

A Study of Growth of Consumer Innovativeness in Automobile Industry in India

Allabhakshi Aani^{1*} Dr. Sunita Jain²

¹ Research Scholar, Swami Vivekanand University, Sagar, MP

² Department of Economics, Swami Vivekanand University, Sagar, MP

Abstract – India's car industry is one of the world's largest and constantly growing industries. In the initial phase, the Indian automobile industry followed and influenced Western trends and technologies. However, the Indian car industry and market can generate its own uniqueness during the recent period. New product launches on the Indian market have recently aligned themselves more with the requirements of Indian customers than with product launch or configuration on Western markets. Home-grown car manufacturers and MNCs make significant efforts to innovate products that meet Indian customer requirements. However, the automobile industry will have to do more to achieve success in the Indian car market than the current level of effort and innovate more. Innovative consumer behavior depends on Consumer innovatively. Innovativeness of the consumer refers to newness consumption. Since its launch in the late 18th century, the automobile industry has seen the Innovative. Many innovators have not even seen the light of production in the automobile industry. However, it often takes time to get the consumer accept the one that reaches the market. It further describes in Dharwad district in Karnataka state, the innovative automobile industry. The consumer behavior with each Innovative can be seen to be different. There are several innovative features in the cars that were built by design. But in India this is not the case. In India, the importance to advanced technology and safety is not yet understood. This represents the dedication of the state to further growth in the automobile sector and to be the largest Karnataka's automobile Industrial in India.

Key Words: Growth, Consumer Innovativeness, Automobile Industry, India, India's car Industry.

-----X-----

INTRODUCTION

The current research is a study of trends in Indian automobile sales and innovative inspiration. The first car: In 1886 the three-wheeled, self-propelled vehicles-Motorwagen AG-received German patent number 37435. The first car ever changed how people move and excited the legacy of innovation that continues to this day with its single-cylinder rear-mounted motor. In Germany and France, the blueprint for modern cars was perfected in the late 1800s but in the first half of the XXth century, the industry was dominated by North Americans. Henry Ford has since developed mass automobile manufacturing techniques, which sets standards for modern car manufacturing. As the Big Three Automobile Industry of the 1920s in the world, Ford, General Motors and Chrysler emerged. Innovative products and production technologies have become gradual rather than dramatic, with market saturation coincidence on technological stagnation. During the 20th century, each area of the trinity — North America, Europe and Asia — contributed significantly to processes, products and organization. Together,

these innovators have formed the existing automobile sector's competitive structure. The car industry has emerged in several stages, beginning at Henry Ford's idea of moving assembly line, and (3) lean manufacturing, initiated by Toyota Motors in its 1950s, through a cycle of mass production using a variety of different features such as (1) Simple crafts / wagon production (1890-1908), and (2) mass-production vehicles with safety features and comfort features (1908-1973), Product Innovative products were developed for the automobile industry, although product positioning is a key strategic variable for car manufacturers. The global car industry has changed the movement of the human race. "Mobility on this planet in today's world without car appears unthinkable and unlikely. The world of cars is evolving as well. There is a shifting market room and consumers demand more automobile plausibility now. Cars first ran on the road in India about 1897 and only in very few number were imported until the 1930s. When Hindustan Motors set up and introduced — Ambassador A Model — in 1940 the Indian car industry emerged. Around 1942, their long-standing

competitor, Walchand, and FIAT launched their first Premier model. Mahindra and Mahindra started to produce Jeep commercial vehicles in 1945. Indian cars have evolved in several phases and, after the 1984 launch of Maruti Suzuki's Maruti 800 car, there has been a real boost in this industry. The Indian government Joint Ventures with Suzuki Motors, Japan, have established Maruti Udyog Limited, a modern supply chain and new quality standards. The automobile industry today in India, following an increase in 8.68 percent over the past year, is one of the largest in the world with the annual production of 23.37 million cars in fiscal 2014-15. 7.1% of the national gross domestic product (GDP) is accounted for by the automobile industry. The automobile industry is transformed from necessity to necessity to personification. The development of manufacturing was fuelled by innovative and technological developments.

Innovative concepts, artifacts and methods are described by Rogers (2003) as novel by consumers and users. Any entrepreneurial endeavor has creativity at its heart. Every corporation owes its establishment a novelty, at least as regards its business competitors. Innovative factors are the key drivers of global economic development and productivity. Innovative has become an important tool for companies' survival and a tool to promote competition. Innovative can enable companies to improve their market share, build their brand's prominence, advance competition, create breakthroughs and attract more clients. However, the technological development of sustainable development is not enough, it also means understanding market needs, having market oriented products that offer quality improvements and/or services that are supported, efficient arrangements and cost-controlled production in time. Thus, Innovative becomes increasingly extensive and a tool.



Since these cars were first invented, there has been an unprecedented amount of creativity in the automobile industry. In the ever-moving cars of Revolutionary cars linked to alternative powerful engines, navigation systems and safety, the list of automobile technology improvements has been implemented for nearly a decade. A large amount of

technology. The automobile industry is very incremental, which leads many to say that the car is the most technologically advanced product ever purchased by most customers. Innovative products have become critical to the survival of companies and an instrument for protecting competitive advantages. It can enable innovatively companies to improve their market share, to develop their brand's prominence, to move forward with competition, to create breakthroughs and to attract more customers (Mu et al., 2009). But technological progress for sustainable development is not enough, and it means an understanding of market necessities, the provision of better quality and/or supported services by market-oriented products, the efficiency of arrangements, the production in time to control costs. Thus, Innovative becomes increasingly extensive and a tool. It is a panacea to current shifts in politics, culture, the environment and the economy.



In 2002, Garcia and Calantone recognized countless definitions of innovative from literature, resulting in some kind of ambiguity in the use of this concept but still contributing to the slowness of the field's knowledge development. In addition, they argue that it is important that they are classified to gain a better understanding of the evolution processes of different types of innovation. The OECD manual Innovative technology covers: "The innovative process is an iterative process initiated by a perception of new market and/or service opportunities for technology-based creation that leads to advances, produces and marketing tasks for the commercial success of discovery." They also note that a technology assessment as innovative needs to be linked both internally and outside to existing technology. The new concepts are used in the same vein in the Oslo Manual (OECD, 2005).

In Science Fiction works, it has been thought of and talked about since the 19th century, shortly after automobiles have been invented. The fictitious idea of the flyer car was the most irrepressible of these legends, a term that is more common in scientists' tales. The world is still developing a mass-produced flying car but since those vehicles were first developed, a tremendous amount of Innovative has occurred. In the ever-

evolving car Innovative technologic linked to alternative powered vehicles, navigation systems and security have been introduced in almost a decade as a top list of improvements to car technology. The automobile industry is very incremental, which leads many to say that the car is the most technologically advanced product ever purchased by most customers. The industry is moving from a mechanical field to a software-based industry. Some people would argue, indeed, that the industry is moving from a focus on transport to a technological focus (Reuters, 2015). Change drivers and automobile technology development are often sub-sets of much broader issues affecting not just automobile industry but other operations and enterprises. Such broad issues include health and safety, environmental and pollution control problems, climate change, and potential and actual resource scarcity. The level of priority given to any one of those issues varies over time (Flink, 2013).

REVIEW OF LITERATURE

Niranjan Tomar (2016) The Indian auto industry's historical development is briefed as follows: "The journey on mechanized transport had begun with the invention of a wheel in 4000 BC. Since then, he has also tried to formulate a work-saving technology to replace the pet. In the early 1760s, countless attempts were made to complete the building of Nicolas Jacob Cugnot, the first steam-driven tractor. In 1885, however, Karl Benz and Gotthieb Damlier used internal combustion engines to drive their first vehicles. The petrol engine was then introduced, making the car a safe and convenient offer. The cars were more like cars today at that time and speed with automobiles. India has also come far between the bullock cart's singing rhythm and jet age. The first motorcycle rode down the roads of India in 1898. Around 4 000 cars were exported from foreign manufacturers directly to India from then until the First World War. The increased demand for these vehicles established the Indian markets' inherent requirements, which these traders quickly met. Initially, in 1942 and 1944 the Hindustan Motors Ltd was established; in India the Premier Automobile Ltd. (PAL) was established.

Nutan Kriplani (2015) Submitted on the net a report on the car sector called 'The Indian Automobile Market.' This report provides an overview of India's automobile market with relevant data on structure and scale, rate of growth, key players, main challenges, constraints, foreign trade and an indication of future prospects. The auto industry is one of India's largest industry and a core sector of the economy according to this report. From 1991 the Industrial Car Industry started its journey by delicensing the sector from the State and then immediately opening FDI to 100%. Since then, many major worldwide companies have established their facilities in India, from 2 million in 1991 to 9,7 million in 2005-2006 and 11,18 million in 2008-2009. The

access of global automobile manufacturers to India has changed the automobile industry in India considerably.

Kerin, Roger A. & Peterson, R.A. (2015) "Until the mid-1990s, in India, the automobile Industry consisted of a few small local businesses with outdated technology and the country's Automobile industry future, despite entry into the market by international operators. However, some of the world's major companies moved into the sector, with Hyundai, Honda, Toyota, General Motours, Ford and Mitsubishi establishing their factory by 2002, after it was opened for foreign direct investment. In its four to five years, several domestic and international models for passenger vehicles, multi-user cars (MUV), commercial and two-wheelers have been introduced in the country, and production of all types of vehicles have increased robustly. In addition , India also emerged as a major outsourcing hub for automobile components and auto engineering, rivaling Thailand, thanks to its low cost , high-quality production. German car maker Volkswagen AG also looks forward to coming into India.

K. Rajalaksmi and T. Ramchandaran6 elobrate, (2016) FDI (International Process Increase Increased Foreign Investment Increase (IFI) is a mechanism in which the citizens of one country (the country of origin) accept the properties in order to monitor the manufacture, the profits and other operations of a company in another (the host country). as medium-sized masses strive to own a car, as well as plenty of primary and cheap labour. The policy of FDI facilitates the entry of international players in India. FDI policy makes it easy. Various manufacturers find India a hub for the production of small cars which CARE Research believes will contribute to our country's car exports.

Dr. A. B. Lal (2016), A DEA, Senior Federal Deputy Headquarters in Meerut and an International Finance Scholar of CCS University, outlines the FDI 's significance in the Indian Liberalized Region, warning about the vaporizedness of the FDI. In order to achieve higher levels of economic growth in development, FDI is seen as a way of adding to domestic investment. The FDI benefits from domestic and customer technical advantages, the access to expertise and practices of global managers, optimum use of the natural and human capital, the competitiveness of international India industries, the opening up of export markets, retroactive ties and exposure to quality, foreign services and goods. FDI is essential to India's penetration into the global supply chain, including manufacturing by multinationals around the world.

K. Janardhanam, Nirmala M. & Pratima Pandey (2011) In these words, FDI expresses the importance to India of "international capital flows have substantial potential economic benefit all over

the world. Countries with sound macroeconomic policy and good institutions are better placed to benefit from challenges faced by international capital flows and reduce them. Many of these flows are attributed to the exchange of commodities or bonds. FDI is for foreign investment by issuing / transferring shares to foreign direct investors of Indian companies from shares or preferential shares. Throughout recent years, FDI has been a popular destination for investors from the United States and many others. FDI served both the Indian and Third World market in services and manufacturing, thanks to its rapidly expanding economy, low-wages and highly skilled workforce.

Chandan Chakraborty and Peter Nunnenkamp (2012) In their study "Economic reforms, FDI and its economic impact in India," FDI evaluates the growth implications of FDI in India under the co-integration framework panel, specific FDI and output data. The growth effects of FDI are shown to differ greatly from one field to another. In the manufacturing industry, FDI inventories and output are mutually strengthening. In sharp contrast, in the primary market, there is no causal connection. The most notable study found that FDI only had temporary effects on service efficiency, which attracted the bulk of FDI in the post-Reformation period. These FDI – cultivation relationship differences suggest that it is unlikely that FDI will perform miracles in India if it only relaxed the remaining regulations.

Basu, Nayak and Vani Archana (2012) FDI examines the the implications of FDI in India, under the co-integration system panel, relevant FDI and output data in their study entitled "Economic reforms, FDI and its economic impact in India." There are important variations in FDI growth effects between the fields. FDI inventories and production are mutually reinforcing in the manufacturing industry. There is no causal link in sharp contrast in the primary sector. More surprisingly, the study only noticed transient effects on service production from FDI, which attracted the bulk of FDI during the post-reformation period. These FDI – Cultivation Relation differences suggest that FDI in India is unlikely to perform miracles unless otherwise regulated.

Jyoti Tripathi Shukla (2011) Discuss with the aid of points the key milestones of the FDI Indian Automobile industry. The Automobile industry made India an important place to begin business in India for many foreign motor operators. The vehicle industry in the Indian economy was identified following liberalisation as a sunrise industry which saw tremendous growth.

GROWTH OF THE AUTOMOBILE INDUSTRY

The sector is rising in clusters. The Automobile industry is rising in clusters. There are four major clusters in the auto industry in India. Gurgaon and Manesar in the North and around the North of India,

Bangalore and Hosur in South India are Pune, Halol and Aurangabad. It's in New Delhi and around it. East India, Jamshedpur and Kolkata. In India and India. There are, of course, several production facilities in many other parts of India, but these four clusters are expected to become the main hub of car production. Initiatives to develop the auto cluster are underway by the Government of India (GOI). For instance, the GOI plans to set up the Institute for Specialized Education and Training in the car industry in its 11th Five Year Plan (2007-2012). In these clusters, steps will also be taken to increase transport, communications and infrastructure facilities. The following is a short overview of these clusters in countries with key automakers and more automakers to develop facilities.

KARNATAKA –According to the Confederation of Indian Industry (CII), One of Karnataka's key industries is the automobile industry. The state's automakers are present mainly in Bangalore, Hosur and Dharwar, the capital of the state. The state is home to large automobile manufacturing firms, such as Toyota, Volvo and Tata Motors. Some of India's largest automakers have been geographically dispersed and have shown the Eastern cluster to be the smallest of four. Nevertheless, there are hopes that certain financial reforms will contribute to the construction of a large car hub. In western Bengal, for example, Tata Motor was created by Tata Motors, one of India's most significant manufacturers, a big, highly successful vehicle near California. The Tata Nano was manufactured by the company. Now in Gujarat, the factory has moved to Sanand due to political turmoil. The success of the car would contribute to the growth of the area as a car manufacturing cluster.

MAHARASHTRA – The State is located in western India and has a well-developed Automobile industry that employs over 40% of India's total workforce. In fact, once, the state of Maharashtra was called the Detroit of India. The cluster is clustered in and around the cities of Nasik, Pune, Aurangabad and Nagpur. The administration attracts both domestic and international producers. Some of the major companies in the country include Skoda, Tata Motors, Mahindra and Mahindra, Bajaj Auto and Mercedes-Benz.

TAMILNADU – The state is located on the coast in the south-east of India. There are numerous major automobile companies and around the State Capital, Chennai, is located the automobile cluster. After Maharashtra, experts in industry now call Tamilnadu the new Indian Detroit. This is one of the top three motor hubs of Asia which the State Government intends to transform. Big investments are being made by companies such as Ford, Nissan, Renault, Ashok Leyland and Hyundai, among others.

HARYANA – This state lies in the north of India. The Automobile industry is possibly India's largest industry, with Haryana ranking first in India in passenger vehicles, motorcycles and tractors. Haryana comprises 50 percent of India's overall passenger car and two-wheelers. Maruti Suzuki, market leader, is based in Haryana from Gurgaon and Manesar. Together with the other two large wheelers firms, Yamaha and Escorts, Hero Honda is the largest two-wheeler manufacturer in India.

CONSUMER INNOVATIVENESS

Innovation can at least be defined as an inaccurate marketing phenomenon. Organizational innovation or "newness building" is the ability of the company to quickly produce and launch novel products. Innovativeness of the product is the degree of innovation of the product. The tendency to buy new goods more often and more rapidly than other people is market creativity, or 'consumption of newness'. With regard to consumer innovation, the word "innovativeness" will be only used. The importance of creativity is not fully accepted. It is an early purchase of a new product, but a propensity for new products to fascinate. According to the distinction between current and innate innovation made by Midgley (1978), most authors still consider innovativeness a characteristic. Innate innovation is a "predisposition to buy and retain previous choice and consumers' patterns instead of products and brands". Midgley (1978) makes a clear distinction between innate innovation; a characteristic of all people and actual innovative behavior. In the definition of innovation, there is no consensus. The concept is defined by its principal consequence, from the "inherent search for new products," with consequences other than the purchasing behavior of new products, to "predisposing for new products" through "independent decision making."

CONSUMER RESISTANCE TO INNOVATIVE

Innovative consumer resistance is an extraordinary case of general change resistance. Resistance can be broadly defined as an aversive motivational status, which starts as individuals feel that their preferences are susceptible and direct their views and procedures to recover their susceptibility. The resistance of consumers to innovation is shown in a variety of forms. Innovative resistance happens passively most of the time. Consumers are not necessarily creative and intentionally encourage innovative acceptance. Numerous drives for the passive resistance to innovation are distinguished in literature. Passive resistance may initially be the product of action. "Most powerful determinant of the generation of resistance" is used unique human tendency is to strive for uniformity and status quo rather than accept new conducts. This nepotism in the status quo makes consumers more important than innovative product rewards. Moreover,

innovative products can be seen from the literature in comparison to the previous product. Every upgrade compared to those products is analyzed and all shortcomings are treated like losses. In comparison to comparable volume gains, losses are underestimated; however, prospective losses are more closely seen when taking an innovative step than future gains. Every information consumers are open to elements may be another driver of passive resistance. A physically strong decline to accept Innovative in the second case of rejection involves. For example, rejection occurs in that an innovator is in conflict by means of an affordable faith or in the development of a disincentive figure for the innovation. In addition, the extent of the supposed hazard linked to the use of an innovator is one of the main obstacles which increase Innovative rejection. The perceived threat constitutes the unilateral opinion of a consumer regarding the penalty and the outcome of an innovator. Risk appears as a multi-dimensional structure consisting of various kinds of losses: The performance loss, the time and convenience are financial, physical, social, and psychological. Finally, Innovative could not just be rejected, but could also suggest Innovation that consumers use strategies to prevent innovation, such as complaints and boycotts. The term conflict is used as this type of resistance. These behavioral answers frequently limit consumer anxiety to current business practices and the collective confrontation between Innovative and Innovation. This type of consumer resistance could be different from boycotts-like group practices, complaint-like processes, cynical rumors or switching acts. This definition does not contradict the concept of adoption, but this concept of adoption pushes the customer towards resistance to innovation. It is important for different organizations also to identify the important factors that have led the consumer to be resistant to Innovative, not only in terms of consumer characteristics. This definition is also important to understand the trend of the consumer market failure of new products.

INNOVATIVE AND THE PASSENGER CAR SALES

While hundreds of innovative products are launched annually, many appear closer to in-line extensions that will at most convince consumers to change brands within a category of products. Innovative means that people are thinking about a new product. Innovative is in reality an effective way to profit financially and competitively. Big and disruptive Creative without doubt order a premium and build categories of expenditures from customers that can buy similar products that can be referred to as category expansion. The creative can, however, be incredibly disruptive in nature, so that sustainable demand really can be met and the customer base can be expanded in this specific category for life. It is indeed worthwhile to produce

completely new products, taking into account unmet consumer needs. Similarly, in the second half of the 20th century the automobile industry saw a multitude of advances that formed the car industry that we are currently familiar with. Although the Revolutionary was initially more isolated and single in nature, it eventually became more systemically apparent on the whole vehicle. Innovative but also beneficial for the human race and the vehicle were not always open-minded. The Innovative might either obtain the money involved in purchasing this Innovative product, or the practices of buying the well-known product, which are readily accessible on the market, were other factors. Innovative technologies have played a significant role in the world's growing automobile sales. The following table of shows the number of cars registered globally with reference to that particular year. The data collected is from 1960 to 2015.

Table- 1

Year	Car sales in Million	Reference
1960	122	(Dargay, Gately, Sommer, & Sommer, 2007)
1968	170	(Elert, n.d.)
1970	250	(John Sousanis, 2011)
1985	375	(Elert, n.d.)
1986	500	(John Sousanis, 2011)
1997	600	(Errol A. Gibbs & Philip A. Grey, 2011)
2002	812	(Dargay, Gately, Sommer, & Sommer, 2007)
2009	980	(John Sousanis, 2011)
2010	1015	(John Sousanis, 2011)
2014	1200	(Voelcker, 2014)
2015	1272	("Sales Statistics OICA," 2016)

When these details on the selling of passenger cars from various sources are superimposed on Dannenberg and Burgard (2007) technical roadmap, they provide a good picture of the relationship between innovation and automobile sales. In 1960 there was very little demand because the cars had nothing to sell in comparison. The selling of the cars increased dramatically over a period of time. Improved sales were driven by factors such as passenger safety in the car, improved comfort, a stronger driver and hybrid driving for greener environments. The car's multimedia, audio or video, was enjoyed by customers. Nevertheless, each of these innovators took their own time to be adopted worldwide. From 122 million cars across the world in 1960 the population of cars reached nearly 1.272 billion in 2015.

CONCLUSION

Innovativeness in the consumer refers to newness consumption. Consumers worldwide and in India will begin to understand the value of advanced technology in their vehicles. Security is no longer part of a luxury car and you and your vehicle are protected from preventable mishaps with safety characteristics. The Indian market remains unreliable, and therefore car firms should invest sufficiently in raising awareness of these innovative cars. In science fiction it has been imagined and

talked about since the end of the 19th Century, shortly after the cars were invented. The intriguing aspect of these legends was the notion of a flying vehicle, a term seen more often in science fiction tales. While the world is not producing a mass-produced flying car, since such vehicles were initially developed, there has been a significant amount of advancement in automobile industry. In the ever evolving car Innovative combined with alternative powered vehicles, navigation systems and safety, a substantial amount of technology have become part of the automobile technology improvement list since almost a decade. The automobile industry is incredibly innovative, leading those in the sector to say that the automobile is the most highly technologically developed vehicle ever to be purchased. The industry is moving from a mechanical field to a software-based business. Nonetheless, some argue that the industry is moving from a focus on transport to a focus on technology. In certain cases, drivers of the car industry's transition and technology advancement are subsets of far broader issues that impact not only the automobile industry but others.

REFERENCES

Niranjan Tomar.; Automobile Industry-Challenges and Choices; Kanishka Publishers and Distributors, New Delhi; 2016; P. 32.

Kerin, Roger A. & Peterson, R.A.; Future of Automobile Sector in India; Allyn & Bacon, Inc, Boston 2015; P.86.

Dr. A. B. Lal; Impact of FDI on Automobile Sector of India; An article published in the souvenir of National Seminar held on S D College, Muzaffanagar; 26-27 Nov., 2015; p.p. 17-19

K. Janardhanam, Nirmala M. & Pratima Pandey; FDI Practices in Automobile Sector; International Journal of Marketing and Technology, USA; Volume 1, Issue 1, July, 2011; p. 32

Chandan Chakraborty and Peter Nunnenkamp; Economic Reforms, FDI and its Economic Effects in India: (2012)www.iipmthinktank.com/publications/archieve.

Basu P., Nayak N.C, Archana; Foreign Direct Investment in India:Emerging Horizon, Indian Economic Review, (2012) Vol. XXXXII. No.2, pp. 255-266.

Jyoti Tripathi Shukla; FDI Inflows to Automobile Industry in India Article published in the book named Challenges of Globalization - Strategies for Competitiveness Published

by Macmillan Publishers India Ltd.; , New
Delhi; 2011; p.p. 19

Corresponding Author

Allabhakshi Aani*

Research Scholar, Swami Vivekanand University,
Sagar, MP