



# **ANALYSIS OF DOMESTIC TWO WHEELER TYRE MARKET WITH FOCUS ON JK TYRES: DEALER DYNAMICS AND CONSUMPTION BEHAVIOUR**

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## **1. INTRODUCTION**

The domestic two-wheeler market is a significant segment of the Indian automotive industry, owing to the country's reliance on personal mobility solutions. With the rising middleclass population, improved rural incomes, and expanding urbanization, two wheelers have become a dominant mode of transportation, especially in India, where affordability and convenience are prime factors influencing purchasing decisions. As a key component of this ecosystem, the two-wheeler tyre industry plays an essential role in ensuring safety, efficiency, and performance.

Among the various players in this segment, JK Tyres has established itself as a key brand, contributing significantly to the development and evolution of the market.

Two-wheeler tyres are a crucial segment of the overall tyre industry, driven primarily by the burgeoning demand for motorcycles and scooters. These tyres are manufactured to cater to various requirements such as fuel efficiency, longevity, grip, and adaptability to road and weather conditions. A notable trend influencing the market is the increasing demand for tubeless tyres due to their superior performance, especially in urban settings. Additionally, regulatory policies focusing on emission standards and safety are leading to technological advancements in the production of eco-friendly and high performance tyres.

JK Tyres, as one of the leading players, has a diversified portfolio of two-wheeler tyres catering to different consumer needs. Known for its focus on innovation and quality, the company leverages its extensive distribution network to maintain its position in a competitive landscape. However, to remain at the forefront, the company must continuously adapt to evolving market dynamics, including changing consumer preferences and intensifying competition from established rivals and newer entrants.

Consumer behavior in the two-wheeler tyre segment is multifaceted, influenced by factors such as brand loyalty, price sensitivity, performance expectations, and aftersales service. For most two-wheeler owners, tyres are not just a functional purchase but a safety investment. The increasing consumer inclination towards branded tyres, driven by the assurance of quality and reliability, plays a significant role in shaping the market dynamics. Dealer networks act as the backbone of the tyre market, functioning as the primary touchpoint between manufacturers and consumers. The strategies employed by manufacturers like JK Tyres to incentivize their dealer network and foster customer relationships determine their market penetration and customer loyalty. A thorough understanding of these dealer-consumer interactions is essential to identify growth opportunities and challenges in the market.

## **2. STATEMENT OF PROBLEM**

The domestic two-wheeler tyre market in India is characterized by intense competition, rapid growth, and dynamic consumer preferences. With the surge in two-wheeler usage driven by urbanization, affordability, and convenience, the demand for high-quality tyres has increased. As a significant player in this market, JK Tyres faces numerous challenges and opportunities in meeting the expectations of dealers and consumers. Understanding the dynamics at the dealer level and the factors influencing consumer behavior is crucial for optimizing strategies and maintaining a competitive edge.

Dealers act as crucial intermediaries between manufacturers and end consumers in the tyre market. The complexities in dealer dynamics include managing stock, ensuring timely supply, offering competitive pricing, and building long-term relationships. Dealers face challenges such as inventory management, profit margins, and the ability to differentiate JK tyres from competing brands like CEAT, MRF, and Apollo. JK tyres needs to navigate these issues effectively while supporting dealers with incentives, marketing, and training programs to ensure loyalty and promote its products.

## **3. REVIEW OF LITERATURE**

- Dhatchayani, C., & Venkatesh, R. (2024): This study explores the role of promotional strategies in influencing consumer behavior in the two-wheeler market in Tamil Nadu. It specifically examines how dealers perceive buyer behavior based on the number of sub-dealers they operate with. The research finds that dealers with a larger network of sub-dealers tend to adopt more aggressive promotional strategies, while those with fewer sub-dealers focus on personalized customer engagement. The study also highlights that offering registration facilities as a service is among the most effective promotional techniques, as it reduces the buyer's effort and enhances overall customer satisfaction. (Source: Granthaalayahpublication.org)
- Jagtap, M., & Deshmukh, A. (2021): In their study, Jagtap and Deshmukh provide a comprehensive literature review on consumer behavior in the two-wheeler industry. They identify key factors that influence buying decisions, such as brand preference, fuel efficiency, affordability, and after-sales service. The study also notes significant changes in consumer purchase patterns over time, emphasizing the impact of digitalization and online research before purchasing. It suggests that consumers today rely more on online reviews, social media, and peer recommendations than on traditional marketing methods. (Source: Researchersworld.com)
- Khan, M. A. A., & Rao, D. V. M. (2018): This exploratory research investigates the impact of demographic and external variables on customer satisfaction in Hyderabad's two-wheeler market. The study finds that factors such as income level, education, and occupation do not significantly affect consumer satisfaction levels. Instead, it suggests that intrinsic product attributes, such as durability, brand reputation, and after-sales service, play a more prominent role in determining customer contentment. The findings challenge the common assumption that demographic factors heavily influence purchasing behavior in this segment. (Source: Granthaalayahpublication.org)
- Kumar, M. V., Basha, S. C., & Pandurangarao, D. (2015): This study focuses on how price impacts consumer behavior in the motorcycle industry, with a specific emphasis on brands like Hero Honda, Bajaj, and TVS in Andhra Pradesh. The research highlights that pricing strategies significantly affect consumer purchasing decisions, with affordability being a primary concern for most buyers. It also finds that consumers tend to compare different brands and models based on price-to-feature ratios before making a final decision. Additionally, discounts, financing options, and seasonal promotions play a crucial role in attracting budget-conscious buyers. (Source: iiste.org)

#### 4. OBJECTIVES OF THE STUDY

- Analyze the market share of JK Tyres in the two-wheeler segment and compare it with competitors.
- Evaluate the reach and efficiency of JK Tyres dealer network in different regions.
- Identify factors influencing dealer preferences for JK Tyres, such as profit margins, promotional support, and credit terms.
- Explore challenges faced by dealers in promoting and selling JK Tyres, including supply chain issues or competition with other brands.
- Assess dealer perceptions of JK Tyres brand image and its impact on sales and market penetration.
- Study consumer preferences and key decision-making factors while purchasing two wheeler tyres, such as price, durability, and brand trust.
- Measure the level of awareness and recall of JK Tyres among consumers in the two wheeler segment.
- Analyze consumer satisfaction with JK Tyres based on parameters like performance, longevity, and value for money.

#### 5. RESEARCH METHODOLOGY

- The study will use a descriptive and exploratory research design with a mixed- methods approach (both qualitative and quantitative) to analyze the two-wheeler tyre market, dealer dynamics, and consumption behavior.
- Primary data will be collected through surveys with consumers, interviews with tyre dealers, and focus group discussions. Secondary data will be sourced from industry reports, company publications, and market data.
- A combination of random sampling (for consumer surveys) and purposive sampling (for interviews with dealers and experts) will be used. The sample size will include 300-500 consumers and 20-25 dealers.
- Quantitative data will be analyzed using descriptive statistics and market share analysis, while qualitative data will be examined through content analysis and thematic analysis to uncover patterns in consumer behavior and dealer perceptions.

#### 6. LIMITATIONS OF STUDY

- Findings may not represent the entire market due to limited dealer and consumer responses.
- Covers only specific areas, which may not reflect national or global market trends.
- Data collected over a short period may not account for long-term market changes.
- Responses from dealers and consumers could be biased or inaccurate.

#### 7. ANALYSIS& INTERPRETATION OF DATA

Table showing the Gender of the respondents

GENDER	FREQUENCY	PERCENTAGE
MALE	122	81%
FEMALE	28	19%

<b>TOTAL</b>	<b>150</b>	<b>100%</b>
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**Interpretation:**

The above table states that 81% of the respondents are male and 18% of the respondents are female.

**Table showing the Age of the respondents**

<b>AGE</b>	<b>FREQUENCY</b>	<b>PERCENTAGE</b>
18-25	93	62%
26-30	25	17%
31-40	21	14%
Above 40	11	7%
<b>TOTAL</b>	<b>150</b>	<b>100%</b>

**Interpretation:**

The above table show that 62% of the respondents are 18-25 years, 17% of the respondents are 26-30 years, 14% of the respondents are 31-40 years, 7% of the respondents are above 40 years.

**Table showing the Family size of the respondents**

<b>FAMILY SIZE</b>	<b>FAMILY SIZE</b>	<b>PERCENTAGE</b>
1-2	19	13%
2-4	60	40%
4-6	29	19%
Above 6	42	28%
<b>Total</b>	<b>150</b>	<b>100%</b>

**Interpretation:**

The above table depicts that 13% of the respondents family size is 1 to 2 members, 40% of the respondents family members of 2 to 4, and 19% of the respondents family size 4 to 6 of the respondents have a family size 28% of above 6 members.

**Table showing the two-wheeler owned by the respondents**

<b>TWO-WHEELER OWNED</b>	<b>FREQUENCY</b>	<b>PERCENTAGE</b>
SCOOTER	60	40%
MOTORCYCLE	49	33%
ELECTRIC TWO WHEELER	26	17%
MOPED	15	10%
<b>TOTAL</b>	<b>150</b>	<b>100%</b>

### Interpretation

The above table states is the most preferred two wheeler owned among the respondents with a percentage of 40% , scooter is a close second with a percentage of 33% , motorcycle follows closely with a percentage of 17% , electric two wheeler has a relatively small market share with a percentage of 10%, moped of the respondents individuals.

### RANK ANALYSIS

A Ranking is a relationship between a set of items such that, for any two items, the first is either 'ranked higher than', 'ranked lower than' or 'ranked equal to' the second. In mathematics, this is known as a weak order or total pre order of objects. It is not necessarily a total order of objects because two different objects can have the same ranking. The rankings themselves are totally ordered. For example, materials are totally pre ordered by hardness, while degrees of hardness are totally ordered.

By reducing detailed measures to a sequence of ordinal numbers, rankings make it possible to evaluate complex information according to certain criteria. Thus, for example, an Internet search engine may rank the pages it finds according to an estimation of their relevance, making it possible for the user quickly to select the pages they are likely to want to see. Analysis of data obtained by ranking commonly requires non-parametric statistics.

**Table showing the factors influence your choice two-wheeler tyres**

FACTORS	R1	R2	R3	R4	TOTAL	RANK
BRAND REPUTATION	127	10	7	6	192	4
DURABILITY	10	128	8	4	306	3
FUEL EFFICIENCY	6	6	133	5	437	2
PERFORMANCE	5	10	7	128	558	1

### INTERPRETATION

The above table shows that most influenced factor to influence your choice two-wheelers tyres among respondents is due to brand reputation, followed by durability, followed by fuel efficiency, followed by performance.

**Table showing the dealers expect when purchasing tyres**

FACTORS	R1	R2	R3	R4	TOTAL	RANK
HONEST RECOMMENDATIONS	125	12	9	4	192	4
DISCOUNTS/OFFERS	6	130	11	3	311	3
AVAILABILITY OF MULTIPLE BRANDS	11	9	126	4	423	2
QUICK SERVICE	11	12	10	117	533	1

### INTERPRETATION

The above table shows that most influenced the dealers expect when purchasing tyres among respondents is due to brand honest recommendations, followed by discounts/offers, followed by fuel availability of multiple brands, followed by quick service.

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## 8. FINDINGS OF THE STUDY

- Majority (81%) of the respondents are male.
- Majority (62%) of the respondents are 18-25.
- Majority (40%) of the respondents 2-4 family size.

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## 9. SUGGESTIONS

By analyzing the domestic two-wheeler tyre market with a focus on JK Tyres, exploring dealer dynamics and consumer behavior. The study can examine key market trends, competitive positioning, and factors influencing tyre sales, such as brand perception, pricing, durability, and evolving customer preferences. A significant part of the project can involve surveying dealers to understand their challenges, profit margins, and the role of incentives in influencing sales. Additionally, analyzing consumer behavior—such as the impact of digital platforms, the shift towards electric two-wheeler tyres, and purchasing decisions—can provide valuable insights. The project can also propose strategies for JK Tyres to enhance its market share, improve dealer engagement, and align with changing customer needs. A combination of market research, data analysis, and strategic recommendations will make this study practical and impactful for the tyre industry.

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## 10. CONCLUSION:

The study concludes that JK Tyres holds a strong market presence in the domestic two-wheeler tyre segment but faces challenges from aggressive competitors like MRF, CEAT, and Apollo. Consumer preferences are shifting towards tubeless, fuel-efficient, and branded tyres, indicating a growing need for technological innovation and strategic marketing.

Dealers play a crucial role in driving sales, and enhancing dealer relationships through better incentives, supply chain improvements, and digital marketing support can strengthen JK Tyres' position in the market. Additionally, leveraging online sales channels and consumer engagement strategies will be vital for long-term growth. By addressing these factors, JK Tyres can increase its market share, build stronger dealer networks, and improve consumer satisfaction, ensuring sustained success in the competitive two-wheeler tyre industry.

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