

A Study on Impact of Branding Strategies of Automobile Sector on Customer

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Abstract- An automobile is a self-propelled motor vehicle intended for passenger transportation on land. It usually has four wheels and an internal combustion engine fueled most often by gasoline, a liquid petroleum-product. Known more commonly as a car, formerly as a motorcar, it is one of the most universal of modern technologies, manufactured by one of the world's largest industries. More than 73 million new automobiles were produced worldwide in the year 2017. The scientific and technical building blocks of the automobile go back several hundred years. For example, in the late 1600s, Dutch scientist Christiaan Huygens invented a type of internal combustion engine sparked by gunpowder. The "horseless carriage" in its modern form had been developed by the end of the 19th century. At that time, it was not clear which of three fuel sources would become most commercially successful: steam, electric power, or gasoline. Cars run by steam engines could go at high speeds but had a short range and were inconvenient to start. Battery-powered electric cars had a 38 percent share of the United States automobile market in 1900, but they also had a limited range and recharging stations were hard to find.

Indexed Terms – Combustion, Furred, Automobile, Inconvenient, Gasoline.

I. INTRODUCTION

The automotive industry in India is one of the main pillars of the economy. With strong backward and forward linkages, it is a key driver of growth. Liberalisation and conscious policy interventions over the past few years created a vibrant, competitive market, and brought several new players, resulting in capacity expansion of the automobile industry and generation of huge employment. 1

The contribution of this sector to the National GDP has risen to about 7.1% now from 2.77% in 1992-93. It provides direct and indirect employment to over 19 million people.

In the automobile market in India, Two-wheelers and passenger cars accounted for 77% and 18%

market share respectively during the year 2021-22. Passenger car sales are dominated by small and mid-sized cars. Export of the total number of automobiles increased from 4,134,047 in 2020-21 to 5,617,246 in 2021-22, registering a positive growth of 35.9%

India aims to double its auto industry size to Rs. 15 lakh crores by end of year 2024. There has been an FDI inflow of \$33.77 billion in the industry from April 2000 till September 2022 which is around 5.48% of the total FDI inflows in India during the same period.

The Indian Automotive industry has made great strides over the past two decades, capturing the eye-balls at a global level and is considered as a contender for a top-table position. In terms of global rankings in manufacturing output, it is second largest in two-wheelers, seventh largest in commercial vehicles, sixth largest in passenger vehicles and the largest in tractors. Over the past ten years, India has emerged as one of the most preferred locations in the world for manufacturing high-quality automotive components and vehicles of all kinds, narrowing its gap over several established locations in the process.

II. LITERATURE REVIEW

Schreiber, E. (2002). The paper offers a framework for making brand strategy decisions in diversified and industrial companies, with a focus on key customer interests, and includes a model for making brand strategy decisions when entering partnerships and alliances.) Sammut-Bonnici, T., & Sammut-Bonnici, T. (2015).

A brand is a set of attributes that creates awareness and identity, and the objective of branding strategy is to create brands that are differentiated from the competition, thereby reducing the number of perceived substitutes in the marketplace, increasing

price elasticity, and improving profits, which is achieved through competitive brand positioning, value chain development, and brand equity management. Adhikari, K., & Panda, R. (2019)

In addition, the findings may assist the automobile brand managers and market strategists to design strategies aimed at developing long-term consumer relationships. Neuvonen, H. (2016) This study contributes further to brand orientation literature by providing a process view and understanding how the extent of brand orientation may be or has been achieved. Marques, C., Silva, R., Davcik, N., & Faria, R. (2020) This study contributes to the brand management literature by providing a new look into the under-researched problem of rebranding and brand equity, empirically validating the real-life market case. Fetscherin, M., & Toncar, M. (2010) Findings show that consumers' brand personality perceptions of domestic and imported automobiles differ based on the country of origin of the brand and the country of manufacturing, as demonstrated through multivariate analysis of variance.) Gatignon, H., Weitz, B., & Bansal, P. (1990) Using a model developed from research in marketing strategy and industrial organization economics, the authors tested the impact of brand introduction strategies, competitive environments, and firm characteristics on the performance of new brands in the pharmaceutical industry, identifying the factors that affect brand introduction strategies in marketing.) Christodoulides, G. (2008) It is argued that we need to evolve from the industrial age paradigm of branding that informed brand management for decades and adjust practice and research accordingly. Athanasopoulou, P., Giovanis, A., & Avlonitis, G. (2015) The study identifies five significant marketing strategy components that affect brand extension success and develops a model for analyzing marketing strategy decisions based on these components, responding to the need for more structured methodologies in estimating success or failure of brand extensions.

Mudambi, S., Doyle, P., & Wong, V. (1997) This exploratory study of the decision-making process and the sources of industrial brand value highlights the importance of relatively intangible product and company attributes.

Michell, P., King, J., & Reast, J. (2001) There is wide usage of brand strategies, and wide agreement

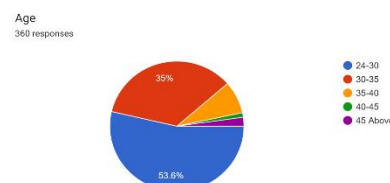
that product and corporate branding are key contributors to successful performance as sources of competitive advantage.) Shipley, D., & Howard, P. (1993) Branding is extensively used by industrial companies and provides powerful benefits, according to a study that developed and tested ten propositions concerning the importance, usage, strategies, and processes of brand naming, comparing findings from large and small firms and discussing managerial implications.

III. OBJECTIVES

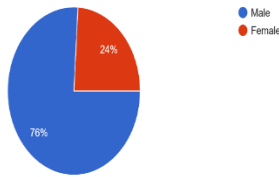
1. Importance of Branding: Discuss why branding is crucial in the automobile sector, emphasizing how it influences consumer decisions and loyalty.
2. Competitive Landscape: Provide an overview of the major players in the industry and their branding efforts.
3. Branding Challenges: Identify the unique challenges that automobile companies face in terms of branding, including global competition, environmental concerns, and technological advancements.
4. Research Objectives: Clearly outline the goals and objectives of your study, such as understanding successful branding strategies and their impact on market share and profitability.

IV. DATA ANALYSIS AND INTERPRETATION

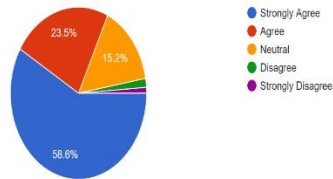
This chapter comprises the analysis, appearance, and explanation of data conclusion resulting from this research and the analysis and interpretation of data consist of results based on the questionnaire. The analysis and interpretation of data are carried out in two different phases.



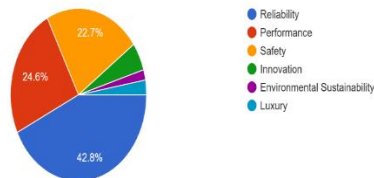
Gender
362 responses



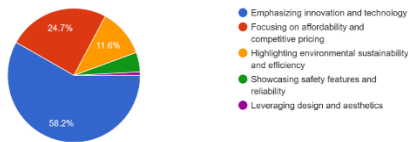
Do branding affect consumer purchase ?
362 responses



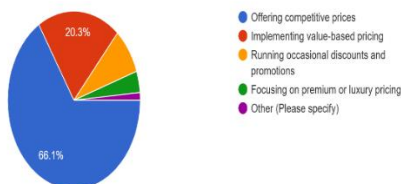
What aspects of a brand's image are most important in the automobile industry?
362 responses



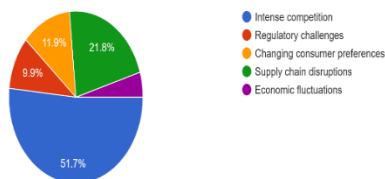
How does company primarily establish its unique selling proposition (USP) in the competitive automobile market?
361 responses



How does your company typically approach pricing strategies for your automobiles?
360 responses



What are the most significant challenges or obstacles your company has encountered in managing its brand strategy for selling automobiles?
362 responses



V. LIMITATIONS

Some potential limitations of a study on the impact of branding strategies of the automobile sector on customers could include:

1. **Sample Size** : Limited sample size might not represent the diversity of customer perceptions across different demographics or regions.
2. **Generalisability** : Findings may not be applicable to all automobile brands or may vary in different market conditions.
3. **Data Collection Methods** : Reliance on self-reported data or surveys could introduce response bias or inaccuracies.
4. **Time Constraints** : The study may not capture long-term effects of branding strategies due to its duration or scope.
5. **External Factors** : External market forces, economic conditions, or competitor actions may influence customer perceptions independently of branding strategies.

VI. FINDING

A questionnaire was administered for a group of respondents that comprises of 362 customers of the automobile industry . The data was so collected and analyzed. The evaluation of the data collected from respondents reveals the following findings:

- 76 % people are male respondents out of 362 respondents who use the cars .
- 24% people are female respondents out of 362 respondents who use the cars.
- 53.6% respondents are from 18-30 age group .
- 35% respondents are from 30- 35 age group .
- 11.4% respondents are from 35-45 age group.

Significant challenges face by automobile companies:

- 51.7% respondents think intense competition .
- 9.9% respondents think regular challenges .
- 11.9% respondents think changing customer preferences .
- 21.8% respondents think supply chain distribution .

- 4.7% respondents think economic fluctuations .

CONCLUSION

In conclusion, the study on the impact of branding strategies in the automobile sector on customers reveals several key findings. Firstly, effective branding strategies significantly influence customer perceptions, preferences, and loyalty towards automotive brands. Secondly, successful branding strategies contribute to enhancing brand visibility, differentiation, and recognition in a highly competitive market. Thirdly, brand image, reputation, and emotional connections play pivotal roles in shaping customer behavior and purchase decisions. Lastly, continuous innovation, customer engagement, and market responsiveness are essential for sustaining a strong brand presence and competitive advantage in the dynamic automotive industry. Overall, understanding and implementing effective branding strategies are crucial for automobile companies to thrive in today's market and build long-term relationships with customers.

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