

CHAPTER - I

INTRODUCTION AND METHODOLOGY

CHAPTER ONE / INTRODUCTION AND METHODOLOGY.

1.1 Introduction:

Television, as a concept, did not have to have any specialised marketing support as the very idea of an audio-visual presentation of faraway events satisfied an innate urge of the viewer. But as the transmission system became more elaborate, making it possible to present true-to-life images and the range of innovative features on reception sets enhanced, it needed new marketing ideas and selling techniques to carry the functional utility of the technical refinements home to the potential buyers. That is when marketing pundits, professionals and salesmen have to give a mighty heave-ho. Regulatory government agencies also pitch in wherever necessary, by standardising transmission and reception techniques, quality norms and testing procedures.

While licensing the manufacture of television sets, the Government of India's policy was more the merrier.¹ Eventually, however, the game turned to the survival of the fittest. As a result, though early television selling techniques relied on conventional tactics; later on, as the competition between the manufacturers snowballed to warfare dimensions,² the advertising and marketing tactics became high-pressure, aggressive and forceful, as the market had become more a buyer's market than the seller's.

The above will make it clear that the marketing of a high-tech product like television sets does require specialized support in terms of in-depth market research, competitive pricing, efficient distribution channels, effective advertising and sales promotion,

promot after-sales-service and proper market penetration. Individual preferences differ depending upon individual perception. The product, therefore, automatically becomes intrinsically and extrinsically associated with objective and subjective factors, respectively.

1.2 Objective:

In the above context, the researcher has tried to comparatively study the marketing strategies employed by two leading colour television set marketers with regard to four basic parameters of marketing mix: product, price, distribution and promotion.

1.3 Scope of the Study:

There is a proliferation of television brands in the market, many brands being marketed nationally. As such, even a limited research of a few specified aspects of all the brands would be of enormous magnitude. The present product, therefore, is restricted to Kolhapur city only and focuses on the comparative study of the marketing strategies of only two leading brands, namely ONIDA and ORSON, within this geographical area.

1.4 Methodology:

The concept of methodology refers to different aspects of a research project such as selection of a topic for research, deciding its scope, understanding its limitations and selecting proper methods for collecting the required information and analysing it for making sound observations and conclusions.

The plan of the project-work was executed as follows:

1. To begin with, separate lists of the customers who had purchased ONIDA and ORSON brands of colour television sets in the preceding one year were procured from the dealers (total 7 dealers), representing these two brands in Kolhapur city;
2. Two distinct samples of 100 customer-respondents of each of the brand were prepared by means of random sampling;
3. At this point, the first phase of the plan was completed and the work of administering three different questionnaires, one to the customer-respondents (Appendix-1), another to Dealers (Appendix-2) and the third to the marketing manager of the manufacturers (Appendix-3) was undertaken;
4. The data so obtained from three different sources was appropriately tabulated, analysed and used for drawing inferences; the objective of which is to attempt to correlate the findings of the customer survey to those of the responses obtained from the marketers of the respective brands as well as to compare their respective marketing strategies. For further refinement, Chi-square Test of Significance (at 5% level of significance) was applied to the data regarding subjective and objective factors collected during the customer-survey vide appendix-1. The mode of this test is explained in Appendix-4.
5. since conceptualization of the project till the completion of the Dissertation, it had become incumbent to research well into library sources for various references. The researcher feels that this obligation too has been honourably discharged.

At this stage, it has to be clarified that the following two television sets being marketed under different brand names were taken up for comparative study:

<u>Marketers</u>	<u>Brand Name</u>
1. MIRC Electronics Limited	ONIDA
2. ORSON Electronics Limited	ORSON

In the succeeding description, the marketers' names and the respective brand names have been used synonymously with each other.

1.5 Hypotheses:

In order to help in the rational analysis of the data collected through the customer-survey, the following hypotheses were formed:

1. There are no significant differences between ONIDA and ORSON colour television sets regarding the objective factors, namely:
 1. Attractive appearance,
 2. Colour and sound clarity,
 3. Use of imported technology,
 4. Warranty conditions,
 5. Price differential,
 6. Quality aspect,
 7. Product durability,
 8. Company reputation,
 9. Promotional advertising,
 10. Credit purchase facility,
 11. Cash purchase discount facility,



12. Instalment purchase scheme, and
 13. After-sales-service.
2. There are no significant differences between ONIDA and ORSON colour television sets regarding subjective factors, namely:
1. Personal advice,
 2. Personal relations with the dealer,
 3. Personal/self decision, and
 4. Status/Prestige symbol.

1.6 Limitations of the Study:

While studying the topic undertaken by the researcher, the following limitations were encountered:

1. The study is limited to the geographical area of Kolhapur city only;
2. The study is restricted to only two brands even though there is a repletion of colour television sets in the market;
3. The financial information collected from the customers, dealers, and marketers has an element of intentional or inadvertent falsification by the respondents;
4. Sufficient information was not made available by the marketers pertaining to their pricing strategy.

REFERENCES

1. Facts for You, (monthly), New Delhi, May-1988, p.30.
2. The Illustrated Weekly of India, (weekly), Bombay, June 4-10, 1989, p.15.