



A STUDY ON IMPACT OF TEST DRIVE OF MARUTI SUZUKI ARENA ON PURCHASE DECISION BY CUSTOMERS WITH SPECIAL REFERENCES TO SILVASSA CITY

Ms. Avantika R Thakur¹ & Dr. Trishna Shah²

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ABSTRACT

This report investigates the impact of test drives on customer purchase decisions within the context of Maruti Suzuki Arena in Silvassa City. The automotive industry is characterized by intense competition, making the test drive a critical component of the car-buying process. The primary objective of this study is to examine how test drives influence customer perceptions of vehicle quality, features, and overall value. Through a structured questionnaire distributed to 100 respondents, the research analyses demographic factors, customer experiences, and the effectiveness of test drives in shaping purchase intentions. Key findings indicate that test drives significantly enhance customer confidence and satisfaction, with variations in preferences based on age, occupation, and economic status. The study emphasizes the importance of personalized customer interactions and the need for dealerships to improve the test drive experience to foster brand loyalty and increase sales. Overall, the findings suggest that automotive marketers should leverage the test drive as a strategic tool to align with consumer expectations and enhance the overall buying experience.

INTRODUCTION

Introduction to the Study: The automotive industry is highly competitive, with numerous brands vying for customer attention. Test drives have emerged as a crucial aspect of the car buying process, allowing potential customers to experience a vehicle firsthand. This study aims to investigate the influence of test drives on customers' purchase decisions in the Indian automotive market, specifically focusing on Maruti Suzuki Arena.

Objectives of the Study: - To examine the relationship between test drives and purchase decisions.

- To identify factors influencing customers' decisions to take a test drive.
- To analyse the role of test drives in shaping customers' perceptions of vehicle quality, features, and overall value.

Scope of the Study: The research focuses on the Indian automotive market, particularly the passenger vehicle segment, targeting customers who have taken a test drive in the past months and are in the process of purchasing a vehicle. The study emphasizes aspects such as test drive experience, purchase decisions, and vehicle perceptions.

Importance of Test Drives: Test drives are essential for building consumer confidence, creating emotional connections, and differentiating manufacturers in a competitive market. They allow customers to assess vehicle performance, comfort, and features, which can significantly influence their purchasing decisions.

Demographics of Silvassa City: The study also provides insights into Silvassa City, highlighting its industrial significance, cultural diversity, and demographic

characteristics, which play a role in shaping consumer behaviour in the automotive market.

Research Methodology: The study employs a combination of primary and secondary research methods, including surveys and data analysis, to gather insights on customer experiences and preferences related to test drives.

Findings and Conclusions: The research findings indicate that test drives significantly impact purchase decisions by enhancing customer confidence and satisfaction. The study concludes that automotive marketers should focus on improving the test drive experience and tailoring their strategies to meet diverse consumer needs to drive sales and foster brand loyalty.

LITERATURE REVIEW

1) Influence on Consumer Decision-Making (Dillon & Garlick, 2019-2020)

- Test drives enhance buyer confidence and reduce remorse.
- Over 70% of car buyers report increased confidence after a test drive

2) Effect on Brand Loyalty and Retention (Kumar & Singh & Johnson, 2021-2022)

- Test drives foster brand loyalty; customers who test drive are 35% more likely to return to the same brand.
- Extended test drive options strengthen customer satisfaction and advocacy.

3) Transforming the Automotive Retail Experience (Sharma & Mehta, 2019):

- Maruti Suzuki Arena integrates technology with customer-centric approaches to enhance the buying experience.
- Features like digital kiosks improve customer engagement.



4) Customer-Centric Innovations in Sales and Service (Gupta & Das, 2020):

- Arena's "Experience Zones" leverage AI and augmented reality for informed decision making.
- Standardized processes ensure consistent service quality, reinforcing customer loyalty.

5) Impact on Brand Equity and Market Reach (Raghavan & Sen, 2021):

- Maruti Suzuki Arena positively impacts brand equity and appeals to younger, tech-savvy customers.
- Integrated marketing strategies improve brand visibility in underserved regions.

6) Factors Influencing Buying Behaviour (Dr. A. Valarmathi, 2019):

- Test drive marketing helps align vehicles with customer preferences.
- Key factors influencing purchase decisions include vehicle aesthetics, mileage, and pricing.

7) Consumer Car Preferences and Perceptions (Dr. A. Khaleel Rahman & S. Jafar Sarthik, 2022):

- The study highlights the transition to a buyer's market influenced by brand credibility and perceived value.

8) Test Drives for Creating Prior to Purchase Experience (Robert Johnston, 2020):

- Test drives create simulated experiences that enhance customer decision-making.
- Interaction with staff and immersive design are critical in shaping.

9) Factors Influencing Purchase Decisions (Singh & Malhotra, 2020):

- Multiple factors, including financial, social, and psychological considerations, shape car purchase decisions.
- Price sensitivity and fuel efficiency are critical criteria for Indian consumers.

10) Emotional and Rational Dynamics in Car Purchases (Patel & Roy, 2021):

- Aspirational marketing strategies influence consumer behaviour, with cars viewed as symbols of status.
- Test drives bridge emotional aspirations and practical evaluations.

11) Industrial Growth and Automotive Hub (Sharma & Gupta, 2020):

- Silvassa's strategic location and tax benefits attract automobile manufacturers, establishing it as a key player in the automotive supply chain.

12) Economic Impact of Automotive Industries (Patel & Kumar, 2021):

- The automotive sector's growth in Silvassa leads to increased industrial output and higher income levels among residents.

13) Challenges in the Automotive Sector (Reddy, 2020):

- Rapid industrialization poses infrastructure challenges and environmental concerns, necessitating sustainable practices.

14) Automotive Consumer Trends in Silvassa (Desai & Mehta, 2019):

- Consumer behaviour reflects a shift toward affordability and fuel efficiency, with smaller vehicles dominating the market.

15) Policy Support and Future Prospects (Iyer & Singh, 2022):

- Government initiatives incentivize investment in Silvassa's automotive sector, positioning it for future growth.

16) Virtual Test-Drive (Algharabat & Dennis, 2010):

- User experience and engagement during simulated test drives positively influence satisfaction and purchase intention.

17) Test Ride Influence on Attitude (Venkatesh & Bala, 2021):

- The study explores socio-demographic factors affecting user acceptance of autonomous vehicles.

18) Final Drive Ratio on Passenger Cars (2017):

- The study examines how gear ratios influence fuel consumption and driving dynamics.

19) Impact Mechanism of Initial Visits (Lian, 2023):

- Brand image and experiential factors significantly enhance test drive intentions.

20) Experiential Marketing in Automotive Retail (Grewal, 2018):

- Direct interaction with products during test drives creates a sense of ownership and builds trust.

21) Crucial Role of Test Drives (Kotler & Keller, 2016):

- Sensory marketing during test drives allows customers to evaluate vehicles beyond theoretical claims.

22) Test Drives as a Tool to Mitigate Risks (Jain & Yadav, 2020):

- Test drives help alleviate customer concerns about product reliability and performance.

23) Customer Experiences and Satisfaction (Berry, 2006):

- Interactive experiences, including test drives, enhance customer satisfaction and understanding of product value.

24) Evaluating Comfort and Performance (Narayana, 2021):

- Test drives allow customers to assess comfort and ergonomics, influencing purchase decisions.

25) Long-Distance Comfort and Visibility (Pyre, 2014):

- Test drives improve acceptance of innovative vehicle designs by evaluating visibility and comfort.

RESEARCH METHODOLOGY

The research methodology employed in the study on the impact of test drives of Maruti Suzuki Arena on customer purchase decisions involves a structured approach to gather and analyse data. The primary objective is to evaluate how test drives influence customer experiences and purchasing behaviour. The research utilizes both primary and secondary data collection methods. Primary data is gathered through structured questionnaires distributed to a sample of 100 respondents who have taken a test drive in Silvassa. This quantitative approach allows for the collection of insights regarding customer perceptions, preferences, and decision-making processes. Secondary data is also analysed, including historical data and previous studies related to test drives and consumer behaviour. The sampling method used is convenience sampling, focusing on individuals who prefer test drives before purchasing a vehicle. The research aims to assess customer experiences, evaluate the role of test drives in shaping purchase decisions, and identify key influencing factors. By employing these methodologies, the study seeks to provide actionable insights that can enhance marketing strategies and improve customer satisfaction in the automotive sector.



DATA ANALYSIS & INTERPRETATION

The data analysis and interpretation section of the study on the impact of test drives on customer purchase decisions employs various statistical techniques to derive meaningful insights from the collected data. The analysis begins with the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's Test of Sphericity, which indicate that the data is suitable for factor analysis. The KMO value of 0.566 suggests a mediocre level of sampling adequacy, while the significant result from Bartlett's Test ($p < 0.000$) confirms that the correlation matrix is not an identity matrix, allowing for further analysis. Principal Component Analysis (PCA) reveals several underlying components that explain the variance in customer perceptions and experiences during test drives. Key findings indicate that factors such as the salesperson's behaviour, the overall test drive experience, and vehicle comfort significantly influence purchase motivation. Additionally, the analysis highlights the importance of vehicle usability, design, and advanced features in shaping customer satisfaction and likelihood to recommend the vehicle. Overall, the data analysis underscores the critical role of test drives in enhancing customer confidence and influencing purchasing decisions, providing valuable insights for automotive marketers to improve their strategies and customer engagement.

FINDINGS & CONCLUSION

The findings of the study reveal that test drives play a crucial role in influencing customer purchase decisions in the automotive sector, particularly for Maruti Suzuki Arena. Key insights indicate that younger buyers prioritize affordability and technology features, while middle-aged consumers focus on practicality and fuel efficiency, and older buyers value comfort and reliability. The analysis shows that the interaction with sales personnel and the overall test drive experience significantly impact customer perceptions and their likelihood to purchase a vehicle. Additionally, the economic status of respondents influences their buying patterns, with middle-income individuals dominating the market. The conclusion emphasizes that enhancing the test drive experience is essential for building customer confidence and satisfaction, which in turn drives sales and fosters brand loyalty. The study suggests that automotive marketers should tailor their strategies to meet the diverse needs of consumers, focusing on personalized customer interactions and improving the overall test drive experience to effectively convert potential buyers into satisfied customers. By understanding and addressing these factors, automotive brands can strengthen their market presence and enhance customer engagement.

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