

A STUDY ON CONSUMER BEHAVIOUR WITH REFERENCE TO PETROL PRICE HIKE

Submitted in partial fulfillment of the requirement for the reward of

Master of Business Administration

By

MOHANALEELA.A

39740148



DEPARTMENT OF BUSINESS ADMINISTRATION

SCHOOL OF MANAGEMENT STUDIES

SATHYABAMA

INSTITUTE OF SCIENCE AND TECHNOLOGY

(DEEMED TO BE UNIVERSITY)

**Accredited with Grade “A” by NAAC | 12B Status by UGC | Approved by AICTE
JEPPIAAR NAGAR, RAJIV GANDHI SALAI, CHENNAI -600 119**



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SCHOOL OF MANAGEMENT STUDIES

BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of **MOHANALEELA. A** (39740148) who has done project work entitled **A STUDY ON CONSUMER BEHAVIOR WITH EREFERENCE TO PETROL PRICE HIKE** under my supervision from December 2021 to February 2022.

Dr. P. PARAMASIVAM

Internal Guide

External guide

Dr. BHUVANESWARI. G
Dean, School of management Studies

Submitted for Viva voce Examination held on _____

Internal examiner

External examiner

DECLARATION

MOHANALEELA.A (39740148). Hereby declare that the project report entitled “A STUDY ON CONSUMER BEHAVIOUR WITH REFERENCE TO PETROL PRICE HIKE” done by me under the guidance of Dr. PARAMASIVAM P , MBA , MPhil, PhD. Assistant Professor, School of Business Administration is submitter in partial fulfillment of the requirements for the award od Master of Business Administration degree.

DATE:

PLACE: CHENNAI

MOHANALEELA A

ACKNOWLEDGEMENT

I am pleased to acknowledge my sincere thanks to the Board of Management of SATHYABAMA for their kind encouragement in doing this project and for completing it successfully. I am grateful to them.

I convey my sincere thanks to Dr. BHUVANESWARI G, MBA., Ph.D., Dean, School of Business Administration and Dr. PALANI A, M.Com., M.Phil., M.B.A., Ph.D., Head, School of Business Administration for providing me necessary support and details at the right time during the progressive reviews.

I would like to express my sincere and deep sense of gratitude to my project guide Dr. PARAMASIVAM P, MBA, MPhil, PhD, Assistant Professor of the Department, School of management for his valuable guidance, suggestions and constant encouragement paved the way for the successful completion of my project work.

I wish to express my thanks to all Teaching and Non-teaching staff members of the School of Business Administration who were helpful in many ways for the completion of the project.

MOHANALEELA A

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ABSTRACT

This study presents a study on consumer behavior with reference to petrol price hike. India being one of the largest and growing consumers of energy in the world has been relying heavily on crude oil for its production of energy and consumption purposes. The growing demand and increasing fuel prices have always been can issues for the general public. This study aims to understand the causes and impacts for the rising prices in recent times that have been influencing the economy as whole and provide solution to cope with this externality.

Fuel is a substance such as coal, oil, or petrol that is burned to provide heat or power. Fuel is any material that can be made to react with other substances so that it releases energy as heat energy or to be used for work. Descriptive research has been used for the purpose of the study.

This study about the perception of public on fuel price increase is done on descriptive research method with sampling done by convenient sampling under now probability sampling. The study is focused on public numbering up to 86, public around Thoothukudi who was affected due to fuel price increase.

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CHAPTER -1

INTRODUCTION:

1.1 Introduction:

Energy has been a controversial topic since decades with the question of how long can we survive by depending on the existing sources of energy. One common and influential source of energy is fuel the major sources being fossil fuels, diesel and various array of chemical compound fuels. The recent dependence on fuels, especially fossil fuels is on a high time rise and has been shaping the global economy.

Fossil fuels such as coal, petrol, and diesel have been impacting human lives in terms of rising prices, supply of these fuels, global warming, increased expenditure patterns and need to finding reliable alternatives of these fuels. This is the common context all over the world especially in India, newspapers and notifications in our smart phones have been inundated with the never ending news of the rising prices of Petrol and Diesel in India. While a very few people went unscathed by this development, the majority of Fuel consumers of the country, flinched on the news of surging fuel prices. Since the middle of 2021, petrol and diesel prices were on an accelerating pace of hike and it touched close to 108 rupees in Chennai. The bandwidth of causes attributed towards this rise in price oscillates from Inefficient Government policies to fall in Rupee Value and even Global Political strategies advanced by US on sanction against Iranian Oil import. While no relief seems to have come to the Fuel prices in India, the situation isn't altogether better for any of the neighboring countries like Pakistan or Sri Lanka either. A lot of public outcry over this conundrum has been expressed through various

petitions as well through tweets and other social media channels. At this point of time, it is imperative to have a close look into the major reasons of this Fuel Prices - the causes; as well as how people are affected by this - the impact.

1.2 Scope of the study

- The scope of this study is to analyze the economic impact of increase in petrol price towards change in consumer behavior.
- Also this study has been carried out to know the impact of petrol price towards inflation and growth of country's economy.
- The study helps the respondents to disclose their opinion and view above the increase in fuel price.
- The study helps to know the customer's attitude and satisfaction level of increase in fuel price.
- The study result will be great help to the researcher to know how they are affected due to increase in fuel price.

1.3 Need for the study

- To understand about the status of fuel price.

- To identify the relationship between the preference of vehicle and income of the respondent.
- To analyze about the opinion about more usage of the vehicle.
- To find out the reasons for increase in fuel price.

1.4 Objectives

- To know the customer attitude toward the hike in price of petrol.
- To know the changes in buying behavior of the customer after the price hike.
- To know the consumers awareness level about daily price change on fuel
- To find out challenges faced by the customers due to daily price change on fuel.
- To study the effects of price hike on the purchase behavior of customers.

CHAPTER -2

2.1 REVIEW OF LITERATURE

(Bhattacharya & Batra, 2009) In this research paper, the author attempts to investigate with International price of oil in impacts the domestic inflation and output growth in India. The study focuses on two main instances for the investigation first when fuel prices are directly proportionate to the international fuel prices and second instance is the current situation where the fuel prices are dependent on the government policies revised every now and then.

(V.Sivakami priyadharshini, 2015) In this study the author attempts to research the impact of fuel price hike on consumer. It affects the ultimate consumers because the price hike is directly change by the fuel manufacturing companies to the shoulder of the ultimate users. This price hike affects all range of people, especially who are in middle class. Hence, an attempt is made to access the impact level towards the raise in price of fuel.

(M.K Anand, 2016) This articles particularly talks about the impact the rising fuel price have in the economy particularly that of the agriculture sector. It analyses deeply on the implications of these persistent rise both direct and indirect. The finding of this research has stronger implications than commonly recognized; for inflation cost and cost of implementing the policy on food security.

(Nishi Bhandari,2018) In this research paper a study on demand an supply related to the petroleum consumption all over India. This research paper includes the factors that affect the demand and supply of oil and petroleum consumption. The future of

petroleum will be very disastrous and there will not be any petroleum product left for the welfare of the future.

(R.Thilagavathy, Dr.Sreeya.B, 2019) The study is about the public opinion on fuel price. Fuel is a substance such as coal, oil, or petrol. Descriptive research has been used for the purpose of the study. Almost 45% of the respondents prefer petrol vehicles and 43% prefer diesel vehicles. The conclusion of the study is people need to reduce the usage of the fuel.

As mentioned earlier, the bulk of the literature that focuses on oil shocks have come to focus on general macroeconomic activities. Since Hamilton (1983) found a Granger-causality relationship between oil price changes and several macroeconomic variables, numerous papers have focused on the links between oil shocks and variables such as stock market, international trade, GDP growth, and net export. (see Bjørnland (2009) Jiménez-Rodríguez & Sanchez (2005); Mehrara 2008; Kilian et al 2010)

The study by Blanchard (2007) for example, finds that the oil shocks differ in their impact on general macroeconomic performance and compares the shocks during the '70s against the ones observed at the beginning of the 21st century. Blanchard argues that factors such as smaller share of oil production and stronger independent central banks in advanced countries are the main why the relationship has weakened.

However, since most of the literature focuses on the impact of oil shocks on general economic activity, another branch of research has come to direct their attention towards household consumption. The work by Mehra and Peterson (2005) and Kilian (2008) studies the effects on household consumption from unexpected oil price changes.

In the study by Mehra and Peterson (2005), they develop a model based on the life-cycle model of Consumption (Modigliani and Brumberg 1954). Their study is based on data from households in the US, an oil-importing country, and identifies the direct effects of oil price shocks in the model. By including income, wealth and interest rate

with a Vector Error Correction model, they find that oil shocks don't have any effect on household consumption in the long-run but that the effect is significant in the short-run. Furthermore, by using "net oil price increases" and "positive oil price increases" as proxy's for oil shocks, they find that the relationship is negative which is line with earlier results. Extending their work, Zhang and Broadstock (2014) exclude interest rates in their model and find a similar negative relationship for the countries in the ASEAN region.

Since Mehra and Peterson (2005) are one of the pioneers to put consumption under an empirical macroeconomic context, this paper will closely follow the same approach proposed in their study. However, since the findings considering this relationship mainly covers oil-importing countries, some economic intuition based on the work by Jiménez-Rodríguez & Sanchez (2005) and Bjørnland (2009) will be addressed to highlight how household consumption behave when an oil-exporting economy is exposed to an oil price increase.

Moving away from the literature looking at the effects of oil shocks in importing countries.

Jiménez-Rodríguez & Sanchez (2005), by using a VAR-model, investigate the relationship between real GDP and Oil shocks in 7 OECD countries, where UK and Norway act as exporting countries. In their study, they find that all countries, except Norway, experience negative growth in GDP level following an oil price increase. Norway however, experiences a positive

GDP growth following an oil price increase. Jiménez-Rodríguez & Sanchez (2005) finds that the UK appreciation rate and inflations adjustment are much larger than in Norway, while at the same time the real wage in Norway increases whereby in the UK it decreases. This provides us with a useful guideline for household behavior, since higher real wage according to economic theory increases disposable income, thus leading to increased consumption.

Furthermore, in a study by Bjørnland (2009), she identifies a similar result looking at the Stock market returns in Norway by using OSEBX and OSEAX as variables. She finds that an unexpected increase in the Brent oil price of 10% the stock market returns increases around 2,5%. This suggests a similarly positive reaction in the Norwegian economy to oil price shocks as in Jiménez-Rodríguez & Sanchez (2005). She further concludes that aggregated wealth and demand increases in the Norwegian economy and consequently, unemployment falls. Based on her results and macroeconomic theory, higher returns from the stock market together with lower unemployment levels would generate higher disposable income for a household in the domestic economy and as a response, consumption increases.

JOSHI (2013) The scientist done this diary to a) To comprehend the extraction of oil and parts of unrefined petroleum. b) To comprehend the determinants of raw petroleum cost. c) To comprehend the explanations behind changes in cost of raw petroleum d) To think about the effect of value ascend in raw petroleum on the Indian economy. He additionally say that in tables. Marianne delsaut(2012) (Delsaut 2014)The analyst researches on fuel costs in railroads and he take review on rail and street ways. In the transient, an expansion of 10% in fuel value prompts a fall of 1,4% in the street movement while in the long haul, it prompts a fall of 2,8%. He investigate on rail and roadways. He likewise take references on numerous assets Phil Goodwin, Joyce dargey, Mark Hanley (2011) morning (Goodwin, Dargay, and Hanly 2004)The researcher ivestigates on oil cost and he took diagram on 1800 social orders and in various countries The results are widely consistent with a couple of earlier reviews, anyway not by and large with momentum hone. The work was finished as one of two parallel 'outwardly weakened' written work reviews, the other being compressed in an accomplice paper by Graham and Glaister

Dr. Gajendra Naidu (2018) The researcher examines in many places all over India he cover about 25 countries. This study may be helpful to the researchers, govt. agencies and other stake holders to deal with petrol and diesel price. Regression, correlation and trend analysis has been used to analyze the objectives and will help the study to disclose the results in an effective way.

Rashidha Bint Mohd pilus(2017) The author studied about the petroleum prices.This subject has experienced an extensive research over the years, with highly complicated theories regarding the phenomena involved in its formation (emulsification) and breaking (demulsification). Crude oils, irrespective of their origin, contain certain components or characteristics which tend to make them emulsifiable. These crude oil components are referred to as emulsifiers, and they vary so widely with the nature of the crude oil. Both cases would be discussed in this review and it gives clear view about petroleum.he took survey on almost 1500 peoples.

M.yusaf saari (2016) The analyst investigates on raw petroleum and oil prices. Recently, concerns have ascended about the distributional ramifications of natural strategies .Although monetary arrangements are normally known to be monetarily proficient instruments for accomplishing ecological objectives, they may not be manageable approaches if pay imbalance is truly influenced. Every ethnic gathering background wage misfortune with the genuine livelihoods of Malay family units more than the Chinese and Indian households. The test estimate is everywhere throughout the world he explore with numerous people groups

CHAPTER -3

RESEARCH METHODOLOGY

3.1 METHODOLOGY:

Research methods are the techniques and tools by which you research a subject or a topic. Research methodology involves the learning of various techniques to conduct research and acquiring knowledge to perform tests, experiments, surveys, and critical analysis.

Research methodology simply refers to the practical “how” of any given piece of research. It’s about how a researcher systematically designs a study to ensure valid and reliable results that address the research aims and objectives.

3.2 RESEARCH DESIGN:

A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. This Research design applied for the study is ‘Descriptive Research’.

3.2.1 Descriptive research design:

Descriptive research aims to accurately and systematically describe a population, situation or phenomenon. It can answer what, where, when and how questions, but not why questions. A descriptive research design can use a wide variety of research methods to investigate one or more variables.

3.3 SAMPLING TECHNIQUE:

Sample design is the theoretical basis and the practice means by generalizing from characteristics of relatively few of the comprising population. It is the method by which the sample is chosen.

3.3.1 Non-probability sampling:

Non-probability sampling is defined as a sampling technique in which the researcher selects samples based on the subjective judgment of the researcher rather than random selection.

3.3.2 Convenience sampling:

A convenience sample is a type of non-probability sampling method where the sample is taken from a group of people easy to contact or to reach.

3.4 SOURCES OF DATA:

Sources of Data begins with figuring out what sort of data is needed, followed by the collection of a sample from a certain section of the

population. Next, you have to utilize a certain tool to gather the data from the chosen sample. The two types of sources of data are:

3.4.1 Primary data:

The Primary data for this study was collected through questionnaires.

3.4.2 Secondary data:

Secondary data was collected from external sources like Websites, Journals etc.

3.5 STRUCTURE OF THE QUESTIONNAIRE:

The questionnaire follows a simple and basic layout. It is made easy for the participants to respond to the questionnaire without any delay or confusion. The set of questions and the answer options present in the questionnaire are predetermined and are constructed by myself based on general questions regarding the main topic. The structure of the questionnaire used in this project is as follows.

3.5.1 Basic introduction:

The questionnaire begins with a small and simplified description regarding the questionnaire – Title and description of the topic.

3.5.2 Personal details:

The actual questionnaire begins here where the participants are asked about their personal details such as their name, age, gender and occupation.

3.5.3 Research related questions:

The next set of questions in the questionnaire consists of the questions related to the public where the participants are asked their general opinion on changes in consumer behavior on petrol price hike.

3.5.4 Perception questions:

The next set of questions in the questionnaire focus on the increase in fuel price related question on whether the participants are affected due to increase in fuel price.

3.5.5 Likert scaling questions:

The likert scaling questions include moderate options in its scale.

3.5.6 Suggestion questions:

The last and final questions in the questionnaire focus on the suggestion questions of the participants regarding the questionnaire.

3.6 SAMPLE SIZE:

The sample size for the project had a target of 70-100 participants. The fixed target of the sampling size has been achieved as the total number of respondents for the 100 survey questionnaire was 86. Total of 86 responses helped the project to analyze more responses and it helped to derive a conclusion recording people's perception towards a study of satisfaction of the public how they consider it.

3.7 PERIOD OF STUDY:

This is one-time research where the research is conducted only for one-time and that the project is based on the responses derived from a definite period of time. The period of study for the project of about 30 days is based on the responses collected from the 65 participants in the 6 days' time period.

3.8 PROFILE AREA OF THE STUDY:

- My survey location is Thoothukudi.
- My survey targeted people is both Men and Women at the age group of [18- 60]

3.9 HYPOTHESIS / ANALYTICAL TOOLS:

CHI-SQUARE TEST:

A chi-square statistic is one way to show a relationship between two categorical variables. In statistics, there are two types of variables: numerical (countable) variables and non-numerical (categorical) variables.

CHAPTER - 4

DATA ANALYSIS AND INTERPRETATION

The following consist of the data analysis and interpretation of my questionnaire:

4.1 Survey analysis of data

4.1.1 Gender of respondents

Table 4.1

Male	46
Female	40
Total	86

Interpretation:

From the chart 53.5% of the respondents are male.46.5% of the respondent are female. The maximum 46 is male respondent and the minimum 40 female respondents.

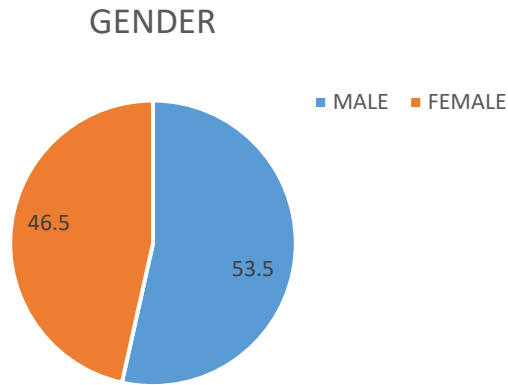


Fig 4.1 Gender of respondent

4.1.2 Age of respondents

Table 4.2

Below 25	21
26-35	27
36-45	26
46-55	10
Above 55	2
Total	86

Interpretation:

In the chart we can observe 24.4% of the respondents are below 25. 31.4 of the respondents are between the ages 26-35. 30.2% of the respondents are between the ages 36-45. 11.6% of the respondents are between the ages 46-55. 2.3% of the respondents are Above 55.

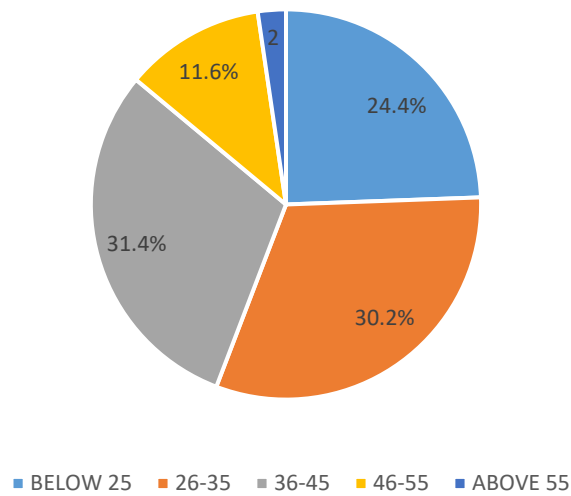


Fig 4.2 Age of the respondent

4.1.3 Marital status of the respondents

Table 4.3

Unmarried	32
Married	54
Total	86

Interpretation:

From the chart 37.2% of the respondent is unmarried. 62.8% of the respondent is married. The maximum 54 are married respondents and the minimum 32 are unmarried respondents.

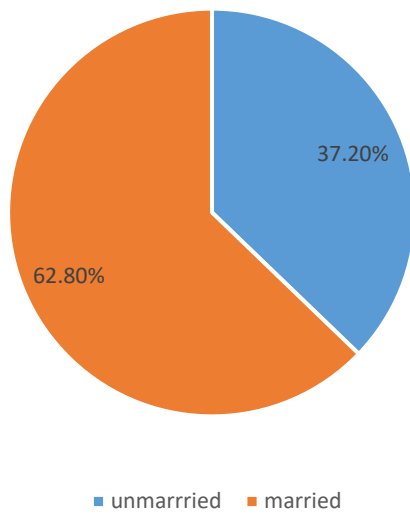


Fig 4.3 Marital status of respondents

4.1.4 Occupation of the respondent

Table 4.4

Private employee	32
Government employee	28
Business	15
Professionals	11
Total	86

Interpretation:

From the chart 37.2% of the respondents are Private employee. 32.6% of the respondents are government employee. 17.4% of the respondents are doing Business and 12.7% of the respondents are professionals.

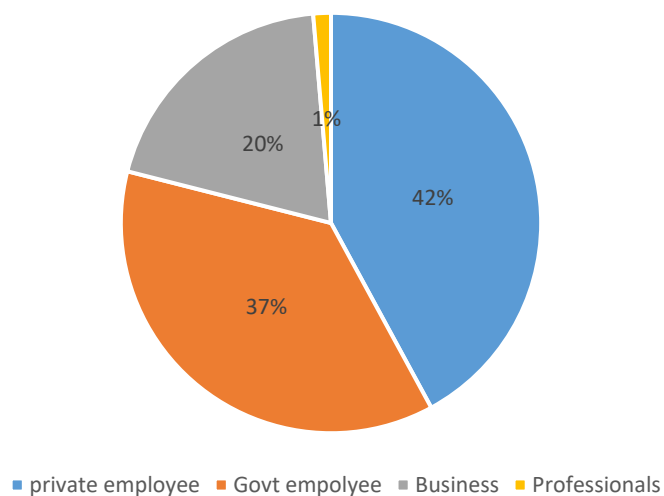


Fig 4.4 Occupation of the respondents

4.1.5 Education qualification

Table 4.5

School level	10
ITI/Diploma	2
Under graduate	35
Post graduate	26
Professional	13
Total	86

Interpretation:

From the chart 11.6% of the respondents are school level of education. 2.3% of the respondents are ITI/Diploma. 40.7% of the respondents are under Graduate and 30.2 % of the respondents are post graduate. 15.11 % of the respondents are professionals in education level of qualification.

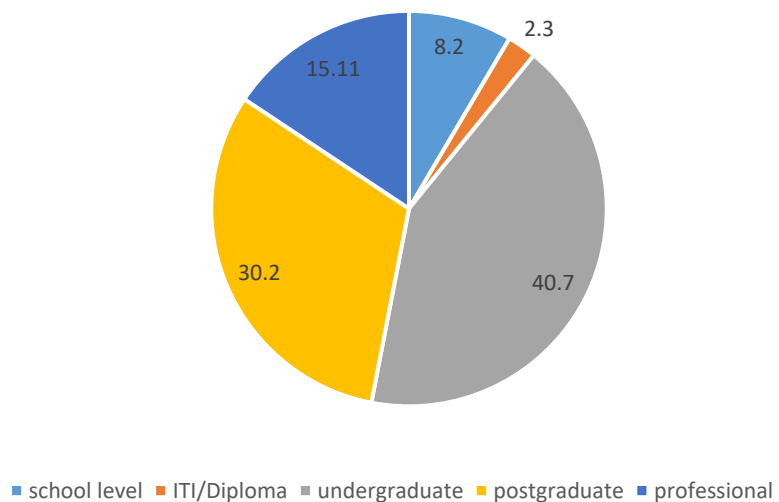


Fig 4.5 Education qualification of the respondents

4.1.6 Monthly income of the respondent

Table 4.6

Below 25	43
26000-50000	12
50000-75000	20
76000-100000	11
Above 100000	0
Total	86

Interpretation:

From the chart 50% of the respondents earn below 25000 as monthly income. 13.9% of the respondents are earn 26000-50000 as monthly income. 23.2% of the respondents are earn 50000-75000 as monthly income. 12.7% of the respondents are earn 76000-100000 as monthly income. 0% of the respondents are earn 100000 as monthly income respondents.

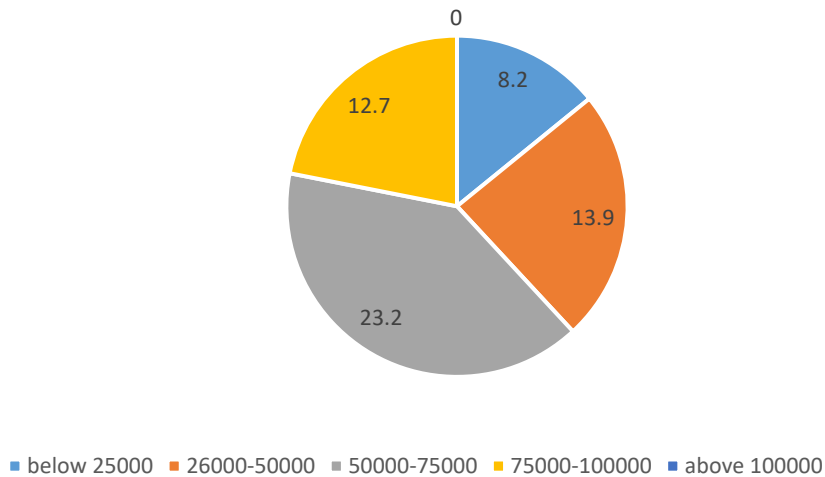


Fig 4.6 Monthly income of the respondents

4.1.7 Which of the vehicle you own

Table 4.7

Two wheeler	60
Four wheeler	4
Both	22
Total	86

Interpretation:

From the chart 69.7% of respondent are having Two wheeler and 4.65% of the respondent are having four wheeler and 25.6% of the respondent are having both Two wheeler and four wheeler.

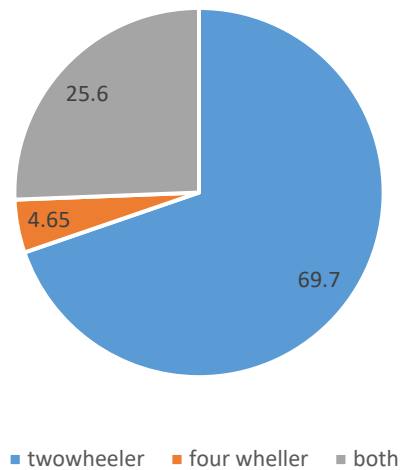


Fig 4.7 Known about the vehicle of the respondent

4.1.8 Rank the attributes you give more important while purchasing a vehicle

Table 4.8

objectives	Rank1	Rank2	Rank3	Rank4	Rank5	Total
Price	50	20	14	2	0	86
External appearance	40	20	23	3	0	86
Mileage	65	15	11	0	0	86
After sales service	40	25	16	5	0	86
Low maintenance	66	16	4	0	0	86
Resale value	46	32	6	2	0	86
Brand value	53	16	17	0	0	86
Manufacturing	86	0	0	0	0	86

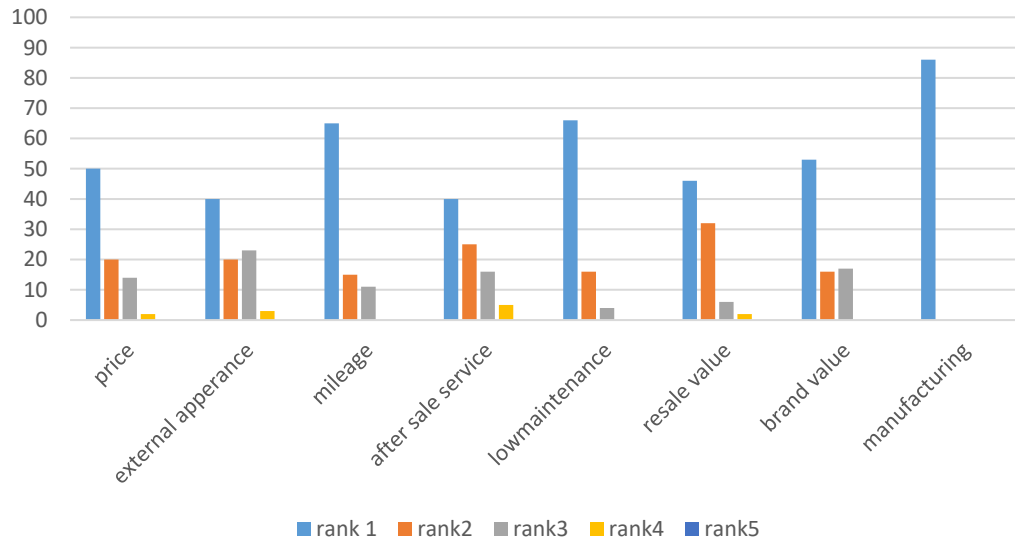


Fig 4.8 rank the attribute to purchasing a new vehicle

Interpretation:

From the above table for price the respondent rank the attributes rank1 58.1% ,rank 2 23.2%, rank 3 12.7%, rank4 2.3% and rank 5 0%.external appearance the respondent rank the attributes rank1 46.5% ,rank 2 23.2%, rank 3 26.7%, rank4 3.5% and rank 5 0%. Mileage the respondent rank the attributes rank1 75.5%, rank 2 17.4%, rank 3 12.7%, rank4 0% and rank 5 0%. After sale service the respondent rank the attributes rank1 46.5%, rank 2 29.0%, rank 3 18.6%, rank4 5.8% and rank 5 0%. Low maintenance the respondent rank the attributes rank1 76.7%, rank 2 18.6%, rank 3 4.7%, rank4 0% and rank 5 0%. Resale value the respondent rank the attributes rank1 53.5%, rank 2 37.2%, rank 3 6.10%, rank4 2.3% and rank 5 0%. Brand value the respondent rank the attributes rank1 61.7%, rank 2 18.7%, rank 3 19.8%, rank4 0% and rank 5 0%. Manufacturing the respondent rank the attributes rank1 100%, rank 2 0%, rank 3 0%, rank4 0% and rank 5 0%.

4.1.9 How frequently you consume petrol for your vehicle

4.9 Table

Daily	9
Once in two days	21
Once in three days	16
Weekly once	28
Whenever required	12

Total	86
-------	----

Interpretation:

From the above table, that know about the respondent usage of fuel for their vehicle 10.5% of the respondent consume petrol daily. 24.4% of the respondent consume petrol once in two days. 18.6 % of the respondent consume petrol once in three days. 32.6% of the respondent consume petrol weekly once .19.8% whenever they required.

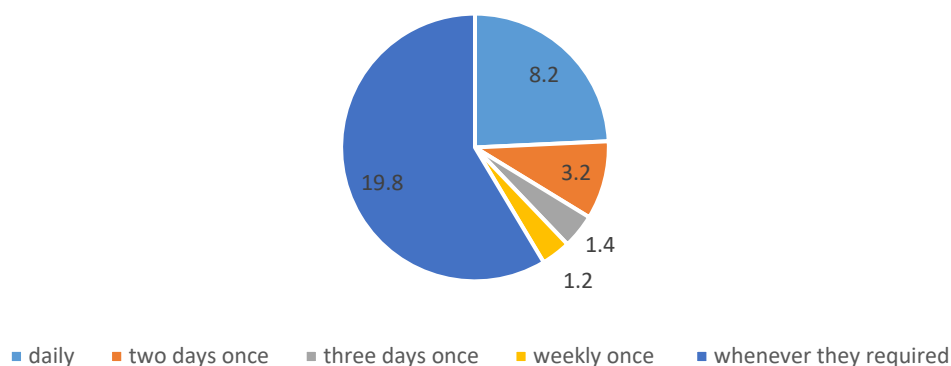


Fig 4.9 know about the respondent usage of fuel

4.1.10 How much quantity of petrol you consume a week

4.10 Table

Below 5 liter	34
6-10 liter	27
11-15 liter	15
16-20 liter	5
Above 20 liter	5
Total	86

Interpretation:

From the above table, that interpreted that 39.5% of the respondent are consume below 5 liter in a week. 31.4% of the respondent are consume 6-10 liter in a week

9.3% of the respondent are consume 11-15liter in a week.5.8 % of the respondent are consume 16-20 liter in a week. 5.8 % of the respondent are consume Above 20 liter in a week.

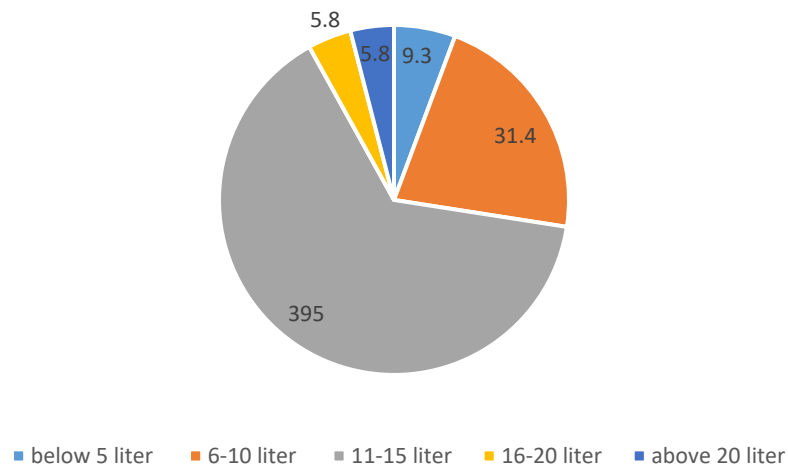


Fig 4.10 known about quantity of petrol consume in a week

4.1.11 Opinion towards the price of petrol

4.11 Table

Very high	15
High	19
No opinion	27
Low	15
Very low	10
Total	86

Interpretation:

From the above table observe that 17.4% of the respondent said very high. 22.0% of the respondent said high. 31.4% of the respondent said no opinion. 17.4% of the respondent said very low. 11.6% of the respondent said low.

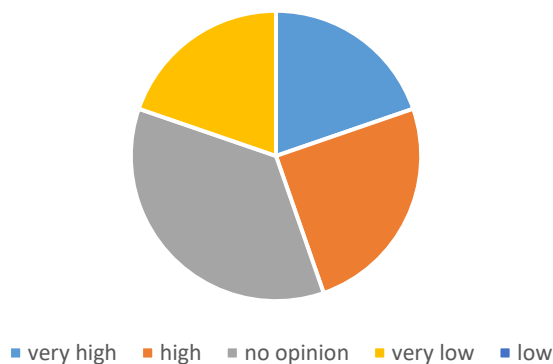


Fig 4.11 Known about the opinion towards the price of petrol.

4.1.12 Level of agreement towards the reason given by the government on hike in price of petrol.

4.12 Table

Strongly agree	15
Agree	19
No opinion	27
Disagree	15
Strongly disagree	10
Total	86

Interpretation:

From the above table observe that 17.4% of the respondent said strongly agree. 22.1% of the respondent said agree. 31.4% of the respondent said no opinion. 17.4% of the respondent said disagree. 11.6% of the respondent said strongly disagree.

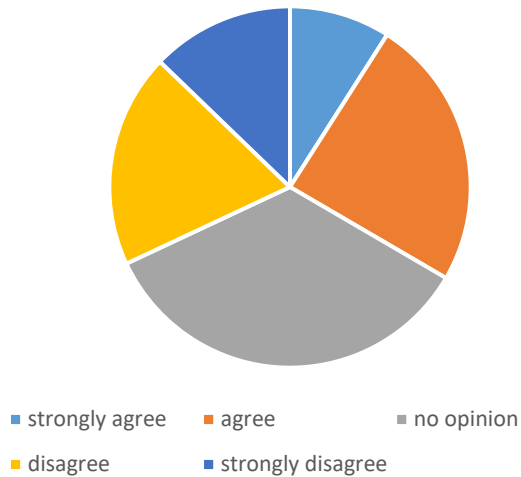


Fig 4.12 know the level of agreement towards the reason given by the government on hike in price of petrol.

4.1.13 How much amount you spend for the purchase of petrol in a week

4.13 Table

Below 1000rs	35
1000-2000rs	26
2000-3000rs	19
3000-4000rs	6
Above 4000rs	0
Total	86

Interpretation:

From the above table observe that respondent spend money for fuel is 40.7% of the respondent spend below 1000rs. 30.2% of the respondent spend 1000-2000rs.

22.0% of the respondent spend below 2000-3000rs. 6.10% of the respondent spend 3000-4000rs. 0% of the respondent spend above 4000rs in a week.

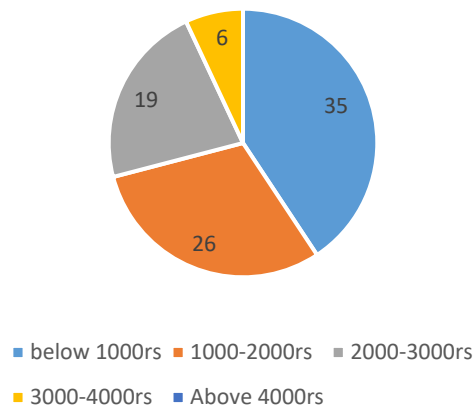


Fig 4.13 Know about the amount spend for petrol in a week

4.1.14 Level of agreement towards the changes in consumer behavior because of hike in price of petrol.

4.14 Table

Objective	Strongly agree	Agree	No opinion	Strongly disagree	Disagree	Total
I have reduced the usage of my bike/ car	28	35	11	2	10	86
Price of basic commodities has increased.	21	45	12	3	5	86
I have reduced the quantity of purchasing basic commodities	22	45	12	2	5	86

I have stopped purchasing luxury items	21	28	25	5	7	86
I struggle to manage my monthly expenses	15	43	15	5	8	86
Hike in price have increased my monthly budget on fuel	25	34	15	8	4	86
Planning to change my vehicle and get a vehicle which give more mileage	23	28	27	0	8	86
I have started using public transport in many situations	26	20	27	3	10	86

Interpretation:

From the above table observe that changes in consumer behavior on petrol price in hike .I have reduced the usage of my bike/ car 32.5% of the respondents are Strongly agree, 40.7% of the respondents are agree, 12.8% of the respondents are no opinion, 2.3% of the respondents are Strongly disagree, 11.6% of the respondents are disagree.

24.4% of the respondents are Strongly agree, 52.3% of the respondents are agree, 13.10% of the respondents are no opinion, 3.5% of the respondents are Strongly disagree, 5.8% of the respondents are disagree. 25.6%of the respondents are Strongly agree, 53.3% of the respondents are agree, 13.10% of the respondents are no opinion, 2.3% of the respondents are Strongly disagree, 5.8% of the respondents are

disagree.24.4%of the respondents are Strongly agree, 32.5% of the respondents are agree, 29.1% of the respondents are no opinion, 5.8% of the respondents are Strongly disagree, 8.13% of the respondents are disagree. 17.4%of the respondents are strongly agree, 50% of the respondents are agree, 17.4% of the respondents are no opinion 5.8% of the respondent are strongly disagree, 9.3% of the respondents are disagree. 29.1% of the respondents are strongly agree, 39.5% of the respondents are agree, 17.4% of the respondents are no opinion 9.3% of the respondent are strongly disagree, 4.7% of the respondents are disagree. 26.8% of the respondents are strongly agree, 32.5% of the respondents are agree, 31.4% of the respondents are no opinion 0% of the respondent are strongly disagree, 9.3% of the respondents are disagree. 30.2%of the respondents are strongly agree, 23.2% of the respondents are agree, 31.4% of the respondents are no opinion 3.5% of the respondent are strongly disagree, 11.6% of the respondents are disagree.

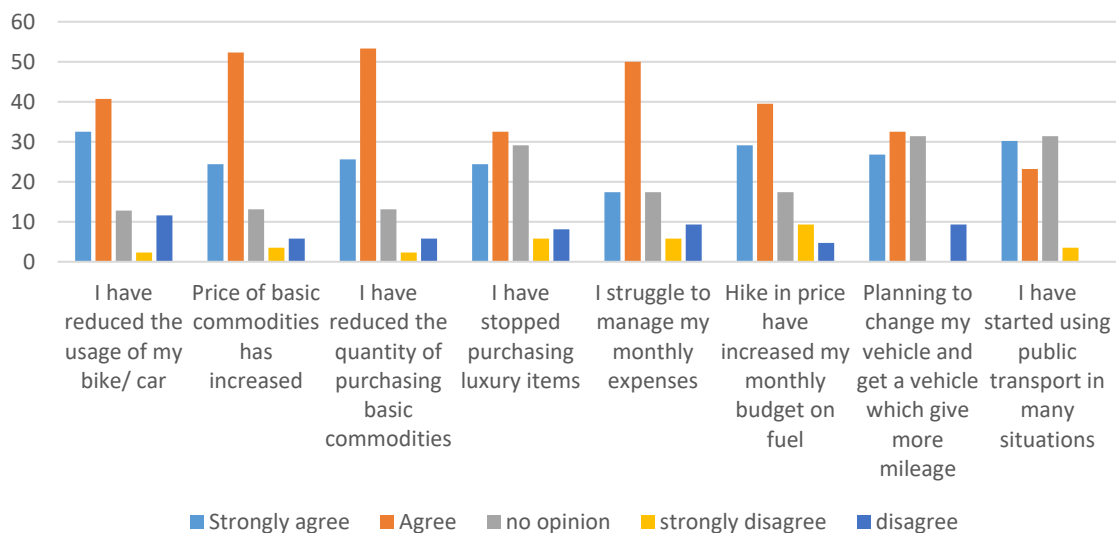


Fig 4.14 known about the changes in consumer behavior on petrol price in hike.

4.2 CHI SQUARE TEST

The Chi-square (χ^2) test represents a useful method of comparing experimentally obtained results with those to be expected theoretically

on some hypothesis. Thus Chi-square is a measure of actual divergence of the observed and expected frequencies.

OBSERVED DATA

Gender	Private employee	Government employee	Business	Professional	Total
Male	20	14	12	7	53
Female	12	14	3	4	33
	32	28	15	11	86

EXPECTED DATA

Gender	Private employee	Government employee	Business	Professional
Male	$53 \cdot 32 / 86$ 19.72	$53 \cdot 28 / 86$ 17.25	$53 \cdot 15 / 86$ 9.24	$53 \cdot 11 / 86$ 6.8
Female	$33 \cdot 32 / 86$ 12.3	$33 \cdot 28 / 86$ 10.74	$33 \cdot 15 / 86$ 5.8	$33 \cdot 11 / 86$ 4.22

Observed value (o)	Expected value (E)	(O - E)	(O - E) ²	$\chi^2 = \sum (O - E)^2 / E$

20	19.72	0.28	0.0784	0.00310
14	17.25	3.25	10.5625	24.38
12	9.24	2.76	7.6176	0.8244
7	6.8	0.2	0.04	0.0059
12	12.3	0.3	0.09	0.0073
14	10.74	3.26	10.63	0.99
3	5.8	2.8	7.84	1.3517
4	4.22	0.22	0.0484	0.0115
			TOTAL	27.5739

GENERAL SIGNIFICANT LEVEL = 5% = 0.05

DEGREES OF FREEDOM = (COLUMN –1) (ROWS –1)
= (4 – 1) (2 – 1)
= 3*1 = 3

X2 TABULAR = 7.815
(OR CALLED AS χ^2 CRITICAL)

SIGNIFICANT LEVEL (α) = 0.05

X2 calculate = 27.5739
X2 calculate < X2 tabular (OR CALLED AS χ^2 CRITICAL)

INFERENCE: Since the X2 calculate is larger than X2 tabular 7.815, the null hypothesis is accept, and alternate hypothesis is rejected. Therefore there is no relation between the gender and information about consumer behavior on petrol price hike.

INFERENCE: We accept null hypothesis, and reject alternate hypothesis.

Null Hypothesis

There is no relation between the gender and information about consumer behavior on petrol price hike

CHAPTER-5

FINDINGS, SUGGESTIONS AND CONCLUSION

Based on the analysis and discussion on primary data in the previous chapter. Finding, Suggestions, and Conclusion of the study in a logical manner.

5.1 FINDINGS

From the questionnaire, the following points are found and noted

- Majority (53.5%) of the respondents of my questionnaire is Male.
- Majority (31.4%) of the respondents of my questionnaire belong to age group is 26-35
- Majority (62.80%) of the respondents is married.
- Majority (37.2%) of the respondents Occupation status are all private employees.
- Majority (40.7%) of the respondents Education status are Undergraduate.
- Majority (50%) of the respondent monthly income is below 25000.
- Majority (69.7%) of the respondents are having two wheeler.
- Majority (58.1%) of the respondent rank 1 for the price when purchasing a new vehicle.
- Majority (46.5%) of the respondents are rank 1 for the external appearance (75.5%), Mileage (46.5%), After sale service (35.5%), Low maintenance (61.7%), Resale value (32.5%), Brand value (53.5%), Manufacturing (100%) when purchase a new vehicle.
- Majority (32.6%) of the respondent consume petrol on weekly once.
- Majority (39.5%) of the respondent consume below 5 liter in a week.
- Majority (31.4%) of the respondent are said no opinion to the reason given by the government on hike in price of petrol.
- Majority (40.7%) of the respondent are spend for the purchase of petrol in a week below 1000rs.
- Majority (40.7%) of the respondent agree on I have reduced the usage of my bike/car.
- Majority (52.3%) of the respondent are agree on price of basic commodities has increased.

- Majority (53.3%) of the respondent are agree on I have stopped purchasing luxury items.
- Majority (17.4%) of the respondent agree on I struggle to manage my monthly expenses.
- Majority (39.5%) of the respondent agree on hike in price have increased my monthly budget on fuel.
- Majority (32.5%) of the respondent are agree on planning to change my vehicle and get a vehicle which gives more mileage.
- Majority (31.4%) of the respondent are said no opinion on I have started using public transportation in many situations.

5.2 SUGGESTION

- ✚ Reduce the usage of petrol and diesel vehicle for the short distance. Better to take a walk for this, it also for their health.
- ✚ Use public transport to go to places instead of using own vehicles.
- ✚ Promote the use of electric vehicles among the vehicle and also by giving some rebate on buying.
- ✚ Increasing global warming in the environment.
- ✚ Reducing the tax price of petrol.
- ✚ Promoting health care program of walking running benefit.
- ✚ The government influences retail fuel prices by setting maximum prices for petroleum products, which are revised regularly.
- ✚ The government should try and introduce ways so that such hike in prices is not swiftly pass on to the governments
- ✚ The country should be able to increase its own productions of crude oil reserve so that it will not be left dependent on oil production countries.
- ✚ While increase its own reserve it will not only help the country become self sufficient but also help it to save valuable foreign exchange from leaving the country.

- ✚ The government should try to enter into alliance with friendly countries to try and explore oil in other countries.
- ✚ The refining capacity of oil should be up graded by creating more oil refining center in the country.

5.3 CONCLUSION

This study is used to found about the public opinion on fuel price. The empirical study is used in this survey. This study gives a clear view about the fuel price and types of fuel. Fuel is a substance such as coal, oil, or petrol that is burned to provide heat or power. It is help find out the opinion on fuel price. The findings of the study are level of agreeability regarding more usage of vehicles differs between the male and female. The level of agreeability regarding reasons for increase in fuel price does not vary with age groups other than vehicles usage and fuel tax. The further scope of the study is the researcher can investigate about fuel price in other countries. This study concludes that people are suffered more for rise in petrol price and the public opinion is to less the fuel price.

One of the most important factors that decide the future of Indian economy is the price of petroleum products. After all a small increase the price of this has got widespread impact on the Indian economy. If the price of petrol increase it increase the transportations cost and the cost of various products, thereby making the companies to increase the price of these products. This causes inflations in the Indian market and the performance of the economy is affected. Strong economic growth of India and other developing countries in Asia have increased the demand of petrol and other related essential fuels which has resulted in price hike of fuel in India.

Though the idea is good it is not a practical approach to this heavily discussed issue. Another solution that can be implemented is to create awareness among public about the need to increase the use of public transport.

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APPENDIX:

A STUDY ON CONSUMER BEHAVIOUR WITH REFERENCE TO PETROL PRICE HIKE

QUESTIONNAIRE:

1. Name: _____

2. Age:

- a) Below 25 years b) 26-35 years c) 36-45 years d) 46-55 years
- e) Above 55 years

3. Gender:

- a) Male b) Female

4. Educational qualification:

- a) School level b) ITI/Diploma c) Under graduate d) post graduate
- e) Professional

5. Marital status:

- a) Single b) Married

6. Occupation:

- a) Private employee b) Government employee c) Business
- d) Professional

7. Monthly income:

- a) Below 50000 b) 26000-50000 c) 50000-75000 d) 75000-10000
- d) Above 100000

8. Which of the vehicle you own?

a) Two wheeler b) Four wheeler c) Both

9. Rank the following attributes you give more important while purchasing a vehicle.

S.no	Attributes	Rank
1	Price	
2	External appearances	
3	Milage	
4	After sales service	
5	Low maintenance	
6	Resale value	
7	Brand value	
8	Manufacture	

10. How frequently you consume petrol for your vehicle?

a) Daily b) Once in two days c) Once in three days d) weekly
once

e) Whenever required

11. How much quantity of petrol you consume a week?

- a) Below 5 liters b) 6-10 liters c) 11-15 liters d) 16-20 liters
- e) Above 20 liters

12. Level of agreement towards the reason given by the government on hike in price of petrol.

- a) Strongly agree b) Agree c) No opinion d) Dis agree
- e) Strongly disagree

13. Opinion towards the price of petrol

- a) Very high b) High c) No opinion d) Low e) Very low

14. How much amount you spend for the purchase of petrol in a week?

- a) Below 1000rs b) 1000-2000 c) 2000-3000 d) 3000-4000
- e) Above 5000

15. Level of agreement towards the changes in consumer behavior because of hike in price of Petrol.

S.no	Statements	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
1	I have reduced the usage of my bike/car					
2	Price of basic commodities has increased					

3	I have reduced the quantity of purchasing basic commodities					
4	I have stopped purchasing luxury items					
5	I struggle to manage my monthly expenses					
6	Hike in price have increased my monthly budget on fuel					
7	Planning to change my vehicle and get a vehicle which gives more milage					
8	I have started using public transportation in many situations					

16. Suggestions (If any)
