Overview of Consumer Durables Market
CHAPTER III

OVERVIEW OF CONSUMER DURABLES MARKET

3.1 INTRODUCTION

India’s consumer market was riding the crest of the country’s economic boom. Driven by a young population with access to disposable incomes and easy finance options, the consumer market has been throwing up staggering figures. The market share of MNCs in consumer durables sector is 65 per cent. MNC’s major target is the growing middle class of India. MNCs offer superior technology to the consumers whereas the Indian companies compete on the basis of firm grasp of the local market, their well acknowledged brands, and hold over wide distribution network. India officially classifies its population into five groups, based on Annual Household income, Middle Income, and Higher Income. Household income in the top 20 boom cities in India is projected to grow at 10 per cent annually over the next eight years, which is likely to increase consumer spending on durables. With the emergence of concepts such as quick and easy loan, zero equated monthly installment (EMI) charges, loan through credit card, loan over phone, it has become easy for Indian consumers to afford more expensive consumer goods.

3.2 CONSUMER CLASSES

Even discounting the purchase power parity factor income classifications do not serve as an effective indicator of ownership and consumption trends in the economy. Accordingly, the National Council for Applied Economic Research (NCAER), India’s premier economic research institution, has released an alternative classification system based on consumption indicators, which is more relevant for ascertaining consumption patterns of various classes of goods. There are five classes of consumer households, ranging from the destitute to the highly affluent, which differ considerably in their consumption behavior and ownership patterns across various categories of goods. These classes exist in urban as well as rural households both, and consumption trends may differ significantly between similar income households in urban and rural areas. The rapid economic growth is increasing and enhancing employment and business opportunities and in turn increasing disposable incomes.
Middle class, defined as households with disposable incomes from Rs 2,00,000 to 10,00,000 a year comprises about 50 million people, roughly 5% of the population at present. By 2025 the size of middle class will increase to about 583 million people, or 41% of the population. Extreme rural poverty has declined from 94% in 1985 to 61% in 2005 and is projected to drop to 26% by 2025. Affluent class, defined as earnings above Rs 1,00,000 a year will increase from 0.2% of the population at present to 2% of the population by 2025. Affluent class’s share of national private consumption will increase from 7% at present to 20% in 2025.  

3.3 OVER VIEW OF INDIA’S CONSUMER DURABLE MARKET

The Indian Consumer Durables segment can be segmented into three groups:

TABLE -1

<table>
<thead>
<tr>
<th>S.No</th>
<th>White Goods</th>
<th>Brown Goods</th>
<th>Consumer Electronic goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Air conditioners</td>
<td>Microwave Ovens</td>
<td>TVs</td>
</tr>
<tr>
<td>2</td>
<td>Refrigerators</td>
<td>Cooking Range</td>
<td>Audio and video</td>
</tr>
<tr>
<td>3</td>
<td>Washing Machines</td>
<td>Chimneys</td>
<td>systems</td>
</tr>
<tr>
<td>4</td>
<td>Sewing Machines</td>
<td>Mixers</td>
<td>Electronic accessories</td>
</tr>
<tr>
<td>5</td>
<td>Watches and clocks</td>
<td>Grinders</td>
<td>PCs</td>
</tr>
<tr>
<td>6</td>
<td>Cleaning equipment</td>
<td>Electronic fans</td>
<td>Mobile phones</td>
</tr>
</tbody>
</table>

Most of the segments in this sector were characterized by intense competition, emergence of new companies (especially MNCs) and introduction of state-of-the-art models, price discounts and exchange schemes. MNCs continue to dominate the Indian consumer durable segment, which is apparent from the fact that these companies command more than 65 per cent market share in the color television (CTV) segment. In consonance with the global trend, over the years, demand for consumer durables has increased with rising income levels, double-income families, changing lifestyles, availability of credit, increasing consumer awareness and introduction of new models. Products like air conditioners are no longer perceived as luxury products.
3.4 GROWTH OF CONSUMER ELECTRONICS PRODUCTION IN INDIA

The biggest attraction for MNCs is the growing Indian middle class. This market is characterized with low penetration levels. MNCs hold an edge over their Indian counterparts in terms of superior technology combined with a steady flow of capital, while domestic companies compete on the basis of their well-acknowledged brands, an extensive distribution network and an insight in local market conditions. One of the critical factors that influence durable demand is the government spending on infrastructure, especially the rural electrification programme. Given the government's inclination to cut back spending, rural electrification programmes have always lagged behind schedule. This has not favored durable companies till now. Any incremental spending in infrastructure and electrification programmes could spur the growth of the industry. The digital revolution is shaking up the consumer durables industry. With the advent of MP3 music files, personal video recorders, game machines, digital cameras, appliances with embedded devices, and a host of other media and services, it is no longer clear who controls which part of home entertainment. This has set off a battle for dominance, and the shakeup is spanning the entire technology spectrum.

Microsoft corp. is spending billions on entertainment initiatives such as its Xbox video game console. Compaq and HP sell MP3 music players that plug into home-stereo systems. Apple computer is positioning its new iMac as a digital-entertainment device. Sony is building Vaio computers that focus on integrating multimedia applications. Philips sells stereos that hook into a high-speed Internet connection to play music from the Web. More startups are trying to carve out profitable niches in digital music, video, and home networking. The industry is witnessing a number of strategic alliances, to develop a range of capabilities – electronic hardware, software, and entertainment content.

As more consumers grow comfortable with technology, companies need to build simpler devices that offer more entertainment and convenience. These new machines need to work together readily, and should be as easy to set up and use as a telephone or a television. Consumerism of technology could be a major phenomenon over the next
5 to 10 year. This could hasten industry consolidation, as health companies gain market share by buying out weaker ones at attractive prices.

Apart from steady income gains, consumer financing has become a major driver in the consumer durables industry. In the case of more expensive consumer goods, such as refrigerators, washing machines, color televisions and personal computers, retailers are joining forces with banks and finance companies to market their goods more aggressively. Among department stores, other factors that will support rising sales include a strong emphasis on retail technology, loyalty schemes, private labels and the subletting of floor space in larger stores to smaller retailer selling a variety of products and service, such as music and coffee.

### 3.5 CONSUMER ELECTRONICS-KEY PRODUCTS

<table>
<thead>
<tr>
<th>Product Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colour TVs</td>
<td>- CTVs are the largest contributors to this segment; market size estimated at 18 million units in 2010. During this period, 21-inch CTVs dominated the market with a 65% share.</td>
</tr>
<tr>
<td>Liquid crystal displays (LCDs)</td>
<td>- LCDs are perceived as high-end products.</td>
</tr>
<tr>
<td></td>
<td>- Indian LCD market in 2010 was about 3.2 million units.</td>
</tr>
<tr>
<td></td>
<td>- The price decline due to relatively low import duty on LCD panels and the introduction of small entry-size.</td>
</tr>
<tr>
<td>Digital Video Discs (DVDs)</td>
<td>- The Indian DVD market was estimated at 6.2 million units in 2010.</td>
</tr>
<tr>
<td></td>
<td>- The organized market accounts for 80% of the total DVD market.</td>
</tr>
<tr>
<td>Direct-to-Home (DTH)</td>
<td>- The set-top box (STB) market is growing rapidly, due to the expansion of DTH and introduction of the conditional access system (CAS) in metros.</td>
</tr>
<tr>
<td></td>
<td>- During 2010-2012, the subscriber base is expected to grow from 23 million to 42 million, marking India the largest DTH market in the world.</td>
</tr>
<tr>
<td>Refrigerators</td>
<td>- The Indian refrigerator market was estimated at 6.5 million units in 2010, the largest in this segment.</td>
</tr>
<tr>
<td></td>
<td>- Reduction in prices and high demand for frost-free.</td>
</tr>
</tbody>
</table>
3.6 GROWTH SCENARIO

The Indian consumer electronics market today stands at over Rs.400 billion. Moreover, another important factor that has contributed significantly to the expanding consumer goods market is the phenomenal growth in the Indian media. Even consumers in the remotest areas are equally aware of the latest product launched in the market due to the increasing penetrates majors are also helping the industry. Even internet explosion is contributing significantly towards its successful achievement. Air conditioners (including industrial and office conditioners) constituted 38 per cent of the consumer appliances market, followed by refrigerators at 14 per cent, electric fans at 7.5 per cent, washing appliances at 7 per cent and sewing machines at 5 per cent. The consumer durables market recorded revenues of USD 6.3 billion in the financial year 2010. During the financial year 2003-2010, the industry expanded at a CAGR of 11.7 per cent. Value growth of durables was expected to be higher than historical levels as price declines for most of the products were not expected to be very significant. Though price declines will continue, it will cease to be the primary demand drive. Instead the continuing strength of income demographics will support volume growth.

3.6.1 MARKET SIZE

**TABLE -2**

(In million units)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Flat panel TV</td>
<td>2.8</td>
<td>4.5</td>
<td>61</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>9.0</td>
<td>12.0</td>
<td>33</td>
</tr>
<tr>
<td>Washing Machines</td>
<td>5.0</td>
<td>6.0</td>
<td>20</td>
</tr>
<tr>
<td>Air conditioners</td>
<td>3.4</td>
<td>4.4</td>
<td>29</td>
</tr>
<tr>
<td>Microwave</td>
<td>1.0</td>
<td>1.5</td>
<td>44</td>
</tr>
</tbody>
</table>
3.7 COMPETITION OVERVIEW

Videocon is India’s third largest consumer durables manufacturer. Market leader LG has earmarked around USD 292 million for enhancing production capacity and strengthening its LG brand shop network by 2010.

- Japan’s Panasonic plans to invest USD208 million by 2014 in setting up manufacturing units and advanced R&D centre
- Samsung, India’s second largest consumer durables market, plans to invest USD94 million to expand capacity by 2015.
- LCDs are expected to be one of the fastest growing segments, growing at a phenomenal CAGR of 87.6 per cent during 2009-12⁹.

3.7.1 SAMSUNG INDIA

Samsung India commenced its operations in India in December 1995. Today it enjoys a sales turnover of over US$ billion in just a decade of operations in the country. Samsung design centers are located in London, Los Angeles, San Francisco, Tokyo, Shanghai and Rome. Samsung India has its headquarters in New Delhi and has a network of 19 Branch Office located all over the country. The Samsung manufacturing complex housing manufacturing facilities for color Televisions, Color Monitors, Refrigerators and Washings Machines is located at Noida, near Delhi. Samsung ‘Made in India’ products like Color Televisions, Color Monitors, and Refrigerators are being exported to Middle East, CIS, and SAARC countries from its Noida manufacturing complex. Samsung India currently employs over 1600 employees, with around 18% of its employees working in Research & Development¹⁰.
### 3.7.2 MARKET SHARE OF MAJOR PLAYERS IN REFRIGERATOR MARKET

#### TABLE -3

<table>
<thead>
<tr>
<th>S.No</th>
<th>Brand</th>
<th>Market sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Videocon</td>
<td>16%</td>
</tr>
<tr>
<td>2</td>
<td>Godrej</td>
<td>18%</td>
</tr>
<tr>
<td>3</td>
<td>Whirlpool</td>
<td>20%</td>
</tr>
<tr>
<td>4</td>
<td>LG</td>
<td>23%</td>
</tr>
<tr>
<td>5</td>
<td>Samsung</td>
<td>20%</td>
</tr>
<tr>
<td>6</td>
<td>Other</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source: Report on consumer durable industry in India March, 2012

### 3.7.3 WHIRLPOOL INDIA

Whirlpool was established in 1911 as first commercial manufacturer of motorized washers to the current market position of being world’s number one manufacturer and marketer of major home appliances. The parent company is headquartered at Benton Harbor, Michigan, USA with a global presence in over 170 countries and manufacturing operation in 13 countries with 11 major brand names such as Whirlpool, Kitchen Aid, Roper, Estate, Bauknecht, Laden a market share of over 25%.

The company owns three state-of-the-art manufacturing facilities at Faridabad, Pondicherry, and Pune. In the year ending March’06, the annual turnover of the company for its Indian enterprise was Rs.13.75 billion. According to IMRB surveys Whirlpool enjoys the status of the single largest refrigerator and second largest washing machine brand in India.

### 3.7.4 LG INDIA

LG Electronics was established on October 1, 1958 (As a private Company) and in 1959, LGE started manufacturing radios, operating 77 subsidiaries around the world with over 72,000 employees worldwide. It is one of the major giants in the consumer durable domain worldwide. The company has as many as 27 R & D centers and 5 design
centers. Its global leading products include residential air conditioners, DVD players CDMA handsets, home theatre systems, and optical storages systems.

### 3.7.5 MARKET SHARE OF MOBILE PHONES MARKET

**TABLE-4**

<table>
<thead>
<tr>
<th>S.No</th>
<th>Brand</th>
<th>Market sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>LG</td>
<td>14%</td>
</tr>
<tr>
<td>2</td>
<td>Samsung</td>
<td>15%</td>
</tr>
<tr>
<td>3</td>
<td>Other</td>
<td>71%</td>
</tr>
</tbody>
</table>

**EXHIBIT -1**

**MOBILE PHONE MARKET**
In 2010, LG and Samsung comprised of about one-third of the consumer durables and mobile phone markets combined

- Between the two, Samsung leads the mobile handset and premium flat panel TV market, LG has a stronger presence in other consumer durables, including refrigerators, washing machines, microwave ovens, air-conditioners, and televisions.

### 3.7.6 MARKET SHARE OF FLAT PANEL TV MARKET

#### TABLE-5

<table>
<thead>
<tr>
<th>S.No</th>
<th>Brand</th>
<th>Market sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Videocon</td>
<td>14%</td>
</tr>
<tr>
<td>2</td>
<td>Sony</td>
<td>22%</td>
</tr>
<tr>
<td>3</td>
<td>Panasonic</td>
<td>9%</td>
</tr>
<tr>
<td>4</td>
<td>LG</td>
<td>21%</td>
</tr>
<tr>
<td>5</td>
<td>Samsung</td>
<td>21%</td>
</tr>
<tr>
<td>6</td>
<td>Other</td>
<td>13%</td>
</tr>
</tbody>
</table>

#### EXHIBIT-2

MARKET SALES
3.7.7 SONY INDIA

Sony Corporation, Japan established its India operations in November 1994. In India, Sony has its distribution network comprising of over 7000 channel partners, 215 Sony Exclusive outlets, and 21 Direct branch locations. The company also has presence across the country with 21 company owned and 172 authorized service centers.

3.7.8 SHARP INDIA LTD

Sharp India Ltd was incorporated in 1985 as Kayani Telecommunications and Electronics Pvt. Ltd. The company was converted into a public company in the same year. The name was changed to Kalyani Sharp India in 1986. The company was entered into a joint venture with Sharp Corporation, Japan – a leading manufacturer of consumer electronic products to manufacture VCRs/VCP/VTDMs. The company manufactures consumer electronic goods such as TVs, VCRs, VCPs, and audio products. The products were sold under the Optonica brand name. Sharp has a production base in 26 countries with 33 plants, and its products are used in 133 countries. The company was accredited with the ISO-9001 certification in the month of February, 2001.

3.7.9 HITACHI INDIA

Hitachi India Ltd (HIL) was established in June 1998 and engaged in marketing and sells wide range of products ranging from power and Industrial System, Industrial Components & Equipment, Air Conditioning & Refrigeration Equipment to International Procurement of software, materials, and components. Some of HIL’s product range includes Semiconductors and Display Components. It also supports the sale of Plasma TVs, LCD TVs, LCD projectors, Smart Boards and DVD Camcorders.

3.8 POLICY AND INITIATIVES

Foreign investment up to 100 per cent is possible in the Indian consumer electronics industry to set up units exclusively for exports. It is now possible to import duty-free all components and raw materials, manufacture products and export it. EHTP (Electronic Hardware Technology Park) is an initiative to provide benefits to companies that are replacing certain imports with manufacturing. EHTP benefits
include export credits, no duties on imported components or capital equipment, business
tax incentives, and an expedited import-export process.

The government, in an attempt to encourage manufacture of electronics in India
has changed the tariff structure significantly. Customs duty on information Technology
Agreement (ITA-1) items (Items) has been abolished from March 2005. All goods
required in the manufacture of ITA-1 items are exempt from customs duty.

Customer duty on specified raw materials/ inputs used for manufacture of
electronic components or optical fibers / cables has been removed. Customer duty on
specified capital goods used for manufacture of electronic goods has been abolished.
Excise duty on computers has been removed. Microprocessors, hard disc, drives, floppy
disc and CD ROM drives continue to be exempt from excise duty.\textsuperscript{11}

\section*{3.9 INTELLECTUAL PROPERTY RIGHTS}

Protection of Intellectual property rights (IPR) is a prime requisite for
development of R&D and innovation in the consumer electronics sector. The
Government of India developed a robust IP act to facilitate innovation, growth and
development. Several amendments to the Copyright Act, creation of a new Trademark
Act and amendments to the Patents Act show India’s continued effort protect IPR.

The country has already made several changes in its IP acts over the year. Several
amendments to the Copyright Act, creation of a new Trademark Act, a new Designs Act
and amendments to the patents Act show India’s desire to change and adapt. New acts
have also been enacted to cover semiconductors and layout designs which will be of
considerable importance to the electronic industry.

In the current WTO regime, India is a party to the “Trade Related Aspects of the
Intellectual properties (TRIPs) Agreement” and has accordingly, amended most of its IPR
Acts and Rules to conform to the said Agreement. The Indian copyright Act 1957 was
amended in 1999; the patent Act 1970 amended in 1999 & 2003 and Trademarks and
Merchandise Marks Act 1959 was overtaken by a new Trademark Act 1999. The
Industrial Design Act 1911 was effectively replaced by The Design Act 2000, and the
Layout Design of Semiconductor integrated Circuit Act 2000 was enacted.
The agreement on TRIPs takes care of the intellectual property rights by enforcing the patent rights, copyright and related rights, and the protection of industrial designs, trademarks, geographical indications, layout designs of integrated circuits and undisclosed designs, trademarks, geographical indications, layout designs of integrated circuits and undisclosed information. Accordingly, the member nations are asked to modify their existing laws and unauthorized use of the patented innovations, trademarks, etc. became difficult. Enforcement of the TRIPs agreement makes the production of any product possible either through internal innovation or through formal transfer of technologies. The consumer electronics and durables sector is expected to continue to benefit from supportive policies and become globally competitive.12

3.10 REGULATION

Free Trade Agreement: WTO regime which came in force in 2005, results in zero customer duty on imports of all telecom equipment. 217 IT/ electronic items were covered under the Information Technology Agreement (ITA) of the WTO for complete customs tariff elimination by 2005.

Out of these 217 items, several items were already at NIL customer duty. In fact, IT/ Electronics were the first sector in India to face complete customer tariff elimination. The ITA-1 would result in intensifying competition as more imported products will be easily available at lower prices.

3.11 FOREIGN INVESTMENT POLICY: FDI

Foreign investment up to 100 per cent is allowed in Indian electronics industry set up exclusively for exports. The units set up under these programmes are bonded factories eligible to import, free of duty, their entire requirements of capital goods, raw materials and components, spares and consumables, office equipment etc. Deemed export benefits are available to suppliers of these goods from the Domestic Tariff Area (DTA).

A part of the production from such units is permitted to be sold in the DTA depending upon the level of the value addition achieved. The FDI approval for electrical equipment (including computer software and electronics) from April 2000 to January 2010
was US$ 21.24 billion which was 2.01 per cent of the total Foreign Direct Investment (FDI) approved. During the same period the FDI inflow for electrical equipment (including computer software and electronics) was US$ 96.30 billion.13

3.11.1 PROCEDURE FOR APPROVAL

Once the investment in equity has been approved, the import of capital goods, components and raw materials of the engagement of foreign technicians for short duration does not require any additional approvals. Approval of Ministry of Home Affairs is not needed for hiring foreign national holdings valid employment visa. Approval for setting up units in export processing Zone (EPZs) is given by the Board of Approvals in the Ministry of Commerce. Approval for setting up export-oriented units (EOUs) outside the zones in given by the Ministry of Industry.

Approvals for setting up Electronic Technology Park (EHTP) and Software Technology Park (STP) units are cleared by the Inter Ministerial Standing Committee (IMSC) set-up under the Chairmanships of the Secretary, Department of Information Technology. Proposals involving Foreign Direct Investment not covered under the automatic route are considered by the Foreign Investment Promotion Board (FIPB).

3.11.2 FDI/FOREIGN TECHNOLOGY COLLABORATION AGREEMENT

The government facilitates FDI and investment from Non-Resident Indian (NRIs) including Overseas Corporate Bodies (OCBs), predominantly owned by them, to complement and supplement domestic investment. Foreign technology induction is encouraged through FDI and foreign technology collaboration agreements. FDI and foreign technology collaborations are approved through automatic route by the Reserve Bank of India14

3.12 CHALLENGES AND OPPORTUNITIES

3.12.1 CHALLENGES

Heavy taxation in the country is one of the challenges for the players. At its present structure the total tax incidence in India even now stands at around 25-30 per cent, whereas the corresponding tariffs in other Asian countries are between 7 and 17 per cent.
About 65 per cent of Indian population that lives in its villages still remains relevant for some consumer durables companies. In India, a large proportion of its constituents, still buys black and white TVs and doesn’t know what flat screens are. Also, foraying into these rural markets has a considerable cost component attached to it. Companies not only have to set up the basic infrastructure in terms of office space, manpower, but also spend transportation for moving inventory. Even LG and Samsung, which are touted as having the largest distribution network in the country, have a direct presence only in 15,000 to 18,000 of the around 40,000 retail outlets (for consumer durables) in the country. Poor infrastructure is another reason that seems to have held back the industry. Regular power supply is imperative for any consumer electronics product. But that remains a major hiccup in India. Along with these few major challenges are:

- Intense competition among players leading to higher spending and lesser pricing
- Thereby lowering margins
- Increase in raw material prices – major raw materials (metals) are exhibitly increasing
- Trend posing margin pressures; however, shift in product mix to partially offset
- Increase in input costs over the medium term
- Changes in technology – makings product lifecycles short
- Rural distribution – availability of products to masses is difficult as 65 per cent of India’s population still lives in rural areas.
- Entry of cheap products.

3.12.2 OPPORTUNITIES

The rising rate of growth of GDP, rising purchasing power of people with higher propensity to consume with preferences for sophisticate brands would provide constant impetus to growth of white goods industry segment. Penetration of consumer durables would be deeper in rural India if banks and financial institution come out with liberal incentive schemes for the white goods industry segment, growth in disposable income, improving lifestyles, power availability, low running cost, and rise in temperatures.
While the consumer durables market is facing slowdown due to saturation in the urban market, rural consumer should be provided with easily payable consumer finance schemes and basic services, after sales service to suit the infrastructure and the existing amenities like electricity, voltage etc.

Currently, rural consumers purchase their durables from the nearest towns, leading to increased expenses due to transpiration. Purchase necessarily done only during the harvest, festive and wedding seasons – April to June and October To November in North India and October to February in the South, believed to be months good for buying. Rural India that account for nearly 70% of the total number of households, has a 2% penetration in case of refrigerators and 0.5% for washing machines, offer plenty of scope and opportunities for the white goods industry. The urban consumer durable market for products including TV is growing annually by 7 to 10% whereas the rural market is zooming ahead at around 25% annually. According to survey made by industry, the market is growing faster than the urban India now. The urban market is a replacement and upgradation market now. The increasing popularity of easily available consumer loans and the expansion of hire purchase schemes will give a moral boost to the price-sensitive consumers. The attractive schemes of financial institutions and commercial banks are increasingly becoming suitable for the consumer. Consumer goods companies are themselves coming out with attractive financing schemes to consumer through their extensive dealer network. This has a direct bearing on future demand.

The other factor surging demand for consumer goods is the phenomenal growth of media in India. The flurry of television channels and the rising penetration of cinemas will continue to spread awareness of products in the remotest of markets. The vigorous marketing efforts being made by the domestic majors will help the industry. The internet now used by the market functionaries will lead to intelligence sales of the products. It will help to sustain the demand boom witnessed recently in this sector. The ability of imports to compete is set rise. However, the effective duty protection is still quite high at about 35-40 per cent. So, a flood of imports is unlikely and would be rather need based. Reduction in import duties may significantly lower prices of products such as microwave ovens, whose market size is quite small in India\textsuperscript{15}. 
3.13 CONSUMER BEHAVIOUR

Consumer behavior involves the psychological processes that consumers go through in recognizing needs, finding ways to solve these needs, making purchase decisions (whether to purchase or not to purchase a product and, if so, which brand and where), interpret information, make plans, and implement these plans (by engaging in comparison shopping or actually purchasing a product). Even though consumer’s personalities may be consistent, their consumption and behavior often varies considerably because of psychological, socio-cultural, environmental and situational factors that affect the behavior. Many needs of the consumer never gets fully satisfied, they continually impel actions designed to attain or maintain satisfaction, as the needs become satisfied, a new and high order need emerge that causes tension and induce activity. The consumer’s behavior often fulfills more than one need. The motivation is the driving force within individuals that impels them to action. A customer has many needs viz., psychological needs, acquired needs, and psychographic needs. Needs and goals are independent and it changes in response to the individual’s physical condition, environment, interaction with other people, and experience. As the consumers have a variety of enduring images of themselves, they differ in their purchase behavior with traits, skills, habits, possessions, relationships and ways of behaving.

Perception of the consumers is planned by individual select, organize and interpret stimuli in to a meaningful and coherent picture. They make decisions based on what they perceive, rather than on the basis of objective reality. Selective perception of consumers is based on what they perceive, rather on the basis of objective reality. Selective perception of them includes selective attention, perceptual defensive and perceptual blocking. Products and services that are perceived favorably have a much better chance of being purchased than products or services with unfavorable or neutral images.

The consumers often judge the quality of a product or service on the basis of a variety of informational cues viz., color, size, flavor, aroma, price, store image, brand image, and service environment, but they often rely on price as an indicator of quality. They perceive a price as high, low, or fair which has a strong influence on purchase
intention and satisfaction. The consumers often perceive risk in making product selections because of uncertainty as to the consequences of their product decisions. The most frequent types of risk that consumers perceive are functional risk, physical risk, financial risk, social risk, psychological risk, and time risk. The consumers shift their strategies in order to reduce risk, they concentrate on increased information search, brand loyalty, buying a well-known brand, buying from a reputed retailer, buying the most expensive brand and seeking reassurance in the form of money back guarantees, warranties, and pre-purchase trial.

The attitude of a consumer is a learned pre-disposition to behave in a consistently favorable or unfavorable way with respect to the given object. The role of attitudes in consumer behavior is an appreciation of the structure and composition of the attitude. The consumers’ attitudes are formed and are changed and are the two closely related issues of considerable concern to marketing practitioners. When it comes to attitude formation, it is useful to remember that attitudes are learned and that different learning theories provide unique insights as to how attitudes be initially formed. Attitude formation is facilitated by direct personal experience and is influenced by the ideas and experiences of friends and family members and exposure to mass media. In addition, it is likely that an individual’s personality plays a major role in attitude formation. The same factors which have an impact on attitude change are learned. They are influenced by various personal and impersonal sources. The consumer’s own personality affects both the acceptance and the speed in which attitudes are likely to be changed and altered. The strategies of attitude change can be classified into six distinct categories.

- Changing the basic motivational function
- Associating the attitude object.
- Relating the attitude object to conflicting attitudes.
- Altering the components.
- Changing belief’s about competitor’s brand.
- Elaboration of like attitude.
Each of these categories and strategies provides the alternative ways of changing consumer’s executing attitudes. The attitude formation and attitude change stresses the view of how consumers develop before they act. The other factors, which influences the consumer behavior are stressed and detailed below.

### 3.14 FACTORS INFLUENCING CONSUMER BEHAVIOR

The major factors influencing consumer behavior completely depend on their cultural, social personal, and physiological.

#### 3.14.1 CULTURAL FACTORS

Cultural factors exert the broadest and deepest influence on consumer behavior.

- **Culture**

  Culture is the most fundamental determination of a person’s wants and behavior; whereas lower cultures that are governed by instinct human behavior is largely learned. The growing child acquires a set of values, perceptions, preferences, and behavior through a process of socialization involving the family and other key institutions.

- **Sub Culture**

  Each culture consists of smaller subcultures that provide more specific identifications and socialization for its members. Four types of subcultures can be identified.

  - Ethnic tastes and productivities.
  - Religious cultures with specific cultural preferences and taboos.
  - Radical groups.
  - Geographical subcultures with characteristic lifestyles.

#### 3.14.2 SOCIAL FACTORS

A consumer’s behavior is also influenced by such social factors as reference group’s family and social roles and status."
Reference Group

A person’s reference group consists of all the groups that have a direct or indirect influence on the person’s attitude or behavior. Groups having a direct influence on a person are called membership groups. These are groups to which the person belongs and interacts, such as family, neighbors and co-workers. Primary group tend to be more formal and where there is less continuous interaction. They include religious, professionals, and trade union groups.

Family

Family members constitute the most influenced primary reference groups shaping a buyer’s behavior. From the parents a person acquires an orientation towards religion, economics, and a sense of personal ambition, self-worth, and love.

Roles and status

A person participates in many groups, throughout life i.e., family, clubs, and organizations. The person’s position in each can be defined in terms of role and status. Marketers were aware of the status symbol potential of products and brands. However, status symbols vary for social classes and also geographical.

3.14.3 PERSONAL FACTORS

The consumers purchase behaviour is also influenced by the following factors such as,

Age and Lifecycle Stage

Marketers often choose lifecycle groups as their target markets. They have identified psychological lifecycle stages. An Adults experience counts for transformations as they go through life.

Occupation

A person’s consumption pattern is also influenced by his or her occupation groups that have above average interest in their products and services. Marketers can specialize their products for certain occupational groups.
Economic Circumstances

Product choice is greatly affected by one’s economic circumstances. People’s economic circumstance consists of spendable income, savings and assets, borrowing power, and attitude towards spending versus saving.

Lifestyle

A person’s lifestyle is the person’s pattern of living in the world as expressed in the person’s activities, interests, and opinions. Lifestyles part says the ‘whole person’ interacting with his or her environment. Lifestyle reflects something beyond the person’s class or personality. There are many underlying influences on both internal and external, from the social environment in disturbing the behavior of a consumer. All the purchase made by a family follow certain decision making process. The character and the extent of interaction between the family members is an extremely important dimension in the decision making process. No sale can be effective; unless a favorable decision is made by a buyer towards a particular product. Some information may bombard the individual without his explicit consent, although he may at times engage in a search of information. The actual purchase observable behavior is related to the individual intention. Every day customer makes numerous decisions concerning every aspect of our daily lives. A decision is the selection of an option from two or more alternative choices. In other words, for a person to make a decision a choice of alternatives must be available. When a person has a choice between making a purchase, the choice between brand X and brand Y are a choice.

3.14.4 Psychological Factors

A person’s buying behaviour is influenced by psychological factors such as follows:

Learning

It refers to changes in individual behaviour that are caused by information and experience. For example, when a customer buys a new brand of perfume, and is satisfied by its use, then he/she is more likely to buy the same brand the next time. Through learning, people acquire beliefs and attitudes, which in turn influence the buying behaviour.
Attitude

It is a tendency to respond in a given manner to a particular situation or object or idea. Consumers may develop a positive, or negative or neutral attitude towards certain product or brands, which in turn would affect his/her buying behaviour.

Motives

A motive is the inner drive that motivates a person to act or behave in a certain manner. The marketer must identify the buying motives of the target customers and influence them to act positively towards the marketed products. Some of the buying motives include:

- Pride and possession
- Love and affection
- Comfort and convenience
- Sex and romance, etc.

Perception

It is the impression, which one forms about a certain situation or object. A motivated person is ready to act. But the way or the manner in which he acts is influenced by his/her perception of the situation. For instance, a student may perceive examinations as an important event, and therefore, he/she would make every possible effort including purchase of new stationery like pens, whereas, another student may be casual about the examinations, and therefore, would not make extra efforts.

Beliefs

A belief is a descriptive thought, which a person holds about certain things. It may be based on knowledge, opinion, faith, trust and confidence. People may hold certain beliefs of certain brands/products. Beliefs develop brand images, which in turn can affect buying behaviour.
3.15 LEVELS OF DECISION MAKING ON PURCHASE

Not all the consumer decision making situations receive or require the same degree of information. If all purchase decisions require extensive effort, then consumer decision making could be an exhaustive process that left little time for anything else. On a continuous effort ranging from very high to very low, we can distinguish three specific levels of consumer decision making.

1. Extensive problem solving.
2. Limited problem solving
3. Routine response behavior.

3.15.1 EXTENSIVE PROBLEM SOLVING

When consumers have no established criteria for evaluating a product category or specific brands, they will consider to a small, manageable sub set and their decision–making efforts can be classified as extensive problem solving.

3.15.2 LIMITED PROBLEM SOLVING

At this level of problem solving, consumers already have established the basic criteria for evaluating the product category and the various brands in the category. However, they have not fully established preference concerning a selected group of brands.

3.15.3 ROUTINE RESPONSE BEHAVIOR

At this level, consumers have some experience with the product category and a well-established set of criteria, with which to evaluate the brands they are considering. In some situations they may search for a small amount of additional information in others. They simply review what they already know.

3.16 MODEL’S OF CONSUMERS

The term, models of consumers refer to a general view or respective as to how (and why) individuals behave as they do. Specifically, the models of consumers are classified into four ways:
• An Economic view
• A passive view
• A cognitive view
• An Emotional view

• **AN ECONOMIC VIEW**

In the world of perfect competitions the consumer has often been characterized as making rational decisions. Realistically, consumer’s rarely have all the information, or sufficiently accurate information, or even an adequate degree of involvement or motivation, to make the specific purchase.

• **A PASSIVE VIEW**

In the passive view, consumers are perceived as impulsive and irrational purchases ready to yield to the aims and norms of marketers. Many women fail to recognize that they are not dominant and their role in many buying situations differs by many spheres. Sometimes by seeking information about product alternatives and selecting the product that appears to offer the greatest satisfaction and at other times impulsively selecting a product that satisfies the mood or emotion of the moment.

• **A COGNITIVE VIEW**

Consumers are frequently pictured as either perspective or actively searching for products and services that fulfill their needs and enrich their lives, they focus on the process by which consumers seek and evaluate information about selected brands and retail outlets. Consumers are viewed as information process. Information processing leads to the information of preferences and ultimately to purchase intentions. Consumers may also use a preference formation strategy that is “other based” in which they allow another person to make the selection for them.

• **AN EMOTIONAL VIEW**

In reality, however each of the consumers is likely to associate deep feelings or emotions, such as joy, fear, love, hope, sexuality, fantasy, and even a little magic with certain purchases or possessions. The feelings or emotions are likely to be highly
involving. Possessions also may serve to preserve a sense of the past and act as familiar transitional object which one is to confront with an uncertain future. If we were to reflect on the nature of our recent purchases, we might be surprised to realize just how impulsive some of them were, rather than carefully searching, deliberating and evaluating alternatives before buying, we are just as likely to have made many of the purchase on impulse, because we are “emotionally driven”.

When a consumer makes what is basically an emotional purchase decision, less emphasis is placed on the search for pre purchase information. Instead, more emphasis is placed on current mood and feelings. Consumer’s moods are also important for decision making. Mood can be defined as a feeling state or state of mind. Unlike an emotion which is a response to a particular environment, a mood is more typically an unfocussed, preexisting state, already present at the time a consumer “experiences’ an advertisement, a retail environment, a brand, or a product.

In general, individuals in a positive mood recall more information about a product than those in a negative mood. As the result one study states that inducing a positive mood at the point of purchase decision is unlikely to have meaningful impact on specific brand and choices unless a previously stored brand evaluation already exist.

Finally the consumers can also be classified as:

1. Personal loyalists: Those who look for ways to save on the brands and products they would buy any way.

2. Bottom line price shoppers: Those who buy lowest priced item, with little or no regard for brand.

3. Opportunistic switches: Those who use coupons or sales to decide among brands and products that fall within their evoked set.


Consumers are closely associated with two types of purchase behaviors namely pre purchase behavior and post purchase evaluations. The objective of both is to increase the consumer’s satisfaction with their purchase.
3.17 PURCHASE BEHAVIOUR

The consumers make three types of purchases: trial purchases, repeat purchases and long term commitment purchases. When a consumer purchases a product for the first time and buys a smaller quantity than usual, this purchase would be considered as a trial. Thus, a trial is the exploratory phase of purchase behavior in which consumers attempt to evaluate a product through direct use. Repeat Purchase Behavior is closely related to the concept of brand loyalty, which most firms try to encourage, because it contributes to greater stability in the market place.

3.18 POST PURCHASE EVALUATION

The women consumers use a product, after purchase and evaluate its performance in light of their own expectations. There are three possible outcomes of these evaluations: 1. Actual performance matches expectations, leading to a neutral feeling. 2. Performance exceeds expectations, causing what is known as positive dis-confirmations of expectations 3. Performance is below expectations causing negative disconfirmations of expectations and dissatisfaction. For each of these outcomes, consumer’s expectations and satisfaction are closely linked, that is consumers tend to judge their experience against their expectations when performing a post purchase evaluation. An important component of post purchase evaluation is the reduction of uncertainty or doubt that the consumer might have had about the selection. As part of their post purchase analysis consumers try to reassure themselves that their choice is a wise one, that is they attempt to reduce post purchase cognitive dissonance. The degree of post purchase analysis is that consumers depend on the importance of the product decision and the experience acquired in using the product. When the product lives up to expectations, they probably will buy again. When the products performance is disappointing or does not meet however, they will search for more suitable alternatives. Thus the consumers post purchases evaluation “Feedback’ serves as an experience to the consumer’s psychological field and serves to influence future related decisions21.
3.19 IMPORTANCE OF BRANDING ON PURCHASE OF CONSUMER DURABLES

After the implementation of the brand names, the purchase of products is on its wheels, the mindset of the customers relies on the concept of brand on towards their purchases. As the societal influence was a major determinant, it proves implicitly that the branded products will ensure the factors of quality, affordable price, durability, availability and so on. The reputations gained by the branded goods cannot be spelt easily as it has stolen the minds of the customers to a great extent. The uniqueness of logo, design, style, also engulfs the trust worthiness which realizes the advantages and benefits to drive the satisfaction. Brands provide some important functions to the producers and the consumers.

3.19.1 FUNCTIONS OF BRAND TO THE CONSUMERS

❖ IDENTIFICATION OF SOURCE OF PRODUCT

Brands take on special meaning to consumers because of past experiences with the product and its marketing program over the years, consumers learn about the product. They find out which brand satisfies their needs and which ones do not. As a result, brands provide a shorthand device or means of simplification for their product decisions.

❖ ASSIGNMENT OF REASONABILITY TO PRODUCT MAKER

Consumers offer their trust and loyalty with the implicit understanding that the brand will behave in certain ways and provide them utility through consistent product performance and appropriate pricing, promotion, and distribution programs and actions. To the extent that consumers realize the advantages and benefits from purchasing the brand, and as long as they derive satisfaction from product consumption, they are likely to continue to buy it.

❖ RISK REDUCER

Brands can reduce the risks in product decisions. Consumers may perceive many different types of risks in buying and consuming a product.
a. Functional Risk: The product does not perform up to expectations.

b. Physical risk: The product poses a threat to the physical well-being or health of the user or others.

c. Financial risk: The product is not worth the price paid.

d. Social risk: The product results in embarrassment from others.

e. Psychological risk: The product affects the mental well-being of the User.

f. Time risk: The failure of the product results in an opportunity cost of finding another satisfactory product.

- **SEARCH COST REDUCER**

  The consumers recognize a brand and have some knowledge about it, then they do not have to engage in a lot of additional thought or processing of information to make a product decision. Thus, from an economic perspective, brands allow consumers to lower search costs for products both internally and externally.

- **PROMISE, BOND, OR PART WITH MAKER OF PRODUCT**

  The relationship between a brand and the consumer can be seen as a type of bond or pact. Consumers offer their trust and loyalty with the implicit understanding that the brand will behave in certain ways and provide them utility through consistent product performance and appropriate pricing, promotion and distribution programs and actions.

- **SYMBOLIC DEVICE**

  Brand can serve as symbolic device, allowing consumers to project their self-image. Certain brands are associated with being used by certain types of people and thus reflect different values or traits. Consuming such products is a means by which consumers can communicate to others- or even to themselves – the type of person they are or would like to be.
Symbols of Quality

Brands can also play a significant role in signaling certain product characteristics to consumers.

3.19.2 Functions of Brand to the Producers

- **Means of Identifications to Simply Branding or Tracing for the Firm**
  
  Brands serve an identification purpose to simplify product handling or tracing for the firm. Operationally, brands help to organize inventory and accounting records. A brand also offers the firm legal protection for unique features or aspects of the product.

- **Means of Legally Protecting Unique Features or Aspects of the Product**
  
  A brand can retain intellectual property rights, giving legal title to the brand owner. The brand name can be protected through registered trademarks, manufacturing processes. It can be protected through patents and packing copyrights and designs. These intellectual property rights ensure that the firm can safely invest in the brand and reap the benefits of valuable assets.

- **Signal of Quality Level to Satisfied Customers**
  
  Brands can signal a certain level of quality so that satisfied buyers can easily choose the product again. The investments in the brand can endow a product with unique associations and meanings that differentiate it from other products.

- **Source of Competitive Advantage**
  
  This brand loyalty provided predictability and security of demand for the firm and creates barriers of entry that make it difficult for other firms to enter the market. Although manufacturing processes and product designs may be easily duplicated, lasting impressions in the minds of individuals and organizations from years of marketing activity and product experience may not be so easily reproduced. In this sense, branding can be seen a powerful means of securing a competitive advantage.
**SOURCE OF FINANCIAL RETURNS**

To firms, brands represent enormously valuable pieces of legal property, capable of influencing consumer behavior, being bought and sold, and providing the security of sustained future revenues to their owners.

3.19.3 A BRAND IS A LONG – TERM VISION

The brand should have its own specific view of the product category. Major brands have more than just a specific or dominating position in the market; they had certain positions within the product category. This position and conception both energies the brand and feed the transformations which are implemented for matching the brands products with its ideals. It is this conception which justifies the brands existence, its reason for being on the market, and provides it with a guideline for its life cycle.

Major bands can be compared to a pyramid. The top states the brand vision and purpose, this level leads to the next one down, which shows the general brand style of communication. Indeed brand personality and style are conveyed less by words than by a way of being and communicating. The next level presents the brands strategic image features; amounting to four or five, they result from the overall vision and materialize in the brands products, communicating and actions. Lastly the product level, at the bottom of the pyramid, consists of each positioning in its respective sub-market.

The problem is that consumers look at the pyramid form the bottom up. They start with what is tangible. The wider the pyramid base is, the more the customers doubt that all these do indeed emanate from the same concept that they carry the same brand essence and bears the stamp of the same project. Brand management consists for its part in starting from the top and defining the way the product is conceived by the brand, in order to determine exactly when a product is deserving of the brand name and when it is no longer is in which case, the product should logically no longer bear the brand name, as it then slips out of its brand territory.

3.20 CONSTANTLY RENEWING BRAND DIFFERENCE

It is argued that certain products within different brands are identical. Some observers thus infer that, under these circumstances, a brand is nothing but a ‘buff’, a
gimmick used to try to stand out in market flooded with barely differentiated products. This view fails to take into account both the time factor and rules of competition. Brands draw attention through the products they create and bring into the market. Any brand innovation necessarily generated plagiarism. Any progress made quickly become a standard to which buyers grow accustomed. Competing brands must then adopt it, if they do not want to fall short of market expectations. Brands cannot therefore be reduced to a mere sign on a product A today and product B and C tomorrow and so on.

3.20.1 A BRAND IS LIVING MEMORY

The spirit of a brand can be inferred through its products and its advertising. The content of a brand grows out of the cumulative memory of these acts, provided they are governed by a unifying idea or guidelines. There must be accumulation and not mere juxtaposition. The importance of memory in the making of a brand explains why its image can vary between generations. This is the problem with dual brands. A brand is the memory of the products that it can act as a long-lasting and state reference.

3.20.2 A BRAND IS GENETIC PROGRAMME

A brand is both the memory and the future of its products. The analogy with the genetic memory is central to understanding how brands function and should be managed. The brand memory that develops, contain programme for all future evolution, the characteristics of upcoming models and their common traits, as well as the family resemblances transcending their diverse personalities. By understanding a brands program, we can not only trace its legitimate territory but also the area in which it will be able to grow beyond the products that initially give birth to it. The brands underlying programme indicates the purpose and meaning of both former and future products.

3.20.3 BRAND ENDOW PRODUCTS WITH MEANING

The brand is what gives them meaning and purpose, telling us how a product should be read. A brand is both a prism and a magnifying glass through which products can be decoded. On the other hand, products end back a single that brands use to underwrite and build their identify. Brands can only develop though long-term consistency, which is both the source and reflection of its identity.
A brand identity never results from a detail, yet a detail can, once interpreted, serve to endorse a broader strategy. Details can only have an impact in a brands identity if they are in synergy with it, echoing and amplifying the brands values. This is why weak brand do not succeed in capitalizing on their innovations; they do not manage weather to enhance the brands meaning or create that all – important resonance. A brand a thus is prism helping to decipher products. It defines what and how much to expect from the products bearing its name.\(^{26}\)

### 3.20.4 A BRAND IS A CONTRACT

Brands become credible though persistency and repetition; over time, their programme gradually commits them to the long-term view. By creating satisfaction and loyalty, the programme indeed forces the brand to fulfill the quasi contract that binds it to the market. In return, the market is likely to view the brands pending products favorably from the very short. This mutual commitment explaining why brands whose products have temporarily declined in popularity, do not necessarily disappear. A brand is to be judged over the long time; a deficiency can always occur. Brand support gives product a chance to recover.

### 3.20.5 FINANCIAL VALUE OF BRANDS

In 1980’s marked turning point in the conception of brands. Management came to realize that the principle asset of a company was in fact its brand names. For decades the value of a company was measured in terms of its building and land, and then its tangible assets (plant and equipment). It is only recently, it has been realized that its real value lies outside the business itself, in the minds of potential buyers.

Brand names are valuable because of their ability to maintain and create earnings for the firm over and above the earnings generated by tangible assets. Their financial value stems not only for the additional earnings that accrue to a specific product on its traditional market but also because an established name can be used with new and different products.
3.2.6 THE BRAND AS A SOURCE OF VALUE TO THE COMPANY

The brand works in the same way for the financial analyst and for the consumer; the brand removes the risk. The certainty, the guarantee and the removal of the risk are included in the price. By paying a high price for a company with brands the financial analyst is acquiring near certain future cash flows. If the brand is strong it benefits from a high degree of loyalty thus from stability of future sales. The reputation of the brand is a source of demand and lasting attractiveness, the image of superior quality and added value justifies a premium price. A dominant brand is an entry barrier to competitors because it acts as reference in its category. If it is prestigious or a trendsetter in terms of style it can generate substantial royalties by granting licenses. The brand can enter other markets when it is well-known symbol of quality and offers a certain promise which is valued by the market.

3.21 BRANDING

Branding means much more than just giving a brand name and signaling to the outside world that such a product or service has been stamped with the mark and imprint of an organization.

Branding involves creating mental structures and helping consumers to organize their knowledge about products and services in a way that clarifies their decision making and in the process, provides value to the firm. The key to branding is that consumers perceive differences among brands in a product category. Markets can benefit from branding whenever consumers are in a choice situation.

- **Physical Goods**

  Physical goods are traditionally associated with brands and include many of the best known and highly regarded consumer products. An increasing number of firms are recognizing the value of having a strong corporate brand in their business dealings with other forms. Business-to-business branding involves creating a positive images and reputation for the company as a whole. Creating such goodwill with business customers is taught to lead to greater selling opportunities and more profitable relationships. A
strong brand can provide valuable reassurance to business customers who may be putting their company’s fate—and perhaps their own careers on the line.

- **Services**

  There have been strong service brands for years, but the pervasiveness and level of sophistication in branding services has accelerated in the past decade. One of the challenges in marketing services is that relative to products, they are more intangible and more likely to vary in quality depending on the particular person or people involved in providing the service.

  Brands can help to identify and provide meaning to the different services provided by a firm. Branding a service can also be an effective way of signal to consumers that the firm has designed a particular service offering that is special and deserving of its own name. Branding has clearly become a competitive weapon for services.

- **Retailers and Distributors**

  To the retailers or other channel members distributing products and brands provide a number of important functions. Brands can generate consumer interest, patronage, and loyalty in a store, and consumers learn to expect certain brands and products form a store. To the extent that “you are what you sell” brands help to create an image and establish a positioning for the store. Retailers can also create their own brand image attaching unique associations to the quality or their service, their product assortment, merchandising, pricing and credit policy.

  Retailers can create their own brand by using their store name, creating new names, or a combination of the two. These products, referred to as store brands or private label brands, offer another way for retailers to increase customer loyalty and generate higher margin and profits.

- **Online Products and Services**

  The number of people with access to the internet has increased. The end of twentieth century revealed an unprecedented head-long rush by new and existing business to create online internet brands. Quickly these businesses learned the complexities and challenges of building on online brand. These marketers seemed to
oversimplify the branding processes, although such marketing efforts sometimes caught consumer’s attention, more often than not they failed to create awareness of what products or services the brand represented, why those products or services were unique or different, and most important why consumers should buy a brand. Online markets quickly realized a number of realities of brand building.

❖ **People and organization**

People and organization also can be viewed as brands. These are also often having well-defined images understood and liked or disliked by others. This fact becomes particularly true with considering public figures. All different public figures compete in some sense for public approval and acceptance and benefit from conveying a strong and desirable image.

By building up a name and reputation in a business context, a person is essentially creating his or her own brand.

❖ **Sports, Arts and Environment**

Sports marketing has become highly sophisticated in recent years, employing traditional packaged – goods techniques. Many sports teams are being marked through a creative combination of advertising, promotions, sponsorship, direct mail and other forms of communication. By building awareness image and loyalty these sports franchises are able to meet sales targets regardless of what their team’s actual performance might turn out to be.

Branding plays a valuable function in the arts and entertainment industry. Prospective buyers cannot judge quality by inspection and must use cues such as the particular people involved. The existence of a strong brand name in the entertainment industry is valuable because of the strong feelings that the names generates as a result of pleasurable past experiences.²⁸

3.22 **CHANGED ASPECTS OF BRANDING**

There are some significant changes in branding that all companies need to realize.

❖ **Brand success can be rapid**

Unlike brands that used to take decades to develop their strength, now they can be powerful force in just a few years.
❖ **The brand value chain is sometimes shortened**

Disintermediation is often used in the context of e-commerce. While the disintermediation is not happening on a widespread basis, a shift is developing in the online branding business. Due to the internet’s mode of presentation, context, process, and style have been compressed and, in some cases presented as a whole on the screen.

❖ **Segmentation is somewhat different**

Consumer groups are changing in nature, as traditional forms of segmentation are becoming less important as the digital world advances.

❖ **Mass customization is a brand reality**

Software is the dynamic tool that brought technological revolution to marketing which made companies to talk to customers and customize offerings to them one at a time. To treat every individual differently is what marketers had only dreamt of, as mass customization is now a reality.

❖ **The nature of the customer experience has changed**

Although the brand experience remains the key to brand popularity, the nature of experiences has changed a little, firms are slowly realizing that consumers want different things.

❖ **The role of advertising, promotions and public relations have changed**

The impact of the technology, particularly the internet, on the traditional forms of brand communication, such as advertising and public relations are being debated on different things.

❖ **Size is no longer important**

Earlier, size was name of the game in creating a global brand. Mass marketing meant mass distribution; companies had to develop distribution power and manufacturing capacity across many continents. Today, these are no longer necessary. In fact, smaller companies operating from their home can achieve global recognition without recourse to traditional distribution channels. On the net, a company can look really good without having a physical presence. Branding has the power to create that image.
Brand loyalty is harder to get and maintain

Customer loyalty is increasingly becoming significant as people becomes choosier and assert their right chooses. This is very much true on the internet where, if customers do not get instant gratification, a click will send them quickly to another sight that could give them what they want. Internet users according to research are less loyal than traditional shoppers. Customer relationship management is becoming more important in the brand loyalty, and technology is the analyst for success in this area.

Brands have financial value

Brand valuation, though not new, has become more sophisticated and accepted in the recent past. Today it is the most captivating part of brand building. They are now included in companies balance sheet as assets in their own right. Brands can be used to average, corporate worth and as collateral for loans.

3.23 UNCHANGED ASPECTS IN BRANDING

Several things about branding have not changed at all. Whether one is in the more traditional market or technology market. Principally they are as follows:

Consumer prefer brands

Brands continue to be popular and preferred by consumers to ordinary products and services. In particular, brand provides consumer with clear cut choices, less confusion, great security and something that they can trust.

Anything can be branded

It is not just companies, products and services that can be branded, but people nations and ideas too. The object of a branding process is immaterial, as the same principle applies.

Principle of brand building remains the same

Many successful brands are constructed by developing an identity and positioning this in the minds of target audience. A brand identity can be immensely powerful, as many of the world’s top brands have shown. But if not carefully thought, and promises undelivered, identities sometimes do not correspond with their images in the market place.
Brands avoid the commodity trap and offer differentiation

The branding process creates a unique identity for whatever is being branded. Offering the advantage of differentiation enables the product to stand out from the crowd. Thus companies, find that they can achieve premium prices for what, in many cases are only ordinary products.

Positioning determines brand success

As distinguishing is essential to brand success, the positioning of all brands is critically important. It has to appeal to separate target audience. Positioning the set of techniques used to manage the perceptions of different target audience, is a vital part of the branding process. However, companies often do not recognize its true place in corporate strategy.

The brand experience is critical

Brands are just as good as the experience they give to the customer. One bad experience with a brand can make it lose a customer forever. Giving customer less than their expectation will inevitably lead to a poor brand image. It is therefore important that the brand promises get delivered. Powerful brands come from great experiences, and nothing is going to change that fact. Even in the world of internet, it is as well to remember that to the person logging on, the site is the brand, and every experience one gets when visiting that site will have an impact on brand image.

3.24 BRAND EQUITY

A number of competitive challenges exist for markets. The reaction by many marketers’ has been ineffective or worse and that has aggravated the problem. In order to provide useful managerial guidelines and suggest promising new directions for future thought and research, a “common denominator” or unified conceptual framework based on the concept of brand equity is introduced as a tool to interpret the potential effects of various brand strategies.

The most popular and potentially important marketing concepts of brand equity arise in 1980’s. The concept of brand equity stresses the importance of the role of the brand in marketing strategies. The emergence of brand equity however has meant both
good news and bad news to marketers. The good news is that it has raised the importance of the brand in marketing strategy, which therefore has been relatively neglected, and provided focus for managerial interest and research activity. The bad news is that the concept has been defined in a number of different ways for a frustration with the term. Through it all, no common viewpoint has emerged as to how brand equity should be conceptualized and measured.

Brand equity is the willingness of someone to continue to purchase your brand or not. Thus, the measure of brand equity is strongly related to loyalty and measures segments on a continuum from entrenched users of the brand to convertible users.

Brand equity subsumes brand strength and brand value. Brand strength is the set of associations and behaviors on the part of a brands customers, channel members, and parent corporation that permits the band to enjoy sustainable and differentiated competitive advantages. Brand value is the financial outcome of management’s ability to leverage brand strength through tactical and strategic actions in providing current and future profits and lower risks.

3.24.1 SOURCE OF BRAND EQUITY

Customer based brand equity occurs when the consumer has a high level of awareness and familiarity with the brand. Brand awareness alone is sufficient to result in more favorable consumer response. In most other cases, however, the strength, favorability and uniqueness of the brand associations play a critical role in determining the differential response making up the brand equity. Branding strategy to be successful and brand equity to be created, consumers must be convinced that there are meaningful differences among brands in the product or service category.

They key to branding is that consumers must not think that all brands in the category are the same. Thus establishing a high level of brand awareness and a positive brand image in consumer memory- in terms of strong, favorable and unique brand associations produces the knowledge structures that can affect consumer response and produce different types of customer based brand equity.
3.24.2 FACTORS THAT CONTRIBUTE TO BRAND EQUITY

Major factors that contribute to brand equity are, brands awareness brand associations, perceived quality and brand loyalty. All these factors are independent. The nature of interdependency is that initially a marketer creates ‘name awareness’ of the brand. The name is registered in the consumers’ memory. The consumer’s perception of the quality depends on the brand knowledge, and purchase or consumption experience. The repeated purchase reflects the brand loyalty that plays a vital role in establishing long-term relationship with brand. It has a high potential to create brand equity. The tangible and intangible features of the product act as source to brand loyalty.

On the basis of the nature and interdependency of these factors the order is considered for the study of brand equity.

❖ BRAND AWARENESS

Manufactures make products, but customers buy brands. People buy brands if only they are aware of a particular brand as their general assumption is that, a brand that is familiar is probably reliable and reasonable. The brand equity is partly measured by the awareness it evokes-how many people throughout the world recognize the brand with product category, and conscious of the promise given by the brand.

❖ BRAND ASSOCIATION

Brand is not just a name, but also a carrier of market’s commitment along with it. Brand association in all includes attributes, symbols and images attached with the brand. Marketing challenge is to link right association to the brand develop required image that leads to loyalty and perceived quality of the product features. Brand association depends upon proper positioning strategy.

❖ PERCEIVED QUALITY

Perceived quality has always been a deceptively difficult area for marketers. As it is an important asset for brand, it became a major component of brand equity. It has tremendous power to affect all other elements of brand equity – brand awareness, brand loyalty, brand associations. Marketer’s task of right identity of the product in the target market is possible only through perceived quality.
**BRAND LOYALTY**

The brand loyalty of the consumer base is often the core of brand equity. If customers are indifferent to the brand and buy with respect to features, price and convenience with little concern to brand name, there is little likelihood on equity. On the other hand if they continue to purchase the brand even in the face of competitors with superior features, price and convenience, substantial value exists in the brand and various elements like its symbol and slogans. In any business, gaining new customer is quite difficult and expensive, and various marketing effort may have uncertainty. Where as to retain the current customers and maintain customer base is relatively easy and inexpensive. Loyal customers are price insensitive by nature, which reduce the vulnerability of any competitive action.

**OTHER PROPRIETARY BRAND ASSETS**

Brand equity assets generally add or subtract value for customers. It can help them in interpret process and store huge quantities of information about products and brands. They also can affect customer’s confidence in the purchase decision. Potentially more important is the fact that both perceived quality and brand associations can enhance customers’ satisfaction with the use experience.

**BRAND EQUITY PROVIDING VALUE TO THE FIRM**

Brand equity adds value for the firm by generating marginal cash flow in at least half a dozen ways.

1. It can enhance programs to attract new customers or recapture old ones.
2. It enhances brand loyalty.
3. Brand equity will usually allow higher margins by permitting both premium pricing and reduced reliance upon promotions.
4. Brand equity can provide a platform for growth through brand extension.
5. Brand equity can provide leverage in the distribution channel.
6. Brand equity assets provide a competitive advantage that often presents a real barrier to competitors.
CUSTOMER BASED BRAND EQUITY

Two questions often arise regarding brands

1. What makes a brand strong?
2. How do you build a strong brand?

For this purpose the Customer Based Brand Equity (CBBE) mode was developed. This model incorporates recent theoretical advances and managerial practices in understanding and influencing consumer behavior. The basic premise of the CBBE model is that the power of brand lies in what customers have learned, felt, seen and heard about the brand as a result of their experiences over time (i.e.) the power of a brand lies in what resides in the minds of customers.

The challenge for marketers in building a strong brand is ensuring that customers have the right type of experience with products and services and their accompanying marketing programs so that the desired thoughts, feelings, images, beliefs, perceptions, opinions, and soon become linked to the brands.

CBBE is formally defined as the differential effect that brand knowledge has no consumer response to the marketing of that brand. A brand is said to have positive customer-based equity when consumers react more favorably to a product and the way it is marketed when the brand is identified than when it is not. A brand with positive customer-based brand equity might result in consumers being more acceptable of new brand extensions, less sensitive to price increases and withdrawal of advertising support, or more willing to seek the brand in a new distribution channel. And in the same way a brand is said to be negative CBBE if consumers react less favorably to marketing activity for a brand compared to an unnamed or fictitiously named version of the product.

Building a strong brand, according to the CBBE model, can be thought of in terms of sequence of steps, in which each step in contingent on successfully achieving the previous step. All the steps involve accomplishing certain objectives with customers both existing and potential. The steps are as follows:
1. Ensure identification of the brand with customers and an association of the brand in customer’s minds with a specific product class or customer need.

2. Firmly establish the totality of brand meaning in the minds of customers by strategically linking a host of tangible and intangible brand associations with certain properties.

3. Elicit proper customer responses to this brand identification and brand meeting.

4. Convert brand response to create an intense, active loyalty relationship between customers and the brand.

3.24.3 BRAND EQUITY AS A BRIDGE

The power of a brand lies in the minds of consumers or customers and what they have experienced and learned about the brand over time. Customer knowledge drives the differences that manifest themselves in terms of brand equity. Brand equity provides markets with a vital strategic bridge from their past to their future.

3.24.4 BRANDS AS A REFLECTION OF A PAST

All money spent each year on manufacturing and marketing products should not be considered as expenses but as investments in what consumers learned, felt, experienced, and so forth about the brand. If not properly invested these expenditures may not be good investments, the right knowledge structure may not have been created in consumer’s minds, but they should be considered as investments nonetheless. Thus the quality of the investment in brand building is the most critical factor, not necessarily the quantity of investment.

3.24.5 BRANDS AS DIRECTION FOR THE FUTURE

The knowledge of the brand that has been created over time by these marketing investments dictates appropriate and inappropriate future directions for the brand. Consumers will decide, based on their brand beliefs and attitudes, where they think the brand should of and grant permission (or not) to any marketing action or program.
3.24.6 GROWING AND SUSTAINING BRAND EQUITY

Through the skillful design and implementation of marketing programs that capitalize on a well-conceived brand positioning, strong brand leadership positions can be obtained. Maintaining and expanding on that brand equity, however, can be quite challenging. Brand equity management concerns those activities that take a broader and more diverse perspective of the brand equity-understanding i.e. how branding strategies should reflect corporate concerns and be adjusted, if at all, over time or over geographic boundaries or market segments. Managing brand equity involves managing brands within the context of other brands, as well as managing brands over multiple categories, over time, and across multiple market segments31.

3.25 BRAND EXTENSION

Brand extension is on the increase and has become a common practice. Brand extension is the product of brand equity. Business growth strategies are based on existing produces or new products, or both. When they wish to enter markets from which they have been absent, more and more company’s do so using the name of one of their existing brands, rather than using a new brand name created for that purpose.

Existing products penetrate the customer markets or even expand into new customer markets. But, new product introductions are often vital to the long run success of any firm. Branding decision is always the crucial factor for new product.

Firm has three main approaches to brand its new product

- Develop new brand for each of its new products
- Apply one of its existing brands in some way.
- Use combination of new brand with an existing brand

When the firms either, apply one of its existing brands in some way or use combination of new brand with an existing brand to introduce new products, the phenomenon is called ‘brand extension’.

A brand extension is when a firm used an established brand name to introduce a new product. When a new brand is combined with an existing brand, the brand extension
can also be called a sub-brand. An existing brand that gives birth to a brand extension is referred to as the parent brand. If the parent brand is already associated with multiple products though brand extensions, then it may also call as family brand.

Brand extensions can be broadly classified into two general categories.

- **Line extension**

  The parent brand is used to brand a new product that targets a new market segment within a product category currently served by the parent brand. A line extension often involves a different flavor or ingredient, a different form or size, or a different application for the brand.

- **Category extension**

  The parent brand is used to enter a different product category from that currently served by the parent brand.

Brand extensions can come in all forms. One well-known branding expert, Edward Tauber, identifies the following seven general strategies for establishing a category – or what he calls a franchise – extension.

- Introduce the same product in a different form.
- Introduce products that contain the brands distinctive taste, ingredient, or component.
- Introduce companion products for the brand.
- Introduce products relevant to the customer franchise of the band.
- Introduce products that capitalize on the firm’s perceived expertise.
- Introduce products that reflect the brand’s distinctive benefit, attribute, or feature.
- Introduce products that capitalize on the distinctive image or prestige of the brand.

### 3.25.1 NEED FOR BRAND EXTENSION

Most of the companies have discovered the virtues of brand extensions only recently. Some luxury brands have thrived through extension. The brand extension perspective introduces two radical modifications.
- It maintains that a brand is a single and long-listing promise, but this promise should be expressed and embodied in different products, and eventually in different categories.

- To redefine the historical brand benefit by nesting it in higher order value. Brand extension exemplifies the move from tangible to intangible values, from a single produce-based benefit to a larger benefit, thus making the brand able to cover a wider range of products.

Brand extension is an emotional topic because they are the first occasion on which the identity of a brand is redefined. Unlike mere line extension, brand extensions are associated with diversification, so there is a sizeable impact on the company as a whole. It is an involving topic because it is generally tied to a new product launch, which as or all new products commands time, energy, allocation of resources, and creates a situation of risk. This risk is increased by the fact that unlike line extensions. Brand extensions lead the brand into new and unknown markets, which may be dominated by entrenched competitors. There is not only a straightforward financial risk should the extension fail, there is also potential damage to the image of the brand, in the distribution channels, among the trade, and among end users.

Managing brand extensions is about identifying the growth opportunities. It aims at maximizing the chances of success of the new product launch, while increasing the value of the parent brand. This entails managing the whole product range to maintain its equity.

Brand extensions are necessary. They are a direct consequence of competition in mature markets and of the fragmentation of media. The only justification for brand extension is growth and profitability. As long as growth and profitability can be achieved through the present customer said products, or through minor variations in these products and their benefits there is no need to extend. Globalization in search for the new areas of consumption in the world is also a natural route, but this does not solve the problem of growth in domestic markets, which are often saturated. Brand extensions allow brands to compete in less saturated markets, with a perspective of
growth and profitability, as long as the brand’s assets in these markets. That is to say, the brand image must be able to act as a driver of purchase in the other market.

Brand extension relies on the abilities to create a competitive advantage by leveraging the reputation attached to the brand name in a growth category, different from the brand’s present categories. This bold move, which often surprises the competition in the category of extension, makes five crucial assumptions.

- The brand has strong equities, (strong assets) it is strongly associated with a number of customer benefits (tangible or intangible) and it inspires a high level of trust
- These assets are transferable to the new and attractive destination category, that of the extension. Its buyers will still believe and acknowledge that the new products are endowed with the benefits associated with the brand.
- These benefits and brand values are very relevant to the new category (extension). In fact, they should segment it in a previously unforeseen way, and leave the competition unable to react rapidly.
- The produce and services (extension) name by the parent brand will deliver a real perceived advantage over the competition, both to consumers and the trade.
- The brand and company behind it will be able to sustain competition in the new category over the long run. This refers to the question of resources needed to acquire leadership in the market in order to remain its profitably.

A second set of reasons that has pushed co-operations to extend their brands is more defensive, or tried to efficiency and productive factors:

- By facing higher media costs, companies have felt the limits of their former brand architecture and wish to create more encompassing brands, so called mega-brands, in which a larger product portfolio can be nested.
- The fight against distributors’ brands that themselves are mega-brands and are practicing extension has called for reorganization of products and innovations under a small number of banner brands
Some brands are in declining product categories. To avoid the disappearing with their product they must move to another category.

In the business to business market, the logic of continually increasing customer value leads in itself to brand extension.

Many companies make a brand extension because they do not have the resources to sustain two brands nationally and internationally.

Some sectors are undergoing advertising constrains. They have to create brand extension to circumvent these limitations.

### 3.25.2 IDENTIFYING POTENTIAL EXTENSION

Before making any brand extension it is imperative to know the brand well, its attributes, its personality, the identity that it convey to its buyers and users and latent associations or traits. To know about these factors both quantitative studies and qualitative interviews of the target public becomes necessary. A simple listing of the image characteristics does not give a full picture of the brand. Defining the prism of identity requires qualitative investigation.

The second step of the investigation procedure involves the extrapolation of the brands distinctive features in order to assess their consequences.

### 3.25.3 THE ECONOMICS OF BRAND EXTENSION

By capitalizing on the brand awareness, the esteem and qualities attached to an existing brand, the practice of brand extension can help to increase the chances of success of a new product and lower its launch costs. These two alleged consequences have been verified.

Distributors will have to allocate more space to an already well-known brand than to a newcomer. But brand extension also has an impact on the consumer. The economic argument put forward to justify brand extension had to do with cost, launching a new brand would cost more than launching a new product under a well-known brand.

### 3.25.4 GUIDELINES TO BRAND EXTENSIONS BASED ON ACADEMIC RESEARCH

Brand extension research has received much research attention from academics in recent years. Some of the important research conclusions that have emerged are given below.
Successful brand extensions occur when the parent brand is seen as having favorable associations and there is a perception of fit between the parent brand and the extension products. To better understand the process by which consumers evaluate a brand extension, many academic researchers have adopted a “Categorization” perspective.

- Successful brand extension occurs when the parent brand is seen as having favorable associations and there is a perception of fit between the parent brand and the extension product.

- There are many bases of fit. Product related attributes and benefits as well as non-product related attributes and benefits related to common usage situations or user types.

- Depending on consumer knowledge of the product categories, perception of fit may be based on technical or manufacturing commonalities or more surface considerations such as necessary or situational complementarily.

- High-quality brands stretch rather than average-quality brands, although both types of brands have boundaries.

- A brand that is seen as prototypical of a product category can be difficult to extent outside the category.

- Concrete attribute associations tend to be more difficult to extent than abstract benefit associations.

- Consumers may transfer associations that are positive in the original product class but become negative in the extension context.

- Consumers may infer negative associations about an extension, perhaps even based on other inferred positive associations.

- It can be difficult to extent into a product class than is seem as easy to make it.

- A successful extension can not only contribute to the parent brand image but also enable a brand to be extended even further.
An unsuccessful extension hurts the parent brand only when there is a strong basis of fit between the two.

An unsuccessful extension does not prevent a firm from backtracking and introducing a more similar extension.

Vertical extension can be difficult and often require sub-branding strategies.

The most effective advertising strategy for an extension is one that emphasizes information about the extension (rather than reminders about the parent brand).

Thus, categorization view considers consumers’ evaluations of brand extension to be a two-step process.

Consumers determine in their mind whether there is a match between what they know about the parent brands what they believe to be true about the brand extension.

If the match is good, then consumers might be expected to transfer their existing parent brand attitudes to the extension.

Otherwise, consumers might be more likely to evaluate the brand in a more piecemeal fashion. With this latter type of processing, consumer evaluations would depend on the strength, favorability, and uniqueness of salient brand associations in the extension context.

Consistent with these notions, Aaker and Keller collected consumer reactions to 20 proposed extensions form six well-known brands and found that both the perception of fit between the original and extension product categories and a perception of high quality for the parent brand led to more favorable extension evaluations.

There are many bases of fit, product–related attributes and benefits, as well as non-product-related attributes and benefits related to common usage situations or user types. Any association held in memory by consumers about the present brand may serve as a potential basis of fit. Therefore brand extensions may be seen as similar or close in fit to the parent brand in many ways.

In the world products are multiplying and becoming more and more similar, management of brands is critical for survival of the products as well as the company’s
manufacturing them. The consumers will continue to value the functions provided by brands. With the overall strength of a brand in the marketplace and its value to the company that owns it, companies are trying to assign financial value to brand equity. The level of commitment that consumers feel towards a given brand is ensured by their continuing purchase of that brand. Brands provide a strong competitive advantage to the companies owning them and hence they have become increasingly important tradable assets. A well-managed brand can simplify, communicate, reassure, and provide important meaning to consumers.  

3.26 SUMMARY

When purchasing anything other than a fast moving consumer item, the process should never be a case of simply picking up an item and paying for it, as it is likely that you will have problems with a purchase at some time. When deciding whether to purchase a product or not there are many factors to consider, such as: i) Alternatives, ii) Quality, iii) Price, iv) After sales service, v) Availability of spare parts. In reality, purchasing consumer durable goods is simply a case of buying the right product at the lowest price, and quite often buying these products are impulse buys, i.e. the consumer wasn’t actually planning on buying the product but simply saw the product and purchased it. A blanket advertising campaign is a powerful tool in encouraging consumers to buy on impulse.

In the case of consumer durable goods, quality, whilst still relevant, is rarely the deciding factor as many consumers will prioritize a low price and will be satisfied for a slight reduction in quality. Purchasing larger products, such as white goods, it is often a different story. When making these larger purchases there are many things to consider, and such things include the quality, after sales service, availability of spares should the product go wrong, the reputation of the supplier and the flexibility of the supplier with regard to delivery and installation (if required) amongst many other things. Clever purchasing isn’t always about getting a product for the cheapest possible price as this can often lead to false economy, i.e. the product fails and a replacement has to be purchased and the consumer more often than not ends up buying the product they should have done in the first instance, and this is particularly true with larger purchases. Clever purchasing
is about obtaining the right product at the right quality at a good price, which ideally will be the lowest but not in all instances. It is important to look at all factors and ensure you are happy with the whole package before parting with your hard-earned cash. It is better to spend a little bit more, not only for peace of mind but also all the things a good reliable supplier provides, rather than opt for the lowest price. While ensuring brand equity becomes the foremost important factor in facilitating the success of brand extension. Every service provider should try to establish brand equity by winning the confidence of the customers and then go for the brand extension.
REFERENCES

1. A brief report on Consumer Durable Industry in India – Corporate Catalyst India – March 2012.


3. Consumer Durable Industry in India, HDFC securities, December 06, 2012


5. Connected Home Products key to success for Consumer Electronics, January 2012

6. www.slideshare.net/indolency/consumer-durable-industry


9. How to sell to the world: Best practices for internationalization , shopping for cues , May 2013


33. Jung S.Lee “Role of attitude toward brand advertising on consumer perception of a brand extension” Advances in consumer Research Vol. XII April 2005 p. 116