Summary & Conclusion
CHAPTER 5
Summary & Conclusion

5.1 Summary

This study can be summarized as follows:

Brand extensions have their own importance in brand strategy of an established parent brands. This study was focused on brand extensions of telecom parent brand operational in Rajasthan. We studied consumer’s preference for various brand extensions of telecommunication parent brands, such as,

- Airtel
- Vodafone
- Idea Cellular
- Aircel
- Tata Teleservices
- Reliance Communications
- Reliance Jio
- BSNL
- MTS

These brands have their brand extensions in various businesses like:

- Their own mobile
  - 3G
  - 4G
  - Dongle
  - Broadband
  - Value added services
- DTH- Direct to Home TV
- Money Transfer
- Payments Banking etc.
- Operators like Reliance communication have brand extensions even in;
  - Insurance
  - Mutual Fund & other Financial services
  - Power
  - Infrastructure
• Hospitals & health care
• Content development & marketing
  ▪ Films & entertainment etc.
• Similarly Reliance Jio also has various business named under brand extensions of Parent brand “JIO”

This study covered
• Various aspects of brand extensions;
• Consumer’s preferences for brand extensions in 12 villages of 4 tehsils each of 2 districts of Rajasthan
  o Jaipur &
  o Bharatpur
• Customer’s brand awareness levels for these parent brands & their brand extensions
  o Also compare that with their respective customer market share & revenue market share.
• Evaluated if there’s any effective, visible differential marketing for rural areas & customers by these telecom parent brands & their respective brand extensions.

5.2 Conclusions
We started with the following hypothesis & tried to test all of those to reach to the conclusions:

• H₀ There is no Influence of Telecom Parent Brand on consumer preferences for their Brand extensions.
• H₀ There is no effective Rural Marketing strategy adopted by Parent Telecom Brands
• H₀ Brand score of these Brand extensions is equal or higher than the Customer Market Share of respective Parent Telecom Brands
• H₁ There is an effect of any shortfalls, under-delivery or failure on account of brand extensions on parent brands’ image

Hypothesis 1:
H₀ There is no Influence of Telecom Parent Brand on consumer preferences for their Brand extensions.
The above hypothesis is been rejected as the study clearly shows that there is significant level of influence of Telecom parent brand on consumer’s preferences for their brand extensions.

Please refer to the chart 4.33 and chart 4.26, it shows

- Focus Group discussion opted for 100% response and
- Consumer research gave a result of 84% respectively,
towards first preference for the preferred mobile operators brand’s brand extensions for the services like
  - Money transfer,
  - Payment banking,
  - DTH etc,
under these brand extensions.

So the alternative hypothesis, \( H_a \) is accepted, that there is an influence of telecom parent brand on consumer preferences for their brand extension.

Which shows that customer not only only buy different products under brand extensions of various telecom parent brands, but also hold the parent brand only responsible of any shortfall, shortcomings, under-delivery, miscommunications or any other issues.

Therefore it proves the alternate hypothesis and rejects our hypothesis that there is no influence of telecom parent brands on consumer preferences for their brand extensions.

**Hypothesis 2:**

\( H_0 \) There is no effective Rural Marketing strategy adopted by Parent Telecom Brands

The above hypothesis is been approved in the study as it is clearly visible after the analysis of the data collected for the study by consumer & retailers both that there is no effective rural marketing strategy of any of the Telecom Parent brands. There are no signs of differential marketing which is being adopted by any of the operator, although they see potential in rural areas for their future business growth.

The above, **Charts 4.29 and 4.33 to 4.41**; show and prove the hypothesis that there is no effective Rural Marketing strategy being adopted by either of
the Parent Telecom brand, hence the hypothesis is accepted & approved by all the three results of:

- Consumer Survey;
- Focussed group discussion and
- Retail Survey

Therefore it proves our hypothesis, that there no effective Rural Marketing strategy adopted by Parent Telecom Brands

**Hypothesis 3:**

H0: Brand score of these Brand extensions is equal or higher than the Customer Market Share of respective Parent Telecom Brands

The above hypothesis is been approved as the study clearly shows that all the big operators (76% Combined Market share) like the following have higher Top of mind awareness scores for the brand extensions than the operator's own

**Table 4.61 CMS:TOMA of Parent Brand and Brand Extensions**

<table>
<thead>
<tr>
<th>CMS:TOMA</th>
<th>CMS</th>
<th>TOMA-Parent Brand</th>
<th>TOMA-extensions</th>
<th>Brand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vodafone</td>
<td>17.8%</td>
<td>18.1%</td>
<td>21.3%</td>
<td></td>
</tr>
<tr>
<td>Idea</td>
<td>11.9%</td>
<td>10.2%</td>
<td>11.1%</td>
<td></td>
</tr>
<tr>
<td>Bharti Airtel</td>
<td>33.0%</td>
<td>29.2%</td>
<td>46.3%</td>
<td></td>
</tr>
<tr>
<td>BSNL</td>
<td>8.4%</td>
<td>7.9%</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>Aircel</td>
<td>9.5%</td>
<td>10.6%</td>
<td>1.4%</td>
<td></td>
</tr>
<tr>
<td>Reliance Comm</td>
<td>5.5%</td>
<td>3.7%</td>
<td>1.9%</td>
<td></td>
</tr>
<tr>
<td>Tata Tele</td>
<td>0.7%</td>
<td>1.4%</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>Reliance Jio</td>
<td>13.3%</td>
<td>19.0%</td>
<td>18.1%</td>
<td></td>
</tr>
<tr>
<td>MTS</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td></td>
</tr>
</tbody>
</table>

customer market share of Dec-17 (reported figures of Telecom regulatory authority of India)

- Airtel
- Vodafone
- Idea
- Along with Jio
However the smaller operators have lesser TOMA score than their CMS. Apparently, out of these operators,

- Reliance Communication
- Tata Teleservices
- Aircel

Had started vacating the market during this time due to on-going merger & acquisition in telecom sector

Please refer to Charts & Tables:

- Chart 4.14
- Table 4.14
- Chart 4.15
- Table 4.15
- Chart 4.44
- Table 4.59
- Chart 4.45
- Table 4.60
- Chart 4.46
- Chart 4.47
- Table 4.61

The above shows TOMA score of majority brand extensions & their services are equal or higher than the customer market share of their respective parent brands. Therefore it proves and approves our hypothesis that Brand score of these Brand extensions is equal or higher than the Customer Market Share of respective Parent Telecom Brands.

**Hypothesis 4:**

$H_1$: There is an effect of any shortfalls, under-delivery or failure on account of brand extensions on parent brand’s image

The above hypothesis has been approved by our study and customer’s feedback shows that they would surely hold the parent brand responsible. More than 87% customer believe that they would hold parent brand
responsible for any shortfall, shortcomings, under-delivery, miscommunications or any other issues.

Please refer to Charts & Tables:

- Chart 4.25
- Table 4.25
- Chart 4.32

Therefore it approves our hypothesis that there is an effect of any shortfalls, under-delivery or failure on account of brand extensions on parent brands’ image.