



MARKETING STRATEGIES OF LG ELECTRONICS
INDIA PVT LTD

A Summer Internship Project for
BACHELORS OF BUSINESS ADMINISTRATION
Under the Guidance of Mrs. ALKA AGNIHOTRI

MENTORSHIP-

Mrs. Alka Agnihotri

SOB, GU

BY –

Piyush Kumar Jadon

(18GSOB1010231)

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Summer Project Report Examination Committee for evaluation of Summer Project Report

Name

Signature

1. Faculty Mentor

Mrs. Alka Agnihotri

2. Industry Mentor

Mr Mugdh Raji

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Faculty Mentor- Mrs. Alka Agnihotri
Designation- PROFESSOR
SoB, GU

Industry Mentor- Mr. Mugdh Raji
Designation- AGM
Organization-

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Signature (Student)

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OBJECTIVES OF PROJECT

- 1) To understand the marketing and advertising strategies of LG Electronics India (Pvt.) Ltd
- 2) To analyze their strategies and its effect on the corporate profile of the company.
- 3) To compare the strategies of LG Electronics India (Pvt.) Ltd with its competitors and to analyze its strengths.
- 4) To realize the role being played by advertising and promotion on the sales volume of the company.
- 5) To understand the future trends in advertising and marketing in LG especially electronic segment.
- 6) To Analyse the Advertising and Marketing strategies of competitors.

CONSUMER DURABLE INDUSTRY

(INTRODUCTION)

The past year can be characterized by the stiff competition for the mind space of the Indian consumer. Most of the multinational companies launched their latest products in the Indian market and the Indian companies were not found very far behind on this front. Past year also saw deals that were structured keeping in mind the changing buyer profile. Industry's perception of the Indian consumer durable market in terms of volume and product attributes has refined over a period of time. It is not necessary that the products that have been a great success outside the country will continue to perform well on Indian soil. Indian consumer looks for value for money in these products apart from some peculiar product attributes.

Decline in the economic growth of the country had a negative impact on almost all of the industries. Consumer durable was not an exception to this. But in FY02 the industry showed better performance, as per CII's latest ASCON Consumer durables Industry Survey for the period April-June 2002 over April-June 2001 has indicated an excellent production growth in the consumer durables sector. The production growth, according to the survey, has followed an increase in steady demand in the domestic and export markets..

Some of the characteristics of the Indian consumer durable market are listed below:

- ◆ Since the prices of most of products are in multiples of an average person's monthly salary, there is a hierarchy of purchase, with the market being price sensitive. Correspondingly, any change in government policy regarding levies, import duties and such, can cause considerable shifts in demand along different segments; these policies also affect the total domestic demand.

While brand loyalty is an important consideration for consumers, purchases are greatly influenced by dealers, making a widespread dealer network, a critical factor for success. Hence a wide range of products covering all or almost all segments, would provide a manufacturer with economies of scale in distribution as well as enable him to provide strong after sales service support.

- ◆ Players to attract the consumer incur heavy promotional expenditures. With the entry of many MNCs in the industry offering a large number of brands and range of models jostling for shelf space, wholesale and dealer margins have become important in order to retain dealer interest in pushing the product. Some companies have been offering dealers expensive gifts and even travel abroad.
- ◆ Given the fact that the basic designing of products has plateaued, in order to retain consumer interest, companies are left with the option of introducing newer features and better technology, which enhance visual appeal, performance and convenience. Demand has become technology driven.
- ◆ In spite of owning strong brands and well-developed dealer networks, Indian companies have been forced to revamp strategies in the face of the aggressive marketing launched by the MNCs which possess the financial clout to operate on the thinnest of margins. An outcome of those Indian companies such as BPL and Videocon are diversifying into areas such as power and telecom.
- ◆ Large volumes and small margins characterize the industry. Thus cash flows are very important. A typical feature of the industry is the occurrence of high levels of receivables and loans. In a high interest rate scenario, companies face a liquidity crunch and along with a slump in demand, face a build up of inventories.

LG – Origin & Growth of the Company

The US \$ 73 billion LG group is one of the world's top conglomerates today, having established its supremacy in diverse field ranging from electronics, chemicals, etc., to trade and services. The LG group was born as 'Lucky Chemicals' in 1947, a pioneer in the fledging chemical industry. With a pioneering spirit, Founder Chairman In-Hwio Koo planted the seed of industry in a barren land. The seed grew into a dream factory for hope. During the 1950's amidst the ruins of the Korean War, the 'Lucky' brand emerged as the representative brand of Korea, often dreams and joy to the impoverished Korean economy.

LG was the first Korean Company to make cosmetics and to enter the synthetic resins industry. LG established 'Goldstar' in 1958, opening the door to the electronics industry in Korea. Goldstar was the Korean manufacturer to produce radios. It also produced the first electric fan and B/W television. In 1960's with the launch of a national economic development plan LG emerged as the leader of Korean industrial growth.

In the beginning of the 1970's after passing of the founder/chairman In-Hwio Koo, Cha Kyung Koo took over as Chairman. Under his able leadership, in a decade LG established more than 20 sister companies & school, increased its sales by 36 times, its export by 90 times and confirmed its place as Korea's leading business group. In particular it opened an R& D center, the first Korean Company to do so, which served as backbone for strengthening LG's international competitiveness.



By mid-eighties, LG grew into a leading comprehensive chemical company. It expanded its electric and electronics business, advanced into the information and communication sector, expanded its resources and materials business, promoted the growth of the industrial electronics and component electronics industries strengthen its finance, construction, distribution and service business and expanded its none profit business and sports sponsorship; all of which contributed to enhancing the image of LG group.

LG's period of first change came and the late 1980's innovation became the key word in every aspect of management and LG began to change to a quality – oriented management, and opted a new management philosophy of '*Creating Value for Customer*', *Management Respecting Human Dignity*'. The corporate name was changed to LG Electronics in 1995 as part of an effort to make the company a major player in world markets.

“Goldstar” brand product sales in 1996 came to US \$ 9 billion, which ranked one of the top electronics industries in the world. LG is known by consumers in more than 171 countries for offering products that deliver ultimate satisfaction.

Along with the new corporate mission, LG electronics has been reborn. The organization remains youthful and vibrant. Building a better future for customers is the top priority and the company is going top gear to make the “better future” a reality. The new corporate name and identity will continue to offer full satisfaction to customers around the world and will come to symbolize “The face of the future”.



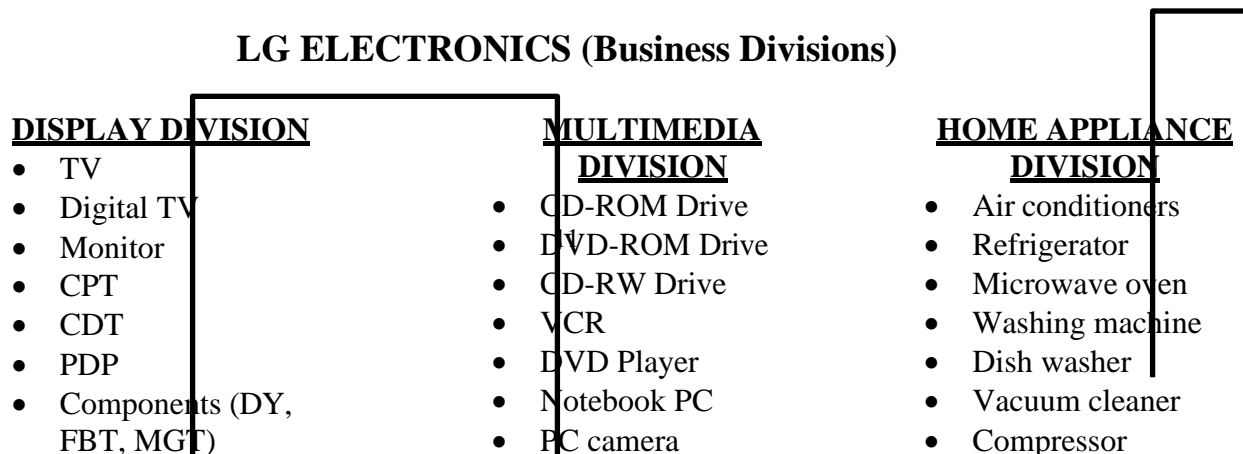
The management philosophy – *“We create value for our customers through management based on esteem for human dignity”*.

The products manufactured internationally cover Multimedia players, Video/Audio products, Home Appliances, Information Systems products, Communication devices, Display products, Magnetic Recording Media and Electric Electronics parts and components. Heavy investments are being made in the next generation and environment friendly products. By the year 2000 at least 8 % of total revenues will be put back into research & development (R&D).

In the succeeding years, LG diversified into electronics, oil-refining, construction, biotechnology, semiconductors, finance and even fashion. LG adopted the new name and corporate identity in 1995 from the company's two foremost brands, Lucky and Goldstar.

Today it has 114 subsidiaries with more than 300 offices and 120,000 members constantly enhancing the LG global family strength. LG envisages bringing the cheery face to every home across the globe.

The LG Electronics, Korea splits its business into three divisions. These are,



LGE Growth Chart

Foundation Period

'50s	1958	Goldstar was established.
	1959	Developed & produced Korea's first radio.
'60s	1960	First Korean company to manufacture electric fans.
	1962	Became Korea's first exporter of consumer electric (radio) to the U.S.
	1965	Developed & Produced Korea's first refrigerator.

Growth Period

	1966	Developed & produced Korea's first Black & White TV.
	1967	Developed & produced Korea's first room Air-conditioners.
	1968	Developed & produced Korea's first washing machine.
'70s	1970	Developed Korea's first multi key-phone system.
	1975	Established Korea's first private R & D Center
	1976	Developed color TV
	1977	Established its Korea's first overseas sales subsidiary in the U.S., Goldstar Electronics International first Korean Company to record US \$ 100 million in exports.

Globalization Period

'80s	1980	Established a sales subsidiary, Goldstar Deutschland in Germany.
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- 1981 Establishes Korea's first production subsidiary, Goldstar America, in the U.S.
- 1984 Established an R & D subsidiary in the U.S.
- 1985 Established local sales & production subsidiaries in Germany, China & Japan.

Innovation Period

- 1987 Established sales subsidiary in the U.K. Floated Euro Convertible bond issue for US \$ 30 million.
- 1988 Established production subsidiaries in the U.K., Thailand, Mexico & the Philippines.
- '90s 1990 Established production joint ventures in Italy, Indonesia & Egypt.
- 1991 Established R & D centers in Germany, the U.S.A & design center in Ireland. Made a capital investment in Zenith Electronics Corporation of the United States & agreed to joint development of HDTV. Floated Euro bond issue for US \$ 70 million.
- 1992 Acquire Goldstar Electric Device.
- 1993 Established a sales subsidiary in Hungary, joint venture in China & Indonesia.
- 1994 Developed the world's first CD-1 digital Video player.
Listed GDR on the Luxembourg Stock exchange in 1994.
Acquire Goldstar Telecommunication Co. to strengthen its multimedia business change its corporate name to LG Electronics Inc.
Listed GDR on the London Stock Exchange on Sep. 19, 1995.
- 1997 Established sales subsidiary in India.



Set a fully-fledged plant at Greater Noida, Uttar Pradesh for its production.

LG Electronics India (Pvt.) Ltd.:

LG Electronics India Ltd. (LGEIL) is wholly owned subsidiary of LG Electronics, South Korea. It was established in January 1997 after clearance from the Foreign Investment Promotion Board (FIPB). The Indian subsidiary has recorded a cumulative turnover of Rs 5000 crore in India in a period of four and a half years, ever since its inception in May 1997.

LG's Motto: "We put people first".

In the past five years, India has attracted a number of multinational companies to invest in the country, offering a plethora of choices to the Indian consumers. Thus, the consumers seek International brands that offer value for money as well as a high standard of service. LGEIL ceaselessly strives to be responsive to consumer needs, desires and habits. Today, LGEIL is regarded as one of the top consumer electronic companies in India (ORG-MARG Survey). LGEIL has 18 company-owned and 40 authorized service centres across the country where the service engineers are available **twenty-four hours throughout the week.**

The company is envisioning a total investment of US \$ 289 million (Rs.1040 crores) over the next 9 years which will give it a major manufacturing presence in India in a range of white and brown goods as well assign a range of electronics component by 2005. Along the way, the company plans to export products worth \$ 100 million in a ten year period starting from the commencement of mass product in India to



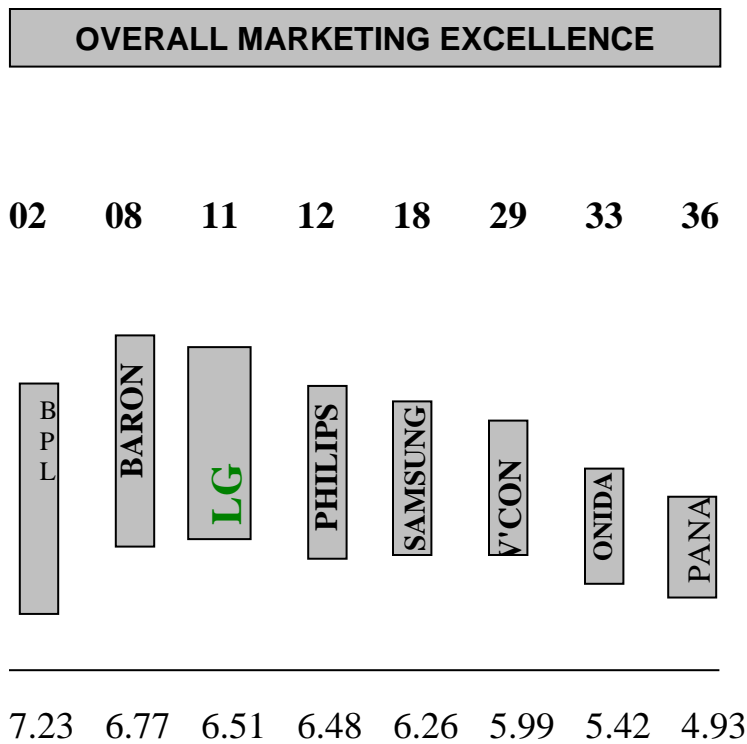
manufacture compressors, fly back transformers, motors and deflection yokes. It also has a plan to invest 25 % of its equity to the Indian public or to an Indian investor after five years of operation.

After setting up of LG Software Center in Bangalore in 1996, LGE also will set up an “In house R & D and HRD Center” in India not only to train the Indian employees, but also to serve foreign employees of LGE in South East Asia and Northern Africa

In a recent survey of "**India's Most Admired Marketing Companies**" carried out by India's most popular Advertising & Marketing Periodical, **A&M**, and one of the largest Market Research Organizations, **ORG - MARG**, **LG Electronics was placed at No. 11 in the category of the Most Admired Durable Companies.**

Amongst the Consumer Durable Companies, LG was placed 4th after BPL (No.2), Godrej (No. 7) and Baron International (No.8). It however had the top most ranking amongst the Multinational Consumer Durable Companies and has been one of the greatest debuts of the year. In the survey, LG has been admired for its impressive products and smart launches.

LG has had an impressive debut. **LG ranks 3rd in Advertising** amongst Consumer Durable Companies after BPL and Philips. **On the parameter of Product Differentiation, LG ranks 2nd** (after BPL) because each of its products are custom tailored designed to meet specific customer requirements / preferences. The intra - industry analysis proves that **Samsung, the Korean contender of LG, has ranked lower than LG in almost all categories / parameters** - advertising, product innovation. Product differentiation, distribution and after-sales service.



Unique Culture Build up:

To become a winner organization, LG believes into have a unique culture.



Courteous

- Code of conduct
- Code of ethics
- Happy calls
- Birthday celebrations
- Behaviour & attitude book



Empowering

- Melt in & work out
- LG Parivar
- Meetings
- Pizza meetings
- Special programs



Boundaryless

- Suggestion scheme
- Fresh board
- Pizza lunch
- Delegation of power with budgets
- Standing meeting

Tools for Building Culture:

- Exit interviews
- Customer satisfaction survey
- Organizational Diagnosis

Competition:

The consumer durables market size is RS. 9,500 crores in 1999. It is divided in to two segment i.e., consumer electronics & white goods industry. The market is too competitive. And above 30 players are serving in the business. Some of them are global leaders like Sony, Samsung etc. And some of them are local leaders like BPL, Godrej etc. LG is the new entrant in the market, and its market share was 2 % in 1997 & it's tremendously rise to 7.5 % (projected) in 1999. Its all because of its technological excellence, high quality products effective advertising & competitive marketing strategies. In the CTV segment BPL and Sony are the main competitor of LG. Just like in the washing machine IFB & Whirlpool, in air conditioners Videocon, in refrigerator Godrej and in microwave ovens Kenstar is the competitor of LG.

Sales Turnover:

LG's Turnover, in Rs.Crores

Market Share:

(Projected)



The market share of various products of the company's are:

Performance in 2001

Category%	Growth(2001)	MarketShare	MarketRanking
CTVs	27%	12%	No.3
FFRef	18%	19%	No.2
(No1in300Ltr)			
DCRef	15%	9%	No5
AirConditioner	18%	26%	No1
Fully-Automatic			
Washingmachines	8%	11%	No1
Semi-Automatic			
Washingmachines	5%	23%	No 1 in 6 kg
andabove			

□ **Overall market share:**

Plant Location & Capacities:

In the first phase of investment, from 1998 to 2001, the company has invested US \$ 100 million (RS. 500 Crores) to establish manufacturing facilities in Greater Noida. The facility has started production since April 1998. LGEIL would achieve market leadership through investments in innovative technology and a strong knowledge base. LGEIL plans to set up a "high-tech " R&D and HRD Centre" in India to constantly enhance the knowledge and skills of the Indian and Overseas employees. The production capacity of its plant is given below:

PRODUCTS	UNITS (PER YEAR)
COLOUR TELEVISIONS	6.5 lakh
SEMI-AUTOMATIC WASHING MACHINES	2,00,000
AIR CONDITIONERS	1,00,000
REFRIGERATORS	EXTERNALLY SOURCED

From its production base in India, the company plans to export products worth \$100 million in a 10 year period starting from the commencement of mass production in India, making India an export base for the region.

Under the first phase of its investment program, the company has so far put in \$ 60 million for setting up facilities to produce seven lakhs colour televisions, four lakhs refrigerators, two lakhs washing machines, one lakh air conditioners and five lakhs microwave ovens per annum. The company is going to invest approximately \$ 15 million in order to set up production facilities for fully automatic washing machines and refrigerators at its plant.

Logo Concept

Identification Of The Symbol Mark

The symbol mark which represents the “Face of the future”, incorporates five concepts and sentiments of the world, future, youth, people and technology.

The circle with the letter “L” and “G” symbolize human being are the most important aspect of business and expresses the resolution to do best to maintain close ties with customers and to ensure their satisfaction. The red color reinforces an image of warmth and familiarity with global customer and highlights LG’s challenge to become a world class company.

LG’s symbol marks the most important element of the corporate identification system. It is a representative symbol of the LG throughout the world. The symbol creates a unified mental image of LG necessary in international communication. It is the “Face of the future”. It incorporates five concept and sentiments.

The World, the Future, Youth, Humanity and Technology

LGE: Becoming the Best Global Company:

Picture of the Future: During his New year’s address in ’97, President Koo announced that LGE’s new vision was to establish its future image as the “Best Global Company” through the realization of the “Leap 2005” vision.

Qualitative

- Build a brand reputation for total satisfaction create more comfortable, convenient home.
- To achieve sales of US \$ 78 billion and a profit rate of 6 % by 2005, the year when the “Leap 2005” vision is finally released.

- To promote its image as a brand renowned for maximum customer satisfaction by providing the most courteous service, the quickest response to customer needs, and products and services of the highest quality.

LEAP 2005 – A Vision For The Future

LG 's millennium vision is to establish it's corporate image as the best global company. In the new era LG intends to compete in the international market with a global mindset and render ultimate satisfaction to the consumers employees and shareholders worldwide.

Vision

- To be the best global company

Philosophy

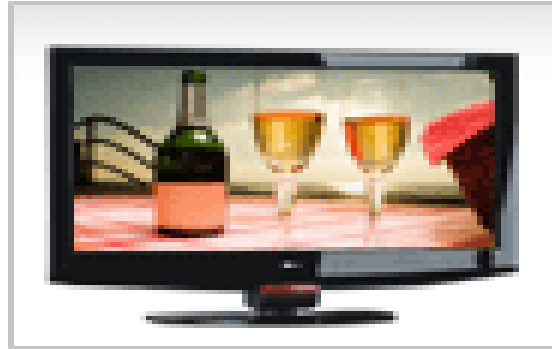
- Compete in the International Market with a Global Mindset
- Maximize value for customers, Employees and Shareholders
- Pursue the best in the class through Management by Principle
- Contribute to society through good “Corporate Citizenship”

LG’s Marketing Strategy:

‘Brands that speaks for itself ’

LG has developed a unique strategy to attract customers to its CTV in order to differentiate itself from its competitors. The company is very clear about their target market and their approach will most certainly get them the response they are looking for.

Unlike other players, the brand name very clearly signifies the kind of customer it is designed for.



LG had introduced a CTV named 'Golden EYE Flatron (CT-29Q10ET)', which offers a great deal of functions at a competitive price. It has all the functions that a professional always on the move would require to execute his all functions with ease.

PRODUCT

LG Electronics has been the leader of the Korean electronics industry for forty years. On the basis of its technological prowess the company making high-end, future-oriented products including such sophisticated electronic home appliances as intelligent air conditioners, washing machines, microwave ovens, refrigerators, VCDs and top-notch display devices as digital TVs and color picture tubes.

Product Mix & Product Line:

LG Electronics product mix constitutes 2 product lines i.e., consumer electronics & home appliances (white goods). In the product line of consumer electronics, LG has two items/products like, CTV & VCD. In the product line of white goods, LG has four products i.e., Refrigerators, Washing Machines, Air Conditioners and Microwave Ovens. All this products are branded products and comes under the classification of specialty goods.

Product Ranges:

LGEIL has introduced its wide range of products to the Indian Consumers and has successfully carved a niche for itself. LGEIL's success story is a result of its investment in cutting-edge technology and its relentless efforts to bring home the smiling face.

In May, 1997 the company launched in Delhi, ten models of color television ranging from 14 inches to 29 inches, eight model of large capacity refrigerator ranging from 320 liter and to 650 liters and three models of washing machine ranging from 5.5 kg to 10 kg and subsequently launched the same in Chandigarh, Lucknow, Jaipur, Mumbai, Pune, Calcutta, Ahmedabad, Indore, Bangalore, Chennai and Hyderabad.

LG Electronics believes it will establish itself as the best consumer Electronics Company in India. Within a short span of twenty-six months, LGEIL has successfully introduced twenty-six models of color television (ranging from 14 - 60 inches), fourteen models of large capacity refrigerators (ranging from 175 - 890 liters), seven models of washing machines (ranging from 5.5 - 10 kilos), nine models of air-conditioners, three models of microwave ovens and two models of VCDs.

These entire products bear the LG brand name, which the company has decided to change from its previous brand “Goldstar” around the world starting from 1997.

Product Policy:

- **Technology Driven: -**

LG electronics has reinforced R & D activities in higher digital technology to get to the global digital market with smart commodities. LG sharpened the competitive edge of its Digital TVs and PDPs, among other up-and-coming products. It is also channeling on its energy and resources into R&D in electronic tubes, optical-storage devices, and air conditioners to roll out “champion products”. LG lavishes over 6 % of total revenues on R&D every year. To deliver better products and performance, the company nurtures capable employees, to obtain revolutionary products, and encourages R&D achievements with diverse incentives.

LG adopted an ambitious strategy, TL 2005, which aims at unique high-tech goals in selected core competencies. LGE’s profit-oriented performance will be backed by energetic R&D activities over the long haul. Bringing in futuristic technologies earlier

than anyone could expect is the way to take the lead. R&D based TL 2005 looks ahead to yet-to-be-invented technologies and sensational products.

- **Features Driven: -**

LG develops and updates of products after knowing the changing needs of the customer. LG develops its products on two bases – either they change the functioning pattern of the product or they substitute or add new features to it. LG Golden Eye is a glaring example of product updation on the basis of feature. After updating the product features LG sub-brand the product on the basis of famous incident or name of the times. LG golden eye was updated at a time when the famous Bond movie Golden Eye was making news.

Branding Strategy:

A brand is a name, term, sign, symbol or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of other sellers and differentiate from those of competitors. LG Electronics has a high level of brand awareness, which provides some advantages to it. They are,

- The company can charge a higher price than its competitors because the brand has higher perceived quality.
- The company can more easily launch brand extensions since the brand name carries high perceived value.
- The brand offers the company some defense against fierce price competition.

LG Electronics brands its products according to the “company trade name combined with individual product names”. For example, LG Sampoorna, LG Golden



Eye, LG P N System, LG Health Air System etc. The sign of the logo is used on every product.

Brand Positioning:

LG Electronics has established a strong brand name standing apart in the consumer mind. Its brand awareness has soared in the recent past and LG was awarded the best marketing MNC title by A & M (Advertising & Marketing) in 1998 and also in 1999. According to a survey carried out by Business World, LG was featured amongst the top 100 most respectable companies in India, and LG is the only consumer durable company to be featured in the list. And LG is the first company to have leapfrogged ahead, from 273rd position last year to 86th position this year, while other consumer durable companies have rather shown signs of slipping in their ranking. What LG have scored high on is ethical conduct, for which its parameters are very well defined, and on quality leadership/personnel, innovation and future prospects. This out come is a major break through for LG.

Brand Strength:

The analysis where LG stands in consumer's mind has thrown up interesting findings. The analysis was done on LG's CTVs, refrigerators & washing machines with leading brands in the categories on four parameters recall level, recommendation inclination, status connotation and product differentiation. According to the analysis the following findings are evolved:

- In CTVs LG ranks alongside Sony as a status symbol. It also leads on willingness to recommend (along with Sony & BPL), and product differentiation. On



spontaneous recall, BPL and Videocon lead. But LG is at the next level along with Sony, Onida & Samsung.

- In refrigerators, Godrej leads by a margin on spontaneous recall. But on willingness to recommend LG is the leader, and so too on status & product differentiation.
- In washing machines LG doesn't lead on any parameter. On spontaneous recall willingness to recommend and status connotation the leader is BPL, while Whirlpool leads on product differentiation.

In reliability (recommendation inclination) LG is quite high despite the higher prices, which means that the consumer think very highly of it. On knowledge (awareness), LG is slightly low. After all, in 1997, LG's turnover of RS. 125 crores was less than the advertising spend of Videocon & BPL. But across the board on esteem and differentiation, LG has scored much higher than the others. According to the analysis LG ranked second in the industry (after BPL) on product differentiation. In fact on the parameter "products are designed to meet consumer needs, LG gets its highest score. In distribution LG ranked as pretty low, but even so, it is higher than Samsung and National Panasonic. On overall ranking LG made a rather high debut at No.11 in the consumer durable' list, a notch higher than Philips. But the debut on the year was Akai, which came in straight at NO.8 on the list of admired durable companies.

Clearly, LG's brand building efforts have had exemplary success. What the company needs to do is capitalize on it.

Product Differentiation:

Since, the competition being rising and there are a lot of players in the market, it is necessary to differentiate the product. By which the consumer's awareness increases. The products offered by LG has unique feature, which is genuine to it. LG differentiates its products in the following way.

Features Differentiation: -

- **Quiet refrigerators with cold logic:** One of the LG products to be launched in the near future is the global standard inverter refrigerator, which is based on the energy optimization theory of Thermodynamic Loss analysis and cutting-edge inverter technology. LG says the fridge has the lowest energy consumption and noise level among all refrigerators. The inverter control system is intelligent: it assesses stored food quantity, frequency of refrigerator door opening and outside temperature change to run the compressor at the required time and speed. This ensures efficient energy usage compared with the existing on-off type refrigerator in which the compressor is turned on/off at set intervals. LG also offers PN system refrigerator, which is genuine to it. This is the feature, which is new in the industry.
- **Low-noise, no tangle washing machines:** LG has launched clutchless turbo drum washing machines in India. The technology for turbo drum machines does away with the motor-driven belt or clutch, which transfers power to the drum or tub. Instead, an inverter motor directly connected to the drum has independent speed control. This feature was genuine to LG.
- **Fresh air-conditioners:** The most popular LG air conditioner range has a Chaos Logic technology, the LG Health Air System Air Conditioner. The air conditioners

vary fan speed, thus simulating natural air currents. They have a deodorizing filter which resolve unpleasant odors and an electrostatic air purification unit that traps and get rid of dust particles and germs that can cause respiratory problems, keeping the air free of dust, smoke and pollution. This is the feature, which is unique to LG.

- **Peephole television:** LG television consists of unique features. For instance the catchline of its Roving Eye colour television is, Watch till World Cup and your front door too. This is the first television linked to a door ringer, which has an in-built view-camera in the front door. When any caller presses the ring at the door, the television gives beep! And the television screen shows the caller's face, even if the door area has low light. Another LG television named as golden eye technology, which automatically adjusts the picture according to the room. These are the features, which are genuine to LG and based on it the company differentiate its products.

Packaging:

Many physical products going to the market have to be packed and labeled. For some product packaging can play a major role. For LG Electronics the packaging plays an important role of safely to the products during the transportation and other selling and distribution activities. The packaging of the company products are done in such a manner that during moving the product it do not damage the product in any way.

In the packaging the material used are, paper board, thermocool & thick poly bags. First the products are covered with thick poly bags so that the product will be prevented from dust & moisture etc. Then the thermocol, which looks after the safety aspects of the product physically. The outer most layer of the packaging is the

paperboard. This is of dual use for the product. Firstly, the paperboard contains the thermocool to its shape and secondly the paperboard contains the logo of the company, the features of the product and after all the use and handling of the product, so that the product does not mishandled.

New Product Development Policy:

The new product policy of the company was based on “Six Sigma”, & “TPI 50 and TDR” programs. Six Sigma programs resulted in better quality, better R & D, more customer satisfaction etc. It applying statistical measures detects any shortcomings in quality & promotes better products. It allows no more that 3.4 defects per million items produced, which can be considered as zero defects. Six Sigma has had double effect of improving both the quality and the cost-effectiveness of the products.

One of the company’s beliefs is to address the local consumer in a local language, and in LG innovation is more a policy. The employee chant “TPI 50 & TDR” which signifies ‘Total Productivity Innovation’ and ‘Tear Down Re-engineering’ respectively. In the latter, the employees are directed to tear down all processes to grassroots and start afresh, using a more logical innovative and less-time consuming approach. The company is bringing down costs for the future, and thorough TDR & TPI 50, it expects to create significant profits to the company.

New Product Launches:

The third largest consumer goods company in the country, LG Electronics India, has just launched eight top-of-the-line home appliances, including two new models of washing machines, refrigerators, air conditioners and microwave ovens. This lot completes LG’s promised launch of 25 new products for the Cricket World Cup ’99 season, with in 16 weeks. Equally important, it also effected technology transfer.

⇒ Inverter Refrigerator:

LG Electronics has developed the LG Inverter refrigerator with the world's lowest energy consumption and noise level based on the energy optimization theory of Thermodynamic Loss Analysis and cutting-edge inverter technology.

The Inverter refrigerator is based on an inverter control system. It assesses stored food quantity, refrigerator door opening frequency and outside temperature change to run the compressor at the required time and speed. This ensures frequency and outside temperature change to run the compressor at the required time and speed. This ensures more efficient energy usage compared to the existing on-off type refrigerator where the compressor is turned on/off at set intervals.

The refrigerator uses less than half the energy compared to refrigerators from the same grade group – the lowest on the market. The noise level is 21dB – quieter than a common recording studio. In other words, extra attention is required to even be aware of the refrigerator noise.

Research & Development:

LG set its R & D department at which is situated at its manufacturing plant. The company's customer oriented performance will be backed by energetic R & D activities. R & D based TL 2005 looks ahead at yet-to-be-invented technologies and sensational products that will deliver outstanding permanence for better life.

After Sales Services & warranty of products:

Products & features

Colour Televisions :-



Golden EYE Flatron (CT-29Q10ET):

LG introduces the Golden EYE Flatron, with the world's flattest colour picture tube. The world's first perfectly flat picture tube eliminates image distortion caused by the curvature of standard TV screens, expanding the effective viewing angle to a 180-degree maximum. Flatron picture tube technology is acclaimed as being one step more advanced than the flat screen TV shadow mask technology, used by most other TV makers. Other benefits such as clearer picture quality and the virtual absence of eye fatigue have also won accolades from consumers.

Features: Golden eye, Flatron CPT, Multi system, 5-band graphic equaliser, child lock, auto volume leveller, picture status memory (5 mode), hyper bank, auto demo, sound status memory (5 modes), surround sound, turbo search, tilt adjustment, scan velocity modulation (SVM), continuous cathode calibration (CCC), dynamic focusing (H/V), digital comb filter, zoom/wide viewing format, Luminance Noise reduction, turbo sound system (DASS : 6 speakers), ACMS +, & colour transient improvement (CTI).

Golden EYE Swing (CF-29H90TM):

The Automatic swing system permits rotation to the left and right by 15 degree, at the touch of a button on the remote. Designed for convenient and comfortable viewing.

Features: Golden eye, automatic swing system, super flat CPT, multi system, sound retrieval system, surround sound, multi-window (9/4/1) PIP, twin super woofer system, 5-band graphic equaliser, child lock, auto volume leveller, picture status memory, comb filter, sound status memory, turbo search, ACMS, De-Gaussing function, tilt adjustment, auto demo, 360W PMPO, S-band, hyper-band.

Golden EYE Plus (21/20D33E)

Features: Golden eye, turbo search, 3-band graphic equaliser, auto volume leveller, multi language OSD menu, convenient AV terminal, surround sound, channel scan, zoom wide (16:9), standard (4:3) viewing format, colour status memory, child lock, blue & black stretch, 200W PMPO, S-band & hyper- band, picture status memory, sound status memory, game mode, extra game remote, balance control, on/off timer.

Roving Eye (C-20F62):

LG introduces Roving Eye Colour Television. The first ever television to have a door ringer with an in-built security camera. Once put up on the door, the camera can be connected to the television. Anytime a caller presses the ringer at the door, the television indicates so through a beep, and a live visual of the caller appears on the screen. This camera is as effective even in zero light condition. Thus it provides you with both pleasurable viewing and a sense of security.

Features: Roving eye, turbo search, auto volume leveller, multi language OSD menu, recall, zoom wide (16:9), standard (4:3) viewing format, system- PAL-B/G with NTSC playback, frequency synthesizer tuning, 100 program memory, ACMS, CATV with Hyper-band, picture status memory, child lock, blue stretch, 70W PMPO, head



phone, hotel mode, program edit (skip & swap), quick view, auto power off, on/off timer, AV-In (front & rear).

HOME CINEMA (PF-43A10):

This is a 43" super screen with a high picture quality projection TV. The projection TV has three major factors-mirror, screen and CRT (three each for red, green, and blue). It adopts the way in which three picture tubes cast an image to the mirror and then the image is projected onto the screen by reflecting against the mirror, so it can be made into a bigger screen than normal one. The projection TV is suitable for large places (conference room, lobby, etc) because more people can watch a giant screen and wide viewing area. Also, it'll help you to enjoy Home Cinema at its best.

Features: 43" super large screen, full multi system, picture quality improvement circuit, CATV with hyper band, multi stereo, 2 tuner PIP, A/V status memory, easy access teletext, convenient AV terminals, auto voltage 100-270V.

WIDEVISION (WF-32A10TM)

Features: 32" super flat wide (16:9) screen format, super woofer speaker, CATV with hyper-band, picture quality improvement circuits, multi system, multi stereo (A2, NICAM), ultra bass booster, convenient AV terminals, guide user interface OSD.

Refrigerators:



PN SYSTEM Refrigerator:

The PN System comprises the F.I.R. lamp, the Moisture controller and the Deodorizer. The three work together to counter factors that cause unpleasant odors, degeneration and staleness of food. Thus, maintaining the natural flavour, freshness and nutritive value of food. That's why PN System refrigerators not only cool, but also keep food fresh and nutritious.... day after day after day.

Features:

- F.I.R. Lamp: Light emitted from a special ceramic lamp strengthens water molecule oscillation at its natural frequency through resonance effect, slowing down protein degeneration by enzymes, keeping freshness and taste for much longer periods.
- Active Carbon Filter: Effectively absorbs unpleasant odors from onions, stale milk, etc.
- Moisture Controller: Maintains the humidity at an ideal level, keeping fruits and vegetables fresh and nutritious longer.
- Environment Friendly: LG has converted its entire 300 lt. frost-free range to CFC free compressors. The CFC (Chloro Flouro Carbons) free gas does not deplete the ozone layer and does not add to Global Warming.

- C.A. (Controlled Atmosphere) Circuit: The atmosphere inside the refrigerator is controlled to maintain natural freshness longer. Palladium (Pd) catalyst and honeycomb carbon filter resolve ethylene gas, which spoils food and deodorizes unpleasant odors.
- Z-Deodorizer: A catalytic filter completely disintegrates and deodorizes unpleasant odors from fish and meat.

PN SYSTEM with Express Cool Refrigerator:

The Express Cool Refrigerator cools much faster than any other refrigerator in its class. Whenever a new item is placed in the refrigerator, the microcomputer controlled airflow system concentrates the cold air to the level at which the new item has been placed. This ensures faster and more efficient cooling of foods.

Features:

- Focussed Cooling System (FCS): When a new item is placed anywhere in the refrigerator, a built-in neuro fuzzy control system detects the item, and chills it instantly by concentrating cool air at it. This innovative 'Focused Cooling System' can concentrate cold air and chill individual shelves. It is the best and most efficient cooling system for refrigerators.
- Super Cooling System: When you want to cool lots of food in a short time (for a party for instance), the super cooling system's Hi-Speed Fan will let out cool air much faster and more powerfully.

WASHING MACHINES:



LG Fabricare System Washing Machines:

LG brings you the Fabricare System. A distinct principle that helps preserve life of the fabric. Whenever clothes are rubbed against hard surfaces like agitators to remove dirt, the fabric wears out. Clothes get tangled and are stretched out of shape. Excess detergent and improper rinsing makes fabric lose its original feel and colour.

The Fabricare system has a washing action that creates powerful water currents and a Water Punch, to give clothes a cleaner, more effective and tangle free wash. And an improved rinse cycle gets rid of every trace of residual detergent. All this ensures that your clothes don't fade weaken or lose shape. The fabricare system is available in a range of washing machines in both Top and Front load models.

The Chaos Technology:

LG brings you the latest technology in washing machines...a result of years of research, innovation, testing and engineering. An innovation that provides unsurpassed washing performance and fabric care. The combination of the unique

Water Punch and the extra Pulsators, ensure that your clothes get a cleaner and more tangle free wash. The Chaos technology gets you optimum performance from your washing machine, by not only giving you the perfect wash, but also an economical one.

Tongdori - Washing Machines

LG introduces an advanced new feature to the existing Chaos Technology. The Turbo Drum. With Features that are unique to LG, it provides a washing performance unmatched by any other washing machine. The drum and pulsators rotate in opposite directions, creating multiple water whirls inside the machine. This ensures that clothes are completely submerged in water and every item in the wash basket is thoroughly cleaned. The Turbo Drum System features an effective soil removal system, and also enlarged pulsators that enable washing of even large loads like blankets and bath towels.

Features:

- **The Turbo Drum:** The Turbo Drum rotates hundreds of times during every wash cycle creating innumerable eddies in the water. Which results in a wash that will remove even the toughest dirt, while also being gentle on your delicate fabrics. Unlike non-movable drums, the Turbo Drum keeps itself clean by rotating continuously. Therefore, with no residual detergent on the drum, your laundry is rinsed completely.
- **Pulsators:** Three pulsators create multiple whirls and rotate 20 % faster than conventional units, which results in a stronger and more efficient washing action.
- **Triple Water Punch:** The Water Punch drives the water to the top of the machine. Thus, it gives you a tangle free and cleaner wash. Your clothes don't stretch and

get damaged. The water reaches all pores of the fabric and it removes the dirt with care.

- **Triple Waterfall System:** The new Triple Waterfall system provides three water inlets that ensure thorough rinsing of residual detergent and improves the collection of lint. Giving your clothes a complete and thorough rinse.
- **Embossed Stainless Steel Tub:** The Stainless Steel tubs are hygienic and rust-free because they have embossed surfaces. In models with plastic tubs, the tub is constructed of sanitized plastic, which prevents growth of mould, mildew and various types of bacteria. So your clothes neither get damaged nor smell bad.

Air Conditioners:



LG Health Air System (AC):

The LG Health Air System, air conditioner has taken the perfect stance – to guard you against heat, dust and pollution. With its unique **Anti-Bacteria Filter**, it drives air borne germs out of the boundary. Its **De-odorizing Filter** does away with unpleasant odors. And the **Anti-Fungus Electrostatic Air Purification Unit** traps dust particles as small as 0.01 microns and even smoke. Its **‘Chaos’ Logic Air Flow System** creates natural air currents, and cools in gentle puffs rather than with blasts of cold air.

Features:

- **Air Purifying Filter:** The filtering system utilizes two filters. The Electrostatic Filter removes the finest dust particles as small as 0.01 microns and even tobacco, smoke and pollen. The De-odorizing filter removes unpleasant odors, especially those caused by airborne fungi.

- **Anti-Fungus Filter:** Prevents the breeding of germs such as bacteria and mould, which are harmful to the human respiratory tract.

- **Electrostatic Filter:** Removes minute dust particles up to 0.01 microns by electric dust collection method.

Split Air Conditioners:

LG introduces Split Air conditioners, which is world's first 'Chaos' logic air conditioners and the most quietest air conditioners.

Features:

- **Natural breeze using 'Chaos' Swing:**
- **Jet Cool:** Jet cool function is for quick cooling.
- **Healthy Dehumidification:**
- **Frost-proof Evaporator pipe:** The outdoor fan motor stops when the indoor coil temperature falls below three degrees Celsius and restarts after the coil temperature rises to above six degrees Celsius after 90 seconds. It prevents damage to the compressor by ensuring that the refrigerant does not freeze.
- **Auto Operation:**
- **Sleep mode auto control**
- **Auto restart function**
- **4-way auto swing:**

PRICING POLICIES

Pricing is the only element in the marketing mix that produces revenue; the other elements produce costs. Price is also one of the most flexible elements of the marketing mix, in that it can be changed quickly, unlike product features and channel commitments. As LG is the new entrant in the market its market share is very low compared to other. But the growth rate like, sales is very high compared to other competitors and industry. The company when started has an objective of product quality leadership, which it still maintains. Above all the pricing plays very crucial role in the marketing mix of the company. As the company offers high quality products, it charges higher price for its products. The company mainly targeted to the upper class people which, means it targeted to the higher end of the market. Although it offer some low priced products like, 14” Colour Television to the lower class customer. But it gives utmost priority gives to the other products like, 21”, 29” etc.

Objectives

LG has been operating in India for the last 28 months. Being the quality as its motto, the company has given the best quality products. The company operates in the market with various objectives. LG’s pricing objectives are like,

- To increase volumes
- To deeply penetrate the market
- To maintain the margins
- Product-quality leadership

The cost structure of LG:

LG costs are classified into two categories – fixed and variable. Fixed costs (also known as overhead) are costs that do not vary with production or sales revenue. Variable costs vary directly with the level of production and sales. These costs tend to be constant for unit produced. They are called variable because their total varies with the number of units produced and sold. LG prices its products in such a way that it can at least cover the total production cost and sales related expenditure at a given level of turnover.

The cost heads of LG are:

- Material Cost
- Cost of Import
- Labour Cost
- Manufacturing cost
- Excise Duty
- Financial Cost
- Margin of the Company
- Variable costs
- Overheads Taxes and duties paid
- Packaging costs
- Cost of distribution
- Advertising & Marketing costs

Brand related expenses:

The important areas in brand costing are the identification of brand costs and treatment for managerial decisions. Mostly costs to a brand are either charged off as market expenses or as sales & distribution expenses. LG does the activity based costing for its brands. LG identify the heads of expenditure in a brand. Brand related expenses are those which create consumer awareness and the purchasing urge in them. Brand related expenses of LG are:

- Personnel Expenses
 - Wages and Salaries
 - Travel related Expenses
- Non-personnel expenses
 - Advertising expenses
 - Product development expenses
 - Distribution channel expenses
 -

Analyzing competitors' costs:

LG benchmark its costs against its competitors' costs to learn whether it is operating at a cost advantage or disadvantage. LG also analyze the price and quality of competitors' offers. LG acquire competitors price lists, and ask channel intermediaries how they perceive the price and quality of each competitors offer. LG after analyzing the competitors prices and offers, use them as an orienting point for its own pricing.

Pricing Policy:

Premium product should have a premium price this policy was adopted and no compromise in pricing was made even despite cutthroat price war. For example, today, LG's models are higher priced than Sony's comparative models in the most popular 21" screen size segment.

Price Comparison : LG Vs Sony			
Company	Model	MOP Rs. (Delhi)	Key Features
LG	21D73	17,000	Mono/Q view/AVL/Turbo search/Child lock
LG	21D33	18,500	Golden EYE/AVST + child lock
Sony	G21PDI	16,100	Mono 2 speaker/zoom/child lock/100 channel
Sony	T21PFI	17,000	AV Stereo/zoom/child lock/100 channel
Sony	J21PFI	19,000	AV stereo/zoom/child lock/100 channel

Pricing Strategies/Methods:

By pricing method or pricing strategy, it normally means the route taken in fixing the price. Evidently the method/strategy must be appropriate for achieving pricing objectives. LG's pricing strategies were based on the combination of two methods i.e., marginal cost pricing and competition oriented pricing.

Marginal cost pricing:

The marginal cost pricing aims at maximizing the contribution towards fixed costs. The marginal cost will include all the direct/indirect variable costs of the product. Costs like, cost of production, administration expenses, various taxes, govt. duties etc., are taken into consideration while pricing. By this, a portion of the fixed costs is also released.

Competition oriented pricing:

The company also followed the competition oriented pricing methods. The methods under this category rest on the principle of competitive parity in the matter of pricing. The company follows the premium pricing policy, which means pricing above the level adopted by competitors.

Thus, under competitive market conditions, the combination of marginal cost pricing & competition based pricing will be useful. Moreover, the company has a number of products/product lines, in which marginal cost pricing will be useful. It give the flexibility for realising the fixed costs through different products/product lines at different rates depending on market conditions, while recovering all the marginal costs directly from the concerned product.

Basis of Pricing:

The basis of pricing of the company based on 3 P's, premium pricing to maintain margins, breath taking pace to create niches and deep penetration to increase volumes.

Location Pricing:

In the geographical pricing the company deciding how to price its products to different customers in different locations & cities. The company charges the transportation costs, ware housing costs, octroi duty etc. in every unit of product in different cities. Which varies from Rs.200 – Rs.1000 according to the location. For example, in Delhi

the 21” colour television which costs around Rs.21,200, but in Calcutta it will cost around Rs.21,900. This difference is due to all the costs incurred during transportation and local taxes.

Promotional Pricing Methods

The company also modifies its basic price to reward the customers by giving discounts to the consumers. Which is called promotional pricing. Some of the company offerings are as follows:

Festival Offer:

Anniversary Offer:

Low Interest Financing scheme:

LG Home Package Offer

Warranty & Services:

PROMOTION

LGEIL's promotional activities are being taken care by the ad agency 'Ammirati Puris Lintas'. All the promotional activities like print ad, TV ad, etc., are done by that agency. LG has been using a high decibel promotion program to maintain its already renowned image and also to counter competition. LG has an effective promotion mix. They carry out advertising sales promotion, publicity as well as PR activities. Advertising is done maximum through press, TV (satellite channels) and Internets. And also advertising are done through newspapers, magazines etc. The objective the company wishes to achieve through promotion is to creating or increasing awareness about corporate name as well as individual product brand name. Through LG has a high brand equity, its main aim is to increase its brand awareness. Because there are global leaders like, Sony, Samsung etc., and also local leaders like BPL, Videocon etc., are already exist in the market so there is a threat in decreasing market share. So, LG does promotion consistently. An another objective of promotion is to disseminating information about products. Because promotion is the only way which create awareness about the product in customer of the target segment.

Sales Promotion includes those sales activities that supplement both personal selling and advertising and co-ordinate them & help to make them effective, such as displays, shows and expositions, demonstrations and other non-recurrent selling efforts not in the ordinary routine. The main objectives for sales promotion of the company are like, to introduce its new products, to overcoming the competitive situation and to persuading dealers to buy more/increase the size of the orders.

LG followed the following tools and techniques of sales promotion.:-

The communication process, Designing of the message, Promotion Budget etc.

Sales Promotional Tools & Techniques:

Sales promotion means “making special efforts to make sales, to bridge the gap between advertising and sales, assisting media advertising and personal selling to clinch the sale.” Sales promotion is useful as a tool of promotion because of its three distinctive characteristics, which are communication, incentive and invitation. LG uses sales promotion tools to create a stronger and quicker response. It uses sales promotion to dramatise services offer and to boost sagging sales.

- **LG's " Born To Win" Contest:**
- **LG Home Package Offer.**
- **Free Holiday Package for Two to Switzerland**
- **LG Anniversary Offers**
- **Loyalty Program**
- **Trade Fair**
- **LG IS Duniya Ke Sitare**
- **LG New Heroes**
- **Catalogues**
- **Demonstrations to Key People**
- **Demonstrations to General Public**
- **Gifts**

DISTRIBUTION

The channel of distribution is also very important for the products like CTVs, Refrigerators, Washing machines etc. Distribution channels facilitate the sales process by being physically to the customers. They make a bridge between the manufacturers to organise a network of his own selling points through out the market and sale the products directly to customer totally avoiding the distribution channel. “The distribution channels are set of interdependent organizations involved in the process of making a product or service available for use or consumption”.

LG has a strong network and distribution channel in India. Thus, LG built a large distribution network as compared to others within a short span of its operation. The network consists of,

- LG sell in 1800 towns
- 40 distributors & 2000 dealers
- One mother warehouse & 26 child warehouses all over India.

Channel of distribution is one the main marketing strategy on which the company depends on. In today’s hectic day-to-day life people don’t have much time and of course they have so many options which they get easily, on the doorstep. So it was a major challenge to LG when it was launched – years ago. But LG faced it and handled it wisely. Now it has a multi-channel distribution system. It sells directly, through institutional selling though distributor and local dealer. The multi-channel distribution

was inevitable because of the proliferation of customer segment and channel possibilities.

The company adopted a distribution channel that the customers don't have to try too hard to get its product. Now the customers can get all the product easily. What more the company also gives 24 hours service to the customers so that the customers should not have any problem due to the product.

Channels of Distribution:

The various channels of distribution used by the company are,

- Company ----- Direct/Institutional Selling -----Customer
- Company ----- Dealer/Distributor ----- Customer
- Company -----Distributor-----Local dealer ----- Customer

The following is the brief about the various channels.

1. Zero level channel:

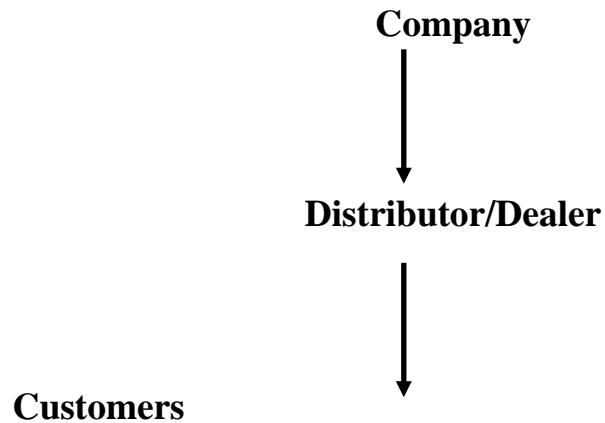
The company sells its products to the customers directly from the company's corporate office. There is a separate direct marketing team, who are look out the customers. At the corporate office various models of products are displayed, because when a customer come they can choose from it. This channel is also known as direct marketing.

LG also caters to the institutional segments like large and medium sized corporate houses. The company also has a ‘Institutional Selling Division’ under the Marketing Division. These people go to the different corporate houses and sell the product there. Through institutional selling the company gives a discount of 5-10 % discount to the customers. This channel helps LG in cutting the costs like merchandising and margins of the intermediaries. This channel minimises the average cost of transportation on per unit of products. This level also helps it in minimising the inventory level. The company sales person takes the orders from the institutions and makes the schedule of deliveries. It has its delivery vans to carry the goods to the customers warehouse or go-down.



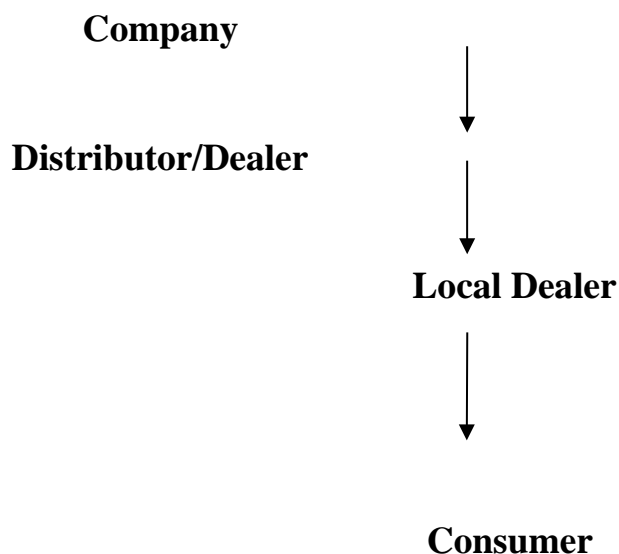
2. **One Level Channel:**

The company also uses the one level channel. This is the most popular channel in distribution. In this channel the distributor or dealer are placed their orders from the company. The distributors have their own show room or franchise. The customers also purchase LG’s products direct from the distributors showroom and franchise. This is most popular channel among the customers. Most of the customers use this channel from the company schemes from which they get financial benefits.



3. Two Level Channel:

This channel contains to selling intermediaries – the distributors and the local dealers. This channel is used to cater the general consumer. This channel provides the maximum reach to the company. This channel also gives maximum business to the company. The companies own delivery vans takes the goods from the company go-down to the distributor’s go-down, from here the goods reaches the retailers in the demanded assortment.



Remuneration of Channel Members:

Since all the players adopt the common channeled dealers are of general in nature so the company has motivated channel members consistently, so that they can push company's products to its customers. The company gives a 5-7 % discount to the dealers/distributors and 8-10 % to the local dealers as their remuneration. Besides all these, for distributors there are three types of schemes like, yearly scheme, half-yearly scheme and quarterly scheme. According to the yearly scheme, one or two distributors are chosen who show better performance in selling through out the year. And there was a foreign travel scheme for them. According, to the half-yearly scheme the channel members get a separate 5 % discount. The company has specific target for the channel members. Who ever achieves this target are given 5 % special discount on the products on the next first order. In the quarterly scheme basis the company gives gifts like, watches, diaries etc., who shows the best performance in selling.

Payment plan for the channel members:

The company has a rewarding payment plan for the channel members. Usually, the company offers 14 days credit time to its channel members, but it now extended it to the 24 days. If the distributor clear his payment within 24 days he can able to get the another 2 % discount.

After the due date for payment, the dealers and distributors do not get the 2% discount which they otherwise gets from the company on the order. After 45 days if the distributors or dealers fails to give the dues to the company then they have to give interest on the default money. After 3 months if the distributors or dealers fails to give the dues, then the company usually files a case in the court against the dealer or the distributor. In addition the dealer or the distributor has to loose the dealership or distributorship of the company.

Criteria for the appointment of a dealer or distributor:

The dealer or the distributor must have the following conditions to be appointed as a authorised dealer.

- Existing consumer durable selling experience.
- Sound financial standing to undertake stocking obligation.
- Local acceptability of the person in particular area.
- Separate sales and service-cum-demonstration staff for its product.

Mode of Appointment:

- Identify the parties who satisfy the above mentioned criteria.
- Fill up the dealer rating chart offer interviewing them.
- Short list the parties interviewed.
- Filling up the dealer application form.
- Authorization letter.

Future Plans of the LG in Distribution:

Currently, LG sells in 1800 towns and cities. It also intends to reach as many as 5000 plus towns. The company has 40 distributors and 2000 dealers, all judiciously picked, and plans to increase that number to 100 distributors and 3000 dealers by the end of this year. The company at present has 16 franchise and intends to increase by 40 franchise by the year-end.

Transportation & Warehousing:

The main objectives of transportation and warehousing are to ‘getting the right goods to the right places at the right time for the least cost.

In LG Electronics the company has a central warehousing facility for the country, which is called mother ware house. The stocks are further distributed to who India through 26 warehouses, which are called child ware house. The mother ware house is situated in Okhla – Phase – II, New Delhi, where as the child warehouses are situated in various states all over India. The LG has a separate department for warehousing which a manager called stores manager manages.

ADVERTISING & PUBLIC RELATIONS

Advertising:

Advertising is any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor. The function of advertising is to create awareness amongst the target audience, to ensure correct comprehension of the message and move the prospects close to conviction, and finally to buying action. Advertising campaigns moves the target audience from the stage of unawareness to the stage of purchase or consumption of products. Advertising helps marketing in market segmentation. Consumer behaviour is the most significant factor in advertising decision making and developing marketing programs. Market segmentation isolates the groups of consumers with similar attitudes about the

purchase and usage of a particular brand or product class. Advertising communication is a triangle comprising of advertiser, audience and media.

Advertising is an integrated element with the rest of the marketing plan. It is a part of the total marketing mix and has a supportive relationship with its various components. The advertising needed to be coordinated with other parts of the marketing program like, personal selling, product planning, brand policy, packaging, price, distribution and merchandising. All marketing decisions taken at the marketing planning stage affect the communication strategy and the advertising program.

The main objectives behind the advertising program are the following:

- Increased brand awareness.
- Improved brand opinion.
- An attitudinal change regarding the company's products and services.
- Motivation of actual purchase.
- Financial gains like increase in profits and sales.

There are two ways by which the target audience can be reached.

- a) Controlled advertising: - In this situation an advertiser tries to reach a desire target segment by avoiding those who are not in the target segments through releasing advertisements in the media most accessible to the identified segment.
- b) Customer self-selection: - The advertiser releases an ad in the mass market. The target audiences get attracted by the advertising communication designed for them. The non-targeted audiences avoid this communication.

Communication Spectrum:

Advertising is a mixer of several communication forces. These forces move through successive levels of communication spectrum, namely awareness, comprehension, conviction and action.

Development and Management of Advertising Program:

Marketing managers at LG always keep in mind the target market and buyer motives while developing an advertising program. They make five major decisions in developing an advertising program, known as the five Ms: - mission, money, message, media and measurement.

Sales goals and advertising objectives are the factors, which are considered under the mission category. Stage in product life cycle, market share and consumer base, competition, advertising frequency and product substitutability are considered under the money category. Message generation, message evaluation and selection, message executions are the factors, which are considered under the market category. Factors like Reach, frequency, impact, media types, media vehicles, media timing and geographical media allocation are considered under the media category. Factors like

communication impact and sales impact are considered under the measurement category.

The types of advertising done by LG from the point of view of advertising objectives are the following:

- Informative advertising – It is done heavily in the pioneering stage of a product category, where the objective is to build primary demand.
- Persuasive advertising – It is done in the competitive stage. LG is doing this to build selective demand for a particular brand. In this process LG compare its products with existing products of the competitors and show advantages of its products over the competitors.
- Reminder advertising – It is done by LG for the products which has gone in the maturity stage of their product life cycle. In this process LG does not persuade the customers but keep reminding them of its matured brands like Golden Eye TV.

Advertising Theme:

The advertisement is built around a core idea or a theme, which runs through the whole copy. The same idea is sustained in the entire campaign consisting of a series of advertisements. The advertisements of LG consists of the following themes:

- Utilitarian theme – The major emphasis is on the usefulness of the product. The Golden Eye TV which shows the utilitarian theme. The punch line of it is, “wrinkle free viewing, without any strain on eyes”.

- Focussed theme – This theme is directed to a specific segment of the market. The campaign for its various products is directed towards the women’s segment.
- New product theme – LG uses these themes while launching a new product. The campaign of world cup cricket was focussed on product benefits to the consumer. These ad campaigns are thoroughly supported with sales promotional campaigns. The ad campaign for world cup uses the sales promotional input.
- Satellite Television:-

Brand Image:

The brand image grows out of brand positioning. These are clusters of intangible attributes attached with the brand. The positioning of Golden Eye brands are that of high quality premium brands. Advertising’s primary job is to give an identity to the brand and make it individualised. Advertising invests a brand with a set of associations, favourable connotations or positive psychological overtones. The brand personality of Golden Eye is premium brand. This type of brand personality has been created due to vigorous product launches done by LG. LG associates its products with sports and promotes them with sponsorship of tournaments like FIFA World Cup for Football, in France and World Cup Cricket, in England.

Brand Equity

It is the intrinsic value or worth of the brand in terms of the kind of money a consumer is willing to pay for it in preference to its competitors. LG measures its brand equity both in quantitative and qualitative terms. In the quantitative term it is measured on the parameters like sales, profit earnings, past performance and potential growth. In

qualitative term it is measured on the parameters like leadership, stability, international image, support and protection.

Ad Agency

LG's advertising accounts are handled by Ammaratis Puris Lintas, in India. Ammaratis Puris Lintas handles has innovative techniques for creating advertisement, which can easily communicate with the target audience. It has techniques like Lintas Pulse. Which transforms consumer information into consumer insight; Lintas Mediography which helps in understanding how specific media fit into the communication process with the target audience; Lintas Pictography, which helps in identifying the target audience; Lintas Selling Strategy, helps in transforming consumer insight into effective advertising and it focussed on generating ideas of commercial values for the client. It bridges the gap between the clients marketing strategy and creative development; Lintas Adworks, it measures the effectiveness of advertising and evaluate the investment return.

Types of Advertising done by LG:

Product Advertising: The main objective of LG is to create a clear cut brand image and positioning the products according to its image. LG does three types of product advertising.

- **Pioneer advertising:** - It is done to stimulate the primary demand of the product category rather than a specific brand. Here the product category is first introduced. It is executive in intent. It appeals to consumer emotions as well as to his rational motives. This type of advertising is done in the introductory stage of product life cycle.
- **Competitive advertising:** - It stimulates the selective demand of a specific brand. It is done for the products which have reached the growth or maturity stage of product life cycle.
- **Retentive advertising:** - It reminds the buyer of the product to sustain his brand loyalty. It is a soft-sell approach where the buyer is judged to continue the usage of the product.

Corporate Advertising: LG presents its own story to build up an image of itself in the public mind. It shows the social contributions made by the LG. It emphasis its socially oriented policies and lay stress on the mission of the organisation and its philosophy. The ad copy is directed towards a potential market or interest group like employees, shareholders, government etc. This type of advertising tries to promote friendliness among the public.

Advertising Planning:

In this process LG evaluates the current states of brands, their growth and progress in keeping with the brand objectives for the period under review. Marketing research results are used in this stage. This process leads to the creation of advertising strategy, which help in achieving the target for the brands. The creative, the media departments and the agency level work separately during this period. During this process a media plan for the current year is examined for its strengths and weakness. The changes like new satellite channels, tariff division and new media options are scanned and considered at this stage. The client servicing people the creative and media people keep constant touch each other during this stage. The media strategy and the creative strategy are submitted to LG by the agency during this period.

Advertising Strategy:

Strategy is a link between advertising objectives and advertising plans. LG takes care of following marketing considerations, during formulation of advertising strategy.

By using correct positioning stance and appropriate media vehicles strong concepts and USPs were developed – today Golden Eye is generic to LG's CTVs, Chaos Punch to Washing Machines & PN system to refrigerators.

All ads for LG products released during the World Cup were planned keeping in mind that they were to be addressed to the lady of the house who primary concern, amidst the cricket fever, was the well being of her family. With this thought, a press campaign was developed continuing to highlight product benefits to the consumer, as was the past trend. However, this time it was in the woman's language. LG developed a series of 5 ads and a total of 22 TV commercials that were released during world cup.

Media Selection: -

It involves finding the most cost-effective media to deliver the desired number of exposures to the target audience. Before selecting a media the company evaluates the reach, frequency and impact which the media is going to provide. It also considers the target audience media habits the type of product, the message of the advertisement and cost of media while selecting a particular media.

Media Plan: -

LG while making the media plan does the following activities.

- It collects information about the people to be reached through advertising. This information consists of psychographic and demographic profile of the target audience.
- It decides upon the nature of the message to be conveyed to the target market.
- The company then search for an ideal match of the audience characteristics of media with the target market profile. It also checks for the adaptability of the message with the media.
- The company then ponder upon the reach or coverage which the selected media can provide. Reach is expressed in terms of the number of households reached by a given medium over a period of time.

Media Strategy:

LG's media strategy is to communicate with the target audience effectively at a lowest possible cost while developing the media strategy. The company evaluates the following factors.

- Media Mix
- Geographical allocation
- Media scheduling

Advertising budget:

LG does the budgeting of its advertising on the basis of %age of sales method. LG considers promotion cost, price of the product and profit per unit while fixing the budget for promotion. LG advertising budget was 5 % of the net sales in 1998 and in 1999 the advertising budget was 7 % of the total sales, as its expenditure is Rs.51 crore.

Measuring Ad Effectiveness: -

The ultimate criterion of ad effectiveness is increased sales. Favourable consumer responses are employed as measurement of ad effectiveness. The effectiveness of an ad is evaluated on the basis of message of the ad, the media that carries the ad and the media scheduling. Ad effectiveness also depends on the ad budget.

LG measures the effectiveness of an ad before as well as after the commencement of the ad. It does the pre-testing as well as the post testing of its ads. In the pre-testing it evaluates media, message, market, budgeting and scheduling. In the post-testing it evaluates media, message, market and the change in brand awareness level and increase in sales and profitability.

SALES PROMOTIONAL CAMPAIGN

LG THE OFFICIAL SPONSORSHIP OF THE WORLD CUP

LG Electronics



LG electronics India Pvt. Ltd. (LGEIL) was established in May 1997. Within a short span, LGEIL has been able to establish itself as a strong brand in the Indian consumer durable market with a brand recall of 90 %. Today it has 18 branch offices, 2600 dealers and over 700 employees throughout India. LGEIL's manufacturing base at Greater Noida near Delhi has facilities to manufacture Colour Televisions, Air Conditioners, Washing Machines and Microwave Ovens. All this and LG's unwavering commitment to customer satisfaction, has made it evident that the Global Leader, who has put a smile on the faces of people in 171 countries, has an Indian heart.

World Cup. The once - in - four years cricket Carnival

Cricket is one of the most elegant games known to man. It is a game that found favour with the elite in the Indian subcontinent to start with and then slowly percolated downwards to the masses. The first Cricket World Cup was organized in 1975 in England and has been held every four years, since then. However, the love story of the Indian masses with one-day cricket began on that historic day, in 1983, when the Indian team, under the leadership of Kapil Dev, beat the West Indies, to lift the Prudential World Cup. India has dreamt of a repeat of that Victory and treated every World Cup ever since with reverence. It has now reached a level of being the single passion that binds the entire nation.

ADVERTISING STRATEGY:

Championing the cause of a cricket crazy nation

All ads for LG products released during the World Cup were planned keeping in mind that they were to be addressed to the lady of the house whose primary concern, amidst the cricket fever, was the well being of her family. With this thought, a press

campaign was developed continuing to highlight product benefits to the consumer, as was the past trend. However, this time it was in the woman's language. LG developed a series of 5 ads and a total of 22 TV commercials that were released during the World Cup.

LG 'All the Best' song. On a winning note.

"ALL THE BEST" SONG

Dekho manzil tumhari
Rang odhe sunehri
Saamne hai tumhare
Aaj tumko pukare
All the best, All the best
LG ki dua, All the best
Rukh Samay ka badal ke
Leaao tum phir se
Pal sunehre vo apne
Kar do poore vo sapne
All the best, All the best
LG ki dua, All the best

Even more excitement as World Cup Edition products are launched

During the World Cup, 3 world class LG products with unique and innovative features were launched as Special World Cup Editions: The Roving Eye Colour Television with an in-built view camera, Golden EYE Supreme Colour Television with an in-built cricket game, and the Multi-language On Screen Display Televisions.

Public Relations

Public relations involve a variety of programs designed to promote and protect a company's image or its individual products.

PR functions of the company

- Maintaining press relations, organising exhibitions and fairs and bringing out company literature.
- Managing corporate crisis.
- Nursing to all kinds of feedback
- Analysing the underlying motives of customers.
- Taking care of propaganda and lobbying against the company.
- Management of change.
- Taking the view of opinion leaders experts and Lintas provides PR consultancy to LG.
- Creating goodwill and corporate image for the company.

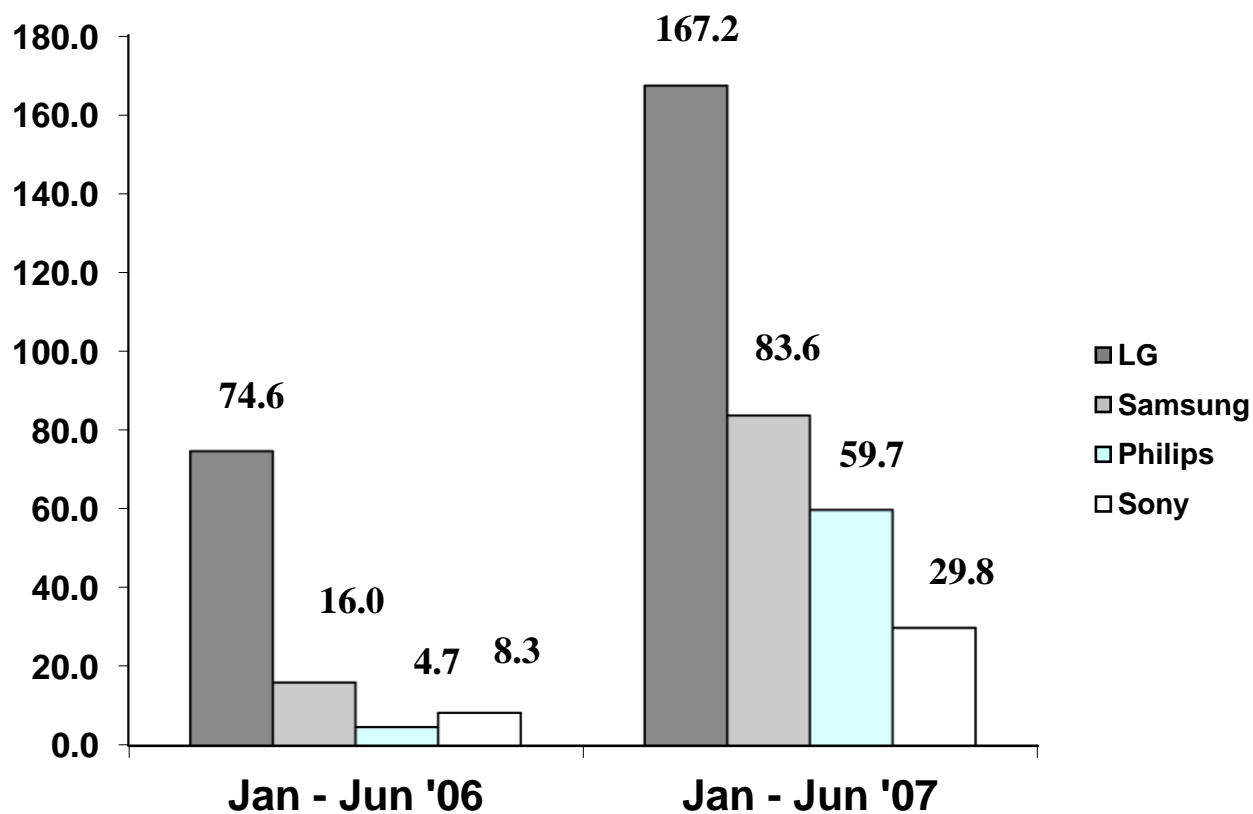
In-house PR:

- Target public (employees)
- Tools used: - In-house journal, inter-departmental meeting, interactive session between board of directors and the employee representative, suggestion scheme to build a two way suggestion scheme to build a two way communication process.

Cumulative Cost Benefit Analysis of PR Coverage in Print Media

Period : Jan - Jun '07

(All amounts in Lakh Rs.)



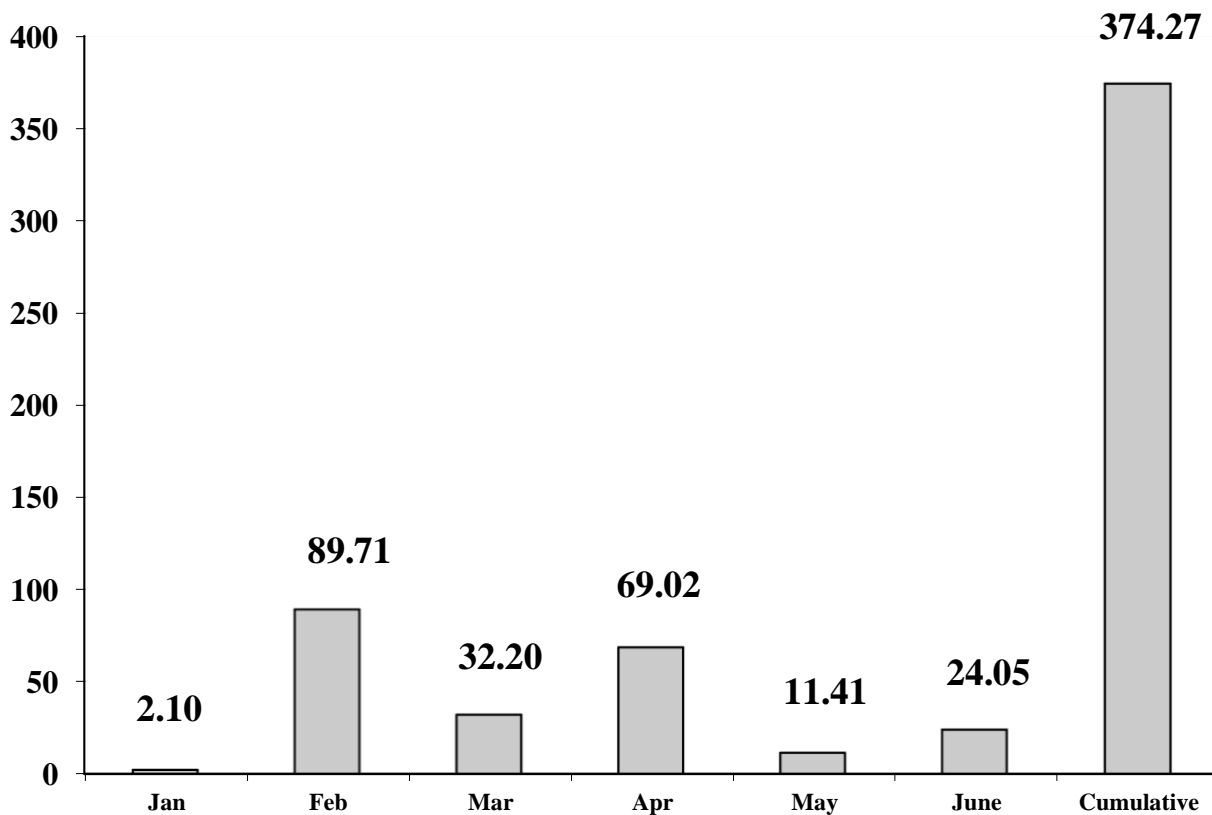
LG is the No.1 PR Company in India

Electronic Media Coverage of LG*

Period : Jan - Jun '07

(All amounts in Lakh Rs.)

The Electronic Media Coverage Peaking during Feb & Apr '07



PR Highlights of LG Electronics India

- LG Electronics is the No.1 PR Company in India today.
- LG Electronics is has been adjudged as the No. 1 Marketing company in India by the magazine A&M
- And LG is the only Consumer Durables MNC to have been featured in the top 100 most respectable companies in India by the magazine Business World.
- Corporate Stories on LG Electronics have been carried out in leading
- business magazines and supplements as A&M, Corporate Dossier, Brand Equity,
- Catalyst, Strategist, Business Today, Business World, Business Barons etc.

- Various Press Conferences / Press meets have organized all across India
- to announce results, tie - ups , plans, launch products / technologies etc.
- Which have always garnered large media attention.
- LG's activity during the Cricket World Cup '02 was widely covered by the leading print and
- Electronic media all across India.
- LG received coverage worth Rs.2.17 Crores (\$ 0.54 mn) during the World Cup Period (Apr - Jun '02)
- LG has been featuring its product launches regularly in various publications.
- On an average, it has been launching a product a week.
- This has resulted in LG being perceived as technological leader in the CE & HA Industry.
- The spokesmen of LG are very media - friendly and accessible.
- LG has already achieved PR Coverage of RS. 5.24 Crores in 2002 which is far beyond its annual target.

ANALYSIS

Most of the multinational companies launched their latest products in the Indian market and the Indian companies were not found very far behind on this front. Industry's perception of the Indian consumer durable market in terms of volume and product attributes has refined over a period of time. Indian consumer looks for value for money in these products apart from some peculiar product attributes. The Indian companies continued making profit albeit at reduced margins. Demand has become technology driven.

LG's Marketing Strategies

The Indian Consumer Durable Industry did not look very promising when LG entered the country on 12th May 1997 and the task to establish a new brand was more than impossible. The reason were many – stiff competition from Strong local brands and Global leaders trying to make dent, general slowdown of economy and little exposure of consumers to Korean products. Then how was it that LG today is seen as a company, which has broken all barriers into success? The reasons are easier said than implemented:

➤ **Aggressive Approach :**

LG's late entry into this fiercely competitive market demanded exceptionally high level of commitment & aggression to make its presence felt. Its wide from the fastest launch of the widest ranges of consumer electronic and home appliances products thereby ensuring a more evenly spread out sales composition.

For instance a look at the industry when LG entered India:

- Strong Local Players like Videocon/ BPL/ Onida & others accounted for more than the market share.
- Practically all global giants in consumer electronics were present and were try to establish themselves.
- Excellent Merchandising Planning: Launch of feature packed models to enhance the money perception.

Company	Year of Inception	% Share (Fiscal'97)
➤ Samsung	1996	4.5 % {LGs Entry 1997}
➤ Sony	1995	3.5 %
➤ Panasonic	1994	3 %

The mistake committed by almost all other MNCs in India was to undermine Indian mark potentials – both Sony & Panasonic launched 30 channel CTVs without Sband & Hyper band, which backfired very badly. LG in contrary launched models with excellent features such as Golden Eye / Turbo Search / Autovol. levelling / On – off timer etc. Today competitors has also launched these features but in the process LG emerged as pioneer / innovative company.

➤ **Effective Advertising Strategy:**

By using correct positioning stance and appropriate media vehicles strong concepts and USPs were developed – today Golden Eye is generic to LG's CTVs, Chaos Punch to Washing Machines & PN system to refrigerators.

➤ **Consumer Buyer Behaviour Study conducted by competition :**

The study reveals that for perceived quality and image was very high LG was seen high on innovation (price technology) – on these parameters LG was only compared to Sony.

- It was also found that LG was purchased by people who wanted the latest and the technology.
- Another study on Brand & feature perceptions by Tailor Nelson conducted across revealed that LG Golden eye was perceived better than Sony.
- Results of study: On being asked if LG Golden Eye is better / same /worse than Sony the following results are emerged, 28 % - Better / 26% - Same / 19 % - Worse / 27 % - Don't Know.

➤ **Correct distribution strategy:**

Calculated network expansion was undertaken with objective to nurture existing dealers by improving dealer productivity and no aimless Network Expansion was resorted to unless required. Today LG can boast of the highest dealer productivity in the industry.

➤ **Premium Pricing Policy:**

Premium product should have a premium price this policy was adopted and no compromise in pricing was made ever despite cutthroat price war.

RESEARCH METHODOLOGY

Research methodology is used for a particular objective for which the research is being carried out. Here I have explained all the ways which are used for carrying out a marketing research in theoretical forms. I have also emphasized the tools and methods which I have used.

This is a exploratory type of research.

Research design

It helps in the proper analysis of data. It makes research process relevant to the objective of the research and sees whether proper process is carried out or not.

Three types of research Design

- i. Exploratory research
- ii. Descriptive Research
- iii. Casual research

i Exploratory research

This research helps in formulating hypothesis for the further research. Exploratory research design helps in establishing the priorities for further research. It helps in gathering information about the practical problem for carrying out research.

Exploratory research is highly flexible and very informal. I have used the exploratory research for knowing the **satisfaction level, opinion and views from customers and**

retailers in different parts of South Delhi (KATWARIYA SARAI, J.N.U, BER SARAI, MOTI BAG, VASANT KUNJ and SAKET).

ii. Descriptive Research

The descriptive research is typically concerned with determining frequency with which something or how two variables vary together.

A descriptive research is considered to be rigid and formal.

iii. Causal Research

It establishes the cause and effect relationship between two variables.

It is the one of

the most authentic way of doing a research. Its example can be to see

the increase in

the sale of a product with a change in its packing. Packing is the

experimental

variable and demands the dependent variable.

Data Collection Method

Both primary and secondary sources are being used for carrying out this research.

1. Primary Data

It may pertain to demographic – socio economic character of the common attitude and opening of the people their awareness and knowledge. Primary data are obtained by the researcher with the help of mail questionnaire and personal intension, telephone survey observation and experiment. Here I have extracted out the primary data mainly through questionnaires which was being given to the customers, retailers and shopkeepers residing in the South Delhi region (VASANT KUNJ, BER SARAI, MOTI BAG, KATWARIYA SARAI, J.N.U, SAKET) to know their views, opinion and satisfaction level regarding LG Products in different contrast and context.

2. Secondary Data

It includes those data's which are collected from some earlier research work, are applicable in the study which has presently been undertaken by the researcher. It is comparatively cheap and takes less time to obtain and must be from original source. The survey was conducted in South Delhi which was divided in parts for carrying survey and easy interpretation and also service responses.

Sampling Method

- i. Probability Sample
- ii. Non probability sample

Here in this research probability sampling is being used

i). Probability Sample

A probability sample is chosen in such a way that each member of the universe has known chance of being selected. Some of the most frequently used probability Sampling are as follows –

a. Simple Random Sampling

In simple random sampling each member of the population has a known and equal chance of being selected. Without giving a particular probability of selection to the customers and the retailers.

b. Systematic Sampling

Here the number is chosen in the symmetric manner from the entire population. Each number has known chance of being selected.

Stratified Sampling In stratified sampling the universe is divided into strata on the basis of recognizable or measurable characteristic of its member, age, income, education etc. I surveyed in different area as per the known features of the population, as JAMIA NAGAR ,OKHLA ,BER SARAI, AND ,JNU were the student area with low income and low consumption, SAKET, MOTIBAG and VASANT KUNJ were the area with upper middle class people with high income and high consumption rate.

Area Sampling

In this method various units comprising the population are grouped in cluster and the

sample selection is made in such a way that each cluster has a known chance of being

selected.

II). Non Probability Sample

In non probability sample the chance of any particular unit in the population being selected is unknown.

Three most frequently used non probability design are as follows:

a. Judgmental sampling

A person knowledgeable about the population under study chooses sample number he feels would be more appropriate for the particular study.

b. Convenience Sampling

In this method the sample unit is chosen primarily on the basis of convenience to the investigator.

c. Quota Sampling

In quota sampling the units are chosen on non random manner. The sample is selected according to the convenience.

LIMITATIONS

While doing the project the following inevitable hurdles has come my way:

- Inability in meeting high marketing personnel in the concerned companies due to their busy schedule.
- Information regarding stage of various products in the product life cycle is not available.
- The information base is limited due to resource constraints.
- The critical aspect like price could not be covered completely.
- The other hurdles which I had to face, the secrecy of the company policies due to which complete information regarding financial position & salary and wage structure could not fully covered.
- Areas of marketing research are not revealed by the company's official.

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, 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 population 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 are 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.

Marketing

- ❖ In case LG intend to have an entire range of washing machines to cater to all segments of the market, it should have a smaller capacity washing machine as Videocon (3 Kgs etc) as the market for them is still very large.
- ❖ The colours of LG Semi Automatic Washing Machines (Off White, Pale Beige, and Light Grey) are very trendy and appeal to the customers.
- ❖ It has to give more warranty periods like other players do in the industry
- ❖ More Demonstrators are required for LG Products.

Instead of go for a limited distribution network it has to build a wide channel network.

Advertising & Public Relations:

- The communication strategies for washing machines are not fruitful for the target segments. So, there should be developed a new communication strategy for it. Instead of going for clean clothes and longer life for clothes, the ad theme should target to the women’s or females, which other players do like Videocon & Whirlpool. Because a lady in the family is the main buyer in purchasing the product. So, a new USP was to be developed.

APPENDICES

QUESTIONNAIRE

(A COMPARATIVE STUDY)

Dear Sir/Madam

A Survey is conducted by ARIF EQUBAL on LG Electronics India (Pvt.) Ltd.

QUESTIONNAIRE

.....
.....
NameROHIT.....
AddDELHI,INDIA.....
Contact No.9602300340.....
Occupation Student Service Business

Marital Status Single Married

.....
Ques. While purchasing a electronics product, which Brands do you prefer?

1. LG SAMSUNG SONY

Ques. What are the reasons for selecting of LG Electronics product?

Price Durability
 Brand Image Warranty

Ques. What are the reasons for purchasing of LG Electronics product?

- Necessity
 lease specify
 Any other. P

 Better Quality

Ques. How did you come to know about the LG Electronics latest product like Golden EYE Flatron (CT-29Q10ET)CTV, Split Air Conditioners, Tongdori - Washing Machines, etc purchased?

- Advertising
 Friends/relations

 Dealers

Ques. Please rate on a scale of 1-4 for the following purchase:

Factors	1	2	3	4
Location of Dealerships			<input checked="" type="checkbox"/>	
Location of Authorised service centre			<input checked="" type="checkbox"/>	
Integraty with Salespersons			<input checked="" type="checkbox"/>	
Warranty				<input checked="" type="checkbox"/>
Quality of product				<input checked="" type="checkbox"/>

Note: Level of Satisfaction

- 1. High
- 2. Moderate
- 3. Unsatisfied
- 4. Custom delight

Ques. Do you remember any advertisement campaign for LG Products?

Yes No

Ques. Suggestion If any, for improvement in the aforesaid product i.e. LG

.....satisfied

.....

.....

.....

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 - Times of India

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Galgotias University,SOB

Synopsis of BBA Summer Internship Project

Student's Name : Piyush Kumar Jadon

Enrolment No : 18GSOB1010231

Programme: Bachelor of Business Administration

Company's Name and Address :LG Electronics India PVT
Ltd. Greater Noida

Industry Guide's Name : Sachin Kumar

Designation : Asst. Manager- Corporate & Key Account

Contact Details: Ph. (O) : 0124-2561200 (201)

Mobile : 9368203116

E-mail : sjadon646@gmail.com

Name of HR/ Recruitment Head : Sachin Kumar

Contact Details: Ph. (O) : 0124-2561200 (201)

Mobile : 8700726065

E-mail : kumarsachin.11@gmail.com

PROJECT INFORMATION

i) Project Duration: (45days)

a) Date of Summer Internship commencement : 10 June,2020

b) Date of Summer Internship completion : 25 July,2020

ii) Project Title:

iii) Project Objective(s):

(1) To study the Marketing Strategies of LG Electronics India PVT LTD. with the Manager of the venue.

The alternative objectives are:

(1) Make a call to the New Clients to approach them for our future transactions/Business.

(2) Assist Client Servicing Team member to make Presentation for our Client.

iv) Methodology adopted:

v) Summary of the project: Under the Guidance of LG Team member, I am getting the appropriate knowledge about the Events & Marketing and it require:- Planning, Organising, Controlling, Co-ordination, Check-Recheck Procedure and Work with dynamically, after that Event get successful with the team Spirit.

Signature

(Student)

Signature

(Industry Guide)

Signature

(Faculty Guide)

Date of submission: _____