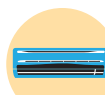


user's choice

HT-MARS 2012 WHITE GOODS SURVEY



Air Conditioner
Foreign brands are superior with customers showing higher satisfaction across the board



Television
National brands outperform foreign brands in performance, installation and after-sales



Microwave
Honours evenly split: Foreign brands have better performance, Indian brands have better after-sales



Refrigerator
International brands have better performance and installation, lose out marginally in after-sales service.



Washing machine
International brands have better performance and installation, marginally inferior after-sales service.

Are they good(s) enough?

COMPETITION A Hindustan Times-MaRS survey assesses international and national brands in the white goods segment with some surprising results

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NEW DELHI: If there is one sure sign of the effects of India's liberalisation-fuelled growth in the last two decades, it is the explosion of consumer electronics in many households. The huge influx of televisions, microwaves, refrigerators, cameras, cell phones etc has changed our everyday lives beyond recognition. The Indian marketplace is, today, filled with the colourful logos of major brands such as Samsung, LG, Whirlpool, Godrej, Sony and Videocon.

The 2012 HT-MaRS white goods survey took five popular appliances — microwaves, air conditioners, washing machines, TVs and refrigerators — and rated them across three parameters: customer satisfaction with performance, installation and after-sales service.

In an increasingly competitive marketplace, the aim was to see how home-grown brands — Godrej, Videocon, Onida being some of the major players — do against big international names, such as Samsung, LG and Sony.

In this battle royale between national and international brands, it is advantage international brands right now, according to the HT-MaRS survey. But, even though the Indian brands are down, they are certainly not out.

In 4 out of 5 goods, consumers prefer the performance and features of international brands. When it comes to after-sales service, a crucial part of the overall goods experience, Indian companies seem to have hit the right note, scoring better than international brands in 3 out of the 5 goods. In two goods where installation matters most, washing machines and air conditioners, foreign brands do better again, according to the survey.

National brands have the clear edge in TVs, scoring above international brands across parameters. The results are equally unanimous in air conditioners, where respondents are more satisfied with international brands.

The laurels are evenly split in microwaves and washing machines, with customers preferring the performance of foreign brands and the

after-sales service offered by Indian manufacturers.

So, have Indian brands been edged out of competition or can they script a turn-around story?

"Products offered by foreign companies are well researched and deliver what they claim to. One is a bit apprehensive using Indian products," says Arvind Mathur, a Delhi resident. Shopkeepers like Darshan Taneja, who runs Delhi Electronics, a consumer electronics store in Gurgaon, have written off Indian brands entirely. "We hardly get any customers who want to buy an Indian product. We all work for foreign companies now," he says.

Both national and foreign companies have their comparative advantages. "Indian brands can learn from the evolution of international brands in the country, but they can teach them some things too. While foreign players pay close attention to their marketing strategy to tap consumer insight and find different ways to reach the consumer, Indian companies can teach foreign brands how to make world-class quality products at Indian prices," says Vikash Agarwalla, engagement manager at Booz & Co., a global management consultancy firm.

Brands are falling all over themselves to please the customer. Walking through any electronics store, one sees a plethora of special offers, 100% interest-free loans and easy EMIs. Price wars between major players are routine, and consumers benefit as a result.

Customers are discerning, armed with knowledge about product features and comparative prices. In a June 2011 report by Booz & Co., consumers consider the 'quality' and 'brand' as more important than price while purchasing A/Cs, fridges and washing machines. For examples, while 37% of TV buyers think that brand is the deciding factor, only 14% think that price is critical.

"I would prefer to buy a good product, irrespective of price, since I'm looking for the best quality, after-sales service and products that last longer," says Poonam Srivastava, a PR officer.

With inputs from Eshani Mathur
ILLUSTRATION: PRASHANT CHAUDHARY



changing attitudes

Over the last 25 years, buying power, availability of soft loans and easy installment schemes have increased.

CHARU BANSI
Business woman, Gurgaon

Sales do pick up during the festive season but it's only a marginal difference. Buyers now shop in a very planned manner.

DARSHAN TANEJA
Delhi Electronics

I'm not comfortable with shopping online for white goods as I don't know how genuine the final delivered product will be.

SONAM SAINI
Student

The consumer today is very knowledgeable, he knows what he needs and what is available in the market.

VIJAY
Satya Computer Solutions

IT'S SWADESHI V/S VIDESHI

In customer servicing (installation and redressal of problems), national brands do better. In customer satisfaction with product performance, international brands pip the national ones.

■ Figures for National brands
■ Figures for International brands

	PERFORMANCE							INSTALLATION					AFTER-SALES SERVICE															
	Ease of Operation	Features and Functions	Looks and Styling	Overall Performance	General Impression	Interaction with team	Quality of installation	Response time	Overall satisfaction	Response time after reporting problem	Redressal of the problem reported	Interactive impression with repair team	Initial impression of the repair team	Overall satisfaction with the process of problem redressal														
Air Conditioner	8.63	8.72	8.62	8.73	8.45	8.64	8.61	8.74	8.38	8.49	8.32	8.51	8.31	8.50	8.51	8.65	8.35	8.52	7.74	8.18	7.62	8.25	7.89	8.36	7.59	8.06	7.69	8.22
Television	8.81	8.70	8.63	8.53	8.66	8.64	8.67	8.53	8.49	8.54	8.64	8.60	9.07	8.57	8.92	8.73	8.85	8.60	8.00	7.68	8.75	7.83	8.88	7.65	8.25	7.72	8.51	7.75
Microwave	8.32	8.56	8.34	8.58	8.26	8.72	8.33	8.64	8.27	8.14	8.31	8.18	8.38	8.27	8.47	8.34	8.36	8.24	7.78	7.75	8.50	8.25	8.50	7.63	7.67	7.97	8.19	7.99
Refrigerator	8.49	8.67	8.32	8.49	8.25	8.42	8.29	8.46	8.18	8.18	8.15	8.22	8.18	8.22	8.16	8.28	8.17	8.23	7.70	8.02	8.19	7.69	8.07	8.04	7.86	8.42	8.00	7.93
Washing Machine	8.59	8.66	8.53	8.62	8.46	8.67	8.53	8.64	8.43	8.54	8.42	8.60	8.40	8.57	8.58	8.73	8.44	8.60	7.81	7.96	8.28	7.93	8.05	8.13	7.98	7.83	8.01	7.95
All appliances	8.58	8.66	8.47	8.56	8.42	8.60	8.47	8.56	8.34	8.35	8.37	8.40	8.52	8.41	8.53	8.52	8.46	8.41	7.82	7.89	8.38	7.93	8.37	7.89	7.93	8.05	8.17	7.93

SOURCE: 2012 HT-MARS WHITE GOODS SURVEY

2012: A case of too many commercials?

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NEW DELHI: They say that the devil lies in the details. In 1995, the commercials for Onida televisions played on the not-so-fine sentiments of consumers. A horned-and-tailed devil tempted the viewers with a colour TV, and the tagline gleefully announced: Neighbour's envy, owner's pride.

The campaign was a thumping hit. At a time when many Indians did not even own a TV, Onida managed to grab eyeballs, attention, and market share.

But in today's world, with its glut of images and brands vying for the consumer's short attention span, are advertising campaigns really that effective?

For Nidhi Rastogi, an HR manager who just moved to Delhi, her first choice for an air-conditioner was Hitachi. "I had seen the advertisement where the A/C vent swings, following the maid's every move. That stayed in my head. If an ad tells me about some new feature or product offering, then I pay attention, otherwise, one commercial featuring a Bollywood celebrity is much like another," she says.

IN TODAY'S WORLD, WITH ITS GLUT OF IMAGES AND BRANDS VYING FOR THE CONSUMER'S SHORT ATTENTION SPAN, ARE ADVERTISING CAMPAIGNS REALLY THAT EFFECTIVE?

Yet, if you look at advertisements for most white goods, you would see the familiar faces of Bollywood actors and cricket stars, endorsing every kind of home appliance and electronic goods.

Here's a sample: Makers of rival digital cameras have signed on rival B-town starlets as brand ambassadors. While Deepika Padukone dons several avatars for the Sony cybershot, Priyanka Chopra does a bubbly act for Nikon and Anushka Sharma goes click-happy for the Canon Powershot.

Shah Rukh Khan plays mascot for Videocon, Katrina Kaif endorses Panasonic, Priyanka Chopra is the star of Samsung commercials and Akshay Kumar showcases the many

charms of LG TV. And the list goes on. But more than star power, it is the message associated with them that is important.

"The characterisation of the Whirlpool mum in its advertising broke the stereotype of the traditional Indian housewife, making the brand highly aspirational," says Shantanu Das Gupta, VP, Corporate Affairs & Strategy at Whirlpool India, which is now endorsed by Kajol and Ajay Devgn.

"We have been sharply focussed on the modern Indian woman, someone who is confident and successful but with strong family values, committed to ensuring the well-being of her family. Ajay and Kajol embody these traits," he added.

METHODOLOGY

The customer satisfaction study on white goods and appliances was carried out in 10 towns — Delhi, Lucknow, Jaipur, Kolkata, Mumbai, Ahmedabad, Indore, Chennai, Hyderabad and Bengaluru.

Interviews were carried out in three phases among those who had purchased the product in past two years.

The first phase rated experience during product installation. Customer satisfaction was measured through five dimensions — general impression of the installation team, interaction with team, quality of installation, response time and overall satisfaction.

In the second phase, the respondents were asked if there had been any product-related problem during the warranty period, for which they had to call the company for redressal. If that had been

the case, the response satisfaction ratings were computed through five dimensions: Installation-response time, general impression of the servicing team, interaction with team, quality of repair and overall satisfaction. In all cases, booster sampling was adopted to get additional sample for this phase.

In the third phase, satisfaction with product performance was scored on four parameters — ease of operation, features and functions, looks and styling and overall product performance.

At the installation and performance satisfaction stage, the sample size was 7,492 while it was 724 for the problem redressal phase.

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