

# **MARKET PERFORMANCE ON CONSUMER DURABLE GOODS WITH REFERENCE TO L E D TELEVISIONS IN DIFFERENT RETAIL SECTORS IN DELHI**

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## **ABSTRACT**

The research “An analysis of Market Performance of Consumer Durable Goods in different sectors of Delhi”. The research study conducted is descriptive in nature and the sample size used for this study is 250. Primary data is collected to meet the requirements. For collecting the data, a structured questionnaire method is used and it is based on multiple choice and close-ended type from one hundred and seventy sample respondents who were selected through the convenience sampling method. In this study percentage analysis and weighted average correlation analysis, chi square test were used. The difficulty encountered while conducting the survey was time constraint difficulty in getting appointments with customers. The study reveals the Market Performance of Consumer Durable goods with reference to LED TV’s in Delhi Retail shops.

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## **1.1 INTRODUCTION TO THE STUDY**

A market is the set of all actual and potential buyers of a market. Markets may be any of a variety of different systems, institutions, procedures, social relations and infrastructures where by persons are coordinates, goods and services geographic scale, location, types and variety of human communities and goods and services. In classical and neo-classical economics, the concept of a market is structure that allows buyer and sellers to exchange any goods services and information. In the present scenario, durable goods are inevitable for industrial, service and residential sectors in this world. This study is based on market performance of durable goods with reference to LED TV’s among various sectors from Delhi.

**1.1.1 SCOPE OF THE STUDY:** The study aims to find out the performance of durable goods in different sector in Delhi retail shops. This is done by preparing a questionnaire in which questions are based on customer usage, requirements, key buying factors etc. It helps to identify, key factors responsible for effective market performance, brand image, to compare with competitors, to find any pitfalls, to suggest methods to promote sales.

### **1.1.2 OBJECTIVES OF THE STUDY**

**Primary objective:** To analyse the market performance of Durable goods in Delhi Retail Sectors.

**Secondary objective:**

1. To analyses the key factors responsible for the effective market performance.
2. To study the brand image of durable goods among different sectors in Delhi.
3. To know about the competitive analysis.

4. To identify the pitfalls in performance if any, in any of the sectors. To suggest the improvement methods and to promote sales

### **1.1.3 RESEARCH METHODOLOGY**

**1.1.3.1 SOURCE OF DATA:** In this study both primary and secondary data were used. The primary data for the study was collected from the respondents using the questionnaire and the Secondary data which was required to carry out the study was taken from various books and websites and other Journals. Descriptive Research Design is used here and it includes surveys and fact-findings enquiries of different kinds. The research instrument used to collect the data for analysis was the questionnaire. It portrays the actual scenario as it is being directly responded by the people concerned. A method of five point scale was used. The sample size is used here are 170. Non Probability Sampling Method has been used with the help of convenience sampling method. Tools used here is percentage analysis, Statistical tools like Chi – Square Test and Weighted Average Method is used.

**1.1.5 LIMITATIONS OF THE STUDY:** The study is basically confined to the area within Delhi circle and the sample is not comprehensive. The Profile of the customers being contacted is similar. Difficulty face here is getting appointments from customers with in given time.

**1.2 REVIEW OF LITERATURE: ‘Michael Lubatkin and Ronald E. Shrieves’** in their paper titled ‘Towards Reconciliation of Market Performance Measures to Strategic Management Research’ have calculated the market-based performance by finance procedures and also recommended alternative conceptual procedures for strategic management research. ‘(The Academy of Management Review, Vol. 11, No. 3 (Jul.,1986),pp.497-512)

**Takehiko Isobe, Shige Makino and David B. Montgomery** in a paper titled ‘Resource Commitment, Entry Timing, and Market Performance of Foreign Direct Investments in Emerging Economies: The Case of Japanese International Joint Ventures in China’ have examined whether early movers and technology leaders attained superior performance in emerging economic regions and assessed the determinants and performance consequences of two key aspects of entry strategy, resource commitment to technology transfer and timing of entry, using survey data from over 220 Sino-Japanese joint ventures (JVs) in China. They concluded that both high commitment and early entry has positive impacts on the perceived economic performance of the JVs. Yet these relationships were found to be significantly contingent on several internal and external factors, such as the strategic importance of an investment, parental control of a JV, and the availability of supporting local infrastructure.(The Academy of Management Journal, Vol. 43, No. 3 (Jun., 2000), pp. 468-484)

**Wendy Carlin, Andrew Glyn and John Van Reenen** in a paper titled ‘Export Market Performance of OECD Countries: An Empirical Examination of the Role of Cost Competitiveness have examined the relationship between export market shares and relative unit labour costs using a long panel of 12 manufacturing industries across 14 OECD countries. We ask how sensitive are export market shares to changes in relative costs and what determines this sensitivity? Both costs and embodied technology are important, but neither can fully explain changing export positions. This explores whether residual country-

specific trends might be linked to 'deep' structural features of economies. Sensitivity to labour costs is lower in high tech industries and core ERM countries. Industry elasticity have increased, especially in industries subject to increasing product market competition. The Economic Journal, Vol. 111, No. 468 (Jan., 2001), pp. 128-162

**Drew Fudenberg and Jean Tirole** in a paper titled 'Learning-by-Doing and Market Performance: have studied the implications of learning-by-doing for market conduct and performance. A general continuous-time model to show that output increases over time in the absence of strategic interactions, and that a monopolist learns too slowly, compared with the social optimum. This specialize to a two-period model with linear demand and learning to analyze the case in which firms do consider the effect of their learning on the actions of their rivals. This show that strategic incentives can induce firms to choose decreasing output paths, and that a little diffusion of learning across firms increases output if firms are naive, but decreases output if firms play strategically. Further it show that increased learning improves welfare, and that welfare can be improved by using a balanced-budget tax-subsidy scheme which transfers production incentives to the less competitive "mature" phase of the industry. The Bell Journal of Economics, Vol. 14, No. 2 (autumn, 1983), pp. 522-530

**MB Sarkar, Raj Echambadi and Jeffrey S. Harrison** in a paper titled 'Alliance Entrepreneurship and Firm Market Performance: This paper examines entrepreneurship into the domain of alliances, and investigates the effect of alliance proactiveness on market-based firm performance (defined in terms of sales growth, market share, market development and product development). Alliance proactiveness is defined as the extent to which an organization engages in identifying and responding to partnering opportunities. The effect of alliance proactiveness on performance is tested within a contingency framework, with size and perceived environmental uncertainty as moderators, and using

data from 182 firms. We estimated the model using partial least squares. Results indicate that alliance proactiveness leads to superior market-based performance, and that this effect is stronger for small firms and in unstable market environments. Strategic Management Journal, Vol. 22, No. 6/7, Special Issue: Strategic Entrepreneurship: Entrepreneurial Strategies for Wealth Creation (Jun. - Jul., 2001),

## 2.1. Data analysis and Interpretation made through Percentage Analysis

From the study it is clear that 75% of respondents belong to residential sector and service sector and remaining 25% of respondents belong to industrial sector. From the study 72% of respondents prefer Full-array without local dimming and rest of respondents prefer Edge-lit without local dimming. From the research it is clear that 65% of respondents prefer **Sony Bravia**, Samsung and **Sharp LC-** and rest of them prefer LG. The study reveals that 60% of respondents prefer quality and service as 1<sup>st</sup> and 2<sup>nd</sup> criteria and cost and availability takes only 3<sup>rd</sup> and 4<sup>th</sup> positions. From the above table it is clear that 74% of respondents prefer **Sony Bravia**, Samsung, and rest of them prefer LG. While selecting brand for the industrial sector the first priority is given to quality and then service offered. From the above table it is clear that 75% of respondents prefer Samsung and LG of them prefer Sony as it is expensive. While selecting brand for residential sector the first priority is given to cost and then to service. So this shows that cost and service is more important factors than others for residential sector. From the data collected it is found that the likeliness to recommend LED Television's ranges from fair to very good. The results show that likeliness to recommend to others among the clients is only moderate. This may be attributed to high cost and unavailability. From the above table it is clear that 70% of respondents prefer not much and definitely not rest of respondents prefer very much. This may be due to the cost factor. From

the study it is clear that 80% of respondents prefer. From the research it is clear that 70% of respondents prefer to repurchase LED TV's. From the above research, 65% of respondents belong to extremely satisfied, and rest of respondents prefer satisfied and neutral with retail shops.

The research shows that 73% of respondents belong to neutral, and remaining respondents belong to satisfied. From the study it is clear that 79% of respondents belong to extremely satisfied and remaining satisfied. This shows that the satisfaction level of quality among the clients is very good. From the survey it is clear that 69% of respondents belong to extremely satisfaction level of customer relationship with retail shops. The study 80% of respondents belong to satisfied. So this shows the satisfaction level of sales promotion methods among the clients is good, but advanced sales promotion activities have to implement.

**2.2 Statistical Analysis made through Weighted Average and Ranking based on the service:** From the data it is clearly found that the respondents give priority to the brand Sony Bravia, second rank to Samsung, third rank occupied by Sharp LC by using the formula  $\frac{(O_{ij}-E_{ij})^2}{E_{ij}}$

### 2.2.1 Chi-Square test between Sector preferred and Brand Preference:

H0: There is a no significant relationship between the sector preferred and brand preference.

H1: There is a significant relationship between the sector preferred and brand preference.

**Degrees of freedom:**  $r = \text{no. of rows}$        $c = \text{no. of columns}$

$(R - 1)(c - 1) = 10$  Degrees of freedom at 5% level of significance is 18.307

Calculated value  $\chi^2 = 33.258$  Tabulated value  $\chi^2 = 18.307$

Therefore Table value < Calculated value So, Null hypothesis Ho is rejected.

Conclusion: Hence, there is a significant relationship between the sector and brand preference. Where client are giving importance while selecting brand for sector.

## 3.1 FINDINGS

Most of the industrial sector respondents prefer **Sony Bravia**.

- The most of the respondents are giving first preferences to **Sony Bravia** and then to **Samsung**. It is felt by the respondent that the quality and service are more important factors than cost and availability.
- The LED TV is performing well in industrial sector, because of quality and availability is good and it is preferable in service sector too as the quality and service is excellent.
- It shows that their likeliness to recommend LED TV's products among the clients towards Industrial sector – Very much, Service sector – Very much and Residential sector – Moderate
- The likeliness to repurchase and services for LED among the clients is only average and the satisfaction level among the clients is very good.
- It shows that their satisfaction level among the clients towards Price is moderate, Quality is very good, Availability of product is moderate and Customer relationship in retail shops is felt good. Finally Sales promotion method in retail shops is good.
- It shows that quality and service plays first and second rank among factors and the price is directly related in selecting brand preference towards industrial sector and price is not important in service sector.
- It shows that price is directly related in selecting brand preference towards

residential sector and the factors plays important role in sector preference and shows that sector preference and brand preference are equally related.

### 3.2 SUGGESTIONS

Commercial attraction is high for LED's. The retailers must improve their residential attraction among respondents. And LED is performing well in industrial and service sector, where they must continue their good performance.

LED TV's preferred moderate in Residential sector due to price factor, so they need an economical package. Even though quality of LED is very good, they must set up more service centre which creates additional value to the company.

LED TV must concentrate on some of the factors like availability, service, price equally and must concentrate on availability in more retail show rooms.

LED TV's must increase their awareness among the respondents, where they are lacking now and they must increase their continued customer relationship via retailers by informing their New offers, Products, Service date, frequent feedback, Free service etc and its sales promotion method has to be improved.

To improve the performance, the company may concentrate on different sales promotional techniques like Innovative advertisement in the media, Hoardings to be placed in centre places, Effective training to sales professionals must be given, Stalls in trade fair may be arranged etc.

### 3.3 CONCLUSION

The study is aimed to find out the market performance of LED TV's, with special reference to different sector in Delhi. The researcher also studied the market trend and sales of the LED TV's in Delhi city. Customer preference of LED's over its competitors for different sectors is also analyzed. The study helps the industry to identify the strength and weakness and to know their competitor in better way. The suggestion given will help the industry to increase the sales of LED TV's in Delhi

Market performance studies about the sales performance of LED TV in different sectors which shows that performance is good in Industrial and Service sector but not in residential sector, where necessary actions to be taken for better sales in future.

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