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A STUDY ON THE SIGNIFICANCE OF BRAND IMAGE FOR BUYING ELECTRONICS PRODUCTS

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Abstract

Due to high competition in the market every marketer strives for getting customers and tries to make them loyal to the organization. Because of competition, the importance of branding is increasing at a rapid growth rate. Now majority of the customers want branded products to get their financial value of money spends on purchasing. Branding gives surety of safety and standard so that now smart customer prefers to buy branded products in all categories of products. Consumers of electronics products also want branded electronic products with benefits of warranty, satisfaction, standard, money value and quality. This research project has been carried out to know the Significance of Brand Imagefor purchasing electronic products. For this 150 customers were approached face-to-face with using non-probability- convenience sampling method and research has proved that majority of the customer prefers branded products just because the benefits of guarantee and warranty, easy availability, getting best after sales services and easy identity.

Key words: Electronic products, Branding, Significance of Brand Image

Introduction

The electronics industry in India dates back to the early 1960s. Electronics was initially restricted to the development and maintenance of fundamental communication systems including radio-broadcasting, telephonic and telegraphic communication, and augmentation of defense capabilities. Until 1984, the electronics sector was primarily government owned. The late 1980s witnessed a rapid growth of the electronics industry due to sweeping economic changes, resulting in the liberalization and globalization of the economy. The economic transformation was motivated by two compelling factors - the determination to boost economic growth, and to accelerate the development of export-oriented industries, like the electronics industry.

The electronics industry has recorded very high growth in subsequent years. By 1991, private investments - both foreign and domestic - were encouraged. The easing of foreign investment norms, allowance of 100 percent foreign equity, reduction in custom tariffs, and de-licensing of several consumer electronic products attracted remarkable amount of foreign collaboration and investment. The domestic industry also responded favorably to the politic policies of the government. The opening of the electronics field to private sector enabled entrepreneurs to establish industries to meet hitherto suppressed demand.

Electronics is a technology that involves manipulation of electric currents and voltages with the use of a range of devices with the intention of performing some beneficial action. The field of electronics is in general divided into two main areas, analog electronics and digital electronics. The electronics era began as a result of the experiments with electricity. Thomas Alva Edison in the 1880s, along with others experimented with the flow of current connecting elements in an evacuated glass tube.

Theoretical framework

According to American marketing association,“A brand is a name, term, symbol, logo, design, or combination of them which is intended to identify the goods or services of one seller or group of sellers, and to differentiate them from those of the competitors.”

Importance of branding:

1. Fixed price:-Mostly Branded products are sold at a fixed price. It avoids bargaining and cheating.
2. Easy Identity:-Customer can easily identify the branded product among the similar types of products.
3. Easy Buying:-Customer can buy the branded product directly. Even customers can buy the product through telephone, online transaction, letter or representative on the basis of (name or symbol of) brand, without a detailed description of the products.
4. Quality Assurance:-Manufacturers try to maintain quality of the branded produces over a time as it enhances their image and reputation. Therefore, customer can buy the product with confidence and guarantee of quality ad features.
5. Avoiding Cheating:-When customer buy the product on basis of name or symbols there is less possibility of offering similar type of the seller, Also, price for the branded product is fixed. So, customer cheating can be minimized.
6. Source of Status:-It ensures exclusiveness. Reputed brands offer a sense of status and image. It gives more satisfaction to its buyers. The frame of company is the source of price and status for buyers.
7. Wide Availability:-Branded product is widely available in national market. So customers can avail the product anywhere.
8. Better Packing:-Mostly branded products are offered in attractive and safe packing. It preserves products qualities and contents. And suitable packing also increases customers’ convenience.

Literature review

Consequently, for a long time, an uncertainty existed as to how much companies should emphasize their brands and how much the average customer cared about those brands. Hence, it became vital for marketers to establish through research how important brands were in the purchasing process. This challenge was accepted by Marquardt et al. (1965) when they decided to investigate this issue by focusing on an everyday product. The results revealed that consumers wanted products with a well-known brand and that only 25% of the respondents did not pay attention to the brand at all, instead considering the price as the most important factor in buying the product.

A brand is a “name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition”, as has been cited by the American Marketing Association(1960).

However this definition of a brand is not totally approved of for its inadequacy of describing the other intangible components of brand, such as brand image, its ability to create certain amount of awareness, reputation, prominence, and so on in marketplace (Keller, 2nd ed.).

McFarland (2002) states that the concept of brands has become complex with time, but as the brand thinking develops and changes one thing becomes clear that a brand should serve as a trustworthy guide that helps consumers make purchase choices. Before the customer is led to an information sodden marketplace to make choices, the brand should have already set itself apart from the rest making it simple for the customer to carry on with his/her purchase decision.

Kingdom (2002) states “the average consumer has around 10,000brands bubbling around in his or her memory and there are many numbers of fragments of information which are linked to them, from specific experiences to snatches of Advertisements or elements of packaging”. The brands in the memory of the consumers, thus the bottom-line is that if the marketers need to make the most of their marketing practices and budget, they should accurately understand the inner workings of the customer’s minds.

De Chernatony and McDonald (1998), state that in the consumer electronics industry it is important to be the first to launch a new products there are many benefits that can be derived from it. As the brands which are already established move up the learning curve faster than their competitors and have the advantage of gaining greater understanding of the technology. Thus before the competitors come out with imitated products they should be thinking about launching a technological product better than before Another advantage of being the first to launch a product is that consumers become loyal and support them. However, “in areas like consumer electronics, a competitive lead of a few months is not unusual”

Hart & Murphy (1998), in the consumer electronics industry, marketing is “abrader function which includes branding and concerns the development and implementation of strategies for moving products or services from the producer to the consumer in a profitable fashion”. Taking into consideration, the rising concern for product differentiation and innovation as a tool of competitive advantage and added value of the consumer electronics company to diffuse into the marketplace, branding, as a function of marketing, is of absolute importance.

Due to the large volume of publications in the field, a number of different definitions of brand equity have been offered. Brand equity has been considered in many contexts, but according to Kim, Kim & An (2003), there has been mainly three different viewpoints for considering brand equity: (1) the financial perspective, (2) the consumer-based perspective, and (3) the combined perspective.

De Chernatony et al, (1999) has designed an identity model that conceptualizes the brand’s identity in terms of its vision and culture. These affect the desired positioning, personality, and the relationships, all of which are then presented to reflect stakeholders’ actual and desired selfimages.In this sense, the vision and culture of the employees affect the brand-building process; hence, these are very important to acknowledge and should not be neglected. De Chernatony (1999) argues that a company has to put more emphasis on a company’s internal role as a brand builder and focus on developing attitudes and behavior of the staff and employees. It is also important to measure and control where the employees consider the company to be positioned; otherwise it is impossible to educate and inform the staff what they should strive for and how to achieve the brand’s desired positioning. It is important, especially in case of an emotional brand, that the company’s and the staff’s attitudes correspond to each other and that the desired image and personality is communicated. Hence, the company has to prevent a possible discrepancy between the desired values and the values of the employees. Finally, it is also important to monitor external elements to ensure that the desired brand identity corresponds to the perceived brand image among customers.

Keller and Aaker (1992, 1998) define corporate credibility as the extent to which consumers believe that a company is willing and able to deliver products and services that satisfy customer needs and wants (see also Erdem and Swait (2004)). They showed that successfully introduced brand extensions can lead to enhanced perceptions of corporate credibility and improved evaluations of even quite dissimilar brand extensions. They also showed that corporate marketing activity related to product innovation produced more favorable evaluations for a corporate brand extension than corporate marketing activity related to either the environment or, especially, the community (see also Gurhan-Canli and Batra (2004)). In

addition, Bhattacharya and Sen (2003) extended the thinking on consumer-brand relationships to consider consumer-company relationships, adopting a social identity theory perspective to argue that perceived similarity between consumer and company identities play an important role in relationship formation.

Problem statement

With increasing importance of branding in purchasing, its crates opportunities as well as hurdles for marketers. Because of consumers demands for branded products marketers have to make more promotional efforts to establishing their brands in consumers' minds. This creates problems for marketer to make their business strategies. With viewing that the research study was conducted to study the importance of branding for buying electronic products.

Research objectives:

Primary Objective:-

To know the importance of branding for buying electronic products

Secondary Objectives:-

- To know the most used electronic brands for different electronic products
- To study the various distribution channels which customers prefer to buy electronic products

Research methodology:

- **Sample design**: Herenon-probability convenience sampling method has been used.
- **Sample size:** The Sample size is of 150 respondents.
- **Sampling unit:** The Sampling unit comprises the user of electronic products**.**
- **Sampling area:** Varachha, Surat city
- **Data collection time:** 1st January to 15th February 2016.
- **Data collection methods:-**Primary data was collected by direct from respondents with help of questionnaire. Secondary data was collected from books, websites, and news Paper.

Data analysis and interpretation:

1. From where you purchase following electronic products? (Multiple response)

	Online Purchase	Company Store	Dealer	Retailer	Retail Mall	**Total**

Digital camera	10	**28**	12	18	3	**71**
A.C	0	14	**32**	17	1	**64**
TV	1	17	**61**	60	4	**143**
Laptop	8	26	**34**	16	3	**87**
Mobile	9	26	55	**87**	6	**183**
Refrigerator	1	19	43	**51**	3	**117**
Total	**34**	**130**	**237**	**249**	**20**	**665**

Interpretation:-As per above table,it is interpreted that most of the customers purchaseddigital camera fromcompany store while, Air Conditioner,Tele Vision and Laptopfrom dealer andMobileand Refrigeratorfrom retailer.

2. **Give the rate on following benefits of branding in buying**.
   1= unimportant 2=Neutral 3=Importance

Benefits	1	2	3	Average
Benefit of fixed price	16	47	87	2.47
Benefit of easy identity	3	30	117	2.76
Benefit of easy buying	4	53	93	2.59
Benefits of good packaging	31	68	51	2.13
Assurance of good qualitative product	3	42	105	2.68
Benefits of protection against cheating	14	77	59	2.30
Assurance to getting best after sales services	1	32	117	2.77
Surety to getting more satisfaction	8	45	97	2.59
Benefits of social recognition	22	55	73	2.34
Benefits of guarantee and warranty	3	13	134	2.87
Benefits of easy availability	5	17	128	2.82

Interpretation:-from the above table it is interpreted that majority of the respondents considered benefits of branding like guarantee and warranty, easy availability, easy identity and after sales services while purchased electronic products.

3. **How much do you spend approximately on purchased electronic products?**

Price	**TV**	**AC**	**Refrigerators**	**Digital Cameras**	**Laptop**	**Mobiles**
Below 10,000	29	0	7	**41**	1	**121**
10,001 to 20000	**62**	15	**72**	19	10	21
20,001 to 30,000	27	**32**	9	3	20	1
30,001 to 40,000	9	13	11	2	**30**	7
40,001 to 50,000	4	2	2	1	6	0
More than 50,001	1	2	0	0	1	0

Interpretation:- Based on above table the approximate amount of money spent on purchased were found out for different electronics products.

4. **Which payment option do you like?**

Options	Responses
Cash in advance	3

Cash on delivery	139
Installment method	8

Interpretation:- Based on above table it is interpreted that majority of the customers like the option of cash on delivery while purchasing electronics products.

5. Which company's electronic products have you purchased?

Digital camera		Air conditioner		Television	
Brand	**Responses**	**Brand**	**Responses**	**Brand**	**Responses**
Samsung	8	Godrej	9	Sony	22
Sony	20	Samsung	5	Samsung	**54**
Canon	**28**	L.G.	**19**	L.G.	25
Kodak	9	Whirlpool	8	Videocon	18
Panasonic	3	Panasonic	5	Panasonic	11
Nikon	2	Videocon	11	BPL	5
Philips	1	Bluestar	6	Toshiba	6
Laptop		**Mobile**		**Refrigerator**	
Brand	**Responses**	**Brand**	**Responses**	**Brand**	**Responses**
Lenovo	11	Nokia	58	Sony	5
Dell	21	Samsung	**82**	Samsung	16
Toshiba	2	L.G.	17	L.G.	18
Apple	3	Apple	9	Videocon	10
Compaq	**36**	HTC	3	Godrej	24
Sony	5	Micro-max	12	Whirlpool	**41**
Acer	9	Blackberry	2	Kenstar	3

Interpretation: it shows the popularity of different electronics brands among the customers.Based on above table it is interpreted that majority of the customers having Digital camera of Canon, Air Conditioner of L.G., Television of Samsung, Laptop of Compaq, Mobile of Samsung and Refrigerator of Whirlpool brand.

Demographic information

1. Gender:-

Categories	Responses
Male	133
Female	17

Interpretation:- From above table it is interpreted that majority of the respondents are male.

2. Income (Monthly):-

Categories	Responses
Less than 10,000	24
10,001-30,000	104
30,001-50,000	19
More than 50,001	3

Interpretation:-From the above tableit is interpreted that majority of the customers having monthly income level of 10,001 to 30,000.

3. Age:-

Categories	Responses
Less than 20	13
21-30	75
31-40	37
41-50	19
More than 51	06

Interpretation:-From the above table it is interpreted that majority of the respondents are between the age group of 21 to 30 years.

4. Occupation:-

Categories	Responses
Businessman	82
Professional	36
Employee	25
Housewife	07

Interpretation:- From the above table it is interpreted that majority of the respondents are businessmen.

Findings

Primary Objective:- To know the importance of branding for buying electronic products.
Based on this research study, it is found that benefits of branding are there in which customers give rates near to highly important. These benefits are like guarantee and warranty, easy availability, easy identity and after sales services while purchased electronic products.

Secondary Objective:-

1. To know the most used electronic brands for different electronic products.From data analysis it is found out that majority of respondents having Digital camera of Canon, Air Conditioner of L.G., Television of Samsung, Laptop of Compaq, Mobile of Samsung and Refrigerator of Whirlpool brand.
2. To study the various distribution channels which customers prefer to buy electronic products.

From data analysisis found out that most of the customers purchased digital camera from company store while, Air Conditioner, Television and Laptop from dealer, and Mobile and Refrigerator from retailer.

Conclusion and scope for future study

The main aim of this research study was to obtain that which of the most important factors influences the buying behavior while purchasing branded electronic products.It is concluded that brand image and quality are the important factors but brand image has high impact on consumer in making purchase. Because of their keenly observation they think that products with top branded image has a comparatively good quality, price, packaging, after sales services, more satisfaction social recognition, easy availability so they arecompelledto buy high brand image products instead of low brand image products.

Keeping all this in view it is very obvious that the companies have to put more efforts on branding in order to achieve the successful advantage. This research work was carried out only in surat (Gujarat) region, the future study can be conducted in wild geographical area with taking more respondents and electronic products.

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