

“A Study on Customer Preference of LG Lap-Top”

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Abstract:

The consumers' tastes are changes rapidly. They want new models with the latest features. It is a very hard fight. The competition is on features differentiation, time to market and promotion, basically on every front. The dealer-push and brand pull, both plays a very crucial role. Hence the company concentrate on both fronts equally will have an upper hand over the others. Companies like *hp*, *Compaq*, *Lenovo*, *Sony* and *LG* have practices this very well and leading on the sales front. The dealers have to observe that the consumers add a lot of value after sales and service provided by the company while making a purchase decision. Today Management of Customers' relationship is assuming more and more importance and company cannot afford to ignore this. Based on the above response, *hp* and *Compaq*, provide better customer service as compared to others.

I. Introduction

By 2005, LG was in a Top 100 global brand, and in 2006, LG recorded a brand growth of 14%. Now the world's largest plasma panel manufacturer, its affiliate, L.G. Display is one of the largest manufacturers of liquid crystal displays. Also in 2006, the company's mobile Phone division, LG Mobile, marketed the L.G Chocolate phone, changing the company's image of the maker of thick 3G phones. It now focuses on the design and marketing of phones such as the L.G. shine, the LG Glimmer. As a result, the company was picked as "The Design Team of the Year" by the Red Dot Design Award in 2006~2007 and is often called the "New Apple" in the industry and online communities

1.1 Objectives of the Study

As part of this article, I undertook the study at the LG Electronics in the pertaining to consumer electronics. The following are the main objective of this article.

- To identify the consumer's taste and preference of laptops and desktops among consumers.
- To carry out detailed research on the preferences of LG desktops and laptops among the consumers
- To know the service and performance of the IT products between LG and its competitors.
- To know the product quality and pricing between LG and its competitors.

1.2 Scope of the Study

In order to achieve steady growth in this highly competitive market, the companies should be aware of its competitors. This study will provide an overall view of consumer perception about consumer electronics and market study of LG consumer products. This study can be viewed from qualitative nature as well as quantitative since it tries to know the opinions, view and suggestions of dealers and statistical tools have been used.

1.3 Limitation of the Study

The study is limited to Hyderabad only. Because of limited cost research is conducted with 50 samples of consumers only. The data is collected from the consumers are qualitative in nature i.e. Views options perceptions etc., these factors changes time to time. The data collected are primary in nature. Hence there is chance for a biased of misleading response from the consumers. On the other occasion consumers were reluctant to give information, because they were busy.

2. Methodology

Methodology states how research study should be undertaken. These include specification of research design, source of data, method of primary data collection, field work carried, analysis and interpretation done limited inherited in the conserved article. In the present research approached used in the survey method. All the consumers include in the survey were given a questionnaire and brief introduction about the company plan for strengthening their consumer support.

2.1 Research Design

A research design is generally a pure and simplified framework and certain plan for a study that will guide the collection and analysis of data where information needed. The function of the research design is to ensure that the required data is obtained and collected accurately and economically. Research design is basic

framework, which provides guideline for the best of research purpose. In short, research design is planned structure and strategy of investigation conceived so as to obtain specified answer or solution to research question and to control variance. Here the research design used for this research is descriptive.

Source of Data: Data sources consisted of both primary and secondary sources.

2.2 Primary Data

A questionnaire was used to conduct the whole survey. To control the response bias and to increase the reliability of the data, a structured pattern of question was also used in the questionnaire. The advantages of using this specified construction of the questionnaire are being administrative simplicity and easy in data processing analysis, and the interpretation. The questionnaire consists of dichotomous and the multi choice question to allow as possibilities to be covered. The question was asked directly to the consumers and in the direct disguised form so as to avoid confusion and to get the best and reliable answer.

2.3 Secondary Data

The information about the consumer’s number and their address were obtained which were formed as the secondary data sources.

2.4 Sampling Plan and Sampling Design

Sample selection of consumers throughout Hyderabad was taken for the survey to get the homogeneous and true representation of LG electronics.

2.5 Sample Size

50 Consumers are taken in Hyderabad.

2.6 Sampling Method

Judgment sampling was restored for the study of each respondent was assigned a number to identification, process the data analysis and the survey was conducted accordingly.

2.7 Tools Used for Analysis

- Chi square method
- Percentage Method

Results and Discussions

Table1- Observed Frequency

(No. of Respondents)

Parameter	Very good or very high	Per cent	Good or high	Per cent	Normal	Per cent	Sample size
Service	15	30%	25	50%	10	20%	50(B)
Performance	23	46%	15	30%	12	24%	50
Pricing	15	30%	18	36%	17	34%	50
Product quality	9	18%	26	52%	15	30%	50
Brand image	13	26%	23	46%	14	28%	50
Total Demand	(A) 75	30%	107	43%	68	27%	(N) 250

Table 2-Chi Square Value

Sl. No.	Parameter	Observed value O	Expected value E= {(A) * (B)}/ N	(O – E)	(O-E) ²	X ² = (O-E) ² /E
1	Service	15	15.0	0	0	0
		25	21.4	3.6	12.96	0.6056
		10	13.6	-3.6	12.96	0.9529
2	Performance	23	15.0	8.0	64.00	4.2667
		15	21.4	-6.4	40.96	1.9140
		12	13.6	-1.6	2.56	0.1882
3	Pricing	15	15.0	0	0	0
		18	21.4	-3.4	11.56	0.5402
		17	13.6	3.4	11.56	0.8500
4	Product quality	9	15.0	-6.0	36.00	2.4000
		26	21.4	4.6	21.16	0.9887
		15	13.6	1.4	1.96	0.1441
5	Brand image	13	15.0	-2	4.00	0.2667
		23	21.4	1.6	2.56	0.1196
		14	13.6	0.4	0.16	0.0117
<i>Chi Square value X² = Σ(O-E)²/E</i>						13.2484

Null Hypothesis $H_0(O) =$

There is no association between consumer opinions and various selection criteria of LG

Assumed, Level of Significance (α) = 5%

Degree of freedom (v) = $(r-1)(c-1)$ Where r = number of rows, c = number of columns

$v = 5 - 1 = 4, 3 - 1 = 2$, degree of freedom (V) $4 * 2 = 8$ Critical value = 15.5

The calculated value of X^2 (13.2484) is less than the Critical value (15.5) Hence the null hypothesis is rejected. i.e. There is an association between consumer opinions and selection criteria. In situations where there relative importance of all the items of the distribution is not the same name. If the same items in a distribution are more important than others, then this point must be born in mind, in order that average computed is the representative of the distribution. In such case, proper weight age is to be given to various items the weight attached to each item being proportional to the important of the item in the distribution. If 'N' is the sample size and 'W' are the weight, weighted average is calculated by:

2.8 INTERFACE:

Table value of X^2 at 5% level of significance is 15.5 since, calculated value is lesser than the tabulated value, null hypothesis is accepted i.e. consumers do not differ in their opinion on the various selection criteria of LG.

Table 2 Comparing Statement for various brands of similar products

Feature	HP	Per-cent	SONY	Per-cent	LG	Per-cent	ACER	Per-cent	Total Rsp.
Product quality	20	40%	15	30%	10	20%	5	10%	50
Pricing	15	30%	18	36%	9	18%	8	16%	50
Service	12	24%	20	40%	9	18%	9	18%	50
Performance	13	26%	16	32%	11	22%	10	20%	50
Brand Image	19	38%	16	32%	10	20%	5	10%	50
Overall rating	15	30%	17	34%	10	20%	8	16%	50
Ranking	Second Rank		First Rank		Third Rank		Fourth Rank		

3. Inference

Thus HP stands 1st among the product quality, Sony 2nd, LG 3rd and ACER stands 4th position. Consumers feel that price is higher for Sony, 2nd highest is HP, 3rd highest is LG and least is ACER. Consumers feel that Sony is the best amount various brands for service, HP is 2nd best and 3rd best are LG and ACER. Consumers feel that Sony is the best amount various brands for performance, 2nd best is HP, 3rd best are LG and least is ACER. Consumers feel that HP is the best amount various brands for brand image, 2nd best is Sony, 3rd best is LG and least is ACER. Consumers feel that SONY and HP provide more offerings with 30% but in case of LG and ACER it is quite less with 20%. It is seen that Consumers give first preference to SONY and it stands first with 34%, 2nd best is HP with 30%, 3rd best is LG with 20% and 4th is ACER with 16%.

3.1 FINDINGS

As far as product quality is concerned HP stands best with 40%, 2nd best is SONY with 30%, LG stands 3rd position with 20%, and ACER stands 4th position with 10%. As far as pricing is considered ACER is comparatively cheaper with 16%, 2nd stands LG with 18%, 3rd highest is HP with 30% and the most expensive is SONY with 36%. As far as service is concerned, SONY has scored 40% and stands best and 2nd best is HP with 24%, 3rd best are LG and ACER with 18%. As far as performance is concerned, SONY has scored 32% and stands best, 2nd HP with 26%, 3rd LG with 22%, and 4th ACER with 20%. As far as brand image is concerned HP has scored 38% and stands best, 2nd best is SONY with 32%, 3rd LG with 20% and 4th ACER with 10%. It is found that offers and promotions given by LG is not satisfied it stands around 20% whereas SONY and HP stands best with 30%. It is found that consumers give first preference to SONY and it stands first with 34%, 2nd best is HP with 30%, 3rd best is LG with 20% and 4th is ACER with 16%.

4. Conclusion

This article is done in order to find out the performance of LG IT products among its competitors as Hyderabad is a fast developing metropolitan city always buzzing with activities the rate of towards electronic product is high and they prefer customers, the best too. Any business and all the related activities revolve around the customers only. Customer satisfaction can be achieved only by offering better quality products backed up by performance and better services. This can be satisfied by designing the products in such a way that is suits the wants and preferences of the customer.

5. Suggestions

The company has to introduce more quality features to its existing laptops and desktops in order to increase their sales. As far as price is concerned it is normal but compared to Acer its price is little bit higher. Prompt service is available only for home appliances, if it is implemented for IT products it would satisfy the consumer and they would opt for our project. Battery backup and display clarity has to be improved in order to compete with the other brands. As far as offers are concerned, the company can give CD's like general knowledge, dictionary and encyclopedia, song CD's and also free accessories which is more useful to the consumers. In case of promotion, the company should promote their IT products by giving TV Ads, by distributing the pamphlets and by conducting more road shows. In order to improve the brand image the company has to start their own retail outlets in many places.

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