



REPORT ON RETAILERS AND MECHANICS PREFERENCE FOR TVS EUROGRIP IN MADURAI AND VIRUDHUNAGAR DISTRICT

**Dr.S.Tephillah Vasantham¹, Dr.J.Praveen Paul², Mr.N.Senthil Kumaran³
Mr.C.Deva Ezhil Prabhu⁴**

¹Assistant Professor, Mepco School of Management Studies, Mepco Schlenk Engineering College,
Sivakasi, Tamil Nadu, India

²Professor, Mepco School of Management Studies, Mepco Schlenk Engineering College, Sivakasi

³Assistant Professor, Mepco School of Management Studies, Mepco Schlenk Engineering College,
Sivakasi, TamilNadu, India

⁴II MBA Student, Mepco School of Management Studies, Mepco Schlenk Engineering college,
Sivakasi, Tamil Nadu, India

ABSTRACT

TVS Srichakra Limited, makers of TVS Eurogrip brand of tyres in one of India's leading manufactures and exporters of two, three- wheeler tyres and off-highway tyres. Recently, they are faced with massive dip in sales and loss of customers. So, this project titled Retailers and Mechanics Preference for TVS Eurogrip in Madurai and Virudhunagar district is done to help the company to identify the problem and helps them to rectify their mistakes. This study is conducted in two districts, namely Madurai and Virudhunagar. It is conducted in about 95 mechanics shop and 28 retail outlets. The findings of the project show that TVS Eurogrip is mainly liked by price sensitive customers, and many mechanics feel that the quality of the tyre should be improved. Also, retailers facing some issues in selling TVS Eurogrip to customers.

KEYWORDS: Retailer, Mechanics, Satisfaction, TVS Eurogrip, TVS Thirukkurungudi Vengaram Sundram

INTRODUCTION OF THE STUDY

The tyre industry is the basic industry in a nation, which is directly connected with the development of industrial activities and responsible for transporting of goods from one place to another place. The tyre industry has passed several phases and it has developed from the more basic cross ply to the more stylish radial tyres. Nylon cords that impart low weight and extra strength to the tyres have also restored cotton ply. This industry is sturdily connected to the automobile sector.

The tyre industry is now characterized as a volatile one, being closely linked to the production of automobiles, but also to other factors such as raw materials, their availability and their unstable prices. The companies currently present in the industry have not only financial and production challenges, but they struggle with the strong wave of new competitors from Asia, respectively China. The importance of this field is outlined by the objectives of this industry, the latest generation of technologies that are used and the realization of the production processes of the car tyres. Thus, the new technology and the innovation play an important role for the entire automotive industry forcing the companies to rethink business models.

REVIEW OF LITERATURE

(Vipul Gupta, 2013) have studied on "The Strategic and Operational approach to assess the lean performance in radial tyre manufacturing in India". The objective is to find key strategic and operational decision-making dimensions for developing effective lean manufacturing environment in a tyre manufacturing organization. The study suggests that financial capability of an organization drives the top management commitment for incorporating lean manufacturing practices in a tyre manufacturing organization.



Organizational culture and human resource management are the important enablers for developing change management paradigm, which in turn leads to performance improvement. This study also reveals that over-processing as well as excessive defects are the most detrimental wastes in radial tyre manufacturing, which accounts for high manufacturing cost of radial tyre manufacturing in India.

(Ghosh, 2014) has studied on “Inter firm Profitability Analysis of Indian Tyre Industry: A study during the period 2008-09 to 2012-13” and made an attempt to provide an insight into the profitability performance of leading tyre manufacturers in India. It also makes an endeavour to observe and test the inter firms’ industry position. Profitability ratios are ranked and selected into a uniform boundary to compare their performance. The study is based on secondary data collected from published annual reports cover a five years period (2008- 09 to 2012-13). The study concluded that the companies selected for the study shows that the industry is somewhat doing well as far as profitability ratios are concerned. It is notable that the operational efficiency of Balkrishna Industries has been consistent and it figures in top position. Goodyear is also far ahead from remaining industry players. It also has second highest profitability position based on ultimate rank. The other major performer is TVS Srichakra which ranks third position during the study period, whereas market leaders MRF and Apollo enjoying fourth and fifth position respectively. However, the profitability performance of JK tyres and Ceat are less satisfactory in comparison with the other players in the industry.

(Shanthi.G, 2014) have studied on “Operational Efficiency of Select Tyre Companies in India”. The study used secondary data and the data was collected for the period from 2005-06 to 2012-13. This study checked the growth of tyre industry in India with various financial data. This study has been checked with the charting techniques, ADF unit root test, financial ratio analysis and efficiency analysis. It is ascertained from the study, truck & bus, passenger car and two-wheeler segments are the major revenue contributor to the tyre industry. This study strongly concluded that the operational efficiency of the tyre companies is at satisfactory level.

(Movalia, 2015) has studied on “Capital Structure Analysis and Profitability of Indian Tyres Industry”. The objective of the study is to know the relationship between Capital Structure and Profitability of Tyre Industry in India by studying all the listed companies in BSE and NSE. Study was undertaken by using five years data starting from 2009-10 to 2013-14. As far as Research Methodology is concern here study is based on descriptive and analytical research design, by using, convenient sampling, by using secondary sources of data and Durbin-Watson Statistics for testing hypotheses. Findings of the study showed that there was a significant relation between Capital structure (Debt-equity ratio) and Profitability of tyre companies. MRF, Apollo Tyres, Dunlop India and Modi Rubber are showing that relationship that ideal debt equity ratio helps to increase profitability of company. The study suggested to CEAT, JK Tyres, TVS Srichakra, Falcon Tyres and Govind Rubber to decrease amount of debt so it significantly affects to its profitability of company. So, they have to maintain ideal debt-equity ratio.

(V.M.T, 2017) have studied on the “Radial Tyre Dumping by China and Its Impact on Indian Tyre Industry”. The main objective of the study is to understand the various factors which are related to production of radial tyres and the import of radial tyres. The study conducted on the basis of secondary source of information. The study concluded that the govt has imposed anti- dumping duty on import of certain type of radial tyres used in buses, trucks to protect domestic manufacturers from below cost shipments from China for five years. In its recommendation, the DGAD had said the domestic industry has suffered material injury on account of the imports from China. It found that the tyres have been exported to India from the subject country “below normal value”. Countries impose anti-dumping duties to guard domestic industry from surge in below-cost imports. India has also imposed similar duties on import of several other products including steel, fabrics and chemicals from different countries including China. Anti-dumping steps are taken to ensure fair trade and provide a level-playing field to the domestic industry. They are not a measure to restrict import or cause an unjustified increase in cost of products.

(Lakshmi G, 2018) have studied on “Capital Structure and solvency position of TVS Srichakra limited using ratio analysis from 2013-2017”. The study made an attempt to express an opinion on viability of company’s capital structure using capital structure ratios and analyse solvency position. The study concluded that the debt content in capital structure is less and debt has been gradually repaid during the last years of the study. The company has advantage of trade in equity. The short-term solvency position shows that it is weak and the company has to improve the short-term solvency position to meet the current liabilities.

OBJECTIVE OF THE STUDY

OBJECTIVES FOR MECHANICS

1. To know the mechanics preference towards TVS Eurogrip.
2. To analyze the mechanics opinion on TVS Eurogrip.



OBJECTIVES FOR RETAILERS

1. To examine the various factors influencing the retailer’s preference towards TVS Eurogrip.
2. To know the satisfaction level of retailers on TVS Eurogrip.

RESEARCH METHODOLOGY

Research Design

Descriptive research is used in the study to analyse the retailers and customers preference towards TVS Eurogrip. The data collected for this research is purely based on primary and secondary sources.

Nature of Data

Primary Data

The Primary data involves the collection of responses from respondents by means of structured questionnaires.

Secondary Data

Secondary data is collected from company reports, periodicals, journals, magazines and websites.

Sample size

The sample size of the study among mechanics is 95.

The sample size of the study among retailers is 28.

Methods of Data Collection

The data was collected from mechanic shops and retail outlets in and around Madurai and Virudhunagar districts. The study was conducted from 14th March, 2022 to 11th April, 2022.

Tools used for analysis

- Bar charts
- Cross tabs
- Chi -Square Test
- Weighted Average

DATA ANALYSIS

Data analysis for mechanics

Ranking of tyre brands in accordance with price

	1st	2nd	3rd
TVS	87	7	0
MRF	0	2	80
CEAT	2	82	10
JK tyre	4	1	2
Apollo	2	3	2
Michelin	0	0	1

Inference

From the above table it is inferred that TVS Eurogrip (87) is ranked high by mechanics on the basis of price followed by JK tyre (4), CEAT (2) and Apollo (2).

Customers facing problem with various tyre brands

	TVS	MRF	CEAT	JK Tyre	Apollo	Michelin
Customers facing problem with various tyre brands	44	13	32	0	5	1

Inference

From the above table it is inferred that majority of customers are facing problem with TVS Eurogrip (44), followed by CEAT (32), MRF (13), Apollo (5) and Michelin (1).

Ranking of brands based on mechanics experience

Rank	1st	2nd	3rd
TVS	1	20	69
MRF	86	7	1
CEAT	7	67	19
Apollo	0	0	3
JK Tyre	0	0	0
Michelin	1	1	3



Inference

From the above figure it is inferred that MRF tyre (86) is ranked high by mechanics followed by CEAT (7), TVS (1) and Michelin (1).

Reliable tyre brand in market

	TVS	MRF	CEAT	JK Tyre	Apollo	Michelin
Reliable tyre brand in the market	34	73	46	0	3	2

Inference

From the above table it is inferred that MRF tyre (73) is reliable tyre brand in the market, followed by CEAT (46), TVS (34), Apollo (3) and Michelin (2).

+

Tyre brand suggested by mechanics

	TVS	MRF	CEAT	JK Tyre	Apollo	Michelin
Tyre brand suggested by mechanics	12	80	24	0	0	2

Inference

From the above table it is inferred that the following brands are suggested by mechanics to customers. They are MRF tyre (80), followed by CEAT (24), TVS (12) and Michelin (2).

DATA ANALYSIS FOR RETAILERS

Weighted average analysis

RETAILERS PREFERENCE TOWARDS THE PRODUCT

(HS- Highly satisfied, S- Satisfied, N- Neutral, DS- Dissatisfied, HDS- Highly Dissatisfied)

Factors	HS	S	N	DS	HDS	Average	Rank
Availability of TVS Eurogrip	28	0	0	0	0	5.000	1
Are you satisfied with product variety offered by TVS Eurogrip	15	11	1	1	0	4.429	2
The shelf life of TVS Eurogrip	5	9	13	0	1	3.607	3
The quality of the tyre is outstanding	5	9	13	0	1	3.607	3

Inference

From the above table it is seen that retailers are highly satisfied with availability of TVS Eurogrip.

RETAILER PERCEPTION ABOUT THE PRICE

Factors	HS	S	N	DS	HDS	Average	Rank
Payment period provided by TVS is satisfactory	23	3	1	1	0	4.714	1
Profit margin of TVS	17	7	4	0	0	4.464	2
Price of TVS Eurogrip compare to other brands	15	9	4	0	0	4.393	3
Offer given by company	16	7	4	1	0	4.357	4



Inference

From the above table it is seen that retailers are highly satisfied with the payment period provided by TVS Eurogrip.

RETAILER PERCEPTION ABOUT THE PROMOTION

Factors	HS	S	N	DS	HDS	Average	Rank
Credit sales available from distributor	13	9	6	0	0	4.250	1
Company provides rewards on achieving target	12	5	9	2	0	3.964	2
Promotional tactics play big role in my preference	10	4	8	5	1	3.607	3
Company is helpful in merchandising the tyre	11	3	7	5	2	3.571	4

Inference

From the above table it is seen that retailers are highly satisfied with credit sales available from distributor.

RETAILER PERCEPTION ABOUT THE PLACE

Factors	HS	S	N	DS	HDS	Average	Rank
Deliver the stocks on time	27	1	0	0	0	4.967	1
TVS has wide distribution all over city	24	4	0	0	0	4.857	2
Relationship with supplier	22	4	2	0	0	4.714	3
Visit of company sales representative	20	7	1	0	0	4.679	4

Inference

From the above table it is seen that retailers are highly satisfied with delivering the stocks on time.

ANALYSIS OF VARIABLES USING CHI SQUARE

Chi square test is used to show the relationship between the retailers overall satisfaction and the factors.

Null Hypothesis: There is no relationship between retailers overall satisfaction and factors.

Alternative Hypothesis: There is relationship between retailers overall satisfaction and factors.



S. No	Factors	Asymptotic Significance	Interpretation
1	Availability of TVS Eurogrip	Constant	Constant
2	Shelf life of TVS Eurogrip	0.233	No Significant relationship
3	Quality of TVS Eurogrip	0.233	No Significant relationship
4	Product variety of TVS	0.010	Significant relationship
5	Price of TVS Eurogrip compare to other brands	0.004	Significant relationship
6	Profit margin of TVS Eurogrip	0.029	Significant relationship
7	Offer given by company	0.092	No Significant relationship
8	Payment period provided by TVS Eurogrip	0.917	No Significant relationship
9	Deliver the stocks on time	0.841	No Significant relationship
10	TVS distribution all over city	0.459	No Significant relationship
11	Visit of company sales representative	0.727	No Significant relationship
12	Relationship with supplier	0.061	No Significant relationship
13	Company is helpful in merchandising the tyre	0.320	No Significant relationship
14	Promotional tactics play big role in my preference	0.582	No Significant relationship
15	Company provides rewards on achieving target sales	0.287	No Significant relationship
16	Credit sales available from distributor	0.975	No Significant relationship

Inference

While observing the results of chi square test shown in the table, the asymptotic significance is lesser than 0.05 ($p < 0.05$), the null hypothesis is rejected then there is a significant relationship between the two variables. Hence, product variety of TVS Eurogrip, Price of TVS Eurogrip compare to other brands and profit margin given by TVS Eurogrip has a relation with retailer overall satisfaction.

FINDINGS FROM MECHANICS SURVEY

Mechanics preference towards TVS Eurogrip

- TVS Eurogrip ranked no.1 by mechanics on the basis of price.

Mechanics opinion on TVS Eurogrip

- Customers are facing many problems in TVS Eurogrip.
- MRF ranked as no.1 tyre brand by mechanics, CEAT as no.2 and TVS Eurogrip as no.3.
- MRF is the reliable brand tyre according to mechanics.
- MRF tyres are highly suggested by mechanics to their customers.

FINDINGS FROM RETAILER SURVEY

Factors influencing the retailers preference towards TVS Eurogrip

- Availability of TVS Eurogrip, payment period provided by company, and delivering the stocks on time influencing retailers preference towards TVS Eurogrip.

Satisfaction level of retailers on TVS Eurogrip

- Product variety of TVS Eurogrip, price of TVS Eurogrip and profit margin given to retailers play an important role in retailers overall satisfaction.



SUGGESTIONS

- TVS Eurogrip follows the same strategy as CEAT to sell their products.
- TVS Eurogrip tries to improve the quality of the tyre.
- TVS Eurogrip may try to open exclusive tyre shop.

REFERENCES

1. Ghosh, P. (2014). *Inter firm Profitability Analysis of Indian Tyre Industry: A study during the period . International Journal of Commerce, Business and Management .*
2. Lakshmi G, P. R. (2018). *A study on capital structure and solvency position of TVS Srichakra limited using ratio analysis. International Journal of Applied Research.*
3. Movalia, N. P. (2015). *A Study on Capital Structure Analysis and Profitability of Indian Tyres Industry. Pacific Business Review International.*
4. Shanthi.G, a. V. (2014). *A Study on Operational Efficiency of Select Tyre Companies in India. International Journal of Commerce & Business Studies.*
5. V.M.T. (2017). *A Study on the Radial Tyre Dumping By China and Its Impact on Indian Tyre Industry. Adarsh Journal of Management Research.*
6. Vipul Gupta, P. A. (2013). *A strategic and operational approach to assess the lean performance in radial tyre manufacturing in India. International Journal of Productivity and Performance Management.*