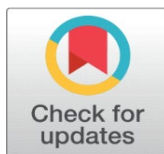
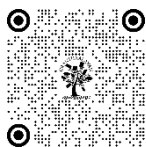


EFFECTIVENESS OF PROMOTIONAL STRATEGIES ADOPTED BY TWO-WHEELER DEALERS

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ABSTRACT

Two wheelers market is the ever-expanding market in India. The customers of all economic classes are using two wheelers for their conveyance needs. The travel could be within a city or outside the city. The two wheelers are bought according to the purpose of travel, distance travelled per day, price, fuel efficiency, etc. The customers are fond of buying trendy two wheelers. Youngsters are interested in buying premium bikes or sports bikes while women are concerned with the easy to operate and the aged customers want safety while using the vehicles. Under these circumstances, the two wheeler manufactures have been introducing new variants from time to time and in order to launch these vehicles, they adopt various promotional strategies by spending huge amount on marketing. Hence, it better to understand the effectiveness of promotional strategies adopted by them. This study has made an attempt to examine the perception of dealers on buyer behaviour and effectiveness of promotional strategies. For this purpose, 250 dealers of top 5 two wheeler manufacturers in Tamil Nadu have been selected and the data obtained from them have been analysed. The results indicate that the perception of dealers on buyer behaviour varies in accordance with the number of sub dealers and the registration facilities have been the most effective strategy.

Keywords: Buyer Behaviour; Effectiveness; Perception: Promotional Strategies

1. INTRODUCTION

Two wheelers have become part and parcel of the lives of every family. In the early days, it was a luxury product used by higher income group only. Nowadays, it is affordable for middle income group and lower income group. They are able to buy two wheelers of their own or by bank loans. Having realized the market potential, the two wheeler manufactures have started introducing varieties of two wheelers to attract various classes of customers. In order to augment the market share, they adopt promotional strategies. They invest huge amount of expenditure for promotional measures.

2. PROBLEM DEFINITION

It is essential to understand whether the promotional strategies adopted by them are really effective and fruitful. They want to understand the perceptions and expectations of the customers frequently. Once they have realized that the particular promotional strategy has been effective, they can expand it to the entire market. In case any of the promotional

strategies has been unsuccessful or ineffective they can change the strategy. Hence, the present study has made an attempt to examine the effectiveness of promotional strategies adopted by two-wheeler dealers.

3. OBJECTIVES

- To analyze the perception of two-wheeler dealers on buyer behaviour and
- To examine the effectiveness of promotional strategies adopted by two-wheeler dealers.

4. LITERATURE REVIEW

The effectiveness of promotional strategies in the two-wheeler industry has been the subject of considerable research, revealing varied approaches and outcomes. Kumar and Singh (2021) investigated the impact of digital marketing strategies, such as social media campaigns and targeted online advertisements, on consumer engagement and sales performance among two-wheeler dealers. Their study found that digital promotions significantly increased customer inquiries and lead conversions, demonstrating the growing importance of online presence in driving sales (Kumar & Singh, 2021).

Conversely, Patel et al. (2022) analyzed the effectiveness of traditional promotional strategies, including discounts and in-store events, noting that these methods still play a crucial role in influencing purchase decisions, particularly in rural areas where digital penetration is lower (Patel, Sharma, & Gupta, 2022). Their findings suggest that a hybrid approach, combining both digital and traditional tactics, can maximize reach and impact. Additionally, a comparative study by Lee and Chen (2023) evaluated the effectiveness of loyalty programs and referral incentives. They concluded that loyalty programs fostered long-term customer retention more effectively than referral incentives, which had a more immediate but less sustained effect on sales (Lee & Chen, 2023). These studies collectively underscore the importance of a multi-faceted promotional strategy in the two-wheeler market, emphasizing the need for dealers to adapt their approaches based on target demographics and market conditions.

5. METHODOLOGY

This study has examined the perception of the dealers about the buying behaviour of customers and the effectiveness of promotional strategies. This study has been conducted among the dealers of two wheelers in Tamil Nadu. Fifty dealers each of five selected companies have been selected using simple random sampling method. In total 250 respondents have been selected and the data required for the study have been collected from them using a structured questionnaire. The data collected from the sample respondents have been analysed by employing statistical tools like percentage analysis, Chi square test, ANOVA and Friedman test. The dealer profile consists of type of organization, number of employees, place of business and number of sub dealers.

6. RESULTS AND DISCUSSION

Chi square test has been applied to examine the relationship between type of organization and other variables in the dealer profile. The perception of dealers towards buyer behaviour has been measured with 5-point scale. It consists of 15 items. The association between dealer profile and perception on buyer behaviour has been analysed by applying ANOVA. The effectiveness of promotional strategies adopted by the dealers has been measured with 5-point scale consisting of 12 items. The most effective strategy has been identified using Friedman test.

The analysis of relationship between type of organization and number of employees has been analysed with the following **HYPOTHESES:**

Null Hypothesis H_0 : There is no significant relationship between type of organization and number of employees.

Alternative Hypothesis H_1 : There is a significant relationship between type of organization and number of employees.

Table 1: Type of organization and number of employees

Type of	Frequency	Up to 5	6 to 10	11 to 15	More	Total	Chi	p
Organization					than 15		square	
Sole Trader	N	46	32	25	28	131	14.181	0.028
	%	35.10%	24.40%	19.10%	21.40%	100.00%		

Partnership	N	18	40	24	24	106			
	%	17.00%	37.70%	22.60%	22.60%	100.00%			
Company	N	2	7	2	2	13			
	%	15.40%	53.80%	15.40%	15.40%	100.00%			
Total	N	66	79	51	54	250			
	%	26.40%	31.60%	20.40%	21.60%	100.00%			

Source: Primary Data

The results indicate that 35.1 per cent of the sole trader dealers have employed up to 5 employees while 19.1 per cent of them have employed 11 to 15 employees. In the case of partnership dealers, 37.7 per cent of them have employed 6 to 10 employees whereas 17 per cent of these dealers have employed up to 5 employees. It is observed that 53.8 per cent of the company form of dealers have employed 6 to 10 employees and 15.4 per cent of these dealers have employed up to 5 employees. The chi square value of 14.181 and p value of 0.028 reveal that there is a significant relationship between type of organization and number of employees employed. It denotes that the number of employees employed differ according to the type of organization. The analysis of relationship between type of organization and place of business has been analysed with the following hypotheses:

Null Hypothesis H_0 : There is no significant relationship between type of organization and place of business. Alternative Hypothesis H_1 : There is a significant relationship between type of organization and place of business.

Table 2: Type of organization and place of business

Type of Organization	Frequency	Urban	Semi Urban	Rural	Total	Chi square	p
Sole Trader	N	45	27	59	131	27.732	0.000
	%	34.40%	20.60%	45.00%	100.00%		
Partnership	N	71	17	18	106		
	%	67.00%	16.00%	17.00%	100.00%		
Company	N	6	2	5	13		
	%	46.20%	15.40%	38.50%	100.00%		
Total	N	122	46	82	250		
	%	48.80%	18.40%	32.80%	100.00%		

Source: Primary Data

According to the analysis, 45 per cent of the sole traders have been doing their business in the rural areas whereas 20.6 per cent of them have their place of business in the semi urban areas. On the other hand, 67 per cent of the partnership dealers have located their business in urban areas and 16 per cent of them have been running their business in semi urban areas. As far as the company dealers are concerned, urban areas are the place of business for 46.2 per cent of them and semi urban areas are the place of business for 15.4 per cent of them. It implies that partnership dealers and company form organizations have established their business in urban areas while rural areas are focused by sole trader dealers. It could be concluded from the chi square value of 27.732 and the p value of 0.000 that there exists a significant association between type of organization and place of business.

The analysis of relationship between type of organization and number of sub dealers has been analysed with the following hypotheses:

Null Hypothesis H_0 : There is no significant relationship between type of organization and number of sub dealers.

Alternative Hypothesis H_1 : There is a significant relationship between type of organization and number of sub dealers.

Table 3: Type of organization and number of sub dealers

Type of Organization	Frequency	Up to 3	3 to 6	More than 6	Total	Chi square	p
Sole Trader	N	53	44	34	131	4.705	0.319
	%	40.50%	33.60%	26.00%	100.00%		
Partnership	N	52	37	17	106		
	%	49.10%	34.90%	16.00%	100.00%		

Effectiveness of Promotional Strategies Adopted by Two-Wheeler Dealers

Company	N	4	5	4	13		
	%	30.80%	38.50%	30.80%	100.00%		
Total	N	109	86	55	250		
	%	43.60%	34.40%	22.00%	100.00%		

Source: Primary Data

Table 3 portrays that 40.5 per cent of the sole traders have appointed a maximum of 3 sub dealers and 26 per cent of them have employed more than 6 sub dealers. In the case of partnership category of dealers, up to 3 sub dealers have been appointed by 49.1 of partnership dealers and more than 6 sub dealers have been appointed by 16 per cent of these dealers. Among the company dealers, 38.5 per cent of them have appointed 3 to 6 sub dealers and 30.8 per cent of them have appointed more than 6 dealers. It reveals that sole traders and partnership dealers have appointed up to 3 sub dealers whereas company dealers have appointed 3 to 6 sub dealers. The chi square value of 4.705 and the p value of 0.319 have denoted that the relationship between type of organization and number of sub dealers is statistically not significant.

7. PERCEPTION ON BUYER BEHAVIOUR

In order to understand how far, the dealers have understood the buyer behaviour, the study has made an attempt to analyze the perception of dealers on buyer behaviour with the following 15 items in a five-point scale:

1. Buying a two-wheeler means the world to a rural buyer
2. Bike buyer visits the showroom with family and friends
3. It is easy to reach out to potential buyers in their mother tongue
4. Potential buyers go online largely for product awareness
5. Two-wheeler remains a touch and feel thing before making final purchase decision
6. Buyers give preference over physical appearance of vehicles
7. Starting procedure is considered by the buyers
8. Buyers are concerned about the weight of the vehicles
9. Colour plays a vital role in making the purchase decision
10. Cost of running and maintenance influences the buyer to purchase a vehicle
11. Fuel tank capacity affects the choice of brand
12. Resale value impacts the preference of two wheelers
13. Mileage is considered by the buyers for making purchase decisions
14. Seating comfort is preferred by the buyers
15. Trendy and stylish model attracts the buyers

The total scores for all of these 15 items have been computed by summing up the individual item scores. The variation among the different classes of dealers with reference to their perception on buyer behaviour has been analysed with One Way ANOVA by testing the following hypotheses:

Null Hypothesis H_0 : There is no significant association between dealer variables and their perception on buyer behaviour

Alternative Hypothesis H_1 : There is a significant association between dealer variables and their perception on buyer behaviour

Table 4: Dealer variables and perception on buyer behaviour

Variables	F	Sig.	Result
Type of organization	0.009	0.991	Accepted
No. of employees	0.486	0.692	Accepted
Place of business	0.618	0.540	Accepted
No. of sub dealers	3.717	0.026	Rejected

It is divulged from the analysis of variance that the perception of dealers on buyer behaviour does not vary in accordance with the type of organization as indicated by the p value of 0.991. The perception of dealers on buyer behaviour has no significant association as notified by the p value of 0.692. It could be inferred that the p value of 0.540 reveals that the relationship between place of business and perception on buyer behaviour is statistically not significant. However, a strong and significant association is observed between number of sub dealers appointed and perception of dealers on

buyer behaviour. It implies that the perception of dealers on buyer behaviour varies in accordance with the number of sub dealers.

8. EFFECTIVENESS OF PROMOTIONAL STRATEGIES

Every marketer has to adopt different promotional strategies for marketing their products. These strategies are changed or expanded from time to time depending upon their effectiveness or otherwise. From the previous studies and consultation with the dealers, it is decided to test 12 well established promotional strategies. The responses have been obtained from the sample respondents and recorded in a five-point scale. Friedman test has been applied to examine the rating difference of the promotional strategies and to identify the most effective strategy.

Table 5: Effectiveness of Promotional Strategies – Friedman Test

S. No.	Strategies	Mean Rank
1	Road shows	6.50
2	Free test ride	6.74
3	Exhibition / trade fair	6.59
4	Advertisements	6.50
5	Exchange offers	6.63
6	Loan facilities	7.87
7	Insurance facilities	6.00
8	Registration facilities	5.56
9	Free service	6.55
10	Warranty	5.98
11	Customer Relationship Management	6.21
12	Extra fittings (Free)	6.87

The study results find that the range of mean ranks of the promotional strategies varies between 5.56 and 7.87. The lowest mean rank indicates the most effective strategy and it is the registration formalities followed by warranty with the mean rank of 5.98. The highest mean rank of 7.87 is found for the strategy of loan facilities. It is considered as the least effective promotional strategy adopted by the two-wheeler dealers.

Table 6: Friedman Test Statistics

N	250
Chi-Square	76.322
DF	11
Asymp. Sig.	0.000

The Friedman test statistics reveal that the chi square value is 76.322 and the p value is 0.000. Since the p value is less than 0.01, it is concluded that the rating made by the dealers about the promotional strategies varies significantly.

9. RECOMMENDATIONS

It is understood from the study that the dealers are able to understand the buyer behaviour based on the number of sub dealers. Therefore, it is recommended that the dealers shall come forward to appoint more sub dealers in rural areas with all sorts of facilities like sales, spares and service. Door step services are possible for the rural dealers as service coverage area is limited. They can provide door step services to make their customers happy and satisfied. Registration facilities have been satisfactorily undertaken and supported by the dealers as indicated by the results of Friedman test. E-documentation of registration and insurance documents would facilitate the registration process easily. Hence, the dealers should provide e-documentation of records from the showroom itself.

10. CONCLUSION

The two-wheeler segment of automobile sector has been witnessing a sea change in the digital era. The buyer behaviour changes very frequently according to the modern trends. The dealers of the selected companies have been excellently rendering their services to the customers.

Earlier, the customers had faced a lot of challenges in getting their vehicles registered in the office. From the study, it is evident that the registration facilities have been the most effective promotional strategy of the dealers. It implies that the struggles of the customers in the past have been overcome by the dealers by providing wonderful promotional strategies.

CONFLICT OF INTERESTS

None

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