

A Study on Customer Satisfaction towards LG Home Appliances with Special reference to Erode City

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ABSTRACT

Now a days in modern society people used more electronic home appliances. LG is the global leader in home appliances industry also the fast growing industry in India. The Company's success is depending on their steps taken towards customer needs and satisfaction. This paper focuses to study on customer satisfaction towards LG Home appliances with special reference to Erode city. A sample of 200 Respondents data was collected using a questionnaire. The statistical tools used for analysis are simple percentage, Chi-square, Anova and weighted average ranking score analysis was carried out using SPSS Soft ware. The result of the study shows that the maximum of the customer prefer LG Home Appliances for the factors like Reasonable Price, Innovative technology, Exchange offer, Brand image, Best quality, Guarantee and Warrantee etc., Also the consumer given the first rank to the factor "More Varieties" from that it could be concluded that the consumers are having high level of satisfaction. This survey given guarantee to the companies about the customer satisfaction and level of expectation.

INTRODUCTION

Home appliances are electrical and mechanical machines which accomplish some household functions". In the scientific world, a lot of home appliances do their work has very easily and comfortably. The electronic home appliances save time and reduce the mental tension. Now day's people used more electronic home appliances like LCD TV, Washing Machine, Refrigerator, and Air-Conditioner. In the electronic goods LG is the global leader in the home appliance industry dedicated to creating total home solution through advanced products that fit consumer's everyday lives.

LG home appliances were established in 1958. "LG is a one of the fast growing home appliances industry in India". LG Electronics plays an active role in the world markets with its assertive global business policy. LG Electronics controls 119 local subsidiaries worldwide with the human resources of roughly 83,000 executives and employees. LG is the brand that is delight fully smart. "Life's Good" slogan, and futuristic logo are a great representation. The symbol mark stands for establishing a lasting relationship with and to achieve the highest satisfaction for the customers. The letter 'L' and 'G' in a circle symbolize the world, future, youth, humanity and technology. The consumers are identifying a LG home appliance products as a good brand.

Customer satisfaction is very important for any business whether it sale the product or service because if the customers are satisfied then they make more purchases and inform other persons like friends, neighborhoods, family member etc. "The LG company success is that they keeping the customers satisfied and also their needs". Consumer prefer to purchase LG branded home appliances products because of the advanced features, reasonable price, best quality, availability of

new and innovative product, brand image, exchange offer, guarantee and warrantee etc.

STATEMENT OF THE PROBLEM

The study on customer satisfaction towards the LG Home Appliances is aimed to know the level of customer satisfaction and what are the factors influencing them to purchase. This study also helps to know how various marketing variables such as Moderate price, Standard quality, Brand image, Advanced Technology, Guarantee and Warrantee, More varieties, Exchange offer given by the LG Company.

"The study on customer satisfaction reveals the management about the taste, preference choice of different people and so on". This study will help to gain knowledge about the factors influencing and level of customer satisfaction towards LG Home Appliances of four selected products.

SCOPE OF THE STUDY

This study attempts to gain knowledge about customer satisfaction towards LG Home Appliances which includes that LCD TV, Refrigerator, Washing machine, and Air-Conditioner. The study covered information about the purchase decision and the level of customer satisfaction. The product features of Moderate price, Standard quality, Brand image, Advance Technology, Guarantee and Warrantee, More Varieties, Exchange offer are considered for analysis. Further also cover various factor influencing on consumer towards selection of LG Home Appliances products. The findings and suggestions of this survey providing companies to know about the customer's satisfaction, needs and level of expectations.

OBJECTIVES OF THE STUDY

- ✓ To study the socio-economic profile of the LG Home Appliance customers.
- ✓ To know the reasons for purchasing LG Home Appliances.
- ✓ To identify the factors influencing the customer in choosing LG Home Appliances.
- ✓ To study the level of customer satisfaction towards LG Home Appliances.
- ✓ To recapitulate the findings of the study and to offer suitable suggestions based on the study.

REVIEW OF LITERATURE

1. **Srinivasa Rao Kasisomayajula (2013)**, in his study entitled “**A Study on Customer Preference of LG Lap-top in Hyderabad**” suggested that the company has to introduce more quality feature to its existing of laptops and desktops. Also reported that as far as price is concerned it is normal compared to Acer, its price is little bit higher but prompt service is available only for Home appliances. The study was carried out with sample size of 50 respondents adopted the sampling technique of proportionate random sampling with in Hyderabad. Statistical tools used for analysis is chi-square analysis. The study concluded that customers are satisfied in designing the products in such a way that is suits the wants and preference of the customers. The customer satisfaction can be achieved only by offering better quality products backed up by performance and better services and also by designing the products in such a way that it suits the wants and preferences of the customer.
2. **Arunkumar (2014)**, In his study entitled “**Brand Equity and Customer Satisfaction A study of LG Television in Mysore district**” suggested that the Brand equity is the value of the brand in the marketplace. The various dimension considered were brand awareness, brand loyalty, brand association and perceived quality. The study was carried out with the sample size of 115 respondents adopted with the sampling technique of proportionate random sampling with in Mysore district. The statistical tools were used for the analysis was Anova. The study concluded that Brand equity is considered as an one of the vital aspect in determining the customer satisfaction as it helps the companies in understanding the level of customer satisfaction and formulating new strategies in order to customer delight. It shows that the companies need to improve in two parameters in order to make the customer fully satisfied.
3. **Dharmaraj (2014)**, In his study entitled “**A study on customer satisfaction towards selective LG products with special reference to Gobichettipalaya**” suggested that the customers of LG regarding products quality expressed highly satisfied, standard of service is increased and remaining factors like after sales service, advertisement and other factors are should need improvement. The price of the product should be modified, with a view to retain and attract more buyers. The company should work towards

providing more sales promotion programmes to attract the customers. The study was carried out with sample size of 100 respondents adopted the sampling technique of proportionate random sampling with in Gobichettipalayam. Statistical tools used for analysis the simple percentage analysis and chi-square analysis. The study concluded that the customer satisfaction concept is an unpredictable one in any kind of marketing.

4. **Bharani et al. (2015)** in their study entitled, “**Customer Satisfaction towards Panasonic Television Ambattur, Chennai**” suggested that the consumers generally want the best possible product or service for a low cost the customer satisfaction and loyalty towards Panasonic television. The study was carried out with the sample size 50 respondents adopted the sampling technique of proportionate random sampling with in Ambattur Chennai. Statistical tools used for analysis the percentage analysis mean and standard deviation , T-test, Chi-square. The study concluded that the most of the respondents are willing to recommend Panasonic television to their friends and relatives and the implications for the study is Panasonic television may try to give some special offers and discount to the customer and Service centre need to be reachable to the customer.
5. **Lakshmi and Kavida (2016)** in their study entitled, “**Impact of Brand Equity on Customer Satisfaction and Purchase Intention of Air-Conditioners in Chennai**” suggested that the brand equity has a great significant impact of customer satisfaction and purchase intention to Air-conditioner. The Consumer purchase to the air-conditioner has a good cooling of summer season and like to the home. The research paper aims to study user in Chennai. The study was carried out with the sample size 650 respondents adopted the sampling technique of proportionate random sampling with in statistical tools used of the percentage analysis, descriptive method and hypotheses test using T-test, P-test, one way ANOVA and Pearson correlation. The study concluded that the impact of brand equity on customer satisfaction and purchase intention of Air-conditioner selling as better having good knowledge about the brand marketer do this by intense advertisement.

SOCIO-ECONOMIC PROFILE

The Socio-economic profile of the respondents are Gender, Age, Occupation, Qualification, Annual family income, Family members, Type of family are considered for analysis. It is analyzed by simple percentage analysis by using SPSS software.

Percentage Analysis-(Table-1)

- ✓ The majority (54.5%) of the respondents belong to the category of Female.
- ✓ The majority (35.5%) of the respondents belong to the Age group of 25-35 Years.

- ✓ The majority (37%) of the respondents are Business man belong to the category of Occupational status.
- ✓ The majority (41%) of the respondents are completed College level.
- ✓ The majority (35.5%) of the respondents were under the income group of Rs. 5,00,000 – Rs. 10,00,000 category.
- ✓ The majority (48%) of the respondents had 3-4 members in the family.
- ✓ The majority (56%) of the respondents belong to Nuclear family.

PROFILE OF THE RESPONDENTS

The basic profile of the respondents has been bought out based on the socio-economic profile of the respondents such as Gender, Age, Occupation, Educational qualification, Annual family income, family members, type of family and specific data of the respondents such as customer satisfaction in purchase of specific LG home appliances products reasons for purchasing LG home appliances LCD TV, Washing machine, Refrigerator and Air-Conditioner feel about the LG Home appliances.

Percentage Analysis-(Table-1)

- ✓ The majority (23%) of the respondents expect the Offer.
- ✓ The majority (31.5%) of the respondents know the brand through the sources of Media advertisement.
- ✓ The majority (24.5%) of the respondents purchased for the reason of Picture Quality in LG LCD TV.
- ✓ The majority (36%) of the respondents purchased for the reason of Better Cleaning in LG Washing Machine.
- ✓ The majority (42%) of the respondents purchased purchased for the reason of Style/ Look in LG Refrigerator.
- ✓ The majority (47%) of the respondents brought for the reason of more additional cooling options in LG Air- Conditioner.
- ✓ The majority (31%) of the respondents choose Reasonable price in the preferable features.
- ✓ The majority (40%) of the respondents feel that the price was Normal.

Weighted Average Ranking Score Analysis (Table-2)

The above analysis shows that the various factors influenced the customer satisfaction of LG Home appliances. It could be observed that maximum respondents are ranked the factor "More varieties" as the first with a weighted score 37.36 points. The second rank was given to the "Guarantee & Warrantee" factor with a weighted score of 34.57 points. The third rank was providing to the "Exchange offer" with a weighted score of 33.14 points. The fourth rank assign to the factor "Advance Technology" with a weighted score of 31.57 points. Next rank of five was given to the "Standard Quality" factor with a weighted score of 21.93 points. The sixth rank was assigned to the "Brand Image" factor with a weighted score of 21.11 points. The last rank of seven was given to the "Moderate price" factor with a weighted score of 20.32 points. It is concluded that the maximum of the respondents are

influenced by the factor" More Varieties" in the LG Home Appliances customer satisfaction
Chi-Square Analysis (Table-3)

The chi-square test has been used to find out the relationship between the socio economic factors and opinion level of the sample Respondents

Result of the chi-square Analysis:

- ✓ There is no significant relationship between the Occupation and level of satisfaction towards LG Home Appliances with regards to Service at home and Consumption of power.
- ✓ There is no significant relationship between the Annual family income and level of satisfaction towards LG Home Appliances with regards to Seasonal Offer and less maintenance cost.
- ✓ There is no significant relationship between the Age and level of satisfaction towards LG Home Appliances with regards to Quality material.
- ✓ There is no significant relationship between the Gender and level of satisfaction towards LG Home Appliances with regards to Safety and security.

ANOVA Analysis (Table-4)

Analysis of variance (ANOVA) is an analysis tool used in statistics that splits the aggregate variability found inside a data set into two parts: systematic factors and random factors. The systematic factors have a statistical influence on the given data set, but the random factors do not. Analysts use the analysis of the variance test to determine the result independent variables have on the dependent variable aimed a regression study.

Result of ANOVA Analysis

- ✓ There is no significant relationship between the Educational Qualification and level of satisfaction towards LG Home Appliances.
- ✓ There is no significant relationship between the Annual family income and level of satisfaction towards LG Home Appliances.
- ✓ There is no significant relationship between the Family members and level of satisfaction towards LG Home Appliances.

SUGGESTIONS

The following are the suggestions based on the findings of the study:

- ✓ To increase further sales the concern can reconsider its price strategy.
- ✓ Improve the customer expectation in the retail outlets through credit facilities like EMI.
- ✓ The design and model of LG Home Appliances introduce with better innovations.
- ✓ Encourage retailers to offer free after sales service and free door delivery.
- ✓ The durable goods must be made available to the customers in safe and attractive packing.
- ✓ Type of family of the respondents and level of satisfaction towards LG Home Appliances.

Table:1 Profile of the respondents percentage Analysis

Factors	Category	No of Respondents	Percentage of Respondent
Gender	Male	91	45.5
	Female	109	54.5
Age	15-25 Years	57	28.5
	25-35 Years	71	35.5
	35-45 Years	50	25.0
	Above 45 Years	22	11.0
Occupation	Salaried	26	13.0
	Professional	31	15.5
	Business Man	74	37.0
	Student	44	22.0
	Agriculture	25	12.5
Educational Qualification	No formal education	38	19.0
	School level	42	21.0
	College level	82	41.0
	Professional	38	19.0
Annual family income	RS.1,00,000 -RS. 5,00,000	51	25.5
	RS. 5,00,000 -RS. 10,00,000	73	35.5
	RS.10,00,000 –RS. 15,00,000	25	12.5
	Above RS. 15,00,000	51	25.5
Family members	2 Members	22	11.0
	3-4 Members	96	48.0
	Above 4 Members	82	41.0
Type of family	Joint family	88	44.0
	Nuclear Family	11	56.0
Retail outlets	Credit Facility	26	13.0
	Gift Coupon	42	21.0
	Price Discount	43	21.5
	Monthly Installment	43	21.5
	Offer	46	23.0
Sources	Friends /Relatives	29	14.5
	Media Advertisement	63	31.5
	Online	29	14.5
	pamphlet	24	12.0
	Hoarding	55	27.5
LCD TV	Good contrast ratio	32	16.0
	Picture Quality	49	24.5
	Viewing angle	39	19.5
	Sound Quality	38	19.0
	HDTV Capability	42	21.0
Washing machine	Less consumption of water	28	14.0
	Better Cleaning	72	36.0
	Spin Faster	17	8.5
	More Capacity	31	15.5
	Less power consumption	52	26.0
Refrigerator	Sensor based temperature	58	29.0
	Style / look	84	42.0
	Quick cooling compartment	58	29.0
Air conditioner	Highly Silent	35	17.5
	Energy Save	40	20.0
	Auto temperature setting	31	15.5
	More additional cooling option	94	47.0
Prefer Home appliances	Long life	31	15.5
	Reasonable Price	62	31.0
	Superior Quality	36	18.0
	Better after sales service	38	19.0
	Portable	33	18.5
Price of LG Home appliances	Expensive	36	18.0
	Normal	80	40.0
	Affordable	57	28.5
	Inexpensive	27	13.5

Table2: Reason That Factor Influencing LG Home Appliances Weighted Average Score Ranking Method

Factor	Weighted Score	Rank
Moderate price	569	7
Standard Quality	614	5
Brand Image	591	6
Advance Technology	884	4
Guarantee & Warrantee	968	2
More Varieties	1046	1
Exchange Offer	928	3

Table3: Chi-Square Test Result

Factors	Degrees of freedom	Table value	Calculated value	Result
Service at home	16	26.30	5.1134	Accepted
Seasonal offer	12	21	6.38627	Accepted
Quality material	12	21	3.70244	Accepted
Safety and security	4	9.49	1.29	Accepted
Less Maintenance cost	12	21	11.23647	Accepted
Consumption of power	16	26.30	22.1461	Accepted

Table4: ANOVA Result Relationship between socio Economic factors and customer satisfaction towards LG Home Appliances

FACTORS	SOURCES OF VARIATION	SUM OF SQUARE	DEGRESS OF FREEDOM	MEAN SQUARE	F-RATIO	F-TABLE	HYPOTHESIS
Educational Qualification	Between Groups	1.126	3	.375	1.352	2.6099	Accepted
	With in Groups	54.429	196	.278			
Annual family income	Between Groups	.528	3	.176	.627	2.6099	Accepted
	With in Groups	55.027	196	.281			
Family Members	Between Groups	.783	2	.391	1.407	2.9937	Accepted
	With in Groups	54.772	197	.278			
Type of family	Between Groups	.251	1	.251	.900	3.8415	Accepted
	With in Groups	.55.304	198	.279			

CONCLUSION

This present study concluded that the customer satisfaction towards LG Home Appliances had a great impact on the products. The LG Home Appliances four products such as the LCD TV, Washing machine, Refrigerator and Air-conditioner had been selected for the for study. The result of the study shows that the maximum of the customer prefer LG Home Appliances for the factors like Reasonable price, Innovative

technology, Exchange offer, Brand image, Best quality, Guarantee and Warrantee etc., Also the consumer given the first rank to the factor “More varieties” from that it could be concluded that the consumers are having high level of satisfaction. This survey given guarantee to the companies about the customer satisfaction and level of expectation.

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