

# Consumer satisfaction towards samsung television essay sample

[Business](#), [Marketing](#)



Television today has become an essential and important media for business, news, entertainment etc. while it was a mere source of education and curiosity when it came into being. Television has been revolutionized with the application of satellite technology; variety of channels from different countries can be viewed at our homes by a mere installation of a dish antenna. Hence, it made true the statement of yesterday's luxuries are today's necessities. The credit for the revival in TV industry largely goes to the satellite and cable television boom. In today's life television has become a necessity rather than a source of entertainment. Television once called as the idiot box is now considered as the intelligent box.

In the post liberalization period global mega brands peeped into Indian markets expecting a huge market which was just waiting to be tapped. Although the entry of MNC'S did not make an impact initially, aggressive marketing strategies and innovative consumer friendly schemes has resulted in a sharp rise in their market share.

At present many international brands like Sony, Samsung, Panasonic, Philips, LG, and Thomson etc. are competing with Indian brands such as BPL, Videocon, Onida etc. to capture Indian markets.

This study has been focused on the consumer preference of consumer durable like television and the impressions of the consumers with regards to product, price, place and promotion. Samsung is one of the leading TV brands in India. The study is titled, "Consumer Response and satisfaction to Samsung Television". The study has been conducted for Viveks limited, one of the largest consumer electronics and home appliances retail chain in

India. The study concentrates on acceptance of Samsung televisions as many of its competitors are offering similar quality and features to satisfy customer needs and wants. The study has the following objectives:

To know the degree of awareness of different brands of television. oThe level of brand preference of the consumers as regards to various brands of television and to know the brands of television which are currently in demand. oTo identify product attributes influencing brand preference. oTo identify which media has the greatest influence on the respondents. oTo identify product attributes influencing brand preference of Samsung televisions. oTo understand the features with which the respondents are most satisfied. oTo understand user behaviour towards Samsung television. oTo know consumer satisfaction towards shopping at VIVEKS retail outlets.

Primary data for compilation of this report was gathered directly from the respondents through the use of the questionnaire. It was developed personally and offered the latest information.

The sample size of the study consisted of 100 respondents, 50 of whom are the users of the various brands of televisions and 50 who are the users of Samsung televisions.

Secondary data was obtained from the existing information available in the form of records and other documents available at VIVEK limited. Other sources of secondary data are reports, newspapers, and magazines.

The data gathered from the respondents have been analysed, interpreted and suggestions for the results have been provided.

The findings suggested the following:

oTechnology, performance and brand name has been given first consideration by the respondents when choosing their television. oONIDA, BPL, Videocon and Sony are the other popular brands owned by the respondents. oSamsung have been very effective in creating brand awareness and positive brand image. oThe owners of Samsung television are satisfied with their purchase and consider the products of Samsung to be of the highest quality. oThe users of Samsung televisions have been influenced by family and friends and television advertisements when purchasing Samsung televisions. oA majority of the respondents consider the pricing of Samsung televisions to be acceptable/ moderate. oThe respondents who purchased from Viveks favor the various features of the retail store. Of the features service was considered to be a major factor for the purchases followed by its large display of consumer electrical goods. oThe consumers are satisfied with their shopping experience at Viveks and are likely to recommend it to others.

## 1. INTRODUCTION

### 1. 1 GENERAL INTRODUCTION TO THE STUDY

Television today has become the basic and the most important media for business, news, entertainment etc. while it was a mere source of education

and curiosity when it came into being. Television has been revolutionized with the application of satellite technology; variety of channels from different countries can be viewed at our homes by a mere installation of a dish antenna. The credit for the revival in TV industry largely goes to the satellite and cable television boom. In today's life television has become a necessity rather than a source of entertainment. Television once called as the idiot box is now considered as the intelligent box.

Today due to a sea change in the world of technology, the TV sets come with different sophisticated features like remote control, tinted picture tube, auto search and memory functions, stereo phonic phone system, flat picture tube, picture-in-picture, auto map program, memory sleep timer, picture control etc. Each advancement has resulted in better picture clarity and quality, with guaranteed durability year after year. All these features have made television viewing, not only more enjoyable but also more pleasurable than ever before. In the post liberalization period global mega brands headed for India expecting a huge market which was just waiting to be tapped. Although the entry of MNC'S did not make an impact initially, aggressive marketing strategies and innovative consumer friendly schemes has resulted in a sharp rise in their market share.

At present many international brands like Sony, Samsung, Panasonic, Philips, LG, and Thomson etc. are competing with Indian brands such as BPL, Videocon, and ONIDA etc. to capture Indian markets. These aggressive marketing strategies have resulted in making the consumer the major key for success in the industry. Each product offering is now designed to meet

and exceed the expectations of the consumer. But understanding consumer behaviour and knowing consumers is never simple. Customers may say one thing but do another. They may not be in touch with their deeper motivations. They may respond to influences that change their minds at the last moment. Small companies such as a corner grocery store and huge corporations stand to profit from understanding how and why their consumers buy.

## 1. 2 THEORETICAL BACKGROUND OF STUDY

### 1. 2. 1. Market

The term market may be considered as a convenient meeting place where buyers and sellers gather together for the exchange of goods and services. Market means a group of people having unmet wants, purchasing power to make their demand effective and the will to spend their income to fulfill those wants. Today market is equated with the total demand. The American marketing association defines a market, ' as the aggregate demand of potential buyers for a product or service'.

Under keen competition, a marketer wants to create or capture and retain the market i. e. customer demand through an appropriate marketing mix offered to a target market. The market offering i. e. supply must meet fully customer demand, which are unmet needs and desires.

### 1. 2. 2. Marketing

Marketing is a comprehensive term and it includes all resources and set of activities necessary to direct and facilitate the flow of goods and services

form the producer to the consumer in the process of distribution.

Businessmen regards marketing as a management function to plan promote and deliver products to the clients or customers. Human efforts, finance and management constitute the primary resources in marketing.

We have twin activities, which are most significant in marketing:

1. Matching the product with demand i. e. customer needs and desires or the target market.
2. The transfer of ownership and possession at every stage in the flow of goods from the primary producer to the ultimate consumer.

The American marketing association defines marketing as, ' the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives'.

### 1. 2. 3. Marketing Management

Marketing management represents an important functional area of business management efforts for the flow of goods and services from the producer to the consumers. It looks after the marketing system of the enterprise. It has to plan and develop the product on the basis of known customer demand.

Marketing management may be defined as, ' a process of management of marketing programs for accomplishing organizational goals and objectives'.

Marketing management has to build up appropriate marketing plan or marketing mix to fulfill the set goals of the business. It has to formulate

sound marketing policies and programs. It looks after their implementation and control. It has to implement marketing strategies, programs and campaigns. It must evaluate the effectiveness of each part of marketing mix and introduce necessary modifications to remove discrepancies in the actual execution of plans, policies, strategies, procedures and programs.

#### 1. 2. 4. Marketing Mix

Marketing mix is the set of marketing tools the firm uses to pursue its marketing objectives in the target market.

The elements or variables that make a marketing mix are four:

1. Decisions on product or service.
2. Decisions on promotion
3. Decisions on price
4. Decisions on distribution.

The four ingredients are closely interrelated. Under the systems approach the decision in one area affects action in the other. Marketing mix decisions constitute a large part of marketing management. According to Philip Kotler the term marketing mix is, ' the set of controllable variables that the firm can use to influence the buyers response'. In the simplest manner, the basic marketing mix is the blending of four inputs or sub mixes, which form the core of the marketing system.

Product mix decision refers to decisions on product variety, quality, design, features, brand image, packaging, sizes, services, warranties and returns.



Price mix decision refers to decisions on the product list price, discounts, allowances, and payment period and credit terms available.

Place mix decision refers to decisions on the channels, coverage, assortments, locations, inventory and transport of the market offering.

Promotion mix decisions refer to decisions on the products advertising, sales promotion, sales force, public relations and direct marketing. Together they form the four P's of marketing.

#### 1. 2. 5. Marketing Planning

A marketing plan lay down in writing the marketing objectives, programs and policies to be adopted to achieve the set marketing objectives. Even before an integrated marketing plan is prepared the company shall prepare functional plan for each component of marketing mix. To have a sound marketing plan, every operation is to be examined and the problems are to be identified. The overall marketing plan should be linked to the distribution channel of the company to have effective marketing operations. The marketing planning covers the preparation of functional plans, integration of this plan and the preparation of master marketing plan to serve the objective of the organisation. Marketing planning is bound to get a better hold of environmental factor.

#### 1. 2. 6. Marketing Research

Marketing research is the systematic gathering, recording and analyzing of the data about problems connected to the marketing of goods and services i.

e. problems relating to product, price, promotion and distribution of the 4p's of the marketing mix. Marketing research is concerned with all those factors, which have a direct impact upon the marketing of products and services.

Marketing research has grown along with the expanded role of marketing as the focus for the business decision-making. Need of marketing research

Marketing research is conducted for different purposes. They are:

1. To estimate the potential market for a new product.
2. To know the reactions of consumers to a product already existing in the market.
3. To find out the general marketing condition and tendencies.
4. To know the types of consumer buying and their buying motives.
5. To know the reactions of failure of a product already in the market.
6. To assess the strength and weakness of competitors.

#### 1. 2. 7. Consumer Behavior

The term consumer behavior can be defined, as, ' the behavior that the consumer display in searching for, purchasing, using and evaluating products, services and ideas, which they expect, will satisfy their needs'. The study of consumer behavior enables marketers to understand and predict consumer behavior in the market place; it also promotes understanding of the role that consumption plays in the lives of individuals. Consumer behavior refers to all psychological social and physical behavior of potential consumers as they become aware of, evaluate, purchase and consume and tell others about products and services. It is the pattern of response of buyers to marketing offer of a firm. It refers to the process as how

consumers make their purchase decisions. It is concerned with what, why, how much, when and from whom buyers make their purchases of goods and services.

### Model of consumer behavior

The starting point of understanding consumer behavior is the stimulus-response model. Marketing and environmental stimuli enter the buyer's consciousness. The buyer's characteristics and decision process lead to certain purchase decisions. The marketer's task is to understand what happens in the buyer's consciousness between the arrival of outside stimuli and the buyers purchase decisions.

### 1. 2. 8. Major Factors Influencing Consumer Behavior

Consumers buying behavior is influenced by cultural, social, personal and psychological factors

#### 1. Cultural Factors:

Cultural factors exert the broadest and deepest influence on consumer behavior. The roles played by the buyers culture, subculture and social class are particularly important.

oCulture: Culture refers to that complex whole which includes in it knowledge, beliefs, art or anything man acquires as a member of society.

oSubculture: Each culture consists of smaller subcultures that provide more specific identification and socialization for their members. Sub cultures include nationalities, religions, racial groups and geographic regions.

## 2. Social Factors

oReference Groups: A persons reference groups consists of all the groups that have a direct or indirect influence on the person's attitudes or behavior.

oFamily: The family is the most important consumer buying organization in the society and it constitutes the most influential primary reference group.

oRoles and statuses: A person participates in many groups, family, clubs, organizations etc. The person's position in each group can be defined in terms of role and status. A role consists of the activities that a person is expected to perform. Each role carries a status.

o Social Class: Virtually all-human societies exhibit social stratification. Stratification sometimes takes the form of a caste system where the members of different castes are reared for certain roles and cannot change their caste membership more frequently; stratification takes the form of social class.

## 3. Personal factors

oAge and stage in the life cycle: People buy different goods and services over their lifetime. Taste in clothes, furniture and recreation is all age

related. Consumption is shaped by the family life cycle. Marketers often choose life-cycle groups as their target market.

oOccupation and economic circumstances: Occupation also influences a person's consumption pattern. Product choice is greatly affected by economic circumstances; spendable income, savings and assets, debts, borrowing power and attitude toward spending versus saving.

oLifestyle: People from the same subculture, social class, and occupation may lead quite different lifestyles. A lifestyle is the person's pattern of living in the world expressed in activities, interests and opinions. Lifestyle portrays the world person interacting with his or her environment.

oPersonality and self concept: Each person has a distinct personality that influences buying behavior. It is that distinguishing psychological characteristics that lead to relatively consistent and enduring responses to environment. Related to personality is self-concept or self image. Marketers try to develop brand images that match target markets self image.

#### 4. Psychological factors

##### oMotivation

A person has many needs at any given time. A need becomes a motive when it is aroused to a sufficient level of intensity. A motive is a need that is sufficiently pressing to drive the person to act.

##### oPerception

Perception is the process by which an individual selects, organizes and interprets information inputs to create a meaningful picture of the world.

How a, motivated person actually acts is influenced by his or her perceptions of the situation.

#### oLearning

When people act they learn. Learning involves changes in an individual's behavior arising from experience. Learning theory teaches marketers that they can build up demand for a product by associating it with strong drives, using motivating cues and positive reinforcement.

#### oBeliefs and attitudes

Through doing and learning, people acquire beliefs and attitudes. These in turn influence buying behavior. A belief is a descriptive thought that a person holds about something. The beliefs make up product and brand images and people act on these images. An attitude is a person enduring favorable or unfavorable evaluations, emotion feelings and action tendencies toward some object or idea. Thus a company would be well advised to fit product into existing attitudes rather than try and change people's attitudes.

### 1. 3. INDUSTRIAL BACKGROUND OF STUDY

#### 1. 3. 1. Entry of television in India

TV transmission service in India started on the 15th September 1959 in Delhi. Television in India is now 45 years old. Up to October 2nd, 1972

however there was only one TV center in India. The Bombay center commissioned on the 2nd October of 1972 was the beginning of television entry in our communication system. At the end of the decade as many as 18 high power transmitters has been commissioned covering nearly 20% of the population.

During the year 1970 to 1982 almost every part of the Indian subcontinent was covered by television broadcast. Then came the breakthrough in the history of India in the year 1982. The Asian games were held in Delhi and the Doordarshan took the initiative to broadcast its telecast in color.

### 1. 3. 2. Expansion of television

In 1980's in fact the very concept of the special TV expansion plan accepted by the government of India is during the Asian games in 1982. It established that through a communication satellite the large number of L. P. T. (loco power transmitter) the TV programs could be extended to reach any part of the country with much less expenditure than through the setting up of the TV centers. The Indian audience saw the entry of foreign channels into India during the year 1990-92 through the satellite linkage this was followed by the entry of Indian private channels into the mainstreams, which totally changed the outlook of Indian television. Since then the Indian television has evolved into what it is today. Television is no longer considered as a luxury item in India but on the other hand television has become an essential product for one and all.

### 1. 3. 3. Entry of multinational companies

In the post liberalization period, global mega brands headed for India expecting a huge market which was just waiting to be tapped. Contrary to market surveys that showed Indian consumers were willing to pay international prices for global brands MNC's soon realized otherwise. Their estimation of market size went wrong. Secondly they concentrated on metros. Although the entry of MNC'S did not make an impact initially, aggressive marketing strategies and innovative consumer friendly schemes has resulted in a sharp rise in their market share. Presently many international brands like Sony, Samsung, Panasonic, Philips, LG, and Thomson etc. are competing with Indian brands such as BPL, Videocon, and ONIDA etc. to capture Indian markets. After years of dominating the CTV market, domestic players are loosing out to multinational brands. The year 1998-99 witnessed the sales of 2. 91 million sets as against 1. 8 million set in 1996-97.

Major looser was ONIDA, which lost heavily as Samsung entered into its sales in the northern and eastern markets. Videocon also suffered a drop in its market share. Sony also saw impressive sales growth during this period. Although it had very high brand recall it is handicapped by the fact that its products are prices 20-25% higher than its competitors. This was because Sony imports its picture tubes, its level of indigestion is low and it does not manufacture 14inch TV sets, which account for 14% of the Indian CTV market. A revamped Panasonic saw sales growth by 70% while Thomson and sharp performed well in the niche market. LG had notched up sales of Rs. 40



cores in just 5 months. In the CTV industry, replacement buyers accounted for 25% and 10% are multiple set buyers.

Rural areas have accounted for 25% color TV sales. Growing disposable incomes both in rural and urban settlements, changing lifestyles and the availability of a wide range of consumer financing options have revolutionized the consumer durables market in India. Post-liberalization, the electric and electronics sector experienced a dramatic growth to cross a combined turnover of Rs 20, 000 crore. In 1995, total sales in this sector were around Rs 12, 000 crore. The fast growing consumer electronics market in India includes the sales volume of Rs 8, 000 crore from the domestic appliance sector, Rs 7, 000 crore from audio-video equipment and Rs 5, 000 crore from the white goods segment.

## 2. DESIGN OF THE STUDY

### 2. 1. STATEMENT OF THE PROBLEM

The television industry in India has been growing considerably in recent years. This has resulted in the entry of many multinational brands and consequently cut throat competition. In the changing scenario of modernization and sophistication it is very important and essential to invent and implement better marketing plans in order to improve quality of the product and also to ensure better action oriented results from the product. Thus marketing success largely depends on the ability to anticipate buyer's needs. Presently a great deal of awareness has been created in studying consumer preference. This study has been focused on the consumer

preference for consumer durables like television and the impressions the consumers have with regards to product, price, place and promotion.

Samsung is one of the leading TV brands in India. The study is undertaken to analyze consumer response towards Samsung television. The study concentrates on acceptance of Samsung televisions as many of its competitors are offering similar quality and features to satisfy customer needs and wants.