



THE STUDY ON THE EFFECT OF BRAND EXTENSION OF DIFFERENT PATTERNS OF PEOPLE WITH REFERENCE TO LG ELECTRONICS

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ABSTRACT

This research paper summarizes the effect of brand extension of different patterns of people with reference to LG electronics. The main project describes about the new product category introduced from the parent brand and the different preferences of people towards the brand and its extended product category. The review of literature highlights the areas like the brand extensions, brand image, brand equity and the brand extension effect on the parent brand. The research survey is being done to analyze the people preference towards consumer electronics and the product features and services as a consumer they expect from a brand to satisfy their needs. The brand LG is being analyzed from people's perspective and brand image of parent brand.

Key Words: *Brand image, Parent Brand, Consumer Preferences.*

INTRODUCTION

Brand extensions helps in extending its product category. The new category of products could be extended from the parent brand with its existing brand image and brand perceptions towards people. A well-established brand could introduce a new segment of products from its positive brand image that it gained from its previous products. The reputation of the original brand helps in positive brand stretching. Brand extension helps to extend its growth in the market and helps in reaching out different

patterns of consumers with various product requirements. Brand extension is an easy way of promotion for its new segment of products. The existing brand capitalize the consumers trust and loyalty towards the brand, this helps in introducing a new product segment to the consumers reach by projecting the good image of the parent brand.

NEED FOR STUDY

The vital reasons why most of the brand extend its product category through its parent brand is because of the reasons like

- Marketing the new product
- Brand loyalty and brand trust
- Brand promises and brand image
- Customer satisfaction
- Parent brand quality and service

This study helps to identify the factors that influence a new brand introduced in the market. And the effect of brand extension and their influence on different patterns of consumers and what they perceive from their parent brand and its extended products.

OBJECTIVES OF THE STUDY

The objectives of the study help to find the vital aspects of the research study. These help in reaching out the major goals of the study. The objective of the study helps to analyze the major reasons for the research work. These can be general or specific. The objectives of the research help to provide with the directions of the study and able to analyze the research in proper way. The objectives of the study are basically categorized into two types of objective that is primary objective and secondary objective. The primary objective concentrate on the primary goal of the study and paves way for the purpose of the study. The primary objective of this research project is to analyze the effect of brand extension of different patterns of people with reference to LG electronics. The secondary objective of the study are the objectives that contribute to the primary objective of the study. It helps in contributing the primary objective and help in major finding of the research study. The secondary objectives of this study are to identify the factors that influence brand extension, to evaluate brand image of LG electronics, to examine preferences of people towards LG products and at last to study the significance of various products. These objectives paves way find the solutions for the research problem.

THE REVIEW OF LITERATURE

The review of literature gives an overview about the project work. This gives the needed information to analyze the need and scope of the research. It helps in giving answers for the research from the previous journal, newspapers, books, and articles. This gives a description about the research study and helps in summarizing the needed data and clarification for the research.

Pooja Rastogi, the global commerce management ,2012, describes that the study is based on the different types of brand extension and customer evaluation of brand extensions. Brand image of the parent brand is being identified properly and its types and effects are being discussed clearly. The effect of brand extension the parent brand is also being analyzed. The parent brand characteristics is also being defined. The existing brand influence on the new products prevailing in the marketplace along with consumer preferences are identified clearly.

Tarun.K, Aug 1 September 2002, says that this study describes about the different types of brand extensions that affects the brand image of the parent brand. People preferences towards the new products from the parent brand which are completely unrelated to the product that is introduced first from the brand. How the market introduces new product category from the same brand. This describes the study of the different types of brand extension and its effect on the parent brand prevailing between consumer market.

Young seon Kim, Associate professor of Marketing, Central Connecticut State University, USA., April 2016 (The Journal of business management), says that This study is based on the effect of power on the evaluations of brand extensions. The development of brand extension is being explained. The present and past brand attitude is being analyzed and correlated with brand extensions. Brand extensions and market situation, consumer preferences are studied in this thesis.

RESEARCH METHODOLOGY

These are the techniques and tools used in the research work for analyzing the research study. The various of conducting the research is analyzed.

RESEARCH DESIGN

It is the manner of collecting and analyzing the data for the research.

STRUCTURE OF QUESTIONNAIRE:

Questionnaires can be classified as both quantitative and qualitative method depending on the nature of questions. The questions can be close ended questions or open-ended questions. It can also be multiple choice questions or rating type questions.

DATA ANALYSIS AND INTERPRETATION

The data that s been collected from the questionnaire are being analyzed using percentage analysis and represented through charts.

TABLE SHOWING WHICH PRODUCT CATEGORY RESPONDENTS PREFER BUYING A LOT

PRODUCT CATEGORY	NO.OF. RESPONDENTS	PERCENTAGE (%)
HOME ENTERTAINMENT	34	28.3
HOME APPLIANCES	75	62.5
MOBILE COMMUNICATIONS	11	9.2
ENERGY SOLLUTION	0	0
TOTAL	120	100

Source: Primary data

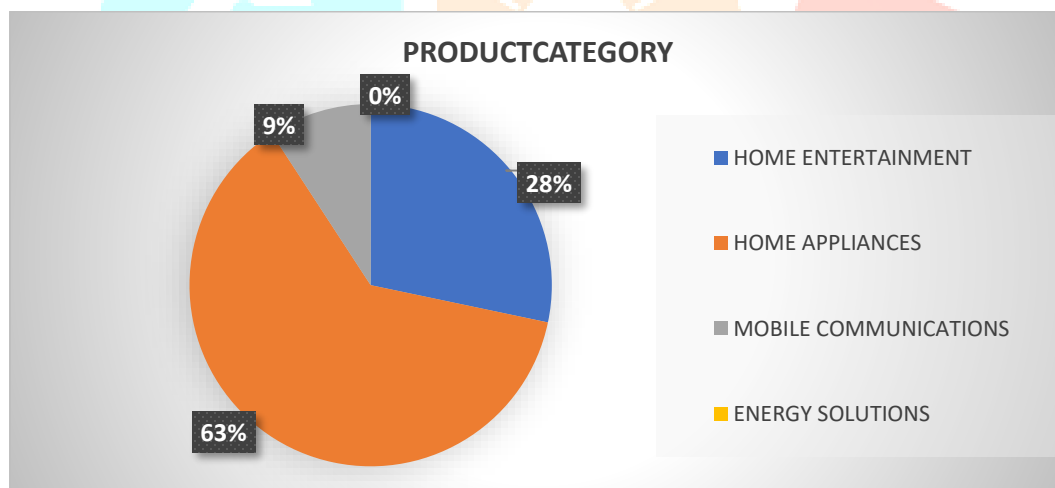


FIGURE SHOWING WHICH PRODUCT CATEGORY RESPONDENTS PREFER BUYING A LOT

INTERPRETATION: Most of the respondent prefer home appliances category a lot and moderate respondents prefer home entertainment category and few respondents from mobile communication category and no respondents prefer energy solutions category. LG electronics has a strong customer base for home appliances category where it can expand its product line and achieve success.

TABLE SHOWING ELEMENTS THAT ARE MOST IMPORTANT FOR THE RESPONDENTS WHEN BUYING ELECTRONICS.

ELEMENTS	NO.OF. RESPONDENTS	PERCENTAGE (%)
BRAND	79	65.8
PRICE	81	67.5
SAFETY&RELIABILITY	89	74.2
DESIGN&PERSONALITY	53	53
MAINTANENCE COST	39	39
AFTER SALES SERVICE	46	46
PRODUCT QUALITY	61	61

Source: Primary data

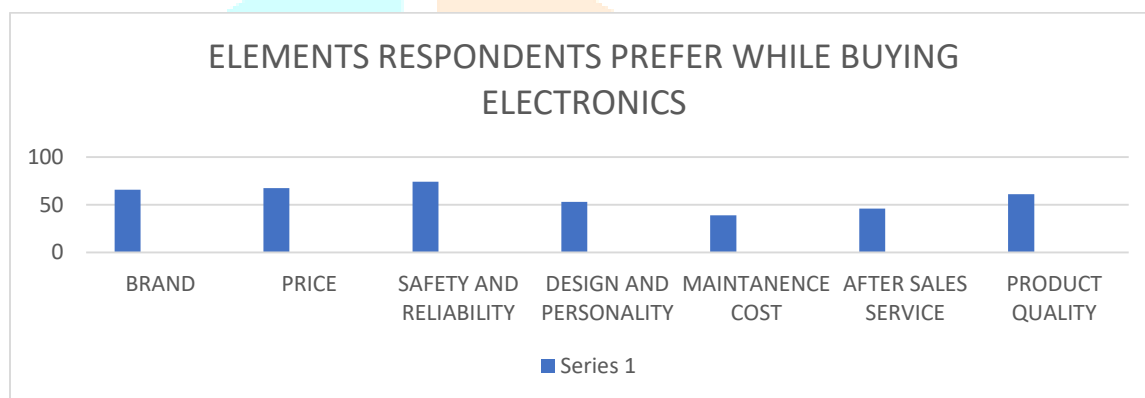


FIGURE SHOWING ELEMENTS THAT ARE MOST IMPORTANT FOR THE RESPONDENTS WHEN BUYING ELECTRONICS.

INTERPRETATION: Most of the respondents expect elements such as brand, price, safety and reliability while buying an electronic product. Moderate percent of the respondent expect elements such as product quality, design, and personality. And a few respondents expect elements such as maintenance cost, after sales service.

DATA ANALYSIS USING SPSS

The factors age and products feature for a new product are being compared.

ANOVA

AGE

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	58.412	4	14.603	108.667	.000
Within Groups	15.454	115	.134		
Total	73.867	119			

INFERENCE: Most of the respondents prefer energy efficient products and responsive controls and moderate of people want artificial intelligence as a feature.

FINDINGS OF THE STUDY

- Most of the respondents of the survey research are females, and males are also nearly equal to females in ratio.
- Most of the respondents are students and are of a profession.
- The respondents are all aware of the products being marketed by LG electronics.
- The respondents (98%) are price sensitive and always care about a product's price and compare it with competitor while choosing a product.
- The respondent (90%) cares a lot while using a particular brand and its products.
- The respondents (75%) want convenient usage feature as their product feature.

Report

AGE

features expected	Mean	N	Std. Deviation
ARTIFICIAL INTELLIGENCE	1.97	40	.158
ENERGY EFFICIENT	3.10	48	.555
TECHNOLOGY PROOF	4.00	12	.000
RESPONSIVE CONTROLS	2.00	8	.000
USER CONVENIENCE	2.00	12	.000
Total	2.63	120	.788

- The respondents (95%) buy a product if their favorite celebrity is endorsing a particular brand.
- The respondents (28%) believe Samsung to be their competitor and (30%) believe whirlpool also to be one of the top competitors of LG electronics.
- The respondents are most affected by the factors like brand image, product quality, price to be the important, while taking purchasing decisions.

SUGGESTIONS OF THE STUDY

The brand should always ensure to create awareness about all its product category. The new features that are to be introduced in an existing product are to be tested through people and get to know about their preferences and success of the product. As most of the respondents are known about LG electronics through advertisements and respondents have an interest in buying a product and trust the brand when their favorite celebrity is endorsing it. LG electronics can also make advertisements with the most popular celebrity in the trend. The brand should insist on more services attached with the product in which they can attract a lot of customers. The brand should provide with new features in a market and convenient features in the marketplace.

CONCLUSIONS OF THE STUDY

The research on the study of brand extensions of different patterns of people with reference to LG electronics is being analyzed through the whole project. The parent brand needs to study the products requirements of different patterns of people and should initiate in the product development stage. This research helps to know about people's preferences towards a new product from an established brand. This research helps in finding the consumers requirements and brands ways to improve its product category which helps in establishing a better brand image.

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