

# Customer Satisfaction on Honda Activa A Special Reference with North Chennai

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**Abstract:** Customer satisfaction measures how well the expectations of a customer concerning a product or service provided by a company have been met. Customer satisfaction is an abstract concept and involves such factors as the quality of the product, the quality of the service provided, the atmosphere of the location where the product or service is purchased, and the price of the product or service. It is considered to be the valuable assets of a business. Incomes of the automobile industries consider as important contribution of nation's economy and also generate more job opportunities in turn it makes rapid growth in economy, thus the study analyzed the customer satisfaction on Honda Activa two wheeler especially in north Chennai and find the effective service provided by the dealers. From the overall analysis of the study majority of the respondents agree with its price, style, mileage, service and its comfort but still they should improve to make easy access of their spare parts which is unique and scarce in nature and the service provided by the service station must follow their promise.

**Keywords:** Honda Activa customer satisfaction, effective service

## 1. Introduction

Business always starts and closes with customers and hence the customers must be treated as the king of the market. All the business enhancements, profit, status, image etc of the organization depends on customers. Customer satisfaction is a part of customer's experience that exposes a supplier's behavior on customer's expectation; this depends on how efficiently it is managed and how prompt services are provided. The satisfaction could be related to various business aspects like marketing, product manufacturing, engineering, quality of products and services, responses customer's problems and queries, completion of project, post delivery services, complaint management etc.

Higher the satisfaction level, higher is the sentimental attachment of customers with the specific brand of product and also with the supplier. This helps in making a strong and healthy customer – supplier bonding. This bonding forces the customer to be tied up with that particular supplier and chances of defection very less. Hence customer satisfaction is very important panorama that every supplier should focus onto establish a renowned position in the global market and enhance business and profit.

Here are the top six reasons why customer satisfaction is so important:

- It is a leading indicator of consumer repurchases intentions and loyalty
- It is point of differentiation
- It reduces customer churn
- It increases customer lifetime value
- It reduces negative word of mouth
- It is cheaper to retain customers than acquire new ones.

Honda has been calling the Activa the reigning 'King of Scooters' since the last 15 years and they aren't exaggerating. Since its launch in 2000, the scooter has been the top-selling scooter in India. India will, in the process, take over from Indonesia and Vietnam as Honda's biggest two-wheeler market over next five years. As for the bigger

goal of 30% share in its global business, Honda's annual two-wheeler volumes here would have to be in the region of 10 million units annually. Observers believe this could become a reality by 2020.

## 2. Objectives

- Study on customer satisfaction of Honda Activa.
- To find the factors of customer satisfaction towards Honda Activa.
- To analyze the effectiveness of customer service provided by Honda.
- To find the problems faced by customers of Honda Activa.
- To suggest suitable measures based on findings of the study.

## 3. Review of Literature

**Dr. Duggani Yuvaraju & Prof.S.Durga Roa (2014)**

The customer relationship management of Honda Bikes among a various customers launching new formulations can make Honda to the pioneer in many market segments. Honda was inferred that most customers of high-income group preferred the supply of Honda Bikes. About 70% of customers are aware of Honda Bikes. Most of the customers agree that Honda is best quality with reasonable price the attitude 50% customers towards price of Honda Bikes is reasonable. But 10% of the customers are asking for improvement in the quality.

**Dr. K. Lakshmi Priya (2016)**

Retaining customers is the only way to succeed in business. The study on the customers' satisfaction of Honda two wheelers among the customers within the Palakkad District, tries to reveal the factors responsible for preferring a particular brand. Most of the respondents are having a good opinion about the Honda two wheelers and the findings and suggestions of this study will support the company in an effective and better way.

**R.Renganathan, C.Vijayabanu, V.Srinivasakumar and V. Vijayan (2016)** In automobile industry dealers have an opportunity to contact buyers directly. Honda Motors dealer, Tiruvarur has to understand the requirements of the buyers in order to maintain the existing customers and to acquire new customers. In order to survive and outshine in the competitive scenario, Honda motorcycle and scooter India private limited and the dealers in Tiruvarur have to conduct these kinds of surveys periodically. This will pave the way to enhance the brand image of Honda Motorcycle and scooter India private limited automobile business and also their market share.

**Abhijeet Singh (2011)**

Honda motors use a customer relationship management and dealer management system which integrates one of the largest applications in the automobile industry, linking more than 1200 dealers across India. CRM has helped Honda Motors to improve its inventory management, tax calculation and pricing. This system has also proved to be beneficial to dealers because it has reduced their working capital cost.

**Need for the study:**

Customer satisfaction is important because it provides marketers and business owners with a metric that they can use to manage and improve their businesses. In a survey of nearly 200 senior marketing managers, 71% responded that they found a customer satisfaction metric very useful in managing and monitoring their businesses. Further to retain the customer for longer time the marketer has to know the customer satisfaction level. Thus this study is conducted to know the satisfaction level of customers and added to this to examine whether the manufacturers meet the expectations of the customers of Honda Activa.

**4. Scope of the Study**

The study focuses on customer satisfaction towards the Honda activa two wheeler and it includes to find the socio economic relationship of the respondent with their satisfaction level, to study the customers' awareness towards the product, to know the reason for becoming an Activa customer, to find the effectiveness of service provided by the dealers, the problems faced by the customer if any at Honda activa and to give the suitable suggestions.

**5. Limitation of the Study**

**The study focused on the customer satisfaction of Honda Activa at North Chennai in Tamil Nadu and findings of this study based on the attitude of the respondents' and it is subject to change near future. They express their views based on their experience with their vehicle. Hence it cannot be generalized as a whole.**

**6. Methodology**

The study is conducted by using both analytical and descriptive type of methodology and primarily depends on primary and secondary data. The data has been collected through well structured questionnaire from 100 customer of

Honda Activa. The sampling type is convenience sampling. Secondary data has been gathered from different sources such as, books, journals, magazines and online sources.

**Data Analysis:**

The primary data collected were analyzed by using the SPSS computer packages.

The statistical tools used for this study are as follows:

- Simple percentage analysis
- ANOVA.

**Frequency Table**

Personal Factors		No. of Respondents	Percentage
Gender	Male	19	38.0
	Female	31	62.0
Age	18-20	16	32.0
	21-30	9	18.0
	31-40	6	12.0
	41-50	18	36.0
	50 Above	1	2.0
Occupation	Employee	15	30.0
	Professional	7	14.0
	Business	4	8.0
	Student	18	36.0
Income	Wife	6	12.0
	Below 10,000	5	10.0
	10,000-20,000	14	28.0
	20,000-30,000	20	40.0
	Above 30,000	11	22.0

- From the above table it is found that 62% of the respondents are female and 38% are male respondents.
- Maximum of 36% of respondents are fall in the age group of 18-20, 32% are belongs to 41-50 and least of 2% are in the age group of above 50 years.
- Maximum of 36% of the respondents are students, 30% are employee 14% are professionals and the least of 8% are fall in the category of business people.
- 40% of the respondents are in the income group of 20000-30000, 28% of the respondents are fall in the income group of 10000-20000, 22% of them are in the income group of above 30000 and the least of 10% of the respondents belong to the income group of below 10000.

**Customer Awareness and the reasons for choosing the Honda Activa**

Particulars		No. of Respondents	Percentage
Awareness	Show room display	4	8.0
	Magazine	1	2.0
	Television	9	18.0
	Friends And Relatives	34	68.0
	All The Above	2	4.0
Reason	Required	3	6.0
	Convenience	33	66.0
	Brand image	7	14.0
	Reasonable cost	1	2.0
	Durable	3	6.0
	well service	1	2.0
	all the above	2	4.0

- Maximum of 68% of the respondents are getting aware of the product through friends and relatives, 18% are through television advertisement, 8% are through showroom display and the least 2% of them known through magazine.
- At most 66% of the respondents are using HA which is more convenient, 14% of them are believe brand image and the least of 2% of the respondents are having HA because of well service and reasonable cost.

**Customer Satisfaction on Honda Activa**

Customer Satisfaction			
Particulars		No. of Respondents	Percentage
Price	Disagree	4	8.0
	Neutral	2	4.0
	Agree	33	66.0
	strongly Agree	11	22.0
	Disagree	4	8.0
Style	Disagree	1	2.0
	Neutral	4	8.0
	Agree	25	50.0
	strongly Agree	20	40.0
Mileage	Disagree	1	2.0
	Neutral	12	24.0
	Agree	18	36.0
	strongly Agree	19	38.0
Comfort	Neutral	1	2.0
	Agree	13	26.0
	strongly Agree	36	72.0
Maintenance Cost	Strongly disagree	1	2.0
	Disagree	5	10.0
	Neural	6	12.0
	Agree	28	56.0
	strongly Agree	10	20.0
Spare Parts	Strongly disagree	2	4.0
	Disagree	11	22.0
	Neural	7	14.0
	Agree	18	36.0
Road Grip	Strongly disagree	3	6.0
	Neural	7	14.0
	Agree	16	32.0
	strongly Agree	24	48.0
Service	Strongly disagree	1	2.0
	Disagree	5	10.0
	Neural	9	18.0
	Agree	18	36.0
	strongly Agree	17	34.0

- Maximum of 66% of the respondents agree with the price of the product, 22% of the respondents strongly agree with the price of Honda Activa.
- At most 50% of the respondents agrees with its style, only 2% of them do not agree with that.
- 38% of the respondents strongly agree with mileage which is given by Honda activa. 72% of the respondents highly satisfy with their vehicle keep and feel them very comfort.
- 56% of them agree with it incurs reasonable maintenance cost and only 10% of them are disagree with it. 36% of the

respondents are agree with its spare parts are available. 48% of them strongly agree with that its road grip. 36% of them strongly agree with service which is provided by HA service centers and 10% of the respondents are disagree with that.

**Effectiveness of customer Service provided by Honda Activa**

Effectiveness On Customer Service			
Particulars		No. of Respondents	Percentage
Tolerance of sales executives	Neural	4	8.0
	Agree	24	48.0
	strongly Agree	22	44.0
Behavior of Sales executive	Neural	7	14.0
	Agree	21	42.0
	strongly Agree	22	44.0
Ambiance of show room	Disagree	4	8.0
	Neural	4	8.0
	Agree	31	62.0
Availability of service centers	strongly Agree	11	22.0
	Strongly disagree	1	2.0
	Disagree	3	6.0
	Neural	4	8.0
Availability of spare parts	Agree	20	40.0
	strongly Agree	22	44.0
	Strongly disagree	3	6.0
	Disagree	8	16.0
Post sales service as per the condition	Neural	7	14.0
	Agree	16	32.0
	strongly Agree	16	32.0
	Strongly disagree	1	2.0
Post sales service as per the condition	Disagree	7	14.0
	Neural	17	34.0
	Agree	14	28.0
	strongly Agree	11	22.0

- 48% of the respondents agree with the tolerance of the representatives and executives of Honda show rooms, 44% of them are strongly agree with the behavior of the sales executives.
- Maximum of 62% of the respondents are agree with ambiance of the show rooms, 44% of them are strongly agree with the availability of service centers.
- 32% of the respondents agree with its availability of spare parts and 14 of them are neural in the opinion of post sales service provided by the dealers or agents as per the conditions when we purchase.

**Problems Faced by the Customers of Honda Activa.**

Problems Faced By The Respondent		
	No. of Respondents	Percentage
Mileage	11	22.0
Brake	2	4.0
Tyre	3	6.0
Electrical problem	2	4.0
Post sales service weight	3	6.0
	22	44.0
All the above	7	14.0

Maximum of 44% of the respondents are discomfort its weight especially women respondents, 22% of them have not satisfied with its mileage, 6% of them are unhappy with



post sale service and tyre which has not given more grip and the least of 4% of them are dissatisfied by electrical problem and working of brake.

charge for the delay in first service are the other problems faced by the students, business people and house wives.

**One way Analysis of Variance**

H1 - There is a significant difference between income level and satisfaction of the customers.

ANOVA was employed to identify the significant relationship between income level and satisfaction of the customers.

Factors	Income level of the respondents				F value	P value
	Below 10,000	10,000-20,000	20,000-30,000	Above 30,000		
Price	4.20 (0.447)	3.71 (0.726)	3.95 (0.887)	4.45 (0.522)	2.206	.100
Style	4.60 (0.548)	4.29 (0.611)	4.00 (0.795)	4.04 (0.505)	2.588	.064
Mileage	4.40 (0.894)	4.50 (0.519)	3.85 (0.933)	3.91 (0.831)	2.207	.100
Comfortable	4.80 (0.447)	4.57 (0.646)	4.65 (0.489)	4.91 (0.302)	1.066	.373
Maintenance cost	3.20 (1.095)	3.86 (.663)	3.85 (0.663)	4.00 (1.183)	.865	.466
Spare parts	3.80 (1.643)	2.79 (0.975)	3.90 (1.119)	3.73 (1.104)	2.925	.044
Road grip	5.00 (.000)	3.71 (1.326)	4.35 (1.089)	4.00 (.632)	2.270	.093
Service	3.20 (1.095)	3.36 (1.216)	4.25 (0.851)	4.27 (0.786)	3.682	.019

From the above table it is found that F = 2.925. P = .044, F = 3.682. P = .019 are statistically significant @ 5% level. Therefore it can be concluded that people from different income group have various opinion on factors of customer satisfaction such as availability of spare parts and services provided by the service stations. Further few of them often struggle to get exact spare parts of Honda Activa 3G, during the time of service or searching for the spare parts people from middle income group are needed to spend or replace the parts immediately with more than its actual cost irrationally (adnan83, 2017).

**H1 - There is a significant difference between occupation of customers and problems faced by the customers.**

Occupation	Mean	Std. deviation	F value	P value
Employee	4.53	2.825	4.980	.002
Professional	5.57	2.370		
Business	1.25	.500		
Student	5.67	2.449		
Wife	7.67	.516		

From the above table it is found that F = 4.980. P = .002, are statistically significant @ 5% level. Therefore it can be concluded that respondents distributed from different occupations faced problems towards their HA. Employees who have used Honda Activa 3g suffered due to service centers located far from their residence and it might not worthy of money spent for frequent service. As well after wash layer of paint removed because of low quality paint used, no appropriate responses from the service centers regarding giving low mileage and even collect service

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