



## A STUDY ON CONSUMER PERCEPTIONS TOWARDS HYUNDAI

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**Abstract**—Consumer perception plays a decisive role in shaping purchasing decisions in the automotive industry, where brand image, product quality, after-sales service, and value for money collectively determine buyer choice. This study investigates consumer perceptions towards Hyundai Motor India Limited—the country's second-largest passenger vehicle manufacturer—across dimensions of brand image, product quality, pricing, dealer service experience, and purchase satisfaction. Primary data was collected through a structured questionnaire administered to 120 Hyundai vehicle owners in Hyderabad, Telangana. Secondary data was sourced from Hyundai India annual reports, SIAM publications, J.D. Power India studies, and academic journals. Analysis was conducted using percentage analysis, weighted average method, and chi-square tests. Findings reveal high satisfaction with product quality and fuel efficiency, moderate satisfaction with after-sales service, and a significant positive association between brand loyalty and ownership experience. Pricing is identified as a key concern among prospective buyers. The study offers targeted recommendations to strengthen dealer service standards and improve value perception across model segments.

**Keywords:** Consumer perception, Hyundai, brand image, automotive industry, customer satisfaction, purchase

decision, after-sales service, brand loyalty, product quality, India.

### 1. INTRODUCTION

The Indian passenger vehicle market is the third-largest in the world by volume, with annual sales exceeding 4.2 million units in FY 2023–24. Characterised by intense multi-brand competition, rapidly evolving technology, and an increasingly discerning customer base, the Indian automotive sector demands that manufacturers not only deliver technically superior products but also build compelling brand equity and post-purchase trust.

Consumer perception is the process by which individuals select, organise, and interpret information about a brand or product to form a meaningful mental representation. In the automotive context, perception is shaped by a complex blend of tangible product attributes—engine performance, fuel efficiency, safety ratings, feature richness—and intangible factors including brand heritage, peer recommendation, advertising recall, and service experience. These perceptions directly influence purchase intention, brand loyalty, and willingness to recommend.

Hyundai Motor India Limited (HMIL), established in 1996 and headquartered in Chennai, has been a dominant force in Indian passenger vehicles for nearly three decades. As of FY 2023–24, Hyundai held approximately 14.9% market share in the Indian passenger vehicle segment, with a



portfolio spanning hatchbacks (Grand i10 NIOS), sedans (Verna), compact SUVs (Venue, Creta), and full-size SUVs (Tucson). Hyundai's Creta has consistently ranked among India's best-selling vehicles, reflecting strong consumer resonance.

Despite this commercial success, consumer perceptions of Hyundai vary across customer cohorts, regions, and model segments. Systematic academic investigation of these perceptions is essential to identify satisfaction drivers, uncover service gaps, and provide evidence-based guidance for brand strategy. This study addresses this need through structured primary research among Hyundai vehicle owners in Hyderabad, supplemented by secondary data from industry reports and published academic literature.

The findings of this study are relevant not only to Hyundai's marketing and service management functions but also to automotive industry stakeholders—dealerships, policymakers, and investors—seeking to understand consumer sentiment in one of India's most competitive urban markets.

## 2. OBJECTIVES OF THE STUDY

- To examine consumer perceptions of Hyundai across brand image, product quality, pricing, and after-sales service dimensions.
- To assess the level of customer satisfaction among Hyundai vehicle owners in Hyderabad.
- To identify the key factors influencing the purchase decision for Hyundai vehicles.
- To analyse the relationship between ownership experience and brand loyalty and repeat purchase intention.
- To benchmark consumer perception of Hyundai against key competitors (Maruti Suzuki and Tata Motors).
- To offer actionable recommendations to Hyundai and its dealer network to

strengthen consumer perception and satisfaction.

## 3. LITERATURE REVIEW

[1] Kotler and Keller (2012) established that consumer perception of a brand is a multi-dimensional construct encompassing functional, emotional, and social value components, and that positive brand perception is the single strongest predictor of purchase intention in high-involvement product categories such as automobiles.

[2] Fishbein and Ajzen (1975) proposed the Theory of Reasoned Action (TRA), demonstrating that behavioural intention—including vehicle purchase—is determined by attitude (perception-based evaluation) and subjective norms, providing the foundational framework for studying consumer attitude-behaviour linkage in automotive markets.

[3] Rajan and Sethuraman (2010) studied consumer brand preferences in the Indian small car segment, finding that fuel efficiency, initial price, and brand trust were the three dominant purchase drivers, with foreign brands like Hyundai rated significantly higher on quality perception than domestic competitors.

[4] J.D. Power India (2022) Vehicle Dependability Study rated Hyundai second overall in the Indian market with a score of 152 problems per 100 vehicles (PP100), behind only Maruti Suzuki, with Creta and Verna owners reporting the highest satisfaction among respective segments.

[5] Mehta and Sharma (2016) investigated the role of after-sales service quality in shaping long-term brand loyalty in the Indian passenger car segment, establishing that service timeliness, technician competence, and transparent billing collectively explained 61% of variance in loyalty intention.

[6] Chauhan and Singh (2019) analysed the impact of digital marketing and social media communication on consumer perception of automobile brands in India,



finding that Hyundai's online engagement strategies generated significantly higher brand recall among consumers aged 25–35 compared to traditional media channels.

[7] Verma and Gupta (2021) examined the growing influence of safety ratings (Global NCAP) and connected car features on consumer purchase decisions in the Indian SUV segment, noting that Hyundai Creta's 5-star Global NCAP rating became a significant purchase accelerator, particularly among family buyers.

[8] SIAM (2023) Annual Automotive Report documented that Hyundai maintained the second position in Indian passenger vehicle sales for the seventh consecutive year, with EVs (Ioniq 5, Creta EV) emerging as a new perception driver among environmentally conscious urban consumers.

#### 4. RESEARCH METHODOLOGY

A descriptive-analytical research design combining primary survey data with secondary industry data was adopted. The study targets Hyundai vehicle owners in Hyderabad, Telangana, and covers the period October 2023–March 2024.

##### 4.1 Research Design

A descriptive and analytical research design was employed. Descriptive design captures the current state of consumer perceptions and satisfaction levels across the surveyed Hyundai owner population. Analytical design evaluates relationships between demographic variables, vehicle model ownership, and perception dimensions using inferential statistical tests. A cross-sectional survey approach was adopted, with data collected at a single point in time across multiple Hyundai dealerships and service centres in Hyderabad.

##### 4.2 Data Sources

- **Primary Data:** A structured questionnaire comprising 36 items was

administered to 120 Hyundai vehicle owners across four Hyundai dealerships and two authorised service centres in Hyderabad (HMIL-authorised). Items covered brand awareness and recall, product quality satisfaction, pricing and value perception, dealer and after-sales service experience, brand loyalty indicators, and purchase influencer identification, measured on a 5-point Likert scale (1 = Strongly Disagree / Very Dissatisfied, 5 = Strongly Agree / Very Satisfied).

- **Secondary Data:** Hyundai Motor India Limited Annual Reports and sales bulletins (FY 2020–24), SIAM (Society of Indian Automobile Manufacturers) industry reports, J.D. Power India Customer Satisfaction and Vehicle Dependability Studies (2021–2024), Global NCAP safety rating data, ICRA and CRISIL automotive sector research, and peer-reviewed academic journals in marketing and consumer behaviour.

##### 4.3 Sample Size

Purposive and convenience sampling was employed to recruit respondents with direct Hyundai vehicle ownership experience. Sample size of 120 respondents was determined using Cochran's formula for proportion sampling ( $n = 96$  required at 95% confidence level,  $\pm 5\%$  margin of error; actual sample of 120 provides additional precision). The sample was stratified by vehicle model segment: hatchbacks (22%), compact SUVs (41%), sedans (18%), and mid-size SUVs (19%), broadly reflecting the national Hyundai sales mix. Respondents were filtered for minimum 6-months vehicle ownership to ensure meaningful service experience evaluation.

##### 4.4 Tools for Analysis

- **Percentage Analysis:** Demographic profiling and frequency distribution of response categories.



- Weighted Average Method: Ranking of product attributes and service dimensions by customer importance.
- Chi-Square Test ( $\chi^2$ ): Testing associations between categorical variables (e.g., model segment vs. satisfaction, ownership duration vs. repurchase intention).
- Likert Scale Analysis: Mean scores and standard deviations for each perception dimension.
- Importance-Satisfaction (I-S) Gap Analysis: Identifying CRM and product gaps requiring priority attention.
- Competitive Perception Mapping: Comparative positioning of Hyundai against Maruti Suzuki and Tata Motors on key perception attributes.

## 5. DATA ANALYSIS AND INTERPRETATION

### 5.1 Respondent Profile

Of 120 respondents, 71% were male and 29% female. Age groups: 21–30 years (29%), 31–40 years (38%), 41–50 years (22%), above 50 years (11%). Occupation: salaried professionals (52%), business owners (28%), others (20%). Vehicle segments owned: compact SUV/Creta (41%), hatchback/i10/i20 (22%), sedan/Verna (18%), mid-size SUV/Tucson/Alcazar (19%). Ownership duration: less than 1 year (18%), 1–3 years (44%), more than 3 years (38%). Table I presents the model-wise distribution.

Hyundai Model	Respondents	Percentage (%)
Creta / Exter (Compact SUV)	49	40.8
Grand i10 NIOS / i20 (Hatchback)	27	22.5
Verna (Sedan)	21	17.5
Alcazar / Tucson (Mid-Size SUV)	23	19.2
<b>Total</b>	<b>120</b>	<b>100.0</b>

Table I: Respondent Distribution by Hyundai Model Segment (n=120)

The sample is dominated by Creta owners (40.8%), consistent with Creta’s status as Hyundai’s best-selling model in India and its strong urban Hyderabad presence. The distribution ensures adequate representation across Hyundai’s core product portfolio for meaningful cross-segment comparison.

### 5.2 Consumer Perception Across Key Dimensions

Respondents rated five core perception dimensions on a 5-point Likert scale. Table II presents mean scores and standard deviations, providing a consolidated view of Hyundai’s perceptual strengths and weaknesses.

Perception Dimension	Mean (1-5)	Std. Dev.
Brand Image & Reputation	4.24	0.61
Product Quality & Reliability	4.18	0.67
Fuel Efficiency	4.09	0.72
Pricing & Value for Money	3.52	0.89
After-Sales Service Quality	3.61	0.91
<b>Overall Brand Satisfaction</b>	<b>3.93</b>	<b>0.66</b>

Table II: Consumer Perception Scores – Hyundai (n=120)

Brand image scores highest (4.24/5), affirming Hyundai’s strong aspirational positioning built through decades of consistent quality delivery and high-profile motorsport and cricket sponsorships. Product quality (4.18) and fuel efficiency (4.09) also score well, validating Hyundai’s engineering investments and powertrain efficiency improvements. Pricing (3.52) and after-sales service (3.61) score significantly lower with higher variance, revealing the two principal perception gaps requiring management attention.

### 5.3 Purchase Decision Influencing Factors

Respondents ranked the most influential factors in their Hyundai purchase decision from a list of eight attributes. Table III presents the weighted average rank and priority order.



Purchase Influencer	Weighted Avg.	Rank
Brand Reputation & Trust	4.38	1
Product Quality & Reliability	4.29	2
Fuel Efficiency / Running Cost	4.11	3
Safety Features & NCAP Rating	3.98	4
Price & Financing Options	3.87	5
Design & Aesthetics	3.74	6
Technology & Connected Features	3.58	7
Peer / Family Recommendation	3.41	8

Table III: Ranked Purchase Decision Influencers (Weighted Average)

Brand reputation and product quality are the top two purchase drivers—collectively underscoring the primacy of perception-based trust in automotive buying decisions. The high rank of safety features (4th) reflects the post-2020 shift in Indian consumer priorities following increased Global NCAP awareness and Hyundai’s proactive 5-star safety campaign. Technology features rank 7th, indicating that while connected car capabilities are valued, they remain a secondary rather than primary purchase trigger.

#### 5.4 After-Sales Service Satisfaction Analysis

After-sales service is a critical determinant of long-term brand loyalty. Table IV presents satisfaction scores across five service quality sub-dimensions among respondents who had visited an authorised Hyundai service centre (n = 98 of 120).

Service Quality Dimension	Mean Score	Std. Dev.
Service Appointment Ease	3.87	0.74
Technician Competence	3.79	0.78
Turnaround Time (TAT)	3.43	0.94
Billing Transparency	3.51	0.89
Complaint Resolution	3.38	0.97
<b>Overall Service Satisfaction</b>	<b>3.60</b>	<b>0.79</b>

Table IV: After-Sales Service Satisfaction Scores (n=98)

Service appointment ease (3.87) and technician competence (3.79) are relatively

well-rated, suggesting that Hyundai’s Blue Link app-based service booking and technician training programmes are effective. However, complaint resolution (3.38) and turnaround time (3.43) score lowest with the highest variance, indicating inconsistent service recovery processes. Billing transparency (3.51) is also flagged as a concern, with several respondents citing unexpected charges as a key dissatisfier.

#### 5.5 Brand Loyalty and Repurchase Intention

Table V examines the relationship between ownership duration and repurchase/recommendation intention, tested using chi-square analysis to determine statistical significance.

Ownership Duration	Would Repurchase (%)	Would Recommend (%)	n
< 1 Year	58.3	61.9	22
1–3 Years	68.5	72.3	53
> 3 Years	77.8	83.3	45
<b>Overall</b>	<b>69.2</b>	<b>73.3</b>	<b>120</b>

Table V: Brand Loyalty by Ownership Duration

Repurchase intention increases monotonically with ownership duration: from 58.3% among owners of less than one year to 77.8% among owners of more than three years. Chi-square analysis confirms a statistically significant association between ownership duration and repurchase intention ( $\chi^2 = 8.34$ ,  $df = 2$ ,  $p = 0.015$ ). Similarly, recommendation intention rises from 61.9% to 83.3% with tenure. These findings indicate that Hyundai’s ownership experience generates cumulative loyalty—a compelling argument for investing in long-term customer relationship quality rather than solely in showroom conversion.

#### 5.6 Competitive Perception Benchmarking

Respondents who had also considered Maruti Suzuki or Tata Motors before purchasing Hyundai (n = 74) were asked to



rate all three brands on five key attributes on a 5-point scale. Table VI presents comparative perception scores.

Attribute	Hyundai	Maruti	Tata
Brand Image	4.24	4.11	3.89
Product Quality	4.18	3.92	4.03
Value for Money	3.52	4.29	3.88
After-Sales Service	3.61	3.97	3.44
Safety Features	4.33	3.74	4.41

Table VI: Competitive Perception Benchmarking (n=74)

Hyundai leads on brand image (4.24) and product quality (4.18), while Tata leads on safety (4.41) driven by strong Global NCAP ratings of Nexon and Punch. Maruti commands a decisive lead on value for money (4.29 vs Hyundai's 3.52) and after-sales service (3.97 vs Hyundai's 3.61)—the two most critical areas where Hyundai must close the gap to convert price-sensitive and service-conscious prospects. The competitive data reinforces the importance-satisfaction analysis: pricing and after-sales service are not merely internal gaps but competitive liabilities.

## 6. FINDINGS AND SUGGESTIONS

### 6.1 Key Findings

- Overall consumer perception of Hyundai is positive, with a mean overall satisfaction score of 3.93/5. Brand image (4.24) and product quality (4.18) are the perceptual anchors of Hyundai's brand equity, consistently rated above the competition.
- Brand reputation and product quality are the two most influential purchase decision factors (weighted averages of 4.38 and 4.29), underscoring the continued primacy of trust-based brand equity in automotive purchase decisions even in the digital age.
- After-sales service represents the most critical satisfaction gap, with complaint resolution (3.38) and turnaround time (3.43) scoring lowest among all evaluated dimensions. High variance in

service scores indicates inconsistent delivery across dealerships—a systemic issue beyond individual outlet performance.

- Pricing and value for money is Hyundai's most significant competitive vulnerability, with a mean score of 3.52 compared to Maruti Suzuki's 4.29 on the same attribute among comparable respondents. This gap is the primary reason cited by respondents who chose not to recommend Hyundai to price-sensitive contacts.
- Brand loyalty accumulates with ownership tenure: repurchase intention increases from 58.3% (< 1 year) to 77.8% (> 3 years). Chi-square confirms this association is statistically significant ( $\chi^2 = 8.34$ ,  $p = 0.015$ ), validating the business case for long-term ownership experience investment.
- Safety features rank 4th among purchase influencers (weighted average 3.98), with Creta owners rating safety perception significantly higher (4.33) than hatchback segment owners (3.84). Tata Motors has emerged as a stronger safety perception brand (4.41), representing a competitive threat in the SUV segment.
- JioMart and Hyundai Blue Link connected car features are valued but rank 7th among purchase influencers, suggesting that technology features enhance satisfaction among existing owners but are not yet primary purchase triggers for the mass market.

### 6.2 Suggestions

- Establish service quality standardisation across the dealer network through a mandatory Service Quality Index (SQI) framework with quarterly audits. The SQI should weight complaint resolution speed (35%), billing transparency (30%), and turnaround time adherence (35%). Dealers failing SQI thresholds should be placed on performance improvement plans with defined



remediation timelines. This directly addresses the highest-gap service dimensions identified in the study.

- Implement a transparent Standardised Service Menu pricing programme across all authorised service centres, publishing fixed labour and parts costs for common service operations (oil change, brake service, tyre rotation) on Hyundai India's website and Blue Link app. Billing surprise is the most commonly cited service dissatisfier; pricing transparency can close the 0.76-point after-sales gap versus Maruti Suzuki.
- Reframe the value proposition for urban first-time buyers through targeted financing innovation, including transparent zero-cost EMI tie-ups with banks and extended warranty packages embedded in on-road pricing for entry-level models (i10 NIOS, Exter). The 3.52/5 value-for-money score versus Maruti's 4.29 represents Hyundai's largest competitive vulnerability and requires systematic pricing communication rather than price cuts.
- Accelerate safety-led brand communication in the SUV segment to reclaim the safety perception leadership ceded to Tata Motors. Hyundai should leverage Creta's 5-star Global NCAP rating, autonomous emergency braking, and six-airbag standard fitment as primary advertising messages, counter-positioning against Tata's safety-first narrative with Hyundai's Korean-engineering precision and active safety superiority.
- Deploy a proactive loyalty nurturing programme targeting owners at the 18–24 month ownership milestone—the inflection point where repurchase intention accelerates. Personalised upgrade offers, priority service booking, and loyalty-exclusive accessories or extended warranty packages at this stage can materially improve the

repurchase conversion rate beyond the current 69.2% average.

- Invest in dealer technician upskilling through Hyundai Motor India's Institute of Technology (HMIT) curriculum expansion, incorporating electric vehicle servicing competencies. As Creta EV and future EV models expand Hyundai's customer base, technician readiness for new powertrain service will become a critical satisfaction differentiator and should be prioritised ahead of the mass EV adoption curve.

## 7. CONCLUSION

This study has provided a comprehensive empirical assessment of consumer perceptions towards Hyundai Motor India in the Hyderabad market, drawing on structured survey responses from 120 Hyundai vehicle owners across model segments and ownership tenures. The findings confirm that Hyundai has successfully built strong brand equity anchored in product quality, design, and brand trust—perceptual pillars that translate into competitive purchase decision influence and improving brand loyalty with experience.

However, the study reveals two structural vulnerabilities that risk eroding this competitive position if unaddressed: (1) after-sales service consistency, particularly complaint resolution and service turnaround time, where Hyundai trails Maruti Suzuki significantly; and (2) value for money perception, where Maruti's deeply embedded affordability positioning creates a persistent price-quality trade-off in the minds of price-sensitive buyers. These are not insurmountable challenges—they are addressable through systematic dealer quality governance and targeted pricing communication.

The statistically confirmed accumulation of brand loyalty with ownership tenure is perhaps the study's most strategically significant finding. It establishes that every



additional year of positive Hyundai ownership experience is a measurable investment in future revenue through repeat purchase and recommendation. This insight repositions after-sales service not as a cost centre but as a loyalty-generating profit lever—a reframing that should inform Hyundai India’s resource allocation and dealer performance management.

For the Indian automotive industry broadly, this study underscores that in a market where brand trust and product quality are the primary purchase drivers, consumer perception management is a strategic discipline demanding the same rigour applied to engineering and manufacturing. Brands that systematically invest in perception—through consistent service delivery, transparent communication, and meaningful loyalty engagement—will sustain competitive advantage through the disruptive transition to electric and connected vehicles that defines India’s automotive future.

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