



**A STUDY OF CUSTOMER EXPERIENCE AND
BEHAVIORAL INTENTIONS TOWARDS THE PURCHASE OF
ELECTRICAL CARS IN CHENNAI.**

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Abstract:

The study examines the factors that influence customer experience and Behavioral intentions towards the purchase of electric cars. Questionnaires were distributed to collect the responses from the various customer. The study exposes that the buyer has a consciousness of the particular product and the qualities that classify the consumer's level. Percentage and rank statistical tool was used to analyze the information and draw conclusions. The results determine that environmental anxieties and the perception of environmental policy are originator factors of the perception of electric vehicles, which influences the behavioral intention to purchase an electrical car. Thus, a government motivated to promote low-carbon transportation needs to scale up its efforts to improve citizens' environmental anxieties and to found a proper environmental policy as well as to provide long-term financial and strategic support for electric vehicles.

Keywords: Customer Experience, Behavioral Intention, Customer preference, Eco-Friendly

INTRODUCTION

Customer experience is the combined interactions a customer has with the brand. It involves every way a customer interacts with the brand/enterprise at all stages in the overall customer journey towards customer satisfaction. Nowadays, there are different ways through which a customer can interact with the brand and experience it. During this interaction, a customer can

have a pleasant/unpleasant experience with the brand/company. Good experience increases the chances of a customer to make continued purchases and it develops brand loyalty and spread positive word-of-mouth communication. On the other hand, customers become frustrated when they have a bad experience and this can, in turn, result in brand switching over and spread of negative word-of-mouth communication. Delivering a great customer experience is necessary for the future survival of any business today.

Behavioral intentions of customers play an important role in predicting the current and future behavior of customers. The different aspects of the behavioral intention of the customer are identified in the form of repurchase intention, price premium and word-of-mouth. Repurchase intention states to the customer's self-reported chance of using a brand again in the future. Willingness to pay more or price premium reflects the individuals' judgment as to how much they would be willing to pay to receive a good or service or to avoid the loss of a good or service. Further, in the marketing context, word-of-mouth referrals, also called recommendations to others, is an informal communication directed at other consumers about the ownership, usage, or characteristics of particular goods and services and/or their sellers. To build behavioral intentions, companies must formulate a strategy that focuses on the existing customer and potential new customers. Existing customers are the most important target group for building behavioral intentions. The effect of customer value on behavioral intentions and the impact of customer experience is well established.

The automobile industry has become very competitive, tough and complex. There is stiff competition in the marketplace to draw customers' attention, convince them and finalize the deal. Automobile firms that ignore providing a seamless, effective customer experience and customer value can end up losing out to their rivals. Hence, it is necessary for the automobile industry, to make the experience richer for their buyers.

Definition:

S. No.	Author(s)	Definition
1	Carbone &	"The take-away impression formed by people's encounters with products, services and businesses, a perception produced when

	Haeckel (1994)	humans consolidate sensory information”.
2	Pine & Gilmore (1998)	“Events that engage individuals in a personal way”.
3	Schmitt (1999)	“Experiences involve the entire living being. They often result from direct observation and/or participating in the event-whether they are real, dreamlike or virtual”.
4	Gupta & Vajic (2000)	“Experiences emerge when customers acquire sensation or knowledge”.
5	Lewis & Chambers (1989)	“The total outcome to the customer from the combination of environment, goods and services purchased”.
6	Berry et al. (2002)	“The means of orchestrating all the clues that people detect in the buying process”.
7	Shaw & Ivens (2002)	“An interaction between an organization and a customer. It is a blend of an organization’s physical performance, the senses stimulated and emotions evoked, each intuitively measured against customer experience across all moments of contact”.

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BEHAVIOURAL INTENTIONS:

Understanding the concept of Behavioural Intentions:

Peter & Olson (2008) described behaviour as an action towards some goal object at a particular time and the term intention is a plan to purchase something in the near future. There is a time frame between the purpose a consumer may have and the actual behavior of the consumer when they act on the intention. Repurchase intentions, word-of-mouth publicity; and price premium are the major components of Behavioural Intentions (BI).

Definition of Behavioural Intentions:

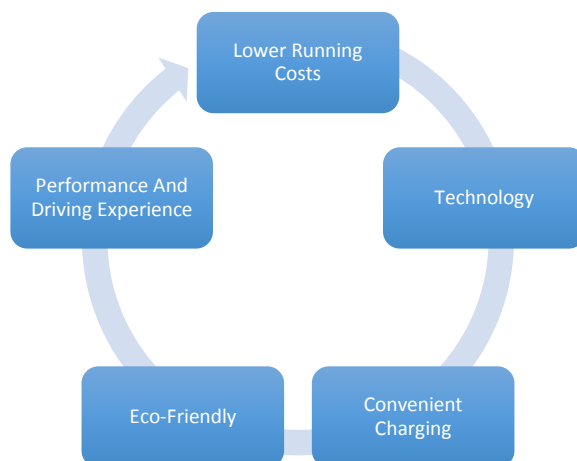
- Fishbein and Ajzen, (1975) Behavioural intention (BI) refers to “a person’s subjective probability that he will perform some behavior”
- Mowen & Minor (2002) the desire of consumers to behave in certain ways in order to own, dispose of and use products or services.

STATEMENT OF THE PROBLEM:

The automobile industry in India, which is considered a lucrative and prominent industry has undergone a phenomenal change in the recent past. With the increase in disposable income and the purchasing power of the customers, easy availability of car finance options, good infrastructure and increase in mobility of people to the urban sector the demand for Electrical cars has increased. There is intense competition among car manufacturers. To remain successful and withstand competition the car manufacturers have to adopt to various marketing strategies to influence customers’ choice, behavior and opinion.

THE GROWING IMPORTANCE OF ELECTRIC CARS:

The anxieties regarding the environment and limited natural resources, a sustainable and clean future is deeply linked to the predictable electrification of our cars. The following figure shows the benefits of Electric Cars



Electrical cars increased around the 1900s and at that time there were about twice as many electric cars on the road than petrol/diesel cars. It wasn't until the 1920s that interest in electric cars dwindled. The electric cars were limited by their low top speeds and low range. It was Henry Ford pin the electric car coffin to mass-produce the Model T. This reduced the price of petrol cars to an electric car.

ECO-FRIENDLY:

Electric cars are a more environmentally-friendly choice than traditional cars because they produce no tailpipe emissions. They are not considered carbon neutral except the electricity they run on is generated from a renewable source. Electric cars are restrained by the same safety values as standard cars, and many have the highest 5-star ratings. These include passions and circuit breakers, plus coolant run-through battery packs to keep them at a low temperature.

CUSTOMERS' PREFERENCES OF THE ELECTRICAL CAR:

Electric vehicles are acquiring popularity as an alternative to traditional gasoline-powered cars. W Electric vehicles offer many advantages, such as lower emissions and reduced reliance on fossil fuels, consumers have a wide range of favorites when it comes to choosing an EV. Understanding what features and qualities EV buyers value most can help update the development of new electric car models and indicting infrastructure.

OBJECTIVES OF THE STUDY:

To study the socio-economic profile and customer's Behavioural Intentions towards the electrical car segment in Chennai city.

1. To identify and validate the factors responsible for customer experience towards the purchase of electrical cars in the study.

SIGNIFICANCE OF THE STUDY:

Today, consumers have a number of brands and variants of cars from among which they can select a particular brand with the hope of drawing more satisfaction from the choice. But, before making a final choice, they have to consider a number of factors. This is because, for many customers, a car is still a big purchase decision. The buyers don't make the effort to go to an automotive showroom or to car dealers without doing any previous research on the brand or model of cars they are interested in. Once such a buyer steps foot into a car showroom he/she is already in the second phase of their purchasing decision plan. They want assurance of quality and dependability from their sales personnel and a pleasant buying experience. A pleasant experience will influence the customer's behavior, help them to build good memories and feelings and remain loyal.

LIMITATIONS OF THE STUDY:

Because of time constraints only 25 respondents were selected for the study. The study is conducted in Chennai city only. Since the study was confined to only electrical cars. The findings of the study were solely based on the information provided by the respondents. The data is collected through the questionnaire method. The correctness of the findings was limited by the statistical tools.

REVIEW OF LITERATURE

The study is expressive in nature and only secondary data has been used in it. The secondary data consists of books, newspapers, company reports and various research journals. This section

attempts to evaluate the prose of the major concepts and theories of Customers' experience in Electrical cars.

Larissa Becker & Elina Jaakkola (2020) study revealed that customer experience is a key marketing concept that has developed a set of fundamental premises that reconcile contradictions in research on customer experience. Further, the study clears that, firms should be careful to not focus exclusively on individual touchpoints (e.g., a physical service encounter) or cues (e.g., website functionality) but rather consider the multiplicity and connectivity between stimuli and touchpoints that customers encounter during their journey of customer experience.

Scherpen, A. Draghici, Niemann (2018) study described the current market conditions in sales and a new approach triggered by the digitization of the industry. the study concluded that it is necessary for car dealers to adopt innovative sales patterns and technologies for effective communication with customers.

Schuitema et al. (2013) examined multidimensional benefits based on customers' expectations. The decision to adopt an Eclectic vehicle is significantly influenced by contributory features such as efficiency, practicality, and driving range; hedonic attributes such as driving pleasure; and symbolic characteristics such as driving pride.

Zhang et al. (2011) exposed that the number of vehicles owned by a family increased the willingness to purchase an EV.

Nayum and Klöckner (2014) the study exposed that a higher number of cars in the household positively squeezed the purchase of more fuel-efficient cars.

Hidrue et al. (2011) observed the fact of possessing multiple cars and found that it decreased the chance of being in the groups supporting EVs. It is also vital to reflect that the younger generation tends not to purchase a car of their own.

RESEARCH DESIGN AND STUDY AREA:

The study area taken up for the study is Chennai city as it is an automobile hub. Research design is a procedure used in collecting and analyzing measures of the variables.

STATISTICAL TOOLS USED FOR ANALYSIS:

Statistical tools constitute an integral part of research analysis.

The following are statistical tools applied for the study:

PERCENTAGE ANALYSIS

$$\text{Percentage of Respondents} = \frac{\text{No. of respondents}}{\text{Total no. of respondents}} \times 100$$

Percentage refers to obtain a kind of ratio that is used on making a comparison between two or more series of data. The percentage is used to describe relationships. The easiest method used in the analysis is the percentage and Ranking method.

ANALYSIS AND INTERPRETATIONS:

Analysis and interpretations are central steps in the research process. The aim of the analysis is to organize, classify and summarize the data so that they can be better comprehended.

The primary data has been collected through a well-structured questionnaire and both hard and soft copies of the questionnaire were circulated. The hard copy printed form of the questionnaires was distributed to the small car customers and the soft copy i.e., the online questionnaire was created with Survey Forms and was sent through messages, e-mail and other social media like WhatsApp and Facebook to the respondents. Reasonable time was given to the respondents for filling out the questionnaire.

RANKING ANALYSIS: TABLE: 1

S, NO	STATEMENT	RESPONDENT	RANK
1	Lower running costs	19	4
2	Maintenance Cost	24	1
3	Tax and financial benefits	23	2
4	Eco - Friendly	21	3
5	Easy To Drive And Quiet	17	5

. The first rank goes to the customer reviews it's clear that consumers gives an important to rating in maintenance cost , of the Electrical Car over the other variant which attracts the consumers more towards automobile industry.

PERCENTAGE ANALYSIS OF THE RESPONDENTS

TABLE: 2

S.NO	CATEGORY	RESPONDENT	PERCENTAGE
GENDER	Male	12	12%
	Female	13	13%
AGE	30-40	9	9%
	40- 50	10	10%
	Above 50 yrs	6	6%
QUALIFICATION	School	10	10%
	Degree	11	11%
	Others	4	4%
OCCUPATION	Business	10	10%
	Private Employee	8	8%
	Others	7	7%

The above results indicate that the table specifies the gender of the respondents 12% is males and 13% are female. In age the maximum group of respondents 10% are from 40yrs to 50yrs and 6% is the minimum from the age group above 50 yrs. In education the maximum respondents 11% are degree holders and the minimum 4% is other consumer attracted by the Electrical Car. The above table clearly reveals that consumers are moving according to the changes in technology and like to prefer their cars easily. The demographic variables (age, income, gender) had a significant influence on consumers' attitude purchase experience of Electric cars to gender differences.

CONCLUSION:

Based on the analysis, electric vehicle manufacturers and Government of India have to invest more on social acceptance of the vehicle by creating more infrastructural facilities, putting more thrust on technology, that can create trust in vehicles. The result clearly depicts that the population is well aware of the environmental benefits. Now responsibility lies on shoulders of Government and manufacturers that parallel to investing in manufacturing of vehicles, people start adopting electric vehicle and safeguard the future of India from several respiratory problems. Thus for broader adoption of EV, all stakeholders need to work together. Manufacturing firms, government bodies, dealers and salespersons should promote the benefits of EV to increase adoption. To do this, they should show how EVs could mitigate toxic fumes generated by internal combustion engines present in conventional vehicles.

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