6.1 Summary of Findings

From the analysis made on the market segmentation in automobiles, the following things could be inferred.

Findings are based on the type of questionnaire and in two separate parts, first part deals with customers and second part manufacturer of automobile industries.

6.1.1 Findings related to customers:

1. 50.4% of respondent belong to age group 18-24 years, 16.3% belongs to 25-30 years, 8.9% belongs to 31-40 years, 23.7% belong to 41-60 years and only 0.7% are more than 60 years.

2. Most of the respondents holding bachelor degree 50.37%, 25.93% holding master degree, 17.04% having some college education, non matriculate 3.7%, doctorate and other each 1.5% which makes the total population of 100% or 135 respondents.

3. Most of the Respondents were male with the total population of 86.57%, and then female with 13.43% are next. From total 116 male, 63 out of them having bachelor degree, 26 having master degree, 19 some college education, 5 non matriculate, 2 other and 1 doctorate. And from total 18 female respondent, 9 out of them having master degree, 4 holding bachelor degree, 4 holding some college education and 1 doctorate.

4. Most of the respondent (88.06%) were having their first vehicle which being their first experience, 11.19% having their second vehicle which being the already had an experience with vehicle and only very less number 0.75% response to other which being they had experience with more than two vehicles.

5. More than half of respondents bought their vehicle with 100% own finance, 24.6% partially own finance + finance from lenders, 18.7% partially own finance +
finance from manufacturer and only 2.2% no own finance (borrowed money + loan).

6. Most of the respondents got the answer of all questions of at the time of delivery, (84.7%), 13% said some what they have got their answer and only 2.3% were not happy and answered no as a answer of this question.

7. Most of the respondents said there was enough time spent with them at the time of delivery, (78.6%), 18.3% said somewhat enough time spent with them at the time of delivery and only 3.1% there Was not enough time spent with them at the time of delivery.

8. 80.2% respondents said that the delivery of vehicle was a pleasant experience to them, 16% said somewhat it was a pleasant experience and only 3.8% said the delivery of vehicle was not a pleasant experience for them.

9. 89.2% said that the vehicle exterior clean and undamaged and said they were happy with exterior of vehicle, 8.5%said somewhat the vehicle exterior clean and undamaged and 2.3%said the exterior was not clean and undamaged and not happy with that.

10. 89.1% said that the vehicle delivered with all the features as, and said the vehicle delivered to them with all features as promised,10.1%said somewhat the vehicle delivered to them with all features as promised and 0.8%said the delivered vehicle to them was not with all features as promised.

11. 83.1% said that they allow them to thoroughly inspect the vehicle, 13.1%said somewhat they allow them to thoroughly inspect the vehicle and 3.8%said they do not allow them to thoroughly inspect the vehicle.

12. 70.8% said that the vehicle maintenance schedule explained to them, 20.8%said somewhat the vehicle maintenance schedule explained to them and 8.5%said the vehicle maintenance schedule was not explained to them.

13. 70.9% said that the all operating controls of vehicle were explained to them, 19.7%said somewhat the all operating controls of vehicle explained to them and 9.4%said the all operating controls of vehicle were not explained to them.
14. 74.6% said that the all terms of warranty were explained to them, 19.2% said somewhat the all terms of warranty explained to them and 6.2% said the all terms of warranty were not explained to them.

15. 63.6% said that the owner manual explained to them, 27.9% said somewhat the owner manual explained to them and 8.5% said the owner manual was not explained to them.

16. 37.8% near one third said they were introduced with someone from service department, 34.65% said they were not introduced with any one from service department, and 27.56% said they somewhat introduced with someone from service department.

17. More than half of the respondent (68.6%) given undesirable answer, and said car come without full tank of gas, 22% said car come with full tank of gas and 9.3% said somewhat the car come with full tank of gas.

18. 92.4% said that they received their new vehicle problem free, 7.6% said somewhat they received their new vehicle problem free, and no one said that they received their new vehicle with any problem.

19. Based on the data findings most of the respondent are likely purchase another vehicle of this brand, if they had to replace it today.

20. More than half of the respondents satisfied from dealer regarding their post purchase contact (75.40 %), 24.60% of respondent not satisfied from dealer regarding their post purchase contact.

6.1.2 Findings related to manufacturers:

1. More than half of the respondents said that their organization following conventional segmentation (83.78 %) and 16.22% of respondents organization following contemporary segmentation.

2. 89.2% of respondent said trend of customer demand in the last three years increasing in their organization, 8.1% said trend of customer demand in the last three years stagnant in their organization, 2.7% said trend of customer demand in the last three years decreasing in their organization.
3. Most respondent agree that segmentation have a positive effect on customer demand.

4. It was able to understand that more than half of the respondents said that the segmentation is an important part of marketing strategy.

5. Almost all the respondents accepted that the organization gives much priority to market segmentation.

6. The main reason for behind an organization going for segmenting its market is to get a better understanding about the consumers, to make the best use of marketing resources, to render what a customer exactly wants, gain a better position in the market, to assess the strength and weaknesses of competitors, and to avoid unprofitable investments.

7. The segmentation strategies that their organization adapts are price segmentation, demographic segmentation, time segmentation, lifestyle segmentation, geographic segmentation, distribution segmentation, volume segmentation and media segmentation.

8. Total 21 respondent out of 38 respondent said that time segmentation is Somewhat Effective in segmenting automobile industry in India.

9. Total 23 respondent out of 38 respondent said Demographic segmentation very effective in segmenting automobile industry in India.

10. Total 30 respondent out of 38 said price segmentation very Effective in segmenting automobile industry in India.

11. Total 27 respondent out of 38 respondent said Geographic segmentation very Effective in segmenting automobile industry in India.

12. Total 22 respondent out of 38 respondent said Lifestyle segmentation very Effective in segmenting automobile industry in India.

13. Total 22 respondent out of 38 respondent said Distribution segmentation Somewhat Effective in segmenting automobile industry in India.

14. Total 20 respondent out of 38 respondent said Volume segmentation Somewhat Effective in segmenting automobile industry in India.
15. Total 20 respondents out of 38 said that volume segmentation very effective in segmenting automobile industry in India.
16. Total 30 respondents out of 38 agree that with increasing competition it is not enough for the Indian automobile manufactures to rely upon conventional segmentation bases.
17. Total 26 respondents out of 38 agree that with changing consumer attitude it is not enough for the Indian automobile manufactures to rely upon conventional segmentation bases.
18. Total 25 respondents out of 38 agree that creating new bases of segmentation has become essential due to current scenario.
19. Total 25 respondents out of 38 agree that the new bases of segmentation will positively affect customer satisfaction.
20. Total 26 respondents out of 38 said that their organization (as per survey results) having highly satisfied customers.
21. Total 23 respondents out of 38 agree that segmentation will enable customers to be more customer-centric.
22. Total 26 respondents out of 38 agree that segmentation will give an edge over competitors.
23. Total 20 respondents out of 38 agree that there has been a change in the trends in buying behavior of Indian customers in buying automobiles.
24. Total 25 respondents out of 38 respondents agree that the Automobile companies today work towards rethinking about the new bases of segmentation in order to exhibit higher level of competitiveness in the industry.
25. Total 15 respondents out of 38 respondents disagree that analyses of market segments by age, sex, geography, and income level are not likely to provide as much direction for marketing strategy as management requires.
26. More than half of the respondents said that organization ensures that it has automobile products that suit the demand of all categories of consumers in India.
27. Mostly all the respondents said that increasing competition and changing consumer attitudes is not enough for the Indian automobile manufactures to rely upon conventional segmentation bases.
28. Moreover all the respondents said that the bases of segmentation in automobile industry in India have changed significantly.

29. Majority of the respondents said that automobile manufacturers have started creating new bases of segmentation nowadays.

30. Nearly more than half of the total number of respondents agreed that automobile companies create new bases of segmentation as an improvement initiative in order to gain customer focus and customer satisfaction.

31. All the respondents have agreed that there has been change in the trends in buying behavior of Indian customers in buying automobiles.

32. The factors which persuade an Indian consumer most to buy an automobile is price, mileage, convenience, value for money, after sales service, style, number of seats, durability and brand name.

33. Most of the respondents agreed that the demand for automobiles among Indian consumers have increased drastically in the recent days.

34. More than half of the respondents agreed that the higher level of demand for the product have made automobile companies create new bases of segmentation.

35. Almost all the respondents agreed that Indian consumers have begun to move towards luxurious cars than cost effective cars in the recent years.

36. Mostly half of the respondents agreed that with increasing demand for automobiles among Indian consumers the competition among automobile manufacturers have significantly increased.

37. Moreover all the respondents agreed that automobile companies today work towards creating new bases of segmentation in order to exhibit higher level of competitiveness in the industry.

38. Majority of the respondents agreed that the foreign investors at present are very much interested towards investing in Indian automobile market.

39. Nearly more than half of the respondents agreed that there is a bright and promising future for Indian automobile industry in the upcoming years.

40. Finally on the whole all the respondents agreed that with increasing demand for automobiles among Indian consumers, the automobile marketers have a greater scope for expansion in the Indian market in future.
6.2 Conclusion

Market segmentation is the process of partitioning a market into groupings of firms that relatively similar requirements and preferences for market offerings when segmentation markets, automobile market managers look for descriptors that capture significant difference in requirements and preferences for market offerings or how prospective customers will respond to marketing initiatives. Difference descriptors can provide dramatically different views of the market and provide insights to gain competitive advantage. Significantly, irrespective of which descriptors a firm chooses, any market segmentation requires support to validate the market views it suggests. Otherwise, the firm may overlook some subtle, yet critical, distinctions that exist.

Conventionally, industry, customer size, customer behavior, and geography were customary ways of segmentation automobile markets in India. One problem that automobile market managers find with conventional segmentation strategies is that they may still not be precise enough for their needs. Market segmentation captures a number of actions that firms take. Doing business with the suppliers is a basic one, resulting in four segments: firms that are purchasing the suppliers’ market offering previously and currently are purchasing it; firms that have not purchased the suppliers’ market offering; and firms that have previously purchased the suppliers’ market offering, but no longer are purchasing it. Automobile market managers further segment present customers’ purchase behavior based on their extent of usage of a market offering – light, medium, or heavy. Finally, automobile market managers segment by geography when they believe that customer location has a significant effect on doing business.

However, with changing trends of Indian consumers towards purchasing automobiles, it is no more enough for automobile manufacturers to rely upon conventional segmentation bases. Understanding the same automobile marketers are moving towards introducing new segmentation bases. Customer capabilities have become a worthwhile basis of segmentation when customers vary significantly in what competencies they possess, and what knowledge and skills they want suppliers to provide. Many firms now focus on their core competencies and strategic capabilities, and rely on outside firms to provide the rest.
Some customer firms, for example, may possess technical know-how and problem solving capabilities, while others do not expect their suppliers to provide these aspects. Customer business priorities strongly guide which capabilities customer firm seek to posses as source of competitive advantage, and they also provide a progressive basis of segmentation themselves. Segmentation based on customer behavior has advanced from simple purchase behavior to more sophisticated analyses of doing business with customers. Automobile market managers, use measures such as the cost to serve a customer and the customer’s willingness to pay for offerings to gain estimates of contribution to profitability.

To conclude, it can be understood that, today, many business automobile market mangers in India are finding that the focus of parameter of segmentation no longer have the vitality that they once had. Even though they made provide a useful start, they are not enough to pinpoint groups of customers with sufficiently similar requirements and preferences. To gain a more detailed understanding of how customer requirement and preferences vary, automobile market managers use more progressive priorities, usage situation, and customer profitability. Automobile market managers segment by application because firms that use the supplier’s core product or service in the same way or for the same purpose tend to derive value from it similarly.

### 6.3 Recommendations

1. It is recommended that if Indian automobile industries want to use the best way to manage multiple segments must appoint segment managers with sufficient authority and responsibility for building the segments business. At the same time, segment managers should not be focused as to resist cooperating with other groups in the company.
2. Market segmentation analysis must be done periodically because segments change.
3. It is recommended that Automobile marketers must keep on updating segmentation schemes.
4. Companies must monitor potential shifts in consumer’s hierarchy of attributes and adjust to changing priorities, because segments may have distinct demographics, psychographics bases.
5. Market targeting sometimes, generates public controversy. Consumers become concerned when marketers take unfair advantage of vulnerable groups (such as children) or disadvantaged groups (such as poor people), or promote potentially harmful products. Marketers must make ethical choice of market targets.

6. In addition to updating their segmentation analyses periodically and making segment-by-segment invasions plans, marketers should target markets in a socially responsible manner.

7. To gain a more detailed understanding of how customer requirement and preferences vary; automobile market managers should use more progressive priorities, usage situation, and customer profitability.

6.4 Scope for further study

8. Based on the findings of this study, further study may be conducted on the effect of changes on the bases of segmentation in automobile industries.

9. The finding of this study will act as platform to conduct future study on the segmentation strategies.

10. The affect of urban physical environments such as parking and infrastructure (like roads) on the bases of segmentation is another scope of study.

11. The study in depth of some of the parameters of segmentation which has been changed based on this study, is another scope for future study.

12. The customer profile and its affect on the current bases of segmentation may be another study which can be conducted near future.

13. This study is focused on automobile sector mainly 4 wheelers, and changes on the focus of bases of segmentation in this sector other sectors such as 2 wheeler and 3 wheeler is remains for further study.

14. The study of changes in the bases of segmentation in the rural area still remains the scope for further study.

15. Importance of changes in the bases of segmentation for Indian automobile industry is another aspect which may conduct as a research near future.
6.5 Contribution to the body of knowledge

We found in this study that how the social as well as economic changes changed the focus in parameter of the product and the marketing of product, particularly for as product like automobiles, automobile from luxury item gone to comfort item.