 35 years in age and unmarried, which are currently opting for Hero and TVS will tend to shift their buying decision favouring Bajaj Auto.

**FEATURES-**
Basis our study, it has come out that-
1. Age, marital status and location of consumer has no significant effect on Influence of Features of two wheelers on buying decision.
Conclusion and Suggestions

2. After post hoc testing, it is found that buying decision of consumers having Bajaj have more influence with features of two wheelers than others. Buying decision of consumers having Hero have less influence with features of two wheelers than others.

3. Buying decision of married consumers is more influenced marketing strategies of BAJAJ company than the unmarried consumers.

Bajaj Auto flagship product CT 100 do not have Electric start option available and Platina model do not have a Kick start version whereas Hero and TVS Both have kick-Electric start variant in both spoke and alloy wheel.

Also, CT 100 model of Bajaj Auto do not have fuel meter on the console panel. Today fuel meter is a basic need what consumer wants in all products.

Bajaj Auto need to do following actions in entry level market-
1. Electric start variant in CT 100.
2. Kick start variant in PLATINA
3. Fuel meter in CT 100 for display of fuel level.

Our research states that buying decision of consumers having their age less than 35 yrs is more influence with price of product and when entry level market Bajaj do not have self start and fuel meter consumers do not keep Bajaj in to consideration set.

From our research it has come out that Buying decision of Urban consumers is more influenced by marketing strategy of Bajaj than rural consumers. In Jaipur urban market premium bikes like Pulsar, Avenger, KTM and Ninza sells and in rural market vehicles of entry segment sells more because in rural industry entry segment industry is high and if CT 100 have self start variant with fuel meter and platina have kick start variant than it will sell more in rural market thereby increasing rural market share of Bajaj.
PRODUCT WARRANTY-

Warranty is a must for all products and in 2 wheeler market also there is warranty period for each product.

From our study on consumer behavior it has come out that age, Martial status and location of consumer has no significant effect on Influence of Warranty scheme on buying decision.

After post hoc testing, it is found that buying decision of consumers having Hero have more Influence with Warranty scheme than others. Buying decision of consumers having other brand have less Influence with Warranty scheme than others.

As per consumer behavior in Jaipur market Hero Company gives 5 years of warranty on each of its product whereas Bajaj on each of its product gives warranty of 3 years. This additional 2 years of warranty gives a sense of confidence to its consumers. As per the survey done 66% of consumers have agreed that warranty scheme influence their buying decision.

From above study we can conclude that Bajaj Auto in Jaipur market should go for 5 years of warranty on all its product.

QUALITY-

Quality is an important factor and in our survey done, 78% consumers agreed for the same.32% consumers agreed with Bajaj good product quality against 57% of Hero.

From our study it has come out that Buying decision of consumers having their age more than 35 years is more influenced with quality of two wheelers than the consumers having their age equal or less than 35 years & buying decision of unmarried consumers is more influenced with quality of two wheelers than the married consumers.
Also, After post hoc testing, it is found that buying decision of consumers having Hero have more influence with Quality of two wheelers than others. Buying decision of consumers having other brand have less influence with Quality of two wheelers than others. There is no significant difference is found between consumers having TVS and consumers having bajaj.

Some common product issues in Bajaj motor cycle are-

**Table 8.1: Top 8 Bajaj product related issues**

*(Courtesy Bajaj Service department)*

<table>
<thead>
<tr>
<th>S No</th>
<th>ISSUES-</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Drive chain noise</td>
</tr>
<tr>
<td>2</td>
<td>Engine Oil leakage</td>
</tr>
<tr>
<td>3</td>
<td>Rear Disc brake noise</td>
</tr>
<tr>
<td>4</td>
<td>Starting Trouble</td>
</tr>
<tr>
<td>5</td>
<td>Engine abnormal noise</td>
</tr>
<tr>
<td>6</td>
<td>Steering noise</td>
</tr>
<tr>
<td>7</td>
<td>Clutch cable jam</td>
</tr>
<tr>
<td>8</td>
<td>Gear shifting Hard</td>
</tr>
</tbody>
</table>

Above complaints are reported by Bajaj consumers immediately after purchasing Bajaj motorcycle.

Thus if Bajaj Auto works upon and improves its product quality so as to have trouble free bike than substantial consumers will shift from Hero and TVS.

**SERVICE QUALITY**

Service Quality is one of the most important deciding factor in making buying decision by consumers. In our research it has come out that Bajaj has once again not fared well, 28% of consumers agreed that Bajaj vehicles have good quality of service against 65% of hero.
From our study following have come out – 

1. Buying decision of consumers having their age more than 35 years is more influenced with after sales service of two wheelers than the consumers having their age equal or less than 35 years.

2. Buying decision of single consumers is more influenced with after sales service of two wheelers than the married consumers.

3. After post hoc testing, it is found that buying decision of consumers having Hero more Influence with after sales service of two wheelers than others. Buying decision of consumers having other brand have less Influence with after sales service of two wheelers than others. There is no significant difference is found between consumers having TVS and consumers having bajaj two wheeler.

Basis data received from Bajaj Service dept in Jaipur following gaps were found in Bajaj Dealerships-

<table>
<thead>
<tr>
<th>Dealer</th>
<th>DSS Parameter</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Service Reminder Process</td>
<td>Lost customer analysis Not available (For Jun2014)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Done /Due</td>
</tr>
<tr>
<td></td>
<td>Washing</td>
<td>Washing Gun jet &amp; Spray mode Not available</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Washing SOP Flex board to be replaced</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bottle with kerosene for cleaning small chain cover</td>
</tr>
<tr>
<td></td>
<td>Work Allocation</td>
<td>Check Sheet is attached with job card but NOT Filled</td>
</tr>
<tr>
<td></td>
<td>Periodic Maintenance SOP</td>
<td>2Bar Pressure arrangement for Paper filter cleaning near Filter stand</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Filter stand without pan (Pan leakage)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Air Filter stand writing with Radium</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Chain cleaning stand with radium display</td>
</tr>
</tbody>
</table>
**Conclusion and Suggestions**

### Repair SOP
- Pulsar 200NS Special tools are not on board

### Final Inspection
- No 100% final Inspection
- Mandatory check points (M) are not filled in check sheet by final inspector
- Modified final inspection register to be used

### Post Service Followup (PSFU)
- PSFU dissatisfied customer analysis is not there
- Counter measure based on root cause to prevent dissatisfaction is NOT there
- PSFU Summary sheet is not maintained

### PDI
- Battery FIFO System
- Dial Type Torque wrench N/A
- Hydrometer not being used

### Sp Parts Management
- No data available for periodic parts monthwise consumption

### Tools & Equipment
- GP Tools are not available in sufficient qty in Tools trolley
- Multimeter (Mastek) - 3 Nos
- 6-Channel battery charger in Workshop
- Micrometer 50-75 mm (Mitutoyo) make
- No Register is seen for Tools inventory
- No Record of damage tool replacement
- No Record of verification done by floor incharge

### Infrastructure
- AC in customer waiting area
- Technicians are not in uniform
- Service Adviser not in uniform
- Technicians & Service adviser without Badge
- Tiles in Rear Wall of washing area
- No wash basin in customer toilet
- Post card (Screen printing) for customers
- Magazine Rack in customer waiting area
- Centre table in customer waiting area
- Hanging of rubber plug in washing area
- Drinking water facility in customer waiting area
- Open electrical wiring in workshop
- No Job card billing without Customer signature
- No Job card billing without final inspection
Above table clearly shows that Bajaj workshops in Jaipur lacks on various service parameters and are not equipped to give satisfaction to their consumers. This has resulted in higher repeat complaints in Bajaj products.

Poor service quality has also affected Brand reputation of Bajaj Auto. and created a negative perception on its product. Subsequently consumers have removed Bajaj products from their consideration set while making buying decision in Jaipur market.

In rural service points Situation was found similar.

Following gaps were identified at rural points-
1. Spurious spares.
2. Non genuine oil.
3. Non availability of tools and equipment.
4. Untrained manpower.

Following actions to be taken at all workshops in Jaipur city and at Service points in rural market-
1. Availability of Trained manpower in workshop.
2. As per Bajaj Auto Standard operating procedure(SOP) for service to follow in workshops.
3. To ensure availability of all tools and equipments in workshops.
4. To ensure all tools and equipments are used in Bajaj Workshops.
5. Delivery commitment of service vehicles by workshop staff.

**Other Suggested Actions**-

**PLACE**-

Availability of network in Urban and rural points plays an important role for higher market share of any company. Companies should ensure its presence at all possible location where producer can be sold. This ensures availability of product and also creates awareness.
Below is the Primary and secondary network presence of Bajaj, Hero and TVS in Jaipur district -

<table>
<thead>
<tr>
<th></th>
<th>No of Dlrs</th>
<th>Urban points</th>
<th>Rural points</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>BAJAJ</td>
<td>4</td>
<td>4</td>
<td>36</td>
<td>44</td>
</tr>
<tr>
<td>HERO</td>
<td>5</td>
<td>7</td>
<td>39</td>
<td>51</td>
</tr>
<tr>
<td>TVS</td>
<td>1</td>
<td>4</td>
<td>34</td>
<td>39</td>
</tr>
</tbody>
</table>

Hero have 5 dealers in Jaipur city against 4 of Bajaj. In Mansarover region of Jaipur which is Asia’s largest colony Hero has a dealer whereas Bajaj has no presence. Similarly in Jagatpura region of Jaipur Hero has a big secondary network point whereas Bajaj has no presence. Motorcycle industry size of Mansarover and Jagatpura is 1000 and 1300 bikes resp.

In rural network, Bajaj has 36 Authorised sales and service points and is not available in 3 points-Jhatwara, Baskho and Kukas.

Hero fared well in terms of network presence and ambience of workshops and showroom than Bajaj and TVS.

Places like Bassi, Kanota, Phagi Shahpura Bajaj have poor showroom ambience and accessibility of showrooms was a serious problem for Bajaj Auto.

Bajaj Auto need to review secondary network points on following parameter-

1. To ensure availability of Bajaj sales and service point at all potential locations in Urban and rural locations where Hero Moto corp is already available.
2. Showroom ambience to be reviewed in terms of stock, salesmen and product brochures availability and fund deployed by secondary network for spares and stock.
3. Service center ambience and cleanliness.
PRODUCT RESALE-

Product resale plays and important role in buying decision of consumers in two wheeler market. On an average consumer replaces his current vehicle in 5 years with a new vehicle.

On resale factor as per the survey consumers ranked hero much higher than Bajaj.

This was mainly due to following reasons-
1. In last 10 years, Bajaj has closed down many models like 4S champion, Caliber, Boxer, XCD, DIS 135. This has created a lot of anger and mistrust on Bajaj products.
2. Due to frequent closure of products spare parts availability has become a serious issue in market.

Against this, Hero have not discontinued any of their product range. This has given a lot of confidence to their consumers resulting in higher product resale.

Bajaj is advised to prevent closing its product to gain consumers confidence in Jaipur market.

Spare parts like chain set, brake shoe ,front fender, chain cover ,side mirror, lock set, leg guard, shocker seal, brake holder are different for various models in Bajaj bikes but in Hero bikes all above parts can be easily fitted thus all road side mechanice have a good word of mouth for Hero bikes and negative publicity for Bajaj products.

For consumers convenience Bajaj company should ensure all its major spare parts should be common for all its bikes.

Above steps will enhance resale of bajaj bikes and will subsequently increase Bajaj Vehicle sales.
PROMOTION-
Following actions Bajaj need to take on promotions-

1. Frequency of advt need to increase in Jaipur in both leading newspaper – Raj patrika and Dainik Bhasar.

2. On meeting Bajaj officials it was found that all budget were centralized and there was no local budgets. Local Budgets should be allocated so that local activity at dealership level need to be supported.

3. Tactial advt to be released on festivity with local flavor.

4. Frees Service camp should be promoted to boost consumers confidence on Bajaj products on service front.

5. Company should also remain active at Radio channels for promotion of products and schemes to be promoted through radio medium.

6. Bajaj company should participate at local events through sponsorships to promote and strengthen Bajaj Brand.

7. Bajaj should plan time to time loan and exchange melas with promotion in newspaper and radio highlighting-
   - Attractive down payment schemes
   - Low rate of interest scheme.
   - Buy back scheme.
   - Scratch card scheme.
   - Loyality bonus on exchange.

8. On secondary network incentive scheme should be designed basis volume growth, waiver of interest cost, cash discount and extra margin on lifting of vehicles.

9. Company should hire demo vans for promotion of its products in interior villages.

With above actions in Jaipur market Bajaj will not only improve its brand image but also improves the footfalls in showroom, resulting in high enquiry and subsequently high sales.
Thus we can conclude that by working on product, quality, after sales service and Promotion, Bajaj in Jaipur will have positive correlation between consumer behaviour and marketing strategy resulting in higher market share and profits.

Scope for future studies and research -

Introduction In the context of this research, it is both interesting and significant to survey the present scope for future studies on the impact of consumer behavior on marketing strategy on two wheeler industry in Jaipur, with special reference to Bajaj Auto.

In our research we have taken the sample basis market share of Hero, Bajaj and TVS in Jaipur. Since Bajaj market share is only 12% in Jaipur, number of Bajaj users were 52. In our future research we can increase the sample size of Bajaj and other manufacturer for more depth in understanding consumers insight. We have done our research in Jaipur district and the same can be scaled to Rajasthan state covering various other districts. Covering entire Rajasthan state can help to get consumers from different districts and different culture which will have variety of insights and viewpoints. This can help to get a concrete Study and suggestions for Bajaj and results can be implemented not only in Jaipur but across the state.

In our current research we have taken into consideration Hero, Bajaj and TVS Brands. Now in current scenario Honda has also picked up their sales volume and are well appreciated in Jaipur market by consumers. In future research we can include Honda brand also so that consumers can give their viewpoints on their buying decisions.

In future, consumer of two wheeler will be classified in following manner-
1. Social media driven.
2. Environment sensitive.
3. Health conscious.
4. Smart city consumers.

Above classifications of consumers can be included in the questionnaire since such consumers will increase year on year and their decisions will help manufacturer to plan marketing strategies.

Future researchers can do research on impact of social media driven consumers on marketing strategies of the two wheeler companies.

Like wise, relation between environmental issues & changing mindsets of the new types of consumers on marketing strategies of the companies can be analysed.

Health issues while riding will also impact the marketing strategies of the marketers. It will become new agenda for research among researchers.

Central Govt is creating smart cities in India. So, new norms are being envisaged for providing safe and environmental friendly living to the citizens of these cities. Researchers have to work on new rules for marketers of these two wheelers companies for giving them best marketing strategies for facing the challenges and capturing the opportunities.