

# What exactly maruti suzuki india missing out on in gathering their data

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## **Business Problem**

Maruti Suzuki India is an automobile manufacturer in India and they do very well for themselves as they are on the stock market in India. Indian cars have many different models so that there are more options for the consumer to choose what ever make that they would like. From the results, we have saw an increase in sales for the entry-hatch and the premium-hatch has not ranked as successful. Now there are other automobile producers that have come to India and started making and selling cars, making Maruti's market share suffer. Competition Tata has been shown that they are able to compete in the A-segment (hatch) market. MSIL's reputation for quality and price has kept the company in the market share for now, but sales have dwindled due to the competitive market. From their study, their market share has decreased from 61% to 49%, from the data in the report and it shows because they are not keeping up with the other car manufacturers. Based on the case study of Maruti Suzuki India: Defending Market Leadership in the A-Segment, the company did well in the Indian market, but failed in regards to product management, overall management. Maruti Suzuki did not recognize poor product management which allowed other companies to take the advance and make more money than them through their image and product innovations.

## **Research Problem:**

The research goal will be to find out what exactly they're missing out on in gathering their data because of the increase in other car manufacturers taking their market share. They will research the data provided by Maruti

Suzuki compare it against the differences that they have found or with what their competitors have already found. The reason why they have to do this is because they need to figure out what they will do with their future. Plan for the culture of their company to strive and that means innovating and changing what they have based off of what their customers are asking for. The quantitative data, that I am focusing on is an example from exhibit 2: Sales of Passengers Cars, according to the research study, the entry-level hatch segment was a “ consumer pull driven product”, in 2003, but by 2013, it had evolved into a “ channel push driven product.” MSIL’s team felt that targeting the right consumer model favorite and designing appropriate features and benefits were critical components for the success of any product. The focus of this case study will have to be all of their hatch specialties to be factored into the questionnaires’ because they need a full range of results to evaluate who likes what in terms of make and the changes.

**Stakeholders:**

There is much to consider when reviewing the pertinent data relating to the problem at hand. While also looking into the main problem, it’s important to keep the key stakeholders in mind as any change may directly impact them as well. The internal stakeholders in this situation is the Maruti Suzuki India Ltd. company executives and their employees. Externally the stakeholders will be the consumers. There is much to consider when reviewing the pertinent data relating to the problem at hand. While also looking into the main problem, it’s important to keep the key stakeholders in mind as any change may directly impact them as well.

**Research Objective:**

The objective of the research is to determine the validity of the entry level hatch in the A-segment market. For plan B, conducting the research to see if they could make one car by combining two other cars that customers like. Eventually, the research will prove that creating and innovating a new car will ensure their success. The research will help identify the cost associated with determining whether to keep or design a new model hatch. In the end, this will help MSIL to see how much they have really lost in the battle and struggle of staying ahead in business.

**Research Question:**

Will MSIL be able to keep their competitive advantage by creating a new hatch model that will help them combine everything consumers love about the entry/mid-level models in the India market to start making positive sales and get back on top in market shares?

**Ethical Issues:**

There will be some challenges with this study. Conducting interviews with potential customers is a concern because all personal information must remain private. Keeping information secure is probably going to be the biggest challenge. Gaining honest opinions from the consumer can be a challenge as well. A consumer may have favoritism and give false information. All interviews conducted will have forms to be signed to release authorization based on laws governing their areas. Once collected it will be held securely. There are ethical considerations to also keep in mind when reviewing the data and its sources.

**LITERATURE REVIEW:****Theories:**

The organization problem within MSIL is business related. The Management needs to determine which direction to flow while regaining the market share. The consumer base has changed from baby boomers to millennials. In the Maruti case it shows that the older generation was primarily concerned with price, but today it is about lifestyle. The younger generation is seeking something new and exciting to match their personal lifestyles. MSIL did not pick up this early enough and when the competition moved in, they were already behind and playing the catch-up game. Making way for them to make a new customized car that the younger generation will find appealing even though there would have to be changes in manufacturing. Motorola experienced the same marketing struggles in a decline in sales until they changed their mass customization techniques. Focusing on the younger generation will also help keep up with their strategies that they have in place to hold each other accountable and checking the machines that they use for any integrity issues. By having a well-run organization like a car manufacturing plant, the evaluation process to check policy and procedure will be much more efficient and time friendly.

**Limitations:**

There are many limitations and biases in the business world of manufacturing cars. The goals that MSIL made to reach could have been misjudged and they could have missed their end date. There needs to be a solid number of surveyors who will be part of the study of the sample size. If

there is not enough from the start, there could be lack in funds to continue research, marketing, manufacturing. There has been prior research regarding the different segments in manufacturing with what the customer will actually buy, but they need to continue with the research to find out what each generation likes the most. Keeping up with the research will keep them ahead, but if they don't submit new results, then they might lose their market share.

**Other Research Study:**

In comparison with MSIL, the Tata Motors Company also enhanced its entry level hatchback line to address the issue of competitiveness in the Indian hatchback market like MSIL was experiencing. They created more attractive features to their lines and made them appealing to the buyer. They focused on their younger generations and provided them with questionnaire to follow up and see what the customer really wants from them in a car because they realize how important customer feedback really is. Even though they were focused on the younger millennials, they still passed the paper work to all study groups because they did not want to create any limitation, the more feedback, the better to improve their product innovations.

**Other Related Organization:**

In the cell phone world, MSIL is an organization that is related to Samsung in the cell phone production world. They make their money the same way, selling a unique product that not everyone can get at a certain price to where the seller makes profit, but the buyer still feels like they didn't over spend. Apple and Tata motors have made several advancements, but they

are so close to MSIL and Samsung cell phones. I believe that they are also a lot alike in their strategies for marketing in the way that they do their best to speak directly to the correct group and give them great deals.