

# A Study on Customer Preference towards Petrol and Diesel Cars in Thrissur District

**Jithin M Varghese**

Assistant Professor, PG Department of Commerce  
Nirmala College of Arts and Science, Chalakkudy, Thrissur, Kerala, India  
91jithinmuthatt@gmail.com

**Abstract:** *Today, business around the world recognizes that the customer is the king. Knowing why and how people consume products helps marketers to understand how to improve existing products, what types of products are needed in the market place, or how to attract customers to buy their products. Marketers can justify their existence only when they are able to understand customer's wants and satisfy to consider the customer as the focal point of their business activity. Although it is important for the firm to understand the buyer and accordingly evolve its marketing strategy, the buyer or customer continues to be an enigma-sometimes responding the way the marketer wants and on other occasions just refusing to buy the product from them. Presently gaining high level of customer satisfaction is very important to a business or any company because satisfied customer are most likely to a loyal and to make repeated order and to use a wide range service offered by a business. The objectives of the studies revealing customer preference towards petrol car than diesel car and to investigate what prominent factor influence the customer to purchase petrol car than diesel. The study is based on 50 samples who have both petrol and diesel car. It is find out that petrol engine are more efficient and also cheap running cost.*

**Keywords:** Customer Satisfaction, Better Performance, Customer Preference, Resale Value

## I. INTRODUCTION

The modern marketing concept for successful management of a firm requires marketers the same marketer. For this reason, the buyers mind has been termed as a black box, which should be opened by the seller to be a successful marketer. Thus the study has been carried out to identify the factors considered by a customer before purchasing a car. By understanding the customer preference manufacturers may design cars as per the customers' expectations, which assist them to increase their sales.

Diesel is consumed for a variety of purposes and India relies heavily (around 80 per cent) on imported crude oil (the principle raw material) for its production. This is turn gives rise to a host of concerns including, on pricing mechanism that on one hand influences technology adoption and resource allocation while on the other hand impacts current account and fiscal balance. As a consequence, price of diesel and efforts to maintain its uninterrupted availability has engaged the attention of policy and decision makers of auto mobile sector.

## II. STATEMENT OF THE PROBLEM

Customers may ascertain factors before choosing a car. Such factors may differ from person to person. Few customers choose a car based on petrol or diesel and few may choose brand name or prefer a car based on mileage. Customer prefer towards car depends on safety and style. Product quality of a car influences a customer to prefer car. Competitive pricing of petrol and diesel and service quality influences a customer to prefer a car. Customer will give importance to price of petrol and diesel while purchasing a car. Full efficiency and after sales service influence a customer to prefer a car. These studies raise the prominent factors influence customers to Purchase petrol cars than diesel.

### 2.1 Objectives of the Study

- The study aims at revealing the customers preference towards petrol cars than diesel cars
- To investigate what prominent factors influence customers to purchase petrol cars than diesel.



2.2 Scope of the Study

The study helps to find out the customers preference towards petrol and diesel cars. This research based on the responses of 50 people. The company can understand customer’s preference towards petrol and diesel cars.

2.3 Significance of the Study

The company emails survey to customers after they have made purchase of car. Customers are asked to rate their satisfaction level and rankings. The company records difference of purchase level of petrol and diesel cars.

III. RESEARCH METHODOLOGY

The study is analytical in nature and find out factors influencing customers preference towards petrol and diesel cars in the Thrissur district. Sample of 50 was well designed and taken to cover multiple aspects of objectives. 50 Car owners both petrol and diesel variants were rightly questioned and interviewed with views over the papers objective.

IV. REVIEW OF LITERATURE

Lee Boyce (2012) in his opinion, a diesel will typically cost 10 to 15% more to insure than equivalent petrol car. It has higher average accident repair cost, especially if the turbo intercooler is damaged. And many diesels have twin radiators, which are more vulnerable in a head- on collision.

Kishore (2011) says “it depends on customer usage, if customer daily travel 70 + km then go for diesel no second thought. Diesel cars are 1 lakh expensive than petrol if keep it for 1 lakh in bank (F.D) it will get 950 every month that give go into petrol maintenance cost.”

P. V. S. V Prasad (2011) says, diesel price is less when compared to petrol. It’s better to use diesel cars. They emit less quantity of carbon particles into the atmosphere. Also diesel prices don’t hike as fast as petrol. Otherwise if customer use car for long distances customer opt a petrol engine car.

V. DATA ANALYSIS AND INTERPRETATION

Table 4.1 Shows petrol and diesel car owners

Particulars	No. of respondents	Percentage
Petrol	37	73%
Diesel	13	27%
<b>Total</b>	<b>50</b>	<b>100%</b>

Source: Primary Data

The table shows that 73% respondents use petrol cars and 27% respondents use diesel cars. So from this it can analyze that petrol car holds a major share in the survey. This was also because of family segment that was targeted as diesel segment is mostly held by commercial vehicles

Table 4.2 Shows that purchase petrol car due to efficiency and low maintenance

Particulars	No. of respondents	Percentage
Efficiency	11	22%
Low maintenance	39	78%
<b>Total</b>	<b>37</b>	<b>100%</b>

Source: Primary Data

From the above analysis, it can make out that 78% respondents purchase petrol car due to efficiency of the car and 22% respondents purchase petrol car due to low maintenance facility.

Table 4.3 Shows that purchase diesel car due to efficiency and low fuel cost

Particulars	No. of respondents	Percentage
Efficiency	9	18%
Low fuel cost	41	82%
<b>Total</b>	<b>11</b>	<b>100%</b>

Source: Primary Data



It shows that 82% respondents purchased diesel car due to low fuel cost and 18% respondents purchase diesel car due to the efficiency of the car. Low fuel cost comes as to be major reason for the users to purchase diesel cars as it finds it would to be most affordable option for long run.

Table 4.4 shows that monthly maintenance of petrol and diesel cars

Particulars	Petrol	Percentage	Diesel	Percentage
Less than 1000	2	1%	1	1%
1500	4	9%	2	8%
2000	10	31%	3	31%
Above 2500	21	59%	5	60%
<b>Total</b>	<b>37</b>	<b>100%</b>	<b>11</b>	<b>100%</b>

Source: Primary Data

The table Shows that around 59% of petrol car owner spends above 2500rs in maintenance, 31% spends 2000rs, 9% spends 1500rs, and around 1% owners spends less than 1000rs. Maintenance requirement for petrol cars is found to be lesser, due to high efficiency of petrol engine and good features. Shows that around 60% of car diesel owner spends above 2500rs in maintenance, 31% spends 2000rs, 8% spends 1500rs, and around 1% owners spends less than 1000rs. Maintenance of diesel cars is quiet high due to low engine technology that can burn low calorific valued fuel.

Table 4.5 shows that economic comparison of petrol and diesel cars

Particulars	No. of respondents	Percentage
Petrol	41	81%
Diesel	9	19%
<b>Total</b>	<b>50</b>	<b>100%</b>

Source: Primary data

This shows that 19% of diesel car owners have more economic and 81% of petrol car owners have less economic.

Table 4.6 Shows that satisfaction level of petrol car customers

Particulars	No. of respondents	Percentage
Satisfied	32	89%
Un satisfied	5	11%
<b>Total</b>	<b>37</b>	<b>100%</b>

Source: Primary Data

It shows that 89% respondents are satisfied with petrol cars and 11% respondents are not satisfied with the petrol cars. Petrol car owners seems to be satisfied, reasons could be many such as low maintenance, better performance etc.

Table 4.8 shows that customer’s money saving approach while buying a car

Particulars	No. of respondents	Percentage
No	26	53%
Yes	24	47%
<b>Total</b>	<b>50</b>	<b>100%</b>

Source: Primary Data

Shows that 53% of people consider all aspects of pricing and use all money saving approaches while buying a car. While 47% don't follow anything they are more concerned about the brand of the car. Indian customers are more conscious about money and think about the recovery of money from their investment on vehicles.

Table 4.10 Shows that customers preference of petrol /diesel car when fuel price is same

Particulars	No. of respondents	Percentage
Petrol	32	63%
Diesel	18	37%
<b>Total</b>	<b>50</b>	<b>100%</b>

Source: Primary Data

From the above analysis we can interpret that 63% respondents give preference to petrol cars and when price of petrol and diesel are same. Customers will prefer petrol cars over diesel cars as it would be the most suitable option at that scenario. Petrol cars are good performers in terms of maintenance, tax saving, money saving and resale value etc. so reason for petrol car preference is rightly justified.

#### **V. FINDINGS**

- From this study it is clear that 73% respondents use petrol cars and only 27% use diesel cars. From this, it shows that petrol car holds a major share. and 78% respondents purchase petrol car, this is because of efficiency of car, and 22% purchase petrol car due to maintenance facility. This is the case of chart 2.
- 82% of respondents purchased diesel car due to low fuel cost and only 18% purchase diesel car due to efficiency of the car. The major reason here is low fuel cost.
- Around 59% of car owner spends above 2500rs in maintenance, 31% spends 2000rs, 9% spends 1500 rs, and 1% owner spends less than 1000rs. In short maintenance requirement for petrol cars is found to be lesser. This is due to high petrol efficiency and good features.
- Maintenance of diesel cars is found to be quite high and at the same time it seems to be satisfied in case of petrol car due to low maintenance and better performance.
- Diesel car owners found to be dissatisfied due to performance and the Indian customers are more conscious about money. Hence they prefer petrol car over diesel car.
- 54% of customers affect price of fuel hike in buying behavior of customers 46% of customers don't affect. Furthermore, 63% of customers will prefer petrol cars when fuel price is same and 22% of customers re sales petrol car and 78% of customers re sales diesel cars.

#### **VI. SUGGESTIONS**

Opportunities arise for the players to move up and bring in new technology for diesel cars and develop cars for new markets. Introduction of newer engines in diesel variants like CRDI (Common Rail Diesel Injection) engines and turbo engines would give better performance for cars which would again make customers think about the utility benefit

- As the cost of fuel is high, the car manufacturing companies should achieve the fuel efficiency. So the manufacturers of car should involve such production design and system to withstand and avoid more fuel consumption.
- Mileage level may be improved in order to attract lower middle income group customers.
- Frequent dealers have to organize service campaigns at subsidized rate, which will act as an inducement for low income customers.
- Customer buying a diesel vehicle is not much bothered about the price of the vehicle and Customer buying petrol vehicle is not much bothered about the mileage of the vehicle. This should be changed.
- Majority of customers satisfied with cars
- Respondents perceive that mileage and fuel economy are the most important in buying cars.
- Maintenance cost will affect customers to purchase decision of the car.

#### **VI. CONCLUSION**

Customer satisfaction is crucial for business performance, as it is the driver of customer loyalty and consecutive retention. It is much more expensive to acquire new customers than retain current ones, as the costs associated with the customer recruitment are higher than those connected with customer retention.

The purpose of this study is to know the customer preference towards petrol and diesel cars based on their demographic profile. From the study it can be concluded that petrol engines are more efficient and also cheaper running costs. Petrol cars are good performers in terms of maintenance, tax saving, and resale value. Petrol car owners seem to be satisfied mainly because

**REFERENCES**

- [1]. Deepa Lingavale H.M Thakar India journal of marketing august2012.
- [2]. The IUP lalit mohan kathuria and varun single journal of marketing management, vol, xi, p.no 63-75 no.2,2012.
- [3]. Marketing Management Journal Nov2012.
- [4]. International Journal of Multidisciplinary Research Vol.2 Issue 6, ISSN 2231 5780.
- [5]. International Indexed & Referred Research Journal, ISSN 0974-2832, RNI- RAJBIL 2009/29954: Vol. IV \*ISSUE-44