



## **A STUDY ON CUSTOMER SATISFACTION OF VOLKSWAGEN WITH SPECIAL REFERENCE TO COIMBATORE CITY**

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### **ABSTRACT**

*Volkswagen has been one of the leading manufacturers in terms of hatchback production, which traditionally has been a popular segment in Europe. The brand offered a range of hatchbacks from A-segment, B-segment, and C-segment. The Golf traditionally has been the strongest selling vehicle for the brand in Europe, followed by the smaller Polo which apart from the European market also has a stronghold in emerging markets. Sales for the hatchback category has slowed down due to the rise of the SUV segment*

**KEY WORDS:** *Customer's satisfaction, Customer Simple percentage analysis, Likert scale analysis*

### **INTRODUCTION**

Customer satisfaction (often abbreviated as CSAT) is a term frequently used in marketing. It is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals.

The Marketing Accountability Standards Board (MASB) endorses the definitions, purposes, and constructs of classes of measures that appear in *Marketing Metrics* as part of its ongoing Common Language in Marketing Project. In a survey of nearly 200 senior marketing managers, 71 percent responded that they found a customer satisfaction metric very useful in managing and monitoring their businesses.

It is seen as a key performance indicator within business and is often part of a Balanced Scorecard. In a competitive marketplace where businesses compete for customers, customer

satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy.

A business ideally is continually seeking feedback to improve customer satisfaction.

"Customer satisfaction provides a leading indicator of consumer purchase intentions and loyalty. "Customer satisfaction data are among the most frequently collected indicators of market perceptions. Their principal use is twofold:"

"Within organizations, the collection, analysis and dissemination of these data send a message about the importance of tending to customers and ensuring that they have a positive experience with the company's goods and services."

"Although sales or market share can indicate how well a firm is performing *currently*, satisfaction is perhaps the best indicator of how likely it is that the firm's customers will make further purchases *in the future*. Much research has focused on the relationship between customer satisfaction and retention. Studies



indicate that the ramifications of satisfaction are most strongly realized at the extremes."

On a five-point scale, "individuals who rate their satisfaction level as '5' are likely to become return customers and might even evangelize for the firm. (A second important metric related to satisfaction is willingness to recommend. This metric is defined as "The percentage of surveyed customers who indicate that they would recommend a brand to friends." When a customer is satisfied with a product, he or she might recommend it to friends, relatives and colleagues. This can be a powerful marketing advantage.) "Individuals who rate their satisfaction level as '1,' by contrast, are unlikely to return. Further, they can hurt the firm by making negative comments about it to prospective customers. Willingness to recommend is a key metric relating to customer satisfaction."

### STATEMENT OF THE PROBLEM

This paper makes a study on the customer satisfaction of Volkswagen car. The entry of new multinational car companies had made fall in the demand for Volkswagen. The paper confined to determine the likening and disliking feature of Volkswagen enjoyed by its customer

### SCOPE OF THE STUDY

- The research measures the experience of the customer.
- Defines and analysis the experience based on key deliverable.
- Gains insight in customer expectation

### OBJECTIVES OF THE STUDY

- To identify the opinion of the customer satisfaction on Volkswagen
- To know the factors affecting the buying decision of the customers with the regard to the Volkswagen
- To analyze the market potentiality for the Volkswagen cars

### RESEARCH METHODOLOGY

The preparation of the report included extensive study of the organization and market research, which was the primary source of the report. I have collected information from customer by preparing questionnaires

#### Primary data

The primary data was obtained through specially designed questionnaire schedule that will be logically framed and basically aimed at achieving the objectives of the study.

#### Secondary data

The secondary data are data which have already been collected by someone. Its main source is journals, newspapers, magazines and internet etc.

#### Sampling method

The selection criteria were based upon the data availability, convenience and the level of participation. Hence, the convenience sampling method is adopted

### TOOLS FOR ANALYSIS

The study has various satisfied tools for the analysis of data. They are percentage analysis and cross tabulation.

- Simple percentile analysis
- Linkert scale analysis

### LIMITATIONS OF THE STUDY

- The study is based upon primary data, so wrong information given by the respondents may mislead the findings.
- The sample size is restricted to 120 respondents

### REVIEW OF LITERATURE

**Ruan and xiaowen (2016)** "With the fast economic development, china has been the largest automobiles market in the world since 2009. china has been the most important market for global automobiles enterprises in the past years. Germany Volkswagen brand has been enjoying the top popularity in Chinese market and china has been the largest market for Volkswagen automobiles. This study indicated that Chinese customer had very positive comments on germany country of origin image due to the friendly relationship between china and germany ;due to the popularity of automobiles manufacture and automobiles engineering ; due o fame of germany which mainly behaved as a developed country and had rich experiences and innovations in automobile manufacture and development.

**Angie zhou (2016)** "the Volkswagen scandal is a notorious example of how corporations can shape the ethical and political issue of the environment. The Volkswagen group that is headquartered in Wolfsburg, germany owns Bentley, Bugatti, Lamborghini, Audi and Skoda. The company is also facing lawsuits and criminal charges and the future of company looks grim. The analysis attempts to examine the problems of social concern presented by the behavior of Volkswagen in the international economy and provide some recommendation to increase the system of accountability within the global auto industry



Christopher soh xuan yi (2016) Volkswagen group is a german multinational automotive manufacturing company headquartered in Wolfsburg, the purpose of this plan focuses towards generating greater brand awareness, gaining a larger market presence to achieve higher sales-revenue. Through market research and data from interim and investor reports, it aim to retain and increase customer, generate sales and profit margins.

Researcher can better be appreciated only through the interpretations why this finding are, what can make others to understand the real significance his/her research finding.

The Tools used for analysis are

4.1 Simple percentage Method

4.2 Likert’s scaling technique value Analysis

**ANALYSIS AND INTERPRETATION**

Analysis and interpretation is essential for usefulness and utility of resources finding Analysis of data and interpretation in a general way involves a number of closely related operations, which are performed with a purpose of summarizing the collected data, organizing these in such manner that they answer the research question.

**SIMPLE PERCENTAGE ANALYSIS**

This analysis is carried out for the most of the question givens in questionnaires. This analysis described the classification of the respondents failing each category. The percentage analysis is used mainly for the standardization and comparisons are in support with the analysis

**FORMULA**

$$\text{Percentage} = \frac{\text{Number of Respondents}}{\text{Total No. of Respondents}} \times 100$$

**TABLE 4.1.1**  
**TABLE SHOWING GENDER OF THE RESPONDENTS**

S.NO	GENDER	NO.OF. RESPONDENTS	PERCENTAGE (%)
1	Male	33	22.5
2	Female	87	72.5
	<b>TOTAL</b>	<b>120</b>	<b>100</b>

(Source : Primary Data)

**INTERPRETATION**

In the above table 4.1.1 shows out of total 120 respondents, 72.5% of the respondents are male and 22.5% of the respondents are female.

**Majority, 72.5% of the respondents are male.**

**LIKERT SCALE ANALYSIS**

A Likert scale analysis is a method of measuring attitudes. Ordinary scale to response to a question or statement, order in hierarchical sequence from strongly negative to strongly positive, used mainly in behavioral science and psychiatry. In Likert’s method a person’s attitude is measured by combining (additional or average) their responses across all items.

**FORMULA**

$$\text{Likert scale} = \frac{\sum fx}{\text{Total number of respondents}}$$

Where;

F= Number of respondents

X= Likert scale value

FX= Total score

**MID VALUE**

Mid-value indicates the middle most value of the Likert Scale

**LIKERT'S SCALING METHOD****TABLE 4.2.1****TABLE SHOWING THE FEATURES OF VOLKSWAGEN FACILITIES**

S.NO	FACTORS	NO.OF. RESPONDENTS (F)	LIKERT VALUE (X)	TOTAL SCORE (FX)
1	Excellent	65	5	325
2	Good	29	4	116
3	Average	25	3	75
4	Poor	1	2	2
5	Bad	-	1	-
	<b>TOTAL</b>	<b>120</b>		<b>518</b>

(Source: primary data)

$$\begin{aligned} \text{LIKERT SCALE VALUE} &= \sum FX / \text{No. of Respondents} \\ &= 518/120 \\ &= 4.31 \end{aligned}$$

**INTERPRETATION**

Likert scale value is 4.31, so the features of Volkswagen facilities are excellent.

- Majority, 45.8% of the respondents are say yes.

**FINDINGS OF THE STUDY****Finding of simple percentage analysis**

- Majority, 72.5% of the respondents are male.
- Majority, 40% of the respondents are 18years-25 years and 26years-35years.
- Majority, 64.2% of the respondents are married.
- Majority, 60.8% of the respondents are nuclear family.
- Majority, 51.7% of the respondents are under graduate.
- Majority, 42.5% of the respondents are students.
- Majority, 41.7% of the respondent's monthly income are Rs.25, 00,000 – Rs. 35, 00,000.
- Majority, 30% of the respondents using by 3 years.
- Majority, 40% of the respondents are friends and relatives.
- Majority, 42.5% of the respondents are preferred for good designs.
- Majority, 43.3% of the respondents are good.
- Majority, 35% of the respondents are average.
- Majority, 40% of the respondents are good.
- Majority, 31.7% of the respondents are very well and well.
- Majority, 50.8% of the respondents are feel average.

**Findings of likert scale analysis**

- Likert scale value is 4.31, so the features of Volkswagen facilities are excellent.
- Likert scale value is 3.93, so the features of Volkswagen design are good.
- Likert scale value is 3.76, so the features of Volkswagen service are good.
- Likert scale value is 3.89, so the features of Volkswagen mileage are good.
- Likert scale value is 3.59, so the customers are satisfied with comfort.
- Likert scale value is 3.19, so the customers are satisfied with design.
- Likert scale value is 3.1, so the customers are satisfied with space value.
- Likert scale value is 3.08, so the customers are satisfied with maintenance cost.

**SUGGESTIONS**

- More attractive advertisement has to provide through various advertisement.
- Respondents are incurring high maintenance costs and it has to be considered by the manufacturer
- Respondents are also facing problems in mileage & performance, so this is another suggestion to the manufacturer is to an additional care



- Company should upgrade or innovate a new technical features in Volkswagen
- The company should keep in mind that the need of young generation.

## CONCLUSION

Today there are number of brands of products available in the market which differ in price , taste, and performance , quality etc., but customer prefers to purchase their brands due to various reasons. The attitude of customer's may change their preference of the choice of the product that may influence because of various factors like price, appearance, performance etc., so the manufacturers may give more attention to the customer preference which may host to the possession of company in the market. The present study reveals that majority of the respondents preferred to buy Volkswagen for its design and comfort, so the company holds maintain it and increase the more number of customers.

## REFERENCE

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