

## MARKETING STRATEGY OF LG REGARDING SALES OF LCD

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### **Abstract**

The aim of the study is to find out Marketing Strategy of LG regarding sales of LCD. To find out the Marketing strategy of LG regarding sales of LCD we have used both Survey and Questionnaire method.

Keywords: Marketing strategy, advertising policies, Quality and position of LG Lcdtv .

### **Introduction**

LG Electronics was established in 1958 and has since led the way into the advanced digital era thanks to the technological expertise acquired by manufacturing many home appliances such as radios and TVs. LG Electronics has unveiled many new products, applied new technologies in the form of mobile devices and digital TVs in the 21st century and continues to reinforce its status as a global company.

- 1960's :Produces Korea's first radios, TVs, refrigerators, washing machines, and air conditioners
- 1995 : Renamed LG Electronics Acquires US-based Zenith
- 1997: World's first CDMA digital mobile handsets supplied to Ameritech and GTE in U.S. Achieves UL certification in U.S. Develops world's first IC set for DTV
- 1998: Develops world's first 60-inch plasma TV
- 1999: Establishes LG Philips LCD, a joint venture with Philips
- 2000: Launches world's first Internet refrigerator Exports synchronous IMT-2000 to Marconi Wireless of Italy Significant exports to Verizon Wireless in U.S.

- 2001: GSM mobile handset Exports to Russia, Italy, and Indonesia Establishes market leadership in Australian CDMA market Launches world's first Internet washing machine, air conditioner, and microwave oven
- 2002: Under LG Holding Company system, separates into LG Electronics and LG Corporation Full-scale export of GPRS color mobile phones to Europe Establishes CDMA handset production line and R&D center in China.
- 2003: Enters Northern European and Middle East GSM handset market Achieves monthly export volume above 2.5 million units (July) Top global CDMA producer
- 2004:EVSB, the next-generation DTV transmission technology, chosen to be the U.S./Canada Industry standard by the US ATSC Commercializes world's first 55" all-in-one LCD TV Commercializes world's first 71" plasma TV Develops world's first Satellite- and Terrestrial-DMB handsets
- 2005: Becomes fourth-largest supplier of the mobile handsets market worldwide Develops world's first 3G UMTS DMB handset, 3G-based DVB-Hand Media FLO DMB Phone with time-shift function and DMB notebook computer Establishes LG-Nortel, a network solution joint venture with Nortel
- 2006 :LG Chocolate, the first model in LG's Black Label series of premium handsets, sells 7.5 million units worldwide Develops the first single-scan 60" HD PDP module and 100-inch LCD TV Establishes strategic partnership with UL Acquires the world's first IPv6 Gold Ready logo
- 2007: Launches the industry's first dual-format, high-definition disc player and drive Launches 120Hz Full HD LCD TV Demonstrated the world-first MIMO 4G-Enabled technologies with 3G LTE Won contract for GSMA's 3G campaign
- 2008: Introduces new global brand identity: "Stylish design and smart technology, in products that fit our consumer's lives." Posted No.1 spot in US frontloading washers in 5 consecutive quarters Unveiled the world's first Bluetooth headset combined mobile phone Unveiled the world's first Blu-ray network storage Developed the world's first LTE mobile modem chip Recorded over 100 million units of LG air conditioners in accumulated sales
- 2009: Became second-largest LCD TV provider worldwide Became third-largest supplier of mobile handsets market worldwide Became Global Partner and Technology Partner of Formula One™

- 2010: Unveiled the world's first and fastest dual-core smartphone, LG OPTIMUS 2X Unveiled the world's first full LED 3D TV Unveiled the new E90 monitor, the company's slimmest LED monitor to date at just 7.2 mm in depth Unveiled the company's first ever Real 3D Sound Home Theater System Unveiled its latest, groundbreaking creations: the BIGIN, a largest-in-class washing machine with LG's proprietary 6 Motion Direct Drive; the iPRO, the largest, most energy efficient refrigerator in its class; the world's first solar Lightwave oven and the world's first KOMPRESSOR™ vacuum cleaner
- 2011: Launched water treatment business providing full-scale planning through total maintenance solutions Introduced CINEMA 3D Smart TV combining industry-leading 3D technology and smart TV capabilities Launches water treatment business providing full-scale planning through total maintenance solutions Introduced CINEMA 3D Smart TV combining industry-leading 3D technology and smart TV capabilities Unveiled the world's first smart appliances delivering the consumer benefits of smart savings and smart convenience Increased investment in air conditioning solutions delivering a full line-up for residential through large industries.

### **LG Marketing Strategy**

#### **Marketing mission of the LG**

- To provide world class State-of-art technology services on demand at affordable price.
- To provide world class infrastructure to develop country's economy.

#### **Marketing vision of LG is**

- To become the largest Service Provider in Southeast Asia.
- In dynamic environment anything permanent is "CHANGE". So we must revise and review so that focus is never lost.

### **Objectives**

- To understand the marketing and advertising strategies of LG Electronics India (Pvt.) Ltd
- To analyze their strategies and its effect on the corporate profile of the company.

- To compare the strategies of LG Electronics India (Pvt.) Ltd with its competitors and to analyze its strengths.
- To realize the role being played by advertising and promotion on the sales volume of the company.
- To understand the future trends in advertising and marketing in LG especially electronic segment.

### **Research Methodology**

Research is a way of finding new ways of looking at familiar things in order to explore ways of changing it. Research as a process involves defining and redefining problems, hypothesis, formulation organizing and evaluating data deriving, deductions, inference and conclusions, after careful testing. Research methodology is a way to mathematically solve the research problem. It may be understood as a science of studying how research is done scientifically.

### **Research Design**

A research design provides the framework to be used as a guide in collecting and analyzing data. we have opted for descriptive research.

### **Descriptive Research**

A descriptive research is generally based on the secondary data that are readily available. It does not have a formal and rigid design as the researcher may have to change her focus or direction, depending on the availability of new ideas and relationships among variables. Sometimes, such studies may be based on the detailed case analysis of a few firms or individuals.

### **Source of Data Collection**

The data for this study has been collected through both the primary and secondary sources:

#### **Primary sources**

A close ended questionnaire having the option for suggestions in the end has been used for primary data collection. Moreover, while getting the questionnaire filled up; related questions were asked from the respondents.

### **Secondary data**

As a secondary data source - Books, Websites, booklets of the company have been used to collect the data

### **Sampling:**

### **Population:**

Sonitpur District , Dhekiajuli , Tezpur

### **Sample size**

100 Respondents were asked to fill the questionnaire.

### **Method of Sampling**

In the survey, the method of sampling used is “Convenience Sampling”

### **Convenience Sampling**

As the name implies, the selection of the sample is left to the researcher who is to select the sample. The researcher normally interviews persons in groups at some retail outlet, supermarket or may stand at a prominent point and interview the persons who happen to be there. This type of sampling is also called “accidental sampling” as the respondents in the sample are included merely because of their presence on the spot. The data collection and sample cost is minimum in this case. However, the method suffers greatly from quality, i.e. Accuracy point of view which can in no way be determined. However, this type of sampling is more suitable in “exploratory research” where focus is on getting new ideas/insights into a given problem.

### **Data Analysis & Interpretation**

**Table.1:** Background of customer

<b>Background of customer</b>	<b>No. of the Respondent</b>
<b>Working people in Govt sector</b>	55%
<b>Working people in Pvt. Sector</b>	27%
<b>Businessman</b>	8%
<b>Non-working people</b>	10%

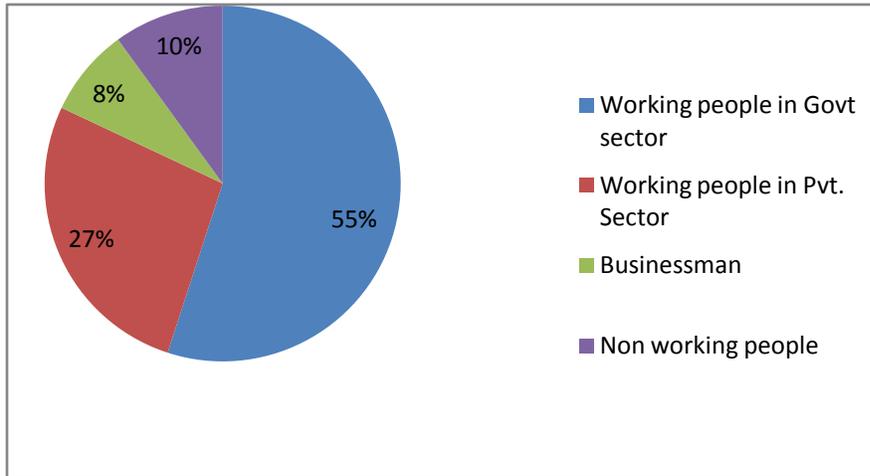


Figure1: Background of customer

**INTERPRETATION:**

This graph indicated that 55% of the respondent belongs from working people in Govt sector, 27% of the respondent belongs from working people in Pvt. Sector & the remaining 10% are the businessman and 8% non-working people.

**Table 2** Respondent using cell phone and landlines

Option	No. of Respondent
LG Product	70%
Other product	30%

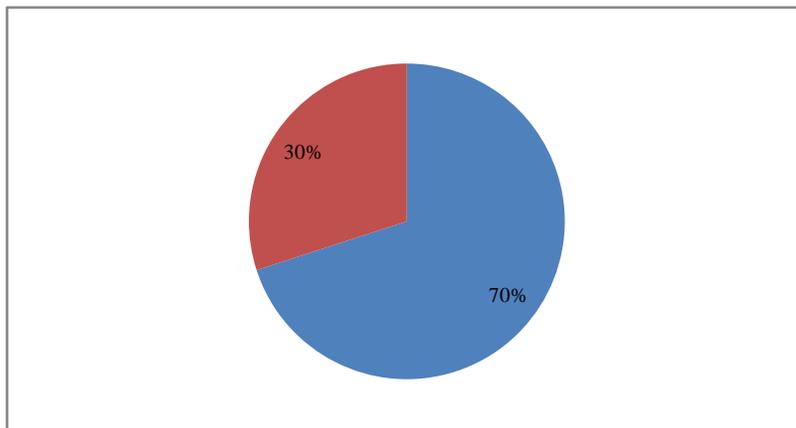


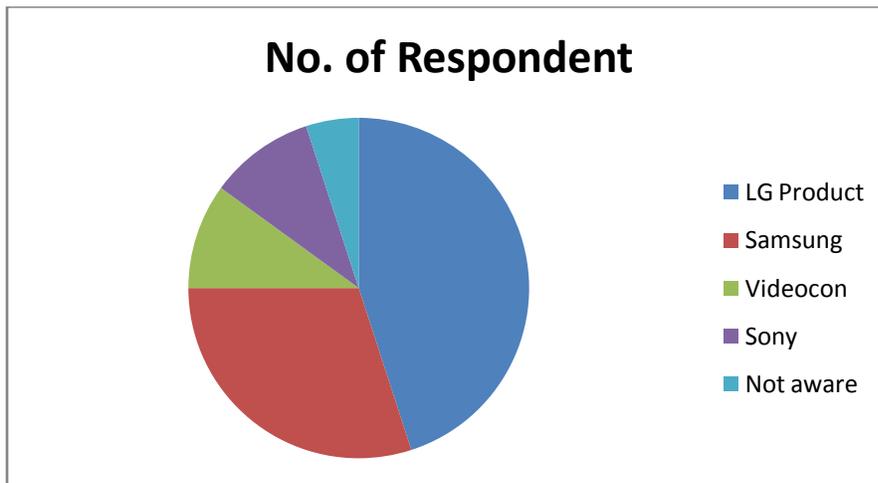
Figure2: Respondent using cell phone and landlines

**INTERPRETATION:**

The graph indicated that 70% Respondent using LG Product and 30% are using other product

**Table3** Respondent’s awareness about other LG Products

Option	No. of Respondent
LG Product	45%
Samsung	30%
Videocon	10%
Sony	10%
Not aware	5%



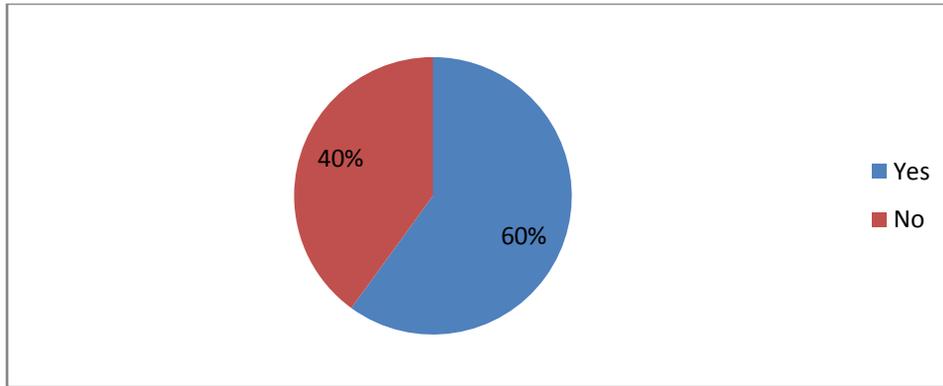
**Figure3:** Respondent’s awareness about other LG Products

**INTERPRETATION:** The graph indicated that 45% Respondent are used of LG Product companies and 30% Samsung and 10% Videocon, 10% sony and 5% not aware of any company of LG Product

**Table.4:** Respondent awareness about the services of LG

Option	No.of Respondent
Yes	60%
No	40%

Graph No-4



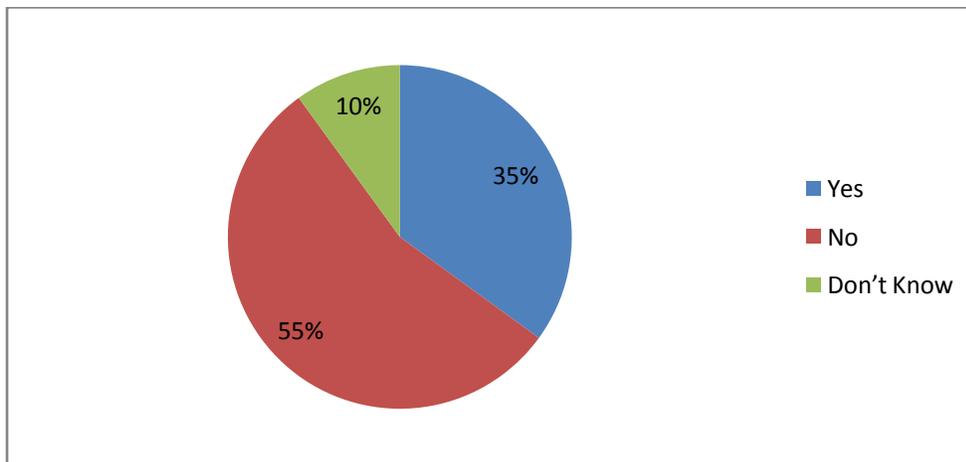
**INTERPRETATION:**

The graph indicated that 60% people are aware about the services of LG where as the remaining 40% are not aware of it.

**Table.5:** Marketing strategies opted by LG are better than the strategies opted by others

Option	No. of Respondent
Yes	35%
No	55%
Don't know	10%

Graph No-5



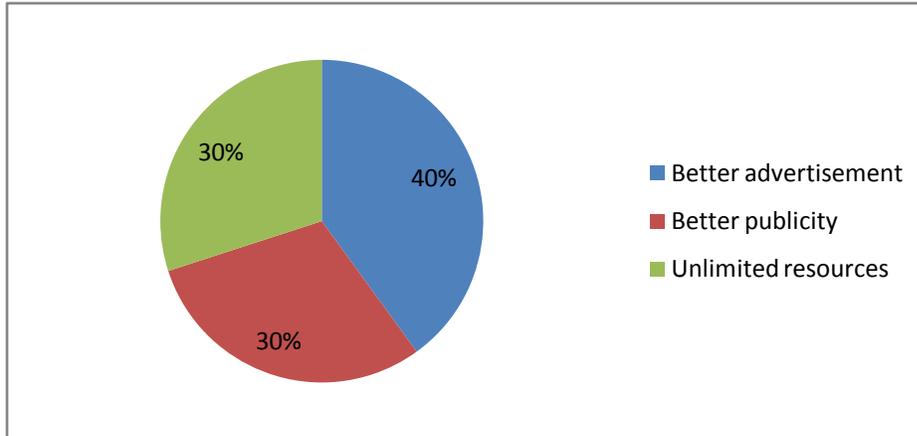
**INTERPRETATION:**

The graph indicated that out of 100% people 35% people said marketing strategies opted by LG are better than the strategies opted by others and 55% no and 10% said don't know.

**Table.6** According to Respondent strategies opted by LG are better than other companies because of

Option	No. of Respondent
Better advertisement	40%
Better publicity	30%
Unlimited resources	30%

Graph No-6



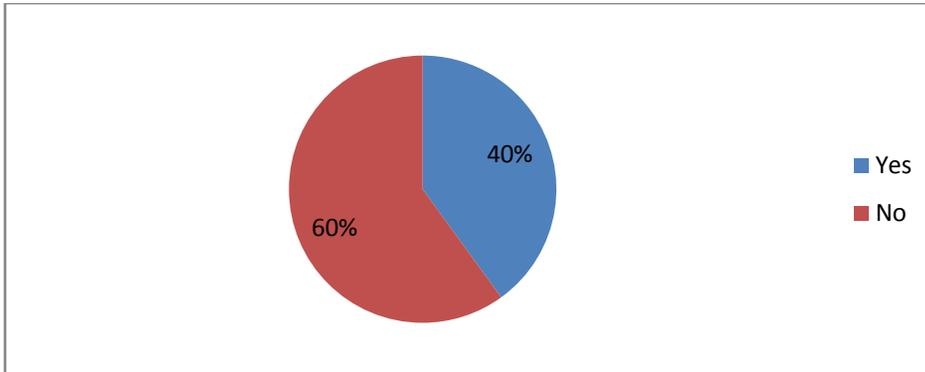
**INTERPRETATION:**

The graph indicated that Out of 100% Respondents 40% are said advertisement is better strategies LG better than other strategies, 30% are unlimited resources (newspaper, magazine) 30% are better publicity.

**Table7** Respondent’s awareness about all products of LG

Option	No.of Respondent
Yes	40%
No	60%

Graph No-7

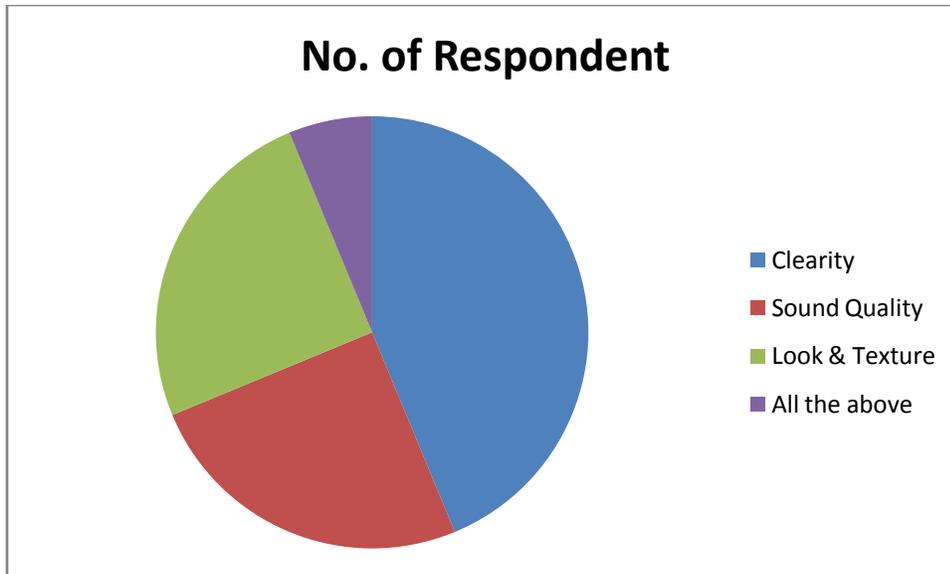


**INTERPRETATION:**

The graph indicated that 40% people are aware about the product of LG where as the remaining 60% are not aware of it.

**Table.8** Services prefer by the customer most

Option	No. of Respondent
Clarity	35%
Sound Quality	20%
Look & Texture	20%
All the above	5%



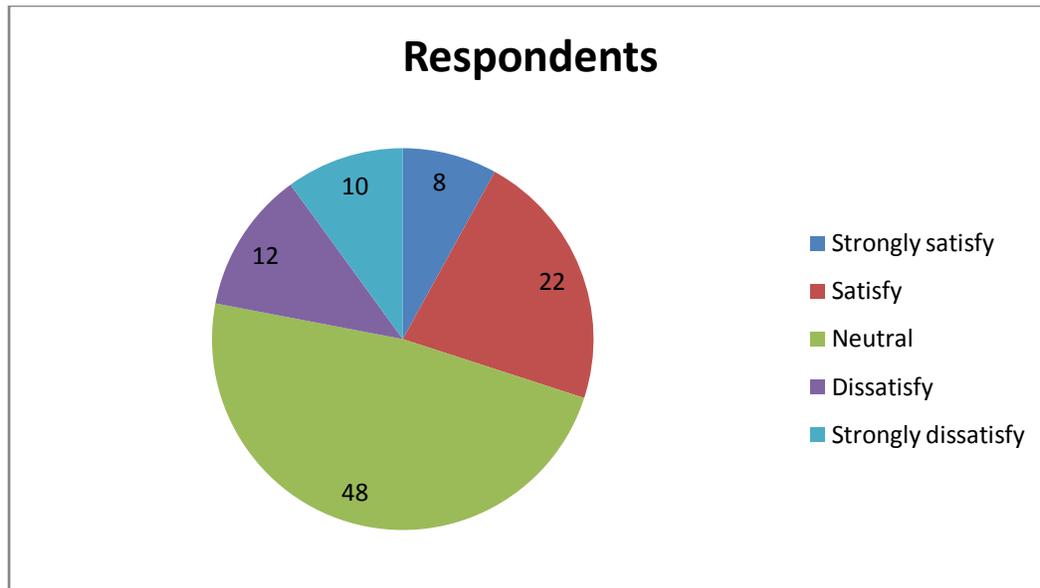
**INTERPRETATION:**

The graph indicated that out of 100% people 35% people are like the LG Product because of its Quality 20% people of its Sound Quality 20% like look and texture and 5% are known for its better performance

**Table.9:** Satisfaction with the LG Product

Options	Respondents
Strongly satisfy	8%
Satisfy	22%
Neutral	48%
Dissatisfy	12%
Strongly dissatisfy	10%
Total	100

Graph No-9



**INTERPRETATION:** Out of 100% people 8% are strongly satisfy, 22% are satisfy, 48 % are neutral,12 % are dissatisfy and 10% are strongly dissatisfy with LG product . Most of the people answer is neutral.

### **Findings**

1. There are so many companies so competition in very high.
2. Most of the Respondents are working in the Govt sector they are using LG services.
3. Most of the Respondents have LG Products and its totally satisfy
4. Most of the Respondents are aware other companies apart of LG.
5. 60% Respondents are aware about the LG products/ services.
6. 35% Respondent of think marketing strategies of the LG is better than the other.
7. Most of the Respondents said advertisement is better strategies LG better than other.
8. Most of the Respondent are using LG services/product because their cost is not so high as comparison to other companies

### **Conclusions & Recommendations**

The Indian Consumer Electronics & Home Appliances Industry is traditionally dominated by the inferior quality and sub-standard products. People go for price while buying home appliances. They seem unaware of the features needed in a standard white good. Earlier mostly the white

goods are manufactured to cater the present defined demand are need. The whole scenario got changed in the post liberalization era with the entry of multinationals like Samsung, LG, and Sony etc. LG is among the great chaebols (confederation of small industries) from Korea. It has started its operation in India in May 1997 by opening a 100 % fully owned subsidiary. LG is a company positioned as manufacturer of innovative and world-class products. Its growth strategy is based on sales and distribution network. It has penetrated in 1800 town with population of 1 lakh and above. They are planning to expand their dealer network to over 3000 dealers by the end of 2002. They are planning to penetrate towns with 50,000 populations and above. It means 7,000 more towns in its network. They have maintained a fast pace of growth since their entrance in the Indian market. It has products in the categories of CTV, Washing Machines, Refrigerators, Air conditioners and Microwave Ovens. It has established a strong brand name standing apart in the consumer's mind. In the beginning of 1999 a survey by Taylor Nelson depicted LG's brand awareness at around 49 %, the Gall-up Survey conducted during Cricket World Cup 2002 demonstrated LG's brand recognition at 85 %. It has invested 100mn US \$ in the manufacturing facility and is planning to invest US \$ 289 mn over the next 3 years and is also planning to export product worth 100 mn US \$. LG believes in honest pricing and not being gimmicks of discounts and price reduction as lure. Their strength of marketing is consumer pool, good products and pricing power.

- Its product designs are centred on the middle & upper class and the ads screened highlight the product features.
- Its employees are totally committed to quality and innovation. They chant "TPI 50 and TDR", which signifies, total productivity innovation and tear down re-engineering. Through this method the company is bringing down its costs & developed new products.
- LG's corporate image is that of being the Digital leader of the new millennium.

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