

## "Branding and its competitive advantage in the consumer electronic industry"

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**Abstract:** The main objective for doing this research study is to find out the factor which affect consumer electronic industry and also understand the concept of branding and its competitive advantage with special reference to consumer electronic industry. Besides that we also find out the factor which affect branding image of the product in the market. This research also conducted with the purpose to understand the consumer perception towards brand and what they expect from branded product. This research has been conducted with the multi-objective related to the brand and its competitive advantage.

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### Introduction

Research topic contains some special terms, which are the base of the research so first we discuss over them and then go ahead. First and foremost we discuss on branding, in layman terms branding can be anything that can promote the sales of the particular services or product helpful to recognize the particular product or services. It can be logo, image, slogan, symbol or any kind of style of designing the product or service so that people can recall easily.

### What is consumer electronics?

Consumer electronics is made by combining two words that has its separate meaning, first consumer and second electronic. We will understand the actual meaning of these two words then finally make understanding about consumer electronic products. Electronic is the branch of science, which is related to the flow of current or voltage in circuit or any wires. In this branch of science we study how current flow from one point to another in a circuit. Concept of electronic has come into existence when electricity has been invented. When we talk about electronic, there are two points on which light has throne, first analog electronics and other digital electronics. Some famous brand of consumer electronic product is Sony, Toshiba, LG, Videocon, Nokia, Apple, Philips, Panasonic, Dell, Acer and ONIDA.

### What is Branding?

First we understand what is Brand and then understand the concept of Branding.  
*A Brand is any name, terms, sign, symbol, or combination of them which has been made with the intention of identification or differentiation one product offering from others.* It means firms use some kind of logo, any written statement or any name which helps customer to identify his desired product easily. Now we will understand the concept of Branding by throwing light on some examples and also discuss why it is important to achieve the market-share and taking advantage of competition in the market.  
We take another example of Branding, Nirma it is a very old brand of detergent of shop which today we are taking Nirma Beauty shop. In the rapper of Nirma you find a picture of girl wearing a frock. Housewife's those are illiterate but using this brands a longer period of time can easily recognized. It is the brand which is well running in the market and having a view in all the eyes of Indians housewife.  
Now we understand the concept of Branding, Branding is the process of giving name, term, sign and symbol to the product so that we can differentiate the product. There are some characteristics of Brandings which are given below:

1. It has to be unique.
2. Easy to remember.
3. Easy to Pronounce.
4. Should not give poor meaning.

There is a point 4 in which it mention that Brand should not give the poor meaning, we understand this by using example everybody know about INNOVA it is a brand of Car when it has been launched in Spain it was giving poor meaning. Meaning of INNOVA in Spainees dictionary is "the things which does not move" so

we can understand the car which does not move how people will purchase it. So if you are selling your brand globally then all issue related to the brand should keep in mind. Another example of this point has been seen with Ariel detergent when it has been sold in Southey Arab, there were logo on which it has been shown that



But In that country people read from right to left so sense was totally opposite. They were reading clean, Ariel, dirty and interpreting that when we will use Ariel our clothes which is clean will be dirty, so for a longer period of time company's product was not running in Southey Arab after that this problem has been sort out. So if we are launching any new brand in the market, have to keep all the aspects in mind which can affect the brand value. Real benefit of the Branding can be seen in the market which makes market competitive. It consider that, the better the branding, the better the markets

### Significance of the Branding

Customer point of view:

1. It make easy to choose the product in terms of Brand.
2. It make easy to provide decision to the customer.

Marketers point of view:

1. To differentiate the segment of customer
2. Easy to establish the position in the mind of customer.
3. It assures the quality of product.

### Branding Strategy

There are five strategies of Branding given below:

❖ Blanket Branding:

It is the strategy of the branding in which we use single Branding for Multiple Brand, like SONY, LG.

There are some positivity and negativity with this strategy; image of the existing product can be cashed and less expense required for promotion. Both the things consider under the positive aspects and it leads confusion in the mind of the customer, different segment of customer cannot be targeted so it is negative aspect of Blanket brandings.

❖ Multi-Branding Strategy:

In this strategy company use different name for different product

It also contains some positive and negative aspect. What are the negative aspects in Blanket Branding is positive for it and similarly positive aspects of those is negative for it.

❖ Family Brandings:

In this strategy related product come under same brand and other product with different Brand name, like Colgate, Palmolive come under toiletries.

❖ Sub-Branding:

In this brand name remain same for all kind of product only suffix will change to differentiate the product, for example Maruti- 800, Alto, Zen, Versa, Swift and some other.

❖ Co-Branding:

In this strategy company use two names for the same product. It generally happens when two company emerge and give their joint name for the product, for example ICICI- Prudential, TATA-AIG, Mahindra Renault, etc.

### Aims and Objectives

The main objective for doing this research study is to find out the factor which affect consumer electronic industry and also understand the concept of branding and its competitive advantage with special reference to consumer electronic industry.

- To analyze all those factors which are responsible for the potentialities to the firm for the expansion feature or opportunity in future?
- To conclude the related experience of the consumers with the use of branded consumer electronic equipments.
- To find out the various pros and cons of the branding in consumer electronic industry for customers as well as the business houses.
- To categorize the various aspects of branding which are beneficial to make market more competitive not only in domestic market but globally?

### Literature Review

As we all know Literature review is an indispensable part for conducting the research study as it gives supportive material for research and also give an overview for the direction of findings. In layman terms we can say it gives knowledge about the research topic how many research have already been done on desired topic.

Paul S. Richardson (1994) state that In traditional aspect, logo is the main focus of the company for branding and besides that four P's of marketing were also taken into consideration but now the picture is different , now leading brand in the market is mainly focusing on the publicity rather advertising.

(Slater and Narver, 1993, p. 47). This study state that the success of the firms is depend on the way by which you make position in the mind of consumer, way of communicating about the product and making high position in the consumer's mind by showing the additional benefits of the product is the key of success.

(Prayag, Girish, 2010) the study showed that the identification of strengths and weaknesses of each technique for measuring brand image depends on types of the (structured and unstructured) techniques. (Thomas Tan Tsu Wee, 2003) This research study is being conducted to find out the factors which affect the adoption of new product in the consumer electronic industry and Mr. Thomas conclude that the target group of people have same perception for MP3 players and MiniDisc players.

### Research methodology

#### SAMPLING TECHNIQUE:

For this research study Sample size is 50 .

The target population is related people with the electronic industry for the research analysis.

As we know that Methodology is the main part of the research. In this chapter we discuss how we collect data from selected group of people and how collected data will be analyze and what are the tools which will help to complete the research. The main purpose of this research was to understand the impact of branding on consumer electronics industry to make market more competitive and how it is beneficial for the firms. This research was mainly focused to analyze the factors which having impact on branding. The re-search was exploratory and descriptive. In This chapter we outline the research design and the methodology which are used in the research.

**Primary Data** Primary data are collected at the time of research in experimental research but if we talk about the descriptive and exploratory research, we collect data from the sample which has been chosen for the research from the census. We can collect primary data through observation, surveys or through interviews.

**Secondary data** The papers and literature which are very important in terms of the study will be taken as secondary resources company manuals, publications and other related works, journals, books, magazines and web sites. Secondary data has been taken into use to help the primary data.

#### Research objectives and research questions

The objectives of the research and research questions are important for the research. Based on the research topic, the research question generated was:

RQ 1. Why the branding is an essential function for the consumer electronic business?

RQ 2 to find out the process of branding in the consumer electronics industry?

RQ3. At the time of the crisis what strategies are followed by the managers to maintain the strong points and progress of their present brand?

RQ4. What can be the features of well-built and strong brand?

RQ5. Is the internal and external search process of consumers can be affected by the brands?

RQ6. What is the several elements that can be influence consumers electronics 'customers opinion with respect to brands?

RQ7. Is the branding beneficial for both; the company as well as consumers?

We have collected information on the basis of the above questions. These questions have been asked to the respondent in order to gain information regarding the research topic.

#### Data Presentation, Analysis and Results

Data has been analyzed after collection and presented in a form which explains each and every aspects of the research study. It is essential chapter in all the research, because we find actual things for which we are making all efforts. Data presentation and analysis is simply collection of different stages which contains determining the findings, inspecting and modeling data with the objective of predesigned intention, and finally making conclusion and providing support for decisions (Crowther and Lancaster, 2009). Interpret and analyze systematically collected both quantitative and qualitative data for extraction of information is the main purpose of this chapter. The data are presented in the forms of tables and figures. For the collection of data we

have taken 50 respondents in which 20 are female and 30 are male. Interviews have been organized on the basis of the research questions and finally concluded their view regarding the research topic. There is graphical representation of all the questions which has been asked in a questionnaire. Since this research is qualitative to much extent so we cannot use any statistic tools to analyze the data. On the basis of the respondent perception all the report has been concluded. There are some factor those influence of the research have been analyzed

### Gender

Gender plays an important role to make the perception different. Male and Female perception cannot be same for single product. For the collection of primary data, we have taken both the gender into consideration. Taking both the gender into consideration reduces the biasness and increase accuracy in findings, because it is said that sample size should be chose in a manner which represent the population as whole. We have found in much research male’s perception always different than female, for example if male like sound quality of music system, female perception will always have seen in style of the product and sometimes it may be same to some extent, so to consideration of gender in research is compulsory. In a graph 4.1, we have shown the no. of male and female respondent which has been taken in sample size.

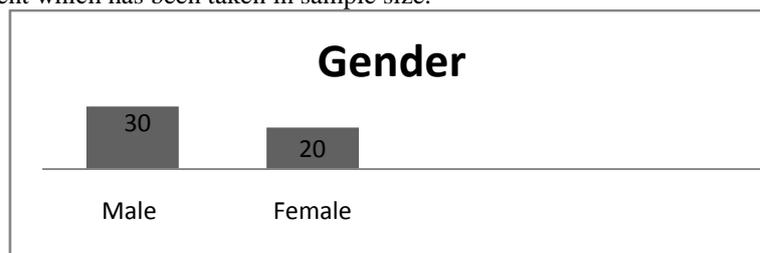


Figure 4.1 No. of male and female in sample size

### Age

As we know that people perception towards branded product increases when they become mature and start thinking about their own reputation in the society, so it is an important factor to analyze in any kind of research which are directly or indirectly connected to the research data and we should consider the respondent in research those are different in age, because it reduces the biasness in the research. For instance, if person (24) wants to purchase a music system, will consider all the factors related to the sound quality and kept in mind at the time of purchasing and he looks for the branded music system those are providing all the features which has been considered in his analysis, but people who is 45 in age will not consider the related features and make a plan to purchase music system which has been suggested by their colleagues, relatives, friends and others. It means age- factor plat an important role to the selection for any kind of product. Graph 4.2 shows the age and the no. of respondent. This graph shows selection of the respondent age-wise.

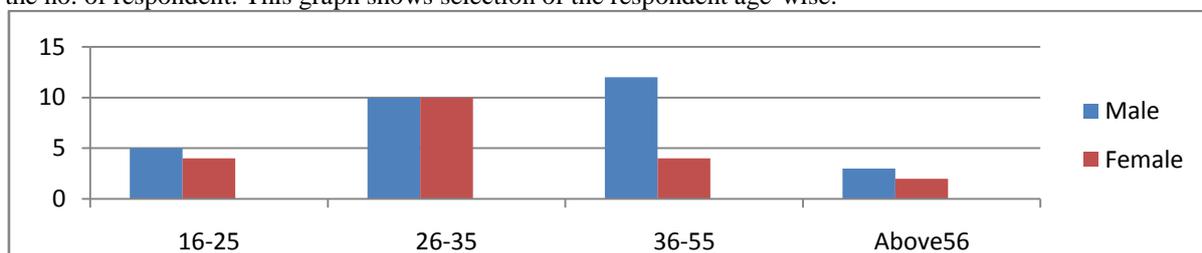


Figure4.2: Graphical presentation of the Respondent age-wise

In an age group (16-25), 5 male out of 30 and 4 Female out of 20 have been selected as a part of the sample. Male percentage is less in age group(16-25) and (Above 56) in comparison to other group, because those are less in touch of branded product and also far from the knowledge of brand and in age group (26-35), 10 male and 10 female have been chosen because this age group always take decision regarding the home appliances so it is an important age group for the study. Another age group(36-55) are also important because this age group has been chosen to keep all the level of the Indian society. Generally this age group found in joint family and we always consider the order of family head in joint family so it is important in the context of joint family.

### Education level

When viewed from the perspective of education level, we find major difference in the perception towards the branding and its competitive advantages from the respondent, if education level of the respondent is higher, it shows that he or she will analyze all kind of questions then give his or her views on them, but for

reducing the biasness in the research we will consider all kind of respondent which belongs to the different kind of education level.

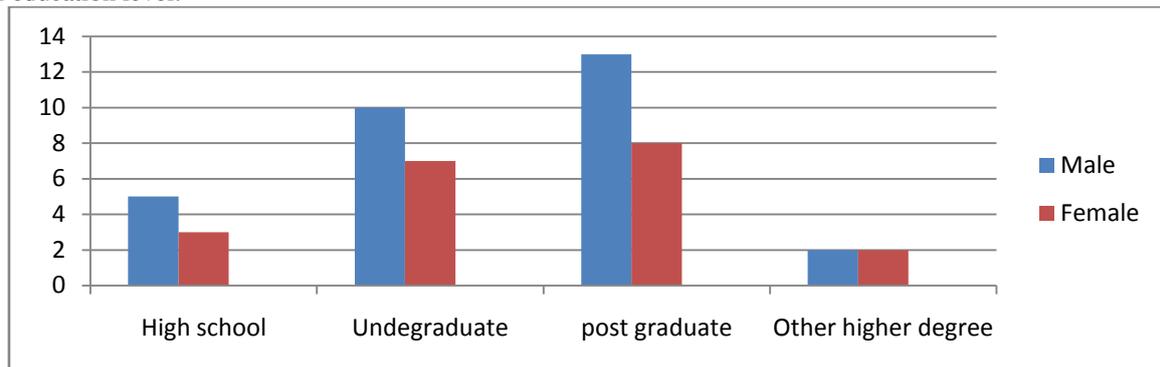


Figure 4.3: Education level of the respondent

In the above graph, relation between education level and no. of respondent has been shown. In this graph we can see that the high school level and other higher degree respondent are less in comparison to the undergraduate and postgraduate level respondent. Both the group those are lower and higher in education level are merely attached with the branding and they have a less interest in branded products. Generally branded product are luxury in nature and both the group don't feel that luxury products are under the requirement because low maturity level and higher level of maturity. So we have chosen the most of the respondent in undergraduate and post graduate education level.

Next graph shows the satisfaction of the respondent of selection of the topic, it means how many respondents thought that there should be research, conducted on the desired topic

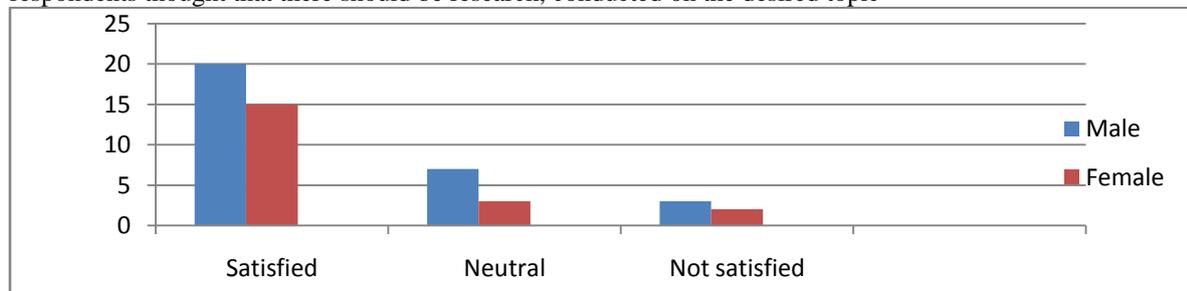


Figure 4.4: Graph of satisfaction level of the respondent from the research topic

In above graph it has been shown that how many respondents are in favor of the selection of the topic, means how many respondents believe that research topic is worthy for the study purpose and beneficial for the business organization those are looking for launching the branded product and for brand extension as well. From total no. of respondent 20 male and 15 female respondents are satisfied with the selection of the research topic and also give their feedback for the scope of the research, 7 male and 3 female are neutral and not give their feedback on this question and only 3 male and 2 female respondent those are dissatisfied with the selection of the topic.

There is a graph 4.5 of question no.5 which shows factor which attract people towards the consumer electronics. First factor is reliability it means how company reliable towards the customer's expectation and how satisfy the need and wants of the customers, it's a two way process if company reliable to satisfy the customer, then customer will also reliable towards the company and there is a possibility customer will not switch to another brand. Second factor service after sales it means, how company provide the services after selling the product. There are many companies which provide free repairing for one year; some companies provide warranty/ guaranty for six month or for a year. So this kind of services which have been by the company to satisfy the customer after selling its product are consider under service after sales and third factor is advertisement which is most important to make position of the product in the mind of customers. Now a day we all are watching advertisement of all kind of product in T.V or in news-papers, magazines and in other kinds of communication channel. Now question comes in mind why company is spending a huge amount on advertisement? As we know until product will come in the view of the population it will not run in the market, each company wants to sell huge volume to earn more profit. In advertisement all company focus on core use and extra features of the product. Through, Advertisement Company wants to communicate about the product and wants to make image as well. People attracted by the character those play role in advertisement and having

a tendency that they will also use the product in the same way that has been used by the character in the advertisement and make their life comfort as well.

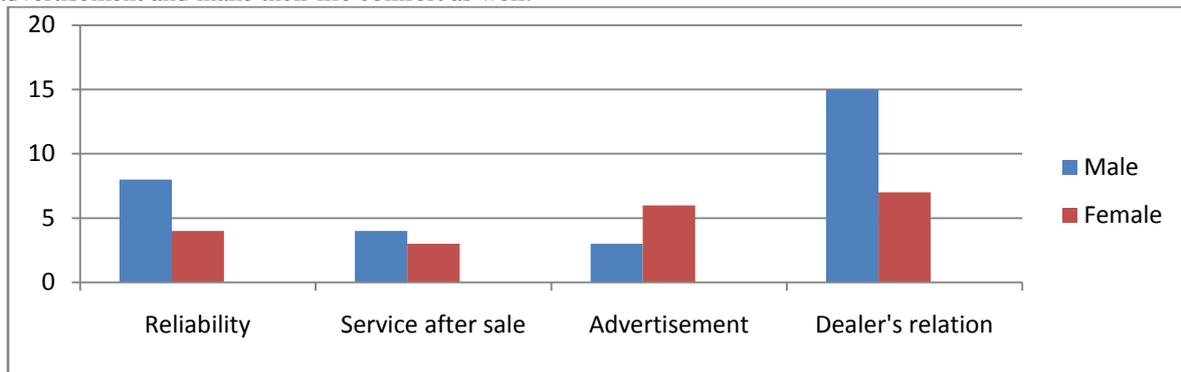


Figure4.5: Factor because of people prefer particular brand.

Main objective of the Graphical presentation of the collection of data and all factors which have been found during the research period is showing the views of the respondent in graphical form to make clear understanding of the findings. In this graph (4.6) it is shown that what are they believe that there is any relation between the Branding and its competitive advantage in consumer electronics and what the positivity of the respondent for the relation between Brand and competition especially for the consumer electronic industry.

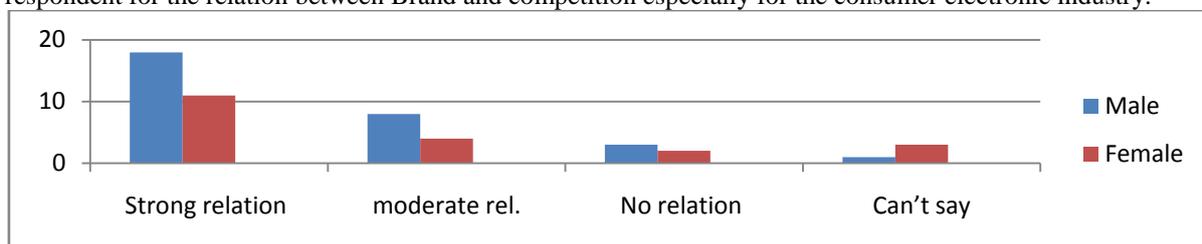


Figure4.6: Graph of the relation between branding and its competitive advantage

There is another graph of question no.7( in questionnaire) which shows the perception of people towards the factor which influence the purchasing decision, in a graph there are four factors (Price, Quality, Brand, Design) have been shown. First we understand the entire factor one by one and then analyze how they can influence the purchasing decisions. First and foremost we will consider Price, what is the price of the product? From customer point of view Price of the product is the amount which has been given to the seller at the time of purchasing the products. From the company point of view price of the product is the sum of all the expenditure which company spend to deliver the product from manufacturing unit to customer home and company expected profit, so it is simple terms for the customer but difficult to some extent for the company because deciding the price for the product done by using various kind of methods and selection of the pricing method for the product, which method will be suitable for the product is an essential decision for the company. Now we will discuss how price influence the purchasing decision of the customer and what are the impacts of pricing on Brands? If we talk in general view, high price mean higher the quality of product and it consider as a branded product and it is true to much extent because Company spending a huge amount to make position of the product in the market and it having some quality so it is running well in the market but it is not always true, sometimes company offer best product in a low price and sometimes lower quality product in a higher price. Those people who are Price conscious do not care about the Brand and do not pay high price for the Branded product but those people who are Brand conscious do not care about the price of the product. Second factor is Quality of the product, in general view, the product which satisfy the need of the customer and having a desired features according to the customer preference consider under thecategories of Quality Product. Third factor is Brand of the product; it is same as quality to the some extent, Brand is closely related to the advertisement of the product, if product is Branded, people do not waste his/her time to make purchasing decisions. Last factor is design and looking of the product which makes physical attraction in the mind of customers and all the company spend lot of money for the designing of the product and also use CAD (computer aided design) software which is very costly. This is only one factor which directly attracts the people to purchase it.

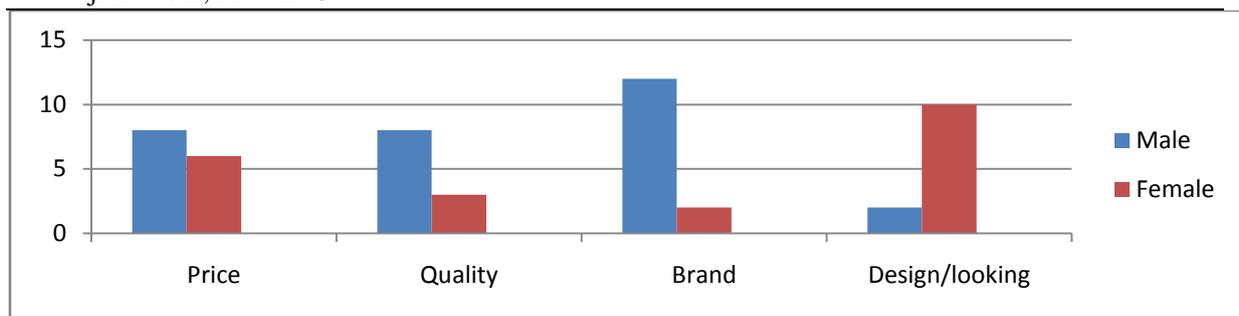


Figure4.7: Factor which affect purchasing behavior

So it has been concluded that Branding is a tool through which we can retain the consumer and generate good will with the customer and as well as profit from the customer. We have found that all the factor which have been consider in this research play an important role to enhance the consumer's perception towards brand and when we will focus on all the factors to create an image of the product in the mind of the consumer then brand image will be clear for the consumer and firms enchased the value of the brand for the longer period of time. Branding is a collection of all the terms and logos which are used by the company to promote the product in the market, so because of that company used many strategies and spend a lot of money because they know in future they will earn because of this brand image only. Many consumer electronic brands are earning because of their quality, price and all other factor which have been considered in chapter four. So this study helps to analyze for the consumer industry players that what is an important to positioning the product in the mind of customer. The final interpretation of research is that branding having a strong relation to increase the competition in the market. There is an important issue which came in picture after conducting this research is that it also provides the choice for the consumer, for example if there is no competition in the market and there is monopoly of a particular firms, consumer has no other option to choose but if there is perfect competition in the market and consumer have full knowledge of the market, it help consumer to take efficient decision. Competition helps market to reduce dominates power of the existing firms.

### Conclusion

In this present business world, branding for achieving the target of business is compulsory for the entire business firms. This research was conducted with the aim to understand the relation between the branding and its competitive advantage in consumer electronic industry. There are various factors which play a very important role in increasing the perception of the people towards the branding and help to understand its competitive advantage in consumer electronic industry. There are some factors were found in research and the entire factor having a relation with advantage of competitive market in consumer electronics. If firms will not understand the value of these factors, cannot get competitive advantages. Price, Brand value and quality are the main factor which affects the image/brand of the firm. As we have seen in chapter 4, there are many factors which are directly or indirectly related to Branding. Other factors like age, education level of the respondents and Gender also play an important role to change the perception regarding the brands. As we have seen in data analysis part, 28% respondent believes that brand value is important to get competitive advantages and 28% people believes that if price of the product is less than the other offering then the product will achieve the competitive advantage by selling more volume of the product is good then and 22% are in the favor of quality of the product and believes if quality of the product is good then firms will get competitive advantage in the market.

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