

A STUDY ON EFFECTIVENESS OF SALES AND DISTRIBUTION CHANNEL OF TATA MOTORS LIMITED

1. CHITTAVAYNAM RAVI TEJA

*II-MBA, Malla Reddy Engineering
College(Autonomous), maisammaguda, secunderabad, 500100
Email: raviteja9030187@gmail.com*

2. MR B. KIRAN KUMAR REDDY

*Assistant Professor, Malla Reddy Engineering College
(Autonomous), maisammaguda, secunderabad, 500100
Email: b.kiranreddy@mrec.ac.in*

ABSTRACT:- Exchanging goods or services for money or another kind of payment results in making a sale. It involves bringing an undertaking to a conclusion.

The completion of a sale by the seller or the provider of the goods or services in response to an acquisition, appropriation, or request includes the transfer of ownership (titre), the application and prompt payment of a price, the obligation for which arises from the seller's need to transfer ownership and which is a price.

On an intangible scale, a service is a good's corresponding counterpart. Unless expressly mentioned in an exclusive contract, the customer often does not acquire exclusive ownership of the product they have acquired when getting services. If such a service has a cost, the buyer's willingness to pay for it indicates that the advantages are apparent. Taxes and other financial sources are used to provide public services on behalf of the entire community.

Service providers operate in an economy free from the constraints of maintaining stock (inventory) or the need to worry about bulky raw materials by combining and organising the necessary degree of resources, creativity, innovation, and expertise for producing particular advantages for service consumers.

Key words:

Advertising effectiveness, Advertisement, Automobile Industry Advertising

INTRODUCTION

Distribution (business)

One of the four components of the marketing mix is physical distribution (also known as location). a firm or group of businesses that aids in making a good or service accessible to consumers or other users for usage or consumption.

The marketing mix's other three components are the product, pricing, and promotion.

The distribution strategy

A product must first pass through a number of intermediaries, each of whom transfers the product to the succeeding organisation, before it may finally reach a consumer or end-user. This process is referred to as the "distribution chain" or "channel." The maker must keep in mind that each link in these chains will have unique needs in addition to those of the primary end-user.

Channels

A number of alternate 'channels' of distribution may be available:

Manufacturer → Distributor → Retailer → Customer → ▶

Manufacturer who manufactures products

Distributor who sells products to retailers

Retailer (also called dealer or reseller), who sells products to end customers

Customer who buys product from retailer
 Advertisement typically used for consumption goods. Distribution channels may not be restricted to physical products alone. They may be just as important for moving a service from producer to consumer in certain sectors, since both direct and indirect channels may be used. Hotels, for example, may sell their services (typically rooms) directly or through travel agents, tour operators, airlines, tourist boards, centralized reservation systems, etc.

There have also been some innovations in the distribution of services.

Managerial concerns

The channel selection is very important. There is a theoretical trade-off since using intermediaries to get a bigger distribution is assumed to be less expensive. In reality, aside from mail order, the majority of manufacturers of consumer goods were never able to make the cost of selling directly to their customers worthwhile. Many suppliers seem to think that their job is over once their product has entered the channel at the beginning of the supply chain. In order for a supplier to be market-oriented, their role should be expanded to encompass overseeing every stage of the supply chain, up until the point at which the good or service is delivered to the consumer. In order to do this, the provider might have to select from the following possibilities:

channel participation

Use your imagination while monitoring and managing the channels.

Marketing channel type

There may be pricing competition (with benefits to items and particularly the market leaders in consumer goods) if the majority of resellers carry the "product".

Selective distribution: This is the typical pattern, which applies to both the consumer and the industrial sectors, where "appropriate" resellers stock the products.

Exclusive distribution: The "product" may only be sold by fully validated resellers or authorised dealers (usually just one per region).

Utilize imagination

Getting direct staff to offer the essential sales and service help is challenging enough. It takes a lot more work to inspire the proprietors and personnel of the several businesses involved in a supply chain. There are several methods available to achieve this motivation. The most typical type is undoubtedly "incentive," when the supplier pays money to distributor sales personnel or bribes channel owners with higher profits to promote their product over that of rivals. Through this incentive, which Dent refers to as a "Channel Value Proposition" or "business case," the supplier persuades the channel member of the financial benefits of working with them. He claims that rather than the sale of goods, this is the sale of business.

Monitoring and controlling channels

Both internal sales and distribution within the company as well as supply chain management must be monitored and managed.

Actually, a lot of companies use a number of channels. For instance, they could add representatives to a direct sales group that calls on larger accounts but deals with smaller customers and prospects. These platforms showcase the marketing strategies employed by a company. For the distribution channel to be managed successfully, several decisions must be made and implemented. Recruiting, educating, inspiring others, and serving are the first three. Compensation evaluation and replacement of channel members

NEED FOR THE STUDY

Since effectively selling items is the main goal of every manufacturing firm, customer happiness comes first. Penna wants to evaluate customer satisfaction levels and identify any potential improvement areas.

This procedure has moved slowly forward. As a result, the study in this field has been selected. Without sales of its products, a manufacturer of goods cannot compete and cease to exist. Therefore, in order for a manufacturing firm to be profitable, sales are crucial. solely increasing money through sales, if at all practicable.

An crucial marketing duty is distribution. A single business may distribute its goods. Dealers may be located in this location's distribution networks. They serve as a bridge between businesses and are located close to their clientele. It is essential to research distribution and sales tactics.

Distribution systems, which are collections of unaffiliated businesses engaged in the process of making a good or service useable, have distribution channels as a part. A distribution network is required for efficient product flow.

SCOPE OF THE STUDY

To gather the primary data for the study, customers in Telangana, where the survey was performed, were given a questionnaire. The purpose of the study is to ascertain how satisfied dealers are with Tata Motors Limited. The primary objective of the initiative was to increase "EFFICIENCY of SALES and DISTRIBUTION CHANNEL" for Telangana consumers of Tata Motors Limited.

OBJECTIVES OF THE STUDY

Essential purpose

To assess the role that dealers play inside tata motors limited.

Secondary Objective

1. To evaluate the efficiency of Tata Motors Limited's channels.
2. To increase channel effectiveness and learn what customers think about many aspects of the current market environment.
3. Providing guidance to Tata Motors Limited on how to create a successful channel strategy.

RESEARCH METHODOLOGY

The investigation's goals have guided the choice of an exploratory design. To link numerous components, the researcher also used causal analysis and a descriptive researcher design. Exploratory research mostly examines what is already known about a subject and concentrates on the analysis and interpretation of information that is currently accessible and readily available. When we utilise the data from three different sources—studying secondary texts, speaking with people, and thinking about a particular issue—this research is typically beneficial.

Sources of Information:

The following information was gathered for the researcher's study:

Primary Data:

In Telangana, this information was gathered via speaking with and questioning clients.

Secondary Information:

The firm is directly contacted for brochures, graphs, charts, papers, and other supplementary materials.

Data Collection Tool:

One tool for gathering data is this one. It enjoys some popularity, particularly for important inquiries. Businesses, researchers, public and private organisations, even the government, are embracing it. This procedure entails issuing a questionnaire to the relevant parties, asking them to complete it, and then requesting that they send it back. A questionnaire is a form or group of forms with a number of questions written or typed on them in a certain order.

The researcher utilised a structured questionnaire that included the following items on it:

Open-ended inquiries

Closed-ended inquiries

multiple-choice questions with a dichotomy

DESIGNING OF SAMPLING

To learn about their current satisfaction with and expectations for this brand, the researcher spoke with customers of Tata Motors Limited. The researcher chose the Tata Motors Limited customer base in Telangana.

Statistical Organize a sample size. The sample includes 100 consumers.

sampling technique: Every customer of Tata Motors Limited who purchases goods in Telangana is represented in the sample unit.

Sampling approach: A non-probabilistic simple random sampling approach is used to get information from clients.

TOOLS REQUIRED FOR ANALYSIS

The survey data have been thoroughly and thoughtfully examined using known and accurate statistical methods. The percentage approach is a crucial statistical method.

HYPOTHESIS

An element of study known as a hypothesis enables the researcher to forecast the future based on existing patterns. Any research endeavour must involve the creation of regulations for the system's enhanced performance. The researcher built the study's hypothesis based on the aforementioned idea across several phases of investigation.

LIMITATIONS OF THE STUDY:

The individuals in the sample that was selected are both overt and covert. As a result, there's a chance that the survey courts will have some errors.

The following errors might happen:

The respondents couldn't give correct information because the researcher is an absolute stranger to them.

Even if respondents' answers are ultimately erroneous, they may provide researchers with comforting information.

When completing the questionnaire, perceptions of values like status, omission of factual information, and difficulty expressing one's inner sentiments to an unknown researcher might lead to inaccurate findings in the opinion poll.

Because the sample size is tiny, the researcher might not have access to a perfect mix of respondents when conducting the opinion poll.

REVIEW OF LITERATURE

Philip Kotler is an American marketing author, consultant, and professor emeritus; the S. C. Johnson & Son Distinguished Professor of International Marketing at the Kellogg School of Management at North-western University.

The present day Indian economy is viewed a highly competitive and market oriented. At this state the success of any organization is totally depends on customer and his satisfaction only. So, every business organization should see that the customer "as sovereign of the market" who decides the fate of it. Hence, it is the responsibility of any concern to meet the requirements of customers from time-to-time with greater dynamism.

Customer satisfaction is totally intangible and its management is very crucial aspect on the part of the business entrepreneurs. Making such an intangible property in to tangible is great challenge among the various organizations. This depends on customer orientation, customer dynamism, tapping new avenues by the business unit, quality of the product, price of the product, proper supply of materials, timely ness in supply, effective channel of distribution, customer treatment, after sale service, product chi queens professionalism in marketing strong grand image, effective packing system, and continuous improvement in business and so on.

Market:-A market, in general, may be described as a place or geographical area where buyers and sellers meet and function, goods of services are offered for sale, and transfers of title of ownership occur. From the point of view of economics, a market is defined as "an aggregate of the potential buyers for a product or service". But, in practice, the term market is used to denote "anybody of persons who are in intimate business relation and carry on any extensive transaction in any commodity".

INDUSTRY PROFILE

The automobile industry is one of India's most vibrant and growing industries. This industry accounts for 22 per cent of the country's manufacturing gross domestic product (GDP). The auto sector is one of the biggest job creators, both directly and indirectly. It is estimated that every job created in an auto company leads to three to five indirect ancillary jobs.

India's domestic market and its growth potential have been a big attraction for many global automakers. India is presently the world's third largest exporter of two-wheelers after China and Japan. According to a report by Standard Chartered Bank, India is likely to overtake Thailand in global auto-export market share by the year 2020.

The next few years are projected to show solid but cautious growth due to improved affordability, rising incomes and untapped markets. With the government's backing, and trends in the international scenario such as the decline in prices of natural rubber, the Indian automobile industry is slated to witness some major growth.

Market size

For the calendar year (CY) 2021, all segments showed growth, and total sales increased by 5.8% to 18.49 million units, compared to 17.47 million units in January-December 2020. In CY21, passenger vehicles sales increased by 26.6% to 3.08 million units, up from 2.43 million units in CY20. The total number of commercial cars sold was 677,119, up 34% from 505,102 in the previous year. In FY21, the total passenger vehicles production reached 22.65 million vehicles. Two wheelers and passenger vehicles dominate the domestic Indian auto market. Passenger car sales are dominated by small and mid-sized cars. Two wheelers and passenger cars accounted for 81.21% and 14.56% market share, respectively, accounting for a combined sale of over 17.8 million vehicles in FY21. In January 2022, total production of passenger vehicles, three-wheelers, two-wheelers and quadricycles reached 1,860,809 units.

COMPANY PROFILE

The Tata group comprises over 100 operating companies in seven business sectors: communications and information technology, engineering, materials, services, energy, consumer products and chemicals. The group has operations in more than 100 countries across six continents, and its companies export products and services to 150 countries.

Founded by Jamsetji Tata in 1868, the Tata group is a global enterprise headquartered in India, and comprises over 100 operating companies, with operations in more than 100 countries across six continents, exporting products and services to over 150 countries. Tata Motors was established in 1945 under the Tata Group. It is among the world's leading manufacturers of automobiles with an employee strength of around 81,090. It was the market leader in commercial vehicles segment with about 36.32% market share in FY21. It is present in multiple segments like cars and utility vehicles, trucks and buses, defence vehicles, and electric vehicles. The company has extended its presence internationally through joint ventures (JV) like the strategic alliance with Fiat and Marco polo. Tata Motors is present in about 175 countries with research and development (R&D) centres in UK, Italy, India and South Korea. Tata Motors sold 30,079 commercial vehicles in January 2022. Every Tata company or enterprise operates independently. Each of these companies has its own board of directors and shareholders, to whom it is answerable.

TataSons is the principal investment holding company and promoter of Tata companies. Sixty-six percent of the equity share capital of Tata Sons is held by philanthropic trusts, which support education, health, livelihood generation and art and culture.

In 2020-21, the revenue of Tata companies, taken together, was \$103 billion (INR 7.7 trillion). These companies collectively employ over 800,000 people.

Each Tata company or enterprise operates independently under the guidance and supervision of its own board of directors. There are 29 publicly-listed Tata enterprises with a combined market capitalisation of \$242 billion (INR 17.8 trillion) as on March 31, 2021.

Companies include Tata Consultancy Services, Tata Motors, Tata Steel, Tata Chemicals, Tata Consumer Products, Titan, Tata Capital, Tata Power, Tata Advanced Systems, Indian Hotels and Tata Communications.

Sample Size

The researcher has done his research study on the dealers of Tata Motors Limited to know their present satisfaction and expectation from this brand. The researcher selected the dealers of Tata Motors Limited at Telangana for my research study.

Sampling Plan

Sample size: Sample size consists of 100 Customers

Sampling unit: The Sampling unit includes all the dealers of Tata Motors Limited products present in Telangana.

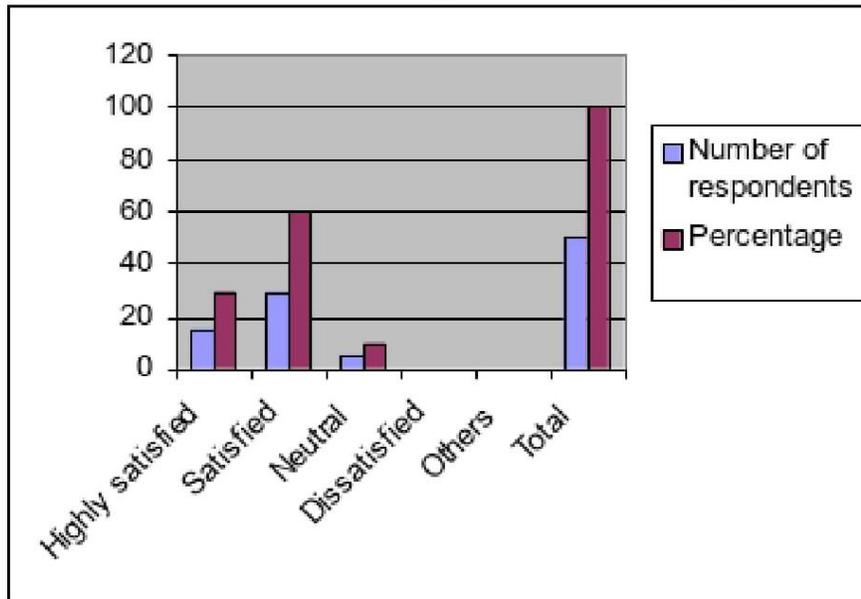
Sampling method: For collecting information from dealers and customers, simple random sampling method is used.

DATA ANALYSIS & INTERPRETATION

Table-1 Customers feeling about Company Image

Customers Opinion	Number of respondents	Percentage
Highly satisfied	30	30
Satisfied	60	60
Neutral	10	10
Dissatisfied	0	0
Others	0	0
Total	100	100

Graph 1: Customers feeling about company image

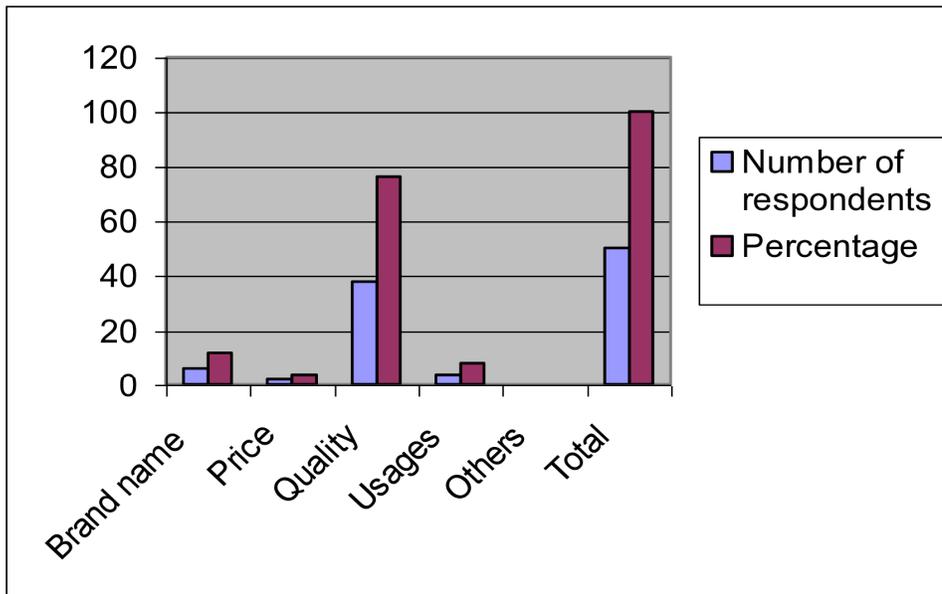


INFERENCE: While 30% of dealers expressed tremendous joy with the company's image, 60% of dealers expressed moderate happiness. Only 10% of dealers said they were happy with the company's image.

Table2: To know on which aspects the customer gets more satisfaction

Customers Opinion	Number of respondents	Percentage
Brand name	12	12
Price	4	4
Quality	76	76
Usages	8	8
Others	0	0
Total	100	100

Graph 2: Knowing on which aspects customer gets more satisfaction

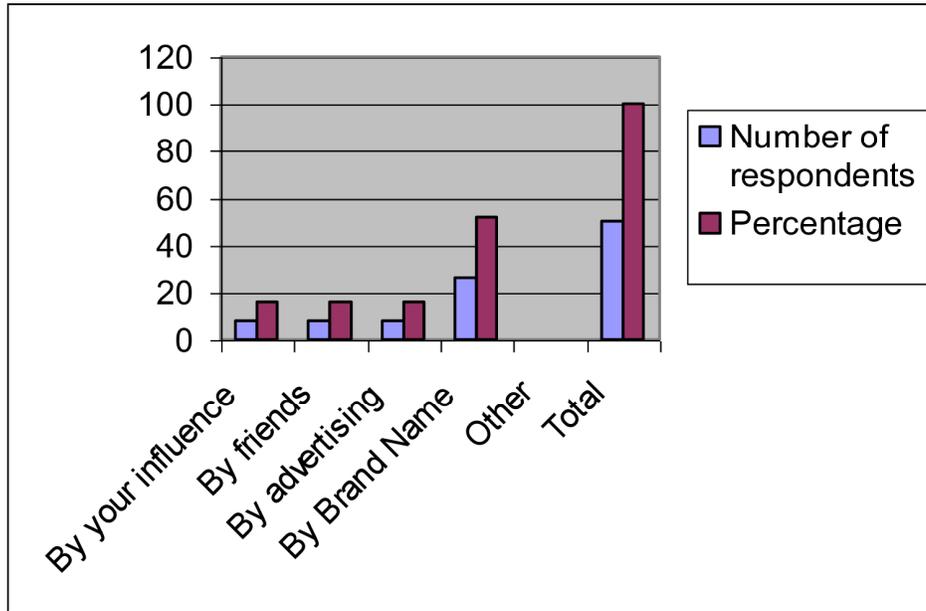


INFERENCE: The majority of respondents choose quality first, followed by brand name, product, usage, and price.

Table-3 Customers come to Shore-room

Customers Opinion	Number of respondents	Percentage
By your influence	16	16
By friends	16	16
By advertising	16	16
By Brand Name	52	52
Other	0	0
Total	100	100

Graph 3: Customers come to Shore room



INFERENCE: According to the aforementioned chart, dealers and advertising come in second and third when it comes to how many people enter retail outlets as a consequence of the impact of the Tata Motors Limited brand.

FINDINGS

- Compared to dealers, who generally have between 7 and 8 years of experience, fewer merchants have more than 12 years of experience.
- The majority of clients are merely satisfied with the company's reputation; the rest are either unconcerned or extraordinarily pleased.
- Most consumers are satisfied with the product's quality, however brand preference, applications, and cost come in second and third place, respectively.
- Most people claim to exclusively purchase from specific brands. Advertising, his business partners, and friends all had an effect.
- All the merchants claim that it is easy for them to deal with clients and sell the goods.
- The vast majority of consumers claim they have never experienced supply scarcity issues.

SUGGESTIONS

Fewer merchants have more than 12 years of experience compared to dealers, who typically have between 7 and 8 years.

The majority of customers are normally happy with the reputation of the business; the rest are either uninterested or highly happy.

Even if pricing, applications, and brand preference stand in second and third place, respectively, most consumers are happy with the calibre of the product.

Most consumers assert that they only buy from particular brands. His friends, business associates, and advertising all had an impact.

All of the business owners believe that marketing their products and doing business with customers come naturally to them.

Supply constraints, according to the great majority of clients, have never been a problem for them.

CONCLUSION

Majority of the Customers satisfying with the supply from the company and very few members satisfied, dissatisfied.

All the Customers were saying the entire floor space were providing only for goods storing purpose.

Majority of the Customers satisfied with the mode of dispatch by the company. And few members were moderately satisfied, highly satisfied.

Majority of the Customers they estimate the demand for various products by the orders and followed by seasonal base and past sales.

All the dealers were saying they do not face any difficult in dealing with the company.

Majority of the dealers were saying about the fright it incurs 2% to receive goods from company to your stock point.

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