

# A Comparative Analysis of Customer Perception and Market Positioning of Toyota and Mahindra Motors

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## ABSTRACT

This study aims to compare Toyota Motor and Mahindra & Mahindra across multiple key business dimensions, including market share, product portfolio, financial performance, distribution, customer service, and strategic direction. The objective is to provide stakeholders with insights into the competitive strengths and weaknesses of these two leading automotive manufacturers in the Indian market.

The research employed a mixed-method approach, utilizing both secondary data (company annual reports, industry journals) and primary data (customer surveys and dealer interviews, where available), with analysis based on key ratios and trend analysis. The scope of the study is concentrated on the passenger vehicles and SUV segments within India.

The key findings indicate that Toyota, leveraging its global strength, is perceived as the leader in reliability and hybrid technology, commanding a strong brand image, premium positioning, and superior comfort/handling. Mahindra, a domestic market leader, dominates the SUV/UV segment with aggressive product strategy, strong performance, and greater rural penetration. While Toyota offers long-term peace of mind, Mahindra provides compelling value and rugged utility for Indian conditions. A shared challenge for both brands is inconsistency in after-sales service quality in certain regions.

**Key words:** Customer Perception, Market Positioning, Toyota, Mahindra Motors

## INTRODUCTION

### Background of the Study

The Indian automobile industry stands as one of the largest in the world, playing a significant role in the nation's GDP and employment. Within this highly competitive landscape, Toyota and Mahindra are recognized as two major manufacturers known for product innovation, reliability, and customer satisfaction.

### Need for the Study

Given the increasing competition and rapidly evolving consumer preferences, a comprehensive understanding of how Toyota and Mahindra perform across various business dimensions is critical. This study provides crucial comparative information for investors, customers, and policymakers to aid in decision-making.

## Importance of the Study

The research offers valuable insights into the competitive positioning and market dynamics of these key players. This information can support future strategic planning and aid stakeholders in making informed business decisions within the automobile sector.

## Scope and Limitations

**Scope:** The study focuses primarily on the passenger vehicle and SUV segments in the Indian market.

**Limitations:** The research faces limitations due to the potential unavailability of fully disaggregated proprietary data and the necessity to account for the rapidly evolving Electric Vehicle (EV) and policy landscape.

## LITERATURE REVIEW

### Toyota Motor Corporation

Toyota is one of the world's largest automobile manufacturers by production and sales. Founded in 1937 by Kiichiro Toyoda, the company is recognized for its broad product portfolio, global manufacturing presence in over 170 countries, and pioneering role in hybrid vehicles, notably the mass-produced Prius launched in 1997. The company's culture is rooted in the **Toyota Production System (TPS)**, which emphasizes continuous improvement (*Kaizen*) and respect for people, driving its reputation for quality, efficiency, and sustainability.

### Mahindra & Mahindra Limited

Mahindra & Mahindra Limited, established in 1945, is a leading Indian automotive manufacturer and the flagship company of the Mahindra Group. Originally focused on assembling Willys Jeeps in 1947, the company built a legacy for durability and reliability in rugged utility vehicles. M&M is the world's largest tractor company by volume and dominates the domestic SUV market with iconic models like the Bolero, Scorpio, and Thar. The company's philosophy revolves around customer-centricity and the spirit of "Rise," with a growing strategic focus on electric mobility and sustainable development.

## RESEARCH METHODOLOGY

The research methodology employed in this project involved a blend of primary and secondary data gathering:

### Data Sources:

**Secondary Data:** Utilized company annual reports, industry journals, and government statistics to establish market and financial performance metrics.

**Primary Data:** Collected through consumer surveys and, where feasible, dealer interviews to gauge customer perceptions and service experiences.

**Analysis Technique:** The analysis was performed using key ratios and trend analysis for financial data, along with proportional analysis for survey interpretations.

## OBJECTIVES OF THE STUDY

The key objectives of this comparative study are to analyze and contrast Toyota and Mahindra based on the following multiple business dimensions:

Market share

Product portfolio

Financial performance

Distribution network strength

Customer service experience

Strategic direction and future readiness

The central aim is to provide comprehensive insights into their competitive strengths and weaknesses for informed decision-making by stakeholders.

## HYPOTHESIS OF THE STUDY

Based on the research questions posed, the following directional hypotheses can be inferred:

- **H1:** Mahindra & Mahindra holds a stronger market position in the Indian Utility Vehicle (UV) and SUV segment, driven by a domestic focus and aggressive product strategy.
- **H2:** Toyota Motor Corporation exhibits a greater global financial strength, high reliability perception, and leadership in hybrid vehicle technology compared to Mahindra & Mahindra.
- **H3:** Customer-centric factors, particularly after-sales service and long-term reliability, will be rated higher for Toyota than for Mahindra by a majority of survey respondents.

## QUESTIONNAIRE DESIGN

The consumer questionnaire was designed to capture primary data on various aspects of vehicle ownership and brand perception. Based on the survey interpretations, the key areas covered in the questionnaire likely included:

**Brand Preference & Ownership:** Questions on current vehicle ownership and future purchase intent (e.g., Toyota, Mahindra, both, neither).

**Vehicle Attributes:** Comparative questions on styling, design, comfort, handling power, and perceived technological advancement.

**Service & Reliability:** Questions assessing long-term reliability and the quality of after-sales service (e.g., excellent, good, poor).

**Value Perception:** Comparative questions on which brand represents better overall value for money.

**Market Reach:** Questions on the accessibility and width of the service network in the respondent's region.

## DATA COLLECTION AND ANALYSIS

### Data Collection

**Secondary Data Collection:** The study utilized external published information, including company annual reports, industry-specific periodicals, and government economic data for market size and financial figures.

**Primary Data Collection:** Primary data was gathered through structured consumer surveys, supplemented by information obtained from dealer-level interviews.

### Analysis

The analysis of data combined both quantitative and comparative techniques:

**Quantitative Analysis:** This involved the computation of key financial ratios and trend analysis from the secondary data.

**Comparative Analysis:** The primary data from the survey was analyzed through proportional interpretation (percentages) to compare consumer attitudes towards reliability, value, service, and product features between Toyota and Mahindra.

### Key Findings

The comparative analysis yields the following key findings:

#### Market & Segment Dominance

Mahindra is the domestic market leader, showing clear dominance in the Utility Vehicle (UV) and SUV segments.

Mahindra reported record SUV sales of 551,487 units in FY 2024–25.

Toyota (TKM) achieved its best-ever annual domestic sales, crossing 300,000 units in FY 2024–25, with strong growth (26–28%). Toyota's product strategy focuses on premium segments like MPVs and SUVs (Innova/Fortuner) and leads the strong hybrid segment in India with an estimated 81% market share in Q1 FY26.

#### Reliability and After-Sales Service

Long-term reliability favors Toyota, with 50% of respondents believing Toyota offers better reliability compared to 36% for Mahindra.

Service and distribution accessibility are perceived as better for Toyota, with 40% of respondents stating Toyota has a more accessible service network in their region.

Both brands face challenges in after-sales service: a general lack of excellence was noted in the survey, and Mahindra specifically faced criticism regarding the number of service centres and long appointment wait times.

#### Product Perception

Toyota is preferred for comfort and handling power, with 50% of respondents holding this view.

Toyota is also considered more modern, advanced, and tech-oriented by 46% of respondents.

Mahindra cars are recognized for their styling and design, and excel in the SUV segment in consumer belief.

## CONCLUSION

Toyota Kirloskar Motor (TKM) maintains a strong position based on its global parentage, offering exceptional quality, engineering, and a premium brand perception with excellent resale value. TKM's primary competitive advantage in India is its leadership in hybrid technology and a robust, well-established after-sales ecosystem.

Mahindra & Mahindra (M&M) is a successful homegrown enterprise, dominating the domestic SUV/UV market through an aggressive product strategy of feature-loaded, powerful vehicles. Its strong growth momentum, deep rural penetration, and focused value proposition are its key strengths.

The final choice between the two brands depends heavily on consumer priorities: Toyota is the superior choice for those prioritizing long-term peace of mind, reliability, and hybrid efficiency. Mahindra is the compelling option for buyers seeking performance, bold design, utility, and competitive value for money in real-world Indian conditions.

## RECOMMENDATIONS

### Recommendations for Consumers and Stakeholders

#### Choose Toyota

Long-term reliability, low maintenance, and high resale value.

Premium family-friendly vehicles with smooth rides and refined features.

Hybrid technology for superior fuel efficiency in urban environments.

#### Choose Mahindra

Powerful, stylish, and feature-rich SUVs at aggressive prices.

A rugged vehicle suitable for mixed urban and rural use, off-road adventure, or commercial deployment.

Good value for money with a focus on strong domestic performance.

### Recommendations for Future Research

**Hybrid to EV Transition:** Evaluate consumer readiness, infrastructure gaps, and cost-benefit analysis of Toyota transitioning from hybrid models to pure Battery Electric Vehicles (BEVs) in India.

**Global Export Strategies:** Assess key international markets where Mahindra's SUVs and tractors could be successful, and develop vehicle adaptation strategies for those markets.

**Customer Service Standardization :** Conduct research to address regional disparities in after-sales service quality and develop scalable Standard Operating Procedures (SOPs) and technology to improve consistency for M&M.

AI-Based Maintenance: Investigate the use of real-time service data, AI/ML models, and predictive maintenance technologies to enhance after-sales loyalty and reduce vehicle downtime for both companies.

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