Customer satisfaction towards Honda Activa: A study in Jabalpur City

Saif Ul Haque
hoqsaif@gmail.com
Mahatma Gandhi Chitrakoot Gramoday
Vishwavidyalaya, Chitrakoot, Satna, Madhya Pradesh

Dr. C. P. Gujar
cpgujar69@gmail.com
Mahatma Gandhi Chitrakoot Gramoday
Vishwavidyalaya, Chitrakoot, Satna, Madhya Pradesh

ABSTRACT

At the time of innovation of two-wheelers and its commercialization, it could not be imagined that the two-wheelers would also be designed and commercialized for women also. But the innovations and technological upgradations made it possible and a new thought emerged in the industry for designing the two-wheelers by which women (so-called half of a population) can be attracted to it. Nowadays, without geared two-wheelers are in keen demand for both male and female as it is easy to ride and handle. The study has been done to assess the customers' satisfaction level about Honda Activa in Jabalpur city. The study is based on primary data which has been gathered through a structured questionnaire from 200 respondents of Jabalpur city. A convenience sampling technique has been used in this study to collect the data. The demographical representation of the respondents has shown through percentage analysis whereas, the satisfaction level of the respondents with Honda Activa has been analyzed by the researcher through Likert scale technique, mean and ranking methods. Influencing factors that affect in buying decision of the bike has been analyzed by the chi-square test. Assessing high customer value would always lead to high customer loyalty.

Keywords— Customer satisfaction, Influencing factors, Two-wheeler

1. INTRODUCTION

The automobile industry has grown tremendously in the world in recent years specially its two wheeler segment. India has become the largest market of two wheelers in the world and has also been included among major producing countries of two wheelers as it positioned itself at the top level. In production and selling of two-wheelers, India has emerged as leading country followed by China and become a hub of two wheelers production. The Indian two-wheelers manufacturing companies do not produce only for domestic consumption but also its exports in many countries of the world. There are various choices of brands available in the market and customers are independent to test whatever brand suit to them according to their socio economic factors. To remain and grow in the market, it is very essential for a firm that it has to produce two wheelers which fulfill the need of the customers and satisfy them more than that of its competitors or to some extent. Customer satisfaction is an important aspect that must be considered by the firm to survive in the market. This study has been carried out to find out the reason behind the purchasing decision of Honda Activa bikes in the region of Jabalpur city. It has also to be finding out that the customer satisfaction level of Honda Activa bikes in the concerned city.

2. STATEMENT OF THE PROBLEM

The success of any organization can be seen in the satisfaction level of its customers. It also indicates how a successful firm delivers its products or services efficiently to the customers. The main purpose of the organization is to maintain its present customers and at the same time focus on and attract new customers. To identify the level of customer satisfaction is the most significant task of the firm for the purpose of retention of the customers for long time. The nature of the customers is volatile and their needs and desires are changed according to current perspective. There are so many firms of two wheelers in the industry who manufacture bikes to fulfill the needs and desires of the customers. But customer satisfaction is the most significant for the growth of any industry and two wheeler industry is also depend on it. While considering the importance of customer satisfaction few questions come in mind viz; (a) what are the reasons behind the decision of buying Honda Activa bike? (b) What features/ attributes Honda Activa bike has which make more satisfaction level to the customer? This study has been done to resolve such types of queries.

3. REVIEW OF LITERATURE

Duggani Yuvraj and Durga Rao (2014) have done their study on Honda two wheelers about its customer satisfaction in Tirupati district. The basic purpose of the study was to find out the customer satisfaction level among the Honda bikes users. The study

depicts after the analysis that most of the customers were come to know about the two wheelers through advertisements and the percentage rate of them was about 60% and hence, it can be said that advertisement plays a vital role in spreading information regarding Honda two wheelers among the customers. They found that 90% of the users were happy with mileage and performance of Honda bikes, whereas pick-up of Honda two wheelers was liked by 73% of the total respondents. At the same time was found that more than 50% of the users of Honda bikes were satisfied with the price, design, quality, and descriptions given by sales executive at the time of purchasing of two wheelers of Honda. They have reached on the conclusion that customers give preference to different factors. Price, design, mileage, and pick-up are the most important factors which are considered and preferred by the customers differently.

Williams's et.al. (2011). the authors say that strong relations have been obtained among the customer attitudes/beliefs/ sentiments and the loyalty of customers. For instance, it is very usual that higher level of attitudinal motives is created/generated by the higher level of outcome of customer satisfaction. And all these make customers more loyal of the company and the loyalty can be evaluated by buyback /repeat buying, more expense of wallet, recommend friends and colleagues through positive words of mouth and finally reduction in cost increase on acquiring customers. He suggested that product quality, customer satisfaction and profit of the firm are closely and strongly interconnected. They concluded that customer satisfaction, values, price beliefs, service quality, and relational quality come under customer attitudes as these factors depicted in the image of customer attitudes.

Dr. Vijaya Lakshami, et al (2015). They stated in their study that bikes made the people easy to travel on the roads which can be born and handled. The most important quality of bikes is to go where there no four wheelers can reach. The authors emphasized on marketing activities of the firms and gave importance of branding of the products which make its own position in the industry. The feelings of most respondents were normal regarding the petrol consumption whereas about 38% of the users wanted more space of storage in the bikes. They concluded that customers may be dissatisfied, if, the price of two wheelers become high.

NDTV (2016). In their paper revealed that Honda Activa presents a clear basic image of scooter which could not be changed. The big pattern of the bike in also remained, this feature isolates it from being a scooty. The craze of Activa Honda is on peak in the market without geared bikes. A well cushioned large seat offers riders to get a better experience. The storage capacity given in the bike is enough as space under the seat and around the foot area of the riders.

Dr. K. Lashami Priya (2016) has conducted research on customer satisfaction among the users of Honda two wheelers. They tried to identify the factors which affect to give preference of Honda two wheelers. They opined that customer retention is the key factor in the success of any business. The study revealed that most of the customers were satisfied with the brand image and mileage of Honda bikes. Maintenance cost was considered an important factor and found satisfactory of the concern.

4. OBJECTIVES OF THE STUDY
• To analyze the personal profile of the respondents of Honda Activa bike users in Jabalpur city.
• To find out the factors that influence the decision of customers to buy Honda Activa bikes in Jabalpur city.
• To find out the satisfaction level of Honda Activa users in Jabalpur city.
• To offer summery and findings for further research.

5. SCOPE OF STUDY
Due to a specific geographical area of the research as Jabalpur city, the scope of the study is limited. Various hurdles came in the field of this research and most significantly are duration of the research and cost incurred on it and so on. The study is limited to this specific area and specifically focus on the objectives to be achieved.

6. RESEARCH METHODOLOGY
This paper has been done on the users of Honda Activa bikes in Jabalpur city. The respondent has been taken in the study were belong to different educational and economical background. However, the selection of respondents was random. Primary data was the main source of data collection through a structured questionnaire which had been distributed among the respondents randomly. 200 response of the respondent was selected for the analysis of the study.
• **Sample size:** 200 Respondents
• **Techniques:** Convenient sampling
• **An instrument of data collection:** A structured questionnaire
• **Sources of data collection:**
• **Primary data**- Through the questionnaires, they have been collected.
• **Secondary data-** Through various books websites journals and research paper etc.
• **Statistical tools used for Analysis:** Percentage analysis, mean, and chi-square test.

7. ANALYSIS AND INTERPRETATION

Table 1: Gender wise classification of the respondents

S no.	Gender	No. of respondents	Percentage of respondents
1.	Male	141	70.5
2.	Female	59	29.5
	Total	200	100

Source: Primary Data

Table 1 shows that among 200 respondents 70.5% are male and whereas the percentage of a female is low than male respondents and their representation is 29.5%.

Table 2: Age wise classification of the respondents

S no.	Age (in years)	No. of respondents	Percentage of respondents
1.	18-30	63	31.5
3.	31-45	89	44.5
4.	Above 45	48	24
	Total	200	100

Source: Primary Data

The above table shows that among 200 respondents majority is come between the age group of 31-45 years and their percentage is 44.5%, while above 45 years age is the least age group which is only 24%.

Table 3: Educational Qualification

S no.	Qualification	No. of respondents	Percentage of respondents
1.	Illiterate	42	21
2.	Up to 10th	20	10
3.	Graduate	68	34
4.	PG	52	26
5.	Above PG	18	9
	Total	200	100

Source: Primary Data

Table 3 reveals the educational background of the respondents, in which graduate is at the top level and they are 34% among 200 respondents. The representation of illiterate people in this research is 21% and only 9% of post graduates are presented in this study.

Table 4: Monthly Income

S no.	Income(INR)	No. of respondents	Percentage of respondents
1.	Below 10,000	21	10.5
2.	10,000-20,000	95	47.5
3.	20,000-30,000	65	32.5
4.	Above 30,000	19	9.5
	Total	200	100

Source: Primary Data

Table 4 shows that the monthly income of 47.5% respondents is between the income groups of 10 to 20 thousands whereas 32.5% respondents' monthly income lies between 20 to 30 thousands. The highest and lowest income groups that above 30 thousand and below 10 thousand are 9.5% and 10.5% respectively.

Table 5: Marital Status

S no.	Statement	No. of respondents	Percentage of respondents
1.	Married	125	62.5
2.	Unmarried	75	37.5
	Total	200	100

Source: Primary Data

The above table reveals about the marital status of the respondents. Among 200 respondents of this study, 62.5% are married and 37.5% are unmarried.

Table 6: Occupation wise classification of the respondents

S no.	Occupation	No. of respondents	Percentage of respondents
1.	Student	63	31.5
2.	Government-employee	45	22.5
3.	Private-employee	32	16
4.	Self-employee	43	21.5
5.	Other	17	8.5
	Total	200	100

Source: Primary Data

Table 6 shows that the students with the presence of 31.5% are in majority and after that government employee is 22.5% and self-employees is 21.5% respectively. Here, which professional background is not separately mentioned is in group of other that representation is 8.5% which is least in the concerned group.

Table 7: Sources of information of the respondents

S no.	Sources	No. of respondents	Percentage of respondents
1.	Television	75	37.5
2.	Newspapers	54	27
3.	Friends & family	49	24.5
4.	Internet	22	11
	Total	200	100

Source: Primary Data

Table 7 shows that television is the biggest source by which respondents come to knew about particular Honda Activa bike and 37.5% respondents confessed it. Newspapers are the second source and 27% respondents come to knew through this media about Honda Activa. 24.5% respondents could become aware of this particular bike through their friends and family members while 11% respondents came to know about this particular bike through internet.

Chi-square test

$$\text{Chi-square} = \sum (O-E)^2 / E$$

Where;
O = Observed frequency
E = Expected frequency

Null hypothesis (H$_0$): There is no significant difference in the influencing factors.

Table 8: Features/attributes that influence the respondents to make a purchase decision

S no.	Features/ Attributions	Respondents (O)	E	O-E	$(O-E)^2$	$\sum (O-E)^2/E$
1.	Design	33	25	8	64	2.56
2.	Price	21	25	-4	16	0.64
3.	Pick-up	27	25	2	4	0.16
4.	Mileage	23	25	-2	4	0.16
5.	Brand image	47	25	22	484	19.36
6.	Riding Comfort	18	25	-7	49	1.96
7.	Engine quality	16	25	-9	81	3.24
8.	After sales services	15	25	-10	225	9
	Total	200				37.08

Source: Compounded

Degrees of freedom= (8-1) =7
Level of significance= 5%
Chi-square = 37.08
Tabulated value = 14.067

The calculated value of chi-square is 37.08 whereas the table value of chi-square at 5% level of significance at 7degrees of freedom is 14.067.

Interpretation: The computed value of chi-square (37.08) is greater than the table value (14.067) therefore, the null hypothesis is rejected. So, there is a significance difference between influencing factors and according to them customer chooses the bike.

Table 9: Customer satisfaction level regarding the features of Honda Activa bikes

S no.	Features	Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied	Total Score	Mean	Rank
1.	Brand Image	425	296	72	26	4	823	4.115	1
2.	Price	265	192	162	58	16	693	3.465	6
3.	Mileage	285	216	120	74	12	707	3.535	5
4.	Looks/style	365	284	87	38	9	783	3.915	2
5.	Pick up	255	180	177	42	24	678	3.39	8
6.	Availability of spare parts	230	196	165	54	23	668	3.34	9
7.	Durability	155	176	198	80	29	638	3.19	11
8.	Riding Comfort	345	272	111	44	5	777	3.885	3
9.	After sales service	185	208	195	40	26	654	3.27	10
10.	Maintenance cost	250	228	132	52	23	685	3.425	7
11.	Engine efficiency	380	216	126	30	13	765	3.825	4
12.	Storage Space	145	176	183	60	34	598	2.99	12

Source: Compounded
* Details of Likert's scale: Highly Satisfied (HS) = 5, Satisfied (S) = 4, Neutral (N) = 3,

Dissatisfied (DS) = 2 and Highly Dissatisfied (HDS) =1

Interpretation: The above table indicates the ranking of satisfaction level of the respondents through the technique of likert's scale. The highest mean score (4.115) was secured by 'Brand image' as it got the first rank followed by look/style which means the score is 3.915. Riding comfort got third rank with mean score (3.885) whereas, engine quality was at fourth rank with mean score (3.825). Satisfaction level with durability and storage space got least ranks with mean score of 3.19 and 2.99 respectively.

8. FINDINGS

- From this study, we find that approximately 70% of respondents are male that shows their majority and majority of the respondents aprox.62% are married.
- The age group of the respondents 31 to 45 years is highest with 44.5%. Among 200 respondents, 34% has done graduation and post graduate respondents are only 26%.
- Majority of the respondents (47.5%) get their monthly income between 10 thousand and 20 thousand and only 9.5% get more than 30 thousand/ month.
- On the basis of occupational background, students are in majority with 31.5% followed by government employees of 22.5%.
- Television is the leading media through which respondents come to know about Honda Activa and 37.5% respondents confessed it.
- The chi-square test reveals that there are different influencing factors that make the reason for customers to purchase a particular bike. Brand image is the major influencing factor followed by design of the bike that makes the reason for purchasing Honda Activa.
- To know the satisfaction level of the customers mean and ranking method has been applied and result shows that with brand image and design of the bike customers are highly satisfied whereas, storage space in the bike and durability have been given least ranks that make least satisfaction.

9. SUGGESTION

Though Honda Activa is well known brand and leading bike in scooter segment it has to improve more for better satisfaction of the customers. Storage space in the bike is the areas in which the company has to more work and there is also need of improvement in after sales services that would lead to proper follow-up of customers for maintaining better Customer Relationship Management (CRM).

10. CONCLUSION

Every year new models of bikes are launched in the market but Honda Motorcycle and Scooter India Ltd. affirmed to supply the bikes in the market and satisfy the customers. As the leading bike, Activa, in the scooter segment, company continuously focus on research and development for the improvement of the bike that increases the satisfaction level of the customers with the Activa bike. Due to its riding comfort, pick-up and engine efficiency, etc. it is liked by most of the people (both male and female) that makes it leading two-wheeler in without geared bikes.

11. REFERENCES

[1] DugganiYuvaraju and DurgaRao (2014), "Customer Satisfaction towards Honda Two wheelers: A Case Study in Tirupati", Journal of Business and Management, Vol.16, Issue 5, Vol. I, pp. 65 – 74.
[2] Williams, P. - Khan, M. S. - Naumann, E. (2011), Customer satisfaction and defection: the hidden costs of downsizing. Industrial Marketing Management, No. 40, pp. 405-413.
[3] D.Vijayalakshmi et al (2015), "A study on customer satisfaction of selected branded two wheelers in south Coimbatore", International Journal of Multidisciplinary research and development, Volume: 2, Issue: 4, 260-264.
[4] Sameer, (NDTV) "Honda Activa 3G looks" (2016, Jun 23). Retrieved fromhttps://auto.ndtv.com/honda-bikes/activa-3g
[5] Dr.K.Lakshami Priya (2016) "Customer satisfaction Towards Honda Two Wheeler-A Study In Palakkad District, Kerala, International Conference Research Avenues on Social Science, organized by SNGC, Coimbatore, IJARIIE-ISSN(O)-2395-4396, Vol-1, Issue 3,2016