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E-Mail :
editor.ijasem@gmail.com
editor@ijasem.org

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BUILDING BRAND EQUITY: A STUDY OF HYUNDAI

¹ Mr. Syed Mahammad Jaffar Sadeek, ² Perumalla Siva Nagaraju, ³ Dr.K.Chandra Rekha

¹ Assistant Professor, ² MBA Student, ³ Associate Professor

Department of MBA

SVR Engineering College, NANDYAL

ABSTRACT

When creating a new product, it is common practice to use a brand name or logo to indicate the product's origin. Choosing a brand is a big deal. Brand equity is the idea that a brand may offer substantial value when it is well-known and has a favourable connotation in the minds of consumers. An American marketing association definition states, "a brand is the use of name, term, symbol, design, or some combination of these to distinguish the product of one seller from that of another." In other words, a brand is what makes a product stand out to consumers. Once a vendor gains a customer's favour, they are more likely to see repeat business. The management process of branding encompasses a wide range of actions, including but not limited to: naming a product, creating a brand logo, and spreading awareness of the brand. Products and services may be easily recognised by consumers when they have a brand. A potent tool for generating and maintaining demand, it An asset is brand equity. The term "brand equity" describes the influence a brand has in the marketplace. Customers will remain loyal to a strong brand because of its high brand equity. Customer equity is a key component of a strong brand, and a weak brand has less of both. Improving client lifetime value should be the primary goal of any marketing strategy, and one of the most effective marketing tools is brand management.

KEYWORDS: Marketing tactics, return on investment, profit margins, and brand equity.

I. INTRODUCTION

As the business and branding environment is changing, brand management has to respond with adequate tools and frameworks. When the brand's main job was to make the customer happy and to drive sales, branding focused naturally first on creating a favourable image with customers (e.g. through advertising) and later on creating a positive customer experience (through the management of customer interactions, also called "touch points" or "moments of truth"¹).

Brand is an important intangible asset, and also can be transferred to make profit. Because the owner of the brand can rely on brand advantages to make profit continuously, brand is the intangible resources of the enterprise. Brand is the embodiment of the product and enterprise core value; brand is a tool to distinguish and identify similar products; brand is the assurance of quality and credibility of the products; brand is a good way to make profit for the enterprise. Its primary function is to provide convenience for the consumers shorten the process of making decisions when selecting the products; It also can create a strong brand can make the enterprise have higher profit margins; Brand can go beyond the product life cycle, is a kind of intangible assets.

Branding is a significant element in any business because without a brand, customers would have a hard time explaining to the sellers the products they want to buy. In addition to this sellers would also end up giving customers wrong products and services. Marketers have added value to different brands so as to make the

brands more preferable in the market. This is very true especially in the mobile phone market. In order to completely understand the concept of branding, it is crucial to know what brands are.

A brand is the idea of a specific product or service which consumers connect with. This is through its name, design, logo or slogan. Branding is when the idea behind the product or service is marketed to various people. People on the advertising industry used branding for recognition purposes, setting standards as well as to build great reputation. Branding plays a major role in marketing since it builds reputations, expands the market and generates more income for the organization. Branding is one way to build a company's reputation which is one of the greatest assets.

Branding also builds a positive expectation on the products and services offered by the company. This also encourages the company to uphold and maintain the expectation and in most cases exceed the expectations. In the long run better products and services are produced resulting to the company being in the market for a long time. In the mobile phone industry, the most selling brand is Nokia, Apple and Kodak. This paper develops a hypothesis a brand's reputation is a source of demand. In addition, the competitively advanced quality image substantiates a premium price.

The commonly used definition of brands as "the sum of all associations customers have with a certain product or service" perfectly suited this environment and brand paradigm; but today, brands are expected to deliver on a much broader range of objectives beyond protecting premium prices, some of which they are not (yet) particularly well equipped to master:

OBJECTIVES OF THE STUDY

- To study brand equity of company
- To identify influence factors to purchase company
- To know demographic profile of customers.
- To examine the key factors creating brand equity of company

NEED OF THE PROJECT

- The basic need of the project is to understand the **Brand Equity of Hyundai Motors India Limited (HMIL)**. Products and identify what are the gaps in service. The idea behind the projects is to identify what is the brand and service range of **Hyundai Motors India Limited (HMIL)** products in Hyderabad market. Company wants to know whether service process working properly or not? And are retailers satisfied with the service practice? Company also wants to distinguish the availability of **Hyundai Motors India Limited (HMIL)** products and visibility in market through promotional materials.
- The need of project arises from company to improve its service practice in order to have better market placement in Hyderabad market. So, for that they needed in-depth analysis of the problems which would also generate some fresh ideas for the improvement.

II. BRAND EQUITY:

Brand equity is a phrase used in the marketing industry which describes the value of having a well-known brand name, based on the idea that the owner of a well-known brand name can generate more money from products with that brand name than from products with a less well-known name, as consumers believe

that a product with a well-known name is better than products with less well-known names.

Brand equity refers to the value of a brand. In the research literature, brand equity has been studied from two different perspectives: cognitive psychology and information economics. According to cognitive psychology, brand equity lies in consumer's awareness of brand features and associations, which drive attribute perceptions. According to information economics, a strong brand name works as a credible signal of product quality for imperfectly informed buyers and generates price premiums as a form of return to branding investments. It has been empirically demonstrated that brand equity plays an important role in the determination of price structure and, in particular, firms are able to charge price premiums that derive from brand equity after controlling for observed product differentiation.

Some marketing researchers have concluded that brands are one of the most valuable assets a company has, as brand equity is one of the factors which can increase the financial value of a brand to the brand owner, although not the only one. Elements that can be included in the valuation of brand equity include (but not limited to): changing market share, profit margins, consumer recognition of logos and other visual elements, brand language associations made by consumers, consumers' perceptions of quality and other relevant brand values.

Generally, these strategic investments appreciate over time to deliver a return on investment. This is directly related to marketing ROI. Brand equity can also appreciate without strategic direction. A Stockholm University study in 2011 documents the case of Jerusalem's city brand. The city organically developed a brand, which experienced tremendous brand

equity appreciation over the course of centuries through non-strategic activities. A booming tourism industry in Jerusalem has been the most evident indicator of a strong ROI.

While most brand equity research has taken place in consumer markets, the concept of brand equity is also important for understanding competitive dynamics and price structures of business-to-business markets. In industrial markets competition is often based on differences in product performance. It has been suggested however that firms may charge premiums that cannot be solely explained in terms of technological superiority and performance-related advantages. Such price premiums reflect the brand equity of reputable manufacturers.

MAINTAINING BRAND CONSISTENCY:

Without question, the most important consideration in reinforcing brands is the consistency of the marketing support that the brand receives - both in terms of the amount and nature of marketing support. Brand consistency is critical to maintaining the strength and favorability of brand associations. Brands that receive inadequate support, in terms of such things as shrinking research and development or marketing communication budgets, run the risk of becoming technologically disadvantaged or even obsolete. Consistency does not mean, however, that marketers should avoid making any changes in the marketing program. On the contrary, the opposite can be quite true - being consistent in managing brand equity may require numerous tactical shifts and changes in order to maintain the proper strategic thrust and direction of the brand.

There are many ways that brand awareness and brand image can be created, maintained, or improved through carefully designed marketing programs. The tactics that may be most effective for a particular brand at any one time can certainly vary from those that may be most

effective for the brand at another time. As a consequence prices may move up or down, product features may be added or dropped, ad campaigns may employ different creative strategies and slogans, and different brand extensions may be introduced or withdrawn over time in order to create the same desired knowledge structures in consumers' minds.

ADVANTAGES OF BRAND EQUITY:

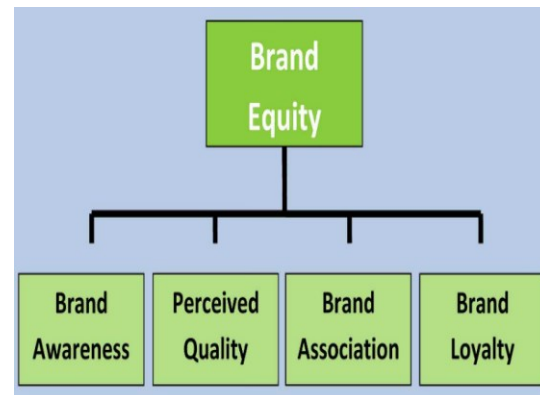
if brands equity is managed well, it becomes the biggest asset and a powerful weapon to an organization. The following are the advantages of brand equity.

1. Assets of brand equity can, and often do, potential competitors from launching competitive brands.
2. The company will have more trade leverage in bargaining with distributors and retailers because customers expect them to carry the brand.
3. The company can charge a higher price than its competitors because the brand has higher perceived quality.
4. The company can more easily launch extensions because the brand name carrier high credibility.
5. The brand offers the company some defense against price competition.
6. It ensures future earnings.
7. It increases more cash flow as it can augment market share.
8. It decreases promotional cost. A company which has high brand equity does not have to spend more money on the promotion of it brands.
9. It builds an intangible asset over a period of time. The asset may be sold or leased.
10. It is a source of competitive advantages.

Successful development of brand equity can create associations that drive market positions, persist over long

periods of time, and are capable of resisting competitors. However, it entails an initial and on going investment which is substantial and will not necessarily result in short term profits, hence, management of brand equity is a gradual, long term process that requires patience, vision and a single- minded pursuit of that vision.

ELEMENTS OF BRAND EQUITY



III. RESEARCH METHODOLOGY

Research refers to search for knowledge. It is an art of the scientific investigation. Research comprises definite problem. The research design ascetically states the procedures of data collection and analysis of information relevant to problem.

COLLECTION OF DATA:

1)Primary Data:

The primary data will be collected from consumers by filling the questionnaires.

2) Secondary Data:

Secondary data will be collected from various books, journals, newspapers, reports of the company and various websites secondary data was collected through personal review of the above listed sources.

Sample:-

Sample devotes only a part of the universe,

which is studied and conclusion is drawn for the entire universe.

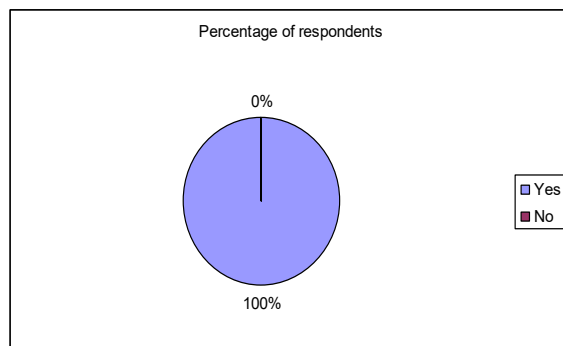
The sample technique is used in the study is convenience sampling technique

IV. DATA ANALYSIS AND INTERPRETATION

The 100 respondents were asked to scale the performance of various brands

You

1. Do you use **Hyundai Motors** services?

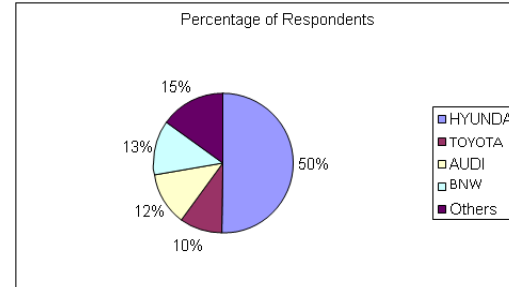


Interpretation:

- From above pie chart it can be stated that 100% people using Hyundai Motors services for their constructions

2. Which **Hyundai Motors** services do you use?

Type of system	Number of Respondents
HYUNDAI	50
TOYOTA	10
AUDI	12
BMW	13
Others	15
total	100



Interpretation:

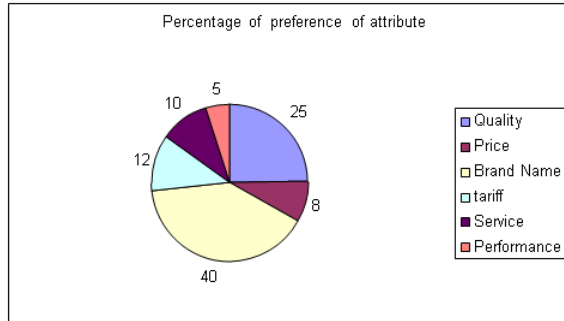
- From above it can be stated that 50% of people using HYUNDAI

Options	Number of Respondents
YES	100
No	0
total	100

- 10% of people using TOYOTA Motors
- 12% of people using AUDI Motors ,
- 13% of people using, BMW Motors
- 15% of people using other brands.

3. What are the valuable attributes you normally look while purchasing a Motors?

Attributes	Number of preference of attribute
Quality	25
Price	8
Brand Name	40
tariff	12
Service	10
Performance	5
Total	100

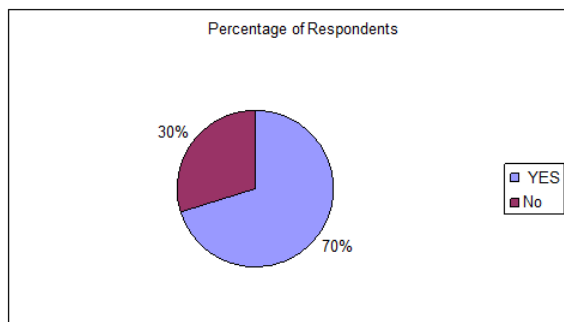


Interpretation:

- From above pie chart it can be stated that people give preference 40% to brand name,
- 25% to quality,
- 8% to price,
- 12% to comfort,
- 10% to service, and
- 5% to performance.

4. Are you aware of HYUNDAI Motor services?

Options	Number of Respondents
YES	70
No	30
Total	100



Interpretation:

- From above pie chart it can be stated that 70% people are aware of HYUNDAI Motor services,
- 30% are not aware system.

FINDINGS

1. The coverage is limited to only urban areas hence effort should be made to increase the coverage in semi urban and rural areas as it increases the number of customers.

2 HYUNDAI Motors should create awareness amongst its customers regarding Brand that are being offered by it by increasing its sales promotion reach.

3. Special promotional schemes to be launched especially to target youth segment who take up the new product by having special packages

4. HYUNDAI Motors try to focus on the after sales customer support as this is perceived to be a weak spot, by the consumes and should have responsive call centres to address the needs of its customers.

5. From the survey I found that most of the people giving preference to brand name of the company then they look for quality and service. And giving least preference to price.

6. From the survey about the people who having HYUNDAI cars, most of the people having **Santo Zing** because it can be used for multi purposes. Then Quails and Corolla. But less people having Camry cars.

7. From the survey I found that most of the people heard about the Toyota through friends (who having HYUNDAI cars) and by ads. The people less heard about the Toyota through telesales, events and consultants

SUGGESTIONS

- The company should maintain their market position and try to increase their customers.
- Enough stock should keep in stockiest place& retailers place
- To enable the customers to get in touch with the service personal more easily, the number of direct

phones should be increase or provide the toll free number to give solutions of constructions.

- Periodically, review meetings with the customers in different areas should be convinced, to have a general consensus regarding problems being faced by them.
- The respondents are paying their bills at the company show rooms, and these are also acting as customer care centers for all queries and needs of the consumers.
- The service is also well received by the respondents and they are satisfied with quality and price, moreover it is largely used by people who are offering public cell office facilities.
- The instruments being providing with fixed line service are being well received by the respondents.

V. CONCLUSION

The analysis of the data obtained the market research has led to many inferences on the Motor services brands. In course of conducting marketing survey some value and useful information was given by respondent.

Users find HYUNDAI Motor services as one which provides security for Users and reliable and feasible. The overall conclusion of the study is the HYUNDAI Motor services offering better services which make Users feel happy and comfortable.

It must be said however, that putting all these steps into practice, and hiring professional branding experts to manage such a program may still not guarantee that the country will attract investors, nor will the country experience the desired image change. This is because of the

existence of other extenuating factors in the environment; these factors may include global economic downturn.

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