CONSUMER BEHAVIOR – REFERENCE ELEMENT FOR MARKET TRENDS OF AUTOMOBILE IN ROMANIA

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Abstract*: The paper aims to form an overview of the current situation of the car market in Romania and based on this to highlight trends and directions towards which this important branch of manufacturing industry seen through the eyes of consumers. The consumer always seeks to compare the performance of the product, with certain standards and they have required to inform themselves and to reflect upon purchasing the product. In order to ensure business success and minimize the risk, entrepreneurs must pay major attention to defining and knowledge of the market or markets they want to act, as well as the segment of consumers that their it proposes to conquer the products and services offered. To a better analyze of the consumer behaviour we implemented a model based on a questionnaire that allows us to detect the main objectives: Identifying the attributes of an ideal car; Establishing the importance of these attributes for current and potential customers; The Dacia brand in comparison to major competing brands; Determining the factors influencing the choice of consumer. The reason I chose the automobile market is the fact that manufacturing (which includes engineering sector, whose part is the construction industry of cars) is the main component industry in Romania, covering about 80% of the volume of activity in which are covered about 1.5 million people.*

**Key words***: consumer behaviour; market study; automotive market.*

JEL Classification Codes: M21.

1. INTRODUCTION

Consumer is defined as person that acquires, uses or consumes the final products obtained from recipient undertakings or receiving services provided by them (Isac & Radulescu 2014, pp.55). Kotler defines the market as consisting of a set of customers who are willing to realize a exchange that could satisfy the needs or desires allowing the purchase or consumption of goods or services (Cucu & Dura, 2005, pp.18).

The Fig.1 shows that depending on its scope, a company may adress to a heterogeneous segment of businesses: retail customers, intermediaries, institutions and public bodies, operators in other countries (Iftimovici & Sasu, pp.86, 2012)

The market is the main framework in which to assess the desirability and effectiveness of all activities related to conducting profitable of goods, services and ideas from their manufacturer to the end user.(Platis & Baban, 2013, pp.43).
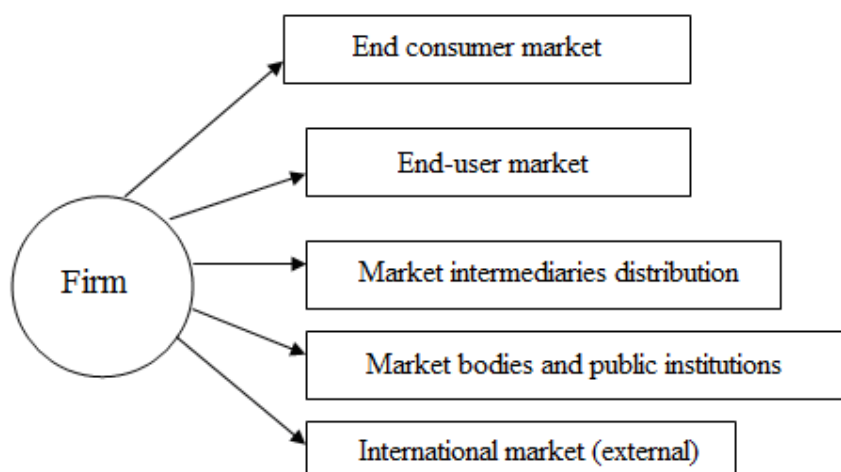
Fig. 1 The main types of markets in which the company can launch offer

Source: Iftimovici & Sasu, pp.76, 2012

(Terry, 1997) explained three stages of consumer:

• In the first stage, consumer builds and forming a level of expectation of the product or service he/she wants.

• In step 2, the client consumes or "experiences" product or service to find out its actual performance or quality

• In step 3, after the "experience" gained on the quality or performance of the product or service consumed, follows a process of comparing expectations after consumption and level of quality or performance experience.

(Potluri & Hawariat, 2010) stated as customer satisfaction is a direct determining factor in customer loyalty, which, in turn results: increased purchases of the existing product, Cross-purchase of your other products, etc.

The market can not be defined independently, and therefore the central reference element of any entrepreneur is the consumer, without which it would not be possible the supply and demand in the market (Adăscăliţei et al., 2003, pp.126). Consumer behavior is generally a manifestation of people's economic behavior. The marketing concept requires that managers must be good observers, respectively their perception must be from the point of view of the consumer, taking into account his/her needs and wishes and secondly the company, its products and services.

Consumer behavior in restricted way, highlights the behaviour when buying and / or consumption of goods and services. Broadly, consumer behavior, encompasses the entire conduct of the end users of goods and services (Cătoiu & Teodorescu, 2004, pp.13-14). Kotler says that the mission of the marketer specialist, should provide value to consumers, so as to maintain or even improve the welfare of the individual and society. (Kotler & Armstrong 2003, pp.20). Generally, a company is successful in the market based on its ability to identify and design the most appropriate version of a product. Consumers criticize and reject economic goods and / or services which don't include their visions and aspirations. On the other hand, manufacturers and sellers use a series of tools to influence the consumers in an attempt to adapt constantly by quality and price (Morariu & Pizmaş, 2001, pp.7). Studying consumer behavior was to the attention of many specialists, knowing the Povlav studies in this area.

Thus, this behavior can be schematically represented in the Fig. 2:
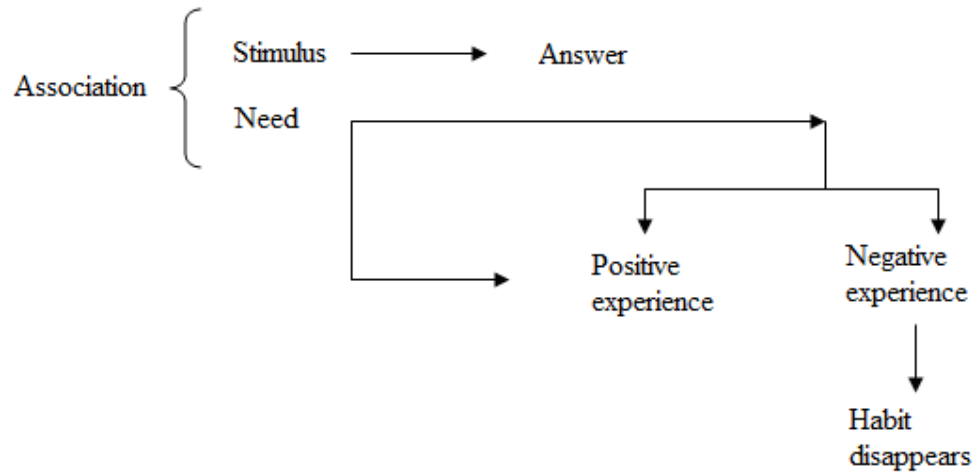
Fig. 2. Consumer behavior

Source: Olaru & Soare, 2001, pp. 82

As a general profile, consumers tend to a modern lifestyle, but that combine it with traditional elements of consumption, elements that do not want to give up yet.

This style of consumption hesitant, especially in financial terms, has an important influence on how shoppers perceive the quality of the product or service. (Burda, 2009, pp.32). Thus, "a market success may depend on the company's ability to adapt to the local scene or the ability to persuade shoppers" that its products are the best. (Apetrei, 2009, pp.51-62)

2. THE STUDY'S OBJECTIVE AND THE RESEARCH METHODOLOGY

The purpose of the research is to get an overview of the current cars market situation in Romania and based on this, to highlight trends and directions towards which this important branch of manufacturing industry is seen through the eyes of consumers.

For this research we chose as method of collecting information the questionnaire, and the answers were recorded for each individual using the online application method thereof. The questionnaire was structured in two parts aimed at:
- First part includes 9 closed questions (one of them is a question filter);
- The second part includes 3 questions for identifying respondents.

Research objectives:
- Identifying attributes of an ideal car;
- Establishing the importance of these attributes for current and potential customers;
- The Dacia brand in comparison to major competing brands;
- Determining the factors influencing the choice of the respondent.

The sample size is 108 people, both women and men in Arges county, aged 18-55 years, and the structure of the sample is random.
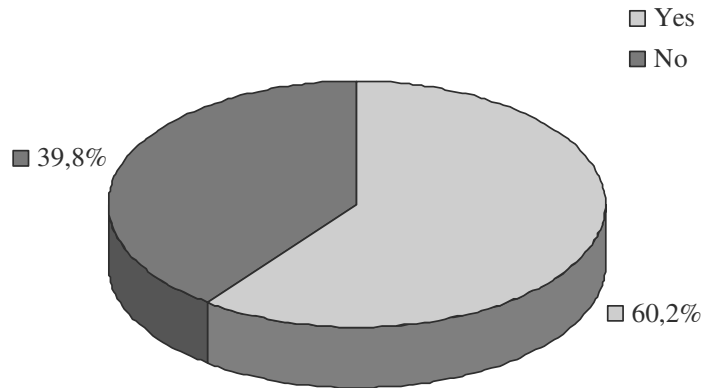
Fig. 3 Distribution of car owners

In figure 3 we can see that from 108 people surveyed, 65 (60.2% respectively) are holding at least one car and the remaining 43 have neither a car.
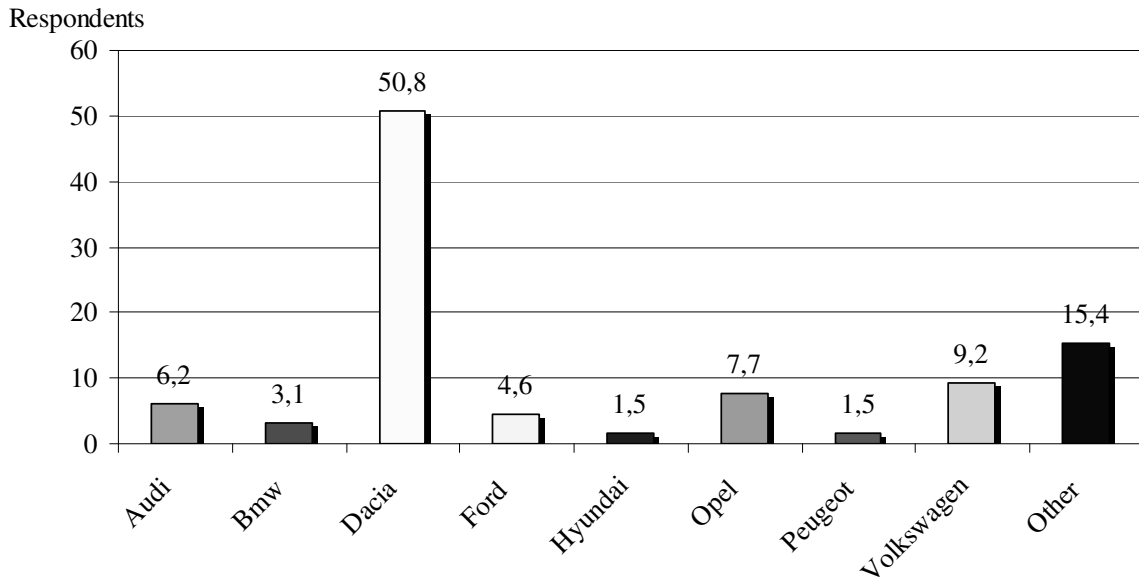

Fig.4 Brand owned by respondent

It can be seen in figure 4 that brand of cars with the highest rate is represented by the holders of Dacia car, and may be due to the fact that most employees are in Arges county and the company they provide certain facilities to purchase.

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Very satisfactory	19	▬▬	29.2%
Satisfying	44	▬▬▬▬▬	67.7%
Indifferent	2	▌	3.1%
Unsatisfactory	0		0%
Very unsatisfactory	0		0%
Total answers	65		

Fig.5 Assessing the quality of the car owned

Figure 5 refers to the satisfaction of owned vehicle, 67.7% is satisfactory response, while only 29.2% as very satisfactory. It can be observed very well the difference and, given the fact that most of the respondents have a car brand Dacia, the company should improve its quality by identifying the needs of potential customers in a more careful manner.
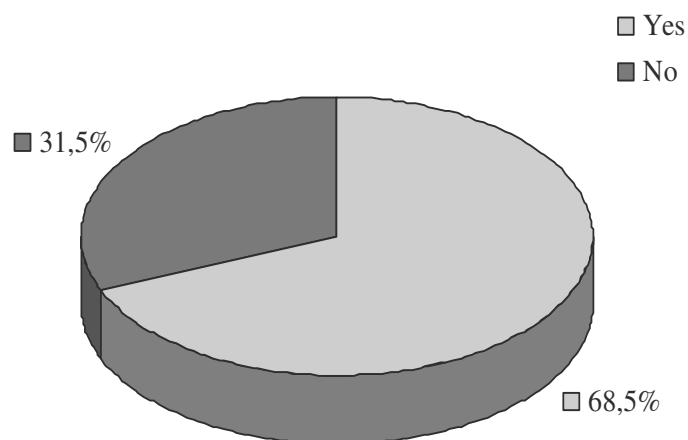

Fig.6 The purchase intention of a car brand Dacia

Figure 6 shows that a percentage of 68.5% of respondents intend to buy a Dacia car in the future. This percentage indicates that the company has a fairly good publicity, and people have confidence quite high in the finished products of this company.
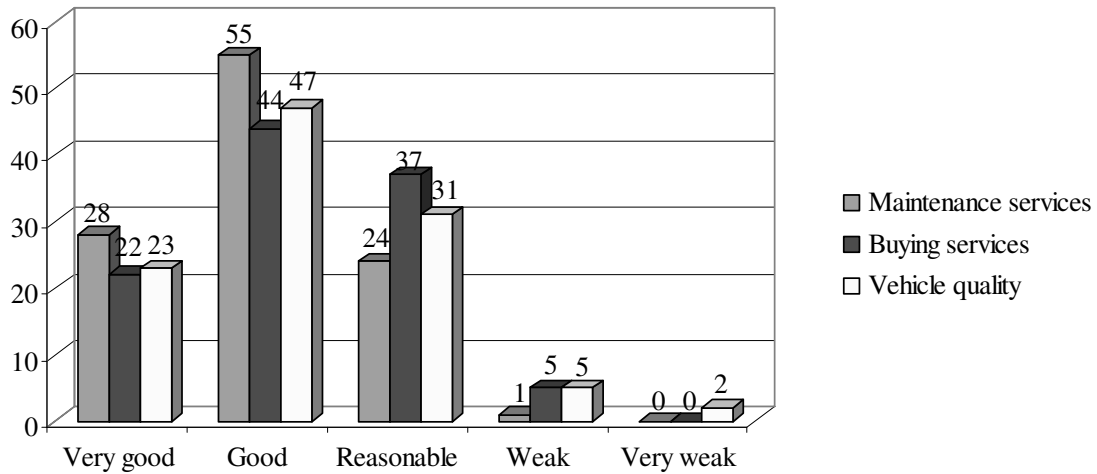
Fig.7 Assessing the quality of a Dacia car brand

Asking people what they think about the qualities of the brand Dacia regarding of maintenance services, respondents rated these criteria as good in a rate of 50.9%, 40.7% and 43.5% (figure 7). To increase sales or to maintain its leading position, the company should improve, firstly, customer relations and quality of products.
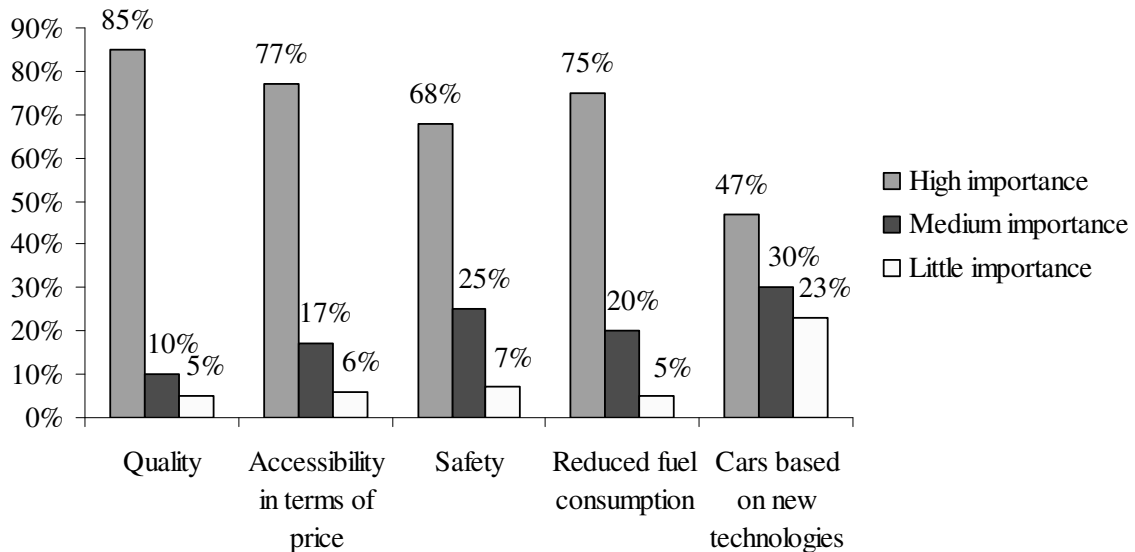
Fig.8 The main reason underlying the decision to purchase

In figure 8, we can see very well that in the purchase decision, customers emphasize the quality of the car in a proportion of 85%, followed by accessibility in terms of price 77%, closely followed by low consumption fuel 75%, safety 68% and, automobile using new technologies 47%. Because all five reasons underlying the decision to purchase are very important for both customers and company, the latter should focus on all, especially on cars using new technologies, which is a possible strategy to attract new customers.

□ Very important ■ Important □ Neutral □ Least important ■ Very little important
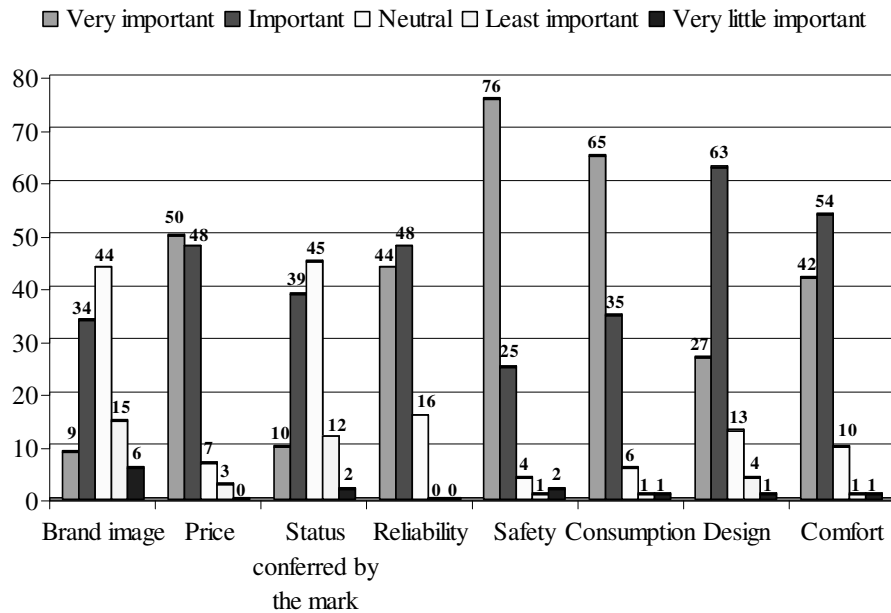
Fig.9 The importance of attributes that underlie the decision to purchase a Dacia car

Figure 9 shows the most appreciated characteristics: the safety of the car 70.4%, followed by consumption 60.2% and price 46.3%. The rest of respondents consider it is rather important the design 58.3%, followed by comfort 50% and 44.4% reliability. Also, the status conferred by the trade mark and brand image occupies a position of neutrality in a proportion of 41.7% and 40.7%. As a result of these findings, the company should move towards achieving a high level of the most important attributes for consumers: safety, consumption and price.
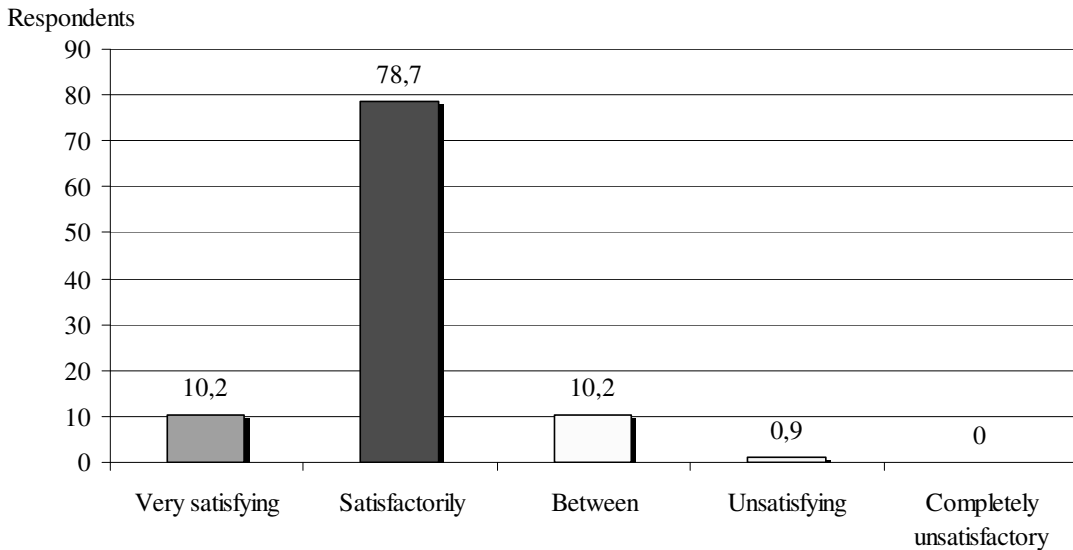
Fig.10 Quality -price ratio of a Dacia car

After analyzing the quality-price ratio, we can see in figure 10 that it is rather satisfactory in a very high percentage of 78.7%, and very satisfactory in a small percentage 10.2%. In this case the company must to pay attention in the future on quality and then price, for this ratio to increase to very satisfactory.

3. CONCLUSIONS

The automotive industry is a major component of the economy of a state because of connections with other industries, but also due the volume and value traded products.

From the applied questionnaire results that most of the respondents are male (a rate of 63.9%) and young people aged mainly between 18-25 years and 26-35 years.

For purchase decision or for an investment lasting, several factors are on top: the quality, closely followed by safety, consumption and price.

Ensuring long-term competitiveness of companies can be achieved by applying strategies focused on quality, having as central point the requirements of the client, with all his needs, desires and preferences.

Thus we conclude that customer satisfaction for the enterprise can be used as a tool to improve product quality based on customer preferences. In terms of consumer behavior, it was shown that, in most cases, benchmarking compares product performance with certain established standards. Consequently, one of the measures to be taken within the organization to achieve a higher quality product that meets the customer requirements, concerns developing cars using new technologies.

The study conducted proved to be useful, showing that consumer satisfaction analysis and the current position on market is a key to the viability of further development of the company.

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