

# An Evaluation of Customer Satisfaction about Kia Motors in Mumbai City

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**Abstract:** *Businesses worldwide acknowledge that the consumer holds supreme authority. An understanding of the motivations and methods behind consumer product consumption enables marketers to enhance current products, identify market demands for new items, and effectively entice consumers to make purchases.*

*Consumer behavior examines the decision-making process of individuals when allocating their resources towards the purchase of goods and services. This encompasses the aspects of what, why, when, where, and how frequently individuals make purchases, how they assess the purchased item afterwards, and the influence of this evaluation on future buying decisions*

**Keywords:** customer satisfaction, purchase decision

## I. INTRODUCTION

India is a developing nation with significant prospects. India's internal economy is currently experiencing a growth rate of approximately 9-10% each year. This growth is contributing to India's increasing significance on a global scale, as evidenced by the rapid growth in both exports and domestic consumption. India's automobile industry is positioned as the focal point of the country's emerging global influence. There is a strong belief that India has the potential to become a major center for vehicle manufacturing and outsourcing in the global automotive industry, providing advanced solutions at a high level of the automotive value chain. The automobile industry in India generates a business volume of \$45 billion and has the capacity to expand rapidly, thanks to the presence of large facilities established by both Indian and international manufacturers. Given India's status as the world's second-largest and fastest-growing population, it is evident that India's economic and demographic potential will significantly impact the automotive industry in the future. Kia Motors Limited is the biggest automobile firm in India, with consolidated revenues of over Rs.70,938.85 crores (USD 14 billion) in the fiscal year 2008-09. KIA Engineering and Locomotive Company is currently based in Bombay, which is now known as Mumbai, India. Founded in 1945, the company became publicly traded on the New York Stock Exchange in 2004. Our production plants are located in the towns of Jamshedpur, Lucknow, and Pune. It holds the leading position in the commercial vehicles market in every category, and is among the top three in passenger vehicles. It has successful products in the small, midsize car, and utility vehicle segments. The corporation is ranked as the fourth largest truck manufacturer globally and the second largest bus maker worldwide.

## II. LITERATURE REVIEW

Kia Motors employs a workforce of 24,000 individuals who operate in three plants and various regional and zonal offices throughout India. The company's goal is to excel in its operations, deliver high-quality products, and uphold strong values and ethics. Kia Motors has a widespread presence across India.

After forming a strategic partnership with Fiat in 2005, Kia has established a joint venture with Fiat Group Automobiles at Ranjangaon, Maharashtra. This joint venture is responsible for manufacturing both Fiat and Kia automobiles, as well as Fiat powertrains. The Company is in the process of developing a new manufacturing facility in Sanand, Gujarat.

Considering the customer's status as the ultimate authority, it is reasonable to assume that building and maintaining a connection with this esteemed individual is a top concern for businesses seeking to market their offerings. In reality,

organizations often only make superficial gestures towards what is referred to as customer relationship management, although claiming it as a priority. For Kia Motors, however, this has always been a must.

Kia Motors initiated the development of its customer relationship management-dealer management system (CRM-DMS) around the beginning of the new century. This was during a challenging period in the company's history, as it was striving to reclaim its significance. At that moment, it became aware that its ability to survive in the automobile industry relied on effectively handling its relationships with its consumers, dealers, and any other individuals who had a strong affiliation with the parent firm.

Globalization has led to intense competition, but Kia Motors has had significant growth over the past 50 years. The company prioritizes client needs and excels in translating them into desirable solutions through advanced research and development. The Company's Engineering Research Centre, which was created in 1966, has facilitated the development of innovative technologies and products with the help of more than 3,000 engineers and scientists. The Company currently operates research and development centers in Pune, Jamshedpur, Lucknow, and Dharwad in India, as well as in South Korea, Spain, and the UK. Kia Motors pioneered the development of India's first domestically produced Light Commercial Vehicle, the country's first Sports Utility Vehicle, and in 1998, the Kia Indica, India's first entirely homegrown passenger automobile. Kia Indica achieved the status of being the top-selling car in its category in India within a span of two years after its launch.

Owners of cars fulfill their transportation needs and also derive psychological joy from owning a car. Kia Motors is equally dedicated to implementing environmentally friendly solutions in emissions and alternative fuels. The company has designed and manufactured electric and hybrid vehicles for both individual and public transit purposes. Furthermore, it has been incorporating several eco-friendly technologies into its manufacturing processes, resulting in a substantial improvement in resource preservation.

The goal of the methodology is to delineate the systematic approach employed in doing research. This includes the comprehensive study framework, methodology for gathering data, conducting field surveys, and analyzing the collected data. The sampling frame refers to the whole set of sampling units from which the sample is selected. A comprehensive analysis of the Mumbai City map was conducted, and samples were carefully chosen from various locations in a random manner to ensure accurate and impactful findings.

### **Discussion based on analysis of sales reports**

Businesses worldwide acknowledge that the consumer holds the highest authority. Understanding the motivations and methods behind consumer product consumption enables marketers to enhance existing products, identify market demands for new items, and effectively entice consumers to make purchases.

Consumer behavior pertains to the decision-making process of consumers in allocating their resources towards the acquisition of goods and services. This encompasses the information pertaining to the product's specifications, rationale for purchasing, timing, location, frequency of purchase, post-purchase evaluation, and the subsequent influence of this evaluation on future buying decisions.

The passenger car market, which accounts for around 80% of total automobile sales, has significant potential for expansion. Based on projections, the production of passenger vehicles is expected to increase at a compound annual growth rate (CAGR) of approximately 11% from 2009-10 to 2012-13, in anticipation of future market potential. Kia Motors' Group sales reached a total of 880,396 automobiles, encompassing all of its products and markets, as reported by a secondary study. In the fiscal year 2009-10, the Company achieved a sales figure of 633,862 vehicles, marking a growth rate of 34% compared to the previous year's sales of 472,885 vehicles in the domestic market of India. This sales figure accounted for a 25.5% stake in the industry, which is an improvement over the previous year's share of 24.4%.

The sales of passenger vehicles reached a record high of 260,020 vehicles, representing a growth rate of 25.3% compared to the previous year. The market share of passenger vehicles remained stable at 13.7%, the same as the previous year's 13.6%. The Company remains one of the leading three competitors in the passenger vehicle market, which consists of more than 25 participants. These findings indicate that customers of Kia Motors express contentment due to the competitive pricing, yet, they have concerns regarding the maintenance issues and the relatively poor resale value. The primary causes of consumer unhappiness are a lack of prompt response to customer concerns, particularly as

reported by nano customers, indicating that all comments are not adequately addressed, and indigo customers expressing dissatisfaction with engine performance.

The concept of creating customer delight has been ingrained in the company's vision since its inception, rather than being a recent discovery. In continuation of this similar ethos, the company is dedicated to catering to an even larger customer base in the future. The primary factor contributing to Kia Motors' second position in the Indian market is the presence of certain issues or findings. If Kia Motors addresses these difficulties, they have the potential to secure the top position in the Indian market.

1. Kia Motors, being positioned as a low-cost producer, may incur additional expenses due to sustainability and environmental considerations. This has the potential to affect its fundamental competitive edge. Undoubtedly, by expanding its global presence and acquiring other companies, Kia may potentially mitigate this difficulty.

2. Kia Motors Limited needs to improve its quality and lean production practices in order to address the safety concerns associated with Kia Nano.

3. Kia Motors Limited's passenger car models are built on 3rd and 4th generation platforms, which puts the company at a competitive disadvantage compared to other automobile manufacturers.

4. Kia has not established a strong presence in the high-end automobile sector within its home market of India. Has the brand been so closely linked with commercial vehicles and low-cost passenger cars that it has excluded itself from more profitable niches in an increasingly ambitious India?

Based on the preceding discussion, it is clear that customers are generally content with the passenger cars and the company is fulfilling its promises. However, Kia Motors is also implementing various measures to enhance both the reliability and durability of its products, as well as its marketing strategies. The company's dominant position in the domestic market has been strengthened by improving distribution reach and implementing a strong sales process system. The execution of this plan has commenced in a limited number of foreign markets.

### **III. CONCLUSION**

Kia Motors is a leading vehicle manufacturer in India. Kia Cars are often regarded as the epitome of a people's automobile due to their exceptional performance across all criteria, which leaves customers well satisfied. Kia Motors employs well informed sales personnel who dedicate ample time to customers both before and during the sales process. The rates are inexpensive because to the company's low-cost production capabilities. Additionally, attractive discounts are provided. The waiting area is aesthetically beautiful, and the KIA Motors service station is of exceptional quality.

Kia Motors incurs significant maintenance expenses and has a comparatively low resale value. The clients express dissatisfaction in only two primary domains. Hence, Kia Motors must focus on upholding quality standards. Continuing its dedication to offering Indian customers advanced global technology, the automotive sector strives to become a hub of expertise in engineering and assure a prompt response to evolving consumer demands. Kia Motors offers a range of cars for commercial, utility, and passenger use. The company aims to build closer connections with customers who have invested in their products.

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