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RESEARCH HIGHLIGHTS



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CUSTOMER'S BRAND PREFERENCE TOWARDS TELEVISIONS

* GEETHA, D.

Introduction

In India the consumer electronics industry is a global business. In recent years, the consumer electronics industry is in the midst of a new wave of change, witnessing a phenomenal growth.

Digitalization, miniaturization and mobility are the key elements for modern consumer electronic products. Digitalization transformed the consumer electronics sector in delivering new and exciting entertainment products that have changed the way of life. It paved the way for digital devices such as camcorders, DVD player/recorder, still camera, computer monitor and LCD TV. The computer industry had also benefited by making its way into the family living room. In this growth, companies that are capable of developing good brands will be more successful.

Customer satisfaction refers to how much satisfied customers are with the products or services they receive from a particular company. The leading marketing professionals of today are exercising their decision making process with the ultimate aim of satisfying the customers. They have recognized the necessity for taking their

product to the market and giving the customer what they want. Brand preference is measured by attitudes and perceptions of the consumers towards a particular brand. When customers repeat purchase of the same brand, it is called brand loyalty. Now a days high quality, technically sound televisions are available to the consumer in the market. According to their quality, price and style the consumers make a buying decision.

Brand loyalty occurs because the consumer perceives that the brand offers the right product features, image or level of quality at the right price.

A strong symbol or company logo can also help to generate brand preference by making it quickly identifiable. The quality, colour, packing and other factors influence customer satisfaction. At this market condition conducting a market research study is imperative to successfully market the new brands, in the stiff competition at Coimbatore. Hence the study is conducted with the objectives : to

- * find out the customer's brand preference in televisions and
- * understand the problems and offer solutions

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Ashok Jain et al. (1990) in their study attempted to propose a diffusion model for the Indian television market. Base model has been applied for examining colour television and modified model is used to study the black and white television. The diffusion model based projection for television production in India shows a declining trend. The study had indicated that one time decrease in price by lowering duty by the government or by lowering profits by the industry would not improve the long-term situation.

Harish (2007) attempted to study the emerging trends in the marketing of consumer durable in India. The annual market for consumer durable in India is currently very high. Indian consumer is brand conscious, but not necessarily brand loyal. Domestic durable manufacturers are responding by expanding their product range to ensure higher bargaining and shelf power with the trade.

Kathirvel and Chandrasekharan (2009) carried out a research study with a title consumer behavior and brand preference towards Onida television, at Karur, Tamil Nadu.

Findings

Profile of selected companies:

LG Electronics Inc- South Korea

It has a revenue of US \$ 16 million per annum. Sixty four thousand employees are working and it has 76 overseas subsidiaries.

LG in India

LG Electronics India Private Limited was established in January 1997 after clearance from the Foreign Investment Promotion Board (FIPB) the fastest nationwide launch by LG in a period of four years from May 1997. It has latest manufacturing facility at Noida, New Delhi in 1998 with ₹ 500 crores. Here they manufactured colour TVs, washing machines, air conditioners and microwave ovens and emerged as leader in the industry. The company had till 2001 achieved the cumulative turnover of ₹ 5000 crores in India since its inception in 1997.

Samsung television

1992 – Samsung Electronic builds colour TV factory in Bellingham, England. Samsung Electronic begins manufacturing in India.

Samsung Business Division

Samsung Electronics consists of semiconductor business, telecommunications, network business, digital media business and digital appliance business. Samsung India (1995) has a network of 19 branches over the country. The Samsung manufacturing complex manufactures colour televisions, colour monitors, refrigerators and washing machine in Noida near Delhi. Samsung "Made in India" products like colour TV monitors and refrigerators are exported to Middle East. Samsung India currently employs over 1600 employees and around 18 per cent work in Noida.

Socio-economic profile of customers**Table 1. Socio-economic profile**

Criteria	LG	Samsung	Total		Criteria	LG	Samsung	Total	
			No.	%				No.	%
Age (Years)					Educational qualification				
20 – 30	73	61	134	45	Illiterate	14	9	23	8
30 – 40	38	58	96	32	Non – formal education	12	7	19	6.34
40 – 50	16	12	28	8	Up to 12 th	16	14	30	10
50 – 60	16	17	33	12	ITI/Diploma	10	12	22	7.33
Above 60	7	2	9	3	Graduate	51	49	100	33
Gender					Post graduate	36	51	87	29
Male	73	61	134	45	Professionals	11	8	19	6.33
Female	77	89	166	55					
Marital status					Religion				
Married	96	101	197	66	Hindu	120	117	237	79
Unmarried	54	49	103	34	Muslim	13	13	26	9
					Others	17	20	37	12
Occupation					Annual family income ₹				
Employee	10	2	12	4	Less than 1,20,000	34	11	45	15
Govt.	10	12	22	7	1,20,000-2,40,000	24	19	43	14
Private	32	41	73	24	4,80,000-6,00,000	69	65	134	45
Professionals	6	9	15	5	6,00,000-8,40,000	17	47	64	21
Business men	22	10	32	11	Above 8,40,000	6	6	12	4
Student's	34	37	71	24		-	2	2	1
House wife	36	39	75	25					
Total	150	150	300	100	Total	150	150	300	100

Whatever be the brand, both men and women are interested in purchasing and viewing these new brand televisions. Majority of customers 77 percent preferred new LG and Samsung brands. Since there are 66 percent of family viewers they are good target of potential customers to TV companies.

Awareness of the new brands and popular colour televisions were observed among 80 percent of educated customers. So TV companies can apply their brand building techniques to educated customers.

Irrespective of the religion, customers purchased new brand televisions during their important religious festivals like Diwali, Christmas, New year and they enjoyed the festival offers and schemes. One fourth of the customers who were housewives are aware of new brands and popular televisions, compare to other customers. Low income group customers, (88-29%) will be rewarding targets to new brand TV sales companies.

Table 2. Chi-square test results

Chi-square	Value	Table value	Df	Significance
Age	64.92	46.194	32	*
Educational qualification	64.979	55.171	48	*
Occupation	60.662	55.171	48	*
Family income	103.331	55.758	40	*

It is inferred that there is significant relationship between age and purchase of new brand TV. Majority of the youngsters considered new brand logo and company logo. There is a significant relationship between educational qualification and purchase of new brand TVs. The private

sector employees purchased more new TVs. Housewives and student community preferred and enjoyed new brand TVs in large numbers. Middle income group purchased (2-5 lakhs) new brand TVs in large numbers and family of course is a influencing factor.

Table 3. Customers brand preference – Influencing factors rank by priority

Factors	1	2	3	4	5	6	7	8	9	10	Rank
Brand Name											
LG	18	37	32	24	18	11	2	4	2	2	2
Samsung	10	46	34	9	19	12	7	6	4	3	
Total	28	83	66	33	37	23	9	10	6	5	
Quality of the product features											
LG	15	55	37	21	10	5	2	3	-	2	2
Samsung	30	57	28	16	7	6	-	1	1	4	
Total	45	112	65	37	17	11	2	4	1	6	
Style / Comfort / Appearance											
LG	3	12	20	23	33	21	16	10	7	5	5
Samsung	3	10	16	36	30	22	15	8	5	5	
Total	6	22	36	59	63	43	31	18	12	10	
Picture clarity / Energy											
LG	20	11	25	30	27	22	7	5	2	1	3
Samsung	14	12	36	26	22	18	8	7	7	-	
Total	34	23	61	56	49	40	15	12	9	1	
Sound effect / Theater effect											
LG	25	21	7	9	17	20	18	10	5	18	10
Samsung	13	7	4	18	15	12	16	20	16	29	
Total	38	28	11	27	32	32	34	30	21	47	

Quality of the performance											
LG	65	7	13	17	10	17	9	4	4	4	
Samsung	72	13	19	15	9	8	7	2	1	4	1
Total	137	20	32	32	19	25	16	-6	5	8	
DVD and other special features											
LG	1	1	3	11	9	19	41	38	17	10	
Samsung	2	2	3	6	18	21	39	28	24	7	7
Total	3	3	6	17	27	40	80	66	41	17	
Price and special promotion											
LG	1	-	6	4	14	17	30	25	29	24	
Samsung	3	1	3	12	10	21	27	24	24	25	7
Total	4	1	9	16	24	38	57	49	53	49	
Effective sales promotion and showroom proximity											
LG	-	1	1	2	6	5	13	16	38	68	
Samsung	-	-	1	5	11	5	18	22	40	48	10
Total	-	1	2	7	17	10	31	38	78	116	
Product life											
LG	4	5	4	9	8	11	16	34	45	14	
Samsung	1	5	9	9	12	19	21	25	30	19	9
Total	5	10	13	18	20	30	37	59	75	33	

Out of 300 respondents majority of 46 per cent of them had given first rank for the quality of performance as a reason for selecting a particular brand.

Thirty seven percent (112) had given second rank for the quality of the product feature and 28 per cent (83) gave it for brand image.

Twenty percent (61) gave third rank for the picture clarity and energy.

Twenty one percent (63) issued fifth rank for the style/comfort / appearance.

Twenty seven percent offered seventh rank for the DVD and other special features and 19 per cent gave it for price and other special promotion offers.

Twenty five percent suggested ninth rank for the product life

Thirty nine percent offered tenth rank for the effective sales promotion and showroom proximity.

Ranking is done on the basis of number and percent of customers who gave higher scores for specific preferential factors by order of priority.

Table 4. Customers preference in size and price band

Criteria	LG	Samsung	Total	
	No	No	No	%
Size of the television				
19 inch	12	11	23	7
21 inch	94	82	176	59
29 inch	44	57	101	34
Total	150	150	300	100
Price band preferred ₹				
3000-4000	9	7	16	5
7000-8000	80	69	149	50
10000-12000	11	10	21	7
Above 12000	50	64	114	38
Total	150	100	300	100

Majority of 93 per cent of customers prefer bigger size TVs. TV companies can give due weightage to this fact. The price band preferred by 50 per cent of the

customers is the middle budget (₹ 7000-8000). Higher price band above ₹ 12,000 was preferred by 38 per cent (114) of the customer.

Table 5 Factors considered while purchasing TV

Factors	LG	Samsung	Total	
	No	No	No	%
Model	26	11	37	12
Brand logo	30	44	74	25
Company logo	44	48	92	31
Price	13	6	19	6
Social status	1	7	8	3
Attractive advt.	11	7	18	6
Performance	11	7	18	6
Proximity	7	9	16	5
Special offer schemes	7	11	18	6
Total	150	100	300	100

Company and brand logos, model mainly impress customers (68%) in buying decision. Brand building is the apt solution to increase the sales of new brand televisions.

They consider price, advertisement, proximity, performance and special offers also.

Table 6 Customers Preference – Colour and Warranty

Factors	LG	Samsung	Total	
	No	No	No	%
Colour preference				
Black	61	67	128	43
Arctic silver	69	47	116	39
Crystal white	20	36	56	18
Total	150	150	300	100
Warranty period				
1 Year	9	0	9	3
2 Years	57	46	103	34
3 Year	73	104	177	59
Above 3 years	11	0	11	4
Total	150	100	300	100

Table 7 Problems and Suggestions

Factors	LG	Samsung	Total	
	No	No	No	%
Problems				
Ineffective remote control	64	71	135	45
Poor clarity of picture	23	13	41	14
Noisy sound	42	38	80	26
Freezing screen	21	23	44	15
Suggestion				
Improve the television technology/ picture quality and clarity	24	24	48	16
Improve the sound effect	37	40	77	26
Provide quick view	11	19	30	10
Develop effective remote control	46	46	92	31
Prefer lesser price	12	6	18	6
Voltage stabilizer	10	3	13	4
Provide more warranty period	10	12	22	7

Problems

Majority of customers (45%) stated that ineffective remote control is the main problem. whereas irritating noisy sound, poor clarity of picture and frozen screen were expressed (15%) as the next major problems.

Solutions

Most of the customers (92%) stated that better design should be developed with proper technology to improve the picture quality, clarity, sound effect and better remote control system (31%).

Many prefer Samsung brand comparatively as clarity of picture and sound are better in this brand. Some prefer LG brand for better remote control.

Findings

- Majority of the youngsters and homemakers influence the selection of new brand logos and company logos. The age factor influences the brand preference.
- Majority of the educated customers influence the selection of brand logos and company logos. Educational qualification helps in choosing the TV brand.
- Majority of the middle class family customers influence the selection of TV brand and company. Income definitely influence the brand to be purchased.
- Comparatively more urban customers were (203-68%) aware of the new brands. TV sellers can target their selling efforts towards much unexplored rural area mainly (97-32%).

Brand Preference in Television

Media, location and usage

- Many customers (51%) spent more than 5 hours with TV. Around 18 per cent spend nearly 3-5 hours and 25 per cent spend more than 2-3 hours. Television is one of the great entertainments in India and stress relief to so many people. All this indicates that a large portion of Indian TV viewing population has great potential for TV marketers.

Customers Colour and Warranty Preference

- Majority of 43 per cent of customers preferred black colour followed by this 39 per cent preferred Arctic silver. Comparatively preference of crystal white is very low (18%). TV marketers must produce more number of black colour and arctic silver.
- If there is 2 and 3 years warranty period, 93 per cent of them are willing to buy this brand.

New Brand TV Purchase – Motivational Factors

- Majority of customers (76%) like to purchase televisions mainly for entertainment since it is the main motivating factor. Most of the customers were motivated to purchase brand TV by television advertisements (74%).

Suggestion

- It becomes viable for the new venture entrepreneurs to see TVs with good quality at a lesser price.

- Research and development department may think innovatively and introduce latest technology in television. The globalization policy has full impact on the TV industry. Hence the companies have to move fast towards the new era television, which effective remote control.
- As clarity of picture, brand image and effect of sound plays a major role in buyer behavior and decision, television companies can concentrate on improving its clarity of picture and sound effect and improve its brand image in this television industry.
- As most of the respondents are satisfied with specific brand television facilities, the companies should concentrate on customer delight in managing the satisfaction level and to sustain brand preference and loyalty.
- In practice most of the companies had introduced zero percent interest loan schemes. Hence the companies should concentrate on the competitive business attraction offers with new models.

Conclusion

The research study was conducted with the help of 300 respondents to understand the new brand TV preference by customers in Coimbatore. Television and entertainment industry generates employment and income to millions of people and artists in entertainment industry. Manufacturing and ancillary industries and technicians also contribute to the growth of this industry. It protects the morale of public in the society by providing reasonable entertainment at cheaper cost at home to all. The television industry contributes significantly to the economic development of the country.

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