

A PROJECT REPORT
ON
A STUDY OF MARKETING STRATEGIES OF
MARUTI AND HYUNDAI



**In partial fulfillment for the Bachelor's Degree
in Business Administration**

**Under the guidance of-
Ms. Sarita Chaudhary**

**Submitted By-
Navneet Mishra
BBA VIth semester
Roll No.- 18021010894**

GALGOTIAS UNIVERSITY

CERTIFICATE

This is to certify that the project entitled "A STUDY OF
MARKETING STRATEGIES OF MARUTI SUZUKI AND
HYUNDAI" submitted to the Galgotias university by Navneet Mishra
for the award of BACHELOR'S IN BUSINESS

ADMINISTRATION is a record of bonafide original research work carried out by him under my supervision and guidance. The project has reached the standard of fulfilling the partial requirements of the regulation to the degree.

The project report has not been submitted to any other university/institution for the award of any degree or diploma.

DATE:

Ms. Sarita chaudhary

PLACE:

DECLARATION

I, Navneet Mishra, a 6th semester student of Galgotias universitu hereby declare that I have duly completed my project on

“A STUDY OF MARKETING STRATEGIES OF MARUTI SUZUKI AND HYUNDAI” for the academic year 2020-2021

The information submitted is true and original to the best of my knowledge.

Date -

Navneet Mishra

B.B.A. 6th semester

ACKNOWLEDGEMENT

I hereby take the opportunity to express my profound sense of reverence and gratitude to all of them who have helped me in the successful completion of this summer training. I take immense pleasure in thanking **Ms. Sarita Chaudhary,,** for having permitted me to carry out this project work as well as for her guidance and useful suggestions, which helped me in completing the project work, in time.

I thank her for mentoring and encouraging me throughout the project and also for her assistance and numerous suggestions during the preparatory phase.

I would also like to thank all the Maruti and Hyundai dealers whom I met during the survey, for giving all the required information.

Finally, yet importantly, I would like to express my heartfelt gratitude to my beloved parents for their blessings and the financial support, my classmates for their help and wishes for the successful completion of this project. . Moreover, the essence of knowledge, care and support of all who have enabled me to gain this memorable practical experience will keep me learning all through my life.

TABLE OF CONTENTS

Sr no.	Particulars	Page no.
1	Declaration	3
2	Acknowledgement	4
3	Introduction	8
4	Automobile Company Profiles	12
5	Theoretical View	17
6	Practical View	38
7	Suggestions and Recommendations	59
8	Conclusion	61
9	Annexure	62
10	Bibliography	72

CHAPTERWISE PRESENTATIONS

Chapter 1 – Introduction

- 1.1 About Marketing Strategy
- 1.2 Title of the study

1.3 Objectives of the study

1.4 Scope of the study

Chapter 2 – Company Profiles

2.1 Maruti Suzuki Limited Profile

2.2 Hyundai Motors India Limited Profile

Chapter 3 – Theoretical View

3.1 History of Indian Automobile Industry

3.2 Common Marketing Strategies of Car Companies

3.3 Market Share of Automobile Companies

3.4 Marketing Strategies of Maruti Suzuki

3.5 Marketing Strategies of Hyundai

3.6 Comparative Study of Maruti Suzuki and Hyundai

Chapter 4 – Practical view

4.1 Charts and Interpretations

4.2 Observations

Chapter 5 – Suggestions and Recommendations; Conclusion.

LIST OF CHARTS/GRAPH

Chart no.	Name	Page no.
1	Market share of Automobile Companies	30
2	Views of dealers on Promotion through sponsoring reality shows	45
	5	

3	Increase in sales during Festive Season	46
4	Users of Maruti/ Hyundai cars	48
5	Most Preferred car	49
6	Reasons for Using Maruti & Hyundai Car	50
7	Customers Rating to cars performance	51
8	Expectations Met	52
9	Criteria's in Buyers Mind	53
10	Reasonable Pricing	54
11	Preference of Customers	55
12	Strategies through which Customers are Attracted	56
13	Dealers' Service	57

INTRODUCTION

A Study of Marketing Strategies of Two Automobile Companies:

A marketing strategy is a process that allows an organization to concentrate its limited resources on the greatest opportunities to increase sales and achieve a sustainable competitive advantage. Its a written plan which combines product development, promotion, distribution, and pricing approach, identifies the firm's marketing goals, and explains how they will be achieved within a stated

timeframe. Marketing strategy determines the choice of target market segment, positioning, marketing mix, and allocation of resources. It is most effective when it is an integral component of firm strategy, defining how the organization will successfully engage customers, prospects, and competitors in the market arena. Marketing strategies serve as the fundamental underpinning of marketing plans designed to fill market needs and reach marketing objectives. Marketing strategies are dynamic and interactive. It may differ depending on the unique situation of the individual business. On the Canvas of Indian Economy, Auto Industry occupies a prominent place. Automobile sector is one of the cores of Indian Industry. Continuous economic liberalization over the years by the Government of India has resulted in making India as one of the prime business destination for many global automotive players.

One of the largest industries in India, automotive industry has been witnessing impressive growth during the last two decades. Indian automobile industry has a mix of large domestic private players such as Tata, Mahindra, Bajaj, Ashok Leyland and major international players including GM, Ford, Toyota, Honda, Hyundai, etc. To remain in this competitive market one has to come up different ideas and strategies.

Various Marketing Strategies enables a firm to expand business activities for market reputation, to satisfy human wants, to lead to specialisation and efficient performance of production function culminating in economic stability.

After liberalization automobile Industry is growing at very high rate and many new companies have also entered into market offering variety of cars in all segments for everyone. So it is important to know which company is providing us good quality cars at fair prices and providing better after sales services. Marketing strategies tell us about how these companies are trying to reach customers. The most obvious objective marketers have for promotional activities is to convince customers to make a decision that benefits the marketer (of course the marketer believes the decision will also benefit the customer). For most for-profit marketers this means getting customers to buy an organization's product and, in most cases, to remain a loyal long-term customer.

However, marketers must understand that getting customers to commit to a decision, such as a purchase decision, is only achievable when a customer is ready to make the decision.

Title of Study

“A Study of Marketing Strategies of Maruti Suzuki and Hyundai.”

Objective of Study

- To know the various strategies used by Maruti Suzuki and Hyundai Company to attract maximum number of customers.
- To know which company offers better cars, better after sales services and by which company cars customers are satisfied most.

- To know the demand of Automobiles.
- Competition from other car manufacturers.
- To know the trend in Market.
- To know which car is more demanded by Customers.
- To know the effect of recession on the sale of cars.

Scope of Study

- Company will come to know what attracts Customers.
- Company as well as Dealers of Maruti Suzuki and Hyundai will come to know that which are the criterias customers look for before buying car.
- Company and Dealers will also come to know the future changes which will be required to satisfy the customers' needs and wants.

Methodology of Data Collection

Primary Data:-

Visiting various Dealers and asking them about their promotional strategies and requirement of customers.

Obtaining feedback from the customers of Maruti and Hyundai about their preference, criterias while buying car and their experience with dealers and their expectations from dealers with the help of a structured questionnaire containing both open-ended as well as closed-ended questions.

Secondary Data:-

Magazines, Internet, friends and seniors.

Extent of study- Lucknow

HYUNDAI MOTORS PROFILE



MARUTI PROFILE

INDIAN AUTOMOBILE INDUSTRY

PRE- LIBERALIZATION PERIOD

Since Independence the Automobile Industry was closely monitored and controlled by the government till 1981. Limited choices were available to the car buyers due to the limited manufacturers and tight supply. Hindustan Motors (HM) and Premier Automobile (PAL) that were set up in 1940's dominated the vehicle market and industry. In the 1950s, the arrival of Tata Motors, Bajaj Auto, and Mahindra & Mahindra led to steadily increasing vehicle production in India, while the 1960s witnessed the establishment of the two- and three-wheeler industry in India.

But between 1970 to the economic liberalization of 1991, the automobile industry continued to grow at a slow pace due to the many government restrictions. However, the automotive industry witnessed tremendous growth after the entry of Maruti Udyog in the 1980s.

In 1981 the government decided to review their car industry policy and found that the segment was neglected and there was a big market available for cars. The existing cars available in the market were costly and technically less sound when compared to the international standard. Then the government initiated dialogues with Suzuki Motors, a Japanese car manufacturing company, finalized a joint venture, and formed a company named Maruti Udyog Limited (MUL). The initial venture was between Government of India with a share of 74% and Suzuki Motor with a share of 26%.

That was a revolutionary step taken for the car industry in India. In 1983 MUL launched its first car in India (Maruti 800) with a price tag of Rs.40,000/-.

This development was a big shock to the existing car manufacturers and they also rushed to improve and increase their product line.

After the lifting of licensing in 1993 by government, 17 new ventures came up, of which 16 were for the manufacture of cars. Today, almost all of the major global players are present in India. The automotive industry is today a key sector of the Indian economy and a major foreign exchange earner for the country.

GOVERNMENT'S ROLE-

1981 was the year when government took a revolutionary initiative to review and reform its policy related to car industry. Now getting permission to produce cars in India is easier and new entrants are come almost every year. Government has also imposed heavy import duties on imported vehicles to safeguard the interests of car manufacturers present in India.

POST- LIBERALIZATION PERIOD

Following the economic reforms of 1991, the automobile section underwent delicensing and opened up for 100 percent Foreign Direct Investment. A surge in economic growth rate and purchasing power led to growth in the Indian automobile industry, which grew at a rate of 17% on an average since the economic reforms of 1991.

India's automotive components industry is being urged by the government to partner with overseas firms with the aim of making India a platform for outsourcing as well as a global R&D hub. As the Indian vehicle production industry has grown, so has the domestic supplier industry. But the global auto industry's search for lower cost and more international outsourcing has led to a sharp growth in component output and exports in recent years.

The positive demographic factors, stable macro-economic environment and post-reform policies of the government, low manufacturing costs, availability of skilled labour has attracted almost all major global auto players making their way into India like GM, Ford, Daewoo, Honda and Toyota etc. The intense competition has compelled the manufacturers to launch the latest global offering in India as early as possible. It has also enabled to keep the prices of the vehicles under check. The consumers, in turn, have benefited from wide choice of models, technologically advanced cars and better service from the car manufacturers.

Major Manufacturers in Automobile

Industry and their Cars

Maruti Udyog Ltd.

Cars:-

Celerio, Alto 800, Alto K10, Wagon R, Swift, Ritz, Stingray, Dzire, SX4, Ertiga, Omni, Eeco, Gypsy, Grand Vitara

Tata Motors.

Cars:-

Indica eV2, Indica Vista, Indigo eCS, Manza, Indigo XL, Nano, Safari storme, Sumo Victa.

Hyundai Motor India Ltd.

Cars:-

EON, Santro Xing, i10, Grand i10, i20, Xcent, i20, Fluidic Verna, Neo Elantra, Sonata, Santa FE

Honda Siel.

Cars:-

Amaze, Brio, Jazz, City, Civic, Accord, CR-V

BMW

Cars:- 1 series, 3 Series, 5 Series, 6 Series, 7 Series, X Series and Z4.

Other Automobile Companies are:-

Skoda

Toyota

Hindustan Motors

Ford

Mahindra and Mahindra

General Motors

Mercedes

COMMON MARKETING

STRATEGIES OF AUTOMOBILE

COMPANIES

□ Advertisement in News papers and Magazines:-



Companies advertise about the car in various local newspapers like The Times of India, HT, etc. and they give detailed explanation about the feature of the cars, keeping customer's requirement in mind. They also provide various dealers' addresses and contact numbers for reference. Company also tries to advertise through various magazines like Auto Cars, Overdrive, etc.

□ Grand Launch:-



Recently Maruti Suzuki launched Celerio and Hyundai launched Grand i10 in compact car segment. Both were grandly launched and created a buzz in market. After the launch media aggressively took interest in providing the minute details about the cars to the customer by demonstrating test drives, interior details, additional feature, comparison with available cars etc.

Once the car is launched, an exodus of advertisements takes place in every possible newspaper, car magazines, hoardings, mall displays, etc.

□ Exchange Offers



This is one of the most effective ways adopted by the companies and very successful marketing strategy, which has helped companies to increase their sales.

In this method, companies provide an option to buy a new car of the customer's choice in exchange of their old cars, but the price of the old car is decided by the dealer after examining its condition. It helps customers, as they don't need to go anywhere else to sell their old car. This also helps companies to increase their sale of new cars.

□ Adding Star Value to the product- Brand Ambassador



Companies choose brand ambassadors for their cars to reach wide masses. For e.g. Shahrukh Khan promotes Hyundai, Abhishek Bachan

promoted Ford Fiesta, Virat Kohli promotes Toyota Etios Liva, Saif Ali Khan and Rani Mukherjee promoted Chevrolet Aveo and Amir Khan promoted Toyota Innova. Ambassadors give a special identity to the products. Potential customers find a familiar face in popular celebrities and hence tend to understand more what the celebrity says than what an unfamiliar person would say. The trust and love people have for their celebrities eventually gets transferred towards the marketers' product.

□ **Sponsoring reality shows for better visibility:-**



As we all know reality shows are making all time big in television and entertainment industry. This is really a smart move by automobile companies to gain visibility through reality shows. The reality shows are aired all over the world and have a huge audience watching it. So companies sponsor such shows and get noticed. For example, Dance India Dance, a popular dance reality show was sponsored by Maruti Suzuki and the winner of the show was awarded a Maruti Suzuki Ertiga car. Similarly Nissan Motors sponsored X-Factor India and gifted a Nissan Micra car to the winner of the show.

□ Mall Displays:-



Various companies display their cars in Malls so as to get prime attention. People go in Malls for shopping and hangout with their friends and family. They conduct small contests and give gift hampers as prize. Thus they try to attract crowd towards them. Recently, Maruti Suzuki showcased their all new Celerio at the famous FUN Republic Mall, Gomti Nagar, Lucknow.

□ Companies enter market with help of Films:-

WWW.YASHRAJFILMS.COM



In terms of marketing strategies Chevrolet Aveo found a unique way of advertising by way of a Yash Raj Film production, Tara Rum Pum. The main motive behind this was to popularize and promote the product in youth. Marketers select top film banners because they assure high visibility and thus promote the product in high numbers.

□ Companies Sponsor Go- Karting events

Go-karting events are really booming up among young crowd. And that's the reason we see craze for participating in go-karting events is on high. People have started taking interest in the sport and huge crowds turn up for such events. But for sure car companies would not like to miss chance of visibility they get in such competitions. Few years before Maruti Suzuki sponsored Autocross rally. Similarly Tata

Engenieering has sponsored Narayan Kartikeyan as India's Entry in to the World Series motorcar racing.

□ **Personal selling**

Personal Selling largely takes place at the Dealers' End. The way customer is attended depends mainly on the Dealer as he acts as an interface between the company and the Consumer. The various cases in which Personal Selling takes place is Individual Sales, Corporate Sales, Sales Presentations, Fair and trade Shows. Mostly in case of Individual Sales the Customer goes to the showroom and takes a look at the product. There he is attended to by the Sales Personnel of the Dealership. Sometimes the Senior Sales Executive has to make Sales Presentation to Corporate Buyers. Personal Selling is also practiced at Trade Fairs and Auto Shows wherein the Company appointed Sales Personnel attend prospective customers and also book their orders.

Market Share of Automobile Companies

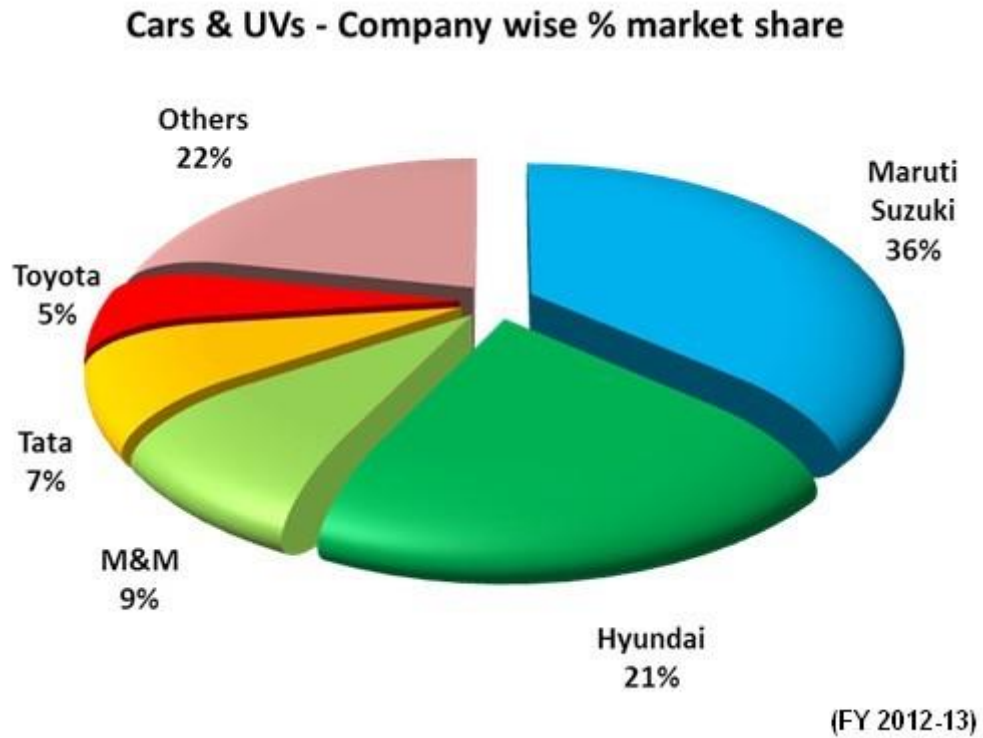


Figure 1

Above market share graph shows us that in the automobile industry (cars and utility vehicles), Maruti Suzuki enjoys highest market share of 36%. Then follows Hyundai with 21% market share. TATA, Toyota, M&M and other companies follow suit.

(Figures for FY 2012-2013)

MARKETING STRATEGIES USED

BY MARUTI INDIA

□ **Advertisements**

Good promotional strategy is adopted by Maruti Suzuki to transform its thoughts to the people about its products by marketing through advertisement in television, radio, newspaper, etc.

Through radios they try to promote their product by organizing quiz contests and the person who wins are offered special discounts, gift vouchers, coupons, etc.

Through television they promote their vehicle by showing the utility value, its comfort level. These promotional strategies aim to influence the target market emotionally by focusing on factors like family, lifestyle, leisure, etc.

Some of the strategies used for cars were: Celerio:

“Life takes a leap”

Projected as India’s first Auto Gear Shift car.

Ertiga: “A Feeling called LUV”

Projected as a Life utility Vehicle (LUV), Ergonomically designed for 5+2 seating.

Baleno: “Missed the flight? Catch Baleno”

Projected as the most comfortable car even in long drives.

Esteem: “My Daddy’s Big Car”

Projected as the affordable mid size car.

Alto: “Let’s Go”

The most fuel efficient and affordable car in its segment.

□ **After Sales Service:-**

“Kya yahan Maruti Service Station hai”

Availability of service stations even in the remotest place in the country is one the biggest advantages of MUL. Customers don't have to fear if there is some technical fault in the car while they are traveling or away from their home town.

□ **Display**

When we visited any of the Maruti Dealers showroom, we noticed one very similar trait, that was the display. They display only 2-3 cars in the showroom. Well this is the strategy to make people concentrate on only few choices or otherwise they might get distracted and get confused. Here Maruti wins one customer.

□ **Tie up with many banks**

To promote its bottom line growth, Maruti launched Maruti Finance in Jan 02.

Prior to the start of this service Maruti had started two joint ventures – Citicorp Maruti and Maruti Countrywide with Citi Group and GE Countrywide respectively to assist its client in securing loans.

Today Maruti has tie ups with ABN Amro Bank, HDFC Bank, ICICI Ltd, Kotak Mahindra Bank, Standard Chartered Bank etc.

SBI Maruti Car Loans:

The country's largest bank and the largest car maker have joined hands to make affordable car finance available to more and more people across the country. The mega alliance makes car loans available at lower interest rates to a wider section of people, with transparent terms and conditions.

The unbeatable advantages of SBI Maruti car loans:-

- Two market leaders in their respective industries with trusted brand names.
- Low interest rates
- No processing fees or hidden costs to ensure transparency. -Car loans available for diverse categories of customers including govt. employees and agriculturist.

□ Exchange offers

Maruti has also placed its step towards progress by marketing through exchange offers. It makes possible for the customers to get their old car replaced for a new one with barely some amount. This is one of the greatest ways to attract more and more customers and also helps to enhance the sales.

MARKETING STRATEGIES OF **HYUNDAI MOTORS INDIA**

□ Advertisements

Hyundai had contracted Bollywood star Sharukh Khan as Brand Ambassador for promoting their cars for a long period of time. Before the launch of Santro in India, Hyundai tied up with advertising agency Saatchi and Saatchi. Bollywood star Shah Rukh Khan was roped in to be the brand ambassador. A three-pronged strategy was developed to attract the consumers -

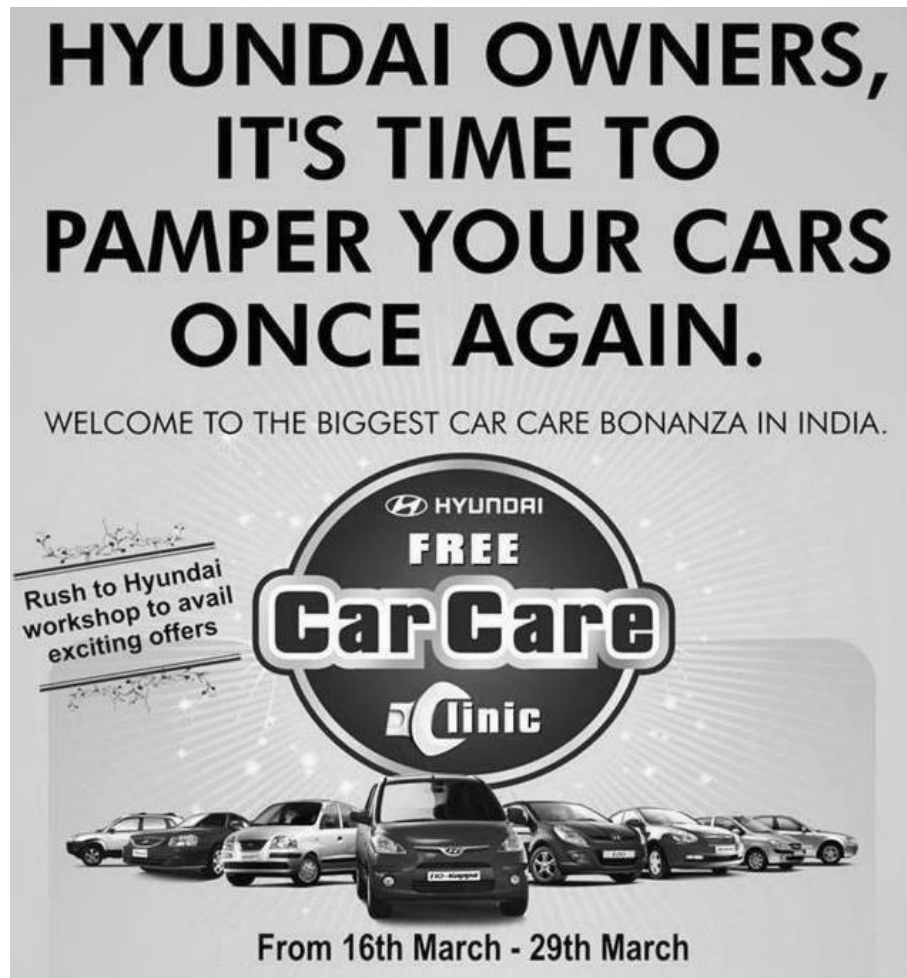
- Educate Indian consumers about Hyundai.
- Create hype and expectations about Santro.
- Explain the virtues of Santro.

Initially, Shah Rukh was not impressed and was reluctant to advertise for Hyundai, but later on, when the Hyundai officials explained and elaborated to him as to why Hyundai Santro was apt for the Indian customer, Shah Rukh was convinced. This high profile campaign backed by some very innovative media buying, which went for maximum coverage with the minimum budget, broke all grounds in terms of creating consumer expectations and hype in the market.

To promote their product they organized quiz contests on radio and the person who wins was offered special discounts, gift vouchers, coupons, etc.

They also advertise in Newspapers. In this companies advertise about the car in various newspapers and they give detail explanation about the features of the cars, keeping customer's requirement. They also provide various dealers addresses and contact numbers for reference.

□ Free Checkup



Hyundai arranges free checkups from time to time in which they check for any problem and advice to visit the nearest service center for servicing. This helps in maintaining good relationship with customers and also helps to build and maintain a good image in the market.

□ Exchange offers

Since Hyundai deals in second hand cars also (Hyundai AdVantage), they offer exchange offers to customers. And by paying adjusted amount customer can get brand new car in exchange of old ones. Exchange offer prove to be very affordable for customers who don't

have adequate finance to buy a new car but surely want to change their old car. By paying the balance amount, customers can easily exchange their old car with a new one.

□ **Cold callings**

Cold calling is the sales process of approaching prospective customers or clients—typically via telephone, by email or through making a connection on a [social network](#)—who were not expecting such an interaction. The word "cold" is used because the person receiving the call is not expecting a call or has not specifically asked to be contacted by a sales person. A cold call is usually the start of a sales process generally known as telemarketing.

In this type of strategy old customers are given a relationship call just to know some other references. This gives a boost to sales and customers also feel a sense of involvement. Hyundai gets maximum sale through such type of cold callings only.

□ **Events at Corporate Offices and Banks**

Hyundai tries to attract customers by conducting camps, events at corporate offices and bank as most of the customers are of middleage group and corporate offices are good source for company to attract such customers.

□ **Display**

Hyundai keeps attractive display so that maximum number of people notice their cars. And they even keep their own accessories related to cars at special accessories counter. For attractive display they decorate their showroom as well as all the cars which are displayed.



INTERPRETATIONS TO **QUESTIONNAIRE**

Dealers' Survey

Relation of Marketing Strategies and sales of product

☒Maruti's Survey:-

From the survey of 5 dealers it was found that every dealer positively replied that marketing strategies had helped them to increase the sales of their product.

☒Hyundai's Survey:-

Even 5 Hyundai dealers positively replied that marketing strategies helped them to increase the sales of their product.

Benefits of Marketing Strategy

☒ **Maruti's Survey:-** Dealers replied that from the various marketing strategies, enquiries for the new launches increases and thus indirectly sales. It also increases references and contacts.

☒ **Hyundai's Survey:-**

Dealers replied that strategies created awareness amongst customers and increases walk-ins.

Promotional Strategies used

☒ **Maruti's Survey:-** Maruti dealers conduct various events at malls, at workshops and at near banks and government offices. They also give advertisements in local newspapers and distribute pamphlets.

☒ **Hyundai's Survey:-**

Dealers conduct cold callings i.e. calling old customers. They give advertisement in papers, conduct roadshows and conduct service checkup camps. They also provide various exchange offers.

Attraction of Customers ☒ Maruti's Survey:-

Dealers replied that most of the customers are attracted through media advertisements and mouth publicity and also through old references.

☒ **Hyundai's Survey: -**

Dealers replied that most of the customers are attracted through references and walk-ins and mouth publicity also helps in attracting customers to new product.

Promotion through Media ☑Maruti's Survey:-

Most of the dealers felt that media promotions are more attractive than other alternatives because of its mass reach.

☑Hyundai's Survey:-

Hyundai dealers also had more positive reply for media publicity rather than other promotion alternatives.

Effect of Grand Launch of a Car ☑Maruti's Survey:-

Dealers replied that grand launch of the car makes selling easy only in initial stage but afterwards it depends on the product.

☑Hyundai's Survey:-

Dealers think that it helps to attract customer's attention but afterwards it depends on many other factors like quality, performance, service, etc

Most demanded Car model

☑Maruti's Survey:-

Most of the dealers replied that Alto, Wagon R and Swift are the most demanded cars amongst all Maruti cars, while next best alternative is DZire.

Hyundai's Survey:-

Dealers found i10, i20 and Santro as the most demanded cars amongst others whereas Fluidic Verna is more demanded by the elite class.

Best Mileage Car Maruti's Survey:-

Dealers replied that Ritz and Alto gives best mileage.

Hyundai's Survey:-

Dealers replied that i10 and Santro cars' mileage is best amongst others.

Customer Preference Maruti's Survey:-

Dealers replied that customers prefer petrol version more.

Hyundai's Survey:-

Here also customer demands include more petrol version cars.

Criteria in the Buyers Mind Maruti's Survey:-

Dealers replied that most of the customers look out for every criteria i.e. quality, comfort, performance, mileage and price.

Hyundai's Survey: -

In Hyundai also customers prefer all the above criterias but look for price and comfort more.

Biggest Competitor Maruti's Survey:-

Maruti dealers replied Hyundai as the biggest competitor.

Hyundai's Survey:-

Hyundai dealers found Maruti as their biggest competitor.

Complete Package Car Maruti's Survey:-

Dealers rate Swift as their best car for its complete package.

Hyundai's Survey:-

Hyundai rated Grand i10 as their best car for its complete package.

Way of Purchase Maruti's Survey:-

According to dealers, Maruti cars are sold mostly on EMI basis. Out of 10 dealers, 7 dealers replied that 50-75% of their total sales are on installment basis.

Hyundai's Survey:-

As per Hyundai dealers cars are sold on both EMI as well as upfront payment and around 50% of Hyundai cars are sold on EMI basis.

Bank tie-ups Maruti's Survey:-

For EMI basis Maruti dealers are tied up with banks like ICICI, HDFC, SBI, and many others banks but they don't offer any extra discount to customers who purchase cars on cash basis

Hyundai's Survey:-

Hyundai dealers are also tied up with ICICI, HDFC, SBI, and many other major banks for EMI purchase and also don't offer any discount to customers who purchase on cash payment.

Effect of Tata Nano's entry Maruti's Survey:-

Dealers don't think that Tata Nano's entry in market will effect sale of their cars because they think that customers not only look for car price while buying car but look out for many other factors also.

Hyundai's Survey:-

According to dealers customer look for Quality, Standard and performance which is lacking in Tata Nano.

Recession effect Maruti's Survey:-

Because of recession cars sales were reduced by 10-20%. But now people have started buying cars.

Hyundai's Survey:-

Most of the dealers replied that recession didn't affect them at all, but few dealers replied that there was marginal decline in Cars sales.

Spending huge amount on various marketing strategies during recession **Maruti's Survey:-**

Dealers think that if they don't spend on various strategies then customer will be unaware of new launches and sales will get affected.

Hyundai's Survey:-

Hyundai dealers think that this is right time to attract maximum customers as rate of interest on car loans have been reduced

Promotion through sponsoring Reality Shows **Maruti's Survey:-**

Dealers think that such type of marketing strategies helps to attract customers' attention towards their cars and thus it tries to create awareness amongst customers

Hyundai's Survey:-

Dealers think that because of such strategies many customers gets aware about their products and generate enquiries.

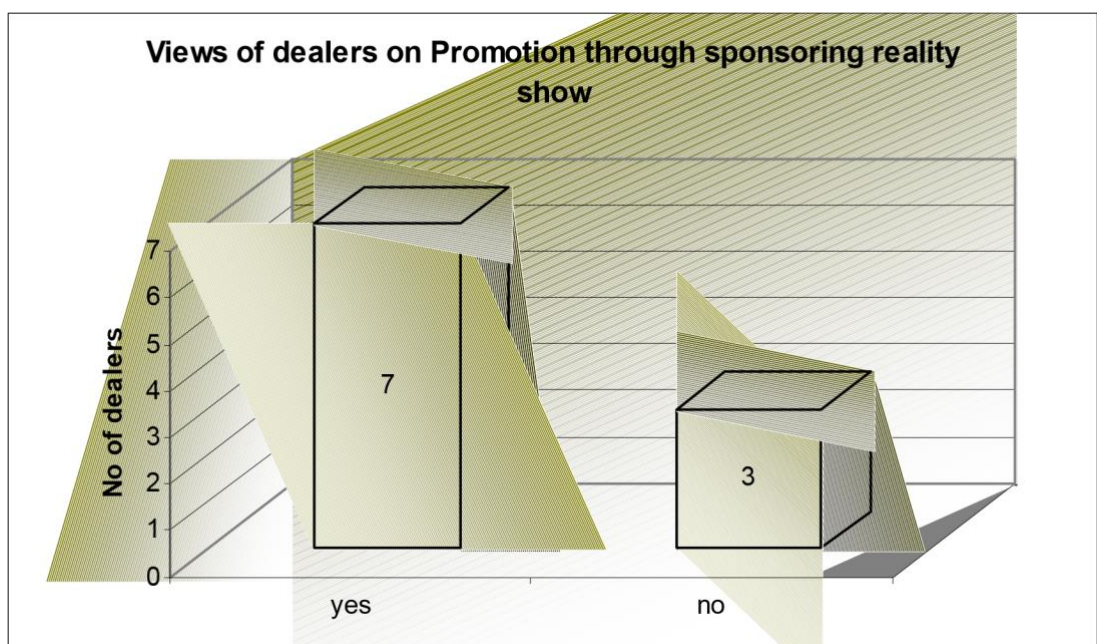


Figure 2

It was found out that most of the dealers i.e. 7 dealers replied positively that sponsoring reality shows and giving car to winners helps in promoting car whereas 3 dealers were not agreed to this.

Reason for loyalty ☑Maruti's Survey:-

Dealers think that customers are loyal to Maruti because of its Service, Quality and Range of cars and Brand Name

☑Hyundai's Survey:-

According to them, offerings of a variety of cars in all segments and its product quality, customers are loyal to Hyundai.

Belief in Customer Satisfaction and After Sales Service

Both Maruti and Hyundai dealers believe 100% in Customer satisfaction and after sales service because they think that if customer is fully satisfied with its service then only he will return to same company for purchase otherwise he will shift to another car companies product. And better sales service will create good image in mind of customers and also help in positive Word of Mouth Communication.

Conduct Marketing Research activity

Some dealers replied that they conduct research activity for knowing which marketing strategy had attracted maximum number of customers, so that they can try to promote more through that strategy.

Otherwise they don't conduct research activity. It is normally conducted at companies level and not at dealers level.

Festive season boost

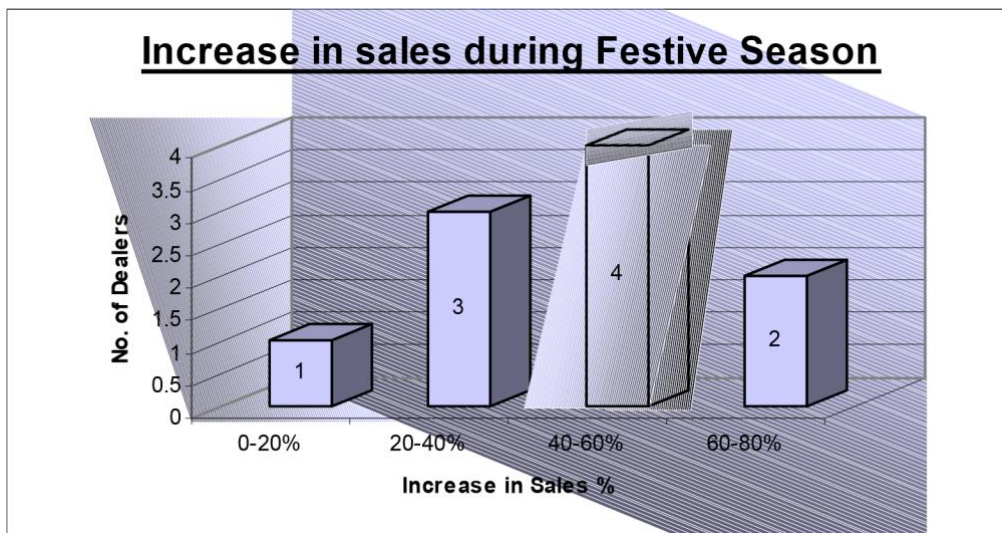


Figure 3

☒Maruti's Survey:-

According to dealers car sales increases by 40-50% during festive season like Diwali.

☒Hyundai's Survey:-

Hyundai dealers also replied that there is almost increase of 30-40% of cars during festive season.

Company support to Dealers

Both companies' dealers replied that company makes selling of cars easy by promoting through various ways. Company also motivates employees to sell more cars by providing incentives, and special schemes are introduced for dealers. Company gives them

training so that they can easily communicate with customers and can solve their doubts.

Customers' survey

Users

Below graph shows us that 63.75% of people interviewed, i.e., 51 out of 80 users are Maruti Suzuki customers where as remaining 29 users i.e 36.25% are Hyundai customers.

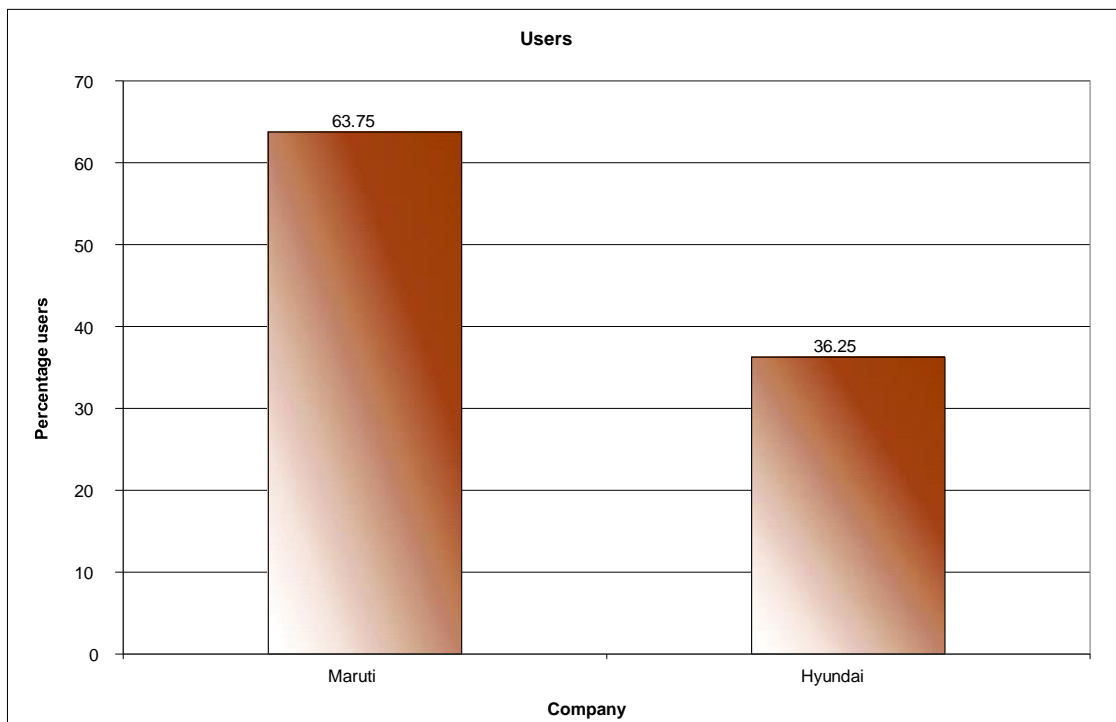


Figure 4

Most preferred cars

After the survey it was found that Santro from Hyundai and Swift from Maruti Suzuki from the various range available are the most preferred cars amongst the customers. Also Maruti Zen Estilo is more in demand.

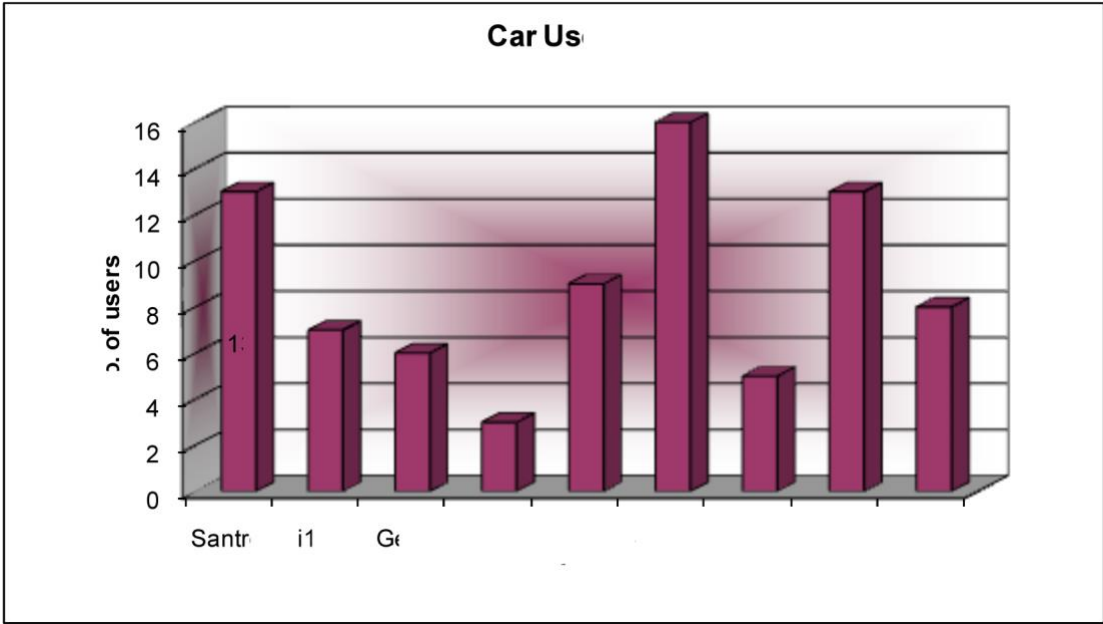


Figure 5

Loyalty towards brand

It is found that customers stay loyal to Maruti and Hyundai rather than other brand. They have faith in these brands due to their goodwill, good service, complete package and reasonable prices

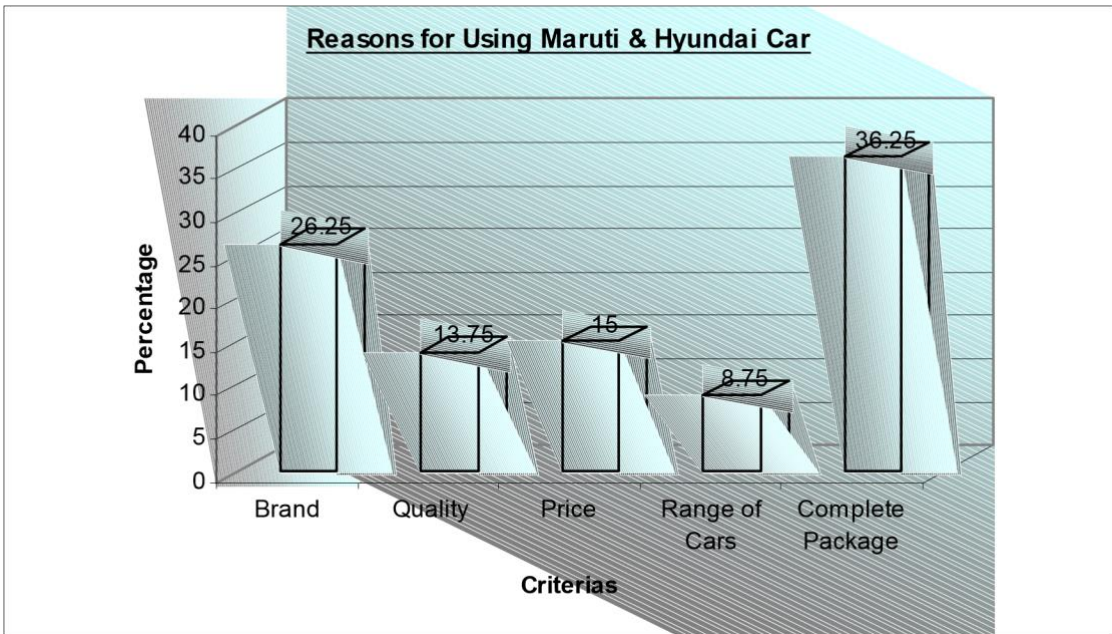


Figure 6

Rating to car performance

It was found that most of the customers were satisfied with the performance of the cars whereas very few found it as not up to their mark.

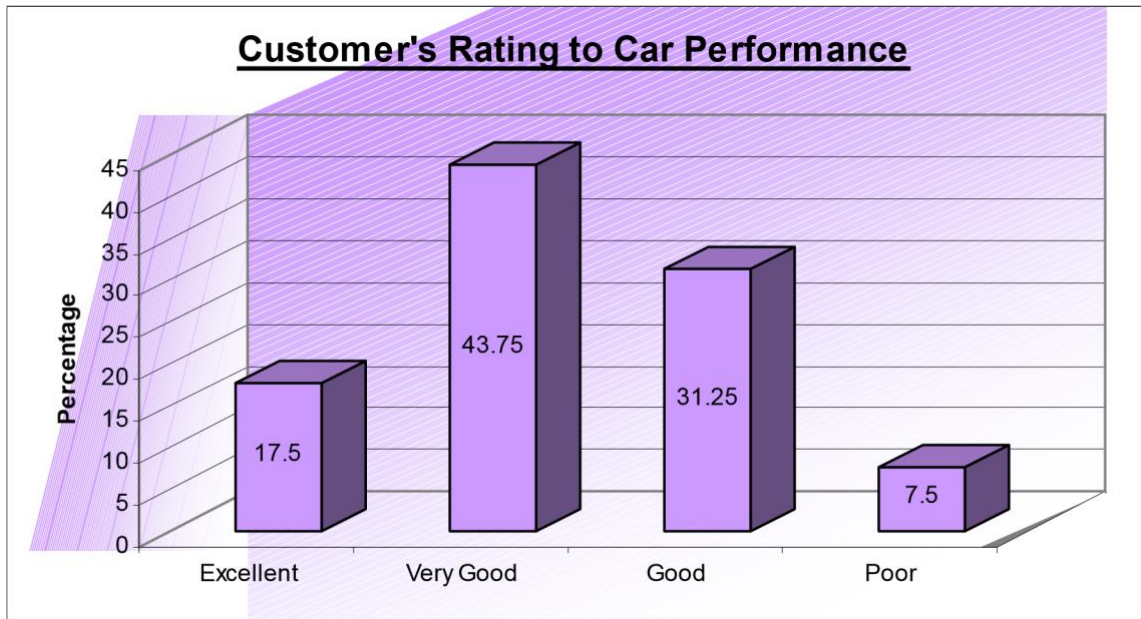


Figure 7

Customer's expectation

Below graph clearly states that 86 percent customer's expectations were met through these brands where as few were unsatisfied.

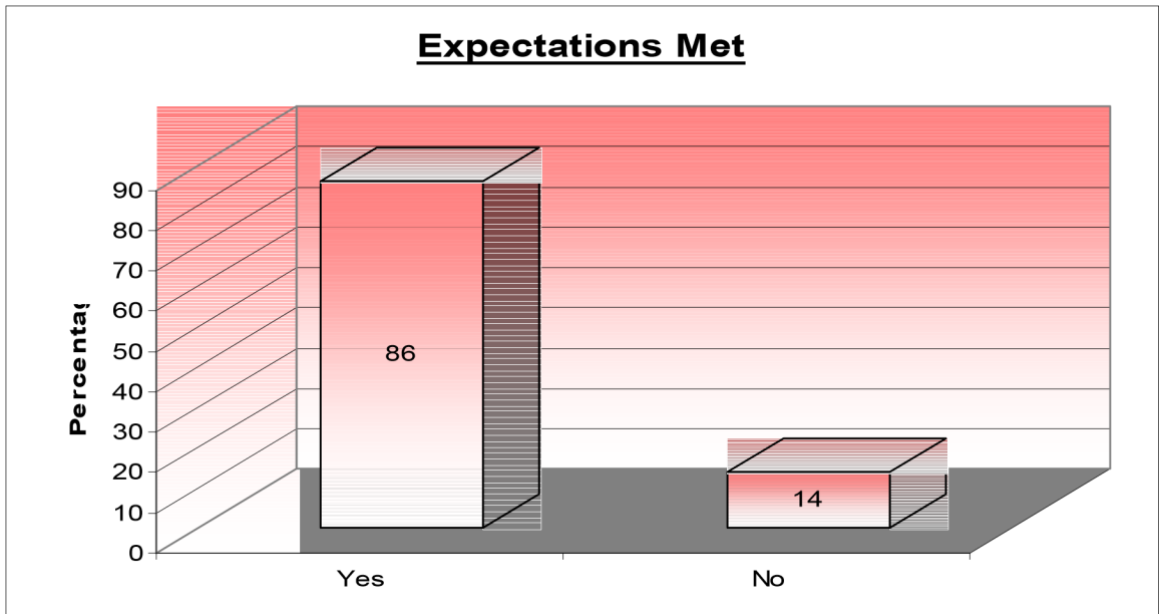


Figure 8

Criteria's in buyer's mind while purchasing

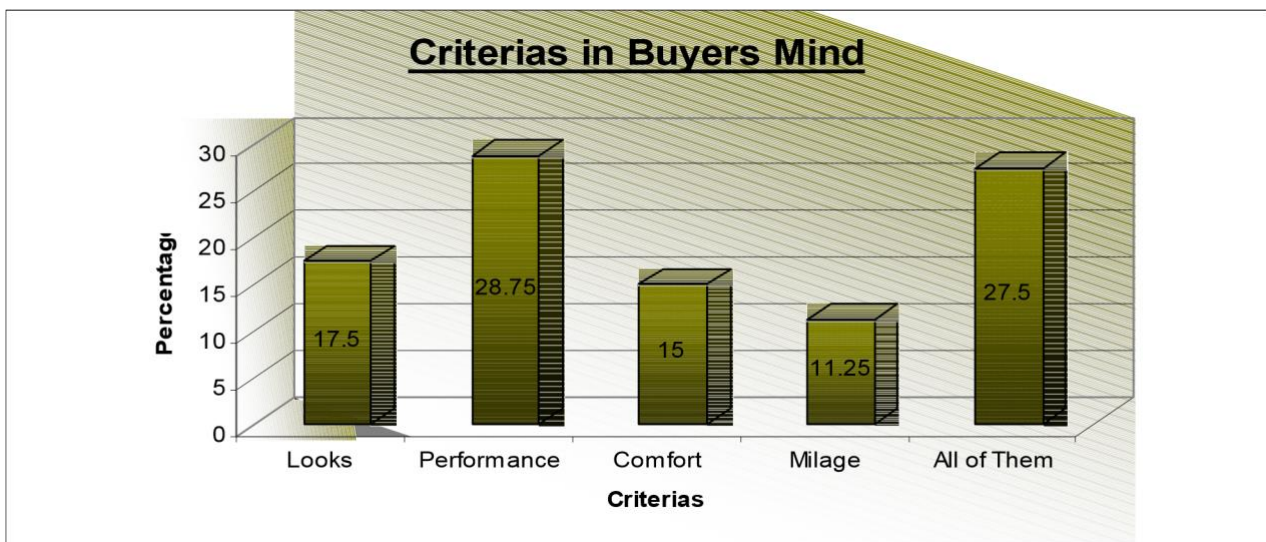


Figure 9

It was found that while purchasing the car customers look for the complete car of their choice which gives them good performance, looks, mileage and also it should be reasonably priced.

Pricing

Most customers found that prices of these cars are affordable for their pockets whereas few customers found that price is little higher.

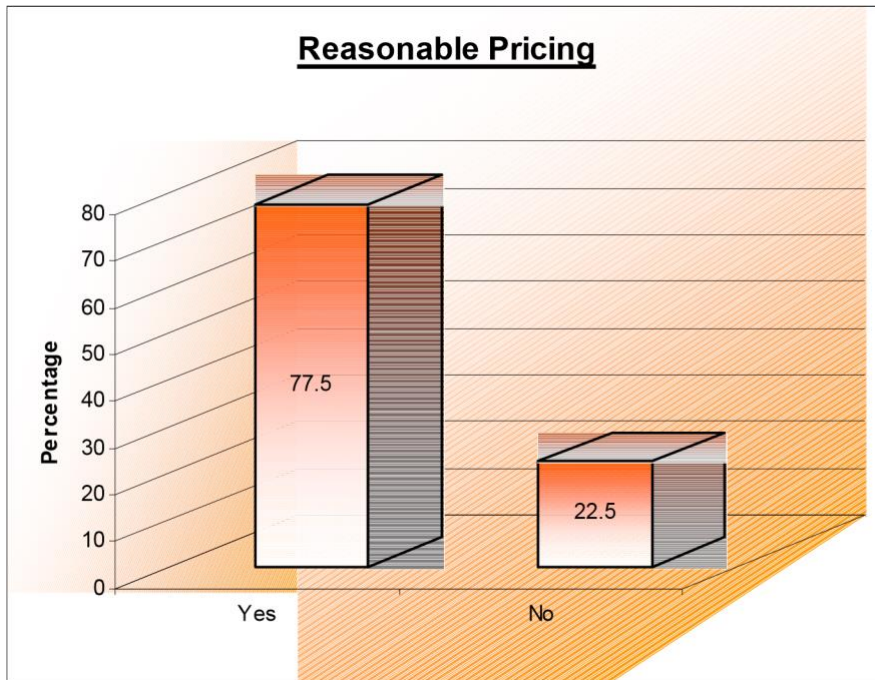


Figure 10

Preference of customers

Maximum customers still prefer to buy petrol version cars rather than diesel or LPG version, even though LPG and diesel versions are economical in usage.

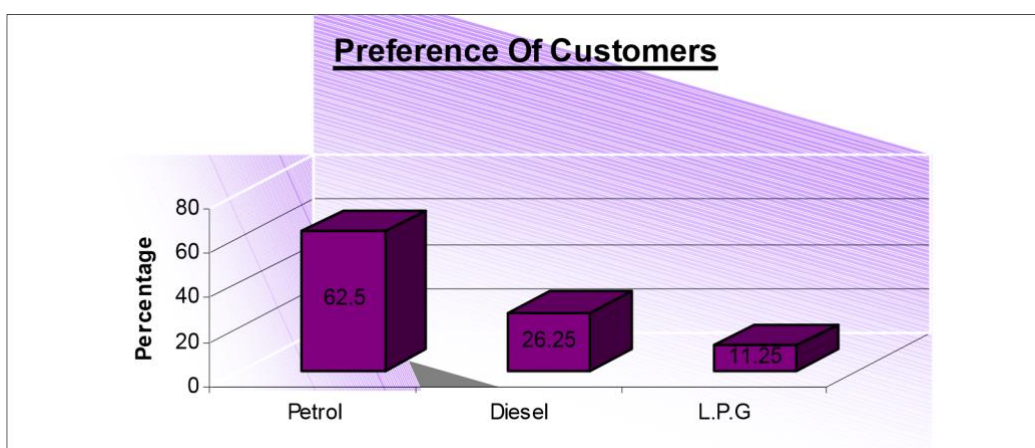


Figure 11

Strategies used to attract customers

Most of the customers prefer to buy after seeing some one else's experience. Thus word of mouth publicity acts as the marketing strategy for the companies whereas others are attracted to T.V ads, brand ambassadors, etc .

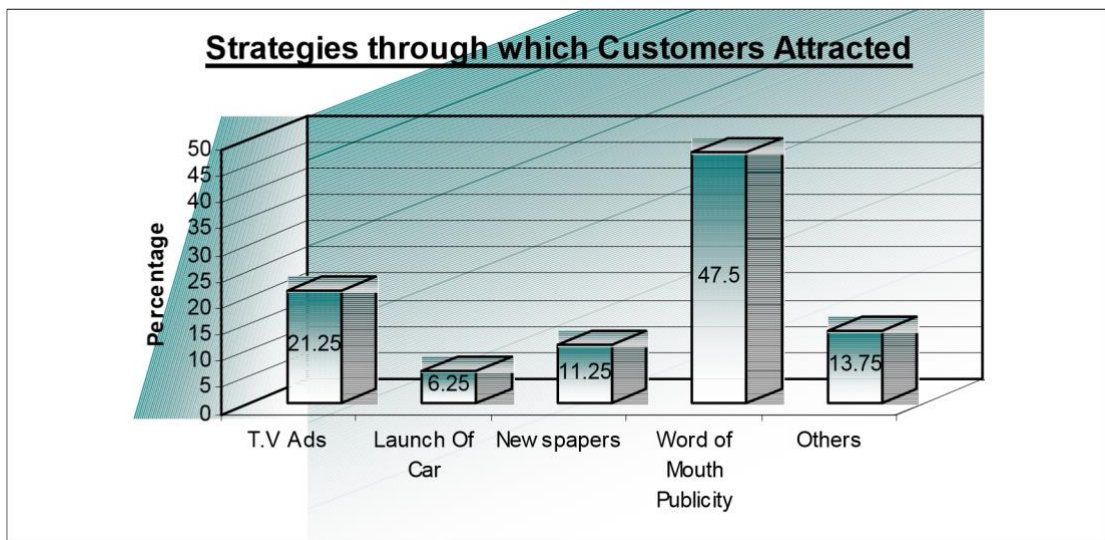


Figure 12

Dealer's Service

About 37.5 percent customers were satisfied with service provided by the dealers. Some were not satisfied as they faced problems like delay in delivering the cars, etc.



Figure 13

Expectations from dealers

When customers were asked about their expectations from dealers, they replied that they need delivery on time, good service, giving detailed information about the car before purchasing, good after sales service, etc.

FINDINGS

- It was found that dealers agree that Marketing Strategies helps to increase sale of product.
- Most of the customers are attracted through media publicity and mouth publicity.

- Swift and Alto from Maruti and i10, i20, and Santro from Hyundai are most demanded cars by customers.
- Customers prefer Petrol Version cars more than Diesel or L.P.G. version.
- Most of the Customers were found satisfied with cars' performance.
- Around 50-75% of customers purchase cars on installment basis.
- From survey, it was found that around 64% were Maruti users.
- Pricing of cars was found reasonable by most of the customers.
- Customers were satisfied with dealer's service.

Suggestions and Recommendations

To Dealers:

- ☐ As dealers directly interact with customers, they should maintain proper Customer Relationship Strategy.
- ☐ They should offer service benefits and offerings according to the various customers segments. Which may include

classification on the basis of

- Income group
- Age group

- ☒ Dealers should help customers in taking right decision in buying a car and should give complete information about the car before customers purchase it.
- ☒ The customers, who want to purchase a car on installment basis, should also be provided with additional accessories as there is in case of cash purchase.
- ☒ Dealers should provide good after sales service and should maintain good relations with customers so that reference can be taken and goodwill is created.

To Company

- ☒ Maruti should more frequently come with mid-size models like sx4 and swift Dzire as their sedan model is faring very well in market.
- ☒ Maruti and Hyundai should come up with diesel model of midsize cars as market survey says that the use of diesel cars will increase by 50% in 2014.

- ☐ Hyundai should try to increase their number of dealers and service stations so that customers can get better service.
- ☐ Both companies should try to build trust in customers as competition is increasing day by day.
- ☐ Company should try to give some good schemes and offers and discounts for old and new customers.
- ☐ Maruti should try to expand its range of cars from small car and hatchbacks to more mid-size cars like sx4 and swift mid size version.

Conclusion

Maruti Suzuki is forward in its marketing strategy. Maruti has its vast network of dealers and service centers and hence they are able to provide good after sales services and are able to maintain good relationship with customers, which is their strongest point. Maruti is also benefited with its goodwill and Brand name which is already there in market. So Maruti can use these as an opportunity to bring new and innovative car models in market and try to attract more and more customers. It can be seen that Maruti is trying to attract customers from all segments by launching cars like sx4, Swift, Ritz but their main preference is “A” segment cars only

Hyundai's strategy of endorsing their products with celebrities has got a very good response but Hyundai should advertise better to create a good picture of its products by transferring the key good things about its cars. Hyundai has a good track record of having successful diesel mid size cars in its portfolio and it should encash the same opportunity to launch the diesel versions of small car before Maruti gets too much competitive advantage. And Hyundai should also try to increase their service centers so that customers can find it convenient to get their car serviced.

Annexure

QUESTIONNAIRE TO MARUTI/ HYUNDAI DEALERS

Q.1) Do you think Marketing Strategies help to increase sales of a product?

a) Yes b) No

Q.2) How did Marketing Strategy help you?

Q.3) Which Promotional Strategies did you use?

Q.4) Which type of Promotion had attracted maximum number of Customers?

Q.5) Do you think Promotion through Mass Media is more effective than any other medium?

- a) Yes b) No

Q.6) Does a Grand Launch of a Car makes Selling of a car easy?

- a)Yes b) No

Q.7) Which Car model of your company is demanded by customer the most?

Hyundai-

- a) Santro b) i10 c) Getz d) i20 e) Accent f) Sonata
g) Any Other

Maruti-

- a) Ritz b) Swift c) sx4 d) Alto e) Estilo f) any
other

Q.8) Which car of your company gives best mileage?

Hyundai-

- a) Santro b) i10 c) Getz d) i20 e) Accent f) Sonata
g) Any Other

Maruti-

- a)Ritz b) Swift c) sx4 d) Alto e) Estilo

f) any Other

Q.9) What is the Customer Preference in terms of fuel variant?

a) Petrol version b) Diesel version c) L.P.G version

Q.10) While Buying the Car, what are the criteria in the Buyers' Mind?

a) Quality b) Comfort c) Performance d) Milage e)Price

Q.11) Which other Automobile Company do you think is Biggest Competitor for your company?

a) Maruti / Hyundai b) Ford c) Honda d) Tata
e) Mahindra and Mahindra

Q.12) Which amongst all the car models offered by your company will you rate as Number 1 for its Complete Package?

Q.13) Most of the Sale takes place on which Basis?

a) Cash b) E.M.I c) Cheque d) Any other

Q.14) How many % of Customers purchase car on installment basis?

a) 0-25 b) 25-50 c) 50-75 d) 75-100

Q.15) With which Bank you are tied up for E.M.I system?

a) I.C.I.C.I b) HDFC c) IDBI d) HSBC e) SBI

f) Any other

Q.16) Do you offer discount to customer on Cash Purchase? If yes, how much?

a) 1% b) 2% c) 3% d) 4 e) 5% f) more than 5%

Q.17) Do you think Tata Nano's entry in market will affect the sale of your Cars?

Q.18) How much effect do you think recession has caused on your Business?

Q.19) Do you think during the recession phase of the market, spending huge amount on various marketing strategies is a wise decision?

a) Yes b) No

Q.20) As observed, most of the buyers are less than 35 years of age, what offers do you provide to attract them?

Q.21) What do you think is the reason behind customers' loyalty to Maruti / Hyundai or faith in Maruti/ Hyundai?

- a) Brand Name b) Quality c) Service d) Reasonable price
- e) Range of cars

Q.22) Do you think sponsoring Reality Shows and awarding cars to the winner helps promoting the car and increases profitability in return?

- a) Yes b) No

Q.23) In the initial stage which pricing strategy will you prefer?

- a) Skimming b) Penetration

Q.24) Do you also deal in second hand cars?

- a) Yes b) No

Q.25) How much do you believe in Customer Satisfaction and After Sales Service?

Q.26) What is the response for new Hyundai i20 / Maruti Ertiga?

Q.27) Do you conduct Marketing Research activity?

a) Yes b) No

Q.28) What type of analysis do you conduct for Market Research?

Q.29) How does the company help to Promote Your (dealer's) Business?

Q.30) Does the company arrange seminars for giving information about Future Plans and Car Launches?

a) Yes b) No

Q31) How much increase in sales are recorded during festive season?

QUESTIONNAIRE TO CUSTOMERS

Q.1) Which company's car do you use?

a) Maruti b) Hyundai c) Other

Q.2) What is the car model that you are using?

a) Santro b) i10 c) Getz d) i20 e) Alto f) Swift
g) Ritz h) Zen i) other

Q.3) What is the reason behind choosing Maruti/Hyundai car, and not others?

a) Brand b) Quality c) Price d) Range of cars e) Complete package

Q.4) How did you find the car's performance?

a) Excellent b) Good c) Average d) Poor

Q.5) Has it met your expectations?

a) Yes b) No

Q.6) What was the main criteria in your mind while purchasing car?

a) looks b) performance c) comfort d) mileage e) all of them

Q.7) If you have used Maruti/ Hyundai car before also, what reasons have forced you to buy Maruti/Hyundai again?

a) Brand b) Quality c) Price d) Range of cars e) all of them

Q.8) Do you think prices are reasonable?

a) Yes b) No

Q.9) Which version would you like to purchase?

- a) Petrol
- b) Diesel
- c) LPG

Q.10) Which Marketing strategies have attracted you to buy a car?

- a) T.V ads
- b) Launch of car
- c) Newspapers
- d) Word of Mouth publicity.
- e) Other

Q.11) How did you find dealers services while buying car?

- a) Excellent,
- b) Good
- c) Average,
- d) Poor

Q.12) Do dealers offer any extra benefits other than what company offers?

Q.13) What are your expectations from the dealers?

- a) On time delivery

- b) Good Service
- c) Detailed information about the car before purchase
- d) Solving complaints/queries immediately
- e) All of above

Q. 14) Out of following which Hatchback car would you like to purchase?

- a) Ritz, b) EON, c) i10, d) Spark, e) Fabia

Q.15) Would you recommend your friends, relatives to buy Maruti/
Hyundai car?

Bibliography

Books

- Marketing Management – Philip Kotler
- Marketing Management –Sharma Arun

Magazines

- ❑ Auto Drive
- ❑ Indian Auto
- ❑ Over Drive

Websites

- ❑ www.marutisuzuki.com
- ❑ www.hyundai.com
- ❑ www.google.com
- ❑ www.autoindia.com
- ❑ www.overdrive.com
- ❑ www.wikipedia.com
- ❑ www.netmba.com