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A Study on Brand loyalty towards Hero motocorp limited, (Anantapur)

*** E.Sandeep kumar¹, **S. Fakrulla²,**

E-Mail: sandeepnani499@gmail.com, fakrullamba@gmail.com

Mobile. No: 9160747342, 789672669

Corresponding Author- S. Fakrulla,MBA (phd)

1. Student, Department of MBA, Chaitanya Bharathi Institute of Technology,
Proddatur
2. Assistant Professor, Department of MBA, Chaitanya Bharathi Institute of
Technology, Proddatur

ABSTRACT

This study aims to investigate the factors influencing brand loyalty among Hero Motors customers in India.

A quantitative research approach was employed and a survey was conducted among Hero Motors customers in India

The results indicate that brand loyalty is significantly influenced by factors such as product quality, customer satisfaction, brand identity, and customer service.

The study also reveals that Hero Motors customers exhibit a moderate level of brand loyalty

The findings of this study provide valuable insights for Hero Motors to develop effective marketing strategies to enhance brand loyalty and retain customers in the competitive Indian two-wheeler market.

Keywords

Brand loyalty, Hero Motors, customer satisfaction, product quality, brand identity



INTRODUCTION

Brand loyalty plays a crucial role in the success of any company, especially in the competitive two-wheeler market. Hero Motors, one of India's leading two-wheeler manufacturers, has built a strong customer base due to its affordability, fuel efficiency, and widespread service network. This study explores the factors influencing brand loyalty towards Hero Motors, including product quality, after-sales service, promotional offers, and customer satisfaction. It also examines the impact of word-of-mouth recommendations and marketing efforts on consumer preferences. The research aims to identify the key drivers that encourage repeat purchases and long-term customer retention. Additionally, the study analyzes consumer perceptions of Hero's electric vehicle segment and the demand for loyalty programs. Findings from the study provide insights into customer satisfaction levels, service experiences, and overall brand trust. By understanding these factors, Hero Motors can enhance its market position and improve customer engagement. The research ultimately offers strategic recommendations for strengthening brand loyalty in the evolving two-wheeler industry. **Importance of Brand Loyalty for Hero Motors**

Brand loyalty is the emotional and psychological attachment that a consumer feels toward a brand, leading to repeat purchases and a positive word-of-mouth reputation. In the highly competitive two-wheeler market, maintaining and enhancing brand loyalty is critical for Hero Motors to sustain its market leadership and outperform rivals such as **Bajaj Auto, Honda, TVS Motors, and Suzuki.**

Why Brand Loyalty Matters:

- **Increased Customer Retention:** Loyal customers continue to purchase Hero Motors products despite competition.
- **Higher Profit Margins:** Retaining existing customers is more cost-effective than acquiring new ones.
- **Positive Brand Advocacy:** Satisfied customers recommend Hero Motors to their social circles, amplifying the brand's reach.
- **Resilience Against Competitors:** A loyal customer base protects the brand from losing market share to competitors.

However, with evolving consumer preferences and increased competition from electric two-wheeler startups and established brands offering innovative features, Hero Motors faces challenges in retaining brand loyalty. The company must continually innovate, enhance customer experience, and address the evolving needs of its target audience to stay ahead.



REVIEW OF LITERATURE:

Kumar, S., & Rani, M. (2022):

"A Study on Factors Influencing Brand Loyalty in the Two-Wheeler Sector with Reference to Hero MotoCorp."

This study analyzed how product reliability, fuel efficiency, and after-sales service influence customer loyalty toward Hero Motors. The findings suggested that Hero's wide distribution network and consistent product performance play a pivotal role in ensuring repeat purchases and customer satisfaction.

Sharma, A., & Singh, P. (2021):

"Impact of Brand Perception and Customer Satisfaction on Brand Loyalty: A Study of Hero MotoCorp."

This research highlighted that brand perception, trust, and emotional attachment are key determinants of brand loyalty. It emphasized that Hero's reputation for affordable and durable bikes creates a positive brand image, fostering long-term customer commitment.

Gupta, R., & Malhotra, V. (2020):

"Evaluating Brand Loyalty in the Indian Two-Wheeler Market: A Case Study of Hero Motors."

The study explored the relationship between brand trust and customer loyalty, concluding that Hero's consistent focus on quality and fuel efficiency contributes significantly to retaining customers in the competitive Indian market.

Verma, K., & Choudhary, S. (2019):

"Customer Retention and Brand Loyalty: An Analysis of Hero MotoCorp in Rural and Urban India." This research examined the role of geographical factors in brand loyalty, highlighting that Hero's strong presence in rural areas ensures higher customer loyalty due to its affordability, easy availability of spare parts, and widespread service centers.

Das, P., & Kumar, N. (2018):

"Brand Loyalty and Its Impact on Consumer Buying Behavior: A Case Study of Hero MotoCorp."

This study analyzed the influence of advertising, emotional connection, and perceived quality on brand loyalty. It found that Hero's focus on building a positive brand narrative and trust results in repeat purchases and reduced switching behavior.

Mishra, A., & Sharma, R. (2017):

"Analyzing the Effect of After-Sales Service on Brand Loyalty in the Two-Wheeler Industry: A Case Study of Hero Motors."

The research emphasized the importance of after-sales service and customer satisfaction in building brand loyalty. It concluded that Hero's extensive service network, particularly in rural and semi-urban areas, reinforces



NEEDS FOR THE STUDY:

This study is essential to understand changing consumer preferences and evaluate the factors influencing brand loyalty towards Hero Motors. With rising competition from brands like Bajaj, Honda, and emerging electric vehicle (EV) companies, it is crucial for Hero Motors to retain its existing customer base and reduce brand-switching behavior.

The study also aims to assess the impact of after-sales service, pricing, and product quality on customer satisfaction and loyalty.

Identifying gaps between customer expectations and actual experiences will help Hero Motors refine its offerings and strengthen its market position. Additionally, the insights gained will enable Hero Motors to develop effective marketing strategies that align with customer needs, ensuring long-term brand loyalty.

OBJECTIVES OF THE STUDY:

- To understand and determine the level of consumer loyalty for hero products.
- To determine the most influencing factor in the purchase of hero products.
- To determine the trust of consumers on the brand.
- To study the satisfaction of consumers towards hero products

SCOPE OF THE STUDY

The study focuses on analyzing the factors influencing brand loyalty among Hero Motors customers, including product quality, pricing, after-sales service, and brand perception. It aims to assess customer satisfaction levels and identify reasons behind brand-switching behavior. The research covers various customer segments, particularly in urban and semi-urban regions where Hero Motors has a strong presence.

Primary data will be collected through surveys and interviews, while secondary data will be gathered from industry reports and company records. The study also explores the impact of emerging electric vehicles (EVs) on customer preferences. It evaluates how after-sales service and digital engagement influence customer retention.

The time frame for the study spans 3–6 months to ensure comprehensive data collection and analysis. Geographic coverage includes key markets where Hero Motors operates extensively. The insights gained will help Hero Motors enhance customer loyalty and maintain its market leadership.



RESEARCH METHODOLOGY:

Here, as per the study purposive sampling was focused mostly on the opinions of Employees who are working in the HERO MOTORS Limited. Purposive examining is a non-likelihood testing methodology in which tests are picked in view of the qualities of the populace and the review's points.

SAMPLE ELEMENT: **EMPLOYEES & CUSTOMERS**

SAMPLE SIZE: **90**

STATISTICAL TOOLS: **SIMPLE PERCENTAGE METHOD**

DATA COLLECTION

PRIMARY DATA:

Primary data collected from structured questions, interviews and focus groups.

SECONDARY DATA

Collected from Company Reports and Sales Data, Industry Reports and Market Research Publications, Academic Journals and Previous Studies

DATA ANALYSIS TECHNIQUES

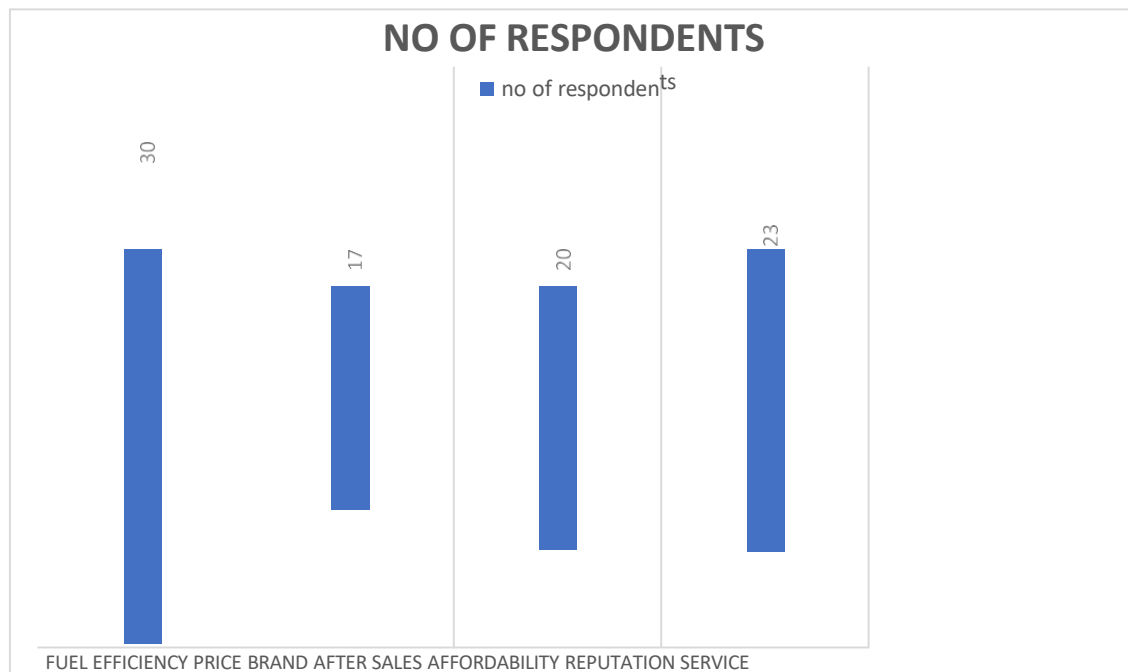
- Qualitative analysis
- Quantitative analysis



DATA ANALYSIS

1. Which factor influences your decision to choose Hero Motors the most?

RESPONSE	NO OF RESPONDENTS	PERCENTAGE
Fuel efficiency	30	33%
Price affordability	17	19%
Brand reputation	20	22%
After sales service	23	26%



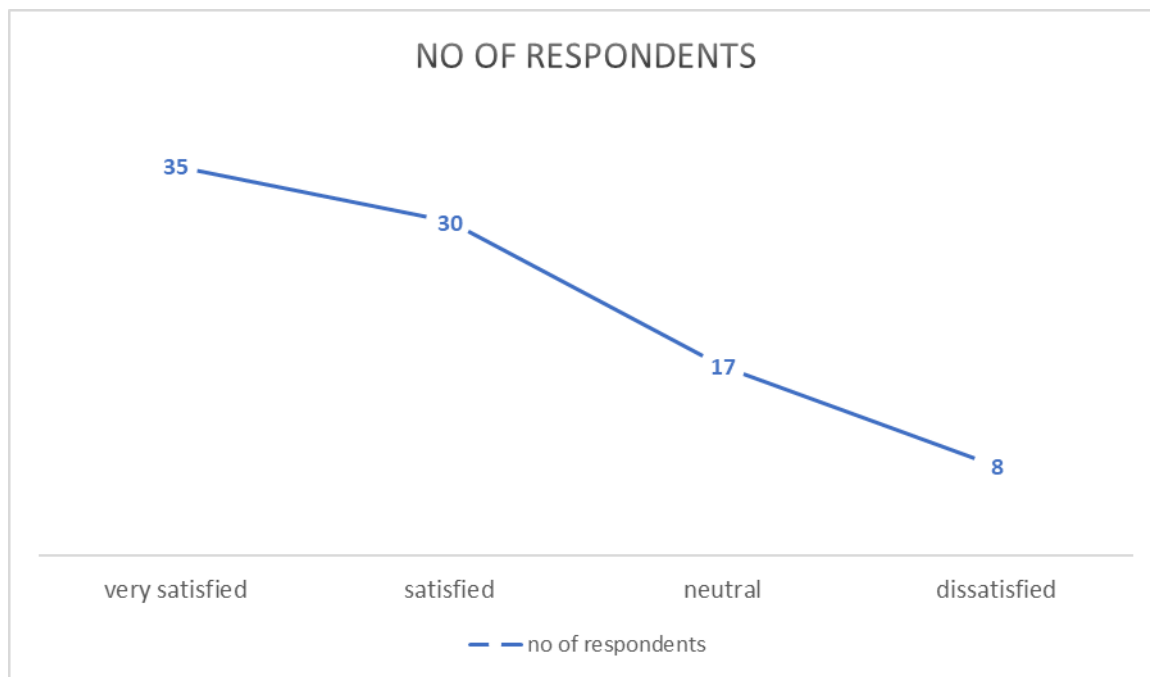
Interpretation

The survey results indicate that 33% of respondents choose Hero Motors primarily for its fuel efficiency, making it the most influential factor. 26% of respondents prioritize after-sales service, while 22% consider brand reputation as the key factor. Lastly, 19% of respondents are influenced by price affordability, suggesting that while cost is a factor, performance and service play a more significant role in driving brand loyalty.



2. How satisfied are you with Hero Motors' after-sales service?

Response	No of respondents	Percentage
Very satisfied	35	39%
Satisfied	30	33%
Neutral	17	19%
Dissatisfied	8	9%



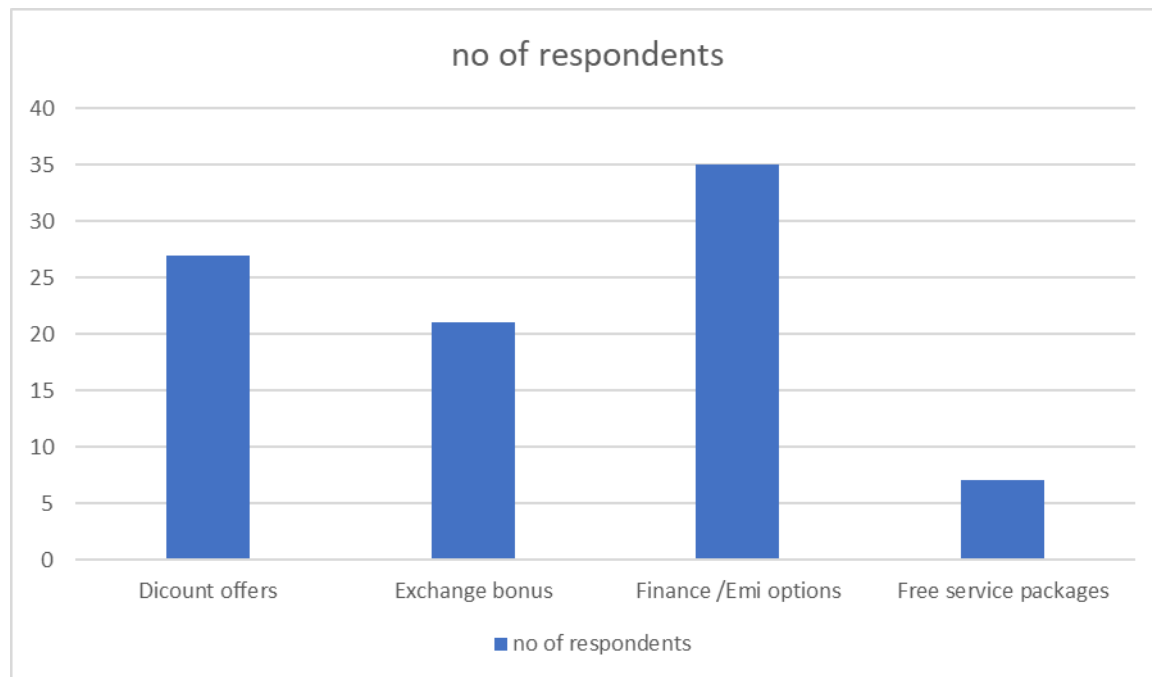
Interpretation

The survey shows that **39%** of respondents are **very satisfied** with Hero Motors' after-sales service, while **33%** are **satisfied**, indicating that a majority of customers have a positive experience. **19%** of respondents remain **neutral**, suggesting room for improvement, and **9%** of respondents are **dissatisfied**, highlighting the need for Hero Motors to address service-related concerns to enhance overall customer satisfaction.



3. What type of promotions influence your decision to buy a Hero bike?

Response	No of respondents	percentage
Dicount offers	27	30%
Exchange bonus	21	23%
Finance /Emi options	35	39%
Free service packages	7	8%



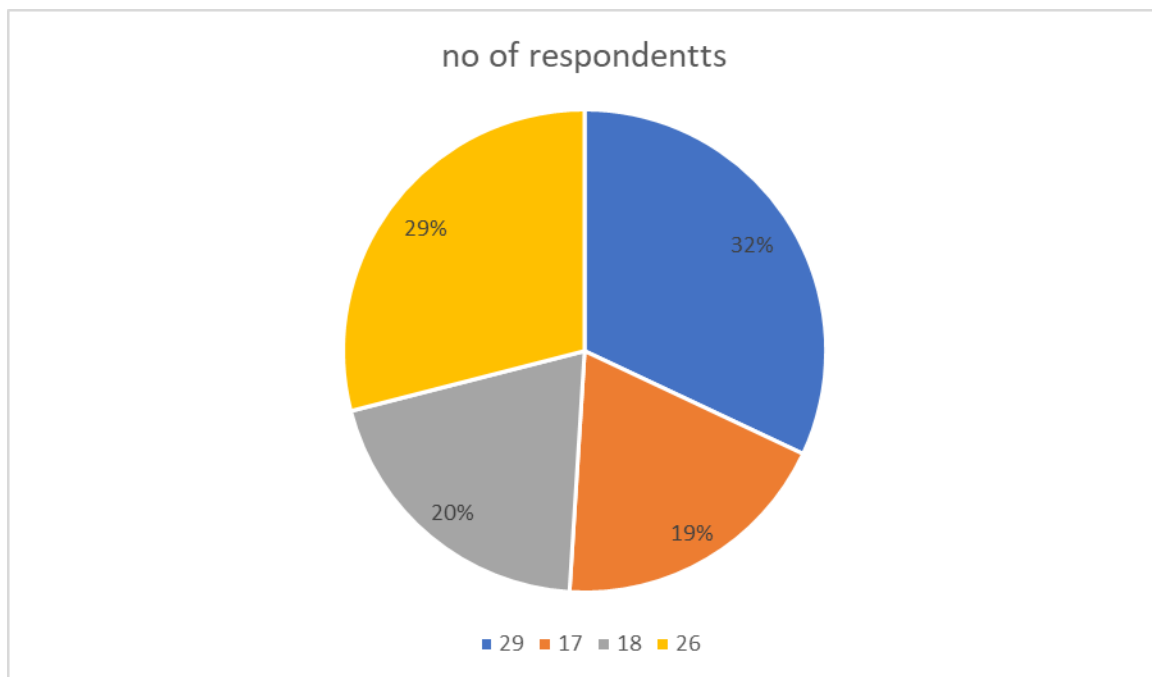
Interpretation

The survey reveals that 39% of respondents are most influenced by finance/EMI options when purchasing a Hero bike, indicating a preference for flexible payment plans. 30% of respondents prefer discount offers, while 23% are attracted by exchange bonuses. Only 8% of respondents consider free service packages as a significant factor, suggesting that financial incentives have a stronger impact on purchase decisions.



4. . Which feature of Hero two-wheelers do you value the most?

Response	No of respondents	Percentage
Mileage	29	32%
Desing & style	17	19%
Durability	18	20%
Price	26	29%



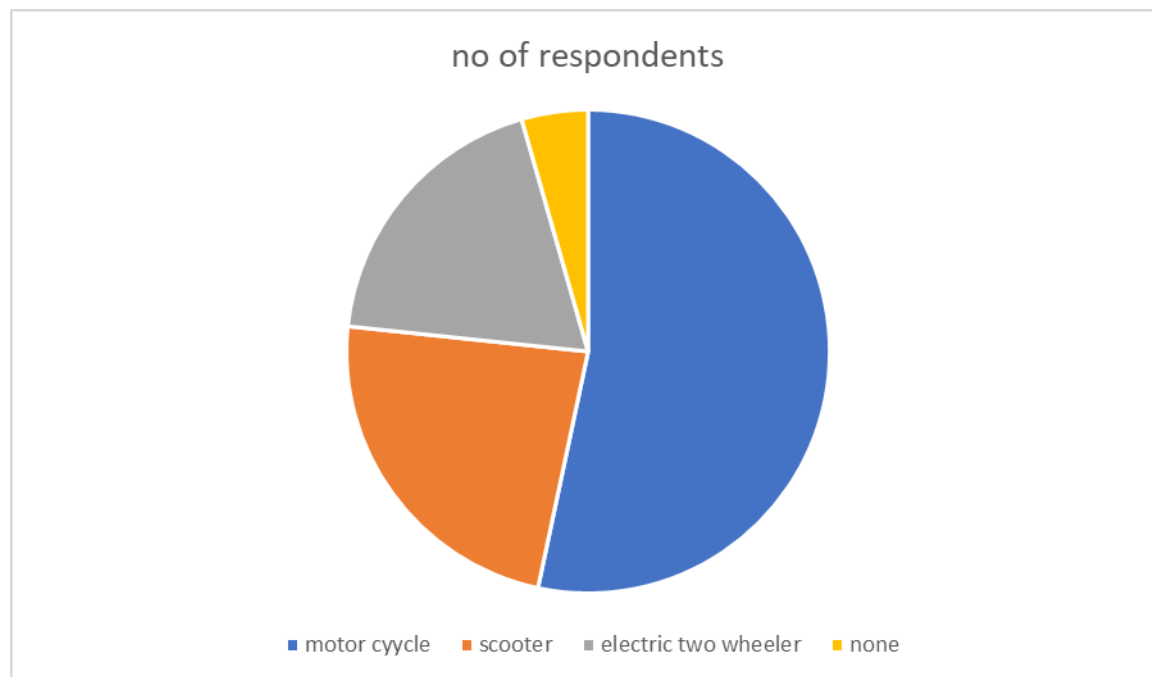
Interpretation

The survey indicates that 32% of respondents consider mileage as the most valued feature of Hero two-wheelers, highlighting the importance of fuel efficiency. 29% prioritize price, reflecting the significance of affordability. 20% of respondents value durability, while 19% are influenced by design and style, suggesting that practical factors such as mileage and price outweigh aesthetic considerations for most customers.



5. What type of Hero Motors product do you own?

Response	No of respondents	Percentage
Motor cycle	48	53%
Scooter	21	23%
Electric two wheeler	17	19%
None	4	5%



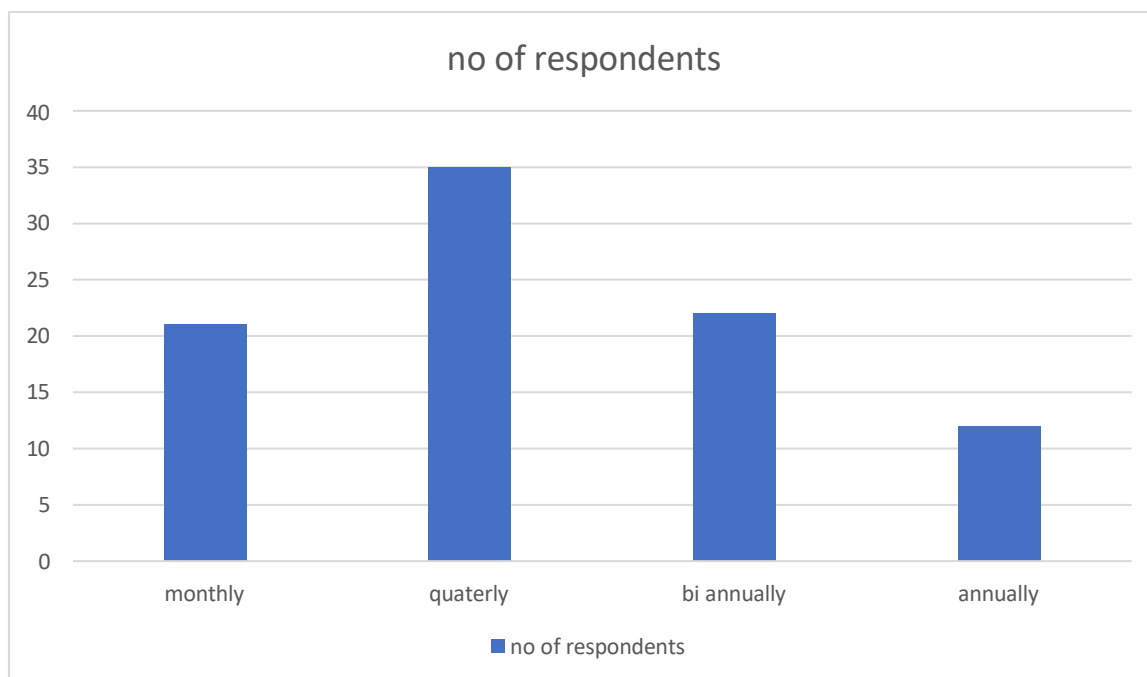
Interpretation

The survey reveals that **53%** of respondents own a **motorcycle** from Hero Motors, making it the most popular product. **23%** of respondents prefer **scooters**, while **19%** have opted for **electric two-wheelers**, indicating a growing interest in electric mobility. Only **5%** of respondents do not own any Hero vehicle, reflecting the brand's strong presence in the two-wheeler market.



6. What type of Hero Motors product do you own?

Response	No of respondents	percentage
Monthly	21	23%
Quarterly	35	39%
Bi annually	22	24%
Annually	12	14%



Interpretation

The survey shows that 39% of respondents visit Hero Motors service centers for maintenance on a quarterly basis, indicating a preference for regular upkeep. 24% opt for bi-annual visits, while 23% visit monthly, suggesting a smaller segment that prefers more frequent maintenance. Only 14% of respondents visit annually, highlighting that most customers prioritize regular service to maintain vehicle performance.



RESEARCH FINDINGS:

- Around 63% of customers are influenced by promotional offers and advertisements when purchasing a Hero bike, highlighting the importance of marketing efforts.
- 71% of respondents are aware of Hero's electric vehicle offerings, showing increasing market awareness and potential for expansion in the EV segment.
- 47% of respondents rely on recommendations from friends and family, while 25% get information from social media, highlighting the importance of customer advocacy.
- 77% of respondents believe Hero Motors provides sufficient warranty and service packages, reinforcing the brand's reliability and trust.
- A majority of respondents prefer Hero Motors over other two-wheeler brands, indicating customer trust and satisfaction with the brand.

SUGGESTIONS:

- Strengthen Hero's online presence by engaging with customers through personalized offers, loyalty programs, and interactive platforms to build a stronger emotional connection.
- Increase the reach of service centers in rural and semi-urban areas to enhance customer satisfaction and reduce service-related complaints.
- Launch rewards and referral programs to incentivize repeat purchases and promote word-of-mouth advocacy among loyal customers.
- Regularly train dealers and service staff to ensure consistent, high-quality customer interactions that reinforce brand trust and loyalty.
- Continuously invest in R&D to introduce innovative features, fuel-efficient models, and technology upgrades to stay ahead of competitors and maintain brand loyalty.



CONCLUSION:

This study highlights the strong brand loyalty Hero Motors enjoys, driven by trust, reliability, and consistent product quality. Hero's extensive after-sales service network, affordability, and fuel efficiency contribute significantly to customer satisfaction and repeat purchases.

The emotional connection established through effective branding and positive word-of-mouth further strengthens loyalty, especially in rural and semi-urban areas. Despite increasing competition, Hero Motors retains its loyal customer base by continuously adapting to market trends and introducing innovative products, including electric vehicles.

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