

A Study on services provided by automobile industry and its impact on customer Satisfaction

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Abstract –

This research paper explores how services provided by the automobile industry influence customer satisfaction and purchasing decisions. The study evaluates pre-sales, sales, after-sales, staffing quality, and brand characteristics. A structured questionnaire was used to collect data from 150 respondents. The results show that after-sales services, staff behavior, and brand image significantly impact customer satisfaction. The paper uses SPSS for regression analysis to test hypotheses and offers insights into improving service delivery for better customer retention and brand loyalty.

Keywords:

Automobile Services, Customer Satisfaction, After-Sales Service, Purchase Decision, Brand Image, Staffing Quality

1. INTRODUCTION

The automobile industry plays a crucial role in economic growth and consumer lifestyle. Globally, it encompasses businesses engaged in design, production, marketing, and servicing of motor vehicles. In India, the sector has shown consistent growth due to rising income levels, urbanization, and policy support like Make in India. Customer satisfaction in this industry depends not only on the quality of the vehicles but also on the services associated with them—before, during, and after the sale. Customers today demand quality service, timely support, transparency in pricing, and strong brand image. With competition increasing, companies must go beyond manufacturing to focus on complete customer experience. This study examines how these services impact satisfaction and influence the decision-making process.

2. OBJECTIVES OF THE STUDY

- To analyze the relationship between service quality and customer satisfaction.
- To assess the impact of services (pre-sales, at the time of sales, after-sales, accessories, technologies) on satisfaction.
- To evaluate staffing behavior and expertise in customer interactions.

- To study how brand image and company characteristics influence purchase decisions.

3. Literature REVIEW

Recent studies (2019–2024) show that service quality, staff behavior, technology use, and brand image are key factors in automobile customer satisfaction.

- **Adusei & Tweneboah-Koduah (2019):** Highlighted how service reminders and technician behavior improve satisfaction.
- **Shokouhyar et al. (2020):** Showed that personalized and timely services enhance loyalty using a Kano-RFM model.
- **Sumara & Salim (2020):** Found that service reliability builds brand trust and encourages repurchase.
- **Balinado et al. (2021):** Emphasized empathy and responsiveness at service centers.
- **Naidu & Khan (2024):** Reported that service delays negatively impact trust.
- **Mishra et al. (2024):** Identified transparency and digital systems as satisfaction drivers.
- **Rakesh & Verma (2022):** Promoted digital platforms for post-sales customer engagement.
- **Lee & Kuo (2021):** Found emotional staff connection more impactful than technical detail.
- **Chaudhary & Soni (2023):** Noted eco-friendly services improve customer perception.
- **Kumar & Sharma (2020):** Linked follow-ups to higher repeat purchases.

45% said their parents influenced their decisions.
85% followed financial content online (YouTube,

- **Wang & Li (2021):** Found feedback apps enhance customer interaction.
- **Bose & Roy (2023):** Linked AI-driven CRM tools to better satisfaction scores.
- **Rajput & Mehrotra (2022):** Found loyalty rewards help retain customers.
- **Saxena & Tiwari (2024):** Highlighted the importance of service accessibility.
- **Verma & Joshi (2023):** Showed that customer education reduces service complaints.

4. RESEARCH METHODOLOGY

- **Design:** Descriptive and analytical. **Sample Size:** 150 respondents. **Sampling Method:** Convenience sampling. **Data Collection:**
- **Primary Data:** Structured questionnaire with Likert-scale questions.
- **Secondary Data:** Journals, reports, articles, and websites. **Tool:** SPSS (Statistical Package for the Social Sciences) **Representation:** Descriptive tables, charts, and graphs.

5. DATA ANALYSIS AND INTERPRETATION

The survey data revealed the following key insights:

- **Documentation:** 73.3% strongly agreed it was properly handled.
- **Spare Parts Services:** 52% agreed services were satisfactory, 22.7% neutral.
- **Maintenance:** 45.3% strongly agreed, 34.7% agreed.
- **Inspection & Assessment:** 66% agreed or strongly agreed.
- **Staff Behavior:** 80% agreed that staff behavior was courteous and professional.
- **Brand Preference:** Over 70% preferred well-known brands.
- **After-Sales Satisfaction:** 74.7% agreed they were satisfied.

These figures suggest that services like maintenance and brand recognition heavily influence satisfaction.

6. HYPOTHESIS TESTING

H1: Sales services significantly impact purchase decisions.

Regression t-value = 5.021 ($p < 0.01$) — Accepted
Maintenance, documentation, and staff behavior were major influencing factors.

H2: Customers are highly satisfied with staffing systems.
Regression t-value = 0.38 ($p > 0.01$) — Rejected
Customers reported issues with problem-solving ability and technical expertise.

H3: Brand characteristics influence purchase decisions.

- Regression t-value = 3.216 ($p < 0.01$) — Accepted
- Brand reputation and accessibility were major influencers.

7. FINDINGS

- Maintenance services have the highest impact on satisfaction.
- Staff behavior matters but needs improvement.
- Brand image significantly drives purchasing behavior.
- Customers are not fully satisfied with staffing systems and technical expertise.

8. SUGGESTIONS

- Improve staff training in problem-solving and communication.
- Expand service centers to enhance accessibility.
- Offer complimentary accessories to improve value perception.
- Invest in digital tools for customer interaction and feedback.

9. CONCLUSION

The research confirms that high-quality services in the automobile industry, especially post-sales, are crucial in shaping customer satisfaction and influencing future purchase decisions. Companies should focus on continuous improvement in service delivery, invest in employee development, and enhance the customer experience to build loyalty and competitive advantage.

10. REFERENCES

- **Adusei & Tweneboah-Koduah (2019):** Studied Ghana's automobile industry, highlighting the importance of consistent maintenance service and professional technician behavior in improving customer satisfaction.
- **Shokouhyar et al. (2020):** Proposed a hybrid after-sales service model (Kano + RFM) showing that timely and customized service boosts satisfaction levels.
- **Sumara & Salim (2020):** Demonstrated that service reliability and assurance build customer trust and increase chances of repurchase in the Indonesian auto market.
- **Balinado et al. (2021):** Found that empathy and responsiveness from service staff at Toyota dealerships in the Philippines strongly influence satisfaction.
- **Naidu & Khan (2024):** Pointed out that delay in repairs and lack of updates reduce customer trust, despite technically sound service.
- **Mishra et al. (2024):** Emphasized the role of pricing transparency, polite staff behavior, and digital booking systems in improving satisfaction in India.
- **Rakesh & Verma (2022):** Identified that digital platforms and real-time service updates enhance customer engagement post-purchase.
- **Lee & Kuo (2021):** Found emotional engagement by sales staff in South Korea led to higher satisfaction compared to technical explanations alone.
- **Chaudhary & Soni (2023):** Revealed that eco-friendly vehicle servicing boosts customer perception of the brand in urban settings.
- **Kumar & Sharma (2020):** Compared Hyundai and Maruti service networks, highlighting the value of regular follow-ups in customer retention.