

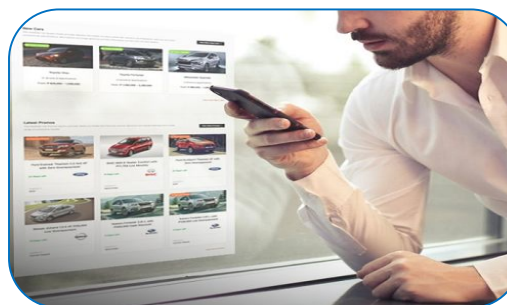


## A STUDY OF INFORMATION SEARCH BEHAVIOUR OF BUDGET SEGMENT CAR CONSUMERS : WITH REFERENCE TO COMMERCIAL CAPITAL OF MADHYA PRADESH

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### ABSTRACT:

Information search behaviour is an integral part of buying decision process. In the present study information search behaviour of budget segment car consumers of Indore, a commercial capital of Madhya Pradesh has been evaluated. To conduct the study 200 budget segment car consumers from Indore city were selected as sample. A simple survey based questionnaire was used to assess information search behaviour of budget segment car consumers. In the present study cars within the price bracket of 4 to 7 lakhs were considered as budget car. Results reveal that 100% respondents have collected information and researched extensively before purchasing a car. It was also observed that maximum percentage i.e. 40% respondents source of information towards their preferred car came from family and friends while 20% respondents obtained relevant information from advertisements on electronic media, 15% from company sales person at showroom and 25% respondents obtained it from reviews and other social electronic media. It was concluded that apart from information obtained from family and friends majority of respondents rely on reviews and other social media as well as advertisement to collect information about a particular car. It may also be concluded that marketing strategists should focus more on advertisements and social media so as to influence buying decisions of budget segment car consumers.

**KEYWORDS:** Information search behaviour, budget segment car.

### INTRODUCTION

For a budget segment car consumer a new car is equivalent to obtaining possession of home. While purchasing a new car, consumers carry out extensive search regarding its features. Consumers often rely on various sources to gather information regarding functional, social, emotional values associated with a car. The source of information may come from family and friends, magazines, advertisements and various social media platform giving comprehensive reviews on passenger car. Studies conducted by Nezakati et. al. (2011), Abdullah and Wang (2016) reported that functional values such as price, quality, fuel efficiency, design of car etc. affect buying decisions of car consumers. Conditional value has been considered as less important in automobile sector and it is postulated that conditional values such as discount, special offers have limited relevance in car market (Candan, 2013). Social values are also considered to be a significant predictor of buying decisions of consumer because by driving a particular budget segment car consumer feels that they belong to a particular section of the society. According to Kotler (1992) potential car consumers are very passionately involved in purchase process. They go through certain learning phases before making their choice. Blackwell, Miniard &

Engel (2006) defined consumer buying decision process on the basis of seven stages namely need recognition, search for information, pre-purchase evaluation alternatives, purchase, consumption, post consumption evaluation and divestment in consumer buying decision process. In general there are five stages of decision process, 1. Problem/Need recognition; 2. Information search; 3. Evaluation of alternatives; 4. Purchase decision and 5. Post-purchase behavior. After recognizing the need consumer search information related to product. This is the consumer's sincere effort to search the internal and external sources of information associated with buying decisions (Bunn, 1993).

In the present era of globalization, companies are finding it difficult to attract the customers towards their offerings. Proper understanding of consumer buying behaviour will help the marketer to succeed in the market. In India, with increase in purchasing power of people leading to the change in their life style, there has been a huge demand for automobiles with modern technologies. Hence it is essential for passenger car companies to assess the information search behaviour of consumers so that they can chalk out effective marketing strategy to project their products. In this relation number of researchers such as Prasanna Mohan Raj, M., Sasikumar J. and Sriram (2013), Gautam (2014), Rana and Lokhande (2015), Suganthi and Renuka (2016), Kalaiselvi and Nidhyanth (2018) conducted studies to evaluate various factors associated with buying decisions of passenger car consumers. It is also noticeable that information search behaviour of budget segment car consumers of Indore city has not been assessed so far. Since factors included in buying decision process are somewhat region specific, researcher decided to assess information search behaviour of budget segment car consumers of Indore, a commercial capital of Madhya Pradesh.

### **OBJECTIVES**

The objective of the present study is to study the information search behaviour of budget segment car consumers of Indore city, a commercial capital of Madhya Pradesh.

### **HYPOTHESIS**

It was hypothesised that information search behaviour of budget segment car consumers of Indore city will show significant variation.

### **METHODOLOGY**

The following methodological steps were taken in order to conduct the present study.

#### **Sample :-**

To conduct the study 200 budget segment car consumers from Indore city were selected as sample. An inclusion criterion for the present study was potential car consumers within the price bracket of 4 to 7 lakhs. The selected subjects vary on the basis of socio-demographic features.

#### **Tools:**

A simple survey based questionnaire was used to assess information search behaviour of budget segment car consumers. It consists of yes/no type as well as single preference statement.

#### **Procedure:**

200 budget segment car consumers from Indore city with different socio-demographic profile were selected as sample. Respondents were asked to indicate their choice on two separate statements. After tabulating the data, suitable statistical tool was used for data analysis.

### **RESULT AND DISCUSSION**

The first statement to assess pre-purchase behaviour was to assess respondent's research work before purchasing a certain car. The response given by surveyed subjects are presented in table 1.

**Table 1**  
**Respondents Opinion on Statement "Have you collected any information or done research regarding the same?"**

S.No.	Have you collected any information or done research regarding the same?	Number	Percentage (%)
1.	Yes	200	100
2.	No	-	-
<b>Total</b>		<b>200</b>	<b>100.0%</b>

The frequency distribution shown in table 1 clearly indicate that 100% respondents collected information and researched extensively before purchasing a car.

In table 2 information search behaviour of respondents is depicted.

**Table 2**  
**Information Search Behaviour of Respondents**

S.No.	Most favoured response	Number	Percentage (%)
1.	Friends and family	80	40
2.	TV advertisements	40	20
3.	Salesperson at showroom	30	15
4.	Reviews and information on social media	50	25
<b>Total</b>		<b>200</b>	<b>100.0%</b>
$\chi^2(df=3) = 28.01, p < .05$			

A perusal of data presented in table 2 shows that 40% respondents source of information towards their preferred car came from family and friends while 20% respondents obtained relevant information from advertisements on electronic media, 15% from company sales person at showroom and 25% respondents obtained it from reviews and other social electronic media. The calculated  $\chi^2(df=3) = 28.01, p < .05$  indicate that although information from family and friends regarding a car is most sought after, other modes such as TV advertisements, salesperson at showroom and reviews and information on social media are also important. Gupta (2013) in a study also found that one of the major buying decision influencers comes from friends, family and relatives, followed by the internet and product advertisement, showroom dealer staff and so on. Hence the results are in expected direction.

## CONCLUSION

On the basis of results and associated discussion, it was concluded that apart from information obtained from family and friends majority of respondents rely on reviews and other social media as well as advertisement to collect information about a particular car. It may also be concluded that marketing strategists should focus more on advertisements and social media so as to influence buying decisions of budget segment car consumers.

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