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# Analysis of Relationship Between Demographic Profile and Customer Satisfaction: A Case Study of Hyundai Motors in Aizawl City

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# 1.1 INTRODUCTION

Consumer behaviour refer to acts of individuals directly involved in obtaining and using economic goods and services, including the decision processes that precede and determine these acts (Engel. et al, 2009). They observed that though the word 'behaviour' is used to include only the overt or observable actions, it is increasingly being recognized that the overt purchasing act is only one portion of the decision process. Jain and Bhatt (2003) stressed that consumer behaviour includes those actions directly involved in obtaining, consuming and disposing of products and services including the decision process that proceeds and follow the action. This takes into account the Pre-Purchase, purchase and post purchase behaviour.

Taking into consideration consumer research, the understanding of consumer behavioural psychology is necessary. Internal and external factors affect behaviour on purchase of consumer durables and behaviour does not arise spontaneously (Monga and Anand ,2003). The major factors of such behaviour includes:

- Motivation: The innate drive that instigates a person to take action for purchase of goods. Cultivated motives, emotional and logical motives, social and reliability motives as well as psychology motives affect the consumers' behaviour.
- Personality: Each and every human being has different personality. Different personalities can be studied in the field of marketing to understand the lifestyle and outer looks of the consumer and match it with the products so produced.
- Attitude: Attitude is a common feature of all buyers where in each and every buyer has a distinct attitude towards a product or service. Attitude stems from experience, state of mind, an implied behaviour and is influenced by situations.
- Perception: Perception involves the intuitive or immediate recognition of the aesthetics of a product or service. The base of interpretation is necessary to be understood to produce and renovate goods and services to attain satisfaction.
- Learning: Learning comes through practice and grasping of information. Understanding the level of knowledge that consumer grasps enables the interpretation of wants and needs.

- Culture and Sub-Culture: It studies the winsome behaviour of consumers. Culture and sub-culture is a guiding source of purchase implying that understanding such culture through consumer research enables marketers to target specific markets and produce culture oriented goods and services.
- Reference Groups: From consumer research point of view, references serve as an important factor of
  purchase as it leads to the direction with regards to belief, attitude or behaviour leading to specific goods
  and services. Reference may lead to interface, desire, disapproval or avoidance.
- Family: Family directly effect the behaviour of consumers when it comes to durables.
- Social Class: Status in the society greatly influences a consumers' behaviour. Source of income, education, standard of living etc determine a consumers basic needs and wants.

#### 1.2 OBJECTIVE OF THE STUDY

a. To identify the relationship between the demographic profile and customer satisfaction.

# 1.3 RESEARCH METHODOLOGY

*Data Collection*: The study is based on both primary and secondary data. Primary data is collected through a scheduled questionnaire method comprising of demography, pre purchase opinion and post purchase opinion of Hyundai Cars. Secondary data is collected from statistics of Govt. of Mizoram, records of Hyundai dealers in Aizawl, journals, books and newspapers.

Sampling: The Sample consists of 170 respondents residing in Aizawl City having purchased their Hyundai cars before 31<sup>st</sup> March 2021. The sample is collected using purposive sampling method.

The sample is collected based on 4 zonal areas of the city: Aizawl East, Aizawl West. Aizawl South and Aizawl North based on purposive sampling method.

Statistical Tools: The research uses statistical tools such as Pearson's correlation co-efficient through SPSS and simple percentage and frequency analysis using MS Excel.

#### 1.4 RELATIONSHIP BETWEEN DEMOGRAPHY AND CUSTOMER SATISFACTION

# 1.4.1: Analysis of Demographic Profile of Respondents:

The table presented below provides an overview of the demographic profile of 170 respondents. The variables included in the study are gender and age, educational qualification, marital status, no of family members and the level of income of the respondents on a monthly basis.

**Table 1: Demographic Profile of Respondents** 

| Demographic Variables            |                         | No. of      | Percentage |
|----------------------------------|-------------------------|-------------|------------|
|                                  |                         | Respondents | _          |
| Gender                           | Male                    | 139         | 82         |
|                                  | Female                  | 31          | 18         |
| Age                              | 18-22                   | 2           | 1          |
|                                  | 23-27                   | 23          | 13         |
|                                  | 28-32                   | 25          | 15         |
|                                  | 33-37                   | 29          | 17         |
|                                  | 38-42                   | 22          | 13         |
|                                  | 43-47                   | 29          | 17         |
|                                  | 48-52                   | 14          | 8          |
| 146                              | 53 and above            | 26          | 16         |
| <b>Educational Qualification</b> | Class 12and below       | 20          | 11         |
|                                  | Undergraduate           | 74          | 44         |
|                                  | Post Graduate and above | 76          | 45         |
| Marital Status                   | Single                  | 43          | 25         |
|                                  | Married                 | 113         | 66         |
|                                  | Divorced                | 8           | 5          |
|                                  | Widowed                 | 6           | 4          |
| No. of Family Members            | Less than 5             | 70          | 40         |
|                                  | More than 5             | 100         | 60         |
| Income (per month)               | Below 20,000            | 17          | 10         |
|                                  | 20,000-50,000           | 63          | 37         |
|                                  | 50,000-80,000           | 56          | 33         |
|                                  | 80,000 and above        | 34          | 20         |

**Gender:** From the table, the respondents comprise of 82% men and 18% women. It is clear that majority of Hyundai car owners are male. Out of 170 respondents, only 31 of them comprise of women.

**Age:** The table shows that 17% of the respondents i.e ages of 33-37 and 43-47 contribute to the majority of age group of Hyundai car owners. Ages between 53 and above contributes to the second highest number of respondents followed by the age group of 28-32 years of age. The forth majority contribution is the age group of 48-52. The least contributing age group is 1% which is within the age group of 10-22.

**Educational Qualification:** The table shows that majority of the respondents i.e. 45% have PG and above degrees and is followed by respondents with UG degree at 44%. Only 11% of the respondents belong to the category of passing class 12 and below.

**No of Family Members:** The table shows that majority of the respondents i.e 60% belong to a family of more than 5 and the rest 40% belong to a family of less than 5.

**Income Level:** The table shows that majority of Hyundai car owners have an income of Rs.20,000-50,000 (37%) followed by the income group of Rs.50,000-80,000. The third highest income group belongs to the category of Rs. 80,000 and above. The last income group belongs to Rs.20,000 and below.

# 1.4.2: Analysis of Relation between Demography and Satisfaction:

The tables below provide the relationship between customer satisfaction and the demography of the respondents i.e gender, age, education level, marital status, number of family members and income level.

The analysis uses Pearson's Correlation as a tool to measure the aforesaid profiles with the level of satisfaction to find out whether there exists significant difference using the significance level p<0.05.

**Table 2: Correlation between Gender and Satisfaction** 

| Correlation                  | Level of Satisfaction | Gender |
|------------------------------|-----------------------|--------|
| <b>Pearson's Correlation</b> | 1                     | 0.130  |
| Sig. (2 tailed)              |                       | 0.090  |
| N                            | 170                   |        |

The table shows that there is no significant correlation between the level of satisfaction and gender of the respondents since p> 0.05 implying that satisfaction does not necessarily depend on the gender of the respondents.

**Table 3: Correlation between Age and Satisfaction** 

| Correlation           | Level of Satisfaction | Age     |
|-----------------------|-----------------------|---------|
| Pearson's Correlation | 1                     | -0.170* |
| Sig. (2 tailed)       |                       | 0.026   |
| N                     | 170                   |         |

The table shows that there is negative and significant correlation (p>0.05) by Pearson's rank i.e r = -0.170 which signifies that satisfaction gradually decreases as the age of the respondents increases. It

implies that there is higher satisfaction among the lower age groups as compares to the higher age groups. The findings can imply that the younger generation are more inclined to be satisfied with the features of Hyundai cars as compared to the older generation. This can mean that the features and physical appearances are more attracted and targeted towards the youth rather than the older age group.

**Table 4: Correlation between Education and Satisfaction** 

| Correlation                  | Level of Satisfaction | Education |
|------------------------------|-----------------------|-----------|
| <b>Pearson's Correlation</b> | 1                     | 0.101     |
| Sig. (2 tailed)              |                       | 0.190     |
| N                            | 170                   |           |

The table shows that there is no significant correlation between the educational level and the level of satisfaction since p> 0.05. This implies that educational qualification does not much contribute to the level of satisfaction upon purchase and usage.

**Table 5: Correlation between Marital Status and Satisfaction** 

| Correlation           | Level of Satisfaction | Marital Status |
|-----------------------|-----------------------|----------------|
| Pearson's Correlation | 1                     | 0.048          |
| Sig. (2 tailed)       |                       | 0.534          |
| N                     | 170                   |                |

<sup>\*</sup> Correlation is significant at 0.05 level (2 tailed)

The table shows that p=0.534 which is greater than 0.05 which implies that there is no significant difference between marital status and satisfaction level of the respondents.

Table 6: Correlation between No. of Family Members and Satisfaction.

| Correlation           | Level of Satisfaction | No. of Family Members |
|-----------------------|-----------------------|-----------------------|
| Pearson's Correlation | 1                     | -0.44                 |
| Sig. (2 tailed)       |                       | 0.565                 |
| N                     | 170                   |                       |

The above table shows that there is no significant difference i.e p>0.05 between the level of satisfaction and the no of family members. Level of satisfaction remains the same whether the respondents belong to a big or small family.

Table 7: Correlation between Income Level and Satisfaction

| Correlation           | Level of Satisfaction | Income Level |
|-----------------------|-----------------------|--------------|
| Pearson's Correlation | 1                     | -0.254**     |
| Sig. (2 tailed)       |                       | 0.01         |
| N                     | 170                   |              |

<sup>\*\*</sup> Correlation is significant at 0.01 level (2 tailed)

The table shows that there exists correlation between the level of income of the respondents and level of satisfaction. There exist a significant difference p<0.01 which implies that level of satisfaction changes with the income level. There exist a negative correlation r = -0.254 which implies that as the level of income increases, the level of satisfaction increases. It can also be inferred that higher income group respond well to satisfaction.

In the present scenario, Hyundai cars have become more advances, with world class features both internally and externally, and hence prices have also increased to a considerable amount. As such, the result is justified where satisfaction increases among higher income groups.

# 1.5 SUGGESTIONS

From the findings and observations of the study, the following are put forward to the manufacturers and dealers of Hyundai Cars with specific focus on dealers residing in Aizawl.

- a. Manufactures should frequently conduct systematic market research to assess the dynamics in the market, the changes in behaviour of buyers and existing users so that they can increase the sales in the years to come.
- b. Dealers should target higher income groups since there exist significant relation between higher the income, higher the satisfaction
- c. Marketers should target younger age groups and focus on their wants and expectations since more satisfaction is experienced among the lower age groups as compared to the higher age groups.

#### 1.6 CONCLUSION

Customer is King' in the kingdom of Marketing, so, understanding his behaviour is a necessity. The study of consumer behaviour holds great interest for not only marketers but also for researchers to understand the in-depth factors that play a role in what is bought, why is it bought, how is it bought, what are the internal and external influences that led to purchase which implies that it is one of the sub sets of Human Behaviour.

Demography plays a significant role in the satisfaction among the customers of Hyundai motor cars. Income and age group proved to be one of the major influencers of satisfaction among the car owners of Aizawl City. Hyundai Motors having entered the Mizoram automobile sector 17 years ago in 2001 where in the first Hyundai Car sales was made on 13<sup>th</sup> May 2001 has greatly marked its existence being the highest tax payer of all the automobile dealers in the state.

Hyundai Motors have greatly made a mark in the state especially in the city of Aizawl. Hyundai Motors have paved the way of creating of an elite brand throughout the world and has also made a huge impact in the small North-Eastern state of Mizoram with the number of sales increasing year after year and has the potential to be the forerunner in the automobile sector in the future years.

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