China Studies: Factors affecting Mercedes-Benz customer satisfaction.

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Abstract: With the rapid economy, there is increasing demand for car consumption. Cars have become a necessary tool for many modern people to work and live. The study aims to identify factors that affect Mercedes' customer satisfaction, help Mercedes increase its market share in Asia and stabilize its market share in China.

The competition between Mercedes-Benz, BMW, Audi, and the German luxury troika is even more stalemate. How can Mercedes-Benz, a century-old brand, continue to lead the market? Enterprises are born out of customer needs, so meeting customer needs and achieving continuous customer satisfaction are the manifestations of our value.

The main objective of this study was to identify the factors influencing consumer satisfaction. The four elements of the marketing model and the brand image model were used to identify important factors in this study. Questionnaire was distributed using Mercedes-Benz consumers to participants in Sichuan. Furthermore, the sampling procedure employs non-probabilistic sampling methods, such as convenient sampling and snowball sampling. The study was a quantitative study applying Krenbach α, descriptive analysis and multiple linear regression analysis on the extent of independent variables (perceived quality, perceived value, customer experience) on the dependent variables (consumer satisfaction).

The research results show that Mercedes-Benz sorting should adjust the product structure, improve product quality and improve customer satisfaction according to the feedback of customer groups.

Keywords: Car consumption, Mercedez-Benz, customer satisfaction, century-old brand, luxury brand.

Introduction

Mercedes-Benz (Mercedes-Benz) is a world-renowned German automobile brand founded in 1900, based in Stuttgart and founded by Karl Benz (Karl Benz) and Gottlieb Daimler (Gottlieb Daimler).Mercedes-Benz is well known for its high quality and performance automotive products, and in addition to premium luxury cars, Benz is the world's most famous manufacturer of buses and heavy trucks.Currently, Mercedes-Benz is a division of Daimler AG(Daimler).Mercedes-Benz (German car brand) _360 encyclopedia (so.com)

Looking back in 2020, the top 3 ranked unchanged, Volkswagen (Volkswagen) remained number 1, selling 9.31 million, Mercedes-Benz Daimler Group ranked 10th, selling 2.55 million.

Mercedes-Benz ranked global sales in the figure:

Global Automotive Group Sales List for 2020			
ranking	brand	sales volume	Year-on-year changes
1	Volkswagen Forss	9.31 million	-14.5%
2	TOYOTA	8.9 million	-12%
3	Renault Nissan Mitsubishi Alliance	7.95 million	-20.5%
4	Hyundai	6.52 million	-10.4%
5	GM	6.26 million	-13.2%
6	Honda	4.5 million	-14.4%
7	Ford	4.15 million	-18.3%
8	F.C.A	3.9 million	-16.8%
9	P.S.A	2.91 million	-22%
10	Mercedes-Dailmer	2.55 million	-12.2%

Source: https://club.autohome.com.cn/bbs/threadowner/cb7b64b79db99dd8/93464505-1.html

Mercedes-Benz Sales across Asia as shown in Asia:

Full-year sales of Mercedes-Benz benefited from a continued recovery in many markets in the second half of the year.In the Asia-Pacific region, Mercedes sold 1,024,315 vehicles, up 4.7% year on year; China remains the main driver of sales growth in the region.

Mercedes-Benz was sold worldwide in 2020				
area	Q 4,2020 (Unit: Vehicle)	Year-on-year changes	Full Year of 2020 (Unit: Vehicle)	Year-on-year changes
Europe	236,599	-3.6%	784,183	-16.4%
Germany	95,265	6.3%	286.108	-10.1%
Asia Pacific	277,712	12.6%	1,024,315	4.7%
China	204.684	22.2%	774,382	11.7%
North America	89,195	-16.7%	317,592	-14.7%
America	78,078	-15.0%	274,916	-13.0%

Source: Mercedes-Benz Organization: Gest Car

Mercedes-Benz sales are ranked nationwide

Luxury brand (domestic) sales in February 2020

Brand	In February, 2020	Year-on-year changes
Mercedes Benz	11272	-65.2%
Audi	8266	-77.6%
BMW	3927	-88.7%

Zhihu https://zhuanlan.zhihu.com/p/128500027

While the environment is declining in 2020, the growth of luxury brands is not affected.Domestic Mercedes-Benz, BMW and Audi are still the unshakable first echelon, with the sales volume of all three being 70W+ level, and

there is a sales gap between the following brands.
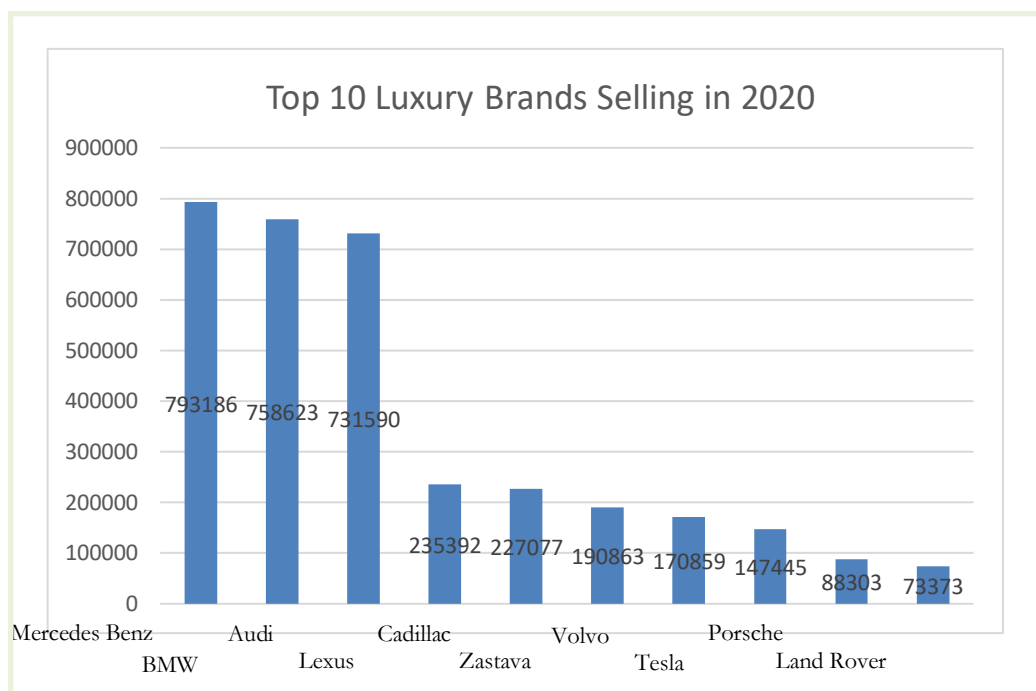
Source: Zhihu @ Car list Zhihu https://zhuanlan.zhihu.com/p/347679985

The results showed that Mercedes-Benz received high praise from the consumer group, achieved high satisfaction and grew rapidly. Although Mercedes-Benz ranks first in overall sales, Audi A6L is still the most popular luxury brand model in China. The sales volume of Mercedes-Benz GLC and BMW 5 Series is stable. Of course, the discounts for Audi A6L are much higher than the other two of competing products.

Luxury brand (domestic) sales volume in February 2020 Brand February 2020 Year-on-year

brand	February 2020	Year-on-year
Mercedes Benz	11272	-65.2%
Audi	8266	-77.6%
BMW	3927	-88.7%

Source: Zhihu@https://zhuanlan.zhihu.com/p/128500027

Lexus leads the sales of second-tier luxury brands. Cadillac is still following its "price-for-volume" approach. After the "renewal" of the Hongqi brand, it has grown strongly and has entered the second camp.

Tesla has tasted the dividends of the development of new energy vehicles. Although the interior is still simple, the high-tech image of the brand has been recognized by the Chinese. China has become Porsche's largest overseas market.

Looking back on 2020, the top 3 rankings have changed. Volkswagen still ranks No. 1 again. Last year, it sold 9.31 million vehicles. Compared with the previous year's 10.33 million vehicles, it has achieved 1.02 million vehicles. Annual decline of -14.5%; At the same time, with the gradual recovery of the domestic auto market, the epidemic in overseas markets continues to spread. The second quarter sales of luxury brands will lead the Chinese market,

so sales in China in the next few months will directly affect Future sales of each brand. BBA (Mercedes-Benz, BMW, Audi) is still the unshakable first echelon. The sales of the three are all 70W+, and there is a sales gap between the brands behind them.

Objective

The goal was to determine factors affecting consumer Mercedes satisfaction (perceived quality, perceived value, customer experience), as well as increasing the company's market share in Asia and stable market share in China. With its strong brand and unique design, Mercedes-Benz has won over many car users. In recent years, the proportion of car market users in China and Sichuan has also been quite high. The users in the Sichuan market applied it to the Mercedes-Benz user satisfaction research, and the influencing factors of this user satisfaction were analyzed through the implementation of the questionnaire survey. It gives the reasons for Mercedes-Benz's success in the market and the optimization suggestions to further occupy the dominance of Sichuan automobile market.

Literature Review

In 1989, the technical acceptance model was proposed when Davis used rational behavior theory to study user acceptance of information systems. The initial purpose of the technical acceptance model was to be decisive in the widespread acceptance of computers. These factors can be explained. The technical acceptance model presents two main determinants: perceived usefulness, which reflects the degree to which using a particular system can improve its work performance; perceived ease of use, reflecting the extent of a belief that it is easy to use a particular system. (Su, 2017.)

We approached four researchers to study factors that affect automotive customer satisfaction. The researchers found many variables affecting users, which are summarized in the table below.

Journal articles	Title	Author	Findings (Which IV affected DV)
1	Strengthen the service, and constantly improve customer satisfaction, Mercedes-Benz truck after-sales service to strengthen the core competitiveness	Zhang Ying	Enterprise products, quality of services, commercial competition
2	Research on customer satisfaction improvement strategy and implementation plan of Shanghai H Mercedes-Benz 4S Store	Zheng Chao	Brand image, service quality
3	Research on After-sales Service Based on Customer Satisfaction	Liu Ruihua	Service Marketing, Product quality, quality of service
4	Research on improving the customer satisfaction strategy of after-sales service in automobile 4s stores, focusing on the customer perspective	Sun Yan, Sun Fei, and Guo Junli	Product, price, quality, and satisfaction

From table, the factors available for the independent variables of this study were identified, including perceived quality, perceived value, and customer experience.

Conceptual Framework
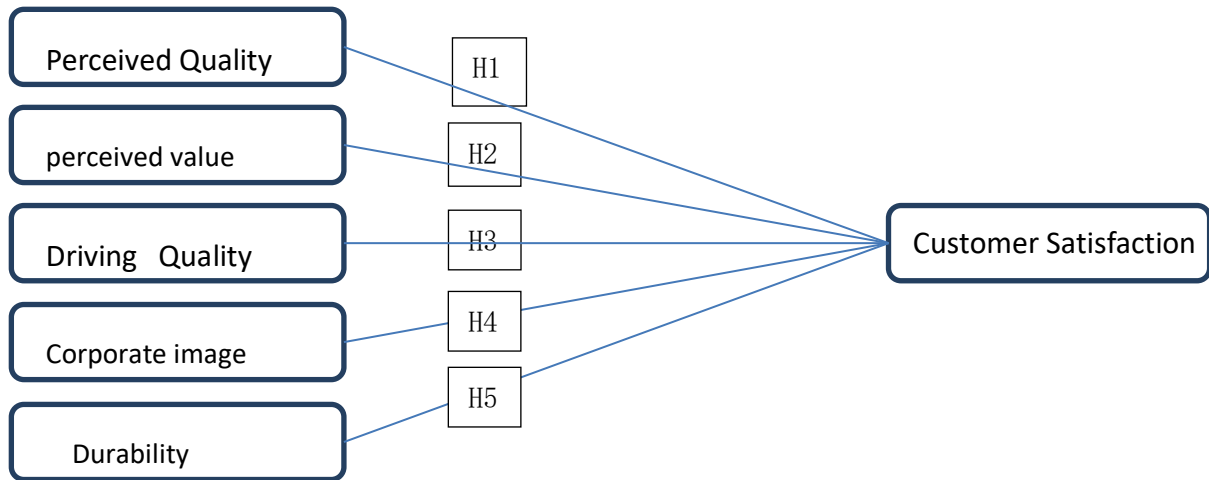
This research refers to the relevant literature on customer satisfaction, and through the determination of dependent variables, the factors contain the same independent variables, mainly perceived quality, perceived value and customer experience. These independent variables were combined with the impact of Mercedes-Benz customer satisfaction by combining qualitative and quantitative studies.

Research Methodology

This study applied quantitative studies to collect raw data. First, the investigator tested the reliability of each variable in the study using Cronbachs in SPSS. Second, a descriptive analysis was used to analyze and interpret the demographic data of the respondents. Third, multiple linear regression was used to determine whether independent variables had a statistical effect on the dependent variable.

The researchers decided to use the scale of the survey technique measuring 5 points by Likett because it was most widely used and could be easily adapted to any part of the questionnaire.

> Target group: People who live in China and have used a Mercedes-Benz car
> Sampling size: 33 respondents
> Sampling procedure: convenient sampling
> Research instrument: Questionnaire data were collected by WJX.SBAR questionnaire

Critical discussion of data presentation and results

In this chapter, the researchers focused on analyzing the descriptive, reliability and reasoning analysis of variables. Descriptive analysis is used to test basic data such as frequency, percentage, mean, standard deviation, variance, and range.

Reliability uses Cronbach's Alpha test to determine the reliability of research questions, regardless of whether they are reliable and committed to use as part of the research.

In addition, inferential analysis uses Pearson correlation, analysis of variance, T test, etc. to test all hypotheses. Specifically, in this study, the researchers used Pearson correlation to analyze hypotheses.

Hypothesis testing

According to the conceptual framework, there are 5 hypotheses. The hypothesis has been assumed to be the null hypothesis (Ho) and alternative hypothesis (H1).
Assuming the results of multiple linear regression (MLR) of "H1, H2, H3, H4 and H5", the dependent variable (DV) is "Customer Satisfaction"

Conclusions and Recommendations

Hypothesis	Independent variable	P value	Standardization factor (β)	Collinearity Statistics (VIF)	result
H1o	Perceived quality（1）	<0.01	.211	1.185	Refuse
H2o	Perceived value	0.19	.131	1.945	Refusal to fail
H3o	Customer Experience（2）	<0.01	.208	2.043	Refuse
H4o	Corporate image	0.121	.084	1.819	Refusal to fail
H5o	Durability（3）	0.029	.119	1.845	Refuse
R-Square			.374		
Adjusted R-Square			.366		

This research aims to find out the factors that may affect the customer satisfaction of Sichuan Benz in China through convenience sampling. The sample size is 400 respondents, of whom 392 live in Sichuan, China, accounting for 98%. Among them, 53% are women, 212 are men, and 188 are men, accounting for 47%. Most of them have a monthly income of US$1001-2000 (RMB 6,401-12887), accounting for 27.5%, and those aged 30-39 account for 29.5%.

Conclusion

The purpose of this research is to objectively study the factors that may affect the satisfaction of Chinese consumers living in Sichuan, China with Mercedes-Benz customers. In addition, this research applies and combines related theories. Researchers use multiple linear regression to test hypotheses. The research results show that perceived quality, user experience, and durability significantly affects customer satisfaction.

Impact

This research provides useful information for Mercedes-Benz in Sichuan, China, to propose solutions or options to continuously improve Mercedes-Benz products, because now it is a challenge for brands to improve customer satisfaction. The automotive industry is highly competitive, and the impact should be found factors of satisfaction. The results show that perceived value, customer experience, and durability all have an impact on customer satisfaction, and these all have a positive impact, so they should be treated with caution.

Recommendations

According to the research conclusions: Perceived quality, user experience, and durability significantly affect customer satisfaction.

First of all, the greatest impact on customer satisfaction is perceived quality. The quality of beneficial products or services stems from product innovation, best practices and good business processes.

Secondly, the positive impact on customer satisfaction is customer experience. "Successful customer experience" can be based on the customer's past consumption experience, or it can be derived from other objects in the consumer's "social circle".

Third, durability has a positive impact on customer satisfaction. Cars are relatively rare, and customers think that the price of Mercedes-Benz cars is too high, the prices of the whole vehicle sales and maintenance items in the store are all guided by the manufacturer.

Further research

1. Add more independent variables that can better predict or describe dependent variables, such as customer behavior and customer attitude. You can also use ANOVA for demographic analysis.
2. Part of the questionnaires were distributed offline and online, focusing only on non-Chinese respondents. Focus groups or in-depth interviews have also been added for data collection.
3. Research a larger target population. For example, study global Mercedes-Benz customers or compare with other car companies.

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