

Auto Industry, Trust and Commitment as determinant during, Covid 19 in India.

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ABSTRACT

We could find that lot of hard work has been diligently carried on the theory of Trust and Commitment. It also appears that it is used by managers not only during the customer relationship activity but also during the epidemic like Covid 19, in India. The objective of the research is to see the practical implementation of Morgen and Hunt model of Trust and commitment in Indian automobile Industry. This research would also benefit from taking the view that if it is what is needed to curve the ecumenical and financial impact on the auto Industry in India. The frame work developed would surly help the auto industries to investigate whether all the points are being covered or not. This study has both practical and social implications. The methodology used in the study is Case study method, where different actions taken by auto industry are evaluated, to bring the trust back in the retailers. It also shows the evaluation of auto industry from the Covid 19 impact economically. The practical implications are being discussed with in the research in findings, however social implications are part of Trust and commitment during Covid 19. The social change, were there, that only recognizes the side of life. Also, it also indicated that we were too busy in our lives run by only growth, to acknowledge it before. The present status is that the international community has joined hands together in global empathy to stand united during this tough time. Philanthropic initiatives have been created across the world and humanitarian aid offered by biggest nation with billionaires of the country donated millions of dollars to help save people lives and business. (Khuloud Al Omian, 2020). This paper is an attempt to see the implications and practical application of theory of Trust and commitment during crises like Covid19. During the case study method what is being adopted to know the impact of Morgen and Hunt theory, we have tried to evaluate all the circulars what different automobile companies came up to support the retailer network in India. We could find max o them tried to support the retailers through various schemes. and we could also find the industry reviewing and coming out of this difficult situation in the month of July and Aug 2020, when correlated with various aspects of Trust and commitment theory, we could find that the theory stands true for difficult times also. The whole part of the research is being divided into various steps and the existing model is being evaluated so that the new model can be also suggested which is outcome of the support extended in the difficult time in India. This research took around 5 months as we started from the critical time to the time when the things become better in mass auto industry in India. A proper literature review was also done to find the existing model outcome, a literature review as being mentioned in the introduction is supported by all evidence and data. The circular where collected form the market form various interactions with people who got this support. I am sure this would help to benchmark the support every industry should come up for the sustainable during the difficult times

Keywords

Customer Relationship Management (CRM), customer retention, value for money, customer relationship, service advisor, time update, customer satisfaction, auto car dealership, Trust and commitment, theory of trust and commitment, Mogen and Hunt theory

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Introduction

The automobile (car industry) is approx.120 years old in India, the first car that ran on the Indian Roads was in the year 1897, it was owned by Mr. Foster, however the first Indian to own a car in India was in the year 1901 and it was owned none but Jamshed ji Tata. (Source – Wikipedia, Team BHP report dated 24th Dec. 2008). Automotive industry in India emerged in year 1940's, though till that time the cars were only imported in the India. Automotive industry emerged in India in the year 1940's and Hindustan Motors was launched in the year 1942 with its long-time competitor launched in the year 1944, where they were building Dodge and Fiat products respectively. However, during the same period in the year 1945 M& M, started by two brother's start producing Jeep, they start their production with Jeep CJ-3A utility vehicle. After Independence in the year 1947, the Indian Government

launched the efforts in the direction of creating the automotive – component industry in India. By 1953, an import substitution program was launched and there were some restrictions on the import of fully built cars in India. (Team BHP report dated 24th Dec. 2008) Also in the year 1952, the Govt. of India appointed the first Tariff commission; the purpose was to check the feasibility plan for indigenization of India automobile industry. In the year 1953, the commission submitted which recommended to categorizing the Indian car companies based on their manufacturing infrastructure.

Auto industry emerged in India with Independence and it started flourishing, as of now there are more than 50 players in car segments with encouraging growth trend.

Performance of Auto Industry

Automobile industry in India is world's 10th largest industry with annual production of approx... 2 million units

The automobile industry in India was introduced in late 1890's however the manufacturing only took place after Independence in year 1947, (SIAM).

The first manufacturing took place in the year 1950 by Hindustan Motors, with this it gave a start to new era of manufacturing by companies like Telco (Now called as Tata Motors), Bajaj, and Ashok Leyland. In 80's with start of Maruti Udyog and most affordable car of that time, it gained market share by 50percent. (Reported by SIAM)

As of today, as per FDI (Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce, Government of India), the world standing for the Indian automobile sector, Indian industry have achieved following mile stones.

Biggest three-wheeler market in world.

Second Biggest two-wheeler market in world

Tenth biggest passenger car market in world

Fourth biggest tractor market in world

Fifth biggest commercial vehicle market in world

Fifth biggest bus and truck segment in world

The liberalization of 1991 opened gates of competition and growth for major international players and as of now there are more than 50 automobile companies in India.

Biggest shocker in this however, when the Central Statistics Office's (CSO) latest numbers, which revealed that growth rate to six year low of 5percent in the first quarter ended 30th June marking the growth as slowest, since the fourth quarter of FY'13. (khan, 2019)

the threat of COVID-19 and the prevailing uncertainty of the future and the timeline by when the situation will ease out. This Covid-19 has brought the entire world to stand still, so the automobile industry also. Researchers in past have suggested that Trust and commitment are the key mediating elements which keeps your business intake and customers retained.

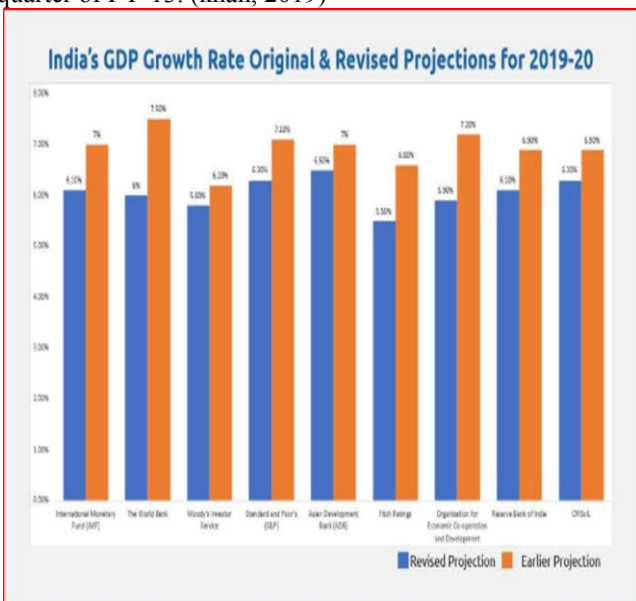
So, the big question for the Automotive Dealerships (While it is equally applicable to other Businesses as well) is how to take the rest of the year to ensure not only healthy survival but also to carry the business with profitability. While the parent companies have come with some special schemes. Here in this paper we are trying to find the relation of these schemes with reference to commitment and trust theory.

Various suggestions have been given few of the auto professionals, (chadda, vijay, 2020, p. 3)that We must start preparing for the rest of the year while we get this golden opportunity to sit at home and think and plan the future. When we look at positive side of the current situation, it has made all of us realize that the future is unpredictable and the way we had run the business in the past may not be effective in the future. Therefore, it is a good time to recalibrate ourselves with our future vision, focus areas, priorities and the core values which can help us to sustain and grow ourselves in the new future (post COVID-19). Before we could have studied various aspects of the help and package during the covid-19 in auto sector, we have gone through the literature of Morgan and Hunt Theory of Trust and commitment.

During any critical crises like Covid19, trust and commitment are important in for any consumer transaction and business, hence I chose Morgan and Hunt's theory of Trust and commitment because it is so frequently cited in articles on customer relationship and business relationship and was showing the relevance during the literature review. There are questions like what makes it different from the many others about trust during Covid 19? In my opinion, which was built during the literature review, because of the dimensions required of Trust and commitment are same as required for business development and business protection. Instead of gathering sets of input and output variables to measure quantitatively, a developed qualitative idea of the key mediating variable (KMV) and selected relationship commitment and trust as examples of these were taken to build upon the basis hypothesis.(Cathal M. Brugha, 2020) Researchers found that Mogen and hunt developed sets of precursors and same has been produces as outcomes of relationship commitment and trust. In one of the precursors, it influenced the relationship commitment and trust which, in turn, influenced the outcomes. Hence as impact trust also influenced commitment. In the alternative model they followed by Covid 19 findings and its influence is suggested independently. They explained the difference in the following terms as shown in Fig. 2

Commitment-trust theory of relationship marketing

The commitment-trust theory of relationship marketing says that two fundamental factors, trust and commitment, must exist for a relationship to be successful. Relationship marketing involves forming bonds with customers by



Source:-Figure 1

<https://economictimes.indiatimes.com/industry/auto/auto-news/auto-industry-stares-at-2-bn-loss-as-factories-and-dealers-shut-shop-to-stem-covid-19>

Figure 1 clearly shows the GDP projections before and after Covid, it shows an impact, which was across the industries. The source of this economic times which was specific to auto industry. Due to present Covid 19, estimated loss to auto industry in India, A expecting a loss of 7.5 lakh units in production was estimated for Indian automotive industry and \$2 billion revenue in March alone because of lockdowns to combat the Covid-19 outbreak. (Thakkar, 2020)

Present status: -2020 and FY20/21 had started with biggest challenge to the entire world and hence to India also with

meeting their needs and honoring commitments. (Rajarshi Debnath, 2016)

Theoretical Premises of the Research on Theory of Relationship Management

Customer relationship management (CRM) has emerged as most dynamic technology topic of the millennium (Debnath, Datta & Mukhopadhyay, 2016). The basis of CRM, which is relationship marketing, has only objective of improving the long-term relationship while increasing profitability opportunities of customers by moving away from product-centric marketing. The long-term relationship has positive impact on the sales.

The origin of CRM was derived from the concept of relationship marketing (RM), while RM aim to form a long-term relationships with customers by repudiating approaches that focus on customers (Debnath, Datta & Mukhopadhyay, 2016). An organization's success is greatly influenced by its understanding of its clients' needs during various situations and working atmosphere (King & Burgess, 2008), which is CRM's main concern. ...

The term relationship marketing was coined by Berry (1983) (Parasuraman et al., 1985, 1985) and defined it as activities of a firm to build, maintain and develop customer relationship. In academic community, the terms "relationship marketing" and "customer relationship management" (CRM) are often used interchangeably (Payne and Frow, 2005). Due to globalization, increasing competition, market saturation and rapid advances in technology CRM has become a crucial part of airline business (Liou, 2009). Airline service's characteristics offer many opportunities for practicing CRM (Cheng, et al., 2008). Currently India is 9th largest aviation market with a passenger throughout of 159 million as of 2013 (Saranga and Nagpal, 2016). Recently, Indian government has passed a regional air connectivity scheme under which airline will charge only ₹ 2500/- for one-hour flights. In airline industry, air travel in India is currently 0.1 trips per person per year, which is just a fraction of the global average of 2.0 (O'Connell and Williams, 2006). In India, the domestic airline industry was going through booming phase before Covid 19 crises. To capture maximum market share within tough competitive world, airlines are now closely doing evaluating and implementing marketing strategies with a specific purpose of improving customer retention. Acquiring new customers is costlier than retaining previous ones. Lot of early literature has focused on finding the link between service quality, satisfaction, and loyalty, less research has been conducted on analyzing the effects of CRM strategies on Indian domestic airlines. Also, there is scope of understanding the customer relationship during the crises like Covid 19, every sector has a role to play and hence research on auto sector is of equal importance.

Origin of Commitment Trust Theory

Morgan and Hunt, 1994 (Hunt, 1994) believed that there are two key factors of successful marketing and business relationship, hence the factors commitment and trust become the main key factors of theory. Therefore, they

posed a commitment –trust theory and created a key Mediating Variable (KVM) Model.

This model emphasizes that commitment and trust directly lead to cooperation behaviors which are beneficial to the success of Relationship Marketing.

TRUST Originated from the research of psychologists of the influences of this concept on interpersonal relationship. Morgan and Hunt, 1994, defined Trust and commitment as below: -

TRUST is defined as the confidence index of being willing to depend on a trading partner. It also means motivation to hold positive expectation

COMMITMENT is defined as trading partners believing in the importance of their business relationship and being willing to do all they can to keep it.

The commitment-trust theory of relationship marketing says that two fundamental factors, trust and commitment, must exist for a relationship to be successful. Relationship marketing involves forming bonds with customers by meeting their needs and honoring commitments.

Various definitions of Trust and commitment by various researchers

Morgan and Hunt, 1994 (Hunt, 1994) believed that two key factors of successful marketing are relationship commitment and trust. Therefore, they posed a commitment –trust theory and created a key Mediating Variable (KVM) Model.

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David Holdford and Sandara White in year 1997, (White, 1997) examined the trust and commitment in students in pharmacy school, He found trust in faculty staff reduced uncertainty among students. Commitment increased intentions to remain at the school of greater willingness to cooperate with the school. Ellen Garbarino and Mark S. Johnsson (Johnsson, 1999) Many theories of relationship marketing propose that customers satisfaction vary in their relationship with a firm on a continuum from transactional to highly relational bonds. Overall Customer satisfaction is the primarily mediating construct between the components of attitudes and future purchase intentions. For the high retention customer, trust and commitment rather than satisfaction are the mediators between component attitude and future intention.

Customer loyalty has been described as one of the important fundamental to marketing relationship (Toufaily, Ricard, & Perrien, 2013) and is generally consider as an organization's most enduring asset (Pan, Sheng, & Xie, 2012, p. 150). Various benefits of loyal customers are well documented in lot of researches. A Loyal customer generally tend to make a greater percentage of purchases on a more frequent basis and is less prone to defect to a competitive provider. Through his word-of-mouth communication he will recruit and add more customers for the organization, and hence new additions (Haywood, 1988; Oliver, 1999; Petrick, 2004; Shoemaker & Lewis, 1999; Yoo & Bai, 2013, p. 167).

Loyal customers aim to offer great networking opportunities for the organization and provide the scientific pathway for

organizations to connect with other potential customers who are hot leads (Yoo & Bai, 2013, p. 167).

Customer loyalty is directly associated with profitability and has a positive impact on same. (Anderson, Fornell, & Lehmann, 1994; Leverin & Liljander, 2006, p. 235; Reichheld, 1996. Various researchers also found that a small increase in customer loyalty would result in a substantial increase in profit for the organization with new customers on board also.

(Reichheld, 1993; Reichheld & Sasser, 1990; Yoo & Bai, 2013, p. 167). Researchers suggest that Customer loyalty and retention has great potential to contribute significantly to the success of the organization, and with insight into its predictors are essential for ensuring that the customers remain loyal to the organization over the long period of time.

Roberts-Lombard, Van Tonder, Pelser, and Prinsloo (2014, p. 25) were of the same opinion and stated particularly for the insurance industry. They with their knowledge of the factors said that it is very important that client is loyal to insurance agent for the future business to happen and thus validated the importance of customer loyalty for ensuring that clients remain loyal to the insurance agent. This is primarily because in insurance sector an insurance agent performs the role of salespeople. Hence, they are responsible for selling insurance products to prospective clients and play an important role in a country's economy. The same role a representative of the auto industry plays when it is retailer relation and the actions associated with it impact their trust in organization

The advice that insurance agents provide to their clients through the customer relationship means can have a great influence on their financial and emotional well-being. Furthermore, financial products tend to be complex, and the assistance of an agent is required to ensure that clients plan appropriately for retirement (Hunt, Brimble, & Freudenberg,

2011, p. 70). It is therefore essential for clients to remain loyal to their insurance agents and allow them to provide the necessary advice and support for their financial well-being over the long term. This is not only important in insurance sector but in auto sector. This relationship exists between customer and front office team, Representative of company and top management of retailer and between realter and the parent company. This is bond, and this has two important pillars trust and commitment. The impact of same during crises is an attempt made via case study method. (La Ode Almana, 2018)

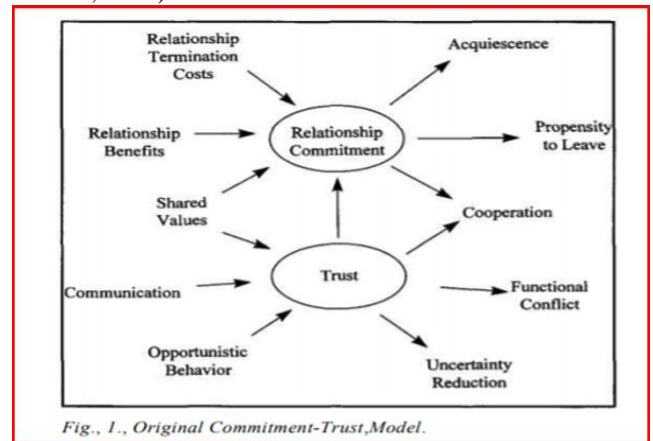


Fig., 1., Original Commitment-Trust, Model.

Figure 2: -Source: - David Holdford, Testing Commitment-Trust Theory in Relationships between Pharmacy Schools and Students, 1997

Methodology

I. Gaps Found in Commitment- Trust Theory Literature review

Effect of employee (not aligned to organizational goals) on customer retention in after sales.	
Future studies should explore types of termination cost other than economic cost studied here and explaining the relationship between the relationship management and profit and loyalty. (Hunt, 1994)	
The commitment trust theory can be studied in different markets / segments and different countries	
Customers predict the clue of the product before purchasing, at the point of purchase and after purchasing. That means their satisfaction may vary accordingly. Hence a survey should be carried out to figure out the metrics of satisfaction (Sonia San Martin, 2004)	
How affective commitment rather than satisfaction does predict Retention. (2) Are affective commitment agreement ratings of statements about the pleasure or positive affect in being a customer of company; whether the company takes care of its customer, the presence of reciprocity in the relationship and feeling of trust toward the company. (3) Relationship management in trust and commitment with respect to retention.	
Further investigation is required to explain behavior commitment and makes another empirical contribution in favor of validity of the commitment trust theory	Trust & Commitment theory validation for difficult situations can be further validated through practical implication and situations.

Future research should consider how employees are recruited to the organization. Also, future research should also consider how trusting relationships are developed so that organization can train managers to build such relationships with subordinates, thereby increasing commitment. (Aneil K. Mishra, 2015)

Future studies can be conducted in Different fields, different company, culture and lifestyle may be different. All the factors shall be further studied to discover more characteristics of relationship marketing. (Chien -Lung Hsu, 2010)

We used the case study research as a research methodology as it is commonly used in social science. Also, the reasons why case study method is used as below: -

Case study is a type of research strategy with an empirical inquiry. With main aim to investigate a phenomenon emerging within its real-life or with in a set period.

The main aim of Case study is to explore the cause of underlying principles or theory or event through an in-depth step wise investigation of a single individual, group or event.

Case study is also called as descriptive and exploratory analysis of a single person, group, event or crises.

A case study researches generally a single or multiple case study. It covers quantitative evidence, relies on variety of evidences and benefits from the prior development of theoretical propositions.

Case studies are analysis of persons, groups, events, decisions, periods, policies, institutions or other systems that are studied holistically by one or more methods.

After analyzing the 8 different Auto companies circular which were released in April 2020 during the start of the pandemic, following could be found. There was commonality in all the actions taken by the different organization, As the situation resulted in less sales, rather no sales in the month of April, there were attempts made to help the retailers in giving them some cash exposure, in other side organizations where trying to build the trust in customer by extension of service. While the commitment of the OEM remained that we would stand with the retailers, there was efforts done to build up the trust in the customer. When we try to find the relevance of trust and commitment model, we could find relevance of the same during the pandemic. The result of the same has been revived in the trust and commitment model during crises, by a self-illustration on the last page

Discussion

Below Table used for the case study method

Organization	Support to Network – Yes or No	Support to Customer - Yes or No	Main support Given to Network	Main support Given to Customer
Bajaj Auto	yes	Yes	Interest wavier on the old stock for a limited period, Interest Bonus, Advance credit for BS4 vehicles, Inventory Funding and Early settlement of schemes.	Extension for the service period.
Honda Two wheelers	yes	Yes	Support on the on sold stock of BS4, also provision of support of Rs.10000 to Rs.30000 was done for liquation. Also scheme for retailer manpower was promoted.	Service Extension, support for critical case
Audi India	yes	Yes	Support was paid to the dealerships as per Dealer Categorization, which was shared in 2020. Amount per month CAT A, INR 700,000, CAT B INR 600,000 and CAT C INR 500,000 from Apr'20 to Aug'20	
Toyota Kirloskar Motor Pvt Ltd	yes	Yes	Settlement of all pending claims with aim to give cash exposure to the retailers. Interest subsidy was also given from TKM to subsidize balance interest on the physical stock more than month. Claim was also settled owing to	

			various schemes of sales and service in past.	
Volkswagen Passenger Cars	yes	Yes	100percent payout of VRM with Waiver of Overall qualifier condition i.e. financial discipline. Accelerated claim and incentive payouts: - All cases where the document submission timelines fall between 15th March 2020 to 15th April 2020 will be extended till 25th April 2020 and Cash claims till Dec'19 and bonus till Mar'20 will be paid out by 31st March 2020. Cash claims for Jan'20 and Feb'20 to be paid out by 17th April 2020 and Accelerated processing for exchange, loyalty and corporate claims	
Ford India	yes	Yes	Payout for Q1 the objectives for Q1 was scrapped for all elements and thus making a one-time change to the pay-out rules for payment against performance. All chargebacks that have been communicated to dealerships Arjun Program was deployed to ensure that the frontline teams are not impacted by the lockdown, Company were also retaining the Tier status for all personnel as per the Q4 2019 status.	Free Service due VINs Customers with vehicles due for 1st and 2nd Free Service during the period 15th March to 31st May 2020 can avail the Free Service at any time after dealerships resume normal operations. Extension of Warranty, Extended Warranty, Flexi & SSP Plans for Customers whose vehicle warranty or Extended warranty is expiring between 15th March and 31 st May 2020, the same has been extended till 30 th June 2020.
M& M	yes	Yes	Pending Claim support by settling all old claims. M& M waiving off all conditions from Dealer Support Fund for Q4. Payment to be released to all dealers. M& M have extended all Government, Corporate and Exchange claim deadlines to Apr'20 end for Feb'20 claims Liquidity & Cash Support: • There was No Interest on dealer outstanding for lock-down +15 days of Unsecured outstanding over dues o Secured outstanding over dues.	

Renault India	yes	Yes	Advance payout of RIPL contribution (50percent). Reconciliation after business resumes March Wholesales: Paid @ 100percent target levels > T + 30 DAYS FOR with actions on DEALER INVENTORY SUPPORT AND CASH FLOW IMPROVEMENT CASH FLOW IMPROVEMENT FINISH	ROAD SIDE ASSISTANCE > Being provided to the best extent possible (basis city wise guidelines) PERIODIC SERVICE SCHEDULES > Relaxation by 2 months WARRANTY EXTENSION > One-month warranty extension from end of Lockdown period, for all live policies (including Extended Warranty policies.
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Morgan and Hut theory of Trust and commitment has put trust and commitment in the Centre and hence also depicted that trust and commitment are the two mediating variables of customer relationship. While the various scholars have evaluated this theory for the long-term business relationship, we try to evaluate how different actions defend the relationship cost during crises. This we were look the KVM model again and try to evaluate it during the crises like covid19, which not only has effect on India but also, to whole auto industry of India. (white, 1997)
The various antecedes of KVM model can be further evaluated by the actions taken by various OEM, owing to long term business protection cost. These were rechecked during the case study of various companies (Kundu, 2015)

Relationship Termination Cost

Termination Cost refers to all liabilities incurred in connection with or arising out of the withdrawal, departure, resignation or termination. There were chances that during the crises the termination of retailer and OEM is there owing to the finical issues arising due to less sale, which is situational and not in any bodies hand, yes it can be reduced by timely support. We could find during the analysis of eight circular released by various companies owing to Covid situation. Hence, we could also find the relevance of this during the crises and hence the theory is true to crises situation also. (Chien -Lung Hsu, 2010)

Relationship Benefits

Long term relationship benefits are there always in all relationship. The auto industry is one such example where retailers are considering the extended arm of the organization, during the review of case study of various actions during Covid crises, it was seen that max. OEM’s came up some or other solution for their retailer patterns, hence we could also see this relevance of theory in Covid crises. (Johnsson, 1999)

Shared Values

Shared values for an organization are its values, that are part of their DNA. Mainly developed by core people of the organization called as leadership team and finally adopted by whole organization as one team. They may also sometime know as core values. In auto industry the shared values towards customer, follows down through retailers and during this situation a strong cooperation was being

found the two and hence this also stand justified during the crises situation. (Hunt, 1994)

Communication

During the crises the most important part is communication, generally there are lot of questions in everybody’s mind from employee to retailer. During the analysis of various actions taken by Indian auto industry, it was found that questions like how business would be done, how to safe guard the business. Every circular was trying to communicate the same, hence this also we could find the same during the analysis. (Johnsson, 1999)

Opportunistic Behavior

This is seen less as the pillar of trust and commitment has made it less to happen. The trust among the retailers that the organization would stand for them has reduced it, though in our study we could not validate it. (Hunt, 1994)

Uncertainty Reduction

While there are reports that due to crisis these was some uncertainty in the business, but the above acts have boosted the business and hence we were able to test the theory of trust and commitment in crises. (Hunt, 1994).

Functional conflict

Functional conflicts were less due to communication and building of trust and commitment. Functional conflicts also arise due to support and empathy accepted during any issue.

Cooperation

We can see a good cooperation from big business to small business.

Propensity to leave

Propensity to leave was reduce, as during the crises the business tend to get out from current business, if the retailer / owner losses trust. (white, 1997)

Acquiesce

Yes, all these organizations were trying to build confidence and acquiesce among the business partners.

During our testing of theory, we could not verify if it has really worked and the future work can be done, if it works.

Findings

We found that even during the epidemics, the OEM's (The parent company) are trying to build relationship of trust by declaring the financial support to their retail chain. The circulars what we analysis, indicate that the parent company shows their commitment to protect the business of retailers during the pandemic, so that trust between them remains and further they remain focused towards commitment to sell and serve the customers. Earlier, trust and commitment were analyzed with respect to business relationship, the present situation also shows that there exists a trust and commitment even when there is no business and there is urgency of business protection, we therefore say it is epidemic model of trust and commitment, which can be further views as below. Further research can be done if this type of actions were enough to protect trust between parent company and retailer, and further commitment level post epidemic like covid-19 is over.

July 2020 has shown that the industry is back to normal as compared to July 2019, at least the same numbers. While April was 0, May 2020 was approx. 18percent of the May 2019, June 2020 was approx. 50 percent of June 2020 and July is approx. 98percent of June 2019. These figures and percentage show how the trust among the network could help during the crises. I am sure coming months would be a new era of auto industry in India, while dealing with Covid crises. Figure 3, which is self-illustration shows how in real way the Morgan and Hunt model can be interpreted during Covid situation in India for automobile industry

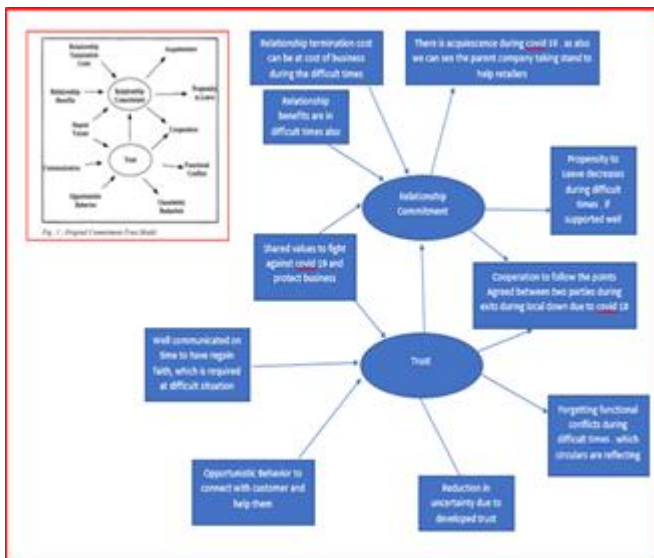


Fig.3: - Self illustration of Commitment Trust Model during Covid 19 at India, in automobile sector.

Conclusion

We concluded that the Morgan and Hunt model of trust and commitment is not true only for the relationship matrix when the system is working, it is also true during the event

of pandemic like Covid -19. It says the trust between the two parties helps in long term business commitments only. It is important to support the system, during the concern so that organization can sustain during the economic strike due to Covid 19. As a manager it is time when we should be more connected with the retailers and there must be empathy within the relations. The building of trust helps the long commitment of supporting the business between the two OEM and retailers. The Aug 2020 sales of Cars in India during Covid 19, which was 234343, as compare to Aug 2019 Sales, which was 195800, shows that actions taken by OEM to support the retailers in Indian in the month of April 2020, when there was actually no sales has built up trust between the retailers and they have in order deliver the no's as a commitment to companies to sell, which we can see the transformation from April to Aug.2020

Future Studies

Future studies can be done on how building of trust was done in other industry and a correlation between the two can be plotted to see the impact on Morgan and Hunt Model.

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