



A STUDY ON “ ANALYSIS OF MARKET SEGMENTATION TARGETING AND POSITIONING OF TATA MOTORS”

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ABSTRACT:

A component of the Tata Group, Tata Motors Limited (formerly TELCO) is an Indian multinational automobile manufacturing corporation with headquarters in Mumbai, Maharashtra, India. Passenger cars, lorries, vans, coaches, buses, and military vehicles are among its offerings. It is the eighth-largest automaker in the world, the fourth-largest truck producer, and the second-largest bus producer by volume.

The study was conducted to learn how TATA targets the motor market and to learn about consumer preferences for the vehicles they choose. Everyone in today's cutthroat market has their own preferences when it comes to cars, with factors like stylish appearance, mileage, seating capacity, and most importantly, "BRAND". In today's industry, TATA is the only automaker changing features for both stunning appearances and fuel efficiency. In the past five years, TATA has introduced many models under the same brand, including the Nexon in EV, TATA Safari with new amenities, and TATA Nano at an incredible low price. The sole premium car manufacturer from India is TATA. He also owned the brands "Range Rover" and "Land Rover."

INRODUCTION:

The multinational Indian carmaker Tata Motors Ltd, whose corporate headquarters are in Mumbai, is a member of the Tata Group. The company makes luxury and sports cars, as well as passenger cars, lorries, vans, buses, and coaches.

Once known as Tata Engineering and Locomotive Company, the company was founded in 1945 to manufacture locomotives (TELCO). As part of a collaboration with Daimler-Benz AG that lasted until 1969, the company

created its first commercial vehicle in 1954. When Tata Motors unveiled the TataMobile in 1988 and the Tata Sierra in 1991, it entered the passenger vehicle industry as the first Indian business to produce a homegrown car that was competitive.

Tata Motors also has auto manufacturing and vehicle assembly facilities at Jamshedpur, Pantnagar, Lucknow, Sanand, Dharwad, and Pune in addition to those in Argentina, South Africa, the United Kingdom, and Thailand. There are facilities for research and development at Jamshedpur, Lucknow, and Pune in India as well as in South Korea, the UK, and Spain. Tata Motors is traded on the BSE (Bombay Stock Exchange), the New York Stock Exchange, and the National Stock Exchange of India. The BSE SENSEX index includes Tata Motors as one of its constituents. The company is ranked 265th on the 2019 Fortune Global 500 list of the largest corporations in the world.

DEFINITION OF TARGETING AND SEGMENTATION OF MARKET:

People in the marketing and business development fields do research on customer behaviour and market trends in order to develop effective promotional tactics. Companies can use a method called market segmentation to identify the target markets for a good or service. Knowing the concepts of target markets and market segmentation may help you more clearly understand how businesses increase their revenue by focusing on specific consumer types.

KEY POINTS:

- Market segmentation is the division of a population into groups according to shared traits.
- A target market is a particular group of people that a business wishes to sell its goods or services to.
- You can reach your target market and extend into similar groups by conducting market segmentation research.

SEGMENTATION:

The technique of dividing a customer base into groups based on shared characteristics is known as market segmentation. Market segmentation is to identify who purchases a company's goods and services as well as which items or services they buy. Business development and marketing teams may utilise the following elements to segment the market:

- For example, age, gender, or race
- Geographical terms like nation, state, or city
- Socioeconomic classes like the upper class or middle class, or psychographic characteristics
- Firmographics, or the Organizations that employ customers
- Such as purchase and browsing patterns

TARGET MARKET:

An area of the market where a product or service may prosper is referred to as a target market. Target market segments are typically those whose buying preferences, needs, and actions are compatible with the products or services a company offers. For instance, a business that sells electronics can have a variety of target clients, including small businesses, remote employees, and school districts.

How do target markets and market segmentation interact?

1. **Segmentation:** You may better understand the products and services each market group would find valuable by using market research to identify the characteristics that consumers generally share. By building segments, you can decide which group or groups will work best for your marketing objectives.

2. **Targeting:** As you target, you look at each segment's behaviours and pick the ones you think are most appropriate for the product or service you're promoting. Usually, marketing teams pick one or two categories to focus on all at once.
3. **Positioning:** Understanding your target market will help you place your brand, products, and services where they're most likely to see them, whether that's through TV advertisements, social media campaigns, or actual locations where your target market hangs out.

ENHANCES MARKETING CAMPAIGNS:

The goal of segmentation and targeting is to comprehend your customers' demands and preferences. With the knowledge you gain from doing this, you can create marketing strategies that emphasise how your company's products and services meet the distinct needs of your customers and influence them to choose your offering over that of your competitors.

A headache medication company, for instance, would use market segmentation to identify parents of young children as its target market. The company's marketing division might create a campaign specifically for these customers by highlighting how effectively the product can treat headaches brought on by stress and noise.

IMPROVES PRODUCT DEVELOPMENT:

By understanding who your target market is, you can create products that they will value. There may also be opportunities to create novel products that meet specific needs. By better comprehending your customers' needs, you can make your current products more advantageous to them. A company can build a niche market and boost customer loyalty by developing products that are specifically aimed at that market.

A company that makes shoe insoles, for instance, might segment the market and decide to focus on a target market of recreational runners and joggers. By market research into the target market, the product development team may learn about specific foot and ankle problems that affect runners.

LITERATURE REVIEW:

The analysis of literature is a crucial and vital part of research. If the researcher doesn't undertake an exhaustive review of the literature, no research study is thought to be as thorough. This assignment's primary objectives are to determine the research gaps between already available studies, choose a specific research topic, and gain understanding of the research issue chosen for investigation. In this approach, the implementation becomes a type of exploratory research.

Throughout the past ten years, there has been an increase in the number of automobile purchases in India. Rising urbanisation, economic expansion, and per capita income are the main causes of this.

Export earnings have increased ever since. Comparatively speaking to other parts of the world, this is still a low number. Hence, innovation in R&D and the creation of more efficient vehicles have been necessary in order to maintain market competitiveness.

Tata Motors has never been a successful company; in 2001, it suffered a loss of 500 crore rupees. In the same year, the share price of Tata Motors Limited dropped from Rs. 564 to Rs. Tata continued to lose money despite having cars like the Sumo and Tata Sierra in 1995 and starting to make Mercedes Benz in India thanks to its relationship with Daimler Benz.

With expanding consumer goods consumption and restrictions put in place by the Indian government on the use of heavy goods trucks in cities, particularly during daylight hours, the market for light goods vehicles saw an increase in demand.

Mr. Takachi Kikuchi, MD of Isuzu Motors India, asserts that "pickup trucks and utility vehicles are the fastest growing segments in the last 2 years." The genuine expansion of the Indian auto sector has only begun, and a tipping moment is about to occur. For the last two years, the pickup truck and utility vehicle segments have shown the highest growth, and we expect this pattern to continue. Nowadays, pickup trucks make up 35% of the market for passenger vehicles, while utility vehicles make up 20%.

Examined the financial results of the passenger and commercial vehicle segments of the automotive sector using four financial criteria: liquidity, profitability, leverage, and managerial effectiveness.

gives a brief overview of the automobile sector. There are many joint ventures with foreign partners in the Indian automobile sector, which serves as a centre for production. According to a SWOT study of the automotive industry, keyless entry, electrically controlled mechanisms, improved driving control, soft-touch interiors, and other innovative critical features will need to be prioritised in the future along with safety, durability, and pollution reduction.

The cheapest car in the world, the NANO, reportedly succeeded the Maruthi 800 in 2009 and made its debut on Indian roads. This article provided an overview of the Tata NANO's features as well as in-depth information on its production. According to this article, many Indians, particularly those who live in rural areas, have a strong desire to own an automobile.

Although though two-wheelers are often used in India, people are still looking for affordable cars. Ratan Tata, the owner of Tata Motors, voiced his comments on the NANO, claiming that it is the only automobile that has allowed individuals to realise their dream of having a car while earning a regular salary.

In 2009, the NANO, the world's most affordable car, made its debut on Indian roads, claims a study by the Tata Corporation. Tata Motors' aggressive marketing strategy to attract customers from various industries may be seen in the creation of NANO. The NANO is "the people's car," according to a TATA report, and all details regarding its facts and figures are given.

Although the important information about Tata Nano is discussed in detail, this article could still use some fresh data on customer reviews.

In the paper PCTI (2011) submitted, there is a detailed explanation of the Tata Nano automobile as well as details on its benefits and other aspects. This page offers the essential details regarding the concept and design of the NANO automobile, client expectations for its launch, modular design, price strategy, and release date, among other things. On the other hand, this article even covered the Tata NANO's economic impact on India and the opinions of other analysts. This article includes a table that provides thorough information on all of the features and specifications of the Tata NANO automobile. This piece also included information on reviews from several groups of people who had previously used Nano cars.

OBJECTIVES OF THE STUDY:

- To study the buying Behavior of millennials.
- Studied about different models of cars in TATA motors.
- To study about how TATA creating space in consumers mind regarding their goods.
- Studied about the models that how TATA is attracting the consumers with their features in their new models of cars.
- In past times group of TATA motors facing some challenges and issues regarding their different models of cars.

RESEARCH METHODOLOGY:

Descriptive analysis methodology is employed because it would facilitate to explain regarding the characteristics of the staff who are taken for the survey.

1. Survey: Interview of client
2. Analysis Techniques: Questionnaire
3. Technique in analysis: Correlation
4. Sample Sizes: 100
5. Sampling Method: simple random sampling
6. Type of data: primary and secondary
7. Research Method: Qualitative and Quantitative

Sources: Primary Knowledge:-

The primary data is the information that has been gathered to help with the opportunity to delay or use the call that ought to be made. Major knowledge is typically grouped through survey methods like telephone, mail, and internet surveys as well as individual interviews.

Sources: Secondary Knowledge:-

Secondary data gathered from distributors' firm personnel, Author line books, and the internet.

Analysis of Information:-

Data is only helpful during analysis. Knowledge analysis is constructing descriptive assertions from a collection of information observations that have been noted.

With a sample size of 100, the survey can be done in the town of Vadodara. The gathered data was then input into an SPSS secret writing list for analysis. The compromised SPSS Eleven.0.0 version of the software package, simple frequency cross tabs, and graphical representation are completed by the measurement and analysis of the data.

Ethics of Analysis:-

In a study, the form is made in such a way that respondents' emotions and company ethics won't appear to be compromised. In no way is the analysis and analysis report misleading.

LIMITATIONS OF THE STUDY:

The Sample Size used for the study is small. So, the results cannot be taken as universal.

Consumer's Perception changes with the advancement in the technology.

People who are above the age group of 50 are not well educated to know the variants in the vehicles as they only aware with mileage.

DATA ANALYSIS:

Research Design: Descriptive

Research Tool: Questionnaire

Sample Size: 100

Sampling Technique: Simple Random Sampling

Analytical Tool: Graphical Method

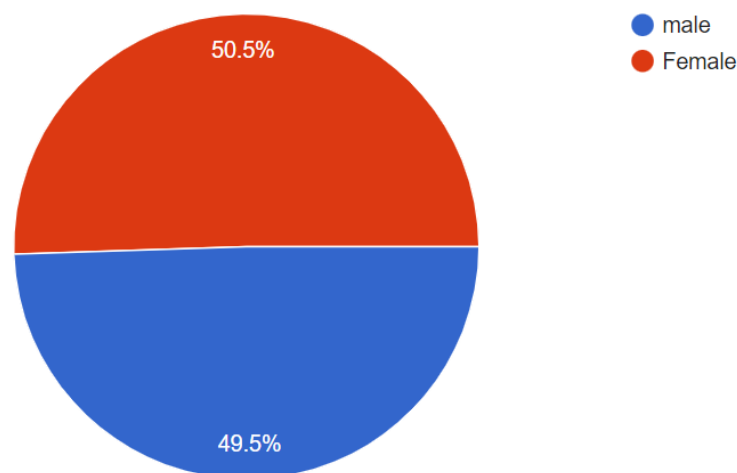
RESULTS:

Interpretation: Multiple Choice Questions or MCQ. Are the most commonly used method for measuring performance appraisal. The questions are very specific. The participant is given a scale on which he can rate himself based on the value, level of competency, and convenience at hardwork. This is the result of a survey questionnaire on performance appraisal which is conducted by us and this type of responses we get.

RESULTS:

select your gender

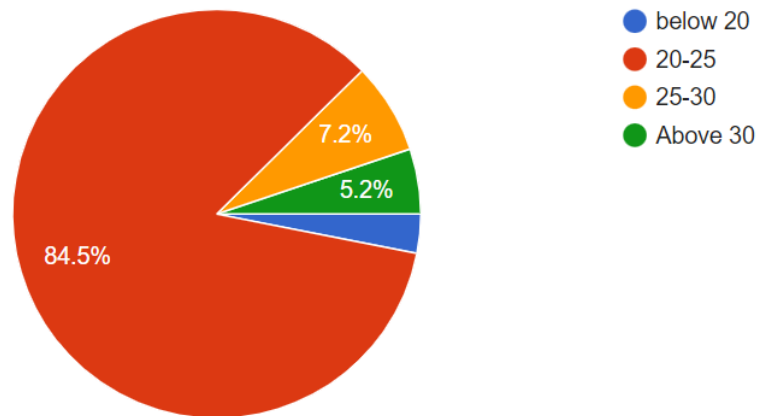
97 responses



The Above is the ratio according to the gender i.e 49.9% is the **Male** and 50.5% is **Female**.

Please select your age group

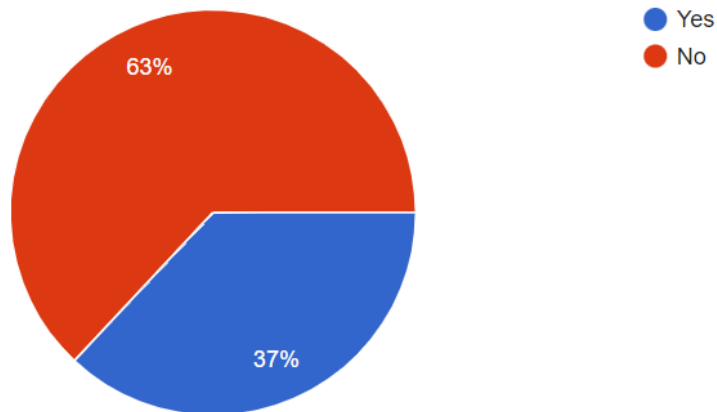
97 responses



The Monthly income is necessary because according to our income we decide which variant we select in particular Car Brand.

Do you have commercial vehicle?

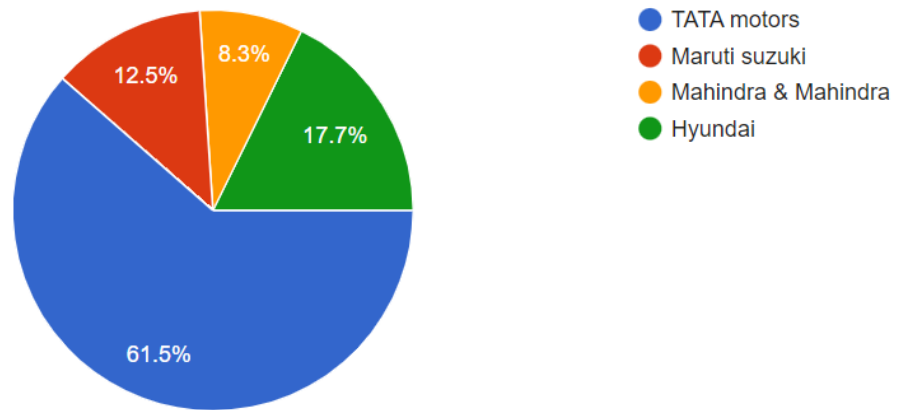
92 responses



This Question is necessary because TATA is also dealing in Commercial vehicle which were use for business purpose i.e. Trucks & Buses.

Which brand you prefer in cars?

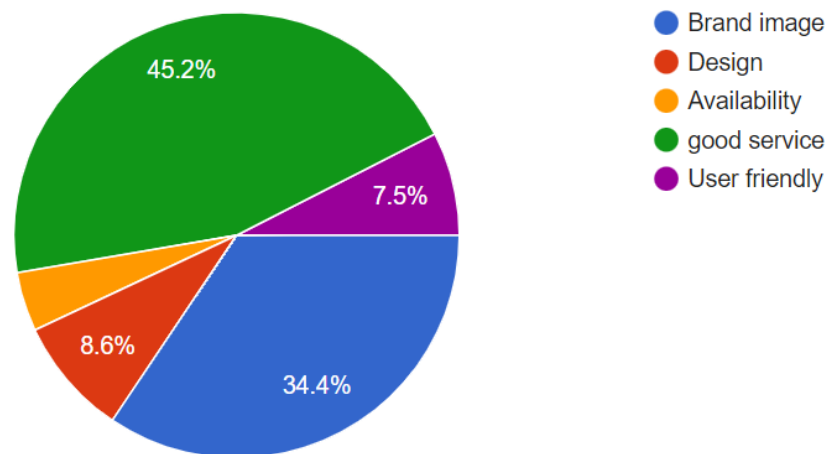
96 responses



The Above is the percentage of the public who prefers different brands in Cars but highest number of public were using TATA motors Cars this is because of service or facilities were provided by TATA Motors that is why the percentage of TATA Cars are highest.

Why did you choose brand TATA motors?

93 responses

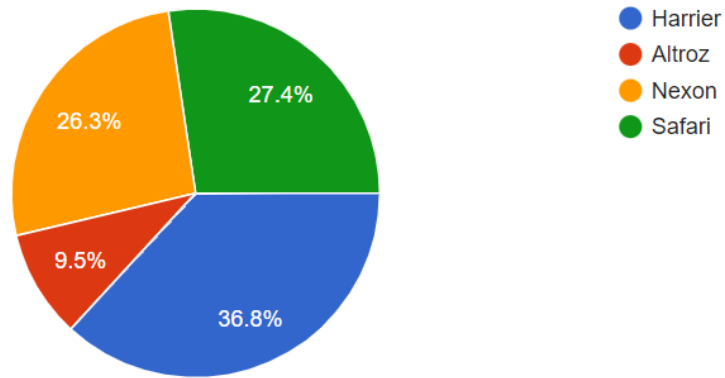


This Results shows that most of the customers are user friendly with TATA Motors because it's an indian brand, Spacious, Stylish Look according to the young generation.

And the most valuable thing is that brand loyalty, Service provided by the company and least number of consumer compliance.

If you want to purchase a new model in TATA Motors, Which model will you prefer?

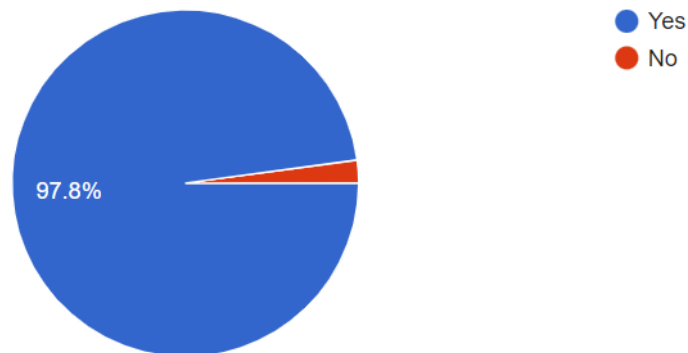
95 responses



The Above results shows the highest percentages to TATA Harrier, The reason behind that is harrier is the highest selling car of TATA and it also wins the car of the year award and it also comes in Electric vehicle and it is also comes in Luxury Cars.

Are you comfortable with seating capacity or space of TATA cars?

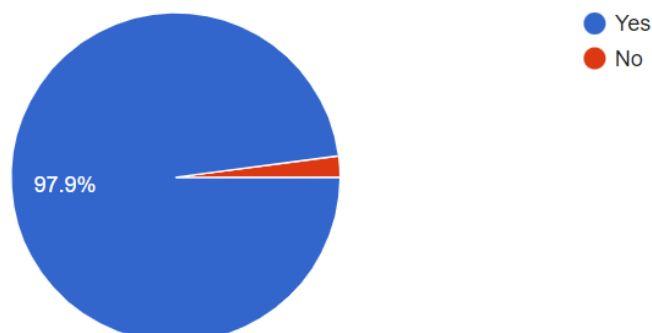
93 responses



The Above results shows that the publics are satisfied with TATA Motors Cars because it shows that public are valuable to the indian brand according to the result they are fulfill with the services of TATA Cars like Mileage, Seating Capacity, Looks, Design and many more.

is TATA cars are affordable?

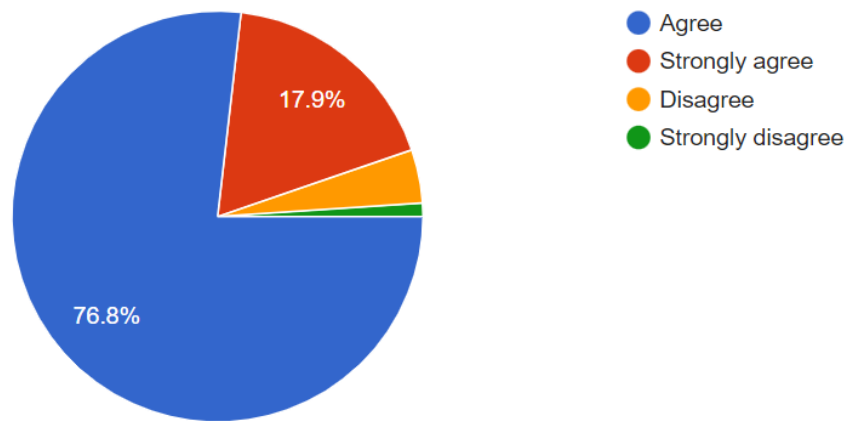
95 responses



According to the Public experience the TATA Cars are affordable because it is an indian brand and long term durability.

Is TATA cars are comes under Luxury?

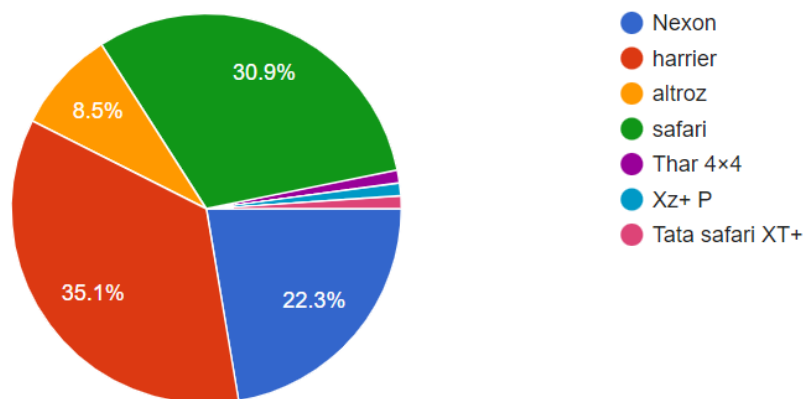
95 responses



Yes TATA Comes under luxury brands because of their new cars like **Harrier, Nexon & safari** and most important information is that **Range rover** and **Land rover** is also an brand of TATA Which is also comes under luxury cars.

which model of cars in TATA did you prefer?

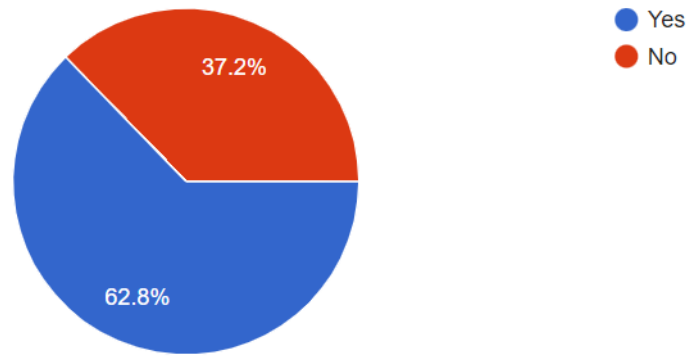
94 responses



The Above result shows the public choices and preferences in different variants of TATA Cars.

Have you heard about TATA Magic?

94 responses



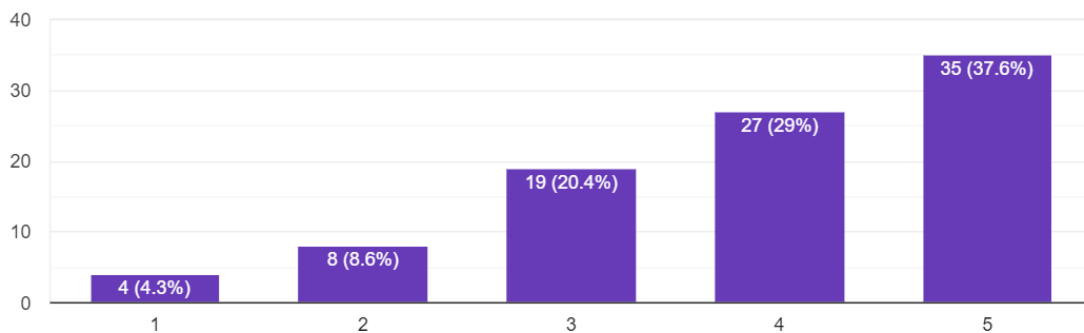
TATA Magic is a small Pickup truck which is mainly used for transportation purpose, it comes under logistics which helps to take the goods from one place to another but in small quantity.



Seating capacity of TATA magic and TATA magic iris better than competitors?

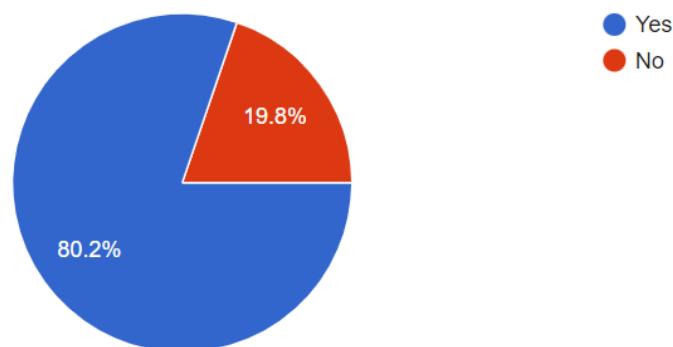
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93 responses



Are you satisfied with the current price of TATA magic?

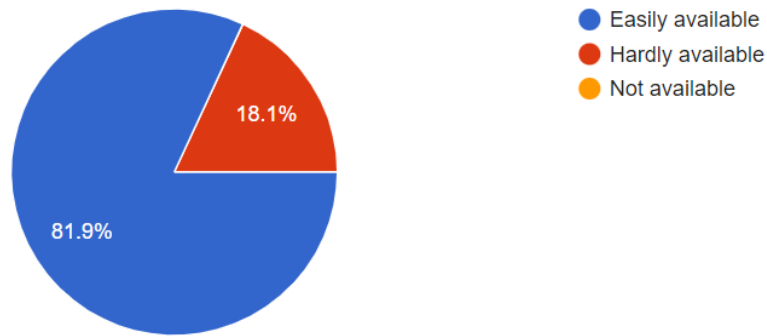
91 responses



According to the percentage Public are satisfied with the price of TATA Magic Truck because for the people who doing transportation business this truck is affordable for them for business purpose.

What is your opinion regarding the availability of spares parts of tata cars?

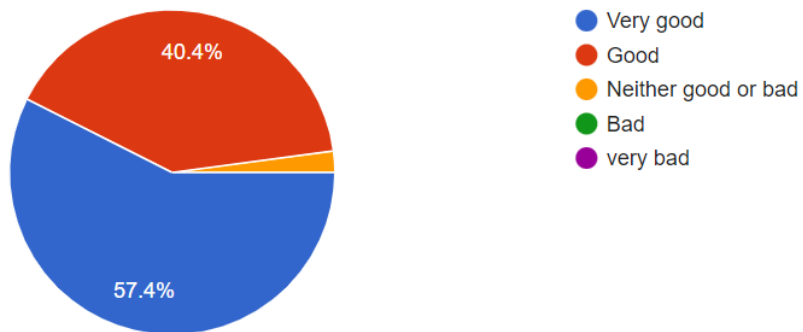
94 responses



According to the Public review TATA Motors Parts are easily available and mostly regarding spare parts the complains are less.

What is your overall opinion about tata motors?

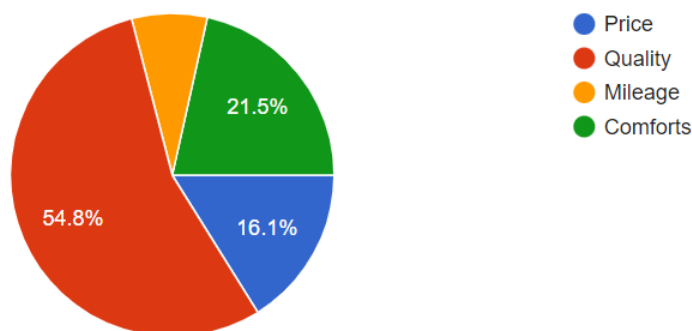
94 responses



Today, the firm is best recognised for its Land Rover and Jaguar automobiles. However, it is making a good effort to raise their ranking in India and aims to take fourth place this year. It appears that several positive steps have been done, such as the creation of the well-received Tiago, Tigor, Nexon, and Hexa automobile models, among others.

Why do you think the tata cars is the best choice for you after using it?

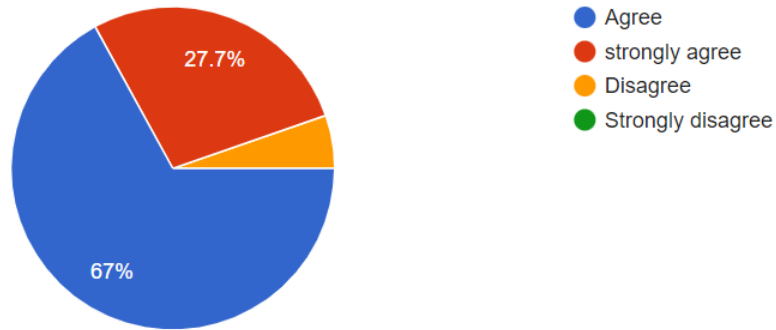
93 responses



One must take into account an automobile model's safety characteristics before making a purchase. Customers may find it interesting to know that the Tata Nexon is the first vehicle to receive a 5-star rating from the Global NCAP in this regard. A crash testing and rating organisation evaluates a car's safety features. Therefore, the safety of these vehicles has been established. Additionally, this Indian manufacturer creates vehicles with a durable design. For instance, people looking for a Tata car may want to think about the Safari from 2000, which offers unparalleled performance because of its high level of construction.

Is it good that TATA is converting into electric cars?

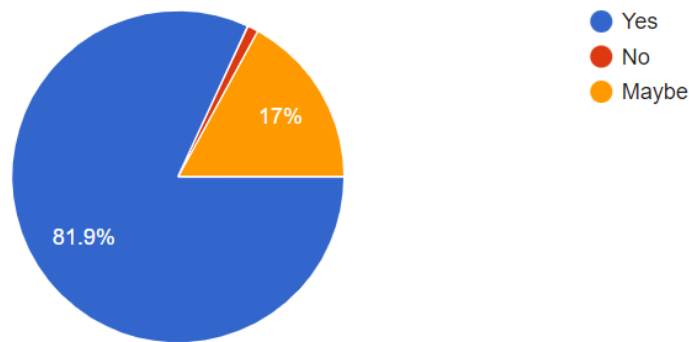
94 responses



It is the best vehicle in the market currently in the EV sector. It has great performance and delivers smooth driving. Its range is also good.

Do you like the features offered in TATA cars?

94 responses

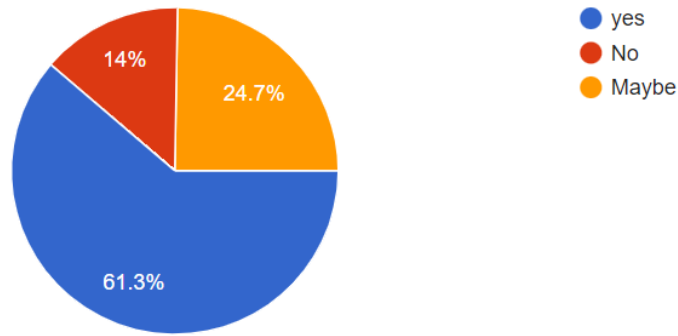


The purpose of a passenger car is to serve as the driver's fashion statement. No Tata vehicle ever falls short of this standard. You will feel the essence of power and have a comfortable driving experience thanks to the vehicle's strong construction, muscular appearance, sturdy body, and smart placement of stylistic accessories.

Being strong and durable need not mean that comfort must be compromised. One of the best instances of this are the Tata automobiles. It guarantees a smooth ride for both drivers and passengers. Although older models did not have this feature, the newer models are created differently to give you a lot of comfort.

Is TATA motors company successful in fulfilling the needs of its low economy customers by nano?

93 responses



The following Indian population segments were primarily targeted by Tata Motors:

First, the Middle Class

1. The lower middle class in general, Middle to lower class
2. Typically, those who ride two wheels
3. A family with three to four individuals that have problems riding a two-wheeler.

Following are the catchphrases and slogans Tata Motors used to market the car:

- A one lakh rupee automobile to realise all your aspirations!
- Not only the wealthy can own cars.

In order to appeal to as many people as possible, the Tata Nano was introduced in the market area of being the least expensive. When it was launched, we could have positioned it in the quadrant depicted in the image below.

CONCLUSION:

The nation's automobile sector as a whole is flourishing. India is quickly overtaking other alluring nations as the world's top automaker, producing vehicles for GM, Honda, Hyundai, BMW, and Mercedes. The car has taken on a key role in the automotive sector, both in terms of production and maintenance. These individuals will advertise the value of their cars to raise the high demand in the service industry. New technologies will soon be launched in the new service industry, even the high-tech services sector. When offering a service, the corporation must take great care to consider the demands of the customer, even if giving an upgrade within a reasonable amount of time is crucial. Aadyaa service and a fair pricing are used to draw clients.

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Consumer Preferences

www.motorindiaonline.in

www.financialexpress.com