CHAPTER 4:

METHODOLOGY AND TOOLS
4.1 INTRODUCTION

Research methodology is a way to systematically solve research problem. It refers to the various steps that are generally adopted by the researcher in pursuing the research problem along with the underlying scientific logic. It includes description of the design, sampling plan and design, tools applied, procedure for data collection and statistical techniques used for data analysis and presentation.

4.2 RESEARCH DESIGN

The research design refers to the overall strategy that the researcher chooses to integrate the different components of the study in a coherent and logical way. According to Sellitz et al. (1962) states that ‘A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure.’

The study is aimed at examining the brand equity strengthening practices of automobile players in India in the passenger car segment, factors affecting the purchase decision of passenger cars among consumers, reasons for high brand equity of popular automobile players, reasons for low brand equity of weak automobile player, and ways in which the weak player can build strong brand equity in future. The aim of the study was to collect information, demonstrate relationships between variables and describe as they exists. Descriptive research design was appropriately used for the study. Descriptive research involves gathering data that describe events and then organizes, tabulates, depicts, and describes the data collection. It describes data and characteristics about the population or phenomenon being studied. Descriptive research answers the questions who, what, where, when and how.
4.3 THE RESEARCH PROBLEM

The purpose of the study was to find out the highly popular and unpopular automotive brands in India and the practices adopted by them to strengthen their brand equity. The study aimed to find out the factors that affect the purchase decision for cars in India and to suggest the unpopular brand strategies to strengthen its brand equity.

4.4 SAMPLE DESIGN

The universe comprised of the automobile manufacturers in India, and, the actual car and potential car owners in Delhi.

Following samples were drawn:

4.4.1 AREA

Delhi, officially the National Capital Territory of Delhi, is a union territory of India. It is bordered by Haryana on three sides and by Uttar Pradesh to the east. The NCT covers an area of 1,484 square kilometres (573 sq mi). Delhi's urban area is now considered to extend beyond the NCT boundary to include an estimated population of over 26 million people making it the world's second largest urban area. Delhi is the largest commercial center in northern India. As of 2016 recent estimates of the economy of the Delhi urban area have ranged from $167 to $370 billion (PPP metro GDP) ranking it either the most or second-most productive metro area of India. Moreover, Delhi is considered to be one of the largest market for automobile companies. Urban population, education, rising disposable incomes, development of the city, government policies etc. have all contributed to the growth of automobile sector in Delhi. It has a vast population of people who own cars or aspire to own one soon. Thus, the area chosen for the present study was Delhi.
4.4.2 AUTOMOBILE MANUFACTURERS

Automobile Companies in Passenger Car segment: Three Automobile Companies were chosen for the present study.

- **Maruti Suzuki India Limited**- Maruti Suzuki India Limited, formerly known as Maruti Udyog Limited, is an automobile manufacturer in India. It is a subsidiary of Japanese automobile and motorcycle manufacturer Suzuki Motor Corporation. As of January 2017, it had a market share of 51% of the Indian passenger car market. The company is headquartered at New Delhi.

- **Hyundai Motors India Limited**- It is a wholly owned subsidiary of the Hyundai Motor Company in India. It is the second largest automobile manufacturer in India. Hyundai Motor India Limited was formed on 6 May 1996 by the Hyundai Motor Company of South Korea. When Hyundai Motor Company entered the Indian Automobile Market in 1996 the Hyundai brand was almost unknown throughout India. For more than a decade till Hyundai arrived, Maruti Suzuki had a near monopoly over the passenger cars segment because Tata Motors and Mahindra & Mahindra were solely utility and commercial vehicle manufacturers, while Hindustan and Premier both built outdated and uncompetitive products.

- **Fiat Group Automobiles India Private Limited**- FCA India Automobiles Private Limited (FCAIPL) formerly known as Fiat Group Automobiles India Private Limited was formed in the year 2012 as a fully owned direct subsidiary of FCA Spa Italy. The new company was established to operate like a National Sales Company (NSC) for selling Fiat & Jeep make of cars in the Indian market.
with no direct involvement in vehicle & powertrain production activity. It is the ninth largest Indian car manufacturer by sales in India.

Out of these three brands, two brands with supposedly high Brand Equity were chosen i.e. Maruti Suzuki and Hyundai and one brand with very low Brand equity was chosen i.e. Fiat India to facilitate objective analysis.

The above sample was chosen on the basis of ratings provided by J.D. Power Asia Pacific Report, 2014 and 2015.

**J.D. Power Asia Pacific**

For more than 45 years, J.D. Power has been a trusted advisor in measuring the Voice of the Customer in the automotive industry, helping clients measure, understand, and improve the key performance metrics that drive growth and profitability. It conducts a Brand Influence and Positioning Study (BIPS) designed to:

- Understand the brand’s mindshare—Top of mind, Unaided, and Aided Brand awareness
- Determine the Brand’s Influence by understanding the Brand’s awareness and Brand’s favorability
- Understand the Brand Positioning's on a Brand Perceptual Map
- Understand the various psychographic and demographic segments, characteristics and shares.

The 2014 and 2015 India Brand Influence and Positioning Study is based on interviews with around 8000 car owners who had owned their vehicles from 30 to 42 months and who were asked to compare two vehicle brands. The study was fielded from January through April 2014 and January through April 2015 across 30 cities in India.⁷
In 2014, in India, brands with the highest brand influence scores (on a 1,000-point scale) are Maruti Suzuki (837); Hyundai (758); Toyota (729); Honda (723); and Tata (703). Mitsubishi (565) and Fiat (586) are amongst brands with the lowest influence.

Source: J.D. Power Asia Pacific 2014 India Brand Influence and Positioning Study™
In 2015, in India, brands with the highest brand influence scores (on a 1,000-point scale) are Maruti Suzuki (839); Hyundai (767); Toyota (729); Honda (744); and Honda (733). Datsun (555), Mitsubishi (565) and Fiat (586) are amongst brands with the lowest influence.

Thus on the basis of consistency, the three automobile companies chosen for the present study were Maruti Suzuki, Hyundai and Fiat India.
4.4.3 SAMPLE OF RESPONDENTS

A sample set of 350 respondents was chosen through random sampling method. These 350 respondents include people who already own a car or are planning to purchase one soon. To choose these 350 respondents, the researcher visited the dealership showrooms of the above mentioned three brands situated in Delhi. The people visiting the dealers of Maruti Suzuki, Hyundai Motors India and Fiat India were chosen at random for the purpose of primary data collection.

4.4.4 SAMPLE OF CAR DEALERS

The authorized car dealers and showrooms visited in Delhi for the purpose of finding the sample respondents were chosen by the researcher based on the convenience sampling. Based on convenience of location the authorized car dealers and showrooms visited are as follows:

Maruti Suzuki India Limited:

- **Competent Automobiles Company Limited** (Connaught Place) - The Company, *Competent Automobiles Co. Ltd. (CACL)* is a part of Delhi based Competent group, promoted by Sh. Raj Chopra. The company was incorporated on 11.04.1985 and is a listed public limited company in BSE. The company is a profit making company since inception and engaged in Automobile business. Presently the company has its presence as a dealer of Maruti Suzuki India Ltd. in Delhi, Haryana and Himachal Pradesh. In Delhi the company has 5 showrooms and 3 workshops, in Haryana 2 showrooms and a workshop and in Himachal Pradesh 2 showrooms and 2 workshops.

- **Bagga Link Motors** (Defence Colony) - Bagga Link Motors is a Platinum Dealership of Maruti Suzuki in India and they are known for its highest customer satisfaction rates.
Bagga Link Motors has to its credit, numerous awards from Maruti, including the Best Showroom in India Award in 1996, the Most Innovative Service Dealership Award as well as the Platinum Award for Service Excellence since 1999.

- **AAA Vehicleades Pvt Ltd** (Malviya Nagar) - The Vehicleades group comprises of 6 operating companies in sectors: automobile and media. The footprints of the group are in every state of North India. The group is one of the top five business partners of car manufacturer Maruti Suzuki in India occupying the first position in North India. With an increase in the demand for automobiles in India, the Vehicleades group has emerged as one of the most reputable groups in North India.

**Hyundai Motors India:**

- **Koncept Hyundai** (Malviya Nagar) – It is an authorized Hyundai car dealer in New Delhi having 100% HMIL trained sales & service personnel. It has dedicated Test Drive vehicles for all models. It provides near cashless-facility for smooth insurance claims, pickup & drop facility for vehicle servicing and Mobile workshop for doorstep service.

- **Unity Hyundai** (Cannaught Place)-The Unity-Hyundai, an initiative of Unity Group introduces itself as a business partner of Hyundai. Unity Hyundai is committed to provide innovative services to all its clients and perform the most effective sales experiences under its roof. It also provides facilities related to servicing of their vehicles in our fully equipped workshop under the guidance of trained engineers.

- **Himgiri Hyundai** (Peeragarhi) - Himgiri has been in the Automobile retail business since 1986. It was started from a green-field project by Mr. Anil Goel. Today, Himgiri owns and operates 21 customer touch-points including showrooms, sales outlets and service centers in Delhi NCR. Dealerships include Hero two-wheelers, Hyundai cars and Ashok Leyland commercial vehicles.
Fiat Group Automobiles India Private Limited:

- **Kashyap Motors** (Okhla) - Kashyap Fiat is one of the first Authorised Exclusive Fiat dealers in India with a new 3S setup at C-18, Industrial Area Phase II in Noida, 85 Patparganj Industrial Estate in East Delhi and our new 3S setup at 46, Okhla Industrial Estate Phase III in South Delhi who cater to customers in Delhi NCR.

### 4.5 DATA COLLECTION METHODS

The present study is an effort to find out the practices that help companies in building strong brand equity, factors influencing the purchase decision of consumers and help weak brand to rejuvenate and strengthen its brand equity. Hence it was essential to collect data from both primary and secondary sources.

#### 4.5.1 PRIMARY DATA

The instrument used to collect primary data was Questionnaire. The Questionnaire was designed to cover various aspects of the study so as to carefully examine all the objectives. The questionnaire consisted of 15 questions relating to all the aspects of the study. The questionnaire consisted of both open-ended and close-ended questions. It contained questions on Brand Ownership, Brand Perception, Brand Satisfaction, Brand Judgment, Brand Associations, Brand Loyalty, Brand Recommendation, and Factors affecting Purchase Decision.

To pre-test the questionnaire a pilot study was conducted on 25 customers of selected three brands. This pilot survey not only provided useful insights to the final draft of the questionnaire but also helped in testing and validating the questionnaire. An effort had been made to prepare the questions simple, clear and easily understandable.
4.5.2 SECONDARY DATA

The instruments used to collect secondary data included the annual reports of automobile industry, magazines, newspapers, trade journals, official websites of the three selected sample automobile companies and organization websites like Society of Indian Automobile Manufacturers, Automotive Research Association of India (ARAI), Automotive Component Manufacturers Association of India, and India Brand Equity Foundation. The secondary data so obtained helped in the framing of questionnaire for primary data collection.

4.6 CHOICE OF TOOLS

4.6.1 DATA ANALYSIS

The researcher conducted the analysis of all the relevant data obtained by questionnaires and interviews with the help of MS-Excel. The marketing tool to analyze secondary data was Marketing Mix Analysis (i.e. 4Ps Analysis).

4.6.2 DATA REPRESENTATION

The data collected and analyzed was properly presented with the help of Bar Graphs, Radar Charts, Boxplots, and Word Cloud. The researcher has also attempted to study the Social Media Analytics by analyzing the social media presence of the select three brands.
REFERENCES