
A Study on Impact of Change in Brand Logo of Videocon on Customer Perception

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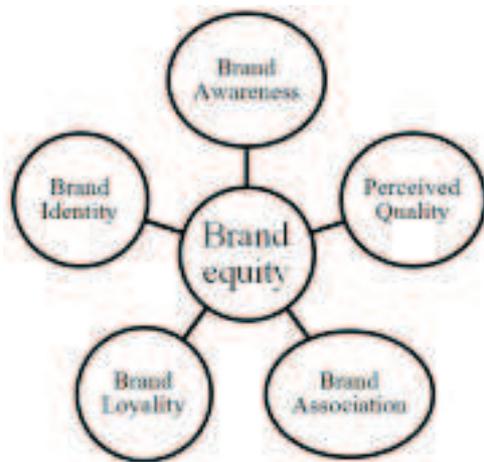
Abstract

Branding needs a shift of tactics and thinking on the part of marketing executives. With ever increasing customer awareness levels, marketers can no longer afford to be complacent about their brands & branding strategies. Successful branding needs a structured approach with due attention to what seem to be very minor details. The present study focuses light on impact of change in brand logo of Videocon on customer perception

Introduction:

“A Brand exists in perceptual space and is a perceptual entity”

There is a general agreement that source of prowess of successful companies is the presence of big brands in their portfolio. Every company wants to create & own the ageless brands & does spend a lot of money towards this objective. Yet, many top executives are not very comfortable with following a structured approach to branding. Our research on the past successful and unsuccessful brands says otherwise. On a careful inspection successful brands show a lot of common threads.



Model1- Brand Components: These commonalities led us to model the consumer behavior model that is the ultimate reason for the existence of any brand. Kevin Keller captures the essence of branding when he says “A brand resides in the minds of consumers”. A brand should move beyond its physical character to acquire a perceptual character hence representing itself as a means to achieve what is sought by a customer. A Brand to some may be a simple name, logo or symbol whereas to others it may be a promise, guarantee, reputation or

identification. But most importantly, brands are conduits. They bring together consumers and marketers closer and bind them together. Strong brands have a distinct place for themselves in the minds of the consumers. Of course, all strong brands are differentiated and command a lot of awareness in mind space of consumers; still the attribute that actually results in increased sales hence generating billions of dollars is the powerful appeal these brands generate.

Customer Perception towards Changing Brand Identity:

Customer perception can be defined as the decision-making process and physical activity involved in acquiring, evaluating, using and disposing of goods and services. This definition clearly brings out that it is not just the buying of goods/services that receives attention in Customer perception but, the process starts much before the goods have been acquired or bought. A process of buying starts in the minds of the consumer, which leads to the finding of alternatives between products that can be acquired with their relative advantages and disadvantages. This leads to internal and external research. Then follows a process of decision-making for purchase and using the goods, and then the post purchase behavior which is also very important, because it gives a clue to the marketers whether his product has been a success or not. To understand the likes and dislikes of the consumer, extensive consumer research studies are being conducted

Change in Brand Logo of Videocon: In today's scenario brands are the basis of consumer relationship. A Brand to some may be a simple name, logo or symbol whereas to others it may be a promise, guarantee, reputation or identification. But most importantly, brands are conduits. They bring together consumers and marketers closer and bind them together. In case of Videocon there were three situations when brand had gone for a makeover -- mergers and acquisitions; the brand not performing well or just putting some new clothes on. For Videocon, there

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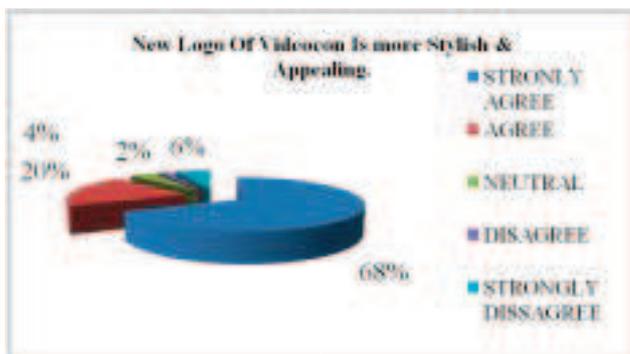
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was a disconnect between the brand and the consumer."The brand has changed its positioning quite a few times.

Related Study: Customer perception has been always of great interest to marketers. It helps the marketer to understand how consumers think, feel and select from alternatives like products, brands and the like and how the consumers are influenced by their environment, the reference groups, family, and sales persons and so on.

Aurand et al. (2013), Brand: Effective brands facilitate the achievement of a range of marketing aims that include brand loyalty, brand based price premiums, successful product launches, facilitation of consumer decision making and the reduction of consumer risk

Prasana Rosaline Fernandez (2009): to fully understand the potential of branding in terms of its growth in markets, marketers are more likely to identify the sources of brand meaning, understanding the meaning, and also to manage it in a fast changing environment. Brand image is also important for fashion clothing as it can help in representing a person identity.



Kwok Kueng Tam,(2007), The purchasing processes alienated into three different stages which are the stage of pre-purchase, stage of purchase and stage of post-purchase. Each of the stages is equally importance that it can change the consumer buying decision

Objectives of the Study:

The main objectives behind the study are as follows:

- To study the brand popularity of Videocon products among customers in Indore market.
- To study the impact of change in logo on Sales Volume of Videocon.
- To analyze the behavior of customer towards the changed logo.

Research Methodology:

- a) **The Study:** The research study focused on customer perception on change in brand logo and is exploratory in nature. The major emphasis of

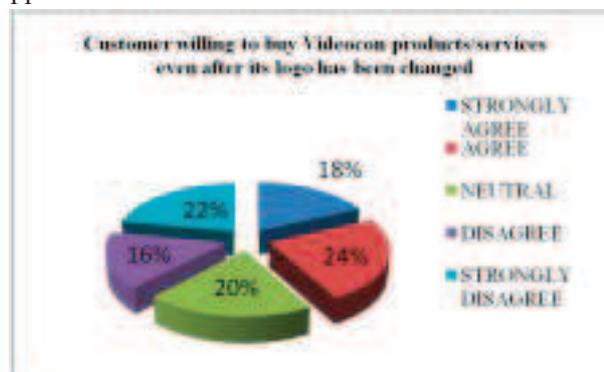
exploratory research is on the basis of factors.

- b) **The Sample Size of the Unit:** Sample size used during the research is 50 customers who are using the products of Videocon.
- d) **Tools for Analysis of Data:** The data so collected through various primary and secondary sources are analyzed by using the percentage analysis as the statistical and graphical representation method to analyze and interpret the data so collected. The researcher through observation interpreted the data so collected in order to understand the awareness of brand logo in customers.

Findings: The researcher mainly focused its study on the changes in sales volume of the Videocon, its impact on change of brand logo, its awareness as well as customer's perception before and after changing of the logo and its impact in quality of the products after the change in brand logo. Accordingly the research study could spot the following trends in the findings:

1. New Logo of Videocon is more Stylish and Appealing: Out of 50 respondent nearly 68 percent strongly agree to the statement while 20% was agree to it, 4% respondent were neutral towards the statement, and remaining 2% were disagree while 6% strongly disagree to the statement. Majority of the respondent liked the new logo of Videocon because they find it more stylish and appealing in comparison to the previous one.

2. New Logo of Videocon Easily Recognizable: Out of 50 respondent nearly 46 percent strongly agree to the statement while 34% was agree to it, 8% respondent were neutral towards the statement, and remaining 6% were disagree while 6% strongly disagree to the statement. Further it is found that new logo of Videocon is good stylish in looks people easily connects to its appealing green color that symbolizes eco-friendly and a fresh approach of Videocon.

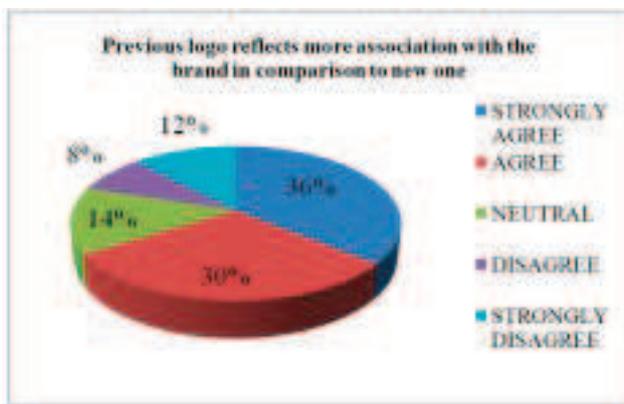


3. Previous Logo Reflects more Association with the Brand in Comparison to New One: Out of 50 respondent nearly 36 percent strongly agree to the statement while 30% was agree to it, 14% respondent

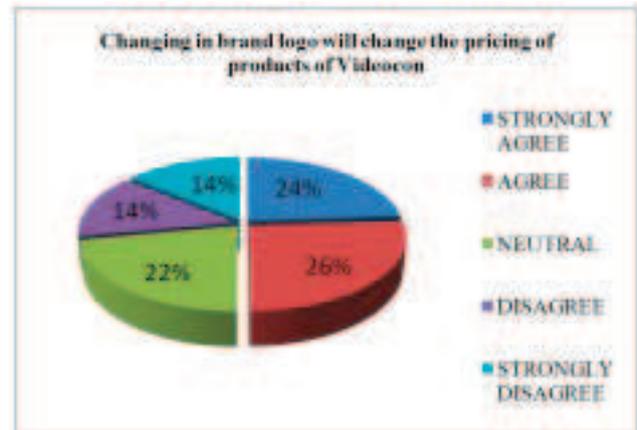
were neutral towards the statement, and remaining 8% were disagree while 12% strongly disagree to the statement. Previous logo of Videocon is having more association with the brand in comparison to new logo of Videocon.



4. Change in Brand Logo will Change the Pricing of Products of Videocon: Out of 50 respondent nearly 24 percent strongly agree to the statement while 26 % was agree to it, 22% respondent were neutral towards the statement, and remaining 14% were disagree while 14% strongly disagree. As per the result it could be analyzed that new brand logo of Videocon will change the pricing of product of Videocon because company have invested a lot of amount in promotions to introduce its new logo and to make it more familiar, Hence without deviating from quality norms pricing of product will be affected but not at the cost of loosing weaker economic section.



5. Customer Willing To Buy Videocon Products/ Services Even After Its Logo Has Been Changed: Out of 50 respondent nearly 18 percent strongly agree to the statement while 24 % was agree to it, 20% respondent were neutral towards the statement, and remaining 16% were disagree while 2% strongly disagree to the statement. As per the results people have neutral thought about that changed logo does not make any difference to their preferences to avail products and services of the Videocon even after the logo has been changed. It will definitely an eye catchy to those who are totally unfamiliar with the company's existing product and services.



Discussion: The following research findings focus the reasons for the change of logo of Videocon:

What Prompted The Change?

- i. The brand, which has been in existence for more than two decades, has managed a fair share in the entry/middle product segment. It is perceived as a brand for the Indian middle class — no frills, no glamour, simple, reliable and hassle-free. However, in the high-end products segment, Videocon is way behind Samsung and LG. For example, it does well in the conventional CTV category but not in the LCD category. Again, while the window air-conditioner category is doing well, not much is happening for the brand in the split air-conditioner category.
- ii. With the present generation of consumers moving fast towards the premium segment, even for their first buys, the brand is not being seen as the preferred one. As a result, it is not able to cash in on the high growing segment, which is the premium category of products.
- iii. This prompted Videocon to opt for a change. It has decided to focus on the premium segment and would now diversify into other related high-growth categories with the launch of its mobile services, handsets business and IDTV/D2H (in-built set-top box with single remote). Videocon expects to double its turnover in the next couple of years, and a large part of the increase is expected to come from these high-growth segments.

Re-Branding As Main Factor:

- i. The re-branding comes after a major review of the brand's advertising and media planning and buying duties. The group had put up the account, estimated to be in the region of Rs 200 crore, for a pitch. For the media duties, it appointed Zenith Optimedia. The creative duties for its consumer electronics and appliances business went to T.A.G. Videocon's five

group brands — Sansui, Electrolux, Akai, Hyundai and Kelvinator — as well as Kenstar, were awarded to Saatchi & Saatchi. Other than that, among the brand's new verticals, its DTH venture, D2H+, is with Publicis Ambience; while the telecom venture, Datacom Solutions, is with T.A.G.

- ii. To communicate the change in identity, the brand will engage in strong marketing initiatives and promotional campaigns across all the media, including print, electronic, radio and various BTL and on-ground activities, marketing collaterals and visual merchandising.
- iii. The present campaign that announces the change comprises five TVCs, of which one is already on-air. Each commercial is a short story of someone in need of help. Chow and Mouw come to the rescue and spread happiness and joy through their charm, kindness and efforts.

Conclusion:

“A brand is the most valuable asset that a company can own”

Branding needs a shift of tactics and thinking on the part of marketing executives. With ever increasing customer awareness levels, marketers can no longer afford to be

complacent about their brands & branding strategies. Successful branding needs a structured approach with due attention to what seem to be very minor details. It becomes difficult for Indian brands to create a niche for themselves because of the abundance and proven credibility of the global brands. Understanding the differences of perceptions of customers is the key to unlocking the market potential. We have to understand the credibility, positive associations and additional valuation that customer attaches with the successful brands.

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