Introduction and Research Design
CHAPTER – I

INTRODUCTION AND RESEARCH DESIGN

1.1 Introduction

The most vital function of the management in an organization is to minimize the cost and to maximize the profit by holding the constant market share for its products. This is possible through systematic decision-making and effective formulation of policies etc.. In order to achieve this, the marketing research in the present scenario plays a vital role and helps the management in a very high order.

1.2 Importance of the study

The present study is entitled as “A Study on the Effectiveness of Promotional Mix with special reference to LG products in Coimbatore city”

The present study attempts to identify the effectiveness of various promotional mix by carrying out a descriptive marketing research. This promotional research highlights the importance and evaluates the effectiveness of various types of promotional mix by considering the fast moving LG products.

The present study was carried out to find the effective promotional mix, which are creating desire on the LG products are among the various promotional mix of Advertising, Personal selling, Sales Promotion, Publicity, Relation, Point of purchase display and Packaging
1.3 **Statement of the Problem**

Promotional mix is one the prime factors positively influencing the volume of sales of any product. Of all the factors that have a positive correlation with the volume of sales, promotional mix is considered to be more effective. So this study was undertaken to identify the effectiveness of promotional mix upon sales on LG products, since LG products are having a fast moving market now a days, these products have been considered for the study.

1.4. **Scope of the Study**

The present study aims to analyze that every product produced by the LG Company and about its knowledge are taken to the ultimate consumer by choosing the various promotional mix. This study was used to find the very effective promotional mix for LG product.

The present study was carried out with primary data collected from one hundred and fifty respondent residing at coimbatore city only. It can be further extended to other cities as well. Since the tastes and preferences of the consumers differ. it is possible to identify the effective sectoral promotional mix for LG products.

This study was confined only to LG products. The brands which is having more than one products may also be considered to identify the most effective promotional mix.

1.5 **Objectives of the Study**

The Study was carried out with the following objectives.
1.5.1 Main objective

The main objective of the study is “To know the effectiveness of promotional mix with special reference to LG product in Coimbatore City”.

1.5.2 Specific objectives

The Secondary objectives of the study are

1. To know the socio-economic characteristics of sample respondents.
2. To know the level of influence of various promotional mix of LG products.
3. To ascertain the order of preference of various promotional mix creating a desire upon LG products and its publicity.
4. To offer suggestions and recommendations for the improvement of LG products promotional mix.

1.6 Formulation of Hypothesis

The study proposes to examine the following hypotheses formulated to test the effectiveness of various promotional mix of the LG products. There are three factors considered for formulating the hypotheses.

1. The personal factors of the respondents do have no significant influence over the attractiveness and influence of various promotional mix.
2. The personal factors and the opinion factors of the promotional mix are different.
3. There is no significant relationship between the personal factors and the factors relating to the effectiveness of various promotional mix of the LG products.
1.7 Pilot study

Before carrying out the original study, Pre-testing of interview schedule has been done by the researcher. For this purpose, 10 respondents were selected randomly and they were asked to respond the questions included in the Interview schedule. This pilot study was carried out only for testing the validity and worthiness of the constructed interview schedule.

1.8 Construction of the Interview schedule

Based on the pilot study some of the unwanted questions were removed from the interview schedule and certain new questions were added. The interview schedule consists of three parts. The first part of the questionnaire consists personal factors of the respondents. The second part consists the questions related to the study factors. In the final part of the interview schedule the respondents were requested to offer the suggestions and recommendations for the improvement of LG products promotional mix.

1.9 Sampling design

One hundred and fifty customers of various LG products were selected applying convenient sampling method to constitute the sample for the study.

1.10 Geographical Coverage

The study was carried out collecting primary data from the customers of LG products in Coimbatore city, Tamilnadu, India.

1.11 Fieldwork and Collection of data

To identify the effectiveness of promotional mix of LG products, primary data were collected from the sample respondents through an interview schedule.
by the researcher directly approaching them. The terms considered important in the schedule were explained clearly to them to fill up the interview schedule. It was conducted during the period from Jan 2006 to Sept 2006 covering a period of 9 months.

1.12 Measurement of Variables and Construction of Scale

The data obtained from the questions asked in the interview schedule were transferred to master table. In the master table, the interview schedule serial numbers are allotted in the row and the questions asked in the interview schedule are serially numbered along with choices in the column side of the master table and the respondents response for every question were worked by ticking accordingly.

After the marking of all the data in the master table for all the 150 respondents response, sub-tables were prepared based on the grand total of master table’s each column. For analyzing the data presented in the sub-tables, statistical tools of Percentage Analysis, Chi-square Test, Weighted Average Scoring Technique and Weighted Average Ranking Technique were applied.

1.13 Review of Literature

This chapter deals with the review of relevant literature pertaining to the problems selected for the study. The review of literature of previous studies either theoretical or empirical may assist in the delineation of the new problem area and provide a basis for developing a theoretical framework of the study. It may also give an insight into suitable methods, procedures and operational definitions of major concepts and provide a base for interpretation of the findings. The
researcher finds on paucity of literature in the relevant area of promotional mix. The view to find of various authors regarding promotional mix and the statistical data about LG products have also presented in this chapter.

1.14 Limitations of the Study

The following are the major constrains pertaining to this study.

1. Since the present study covers only the Coimbatore city, the results may not be exactly applicable to the rest of the cities as the taste and preferences of the customers in Coimbatore city may be different from that of other cities.

2. The study covers a short period of time (i.e Jan 2006 to Sep 2006), so the results obtained may not be that much consistent when compared to the results of the study which covers a relatively longer period.

3. The collected data for the study was confined to only 150 respondents. Had the sample size been more than that of the present study, the results would have been more appropriate.

4. The feelings of the respondents are subjective in nature. Hence the results of the study may not be reliable in future.
1.15 Chapter scheme

The present study is divided into five chapters as

Chapter 1: Introduction and Research design

This chapter deals with Introduction, Importance of the study, statement of the problem, scope of the study, formulation of hypothesis, objectives of the study, pilot study, construction of the interview schedule, collection of data, sampling design, Review of literature and the limitations of the study.

Chapter II: Promotional Mix – An over view

The second part, which deals about the introduction of promotional mix, types of promotional mix, advantages and disadvantages of promotional mix, impact of promotional mix in marketing etc.,

Chapter III: Profile of the LG Electronics India Pvt. Ltd.,

This chapter deals with Profile of the LG Electronics India Pvt. Ltd.,

Chapter IV: Analysis and Interpretation

This chapter deals with analysis and interpretation of the collected data using various statistical tools like Percentage analysis, Chi-Square test, Weighted Average Scaling technique and Weighted Average Ranking Technique.

Chapter V: Summary of Findings, Suggestion and Recommendations and Conclusion

The chapter contains the detailed figures about the major findings of the various statistical analyses in this study. Finally, the report ends with a conclusion along with a relevant and more informative statistical data with a few relevant suggestions and recommendations.