
BRAND LOYALTY FOR COLOUR TELEVISION PRODUCTS WITH SPECIFIC REFERENCE TO COIMBATORE CITY-TAMIL NADU - INDIA

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Abstract

The study of brands is very exhaustive, and brand building is top priority to the corporate. In its effort to build brands, a company has to create value with regard to the offering from the organization. Brand Loyalty, is a brand equity measurement. It is a key consideration when placing a value on a brand that is to be brought or sold, because a highly loyal customer base can be expected to generate a very predictable sale and profit stream. This study intends to find out the importance of Brand Loyalty in the Brand building environment. For this purpose the growth industry of colour televisions (CTV) has been chosen. Five leading brands selling the Coimbatore city (a leading industrial town in Tamil Nadu in the south of India) has been considered. The aims were to highlight the impact of socio economic factors like education, family size, gender, family type, income, occupation, on brand loyalty, and to compare the brands in the study to identify highest and lowest loyalty towards these brands. Customers of Colour television sets CTV were interviewed through multi-stage sampling and the data collected was analysed using statistical tools to bring authenticity into the study. The findings point out significantly to the role of brand loyalty as related to socio economic factors and reveals the result of the top CTV brand in the market to which the customers show more loyalty.

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Keywords:

First keyword: *BrandEquity,*

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1.Introduction :The concept of Brand is always exciting to study. Every product or service gets associated with a brand name that helps the customers to differentiate it when making a purchase. The amount of time companies spend to choose a brand name and the catchy

names that come out into the market is really interesting. Brand building does not stop with naming a brand, it is about creating value with regard to the offering of the organisation.

Brand Loyalty, is also a brand equity measurement. It is a key consideration when placing a value on a brand that is to be brought or sold, because a highly loyal customer base can be expected to generate a very predictable sale and profit stream. In fact, a brand without a loyal consumer base usually is vulnerable or has value only in its potential to create loyal customers. Further, the impact of brand loyalty on marketing costs is often substantial: It is simply much less costly to retain customers than to attract new ones. A common and expensive mistake is to seek growth by enticing new customers to the brand while neglecting existing ones. The loyalty of existing customers also represents a substantial entry barrier to competitors in part because the cost of enticing customers to change loyalties is often prohibitively expensive. A focus on loyalty segmentation provides strategic and tactical insights that will assist in building strong brands. There are passively loyal (those who buy out of habit rather than reason) and committed customers. Two segments in which the firms under invest are the passive loyal and the committed customers. One approach to enhancing loyalty is to develop or strengthen their relationship with the brand. Brand awareness, perceived quality and an effective, clear brand identity can contribute to this goal. Increasingly programs that can build loyalty more directly are becoming important and even critical in many product classes. Included among these are frequent buyer programs and customer clubs.

Coimbatore has been termed as the Manchester of the South. Being a major city in the State of Tamil Nadu., all the CTV companies have either an office or a depot for their products in this city. The Sales is done through the dealers to the customers. Coimbatore city on average sells about 800 colour television sets every month and some of the leading colour television brands selling in Coimbatore city are LG, Samsung, Onida, Videocon, Sansui, Philips and Panasonic in the order of their sales quantity positions. ** Some other brands also sold but very insignificant quantities.

** ascertained/cross checked and approximated from CTV dealers/company executives
The total area of Coimbatore district is 7469 sq.kms.* The district is an inland district in the Southern part of the Peninsula. It lies in the extreme west of Tamil Nadu. Coimbatore population within the municipal limits was 9, 30,882 as per 2001 census. It is now estimated at 15 lacs.

The Coimbatore city is divided into four zones, North, East, West and South.

Each zone is divided into 18 wards*

Some of the popular wards in terms of density of residential population are as under.

North	East	West	South
Tata bad	Ondipudur	Sai baba colony	Sukrawarpet
P.N. Palayam	Krishnaswamy nagar	Barathi Park	Raja street
Kavundampalayam	Ramanthapuram	Telungupalayam	Katoor
New Siddhapudur	Meena estate	Vadavalli	Nanjundapuram
Rathinapuri	Singanallur	R.S. Puram	Ramnagar
P.N.Palayam	Race course	Ponniarajapuram	Devangapet

*Source: www.coimbatore.tn.nic.in (data of 2010)

IMPORTANCE OF THE STUDY:

This study of Brand Loyalty is very much relevant to the Consumer Electronics Industry, specific to Colour Television (hereinafter referred to as CTV) products. It is one of the consumer durable products that have become an absolute necessity at the household and the single most popular form of family entertainment. The growing market size and the entry of many multinational companies in the early 1990's like LG, Samsung, Sony to name a few, to compete against the already dominant Indian Players like Onida, Videocon, BPL, Sansui, Philips threw the market open for hectic brand competition. The survival of the fittest, the survival of the brand that impressed the customer the most became the order of the day. So, it became necessary for the companies to build their brands and increase the customer Loyalty to their brand.

The product range in CTV's of the companies range from 3DTV, LED TV, LCD TV, Plasma TV, 29" TV, 21"TV, to 14" TV.

OBJECTIVES:

- 1.To determine the impact of socio economic variables like education, occupation, income, gender, family status on brand loyalty.
2. To ascertain the relationship among Brand Loyalty and Brand of CTV owned.
3. To find out the highest and lowest rated brand in terms of brand loyalty for each brand in the study.

2. Research Method :

The study was descriptive in nature. Methodology involved instrument development and validation, data collection and appropriate analysis.

The research is designed in such a way to gather data to analyse selected parameters of brand equity influencing customers attitude towards colour television brands and also the status with regard to the brand equity of specific brands. This will enable the companies to make some rational decisions in introducing marketing strategies with respect to the customer responses and research findings.

The Universe/population in this study is the Colour television owners in Coimbatore city. Coimbatore city covers the Municipal corporation limits of 105.50sq.kms. The sample size chosen for this research is 400 customers of Colour Television (CTV) products in Coimbatore city. The city is divided into four zones (North, East, West & South) with each zone having 18 wards*. Multi stage sampling** is adopted. In the first stage, Purposive sampling is adopted by which three areas/wards were chosen from each zone. This choice was based on the density of the mixture of both low income and middle income families. In the second stage through random sampling, the streets were chosen. For this, the lists of street names were collected from the ward offices. In the third stage, the households in the street were selected by convenient sampling that is either left or right side of the street or in the middle was selected. Because the total CTV owners were not known Quota sampling was followed by taking 100 respondents from each zone. If a street could not be covered with 100 respondents then the next street was chosen at random and the respondent households were identified until all the 100 respondents were covered in each zone. Colour Televisions as per popularity and market shares ascertained from the Company executives fall in the order of sales quantity in Coimbatore city as LG, Samsung, Onida, Sansui & Videocon. Therefore in the study, focus is given to these top five brands for the study of brand equity.

** Sampling method: 1st stage- wards (Purposive); 2nd stage- streets (Random); 3rd stage- houses (Convenient); 100 households as a (quota) for each zone. (Total sample size 400)

NORTH ZONE	100	EAST ZONE	100
1. Kavundampalayam	33	1. Ramanathapuram	35
2. Rathnapuri	33	2. Ondipudur	34
3. Tatabad	34	3. Singanallur	31
WEST ZONE	100	SOUTH ZONE	100
1. Sai baba Colony	35	1. Ram Nagar	36
2. R.S.Puram	30	2. Sukrawarpet	30
3. Vadavalli	35	3. Raja Street	34

*source; www.coimbatore-corporation.com (2010 data)

METHOD OF DATA COLLECTION:

DATA COLLECTION FROM THE SAMPLE SELECTED:

The data from the respondents were collected through interview schedules which have been filled up by meeting the respondents. The researcher had made a pilot study to find out how effective the schedule should be. The Company executives of CTV companies suggested some ideas at this stage. A pre-test of the schedule was done on 30 customers and adjustments made in the schedule.

DATA COLLECTION FROM SECONDARY SOURCES:

In order to substantiate the Research, secondary data was collected from the Books, Journals, Newspapers & Magazines, other research reports and Net resources.

Discussions were had with the company executives at Coimbatore and also the Dealer network to ascertain the performance of brand before administering the interview schedule to the respondents.

The data was analysed using the following statistical tools:- **Simple percentage method, ANOVA, t-test, chi-square test & correlation.**

3. Results and Analysis

Table 1:Purchase of other durable of same brand by the respondent

	No.	Percent
Yes	231	57.8
No	169	42.2
Total	400	100.0

Interpretation:

From the above table it is found that 57.8% of the respondents have purchased some other product of the same brand of durable again and 42.2% of the respondents have not purchased the same brand.

Table 2 :Purchase of other domestic consumer durables of same brand by the respondent- Multiple Response

	No.	%
Washing Machine	20	8.7
Refrigerator	77	33.3
DVD	156	67.7
Micro-wave oven	2	.9

Interpretation:

From the above table it is found that 67.7% of the respondents have DVD players of the same brand, 33.3% have refrigerators of the same brand, 8.7% have washing machines of the same brand and .9% of the respondents have micro-wave oven of the same brand.

Table 3: Loyalty factor score of the brand *

Score	No.	Percent
3.00	8	2.0
4.00	10	2.5
5.00	87	21.8
6.00	118	29.5
7.00	105	26.3
8.00	50	12.4
9.00	14	3.5
10.00	8	2.0
Total	400	100.0

*Loyalty factor score was ascertained from the respondent through the schedule in the range score of 1-10, to find their response towards buying the same brand of other products.

Interpretation:

From the above table it is found in the study that 29.5% of the respondents have given a score of 6 to loyalty factor, 26.3% have given a score of 7, 21.8% have given a score of 5, 12.4% have given a score of 8, 3.5% have given a score of 9, 2.5% have given a score of 4, and 2% have given a score of 3 and 10.

Table 4: Type of education to the average loyalty factor scores

		Loyalty factor of the brand		
		Mean	S.D	No.
Education	10th	6.22	1.34	151
	+2	6.43	1.40	150
	Graduate	6.43	1.16	80
	Post Graduate	6.89	1.24	19
TOTAL		6.37	1.33	400

ANOVA for Loyalty factor of the brand

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	9.419	3	3.140	1.792	NS
Within Groups	693.821	396	1.752		
Total	703.240	399			

Hypothesis: There is no significant difference among the type of education groups in the average loyalty factor scores.

Result: One way ANOVA was applied to find whether there is significant difference among the type of education groups in the average loyalty factor scores. The ANOVA result shows that the calculated F-value ratio is 1.792, which is lower than the table value of 2.627 at 5% level of significance. Since the calculated value is lower than the table value it is inferred that there is no significant difference among the type of education groups in the average loyalty factor scores. *Hence the Hypothesis is accepted*

Table 5 :Type of family size to the average loyalty factor scores

		Loyalty factor of the brand		
		Mean	S.D	No.
Family size	Two members	6.75	1.30	67
	3-5 members	6.26	1.35	278
	More than 5	6.45	1.17	55
TOTAL		6.37	1.33	400

ANOVA for Loyalty factor of the brand

	Sum of Squares	df	Mean Square	F	Sig .
Between Groups	13.086	2	6.543	3.764	S
Within Groups	690.154	397	1.738		
Total	703.240	399			

Hypothesis: There is no significant difference among the type of family size groups in the average loyalty factor scores.

Result: One way ANOVA was applied to find whether there is significant difference among the type of family size groups in the average loyalty factor scores. The ANOVA result shows that the calculated F-value ratio is 3.764, which is higher than the table value of 3.018 at 5% level of significance. Since the calculated value is higher than the table value it is inferred that there is significant difference among the type of family size groups in the average loyalty factor scores. *Hence the Hypothesis is rejected*

Table 6: Type of occupation to the average loyalty factor scores

		Loyalty factor of the brand		
		Mean	S.D	No.
Occupation	Official	6.45	1.35	85
	Professional	6.52	1.31	92
	Business	6.29	1.40	149
	Housewife	6.51	1.10	55
	Others	5.53	1.07	19
TOTAL		6.37	1.33	400

ANOVA for Loyalty factor of the brand

	Sum of Squares	df	Mean Square	F	Sig .
Between Groups	18.199	4	4.550	2.623	S
Within Groups	685.041	395	1.734		
Total	703.240	399			

Hypothesis: There is no significant difference among the type of occupation groups in the average loyalty factor scores.

Result: One way ANOVA was applied to find whether there is significant difference among the occupation groups in the average loyalty factor scores. The ANOVA result shows that the calculated F-value ratio is 2.623, which is higher than the table value of 2.394 at 5% level of significance. Since the calculated value is higher than the table value it is inferred that there is significant difference among the occupation groups in the average loyalty factor scores. *Hence the Hypothesis is rejected.*

Table 7: Category of monthly family income to the average loyalty factor scores.

		Loyalty factor of the brand		
		Mean	S.D	No.
Monthly family income	Less than Rs.5000	6.33	1.40	15
	Rs.5001 - Rs.10000	6.28	1.40	148
	Rs.10001 - Rs.15000	6.47	1.23	197
	Rs.15001 - Rs.20000	6.25	1.51	40
TOTAL		6.37	1.33	400

ANOVA for Loyalty factor of the brand

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.729	3	1.243	.704	NS
Within Groups	699.511	396	1.766		
Total	703.240	399			

Hypothesis: There is no significant difference among the type of income groups in the average loyalty factor scores.

Result: One way ANOVA was applied to find whether there is significant difference among the type of income groups in the average loyalty factor scores. The ANOVA result shows that the calculated F-value ratio is .704, which is lower than the table value of 2.627 at 5% level of significance. Since the calculated value is lower than the table value it is inferred that there is no significant difference among the type of income groups in the average loyalty factor scores. *Hence the Hypothesis is accepted.*

Table 8: Type of CTV owned to the average loyalty factor scores

		Loyalty factor of the brand		
		Mean	S.D	No.
CTV owned	LG	6.39	1.23	64
	Samsung	6.35	1.49	91
	Onida	6.47	1.25	123
	Sansui	6.30	1.27	77
	Videocon	6.22	1.44	45
TOTAL		6.37	1.33	400

ANOVA for Loyalty factor of the brand

	Sum of Squares	Df	Mean Square	F	Sig .
Between Groups	2.700	4	.675	.381	NS
Within Groups	700.540	395	1.774		
Total	703.240	399			

Hypothesis: There is no significant difference among the type of CTV owned in the average loyalty factor scores.

Result: One way ANOVA was applied to find whether there is significant difference among the type CTV owned groups in the average loyalty factor scores. The ANOVA result shows that the calculated F-value ratio is .381, which is lower than the table value of 2.394 at 5% level of significance. Since the calculated value is lower than the table value it is inferred that there is no significant difference among the type of CTV owned in the average loyalty factor scores. *Hence the Hypothesis is accepted.*

Table 9: Difference between gender and average loyalty factor of the brand

		Loyalty factor of the brand		
		Mean	S.D	No.
Gender	Male	6.38	1.44	227
	Female	6.36	1.18	173
TOTAL		6.37	1.33	400

t-test for Equality of Means

t	Df	Sig.
.153	398	Ns

Table 10: Difference between the family type and the awareness factor of the brand

		Awareness factor of the brand		
		Mean	S.D	No.
Family type	Nuclear family	6.35	1.29	246
	Joint family	5.84	1.14	154
TOTAL		6.16	1.26	400

t-test for Equality of Means

t	Df	Sig.
3.986	398	**

Hypothesis: There is no significant difference between nuclear and joint family types in the awareness factor of the brand **Result:** The t-test was applied to find whether there is significant difference between nuclear and joint family types in the average awareness factor of the brand. The calculated t-test value is 3.986 which is higher than the table value of 2.588 at 1% level of significance. Since the calculated value is higher than the table value it is inferred that there is significant difference between nuclear and joint family types in the average awareness factor of the brand. *Hence the Hypothesis is rejected.*

Table 11: Relationship between Brand of CTV owned and purchase of any other durable of same brand name

		Purchased any other durable of same brand				TOTAL	
		Yes		No		No.	%
		No.	%	No.	%		
CTV owned	LG	43	67.2	21	28.8	64	100.0
	Samsung	51	56.0	40	44.0	91	100.0
	Onida	64	52.0	59	48.0	123	100.0
	Sansui	43	55.8	34	44.2	77	100.0
	Videocon	30	66.7	15	33.3	45	100.0
TOTAL		231	57.8	169	40.2	400	100.0

Chi-Square Test

Value	df	Sig.
5.674	4	NS

Table 12: The relationship between the Brand of CTV owned and intention to purchase the CTV once again

		Would you buy this brand CTV once again				TOTAL	
		Yes		No		N o .	%
		N o .	%				
CTV ow ne d	LG	5 6	8 7 .	8	1 2 .	6 4	10 0. 0
	Sams ung	8 2	9 0 .	9	9 .	9 1	10 0. 0
	Onid a	1 0 9	8 8 .	1 4	1 1 .	1 2 3	10 0. 0
	Sansu i	7 0	9 0 .	7	9 .	7 7	10 0. 0
	Vide ocon	3 4	7 5 .	1 1	2 4 .	4 5	10 0. 0
TOTAL		3 5 1	8 7 .	4 9	1 2 .	4 0 0	10 0. 0

Chi-Square Test

Value	df	Sig.
7.501	4	NS

Hypothesis: There is no significant relationship between Brand of CTV owned and the intention to buy the same brand of CTV once again by the respondents.

Result: Chi square test was applied to find whether there is significant relationship between brand of CTV owned and the intention to buy the same brand of CTV once again by the respondents. The calculated value of Chi Square is 7.501, which is less than the table value of 9.488 at 5% level of significance. Since the calculated value is less than the table value, it is inferred that there is no significant relationship between Brand of CTV owned and the intention to buy the same brand of CTV once again by the respondents. *Hence the Hypothesis is accepted.*

4. Conclusion :

Relevant to the objectives of the study and the statistical tools applied, the following are concluded,

- * **57.8%** of the respondents have purchased the same brand.
- * 47.2% of the respondents have not purchased the same brand.
- * 8.75% of the respondents have purchased same brand of washing machine.
- * 33.3% of the respondents have purchased same brand of refrigerator.
- * **67.7%** of the respondents have purchased the same brand of DVD.
- * 9% of the respondents have purchased the same brand of micro wave oven.
- * There is no significant difference between type of education and loyalty factor.
- * There is a significant difference between family size and loyalty factor.
- * There is a significant difference between occupation and loyalty factor.
- * There is no significant difference between monthly family income and loyalty factor.
- * There is no significant difference between CTV owned and loyalty factor. 1. There is no significant difference between gender and loyalty factor of the brand
- * There is significant difference between family type (nuclear/single) and loyalty factor of the brand
- * There is no significant relationship between brand of CTV owned and purchase of other durables of the same brand by the respondents.
- * There is no significant relationship between brand of CTV owned and intention to purchase the same CTV brand once again.

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