Customer Focus Through Target Segmentation of Muthoot Finance Limited

Suhas.K[1]

Research Student, Department of Management Sciences, Maharaja Institute of Technology-Mysore, VTU Belgaum

Dr. Manoj Kumara N V[2]

Associate Professor & Research Guide, Department of Management Sciences, Maharaja Institute of Technology-Mysore, VTU Belgaum

Abstract:

The main reason of the study is to determine the market segmentation which will impact on customers of Muthoot finance limited yelchenaghalli branch Bengaluru. The data was collected from the two sources such as primary data was collected from the questionnaires and secondary data was collected from the books and past research. The purpose of the study is to analyze the impact of market segmentation on customers satisfaction towards Muthoot finance limited yelchenahalli branch customers. for this data were collected through questionnaires and this questionnaire where given to the 100 customers who visits the branch. The result of the questionnaires was the customers gave a positive answer with whatever information they got from this branch they believed that visiting branch impact on the market segmentation and their satisfaction level all the respondents have a different perception and different level of satisfaction. But market segmentation cannot satisfy all customers and attract all customers in that segment. This study suggests to improve segmentation strategies and try to attract and satisfy all types of customers.

Key words: market segmentation, segmentation, customer satisfaction, perception towards Muthoot finance yelchenahalli customers.

1. Introduction:

the marketplace for any product is often created of many segments a 'market' in the end is that the mixture of shoppers of a given products and clients (finished user) market agencies make a market square measure of variable characters and shopping for behavior. There square measure various factors tributary for variable way of thinking of shoppers its therefore natural that several differing segments occur among market. The importance of market segmentation results from the very fact that the customers of a products or a services area any same cluster. Actually, each customer has individually wanted, preferences, resources and behavior. Since its just about not possible to cater for each customer individually characteristics, marketers' clusters customers to promote segments by variables they need common. These common characteristics permit developing a consistent selling combine for all customers during this section.

2. Background of the study

Market segmentation is the process to dividing the market to potential customers in the group based on the different type of objectives and characteristics. The segmentation is created to identify the customer needs and wants and attract the customers to purchase the products and to satisfy the customer needs and also to increase the sales of the company.

3. Review of literature

Christy asheley, tracy taten (2015)[10] they have been clearly stated that the top brand is totally depend on the creative advertisement so they can capture and attract the customers in the market.

Creative advertisement and promotion in social media which impact on the customers. The methodology was statistical data. In this literature experiment they have concluded with creative image and messages will help use creative strategies in social media marketing. Bo liu, mc carthy and song (2014)[7] The purpose is to find how Chinese wine market can be meaningfully segmented and explore the market to Australian wine sector. The methodology used to find the segmentation was online survey and collected quantity data on wine consumer. The research made the result that they identified 3 clusters in wine consumers extrinsic, intrinsic and alcohol level attribute seeking customers these 3 groups where categorized using a behavioral segmentation base.

 Duarte canever, van trijp and van der lans (2007)[11]. In this literature they aimed to assess of different segmentation scheme in basis of marketing strategy in focusing supply chain decision to propose new procedure capable of combing benefit. Methodology used in this research was interviews made with the managers in beef supply business. The results revealed the segmentation combining the features like homogeneous and actionable segments and has real promise in input to formulate and implement of supply chain strategies. Obilo and Alford (2018)[22]. In this literature the aimed to develop method of segmentation by using functional approaches towards attitudes in market like individual based function towards their attitude in specific marketing. The methodology used in this research was interviews with the customers in market. The result in the report was the functional approaches toward attitude can be used in segmentation. Bruwer, Roediger and herbst (2017)[9]. The purpose of this research to use the domain specific research instrument to determine the different life style in wine segment. The methiodal used in this research was 48 psychographic activities to collect the data. The result was different people drink the different wine which clearly state the cross culturally studies. Foscht, Maloles, Schloffer, Chia and Jay sinha (2010)[14] The purpose of the research is to examine the different subgroup of youth market in their interest on choose of banks. The methodology used in the research was survey conducted by 242 individuals. The result was clearly stated the subgroup of youth choose the banks by banks loyalty satisfaction and banking services provides to youths. Bojanic D (2007)[6] The main purpose of this research is to fing the customer profile for carryout segment in all type of restaurants. The methodology used in this research was personal interaction with customers. The result of this research was the customers follow the trend in the market most of customers are influenced by other customers to come restaurant . Yogesh k Dwivedi (2017)[28] In this they said that people world wide are depended on web technologies so social media is a platform to make the marketing so it can research the customers by social media marketing so product will reach customers easily. The research method was used was systematic review by public. They conclude the research by all produts can adopt the social media for promotions. udharshan, and winter (2016)[27] In this literature they suggest the strategic segmentation with understating of customers strategies they made the research on the industrial segmentation and analyzes a survey of industrial buyers. The methodology used in the research was interviews with the industry employees. The result on the research was the industry should always focus on the customers need and demand and customers strategies. Katsikea , theodosiou and makri (2019)[19].

The research main purpose was exporting is the popular foreign market entry mode, especially among the small and medium enterprises. The methodology used in the literature by survey from 168 exporting firms. The result of the research was export market is intelligence generation and dissemination activities support for the sales in exporting. Hassan, craft and kortam (2013)[17] The main reason of the research is to find the hybrid approach to segmentation on global market in micro and macro economy and make the universal sales in global market using the new hybrid segmentation. The methodology used in this report was survey with the 56 industries in different

countries. The result of the research was the hybrid segmentation can implemented the in global market in micro and macro environment. Amine (2020)[3]The main purpose of this research is to re evaluate latest segmentation assumption and methods by the referencing of the postmodern characteristics of consumers at global market and to find the multi dimensionality, inconsistency in a global market. The methodology used in this literature review was poll conducted in the public place and made the result. The result was the companies should adopt the modern consumer segmentation. Taherdangkoo, mona, ghasemi (2019)[24]The reason for the industry drivers will affect the sustainability marketing strategy at segmentation, targeting and positioning on the customers environment. The methodology made for the research by 64 iranian export companies which has already adopted sustainability marketing strategies the tool was collected the achieved data by 64 companies. The result was to adopt the sustainability marketing strategies for marketing strategies. Muhamad, Melewar and faridah (2012)[21] The purpose of the research was to explore the diifereent customers in different segment in Islamic financial services industry and customer relationship with the products positioning for IFS. The methodology used in this research to find results was in form of depth interviews were conducted in managerial position individuals. The result was to make the brand positioning the industry should mainly focus on religious conviction group.

Hassan and craft made (2005)[16] The purpose of this research is to examine the empirically and find out the relationship between the positioning and bases of segmentation in the global market. The methodology used to find out the research was a regression analyzing conducted with each segmentation managers and collected the strategic positioning with segmentation managers. The findings and results in this research are the industries in global market has to combine use of the macro and micro bases of segmentation and seek different positioning strategies. Gaston and martin martin (2011)[15] The reason of this research is to present the two-stage international market selection and the segmentation model to help for foreign institution to make their decision and. The result for this research was the two-stage model will help out the foreign institution for their decision making in international market. Bruning and Hao (2009)[8] The purpose of this literature was proposing an approach to international market segmentation which will identifies the cross-national customer segmentation that will focus on airline customers in NAFTA market. The methodology used in the research was survey was conducted in 6 different airlines in 6 countries. The result of this paper is cross national segmentation will help the NAFTA airlines in different nation. Sultan, Wong and Sigala (2018)[23]. The main purpose of this literature report in Australia in recent few years organic food market is rapidly growing so this research segment the Australian organic food market an organic food consumer. The methodology used in this research is a national online survey conducted with in the country. The finding in this research is the main variables in the segmentation are consumer age, income, education, weekly expenditure, self-image and perception about the organic food. EL-Ansari (2006)[12] The purpose of this research states that to present taxonomy marketing strategies concept in market and integrated frameworks and implement this in market. The methodology used in this research was interviews were conducted with the managers and discussed about implementing in market. The result of this research is taxonomy and frameworks can be successfully implanted in the marketing strategies for products and services. Thomas R (2016)[25] The main purpose of this research is to find out the explore possibilities in identifying market segmentation in multistage markets and find out the managerial approaches for competitive advantages. The methodology used in this reaesch is using and collecting the data from the pilot projects in different market segmentation. The findings in this

paper is exploring study should support both academics and practitioners for continue aligning multistage market segments.

4. Objectives of the study
- To analyze the impact of market segmentation on customers satisfaction.
- To examine the relationship between segmentation and customers perception & to suggest possible solution.

5. Research methodology
5.1 Research method: descriptive method

5.2 Sampling method: simple random sampling

5.3 Sampling techniques: convivence sampling techniques

5.4 Sample size: study focused on the 100 customer

5.5 Collection of the data: primary data was collected through the questionnaire and taking an interview with the customers who visits the branch using the survey method.

5.6 Tools of the study:
- **Percentage analysis (%):** number of respondents taken divided by total responds multiplied by 100
- **Correlation(r):** formula to calculated correlation analysis is

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{(n\sum x^2 - \sum(x)^2) \times (n\sum y^2 - \sum(y)^2)}}$$

5.7 Hypothesis of the study

H0: There is no significant relation between segmentation and customers perception & to suggest possible solution.

6. Analysis and interpretation

6.1. Are you satisfied with infrastructure of customers at Muthoot finance ltd yelchenahalli branch?

6.2 Are you satisfied with price of the products implied in Muthoot finance limited yelchenahalli branch?

6.3 Are you satisfied with parking facility at Muthoot finance ltd yelchenahaali branch?

6.4 Are you satisfied with promotion strategies that attracted you to visit Muthoot finance yelchenahhali branch?

Table 6.1 customers respond about customer satisfaction

Question number	Strongly agree	Agree	Neutral	Dissatisfied	Strongly dissatisfied
6.1	77	12	3	3	5
6.2	72	10	8	7	3
6.3	71	11	12	2	4
6.4	83	3	4	1	9

Chart 6.1 % of impact of market segmentation on customers satisfaction

by the above we conclude that 77% of people are satisfied with the infrastructure facility, 72% customers are satisfied with the price of the products which implemented in Muthoot finance limited, 71% customers satisfied with the parking facilty in the branch and 83% customers are satisfied with advertisement strategies made by the Muthoot finance limited. By market segmentation and customer satisfaction which has created positive impact. impact of market segmentation on customers satisfaction

6.5 Do have a good perception about Muthoot finance brand name?

6.6 After interaction with employees Do you have a good perception about employees in

Muthoot finance limited?

6.7 Do you agree that you have a good perception about pricing policies of Muthoot finance limited?

6.8 Do you have a good perception about customer satisfaction?

Table 6.2 respondent of market segment

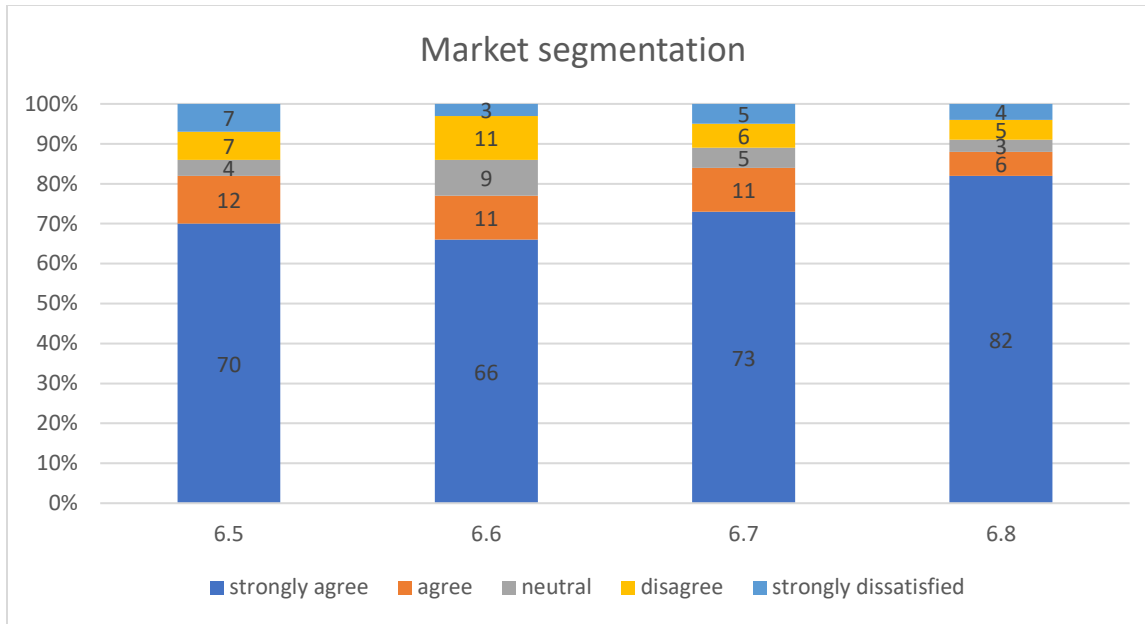| Question number	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
6.5	70	12	4	7	7
6.6	66	11	9	11	3
6.7	73	11	5	6	5
6.8	82	6	3	5	4

Chart 6.2 % relationship between segmentation and customers perception

By the above we can conclude that 70% customer have an good perception about the Muthoot finance brand name , 66% customers have an good perception about the employees who are working in the organization, 73% customers have an good perception about the pricing policies made in Muthoot finance limited and 82% customer showed the good perception about the customer satisfaction hence the relationship between the market segmentation and customer perception have an highly positive relationship.

6.9   Do you have repeat used services in Muthoot finance limited in yelchenahalli branch?
6.10   Does Muthoot finance ltd is providing better services compared to other competitors in this yelchenahalli segment?
6.11   Does Muthoot finance ltd yelchenahalli branch is maintaining good relationship with customers?
6.12   does comfort parking facility is available for Muthoot finance customers in yelchenahalli branch segment?

Table 6.3 respondents of customer perception

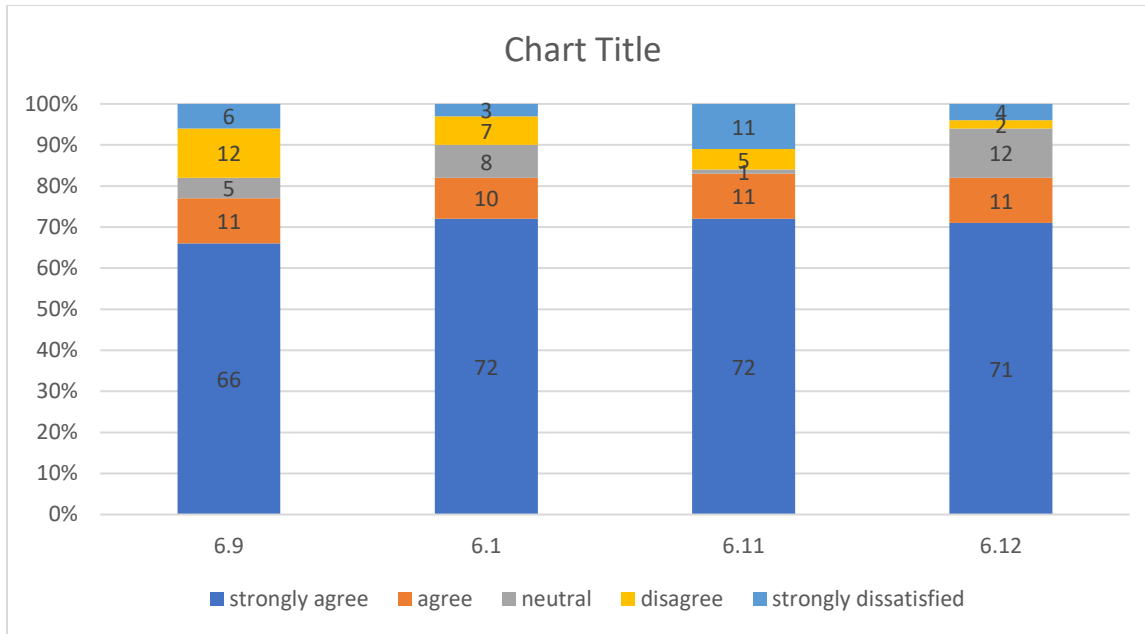| Question number	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
6.9	66	11	1	5	11
6.10	72	10	8	7	3
6.11	72	11	1	5	11
6.12	71	11	12	2	4

Chart number 6.3 representing customer perception

from the above we can conclude that the 66% have strongly agreed repeat used the products in Muthoot finance yelchenahalli segment, 72% have been strongly agreed they are providing better services compared to others in yelchenahalli segment, 72% branch is maintain good relationship between customers and 72% strongly agreed parking facilities are comfort in Muthoot finance limited yelchenahalli branch. So, market segmentation is attracting the customers.

6.15. hypothesis testing
Correlation:

Table 6.4 (X) Market segmentation

Questionnaire number	Strongly agree	Neutral	Disagree	Disagree	Strongly disagree
13	77	12	3	3	5
16	72	10	8	7	3
18	71	11	12	2	4
19	83	3	4	1	9
Total	303	36	27	13	21

Table 6.5 4 (Y) customer perception

Table number	Strongly agree	Neutral	Disagree	Disagree	Strongly disagree
31	70	12	4	7	7
33	66	11	9	11	3
34	73	11	5	6	5
35	82	6	3	5	4
Total	291	40	21	29	19

Table No: 6.5 Calculation of correlation

X	Y	X^2	Y^2	XY
303	291	91809	84681	88173
36	40	1296	1600	1440
27	21	729	441	567
13	29	169	841	377
21	19	441	361	399
$\sum$ Y 400	$\sum$ Y 400	$\sum X^2$94444	$\sum Y^2$87924	$\sum$XY-90956

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{(n\sum x^2 - \sum(x)^2) \times (n\sum y^2 - \sum(y)^2)}}$$

$$r = \frac{5(90956) - (400)(400)}{\sqrt{[5(94444) - (160000)] * [5(87924) - (160000)]}}$$

$$r = \frac{454780 - 160000}{\sqrt{[472220 - 160000] * [439620 - 160000]}}$$

$$r = \frac{294780}{\sqrt{312220 * 279620}}$$

$$r = \frac{294780}{\sqrt{87302956400}}$$

$r = 0.998$
$r^2 = 0.998^2$
$r^2 = 0.996$
$1 - r^2 = 1 - 0.996$
$\underline{= 0.004}$

r = 0.998 highly positive relationship
H0 is proved, hence there is a relationship between segmentation and customers perception.

7. Results and discussions

Result of the study is by the statistical tool correlation the two variables are market segmentation and customer perception the hypothese get rejected because it had highly positive relationship and result showed there is a relationship between segmentation and customer perception. The study was done at Muthoot finance limited yelchenahhali branch to find the segmentation impacts towards customers the analysis it clearly says that Muthoot finance is correctly placed in right geographical segments The analysis of Muthoot finance limited yelchenahali has properly followed all factors segment to reach customers of yelchenahaali customers.In the analysis we can find that segmentation cannot satisfy all customers' needs and satisfy all types of customers.

8. Conclusion:

As per the study the Muthoot finance limited has its own band name in yelchenahalli branch segment Bengaluru. But the branch has given preference to its customers about the customer

satisfaction and customer perception. By the analysis we can see that the market segmentation cannot satisfy all the customers of Muthoot finance and different customers have positive and negative perception about the branch. strategy tool which divided customers according to area, demographic factors etc. and satisfy and identify the customers' needs and wants so somewhere in the study all customers are not satisfied by market segmentation strategies. But majority result has come positively and rejected the hypothesis statement hence the study can be concluded by result of hypothesis test of chi-square test was highly positive impact significant impact on market segmentation on customers satisfaction and in regression test also it has been proved that highly positive relationship between segmentation and customers perception.

Bibliography

1. Ali abdulla slslwan , Nripendra rag , Yogesh k Dwivedi (2017)[1] "Social media in marketing: A review any analysis of the existing literature". Telematics and Informatics, *Eol. Vol 09, Issue 4, pp. 45-65*
2. Amin rajabi (2020)[2] "Market segmentation in practice studies of electronic goods and methodology assessment". International conference on economics and business research, *Eol. Vol 22, Issue 14, pp. 75-85*
3. Amin rajabi (2010)[3] "A comparative study of clustering techniques for goods pattern segment". International conference on market segmentation, *Eol. Vol 12, Issue 4, pp. 110-125.*
4. Aaron Tkaczynski (2009)[4] "Segmentation: A Tourism stakeholder view". Tourism segmentation research, *Eol. Vol 30, Issue 2, pp. 169-175.*
5. Art T Weinstein (2009)[5] 5"Market segmentation: using demographics, psychographics to predict customer behavior". International business journal, *Eol. Vol 12, Issue 4, pp. 77-88.*
6. Bojanic D (2007)[6] "Customer profile of the carryout segment for restaurants". Global journal of management, *Eol. Vol 7, Issue 3, pp. 235-255.*
7. Bo liu, mc carthy and song (2014)[7] "The Chinese wine market A market segmentation". Emerald journal, *Eol. Vol 32, Issue 17, pp. 66-78.*
8. Burning D (2007)[8] " Cross national segmentation an application to the NAFTA airline". Journal business studies, *Eol. Vol 16, Issue 5, pp. 135-155.*
9. Bruwer, Roediger and herbst (2017)[9] "Domain specific market segmentation A wine related lifestyle approach". Journal business studies, *Eol . Vol 7,Issue , pp. 121-135.*
10. Christy asheley (2015)[10] "creative strategies in social media marketing". Journal of marketing, *Eol . Vol 7,Issue5 , pp. 121-135.*
11. Duarte canever, van trij and van der (2007)[11] "Benefit feature segmentation A tool for the design of supply chain". International journal of marketing *Eol .Vol 20,Issue11 , pp. 161-175.*
12. EL-Ansari (2006)[12] "Marketing strategy taxonomy and frameworks" emerald journal *Eol. Vol 8, Issue 2, pp. 125-145.*
13. Emrah Hancer (2020)[13] "Marketing segmentation and technological practices of industrial marketers." emerald journal *Eol. Vol 33, Issue 18, pp. 185-205.*
14. Foscht, Maloles, Schloffer, Chia and Jay sinha (2010)[13] "Banking on the youth the case for segmentation of the youth mark." International marketing journal , *Eol. Vol 25, Issue 7, pp. 39-59.*
15. Gaston and martin martin (2011)[15] "International market selection and segmentation A two stage model" International business journal , *Eol. Vol 6, Issue 2, pp. 77-90.*

16. Hassan and craft (2005)[16] "Linking global market segmentation decision with strategic positioning options" International segmentation journal, *Eol. Vol 16, Issue 8, pp. 177-190.*
17. Hassan, craft and kortam (2013)[17] "Understanding the new bases for global market segmentation" business and sales journal, *Eol. Vol 8, Issue 3, pp. 7-17.*
18. Johan (2017)[18] "Marketing segmentation which impact on wine market." International business and sales journal, *Eol. Vol 24, Issue 13, pp. 88-98.*
19. Katsikea , theodosiou and makri (2019)[19] "The interplay between market intelligence activities and sales strategy as drivers of performance in foreign market" International marketing journal, *Eol. Vol 14, Issue 5, pp. 1117-1137.*
20. limitedAmine and alexander smith (2009)[20] "Challenges to modern consumer segmentation in a changing world the need for a second step" *Eol. Vol 11, Issue 6, pp. 340-355.*
21. Muhamad, Melewar and faridah (2012)[21] "Segmentation and brand positioning for Islamic financial services", *Eol. Vol45, Issue 21, pp. 180-200.*
22. Obilo and Alford (2018)[22] "Marketing segmentation via attitudinal function A multi method approach" business and sales journal, *Eol. Vol 17, Issue 3, pp.88-100.*
23. Sultan, Wong and Sigala (2018)[23] "Segmentation the Australian organic food consumer market". International business journal *Eol. Vol 9, Issue 2, pp.177-199.*
24. Taherdangkoo, mona, ghasemi (2019)[24] "The role of industries environmental reputation and competitive intensity on sustainability marketing strategy Consumer environmental concern approach". *Eol. Vol 33, Issue 13, pp.557-577.*
25. Thomas R 2016 (2016)[25] "Multistage market segmentation an exploration of B2B segment" internal national business journal , *Eol. Vol 6, Issue 3, pp.777-789.*
26. Tonmoy Toufic (2020)[26] "marketing segmentation and supply chain management." International segmentation journal, *Eol. Vol 8, Issue 2, pp.145-155.*
27. udharshan, and winter (2016)[27] "Strategic segmentation of industrial markets" International segmentation journal, *Eol. Vol 27, Issue 18, pp.845-855.*
28. Yogesh k Dwivedi (2017)[28] "Creative stratagies and segmentation analysis". marketing and sales journal , *Eol. Vol 7, Issue3, pp.945-955.*
29. Ying Liu (2020)[29] "marketing segmentation and impact on medical and insurance." International segmentation journal, *Eol. Vol 11, Issue 8, pp.645-665.*
30. Xiaoxiao FU (2020)[30] "Marketing segmentation in practice studies of tourism". International segmentation journal, *Eol. Vol 31, Issue 18, pp.455-465.*