

A STUDY ON CONSUMERS' PREFERENCE AND  
SATISFACTION TOWARDS DURABLE GOODS WITH  
REFERENCE TO LG HOME APPLIANCES IN  
COIMBATORE CITY

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**ABSTRACT**

LG Electronics is a Korean based global brand in the field of consumer electronics, home appliances. The critical analysis in identifying the steps taken by the LG Electronics in the light of the existing literature review helps to core relative these steps with the enhanced brand image brand value and brand positioning.

Keywords: Home appliances, consumer preference, durable goods.

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## Introduction

LG was founded in 1958 as the Gold star a company in Korea that produced a variety of different products like radios, televisions, refrigerators and washing machines. Gold star would merge with a company called Lucky which was where the name comes from. For many years consumer electronics products were sold under the name of Gold star while household appliances were sold under the name of Lucky. The change in the name occurred after the company added Zenith to their stable in nineties. It was at this point that the company began to expand outside of Korea and begin to compete on the global market.

For most of the history of the company LG had focused on producing products for the Korean market. However it was clear by the nineties that the only way to stay ahead of the competition was to expand and become a global corporation. The acquisition of Zenith went a long way towards making this happen. The company also decided that they were going to focus heavily on consumer electronics and reduce the production of home appliances. In order to do this they would have to invest heavily in the research and development of new and better products.

### Statement of the problem:

“A study on consumer preference and satisfaction towards durable goods – with reference to LG home appliances in Coimbatore city.”

Since today the pace of change is not easy to recognize, it is not possible simply to judge the taste, decision, trend, feature and pattern of consumer purchases. The study was to evaluate the customers' preference towards LG home appliance and to know the satisfactory level of customer. So my research problem is associated with preference of consumer who is using LG television, washing machine, air conditioner, refrigerator and home theatre.

### Objective of the study:

1. To study the brand preference of the respondent towards LG home appliances.
2. To know the factors influencing the respondent to purchase LG home appliances.

3. To measure the level of satisfaction towards LG home appliance.

### Scope of the study:

The systematic analysis of study will focus on consumer perception towards the product. in this recent market scenario which helps the product to move further with more modification, variety, marketing strategies and sales promotional measure. Hence the brand will get more support from market which leads to business growth with more added value to the consumer in the market.

### Methodology of the study:

Research design is the conceptual structure within which the research is conducted. The research design for this study is descriptive and analytical in nature.

#### a) Sample size:

It refers to the number of items to be selected from the population to constitute a sample. The sample taken for the study is 120. And all the 120 respondents are the customers of the LG.

#### b) Sources of data:

- The sources of data used in this study are both primary and secondary data.
- Primary data was directly collected from the respondents using questionnaire.
- Secondary data was collected from the internet.

#### c) Area of study

The areas covered for this study is Coimbatore city

#### d) Tools for analysis

For the analysis purpose the following tools to be used.

- Chi-square Analysis

- Percentage Analysis

### Limitations of the study:

- The research is confined to Coimbatore city alone.
- The sample size is limited to 120 respondents only.
- The consumers' behavior may change according to time, fashion, technology development.

### Review Of Literature

- ❖ **Dickson and Wilkie (1978)<sup>1</sup>** found that there were a large number of unfulfilled durable purchase plans (and purchases made with no plans) when compared to the households reporting purchase plans. The relationship between planned purchases and actual purchase behavior has always been tenuous at best. One reason put forth by researchers to explain the lack of correlation between planned and unplanned purchase of durable goods has been changes in household circumstances.
- ❖ **Olshavsky (1985)<sup>2</sup>** If a product recommendation from an information source is available to consumers, they can either decide not to consult it, consult and follow it, or consult and not follow it. If they decide not to consult the product recommendation, consumers would rely only on their prior knowledge or experience and on other information about the products to make a decision. Thus, they would use an affect referral or an own-based decision making process.

### Analysis and interpretation

#### a) Chi – Square Test

### Hypothesis:

There is no significant relationship between gender and type of LG products.

Table – 1

Gender and type of LG products

| Gender | Type of LG Products |            |              |     |        | Total |
|--------|---------------------|------------|--------------|-----|--------|-------|
|        | Washing Machine     | Television | Refrigerator | DVD | Others |       |
| Male   | 19                  | 24         | 16           | 5   | 8      | 72    |
| Female | 15                  | 14         | 8            | 6   | 5      | 48    |
| Total  | 34                  | 38         | 24           | 11  | 13     | 120   |

| Factor | Degree of freedom | Calculated value | Table value | Result   |
|--------|-------------------|------------------|-------------|----------|
| Gender | 5                 | 24.2814          | 11.1        | Rejected |

The calculated value of chi-square test (24.2814) is more than the table value (11.1) at 5% level. Hence the hypothesis is rejected. It's therefore concluded that there is significant association between gender and types of LG products.

## b) Simple percentage analysis

Table-2

## GenderOf the respondents

| S.No         | Particulars | No of respondents | Percentage (%) |
|--------------|-------------|-------------------|----------------|
| 1            | Male        | 72                | 60             |
| 2            | Female      | 48                | 40             |
| <b>Total</b> |             | <b>120</b>        | <b>100</b>     |

From the above table it is clear that out of 120 respondents who are taken for the study 60% of the respondents are male and 40% of the respondents are female.

**Findings:**

- There is significant relationship between gender and their LG product.
- There is significant association between gender and types of LG products.

**Suggestions:**

- Though company LG introduces different models on different product still the consumer requires more varieties with innovative special features.
- It is also suggested that the consumer requires more show rooms in semi urban and rural areas.
- Customer services need to be concentrate and find tune to catch hold more consumers for the product.

**Conclusion:**

The present electronic product markets show a commendable business structure and provide different varieties and models to the consumer market. Though the domestic market complete create an impact on consumer durables the LG has its own lead role in the minds of consumer. This particular study reveals that the real states of the company LG in Indian market with more consumer support. The researchers have gained more knowledge on electronic product market and also have more exposes on consumer durable market so this study gives a complete experience on market survey and highlight the methodology of the research. This study is also creating a room for further research programs on various consumer durables in the business field.

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