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SCHOOL OF ECONOMICS AND BUSINESS

MASTER'S THESIS

BRAND AWARENESS OF THE HISENSE BRAND ON THE
BULGARIAN MARKET: MARKETING STRATEGY FOR TELEVISION
SETS

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AUTHORSHIP STATEMENT

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LIST OF ABBREVIATIONS

CBBE - Consumer-Based Brand Equity

COO - Country of Origin

CSR - Corporate Social Responsibility

R&D - Research and Development

UGC - User Generated Content

YoY – Year-over-Year

1 INTRODUCTION

Hisense is a global leader in consumer electronics and household appliances, that has achieved impressive growth throughout its long history (Hisense Global, n.d.). Starting as a small enterprise in China more than 50 years ago, the company has consistently developed its capabilities in R&D and has focused on innovation, while expanding its portfolio and reach to new markets worldwide, including through acquisitions of other technological companies.

Television sets are one of the major products in the portfolio of Hisense and in December 2022 the company became world number one TV manufacturer in terms of global shipments volume, ranking annually at number two with 12,06% global market share (Hisense Europe, 2023, January 5). In 2018 Hisense acquired Slovenian manufacturer Gorenje (Hisense Global, n.d.). Hisense used the access to Gorenje's distribution network to expand its sales markets, opened a new TV factory in Velenje procuring devices for the European markets (Hisense Europe, 2021) and in 2022 the market share of Hisense television sets on the European market achieved significant increase, reaching third place in Slovenia and first place in Serbia (Hisense Europe, 2022).

Bulgaria is a relatively new market for Hisense television sets and the company is yet in the earlier stages of development and growth in this product category. Marketing strategies usually aim to influence consumers to buy a brand by creating awareness and teaching them about the brand (Peter & Olson, 2010, p. 68). Creating brand awareness is actually seen as a necessary step before creating brand associations and brand image (Keller, 2013, p. 74; Christodoulides et al., 2015). Therefore, monitoring the level of awareness and the way a certain brand is perceived by consumers is important in order to guide the efforts of the company in the right direction and achieve good results. Global brands may be perceived differently by consumers in different markets, as consumer behaviour is affected by the cultural, social and economic environment (Kotler & Armstrong, 2012; Roth, 1995).

This research therefore sets as its goal to gain insights specifically about Bulgarian consumers and about their awareness of Hisense and the brand image they hold, and to demonstrate how this information might be used by the company in its marketing strategy.

To this end, the following two research questions were defined:

- What is the level of brand awareness among Bulgarian consumers of the Hisense brand in the market for television sets?
- What is the brand image of the Hisense brand with regards to television sets among Bulgarian consumers?

The subject of the thesis was intentionally chosen with a focus on the practical application of marketing theory. The research is descriptive by nature and while it might not have important theoretical contributions, it demonstrates the role of brand awareness and brand image in a specific business case. Its results (considering its limitations) might also be useful in terms of evaluating the current situation of the Hisense brand on the Bulgarian market and providing know-how for future planning and activities.

A quantitative method was chosen for the empirical research - a survey among potential customers of Hisense TVs in Bulgaria. This is a widely used strategy for exploratory and descriptive research, (Saunders et al., 2009, p. 144) and it allows to examine both opinions, attitudes and descriptions, and causal relationships (Ghauri & Gronhaug, 2010, p. 118). The survey was conducted online using the popular platform SurveyMonkey (<https://www.surveymonkey.com/>) – this format allowed to easily reach respondents across the whole country and facilitated dissemination. The sampling method was self-selection and 205 responses were collected over the period of one week in May 2023.

The thesis starts with a theoretical overview of the basic terms related to the subject – Chapter 2 discusses in detail the concepts of brand, brand awareness and brand image and other related terms. These concepts have a long history and have been the subject of many theoretical and empirical works by prominent authors, among which Kotler (2003), Keller (1993, 2003, 2009, 2013) and Aaker (1996). Brand awareness and brand image are also examined within the wider frameworks of consumer behaviour and marketing strategy in order to achieve a better understanding of how they influence consumers and how companies can use this knowledge in their marketing strategies in order to achieve better results. The theoretical overview provides the foundation for the empirical research and also serves as a reference for subsequent analysis of the results.

Chapter 3 is dedicated to the empirical part of the research. It starts with presentation of Hisense – the history of the company and the brand, its mission and values, and its strategy. It then focuses on Hisense television sets and their presence on the Bulgarian market. Next, the research questions, objective and methodology are discussed in more detail. The logic behind the questionnaire structure is explained and special attention is paid to the operationalization of the terms brand awareness and brand image.

The results of the survey are analysed in Chapter 4. The responses to all individual questions are presented and analysed, as well as relationships between some of the variables, based on the logical connections within the questionnaire. The significance and strength of these relationships is tested using standard statistical hypothesis-testing methods. The data is visualized accordingly – through graphs and tables displaying the basic descriptive statistics and structure of the data.

The results of the analysis are summarized in Chapter 5. It highlights the important findings and also discusses the research limitations and possible further research.

Finally, Chapter 6 connects the findings of this research with the marketing strategy of Hisense for television sets in Bulgaria, suggesting how the information obtained can be used by the company. Some practical ideas are proposed with regards to the marketing mix of Hisense Bulgaria.

The topic of the thesis was discussed with a representative of Hisense Europe marketing team. However, the research and the analysis have been developed and carried out independently and have not been influenced in any way by the company. Access to company information was kindly provided and was very useful for obtaining initial information about the company, the brand, its products and the way it operates. However, due to confidentiality, internal data was not used in practice and not revealed here in any way, unless it was also publicly available.

The lack of publicly available research data about Bulgarian market for television sets, Bulgarian consumers, and the activities of Hisense on the Bulgarian market made the research more challenging, but on the other hand the lack of such information makes it more useful and meaningful.

2 DEFINITIONS AND CONCEPTS

This chapter will introduce the main terms related to the topic - “brand”, “brand awareness” and “brand image”, some important related concepts and their role within the larger field of marketing. They form the necessary basis of the research and this theoretical overview shall allow a well-grounded, meaningful and useful empirical research to be constructed.

2.1 Brand

Until the end of 19th century goods were mainly distributed to consumers in bulk and sold as staples in general stores (Bastos & Levy, 2012). Only when they started to be packaged and labelled, the name of their producers began to be considered as added value and there were conditions for branding as a practice to appear. Early sources show that branding started to develop as a concept in marketing in the first decades of XX century. However, first it had more limited meaning – it was often used a synonym of trademark, in the sense of a brand name. Its development is closely related to the development of different media.

The meaning and significance of brands has since become an important subject in marketing theory. A brand is considered as more than a product or a service, because “it can have dimensions that differentiate it in some way from other products designed to satisfy the same need” (Keller, 2013, p. 31). Kotler and Armstrong (2012, p. 231) define brand as “a name, term, sign, symbol, or design, or a combination of these, that identifies the maker or seller of a product or service”. The importance of brands however goes beyond identification and visual representation of companies in their view – its value lies in the meaning that customers

attach to them and the relationships which are formed. The brand can be seen as a promise – “a promise to the consumer in terms of what to expect from the product in terms of product attributes and emotional modifier (e.g., social acceptance from a luxury car)” (Baumann et al., 2015, p. 29).

Brands serve numerous functions important both to consumers and firms (Keller, 2013, pp. 34-35). For the consumers brands serve as an identification of the source of the product and allow consumers to assign responsibility; familiar brands facilitate purchase decisions and thus decrease search costs; brands form a “bond” with consumers who in turn offer their trust; brands can also have a symbolic meaning and represent values, important to consumers, who, by consuming them, express themselves. For companies brands have the practical function to identify products and facilitate operations; they serve as a means of legally protecting the unique features of their products; brands also serve as a means of endowing products with unique associations; they can be a source of competitive advantage and financial returns.

Keller and Lehmann (2006, p. 740) summarize that “brands manifest their impact at three primary levels – customer market, product market, and financial market” and “the value accrued by these various benefits is often called brand equity”.

The term “brand equity” emerged in the 1980s and has been defined in various ways, but a generally accepted notion according to Keller (2013, p. 57) is that “brand equity consists of the marketing effects uniquely attributable to a brand”. More specifically, “by creating perceived differences among products through branding and by developing a loyal consumer franchise, marketers create value that can translate to financial profits for the firm” Keller (2013, p. 33). To avoid confusion of brand equity with brand image, Biel (1993, p. 69) highlights its financial essence – brand equity is usually defined in economic terms.

An illustration of this concept, particularly relevant to the subject of this paper, is the case of Hitachi and General Electric, who used to own jointly a television factory, producing identical televisions which were sold under the two brands - Hitachi sold them with a greater premium, however their sales were twice bigger (Keller, 2013, p. 69). Similar examples have already been observed in the market for electronics (Biel, 1993, p. 69).

One specific perspective towards brands equity is the consumer-based brand equity model (CBBE). This model provides behavioural insights, which can be converted into actionable brand management strategies (Christodoulides & Chernatony, 2004, as cited in Romaniuk, Wight, & Faulkner, 2017, p. 470). Keller (2013, p. 69) defines the consumer-based brand equity of a brand as “the differential effect that brand knowledge has on consumer response to the marketing of that brand” and basic premise is that “the power of a brand lies in what resides in the minds and hearts of customers”. A brand can have a positive or a negative brand equity.

Looking from the perspective of the CBBE concept, Keller (2013, p.71) sees brand knowledge as “the key to creating brand equity, because it creates the differential effect that drives brand equity.” Consumers’ knowledge about brands is very important to marketers, as “most marketing strategies are brand oriented in that they are intended to make consumers aware of a brand, teach them about that brand, and influence them to buy it.” (Peter & Olson, 2010, p. 68). Keller (1993) views brand awareness and brand image as two components of brand knowledge.

2.2 Brand awareness

Percy and Rossiter (1992, p. 264) define brand awareness as “a buyer's ability to identify a brand within a category in sufficient detail to make a purchase.” This, however, does not necessarily mean they have to remember the name of the brand. A distinction is made between “top of mind awareness”, “brand recall” and “brand recognition”.

Brand recall is defined as “consumers’ ability to retrieve the brand from memory when given the product category, the needs fulfilled by the category, or a purchase or usage situation as a cue” (Keller, 2013, p.73). Laurent, Kapferer and Roussel (1995, p. G170) call this “spontaneous awareness” – “consumers are asked, without any prompting, to name the brands they know, even if only by name, in the product category; the spontaneous awareness of brand *i* is the percentage of interviewees indicating they know the brand”. Applied to the topic of this paper, consumers’ recall of Hisense would be reflected by their ability to retrieve the brand when they consider purchasing a new TV – whether at the store or just while considering the options beforehand.

“Top-of-mind awareness” is when the brand is the first recalled by the consumer (Laurent et al., 1995).

Another commonly used term is “unaided awareness”, which includes both top-of-mind awareness and brand recall (Romaniuk et al., 2017, p. 470).

Aaker (1996) also distinguishes “brand dominance” – when the brand is the only one recalled.

Brand recognition, on the other hand, is “consumers’ ability to confirm prior exposure to the brand when given the brand as a cue” (Keller, 2013, p. 73). In the present case, that would mean that when exposed to the brand, while for example browsing in the TV section of the physical or online store, consumers would be able to recognise Hisense, that it would be familiar to them. This metric is also referred to as “aided” or “prompted awareness” (Romaniuk et al., 2017).

Creating a high level of brand awareness may create learning, consideration, and choice advantages (Keller, 2013, p. 72).

Creating brand awareness is a prerequisite for creating brand associations and brand image (Keller, 2013, p. 74; Christodoulides et al., 2015). The nature of the brand node that marketers create can influence the formation and storage of brand associations. If consumers can learn and store brand associations more easily, this learning advantage ultimately contributes to building brand equity (Keller, 2013, p. 74). While this makes awareness an especially important metric for new brands, Romaniuk et al. (2017, p. 470) note that even well-established brands face new category buyers where awareness still needs to be established, therefore it is relevant for all brands, regardless of their market share.

When making a purchase, consumers are rarely loyal to one brand only – instead, they form a consideration set of a few brands among which they make a choice. Consideration advantage refers to the higher chance a brand would have to be included in this set - higher brand awareness increases the likelihood that the brand be included (Keller, 2013, p. 74). Baker, Hutchinson, Moore & Nedungadi's study (1986) confirms that brand familiarity is likely to increase the probability of inclusion in the evoked set, however this effect is highly context dependent and inclusion in the evoked set will be determined more by brand/situation associations than by overall familiarity with the brand.

Last but not least, Keller (2013, p. 74) highlights the choice advantages brand awareness brings, i.e., higher likelihood that the brand is chosen among the other brands in the consideration set. Awareness is likely to have higher influence in low-involvement decision settings – e.g. when consumers lack purchase motivation due to lack of perceived differences between brands, or when consumers lack ability, due to lack of knowledge. Hoyer and Brown (1990) confirmed through a controlled experiment that brand awareness may have considerable effect on consumer choice with a common, repeat-purchase product, providing an easier choice sometimes even at the expense of choosing a lower quality product. The importance of brand awareness on market outcome metrics for low involvement, consumer-packaged goods is supported by Huang and Sarigöllü's (2012) findings. However, contrary to the general assumption, their research finds that consumers' brand usage experience contributes more to brand awareness than vice versa, i.e., experience precedes awareness in some cases.

Baker et al. (1986) conclude based on review of existing literature that brand familiarity is likely to generate positive affect toward the brand and motivate purchase behaviour. However, these effects are context dependent and brand familiarity is unlikely to exert a robust effect on consumers' brand attitudes and decisions when extensive product knowledge is available or when involvement is high. Jalilvand et al. (2011) also confirm the direct causal relation between brand awareness (as one of the four dimensions of brand equity, along with brand loyalty, brand associations and perceived quality) and purchase intentions. A correlation between the components of brand equity themselves was also established, meaning brand awareness may influence brand loyalty. Huang and Sarigöllü's (2012) very in-depth research, using both survey and market data, confirms previous literature on the positive relationship between brand awareness and brand market outcomes such as sales,

market share. It demonstrates a positive association between brand awareness, customer mindset brand equity, and brand equity market outcome measures, including revenue premium, share premium and price premium.

Laurent et al. (1995) note some constraints to building brand awareness – it is a process which takes time, it follows a curve and there are no shortcuts. A brand would start and lower levels and build up its brand awareness. Competitor brands also pose a limitation, as the number of brands with a large enough awareness interfere in the memory process: when the leading brands in terms of awareness of a market are known by almost all consumers, they seem to block the spontaneous recollection of other brands.

Nowadays brands often operate on many different markets, so Romaniuk et al. (2017) also recognise a need to investigate brand awareness metrics in complex global circumstances. A brand may be well established in one country but nascent in another and this might necessitate adopting different strategies for measuring and comparing awareness. When choosing the brand awareness measure, marketing managers have to take into account the market share of the brand and to decide whether they want a more stable or more volatile metric. For small market share brands aided awareness metrics will be more volatile, while top-of-mind awareness will be more reliable, while for large market share it will be the opposite. For brands in the middle, the relationship between measures is stronger and any of them will work.

Laurent et al. (1995) also recommend using different measures of brand awareness, taking into account the salience of the brand and whether a more sensitive measure is needed. For a leading brand, its aided awareness score may be extremely high and not allowing for temporary changes to be detected; they could be more visible in a spontaneous awareness question. Conversely, the spontaneous score of a minor or starting brand will be very small and therefore not a very sensitive measure of evolution, while aided awareness will be more able to detect progresses in the brand's awareness.

2.3 Brand image

Brand image is a concept with long history and it has gone through an evolution from a simple entity with limited application to a complex multi-dimensional and multi-functional entity (Bastos & Levy, 2012). While the existence of brand image is generally accepted there is a lack of consensus on its definition, how it is formed, whether it can be measured and its worth (Biel, 1993, p. 67). Biel credits David Ogilvy with focusing attention on brand image in the early 1950s. Ogilvy acknowledged advertising's contribution to brand image, but also admitted it was not its only source.

One of the earliest definitions of brand image belongs to Gardner and Levy (in Bastos & Levy, 2012, p. 355) - “a governing product and brand personality that is unified and coherently meaningful”. They wanted to go deeper in understanding purchase behaviour and

find more enduring motivations for purchase. In their view products had a social and psychological nature, besides the physical one. Brand image comprised the sets of feelings, ideas and attitudes that consumers had about brands, and that were crucial to purchase choice (Levy in Dobni and Zinkhan, 1990). Another classic definition of brand image belongs to Kotler (2003, p. 304) - “the set of beliefs, ideas and impressions that a person holds regarding an object.”.

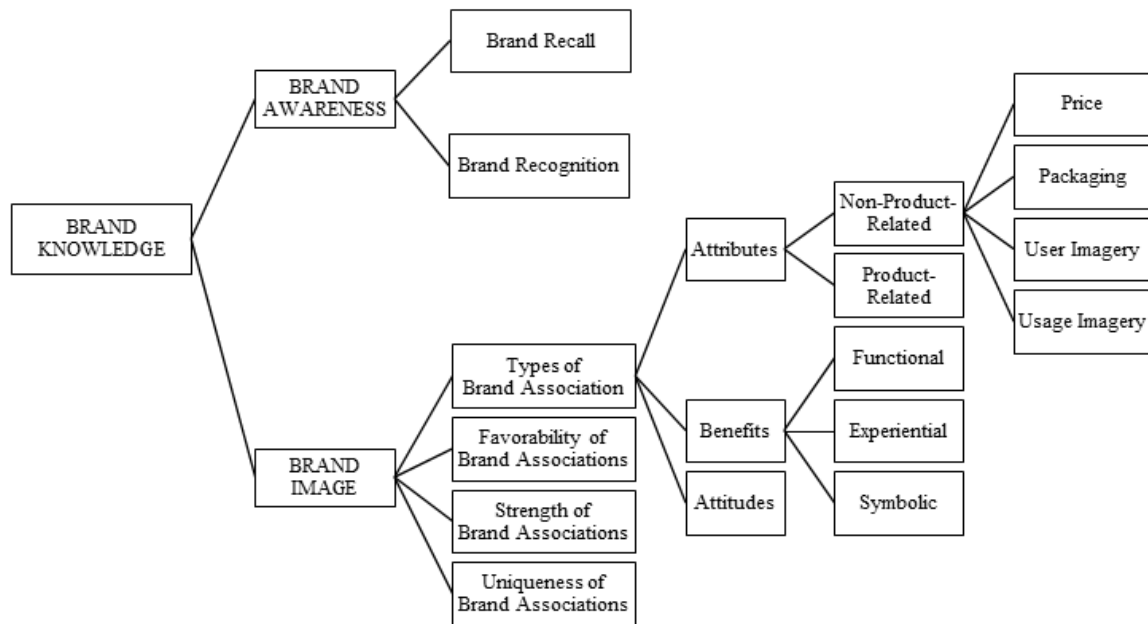
Dobni and Zinkhan (1990) analyse existing definitions of brand image and classify them into several groups. While some definitions are very general (“blanket definitions”), they represent an important notion – of brand image as an abstraction, a subjective perception of reality, which may be more important than reality itself. Another group of definitions, identified by the authors, puts an emphasis on symbolism – they imply that a personal or social meaning or value must be consciously attached to the product, and that products, as symbols, will only be used if they reinforce the consumer's self-concept - personal attributes, goals, social strivings and patterns. A third group of definitions is formed around the emphasis on meaning and messages that consumers ascribe to the product, which create differentiation between functionally similar products. Another group of definitions put an emphasis on personification – either suggesting that the product has a personality of its own, or associating the consumer personality with the image of the product or brand. The last group includes various definitions focused on cognitive or mental process by which brand image is said to be triggered, which view "ideas", "feelings", "attitudes", "mental constructs", "understandings" or "expectations" as the major determinant of brand image.

This wide range of definitions has naturally led to a lack of consensus about assessment of brand image. However, Dobni and Zinkhan (1990) notice a trend towards operationalizing this construct using quantitative techniques.

Keller (1993, p. 3) defines brand image as “perceptions about a brand as reflected by the brand associations held in consumer memory”. He analyses in more detail the different types of brand associations (attributes, benefits, attitudes) and the dimensions of these associations (favourability, strength, uniqueness) that play an important role for creating brand equity, together with brand equity. Keller’s model of brand image with its detailed structure provides a solid base for operationalization of the construct and it is also the most widely cited source for brand image definition in works, dedicated to brand image measurement (Plumeyer et al., 2019, p. 232). It will serve as a reference for the development of the questionnaire for the current research, that is why it will be reviewed in more detail in the following paragraphs.

Figure 1 presents the structure of the model of brand image as part of the model of brand knowledge (also including brand awareness).

Figure 1: Dimensions of Brand knowledge



Source: Keller (1993, p. 7).

In Keller's model of brand image, brand associations are categorized according to their level of abstraction.

Attributes are descriptive features that characterize products and services and can be product-related and non-product related.

Product-related attributes relate to the product physical characteristics or service features, necessary for their functioning. They vary by product or service category.

Non-product related attributes are external aspects of the product or service, related to its purchase or consumption. They have four subtypes - price, packaging, user imagery, usage imagery. Keller highlights the importance of the price attribute association, because of the strong beliefs consumers have about the price and value of a brand, due to which they may organize their product category knowledge in terms of the price tiers of different brands (Blattberg & Wisniewski in Keller, 1993, p. 4). User imagery associations (referring to the type of user who uses the product) may be based on demographic factors (e.g., sex, age, race, and income), psychographic factors (e.g., according to attitudes toward career, possessions, the environment, or political institutions), and other factors. Usage imagery associations (referring to the situations in which the product is used) may be based on the time, location of the usage, or the type of activity (formal or informal), etc. User and usage image associations can be based on own or other consumers' experience or on the brand's advertising. These types of associations may arise from inferences about the underlying user or usage situation or may reflect emotions or feelings evoked by the brand. They are also

related to the so called “brand personality” – a detailed analysis of this concept and a framework of brand personality dimensions have been developed by Aaker (1997).

Benefits are another type of associations, which relate to the value consumers attribute to the product. There are three types of benefits depending on their underlying motivations (Park et al. in Keller, 1993, p.4). Functional benefits are more intrinsic advantages of the consumption of the product and usually correspond to product-related attributes. Experiential benefits are related to feeling the consumption of the product bring to the consumer – sensory pleasure, cognitive stimulation, etc. They also correspond to product-related attributes. Symbolic benefits are more extrinsic, correspond to non-product related attributes and relate to the underlying needs for social approval and self-expression. This explains why consumers may value the prestige and fashionability of a brand (Solomon in Keller, 1993, p.4). These benefits are especially important for socially visible products. Buehler and Halbheer (2011, p. 102) note that “consumers are especially susceptible to brand image when consumption is public and subject to social assessment”.

Brand attitudes are the consumers’ overall evaluations of a brand (Wilkie in Keller, 1993, p. 4). They are important because they often form the base of consumer behaviour, including brand choice. A widely accepted approach to brand attitudes is the multiattribute approach, where brand attitude is a function of the salient attributes and benefits, associated with the brand. However, it is often difficult to specify all the relevant attributes and benefits of a brand, or consumers do not engage in a very rational decision making, so a general component of attitude towards the brand is often included in models of consumer preference.

Keller (1993) also discusses the favourability of brand associations – they may be differently evaluated by consumers. This evaluation has been proven to be also related to the perceived importance of the attribute. The value of brand associations in purchase decisions may also vary in different situations.

The strength of associations also differs in Keller’s model. It depends on the encoding and storage of information in consumer memory – the quantity and quality of the processing of information during encoding. Even strong associations, however, may not be always easily retrievable – this is also context-dependent.

Finally, brand associations differ in their uniqueness. While unique brand associations are important for preferring one brand over its competitors and thus critical to its success, shared associations are also useful, as they serve for establishing category membership (MacInnis & Nakamoto in Keller, 1993, p. 6).

Biel (1993, p. 71) also distinguishes between three sub-images of a brand – corporate image, image of the user and image of the product/service itself. Their relative contribution however varies by product and brand.

Positive feelings that consumers have for a brand or a connection they feel to it contribute to a positive brand equity (Kotler & Armstrong, 2012, pp. 243-244). Marketing managers can create and increase brand equity by providing specific brand associations or signals to consumers, which will result in images and attitudes that influence brand equity (Faircloth et al., 2001).

2.4 Brand awareness and brand image in consumer behaviour

Both brand awareness and brand image affect consumer behaviour and consumer choices, as it was discussed above, while reviewing these concepts and their importance for companies. This chapter will take a different point of view, putting the consumer in the center and taking a closer look at the purchasing process and the way consumers perceive brands from a psychological point of view. This puts brand awareness and brand image into a broader context and provides better understanding of how they affect consumer behaviour.

Knowledge about consumer behaviour can be an important competitive advantage, as “all marketing strategies and tactics are based on explicit or implicit beliefs about consumer behavior”, but “decisions based on explicit assumptions and on sound theory and research are more likely to be successful than are decisions based solely on hunches or intuition” (Hawkins & Mothersbaugh, 2010, p. 9).

Consumer behaviour, as described by Peter and Olson (2010, pp. 5-10), refers to the thoughts and feelings people experience and the actions they perform in consumption processes, as well as the things in the environment that influence these thoughts, feelings, and actions, e.g., comments from other consumers, advertisements, price information, packaging, product appearance. Consumer behaviour is dynamic, because of the constant changes in these three elements. It also involves interactions among people’s thinking, feelings, and actions, and the environment. Marketers need to understand what products and brands mean to consumers, what consumers must do to purchase and use them, and what influences shopping, purchase, and consumption, in order to better satisfy consumer needs and create value.

Consumer research insights have long had an important role in managerial decision making in marketing, but today’s dynamic marketing environment, increased competition and well-informed consumers make knowledge about consumer behaviour even more important for successful branding strategies and programs (Keller, 2003).

In marketing theory, consumer purchase is viewed as a response to a problem and customers go through several steps to solve it: problem recognition, information search, evaluation of alternatives, and product choice, followed by outcomes (Solomon et al., 2006, p. 258).

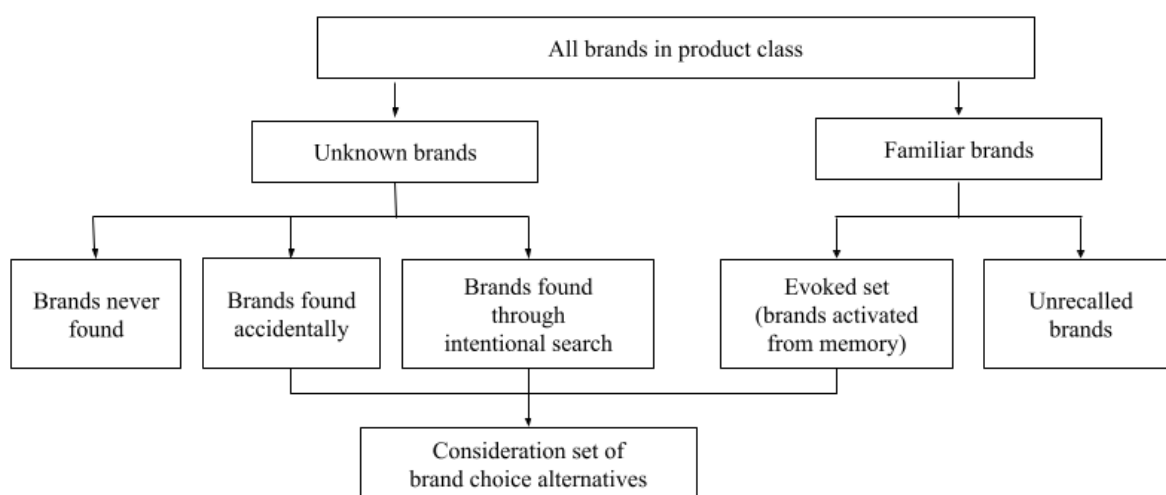
Solomon et al. (2006) provide extensive review of this process and its stages. A problem recognition occurs when the consumer sees a significant difference between their actual and

ideal state – it can either be a need or opportunity recognition. Marketers can stimulate problem recognition by attempting to create demand – primary, when there is a new product, or secondary, when consumers are prompted to prefer one brand over others.

When the problem is recognized, consumers search for information – internally, in their memory, or externally – in the environment (advertisements, friends, etc.) (Solomon et. al, 2006). This search is not always rational – consumers do not always seek extensive information and carefully compare alternatives, and they are also susceptible to biases. The search may be deliberate – a result of a previous purchase and accumulated information, or there can be “incidental learning” – a result of exposure to stimuli or other people. To take advantage of this process, marketers can use continuous advertising to create product associations in consumer’s minds. Information search tends to be more extensive when the purchase is important and when the perceived risk is higher. Risk, on the other hand, would be perceived to be higher for expensive products and unfamiliar brands.

The next stage in the process is the evaluation of alternatives (Solomon et. al, 2006). Sometimes the range of available alternatives can be very wide, however only some of them are included in the consideration set. Peter and Olson (2010, p. 166) illustrate how a consideration set of brands is formed:

Figure 2: Forming a consideration set of brand choice alternatives



Source: Peter & Olson (2010, p. 166).

The final stage of the purchasing process, described by Solomon et. al. (2006) is the product choice – it comes after comparing and evaluating the relevant alternatives. This can be a simple or much more complex process; it can involve information from different sources – prior experience, retail environment, beliefs about brands, etc. Decision is made using evaluative criteria – product dimensions, used to judge the competitors. The important

dimensions are those on which alternatives differ – they are the determinant attributes. Marketers should know which are the determinant attributes for consumers and use them in their activities, or they can create such attributes.

Keller (1993, p. 3) reflects on the role of brand awareness and outlines three major reasons for its importance in consumer decision making. First, it is important for the inclusion of the brand in the consideration set of alternatives. Second, even in the absence of other product associations, brand awareness can influence decisions about brands in the consideration set. And finally, awareness influences the formation and strength of brand associations in the brand image. These are essentially the learning, consideration, and choice advantages (Keller, 2013) discussed in more detail in the previous chapter.

Buying behaviour may differ, depending on the type of product and therefore – the complexity of decision (Kotler & Armstrong, 2012, pp. 150-152). Televisions are an expensive and infrequently bought product, and especially with today's rapidly developing technologies, they can be complex for consumers to understand in terms of functionality and evaluation of quality. Therefore, consumers can be expected to engage in a complex buying behaviour and have higher involvement in the purchase of televisions. Raj and Roy (2015) examine the role of brands in the context of purchasing high-technology products. Consumers go through active information search and take more time to make a decision, because of the higher risk associated with the purchase. Reputable brands, however, might serve to mitigate this risk. The authors conclude that brand image is an important factor in decision-making and recommend more marketing efforts in building a positive brand image. At the same time, most consumers behave rationally in this process, actively search for information, and emotions play a secondary role. Hamann et al. (2007) also conclude that people do not purchase high technology products primarily to satisfy particular needs, but rather for prestige (usage) or a feeling of social belonging. Therefore, they recommend that brands invest more in general image building and strengthening, than in single product campaigns and price competition.

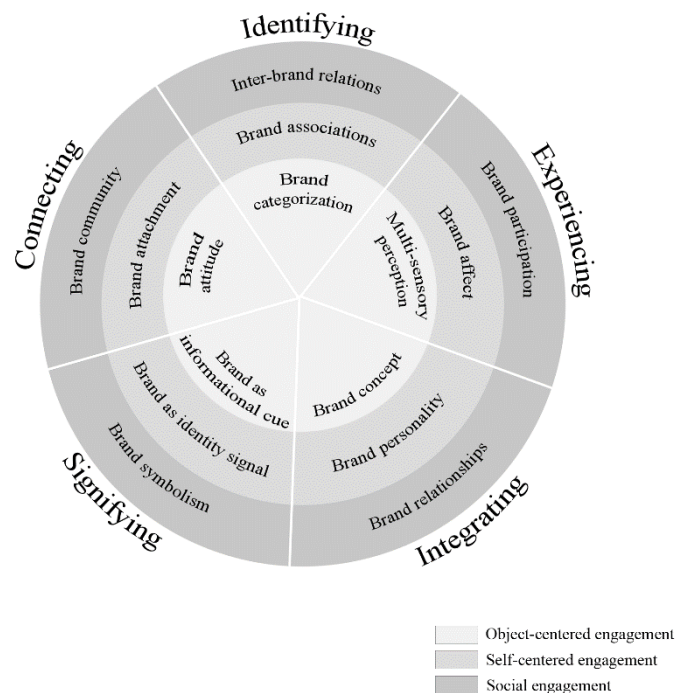
In order to simplify the decision-making process, consumers often rely on assumptions and they treat one product attribute as a product signal, from which they infer other dimensions (Solomon et al., 2006, pp. 279-287). Keller (2013, p. 34) also observes that “based on what they already know about the brand - its quality, product characteristics, and so forth - consumers can make assumptions and form reasonable expectations about what they may *not* know about the brand”.

Country of origin is often used a product signal – a signal of quality (Solomon et al., 2006, p. 283). The so-called country-of-origin effect has been studied extensively for decades. Although it is context dependent, a generalized conclusion can be made that “the COO cue accounts for a substantial proportion of the variance in product quality/reliability perceptions and purchase intentions” (Peterson & Jolibert, 1995). The consumers' level of expertise and

the strength of attribute information is found to determine the extent to which country of origin influences product evaluations (Maheswaran, 1994).

Schmitt (2012) tries to consolidate the knowledge accumulated from various empirical findings and achieve a broader understanding of how consumers perceive brands. He proposes a consumer-psychology model of brands, which focuses on the underlying psychological constructs and processes that contribute to outcomes like brand choice, purchase, or loyalty. Consumers have different levels of psychological engagement with brands, because they have different needs, motives and goals – they are illustrated by three layers in Figure 3 below. The innermost layer represents object-centered, functionally-driven engagement - when the consumer acquires information about the brand with the goal of receiving utilitarian benefits from it. With self-centered engagement, the brand is seen as personally relevant to the consumer. With social engagement the brand is viewed from an interpersonal and socio-cultural perspective, and provides a sense of community. The brand becomes increasingly meaningful to the consumer moving from the inner to the outer layer. The proposed model also distinguishes five brand-related processes: identifying, experiencing, integrating, signifying, and connecting with the brand.

Figure 3: Consumer psychology model of brands



Source: Schmitt (2012, p. 9).

In the process of identifying, depending on the level of engagement, a consumer identifies the brand and its category, forms associations, and compares the relations between brands. Brand categorization is a prerequisite for purchase and brand awareness is an important task related to the process of categorization. At the level of self-centered engagement, identifying

includes developing associations about the brand – these associations constitute brand image, according to Keller's definition discussed in previous chapter. Some associations may be held about the overall brand (in the present case - Hisense) whereas others may focus on exemplars of the brand (Hisense TVs) (Ng & Houston in Schmitt, 2012, p. 10). On a social level brand is identified through comparisons with other brands and usually one of the brands, drawing greater consumer awareness or more positive associations, is the winner.

On the object-centered level of engagement, the process of experiencing includes multi-sensory perception – at various touchpoints, consumers pick up the multi-sensory stimuli of a brand (its logo, brand characters, verbal or auditory slogan). On the next level – self-centered engagement, brands provoke positive or negative feelings in consumers – brand affect and this is used in “emotional branding” in contrast to marketing approaches focused purely on unique selling propositions (Gobé in Schmitt, 2012, p. 10). When consumers are socially engaged, they experience the brand by actively interacting with it – e.g. participating in events, contributing ideas or sharing information on social media (Hoffman & Fodor; Bayus in Schmitt, 2012, p. 11).

During the integration process consumers integrate information about the brand. On the object-centered level a brand concept is formed – or brand image. On the next level of engagement, information and experiences may be integrated farther by inferring trait and personality characteristics about brands, which differentiate them in the mind of consumers even if they cannot articulate differences in associated attributes and benefits, or when there are few sensory differences (Aaker in Schmitt, 2012, p.11). In addition, consumers may also interact with brands in ways that parallel interpersonal and social relationships and form brand relationships.

In the process of signifying, brands are seen as symbols – they may act as an informational cue, personal identity signal or cultural symbol, depending on the consumer's engagement. Informational cue brands give should be clear and credible. As an identity signal, brands may be used by consumers to better understand and express themselves (Swaminathan et al. in Schmitt, 2012, p.12). As cultural symbols, brands not only represent whole cultures, but allow groups and communities to communicate and orient themselves.

The model also distinguishes three psychological constructs, indicating ways of connecting with a brand that differ in strength and affect the consumer's interaction with a brand. Brand attitude (resulting from object-centered engagement), brand attachment (resulting from self-centered engagements), and brand community (resulting from interpersonal and socio-cultural engagements).

2.5 Brand awareness and brand image in marketing strategy

This chapter will look at brand awareness and brand image's place within the wider marketing strategy of a company and examine the current challenges that companies are facing globally.

Marketing strategy is “the marketing logic by which the company hopes to create customer value and achieve profitable customer relationships” (Kotler & Armstrong, 2012, p. 48). It involves developing and presenting marketing stimuli directed at selected target markets and is typically designed to promote favourable thoughts and feelings in consumers about particular brands, products and services, and to motivate initial and repeated purchase (Peter & Olson, 1999, p. 10). On a more practical level, the marketing strategy includes decisions about which customer the company will serve (segmentation and targeting) and how (differentiation and positioning), and following this strategy, the company designs an integrated marketing mix (including the so called 4 Ps) (Kotler & Armstrong, 2012, p. 48).

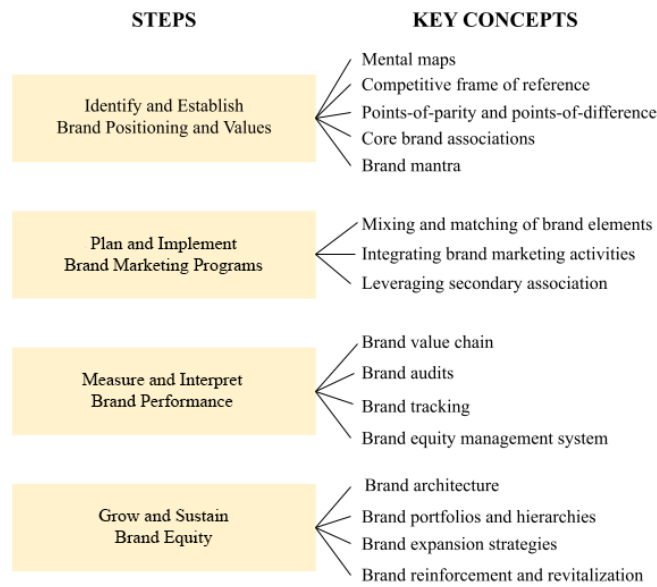
The end goal of a commercial company is naturally profit, which can be achieved through sales, therefore marketers would aim to stimulate purchases by consumers. Percy and Rossiter (1992, p. 263), however, note that while purchase intention and behaviour may be the ultimate goal of advertising communication, they are not its direct object. In order to be achieved, there are some preconditions – the salience of the brand must be raised and some attitudes towards the brand must be formed first, to make purchase possible. It is important therefore for marketers to know how to generate brand awareness and attitude.

Bastos and Levy (2012, p. 360) even observe that “the contemporary use of the notion of branding is equated with achieving and managing an identity and has in many contexts supplanted the word marketing, perhaps as a way of avoiding the more stigmatic aspects of the latter word”, i.e., branding is perceived as “more appealing than the sheer commercialism widely associated with the word “marketing””.

A holistic and strategic approach to brand management, according to Lisa Wood (2000), promotes longevity. Within this view, the marketing mix should support the brand message. Brands are created using the marketing mix in a synergistic way and strategically positioned in the market by offering benefits that are distinct from competition and desired by consumers. This is how competitive advantage is achieved.

Keller (2013, p. 59) outlines the strategic brand management process in Figure 4.

Figure 4: Strategic brand management process



Source: Keller (2013, p. 59).

Building a strong brand in terms of brand equity is seen as a managerial priority (Keller, 2009; Aaker, 1996) and to this end, “the right knowledge structures must exist in the minds of actual or prospective customers so that they respond positively to marketing activities and programs” (Keller, 2009, p. 140). Marketing communications can play a crucial role in shaping that knowledge, however the modern environment has become very complex, traditional media and advertising have lost their leading role, consumers have gained a lot of power.

There are numerous other challenges that make building a strong brand difficult, including pressure to compete on price, proliferation of competitors, involvement of multiple brands and products, temptation to change a sound strategy, organizational bias against innovation, pressure to invest elsewhere and pressure for short-term results, savvy customers, economic downturns, increased costs, etc. (Aaker, 1996; Keller, 2013).

Global brands may experience different perceptions by consumers on different markets. Consumer behaviour is affected by cultural and social influences and also by motivations, beliefs, and attitudes (Kotler & Armstrong, 2012, p. 135). Roth (1995) also confirms that cultural and socioeconomic environmental characteristics of foreign markets affect the performance of different brand image strategy types for global brands. There are two types of approaches that companies, operating on multiple markets around the world can take – adopting standardized or a localized strategy (Solomon et al., 2006, pp. 609-610). With a standardized marketing strategy, a company can benefit from economies of scale. It is based on the view that many cultures, especially in the industrialized world, have become homogenized, so the same approach can work for them. A localized strategy, on the other

hand, takes into account the unique value systems, conventions and regulations of separate cultures and is adapted according to the specific behaviour and personality characteristics.

Cayla and Arnould (2008) criticize the ethnocentric approach of some of the most prominent academics writing on the subject of strong brands, who implicitly assume that the principles of building a strong brand are basically the same across cultures. This leads to the notion that some Chinese brands, for example, are not authentic brands, because they do not have emotional connection with their consumers, while these brands actually offer exactly what Asian consumers look for - reliability. The authors suggest a culturally relative, contextually sensitive approach to international branding.

Dobni and Zinkhan (1990) notice a lack of consensus about the extent to which brand image specifically can be manipulated by marketing practice. Some researchers see brand image as residing in the minds of people and mediated by their experiences, i.e., the image does not actually belong to the brand, thus implying less control over it. Others view the consumers as passive recipients – the brand is projected onto them by marketers and advertisements are a major instrument for creating brand image. Finally, a combination of those perspectives considers product image to be a function of the interaction between perceiver and product stimulus and therefore factors such as the product's attributes, the marketing mix, personal values, experience, the types of people associated with use of the brand, and a variety of context variables, contribute to the development of a particular brand image.

3 EMPIRICAL RESEARCH

This chapter starts with a presentation of Hisense brand – its history, portfolio, global operation and its presence on the Bulgarian market, focusing more specifically on Hisense TVs. This will supplement theory, reviewed in previous chapters, with the specific context of the subject case, before proceeding to the empirical research itself.

3.1 Hisense Brand

The long history of Hisense and the road to its current success can help understand better the company values, strengths and its strategical approach. This overview will be followed by a closer look at Hisense television sets and their presence on the Bulgarian market.

3.1.1 History and global strategy

Hisense is one of the leading manufacturers of consumer electronics and household appliances in the world (Hisense Europe, n.d.). It started its operation in China as a small enterprise more than 50 years ago and has since grown into a global corporation present in 160 countries and regions around the globe. Hisense Group covers different industry

divisions and product groups, ranging from consumer electronics, home appliances and IT smart systems to real estate business.

The company started as a radio manufacturer in 1969 and later gained know-how in television sets production (“Hisense”, 2023). In the first decades it focused on import and export and expanded through its OEM business. This helped the company gain channel resources and operational experience. The name Hisense was adopted in 1993 (Hisense Global, n.d.).

In 1996 the first step towards internationalization was made with the founding of Hisense South Africa (Hisense Global, n.d.). The same year Hisense introduced frequency conversion technology in China and established its air conditioning company. Six years later, in 2002, Hisense established a joint venture with Hitachi and set foot in the large-scale commercial air conditioning market. During the 2000s Hisense also made major developments in research and development (R&D) – it developed China's first industrial digital video processing chip with independent intellectual property rights. The company also put into production the first LCD module production line in China's color TV industry, breaking the history of foreign monopoly. Another important joint venture was established in 2008 with Whirlpool, the world's largest white goods manufacturer, for production of household electronics. Hisense also continued to develop its marketing system and its brand. With the maturity of markets in South Africa, Australia, Europe and North America, Hisense established more branches around the world and set off marketing localization.

In the following years Hisense continued investing in R&D and attracting international engineering talent (Hisense Global, n.d.). R&D centers and factories around the world were built to better understand and meet local demands, to improve product quality, upgrade the products’ technical level and to realize the localization of production. A major acquisition was completed in 2015, when Hisense acquired Sharp America. The deal allowed Hisense to take over the company’s television business in North and South America. Only two years later Hisense also acquired Toshiba Visual Solutions Corporation (TVS).

In 2018 Hisense acquired Slovenian manufacturer Gorenje and as a result of this integration Hisense Europe was founded - a Slovenian-based business group with 27 business units, three major production centers, and four R&D centers across Europe (Hisense Europe, n.d.). The Hisense family of brands was formed – the company developed its multi-brand strategy.

Figure 5: Hisense family of brands



Source: Hisense Global (no date).

In 2021 the new Hisense Europe Electronics factory opened in Velenje and soon after that received further investment which would allow to increase the capacity. The increase was based on a significant expansion of sales markets as a result of the access of Hisense to Gorenje's distribution network in almost all European countries and increased TV orders (Hisense Europe, 2021). Positive results soon followed, as the market share of Hisense TVs on the European market rose significantly in 2022 (Hisense Europe, 2022).

Hisense has integrated product companies in similar industries, technologies or business modes to realise resource and management sharing and improve operational efficiency (Hisense Global, n.d.). As a result of that three core industrial groups were formed: Hisense Electronic Information Group, Hisense Home Appliances Group, Hisense Intelligent Technology Group. The current B2C product portfolio of Hisense includes household appliances, televisions sets (including laser TV and home cinemas) and smartphones.

In the mid-2000s, Hisense aimed to position itself in the high-quality segments of standard and flat panel TVs, mobile phones and other consumer electronics (Bell, 2008, p. 219) through a strategy of “developing high technology, producing high-quality products, providing high-level services” (Ling in Bell, 2008, p. 219). Although at the time they were rather perceived as a mid-quality brand and a local player, Hisense was showing a lot of ambition and careful consideration of its growth and development. Brand manager Wang Ruiji (in Bell, 2008, pp. 219-220) expressed the company’s attention to brand identity and brand positioning. He described Hisense’s overall brand identity by the slogan “With love, technology carries emotion!”. The brand worked with famous personalities to enhance the brand awareness and brand image in China. Wang Ruiji (in Bell, 2008, p. 222) explained that the brand’s approach was to win customers by quality and innovation, to build its reputation on quality. To this end Hisense focused on improving quality, customer understanding and technology over the years (Ling in Bell, 2008, p. 222). In terms of consumer knowledge, the brand relied mainly on own experience, information from its distribution partners and market data – in China, and as well as abroad (Bell, 2008, p. 222).

This combination of customer orientation and innovation-driven approach is reflected in Hisense new product development (Zhu et al., 2012, p. 142). Proposals come from two sources – the majority are based on a careful study of customer needs and market requirements, the rest are technology-oriented and should be sensitive to the industrial technological trends and market competition. The integration between these sources guarantees better response to market demands and products, and promotes the technological development in Hisense.

Hisense has used its current logo since 2012 (“Hisense”, 2023). Hisense has a simple logo, consisting only of the brand name in Latin characters. It is a minimalistic logotype in sans-serif. It has a simplistic and modern feel in bright light green color.

Figure 6: Hisense logo

The image shows the Hisense logo, which consists of the word "Hisense" in a bold, sans-serif font. The letters are a bright, light green color. The 'H' is slightly larger and more prominent than the other letters.

Source: “Hisense” (2023).

Hisense Global website (<https://global.hisense.com/>), an important customer communication channel, also has a modern feel with focus on imagery. It has a simple structure, user-friendly design and clear messages. Focus is currently set on TVs and Laser TV.

The slogan “In Love with technology” comprises two main elements – emotional (love) and functional (technology). As seen in the company history, technology has always been at the heart of the brand. The mentioning of “love” also reminds of the brand identity concept, cited above, back in 2005 by Hisense brand manager Wang Ruiji.

Another headline in the About us section – “Hisense, your reliable partner” – is also aimed at establishing connection with the consumer and building trust – an important factor in the technological sector and an important function of brands.

The company shares the following vision: “To be a century-old company, and to become the most reliable brand in the world.” (Hisense Global, n.d.). Hisense mission is defined as “To pursue scientific and technological innovation, take the lead in the advanced manufacturing with intelligence as the core, and bring happiness to millions of families with high-quality products and services.”. The concept of reliability is seen here as rooted in tradition and experience, as well as technology and innovation. The brand is portrayed as family-oriented, aiming to reach a wide audience. The end goal of bringing happiness is achieved through providing high-quality technology.

The core values of Hisense, as the company defines them, are Integrity, Innovation, Customer Focus and Sustainability (Hisense Global, n.d.). They are directed both internally – caring about the development of technologies and products, and about employees, and

externally – prioritizing consumers and promoting sustainable development. The company has an active CSR program, focusing on children’s needs and social welfare.

Sponsorship is clearly an important part of Hisense marketing strategy. The company has sponsored a number of major sports events in recent years and this has provided huge worldwide visibility for the brand. As Hisense openly state in a sponsored material in Harvard Business Review (2023), sports sponsorship is used as an instrument to reach a wide global audience - to increase sales and brand awareness and to create positive brand associations. And according to the reported numbers, this approach has proven very successful - “Major appliance brand awareness grew by 6 percentage points around Hisense’s first FIFA World Cup™ tour in 2018 and 4 points around UEFA EURO 2020. Between 2016 and 2021, Hisense nearly doubled its brand awareness to 50%”. According to company estimates it was not only awareness that increased, but also intent-to-purchase grew by 33%.

Sport is seen as a universal language and sport sponsorship helps establish emotional connection with existing customers and efficiently connects the brand to new ones. As it is admitted in the article (Harvard Business Review, 2023), this is not accidental, but is the result of years-long careful planning. With sponsorship, Hisense has sought to pick the right events, sports and athletes, so that they are in line with their goals - they allow them to reach the target audience and help them build the desired image, create positive associations. For example, in Australia Hisense has been a sponsor of Australian Open since 2008 and later also began to sponsor rugby, a very popular sport in Australia and New Zealand. In automotive sports, the company recognized the differences in sports fans tastes – Formula 1 provided better opportunity to reach European consumers, but NASCAR was better suited for US audience. Hisense estimates show a very positive result from the sponsoring of the Joe Gibbs Racing team in the 2015 NASCAR XFINITY Series – it helped them quickly establish broad name recognition and also raised Hisense’s profile among potential U.S. consumers.

Considerations beyond the geographical are also taken into account (Harvard Business Review, 2023). Becoming a sponsor of the Red Bull Racing F1 Team in 2015 allowed Hisense to enhance its brand image in technology and awareness among high-end consumers.

Sponsoring of big international events undoubtedly gives Hisense quick access to a huge audience and has a very broad impact (Harvard Business Review, 2023). The company’s strategy however includes activities on different levels – Hisense has sponsored football teams in U.K., France, and Italy, which has allowed establishing a closer bond with local communities.

Today, as the Harvard Business Review article (2023) states, Hisense is focused on attracting new customers. More specifically, the company wants to target the age group of 26–35-year-

olds. These consumers, according to company data, are price sensitive and value-for-money is a major factor in their purchasing decisions. They are rational and pragmatic and seek out advanced technology not for its novelty but for the benefits it offers them. Taking these attitudes and attributes into account Hisense has chosen e-sports as an instrument to attract the next generation of consumers. This decision also takes into account the rapid development of e-sports and the surge in interest in Europe and USA. It suits well the company's ambition of creating innovative products and provides another opportunity to learn about consumer demands and expectation.

In April 2023 Hisense also announced a collaboration with NBA – another initiative targeted specifically at North American consumers (Hisense Commercial Display, 2023). David Gold, president of Hisense America, says: “With this collaboration, Hisense continues impressive growth in North America and around the world as a leading brand in the television and appliance industry. By teaming up with the NBA, we look forward to even more brand recognition and growth”.

3.1.2 Hisense television sets

In December 2022 Hisense officially became the global number one TV manufacturer with a global shipment volume of Hisense TV of 2.326 million units (Hisense Europe, 2023, January 5). The total annual volume of shipments for 2022 amounts to 24.419 million units, accounting for 12,06% of the market share, ranking Hisense No.2 in the world. Overseas shipments increased by 12.2% YoY in 2022, as the increase was especially significant in Europe, Japan and emerging markets.

Despite the challenging economic situation in 2022, Hisense TV market shares scored rapid growth (Hisense Europe, 2022). The Hisense Europe Electronics factory in Velenje is also part of this success and just a year after its opening, Hisense's TV market share in Europe has climbed from insignificant to much higher positions - third place in Slovenia, first place in Serbia, and fourth place in Europe. The market research institute AVC Revo attributes these outstanding achievements on one hand to the rationalized product layout, which caters more precisely to consumer needs, and on the other hand to Hisense's long-term efforts in sports marketing, that successfully elevate its brand awareness and competitiveness in the global market. Hisense's excellent supply chain also contributes to the overall sales growth, together with the continuous efforts in upgrading its product lines with cutting-edge technology.

The portfolio of television sets of Hisense currently includes four series: ULED TV, OLED TV, UHD TV and Smart TV. They are supplemented by Laser TV and Laser Cinema. Hisense also has its own TV operating systems – VIDAA. The brand has broad market coverage and impressive range of models, “with everything from premium 8K and OLED sets” to “ultra-affordable basic LED ones with 4K or regular HD resolution screens.”, according to a review article on TechRadar (St Leger, 2022).

In line with its strategy, Hisense presented the next stage in the development of their TVs - ULED X, at the most influential tech event in the world - CES 2023 in Las Vegas, USA, (Hisense Europe, 2023, February 2). The brand received the CES 2023 Innovation Award for the new product and pledges to bring even more premium products that can provide customers around the world with a superior viewing experience. Hisense is further aiming at the premium segment of laser TVs and in the process has identified the leading consumer requirements when buying a TV as “an immersive experience coupled with larger screen sizes” (Hisense Europe, 2023, February 2).

3.1.3 Hisense on the Bulgarian market

Television sets are one of the two product categories offered under the Hisense brand on the Bulgarian market – the other is air conditioners (<https://bg.hisense.com/>). The brand has only entered the market in recent years. The Bulgarian market is small on a global scale, but TVs traditionally take an important place as household items in most Bulgarian households. The Bulgarian consumer electronics market grew in 2018 and TVs were the most sought-after product category (Nikolov, 2019, November 25). The COVID pandemic led to a surge in the sales of consumer electronics in 2020, most prominently smartphones and computer products, but TVs also remain a top category (Nikolov, 2021, November 25). In 2022 a new competitor entered the market – Ukrainian brand Kivi (Krusharska, 2022, June 5).

For its distribution in Bulgaria, Hisense cooperates with three of the biggest retail chains for consumer electronics – Technopolis (<https://www.technopolis.bg/>), Technomarket (<https://www.technomarket.bg/>), and Zora (<https://zora.bg/>). The electronics chains have both physical stores throughout the country, and online sales with home delivery. This provides very good coverage of the territory of the country. Hisense are also distributed by Polycomp (<https://polycomp.bg/>) - a distribution company for wholesale of high-tech equipment, software, home appliances and photovoltaic systems. Two of the leading telecommunication companies A1 (<https://www.a1.bg/>) and Vivacom (<https://www.vivacom.bg/>) offer Hisense TVs as part of their service packages. The online store Ozone (<https://www.ozone.bg/>) also offers a range of Hisense TV models. Ozone started 10 years ago as an online books and entertainment store, but has since developed and significantly widened its portfolio, notably becoming a major retailer of gaming products after an important acquisition (Money.bg, 2019). This makes it a valuable channel for distribution, because this provides access to younger consumers, who are also the target of Hisense. Offers for Hisense TVs can also be found on the Emag online platform (<https://www.emag.bg/>) by independent sellers and in other online stores, such as Jar Computers (<https://www.jarcomputers.com>), Masterhaus (<https://www.masterhaus.bg>), Digit.bg (<https://digit.bg>), etc.

In terms of distribution and number of models offered, among the competitors of Hisense stand out the global leader Samsung, also Sony, Philips, LG. TCL, another leading global

brand in electronics also originating from China, is not yet very popular on the Bulgarian TV sets market.

Hisense's portfolio on the Bulgarian market includes all types of TVs produced by the brand with model lines in different price segments.

Hisense's Bulgarian website (<https://bg.hisense.com>) carries the same general look and feel as the international one – clean modern design, a lot of images, short and clear messages. It presents the portfolio of products, including detailed feature overview for different models. It looks more sales-oriented with the compact list of characteristics and features, the option to compare products and find a retailer.

Hisense Bulgaria has a Facebook page (<https://www.facebook.com/HisenseBG>), which was set up in 2021 and the brand content published is almost entirely dedicated to Hisense TVs with only one post dedicated to Hisense Air Conditioners. While annotations to images and videos are in Bulgarian, the visual materials are often in English; the videos posted rely primarily on imagery to carry their message and have only musical sound background; in the cases when words are present, they are in the form of written text. Currently (as of April 26, 2023) there are no ads run by this page on Facebook.

Hisense Bulgaria's Instagram profile (@hisense.bulgaria) generally shares its content with the Facebook page. The YouTube and Twitter profiles listed on the Hisense Bulgaria website link to the Hisense Global profiles.

A video on YouTube (The Clashers Tech, 2022) shows Hisense has done a collaboration with one of the most popular Bulgarian vloggers, who has a considerable audience, especially among the young population. He does a review of one of the Hisense models, first introducing the brand to the audience and then proceeding to a detailed review of the TV's characteristics. A reference is also made to the sponsorship of the FIFA World Cup in Qatar 2022.

Looking at the Hisense strategy from the perspective of the Bulgarian market, sponsorship of major football events provides a wide-reaching tribune for the brand. Football is the most popular sport in the country with major tournaments attracting huge audiences in front of TVs.

3.2 Research questions and objective

Hisense is a relatively new player on the Bulgarian market for television sets and gathering additional consumer insights about the local market might be useful to the company in its future activities. It can help assess the current strategy and reveal new opportunities.

As Kotler and Armstrong (2012, p. 48) highlight, in order “to succeed in today's competitive marketplace, companies must be customer-centered. They must win customers from

competitors and then keep and grow them by delivering greater value”. To that end, they must first understand customer needs and preferences through careful customer analysis.

The present research will look more specifically into the product category of TVs. It is one of the two product categories that Hisense currently offers in Bulgaria, but it is also an important product in the brand portfolio globally.

The thesis will focus around the following research questions:

1. What is the level of brand awareness among Bulgarian consumers of the Hisense brand in the market for TVs?
2. What is the brand image of the Hisense brand with regards to TVs among Bulgarian consumers?

These research questions put the research in the category of “descriptive research” – “marketing research to better describe marketing problems, situations, or markets, such as the market potential for a product or the demographics and attitudes of consumers (Kotler & Armstrong, 2012, p. 252). As Ghauri and Gronhaug (2010, p. 56) note, this type of research is more straightforward - “the problem is structured and well understood”, but it has its place in management and business research. It is important however to also consider its purpose and its application – how can this new knowledge be used and be useful?

The objective of the research is, by answering the research questions above, to achieve better understanding of the brand awareness and brand image of the Hisense brand in the product category of TVs in Bulgaria. Using this as a basis, the research aims to produce useful insights on how to achieve better marketing results by taking into account the research observations in the construction of marketing strategies and more specifically - marketing communication.

3.3 Research design

The research questions as they are defined in chapter 3.2 imply the use of a quantitative method of research. The main objective in terms of brand awareness is to gain an idea about the level of awareness in its different dimensions (top-of-mind awareness, brand recall, brand recognition), which means the chosen method must allow measurement. The research question about brand image on the other hand implies generalization and this also makes a quantitative method the appropriate choice.

The specific strategy chosen for the research is a survey among potential customers of Hisense TVs in Bulgaria. This strategy according to Saunders et al. (2009, p. 144) is “most frequently used to answer who, what, where, how much and how many questions. It therefore tends to be used for exploratory and descriptive research”. Ghauri and Gronhaug (2010, p. 118) also write that “the survey is an effective tool to get opinions, attitudes and

descriptions as well as for capturing cause-and-effect relationships”. In addition to all the sources reviewed in the theoretical part, a working paper by Pierre Chandon (2003) provides useful practical guidance for measuring brand awareness and brand image. Plumeyer et al. (2019) also make a systematic review of brand image measurement techniques and propose a roadmap for researchers.

Including competitors in the survey questions also makes it possible to gain insights about competition and compare brand awareness for Hisense with awareness for their competitors.

A quantitative approach also allows to statistically test the presence and strength of a relationship between different variables, in this case – between the demographic and behavioural variables included in the questionnaire, and the awareness of the respondents of the brand. This is useful in establishing whether the company manages to reach its target audience and evaluate its results.

Quantitative methods allow also objective monitoring of results through longitudinal analysis. The same instrument can be used to establish changes and their direction. The analysis is also more objective, since it is less dependent on the skills of the researcher and less susceptible to bias.

Since there is no sampling frame and random sampling is not possible in this case, a non-probability sample has to be used. Self-selection is the most accessible sampling method in this case. Since the potential customers of Hisense are the unrestricted adult population and this research is not looking for respondents with any specific characteristics, the chosen sampling should serve adequately the purpose of the research. While the target audience of the brand is more narrowly defined, it is still worth analysing the wider population of potential TV buyers, as this might reveal different opportunities. Additionally, word of mouth and opinion of friends and relatives might influence purchase choices and brand image in the target audience.

According to Saunders et al. (2009, pp. 233-235), “there are no strict rules about sample size in non-probability sampling, but it has to take into account the research question”. Since the research is mainly descriptive and does not look to prove complex causal relations, a sample of approximately 200 respondents should be an adequate representation of Bulgarian adult consumers and should be sufficient to allow statistical analysis.

The chosen data collection technique is a questionnaire, distributed and submitted online. The online format allows easier dissemination and also easier access to respondents from different geographical regions in Bulgaria. It is also more convenient for people to fill in and submit. Digital format may also allow adaptive structure of the questionnaire, depending on the previous answers people give. The platform Survey Monkey (<https://www.surveymonkey.com/>) was chosen to design and host the survey. It also provides useful instruments for analysis and visualisation of results; however, raw response data can also be exported, if external tools for data analysis are to be used.

The research is cross-sectional – “the study of a particular phenomenon (or phenomena) at a particular time” (Saunders et al., 2009, p. 155).

The questionnaire consists of three main parts – demographic data and consumer behaviour, questions on brand awareness and questions on brand image.

Demographic variables include age, sex, place of residence. In Bulgaria place of residence is a meaningful factor, as both income level and lifestyle of residents of bigger cities, and especially the capital – Sofia, and those in smaller towns and villages, differ significantly and might affect their purchasing behaviour. While income is usually included among demographic variables too and may be an important factor, it is not used here, as respondents are sensitive to this type of questions, especially since the research is not carried out by an institution they know and trust. Including income questions might lead to a lower response rate. Demographic variables are followed by a few questions concerning consumer behaviour – TV watching habits and preferences and TV purchasing history.

The brand awareness part includes questions, designed to establish top-of-mind awareness, brand recall and brand recognition. The whole questionnaire is designed with special attention to avoid creating any bias. It does not reveal that Hisense is the exact brand, which is the main subject of the survey, before passing the brand recall question(s). Winchester and Fletcher (2010, p. 103) consider that “one of the greatest effects on brand image data is the recency of usage of that brand by respondents”. That is why the awareness part of the questionnaire concludes with a question about overall awareness of the brand Hisense (not limited to television sets), which also gives respondents opportunity to indicate if they have used Hisense TV or another Hisense product. Information about the time of the most recent purchase of TV in the respondent’s household is separately gathered in an earlier question.

As mentioned in the theoretical overview, brand awareness is a prerequisite for forming of brand image. So, if a respondent has no awareness of Hisense, has not heard of the brand, then the questionnaire ends there for them. Otherwise, if the respondent confirms Hisense brand awareness, the questionnaire will continue with the third part, which is dedicated to brand image.

While brand awareness measures are not dependent on the nature of different products/services, measuring brand image may be more complex. The lack of consensus on its definition naturally leads to lack of standardized measurement techniques (Dobni & Zinkhan, 1990). Qualitative techniques provide in-depth insights and are very appropriate as a “means of ascertaining consumer perceptions that may otherwise be difficult to uncover” (Keller, 2013, p. 338). However, as Keller notes, they have their drawbacks - the samples are often very small and may not necessarily generalize to broader populations. Moreover, interpretation of results can be subjective and the same data can lead to different conclusions.

Table 1: Operationalization of Hisense brand image

Brand image components (based on Keller's model of brand knowledge)	Hisense desired brand image components (based on company overview)	Questions in survey corresponding to each component
Attributes		
<i>non-product related</i> (price, packaging, user imagery, usage imagery)	value-for-money family-oriented brand price-sensitive consumers pragmatic consumers rational consumers young consumers (26-35)	Q13. How would you rate Hisense TVs in terms of value for money? Q17. How would you rate Hisense TVs in terms of design? Q21. Hisense is a young people's brand. (Agree/Disagree)
<i>product related</i>	high technologies high quality high-level services innovation own OS - Vidaa	Q12. How would you rate Hisense TVs in terms of model range? Q14. How would you rate Hisense TVs in terms of picture quality? Q15. How would you rate Hisense TVs in terms of innovative technologies? Q16. How would you rate Hisense TVs in terms of smart functions? Q20. Hisense offers innovative products. (Agree/Disagree)
Benefits		
<i>functional</i>	benefits of advanced technologies	Q19. Hisense offers practical solutions. (Agree/Disagree)
<i>experiential</i>	technology, carrying emotion brings happiness reliable trustworthy	Q18. Hisense is a reliable brand. (Agree/Disagree) Q23. Hisense offers exciting products. (Agree/Disagree)
<i>symbolic</i>	tradition integrity sustainability CSR premium products	Q22. Hisense brand has a good reputation. (Agree/Disagree)
Attitudes		
	positive attitude	Q24. What is your overall opinion of Hisense TV sets?

Source: Own work based on Keller (1993).

Following Keller's model of brand image, associations from the different types – attributes, benefits, attitudes, are addressed through questions in the survey. The list however cannot be comprehensive, as response rate has to be taken into account, and the questionnaire should be kept reasonably short. The choice of attributes takes into account the values, mission and target audience of the company, as they have been presented above, which convey the desired image of the company. The process of operationalization is presented in Table 1.

In Keller's model brand associations are characterized by their strength, favourability and uniqueness. He suggests an open-ended measure as a first step in measuring them (Keller,

2013, pp. 343-344). This approach was preferred for the questionnaire in the present research, as other approaches, e.g., rating each brand association according to strength, favourability, and uniqueness, or Multidimensional Scaling, would put too much burden on respondents and make the questionnaire too long. Favourability is addressed through two separate questions – “What do you like about Hisense TVs? Describe in a few words, please.” and “What do you dislike about Hisense TVs? Describe in a few words, please.”. Uniqueness is addressed through a similar question: “What do you think sets Hisense TVs apart from other brands? Describe in a few words, please.”. Strength was not included as a separate question, again in favour of limiting the length, considering relevant conclusions could be made based on the responses to questions on separate brand associations.

The survey was carried out in Bulgarian. An English language translation of the questionnaire can be found in Appendix 2. Page numbers are intended to present the logic of the digital version, as some questions were intentionally displayed on a new screen, so that respondents do not see the brand name before they are intended to.

4 ANALYSIS

This chapter will present the detailed analysis of the results from the survey. The questionnaire was filled out by 205 respondents over the course of one week. It was distributed via the Internet, messaging and social networks to friends and acquaintances who meet the survey criteria, and they were asked too to distribute further the link to the survey. The survey was closed for new responses after the intended number of respondents was reached. Statistical analysis and data visualization were carried out using Excel.

Table 2: Sample breakdown - demographic variables

Variable	Value	Frequency	Percentage
Gender	Female	146	71.22%
	Male	58	28.29%
	No response	1	0.49%
	<i>Total valid responses</i>	<i>205</i>	<i>100.00%</i>
Age	18-25	12	5.85%
	26-35	48	23.41%
	35-55	115	56.10%
	55+	30	14.63%
	<i>Total valid responses</i>	<i>205</i>	<i>100.00%</i>
Place of residence	Sofia	148	72.20%
	Regional center	38	18.54%
	Small town/village	19	9.27%
	<i>Total valid responses</i>	<i>205</i>	<i>100.00%</i>

Source: Own work.

The total number of valid responses to the questions on behavioural variables differs, because some respondents, depending on their previous answers, weren't asked some of the questions – e.g., if the respondent already replied that they do not watch TV, they were not asked how often they watch TV or what their preferred programs were. One respondent also quit the questionnaire after Question 5.

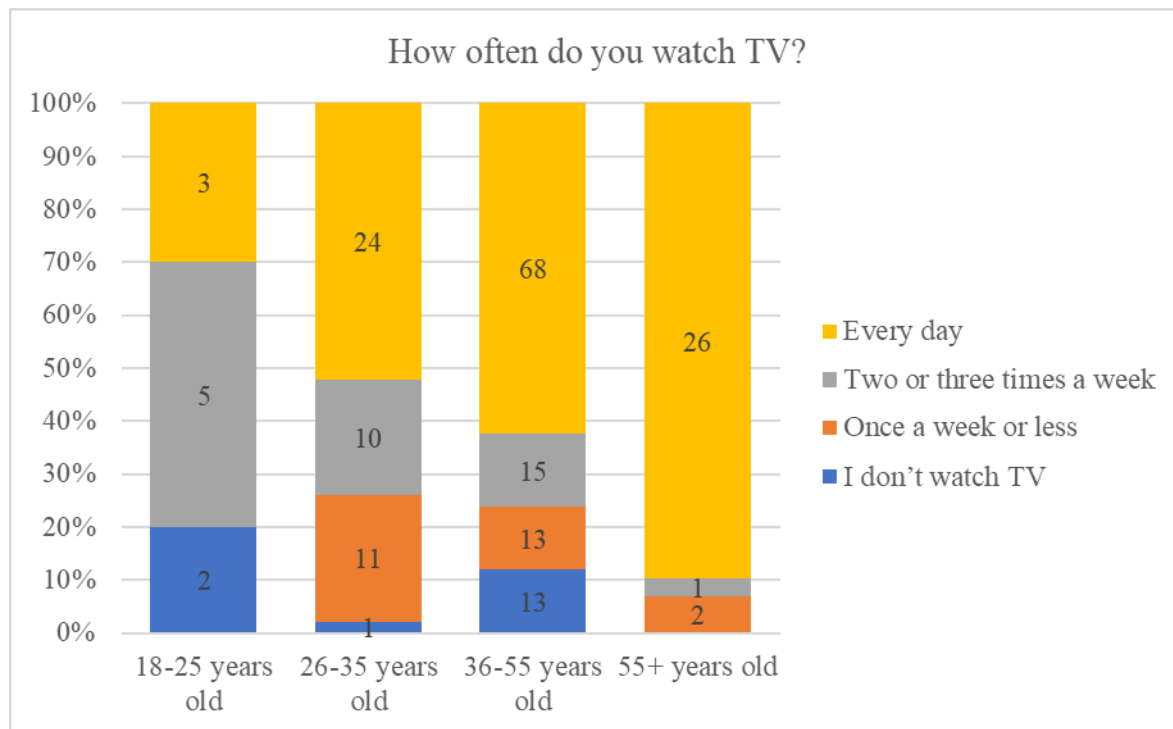
Table 3: Sample breakdown - behavioural variables

Variable	Value	Frequency	Percentage
TV ownership	Has a TV	189	92.20%
	Doesn't have a TV, doesn't watch TV	11	5.37%
	Doesn't have a TV, uses another device	5	2.44%
	<i>Total valid responses</i>	<i>205</i>	<i>100.00%</i>
Frequency of watching TV	Every day	121	62.37%
	2-3 times per week	31	15.98%
	Once a week or less	26	13.40%
	Doesn't watch TV	16	8.25%
	<i>Total valid responses</i>	<i>194</i>	<i>100.00%</i>
Preferred type of TV programs (more than one answer was possible)	Films	131	67.88%
	News and current affairs	97	50.26%
	Popular science	89	46.11%
	Entertainment	84	43.52%
	Sport	40	20.73%
	Other	27	13.99%
	<i>Total valid responses</i>	<i>193</i>	<i>100%</i>
Most recent purchase of TV	In the past 2 years	68	33.33%
	More than 5 years ago	65	31.86%
	2-5 years ago	57	27.94%
	Never bought a TV	14	6.86%
	<i>Total valid responses</i>	<i>204</i>	<i>100.00%</i>
Participation in decision-making	Made the choice with others	97	51.05%
	Didn't participate in the decision	48	25.26%
	Made the choice themselves	45	23.68%
	<i>Total valid responses</i>	<i>190</i>	<i>100.00%</i>

Source: Own work.

For the purpose of the analysis respondents were grouped into four age groups, one of which represents the target group Hisense have cited – 26-35 years old.

Figure 7: Relationship between age group and frequency of watching TV



Source: Own work.

The share of people who watch TV every day is the smallest in the youngest age group (18-25 years old), and highest in the 55+ years old. In the age group 18-25 years old the largest share of respondents watch TV 2-3 times a week, while in all other age groups the largest share of respondents watch TV every day.

The relationship between age and how often people watch TV, i.e., also how actively they use a TV set, might provide useful knowledge with regards to the target audience of Hisense and the consumer potential of different age groups. In order to test the statistical significance of the relationship between the two variables - age groups and frequency of watching TV, the following hypotheses were defined:

- Null hypothesis (H0) - Age category and frequency of TV-watching are independent
- Alternative hypothesis (H1) - Age category and frequency of TV-watching are not independent

A table with observed and expected values of responses can be found in Appendix 3 (Table 1). The p value of the Chi square was calculated to be 0.000, which is less than the Alpha value of 0.05 at a Confidence interval of 95%, so H1 is accepted - Age category and frequency of TV-watching are not independent.

To further test the strength of the relationship, the Cramer's V was calculated by the formula (1) (Cramér's V, 2019):

$$V = \sqrt{\frac{\varphi^2}{\min(k-1, r-1)}} = \sqrt{\frac{\chi^2/n}{\min(k-1, r-1)}} \quad (1)$$

where:

- φ is the phi coefficient.
- χ^2 is derived from Pearson's Chi-squared test
- n is the grand total of observations
- k is the number of columns
- r is the number of rows

Table 4: Relationship between age groups and frequency of TV watching

Statistical parameters:	Value:
Confidence interval	95%
Chi-square	31.430
p-value	0.000
Cramer's V	0.232

Source: Own work.

Cramer's V is equal to 0.232, which indicates strong association between the two variables (Statology, 2021).

These responses are analysed further in relation to questions on brand awareness.

The questionnaire included questions designed to measure top-of-mind awareness, brand recall and brand recognition. However, seven of the respondents quit the survey after answering only demographic and behavioural questions, so they were excluded from further analysis.

An open question was used to measure top-of-mind awareness and brand recall. The respondents were asked to name the first three TV brands they could think of. Table 5 displays the number of brands respondents listed.

Table 5: Brand recall – number of brands recalled

Value	Number	Percentage
Didn't name any brand	9	4,39%
Named at least one brand	196	95,61%
Named at least two brands	185	90,24%
Named three brands	154	75,12%
<i>Total</i>	<i>205</i>	<i>100%</i>

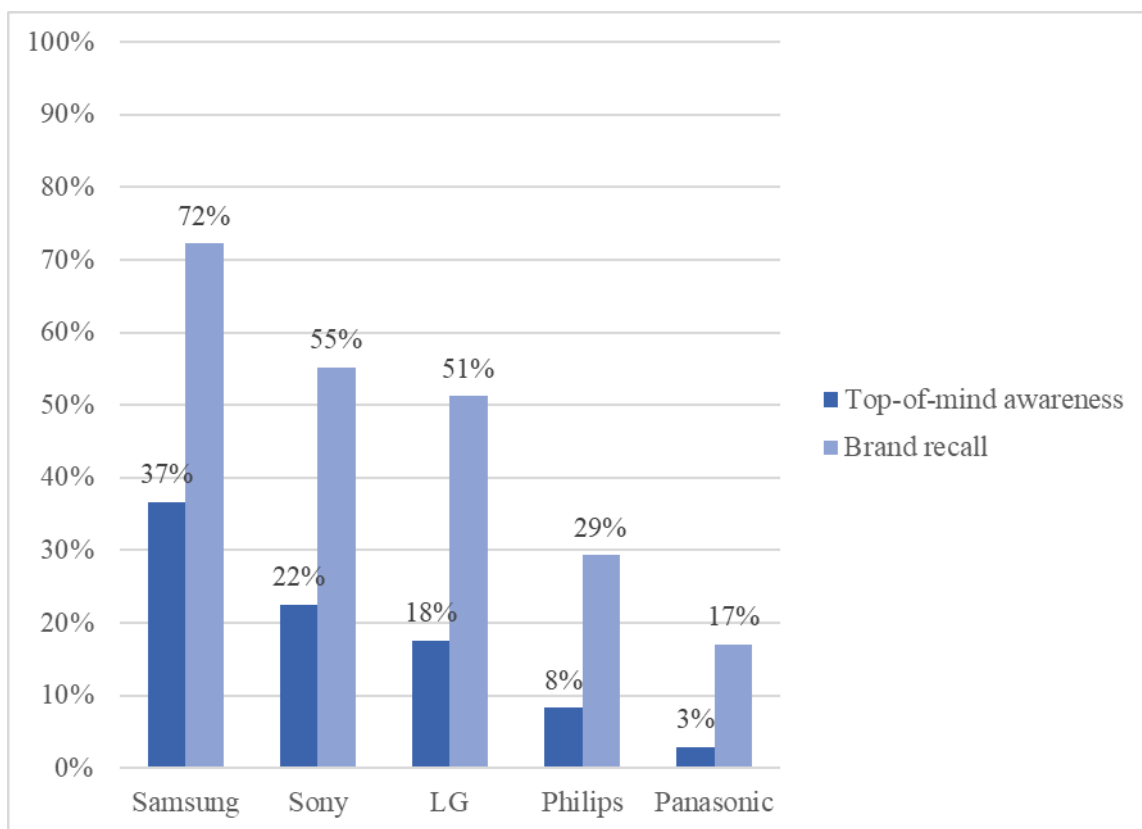
Source: Own work.

These results show that there is general awareness of brands in the television sets category and that a large share of the respondents are capable of recalling more than one brand, i.e., there is no “brand dominance” (Aaker, 1996).

Hisense was not mentioned by any of the respondents in this open question, meaning lack of top-of-mind awareness and brand recall at this level (three brands). It is however possible that Hisense would appear if respondents were to list a higher number of brands. The top three brands – Samsung, Sony and LG, have a very large percentage, so this leaves little space for other brands. This can be a subject of future research.

Results from this question are also useful for providing information about competitors and the market leaders in terms of brand recall. Samsung is clearly the leader both in terms of top-of-mind awareness and brand recall, followed by Sony, and closely after – LG. Philips and Panasonic follow with smaller shares.

Figure 8: Top-of-mind awareness and brand recall - 3 brands (%)



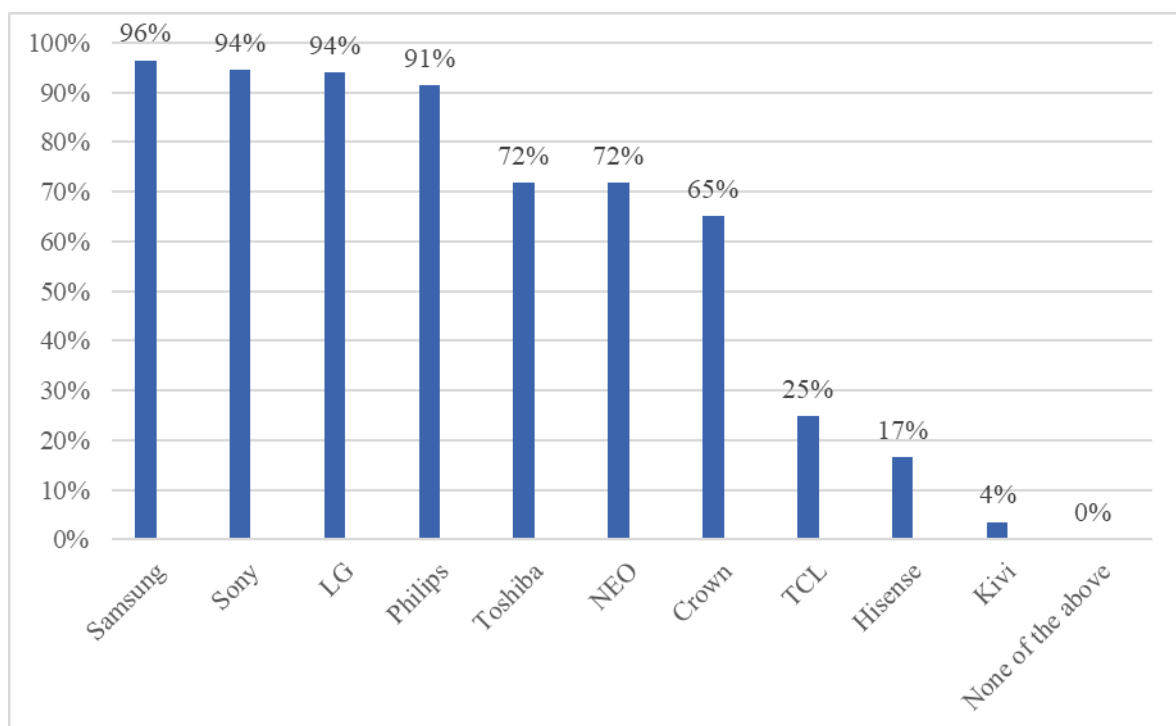
Source: Own work.

The next question listed 10 television sets brands, including Hisense, the most popular brands and some newer brands, such as TCL and Kivi, asking respondents to mark all of the brands they had heard of. Figure 8 presents the results of this question, intended to measure brand recognition. The cue given is the product category – TV sets.

Here, Hisense achieves a positive result - 17% or 34 respondents who answered this question (198 respondents total) recognise the brand.

Looking at the competition, the leaders in brand recall – Samsung, Sony and LG, are also leaders in terms of brand recognition with 96%, 94% and 94% of respondents respectively recognising them in the list. Philips, which was in the 4th place in terms of brand recall, is also 4th in terms of brand recognition. However, Philips has a much closer result to the leaders in brand recognition – 91% of respondents recognise the brand. Toshiba, which was recalled by 7.32% of respondents among the first three brands, has a much higher result in brand recognition – 72% of respondents recognise the brand. Neo, which has a brand recall result of less than 2%, has a very high recognition of 72%. Similarly, Crown – with less than 1% brand recall, has scored 65% in brand recognition. Notably, TCL, which are very powerful internationally, but also quite new to the Bulgarian market, have a result of 25%. Ukrainian brand Kivi, on the other hand, have a lower brand recognition score of 4%.

Figure 9: Brand recognition of television sets brands on the Bulgarian market (%)

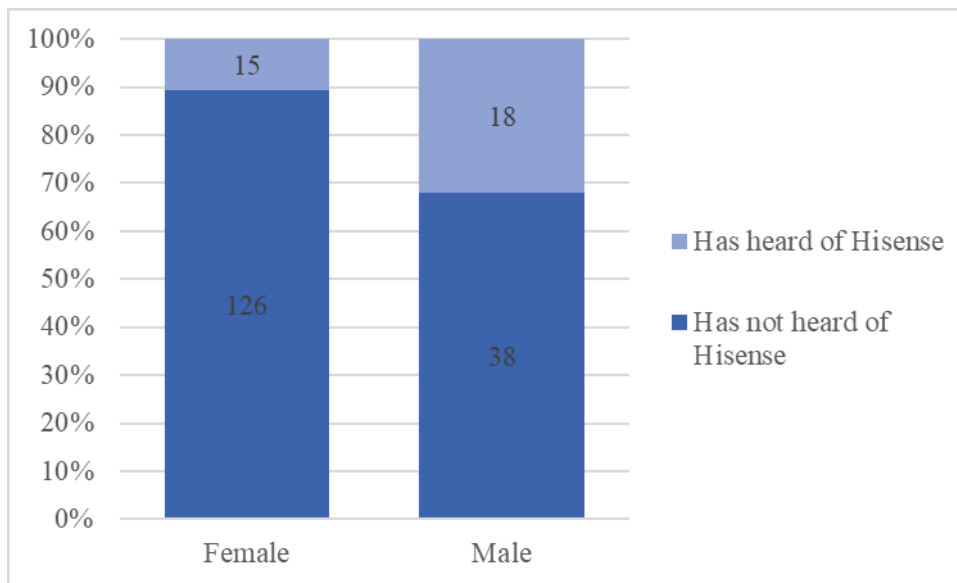


Source: Own work.

Based on these results brand recognition of the Hisense brand is analysed with regards to some of the demographic and behavioural metrics. This analysis takes into account just the recognition of Hisense and does not consider the recognition of the other brands.

The first relationship to be analysed is between gender and brand recognition of Hisense. Although the survey received a much larger number of responses by women than by men, the share of men who were familiar with Hisense is visibly bigger.

Figure 10: Brand recognition by gender (number of responses)



Source: Own work.

When performing statistical analysis on this relationship the following null and alternative hypotheses can be defined:

- H0 – Gender and brand recognition of Hisense TVs are independent
- H1 – Gender and brand recognition of Hisense TVs are not independent

A table with observed and expected values of responses can be found in Appendix 3 (Table 2). A Chi-square test of statistical significance produced a p value of 0.000. Thus, the null hypothesis that gender and Hisense recognition are independent was rejected and the alternative hypothesis that there is a relation between the two variables at a confidence interval of 95% was accepted.

In order to determine the strength of the association, the Cramer's V is measured in addition to Chi square. Cramer's V is calculated as 0.260, which indicates a moderate relationship between the two variables (Statology, 2021).

Table 6: Relationship between brand recognition of Hisense and gender

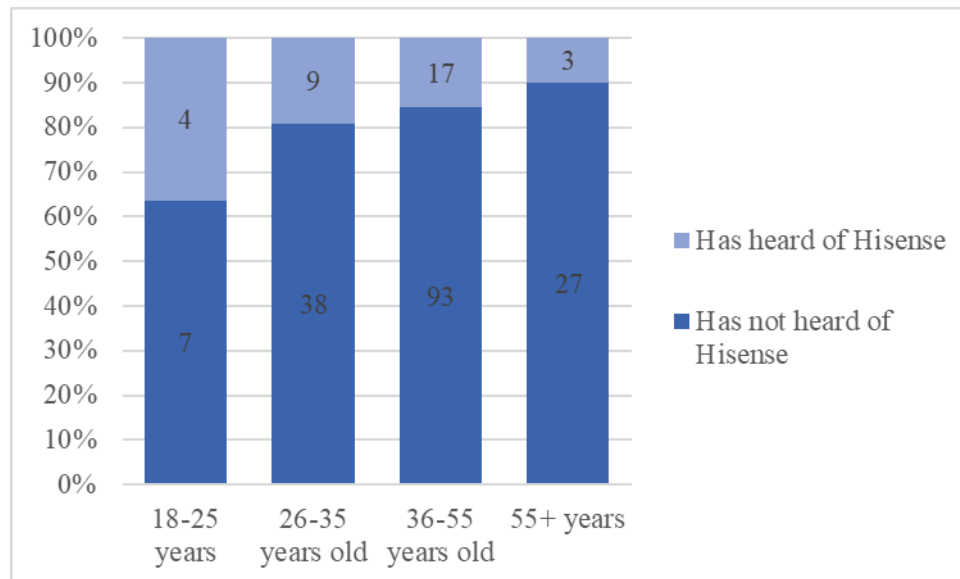
Statistical parameter:	Value:
Confidence interval	95%
Chi square	13.292
p value	0.000
Cramer's V	0.260

Source: Own work.

The next demographic variable whose relation to Hisense brand recognition is analysed is age. For the purpose of this analysis, respondents were grouped into the following age categories: 18-25, 26-35, 36-55, above 55.

The logic behind this grouping is to give an opportunity to look at the Hisense target group of 26-35-year-olds, younger and older respondents, with the latter further divided in two, as it encompasses a much larger range.

Figure 11: Brand recognition by age categories (number of responses)



Source: Own work.

Looking at the results, the share of respondents who have heard of Hisense seems larger in lower age groups. However, in order to determine if there is a statistically significant relation between the age category that respondents belong to and whether they recognise the brand Hisense, a Chi-square analysis was calculated in Excel.

The research hypothesis in this case is that the two variables are related and the null hypothesis – that they are independent. Table 3 in Appendix 3 displays the observed and expected values of responses used for the calculations. For a confidence interval of 95% the p-value of the Chi-square distribution is calculated as 0.23, which is > 0.05 , therefore the null hypothesis is accepted and the two variables are not proven to be related.

Next the relationship between place of residence and brand recognition of Hisense TVs is analysed.

Figure 12: Brand recognition by places of residence (number of responses)



Source: Own work.

A table with observed and expected values of responses can be found in Appendix 3 (Table 4). Analysing the significance of the relation between place of residence and Hisense brand recognition, the Chi square test produced a p value of 0.036, which is less than Alpha=0.05 (confidence interval of 95%), therefore the alternative hypothesis is accepted – the variables Place of residence and Hisense recognition are not independent.

Next, the strength of the relationship is analysed by calculating the Cramer's V value. In this case it is 0.183, which indicates that the relationship is weak (Statology, 2021).

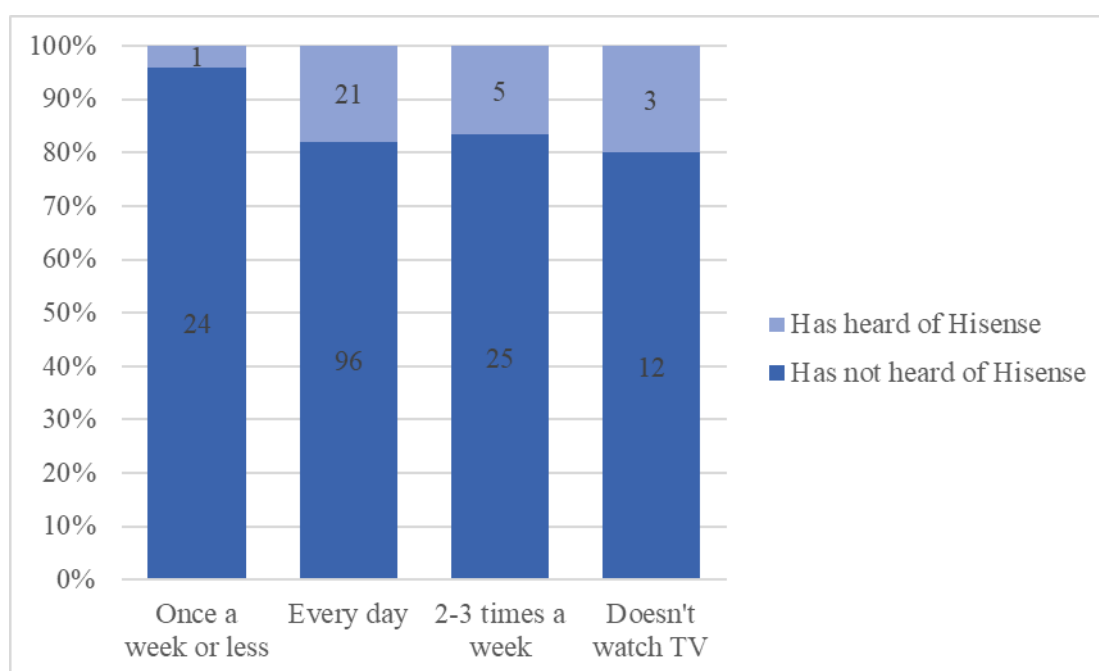
Table 7: Relationship between brand recognition of Hisense and place of residence

Statistical parameter:	Value:
Confidence interval	95%
Chi square	6.647
p value	0.036
Cramer's V	0.183

Source: Own work.

Respondents were also asked how often they watch TV. The respondents who had already answered that they do not watch TV in a previous question about owning a TV, were directly led to skip this question (11 people), so they are excluded from this calculation. However, some people have a TV in their household, but do not personally watch it, so this answer is still available here.

Figure 13: Brand recognition by frequency of TV use (number of responses)



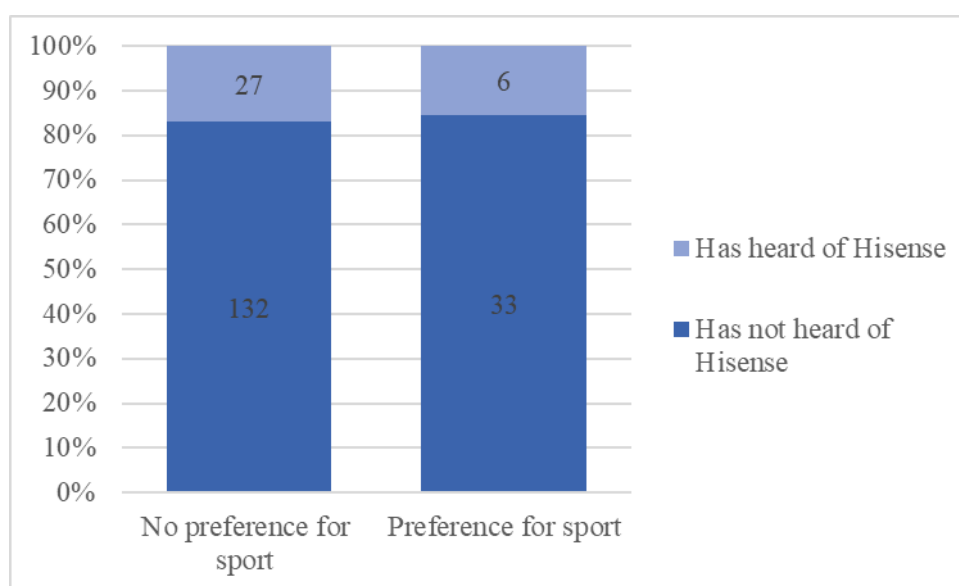
Source: Own work.

This question is intended to separate proficient and casual users, assuming that people who watch TV more often would pay more attention to the characteristics of the product and this may influence how well they know the market and the brands, including Hisense, and thus affect their awareness and knowledge about the brand. The relationship between this variable and brand recognition for Hisense was tested by calculating the Chi square. The p value was calculated as equal to 0.363, which is larger than 0.05 – the Alpha value at confidence interval of 95%, therefore the null hypothesis has to be accepted, i.e., the frequency of TV use and brand recognition for Hisense are independent variables. The table with observed and expected values, used in the calculation can be found in Appendix 3 – Table 5.

Respondents were asked about the type of programs they watch most often (News and current affairs, Films, Sport, Entertainment, Popular science, Other). This question was included primarily to provide an opportunity to indirectly capture the effect of sports sponsorship on consumers' awareness. For this purpose, the people who chose Sports as a type of program they watch often on TV were selected and their answers on brand recognition were compared to those, who did not choose Sports.

A Chi square test produced a p value of 0.8, which is higher than 0.05 (confidence interval of 95%) and this leads to confirmation of the null hypothesis that watching sports on TV and Hisense recognition are independent variables. Table 6 in Appendix 3 presence the observed and expected values used in the calculations.

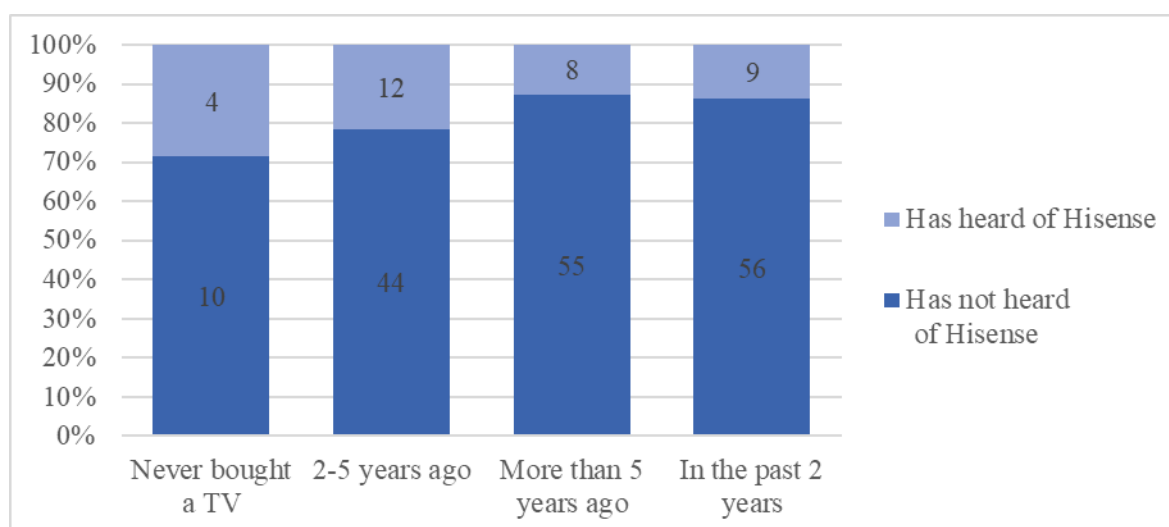
Figure 14: Brand recognition by preference for sport programs (number of responses)



Source: Own work.

Respondents were asked about the last time they had purchased a TV. Buying a TV is typically a more complex decision and it involves more attention and research of options by consumers. The assumption here is that people who have made a purchase in the last 2 years, after the launch of Hisense TVs on the Bulgarian market, are more likely to have come across the brand and remember it. However, a Chi square test of significance produced a p value of 0.33, which is higher than the alpha value of 0.05 (confidence interval of 95%) and the null hypothesis was accepted, that the two variables – time of last purchase and Hisense recognition are independent.

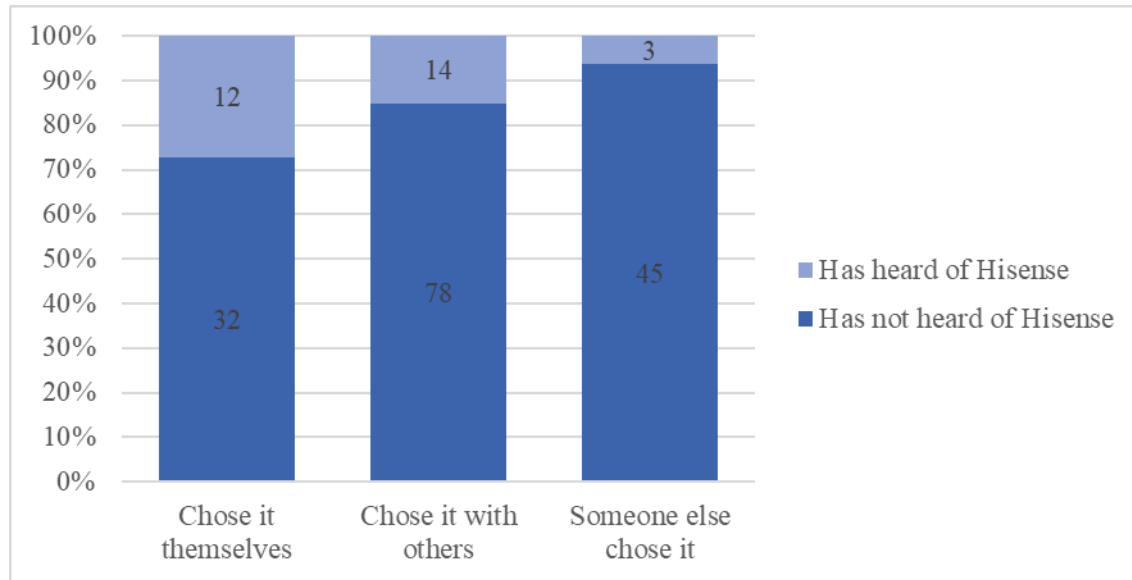
Figure 15: Brand recognition by time of last purchase (number of responses)



Source: Own work.

For the present research it was also important to differentiate between decision-makers and people who use a TV set, but do not participate in the choice. The last purchase of TV was used as a reference case. Respondents who had stated that they had never bought a TV in their household were excluded from this question.

Figure 16: Brand recognition by participation in decision making (number of responses)



Source: Own work.

Table 8 in Appendix 3 displays the observed and expected values of responses. The Chi square test of statistical significance produced a p value of 0.02, which is smaller than 0.05 (confidence interval of 95%) and this means that the alternative hypothesis was accepted – whether the respondent was a decision-maker during the last purchase of TV and Hisense brand recognition are not independent variables.

Next, the strength of the relationship is analysed by calculating the Cramer's V value. At 0.204 it indicates that the two variables are moderately associated (Statology, 2021).

Table 8: Relationship between brand recognition of Hisense and decision-making

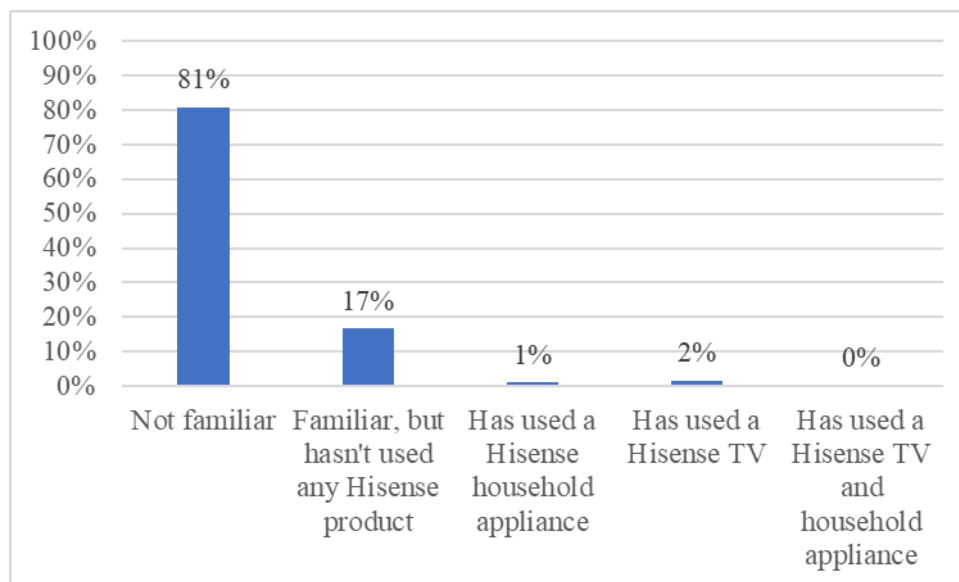
Statistical parameters:	Value:
Confidence interval	95%
Chi square	7.683
p value	0.021
Cramer's V	0.204

Source: Own work.

Figures about brand recognition so far refer to Hisense TVs exclusively. Finally, respondents were also asked a question about awareness of the Hisense brand in general, including

household appliances, for example, as air conditioners are the other product category Hisense offers on the Bulgarian market.

Figure 17: Familiarity and experience with Hisense brand (%)



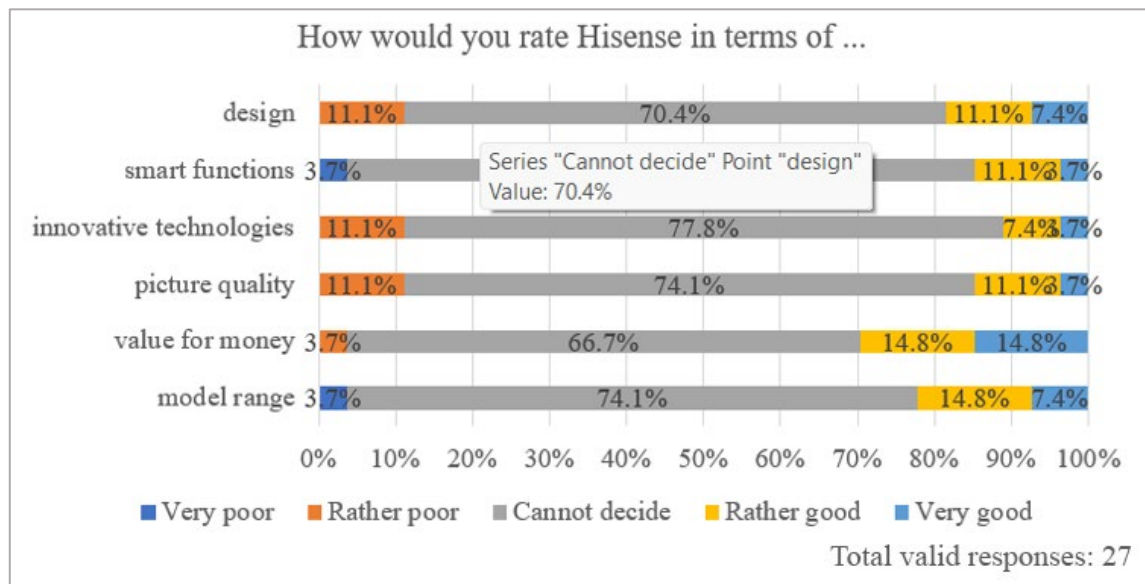
Source: Own work.

Results here show that more than 80% of respondents are not familiar with the Hisense brand. Further almost 17% are familiar with the brand, but have not used a Hisense product. Only 2 of the respondents (2%) have used a Hisense TV and one (1%) has used another household appliance by Hisense. None of the respondents has used both a TV and another household appliance.

Before proceeding to the analysis of the results on the brand image of the Hisense brand, records which do not pass a basic consistency check were removed from the analysis. As a result, respondents who had previously not marked Hisense among familiar brands specifically for TVs are excluded from further analysis. This left 27 valid responses to analyse.

Respondents were asked to rate a series of attributes with regards to Hisense TVs. They were all designed alike, using a bipolar 5-point Likert scale. Possible answers were defined as “very poor”, “rather poor”, “cannot decide”, “rather good”, “very good”. The neutral answer can be either due to a lack of impression or a “true neutral” – neither positive, nor negative. It has been established, however, that there are negligible differences between the use of “undecided” and “neutral” as the middle option in a five-point Likert scale (Armstrong, 1987).

Figure 18: Distribution of responses to Q12 - Q17 (%)



Source: Own work.

As seen in Figure 18, the vast majority of respondents have chosen the neutral answer for questions 12 to 17. Considering the small number of respondents for this part of the survey, further limiting the size of the sample, statistical analysis on relationships between these variables and demographic and behavioural variables, and also variables related to brand awareness would not be meaningful. Still, descriptive statistics can be calculated from the collected answers.

Likert scale data is ordinal by nature, which means that central tendency would be best measured by calculating the mode. Again, looking at the table above, it is clearly visible that the mode for all the questions would be the neutral option.

However, since the 5-point Likert scale used in this questionnaire is bipolar and symmetrical, it can be treated as interval data for the purpose of statistical analysis, assuming that distances between points are equal. Under this assumption mean and standard deviation values can be calculated. To this end, the five possible answers are ascribed the following values:

- Very poor = 1
- Rather poor = 2
- Cannot decide = 3
- Rather good = 4
- Very good = 5

The mean and standard deviation values are presented in Table 9.

Table 9: Mean and Standard deviation for responses to Q12 – Q17

How would you rate Hisense TVs in terms of ...	Mean	Standard Deviation
model range	3.22	0.75
value for money	3.41	0.80
picture quality	3.07	0.62
innovative technologies	3.04	0.59
smart functions	3.11	0.64
design	3.15	0.72

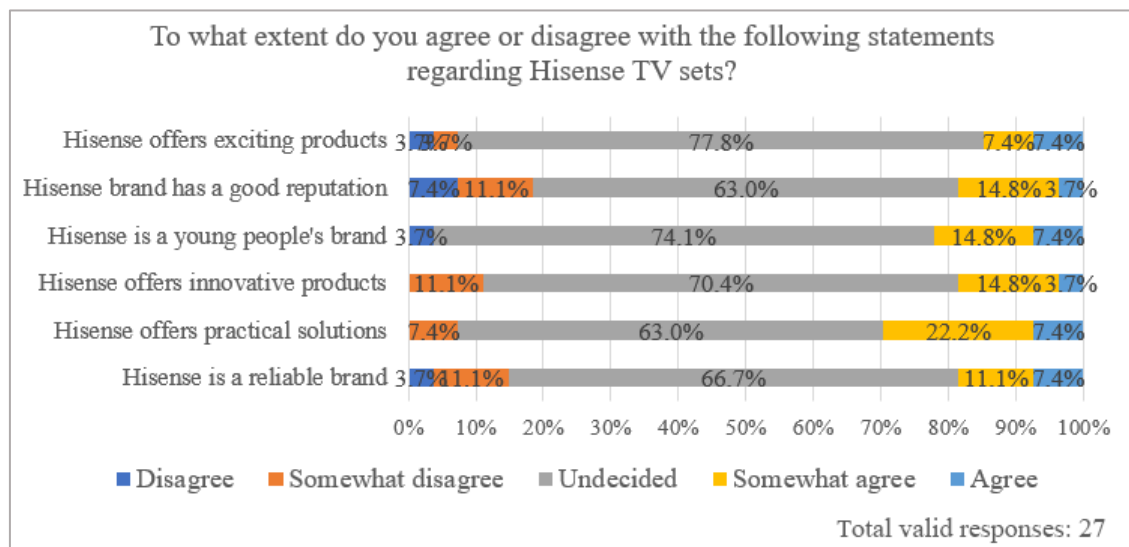
Source: Own work.

The mean value for all the variables in Table 9 is close to the median value – 3. It varies slightly for all the variables and is between 3.04 (min. value) and 3.41 (max. value), i.e., on the positive side of the scale for Hisense model range, value-for-money proposition, picture quality, innovative technologies, smart functions and design.

Ratings for Hisense value-for-money proposition have the highest share of positive answers – 14.8% “rather good” and 14.8% “very good”, and a mean value of 3.41. Model range also has 14.8% “rather good” and 7.4% “very good” rates. Standard deviation, which is a measure of the dispersion of data, is between 0.59 (min. value) and 0.80 (max. value) for all variables, which reflects the large share of neutral responses and the small share of extreme rates.

The next set of questions were designed as statements to which respondents had to express agreement or disagreement, again using a 5-point scale, where the middle option was neutral. Respondents were asked to mark if they “Disagree”, “Somewhat disagree”, “Somewhat agree”, “Agree” or are “Undecided” about each of them.

Figure 19: Distribution of responses to Q18 – Q23 (%)



Source: Own work.

Similar to questions 12-17, the mode for all the questions is the neutral option – Undecided. The results with percentage shares of each answer are presented in Figure 19.

The answers to these questions were also encoded using the numbers from 1 to 5 in order to perform statistical analysis:

- Disagree = 1
- Somewhat disagree = 2
- Undecided = 3
- Somewhat agree = 4
- Agree = 5

Again, assuming that the data can be treated as interval data, means and standard deviations are calculated for each of the variables.

Table 10: Mean and Standard deviation for responses to Q18 – Q23

To what extent do you agree or disagree with the following statements regarding Hisense TV sets:	Mean	Standard Deviation
Hisense is a reliable brand.	3.07	0.83
Hisense offers practical solutions.	3.30	0.72
Hisense offers innovative products.	3.11	0.64
Hisense is a young people's brand.	3.22	0.75
Hisense brand has a good reputation.	2.96	0.85
Hisense offers exciting products.	3.11	0.75

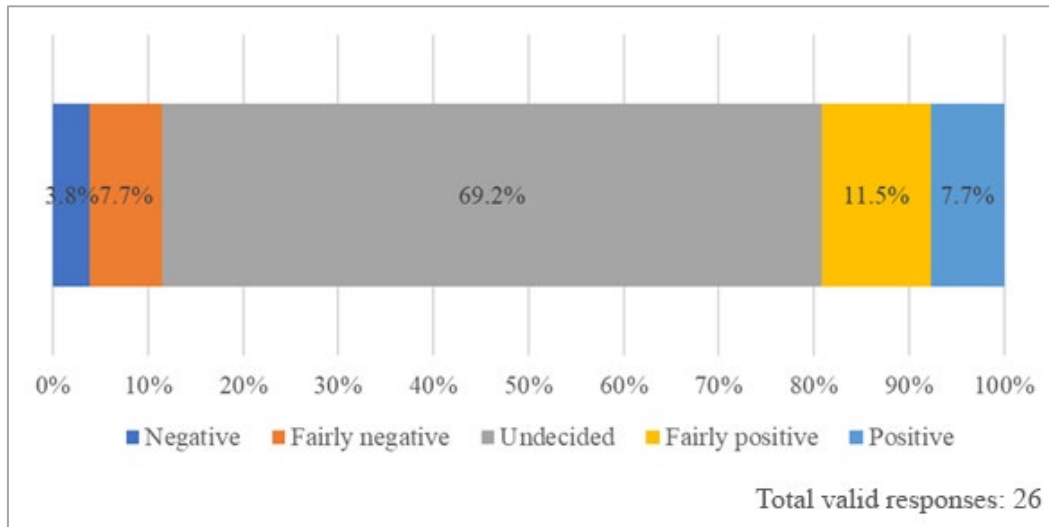
Source: Own work.

Similar to the previous set of questions, the mean value for all the variables is close to the median value of 3, reflecting the large share of neutral responses.

Only for one of the statements – “Hisense brand has a good reputation” - the mean value is below 3. If responses to this question are grouped as negative and positive, responses other than neutral, they are both 18.5%, however the larger share of the extreme negative option compared to the moderate option (disagree/somewhat disagree) leads to a rate slightly on the negative side of the scale. For all other statements the mean value is between 3.07 (min. value) and 3.30 (max. value). Standard deviation is between 0.64 (min. value) and 0.85 (max. value).

Following these questions directed at separate brand attributes and benefits (as per Keller’s model), respondents were asked about their overall opinion on Hisense TVs, as a general component of attitude towards the brand. One more respondent left the survey before reaching this question, so they were removed from the analysis on this question, leaving the total number of valid responses at 26.

Figure 20: Overall opinion of Hisense TVs (%)



Source: Own work.

The distribution of answers resembles the variables representing separate attributes and benefits, in having the neutral answer “Undecided” as a mode with 69.2% of responses. The combined share of positive responses (“fairly positive” and “positive”) – 19.2%, is higher than the share of negative responses (“fairly negative” and “negative”) – 11.5%.

Again, having a symmetrical and bipolar a 5-point Likert scale, the data was treated as interval data for the purpose of descriptive statistical analysis and mean and standard deviation were calculated. Answers were coded as follows:

- Negative = 1
- Fairly negative = 2
- Undecided = 3
- Fairly positive = 4
- Positive = 5

The mean value is 3.12, which is very close to the median and the mode, but on the positive side of the scale. Standard deviation is 0.82.

Table 11: Mean and Standard deviation for responses to Q 24

Question	Mean	Standard deviation
What is your overall opinion of Hisense TV sets?	3.12	0.82

Source: Own work.

The final questions of the survey are intended to provide more information on brand associations strength, favourability and uniqueness. They were asked as open-ended

questions, giving respondents the opportunity to introduce new attributes and express freely their opinion. Given the large share of neutral responses on previous questions, however, it is not surprising that most of the respondents did not answer these open-ended questions. Due to the format used the few responses received to these questions are analysed as qualitative data.

First, respondents were asked to describe in a few words what they liked about Hisense TVs. Most respondents just skipped this question. It can be noted that some respondents explained that they cannot answer, because they have not used a Hisense TV, one had only used them in hotels. Two respondents have replied “value for money”, one has noted only the price. One responded has described Hisense TVs as “Chinese copy of leading Korean models”.

Next, respondents were asked to describe in a few words what they disliked about Hisense TVs. Similarly, most respondents have skipped the question, while others have cited lack of experience with the brand. Two respondents have replied that there wasn’t anything they dislike. Two respondents mention the country of origin again, one saying Hisense is a “Chinese brand with no image”, while another citing the “notoriously poor quality” of Chinese products.

Finally, respondents were asked to describe what they thought set Hisense TVs apart from other brands. Again, only a few replies were received. Two respondents cite value-for-money proposition, one – only price, one has mentioned “size-price”, probably referring to the price relative to the size of the screen, and one has again expressed the view that they are “copies of leading models”. One respondent has explicitly replied that they think there is “nothing positive that’s sets them apart”.

5 DISCUSSION OF RESULTS

This chapter will provide a quick overview of the results, highlight some important findings from the analysis and discuss limitations and possible further research.

The survey was conducted within a period of one week in May 2023, using the online platform Survey Monkey. Around this period there were no major promotional events by Hisense, which might have affected responses. Although the survey sample is not representative, because of the sampling method chosen, its size allowed some valid basic statistical analysis to be performed.

Considering the demographic variables, the sample has also provided satisfactory representation of the general population with regards to gender, age and place of residence for the purposes of the current research. While income, which is an important variable in consumer research, was not explicitly included as a measured variable due to concern for respondents’ sensitivity on this topic, it can be assumed that the variance in the other

demographic characteristics would also ensure representation of respondents with different income levels.

An actual response rate cannot be calculated, since self-selection means people who were unavailable or unwilling to participate in the survey just didn't open it. However, it can be noted that only seven of the respondents quit the survey before reaching the part of the questionnaire, dedicated to brand related questions, which provided a large share of valid responses on the questions directed at measuring awareness. Questions regarding brand image, however, received a much smaller number of responses. This is primarily due to the exclusion of respondents who had no awareness of the brand and for whom the survey ended at that point.

Analysis established that the frequency of watching TV and the age of the respondents were related. Unlike older age groups, the group of respondents between 18 and 25 years of age, has a smaller share of people who watch TV every day. The largest share of the respondents from this age group watch TV two or three times a week. While Hisense is currently targeting primarily 26-35-year-olds, people in the youngest age group are of interest for marketers too. It is important to know the preferences of the next generation in order to start building awareness among them too, and also as a consideration for future product development. Further research might provide deeper insight into how users in different age groups use TVs - to watch TV channels, to watch films or streaming from other providers, or for video games, etc.

Top-of-mind awareness and brand recall were measured using an open-ended question, asking respondents to name the first three TV brands they can think of. No brand dominance was established among TV manufacturers – most respondents mentioned more than one brand. However, none of the respondents mentioned Hisense among the first TV brands they remembered, i.e., no top-of-mind awareness or brand recall were established among the respondents. This result might be influenced by the very high awareness market leaders achieve – this is the constraining effect, mentioned earlier, which Laurent et al. (1995) have observed and which they explain with the way human memory functions. Samsung, Sony, LG, Philips and Panasonic are the top 5 brands in terms of top-of-mind awareness and brand recall, according to the results of the survey. All of them, except Panasonic, also have brand recognition above 90% (brand recognition of Panasonic was not measured in this survey). They are all well-established electronics brands on the Bulgarian market, which are also known for other products from their portfolio. Their very high result in terms of brand awareness leaves less opportunity for new brands like Hisense to rank in the top positions. Additional research might test brand recall of Hisense by providing respondents with opportunity to name a larger number of brands they can think of.

Apart from the results of the leaders, mentioned above, Crown and Neo, which can be perceived as budget brands, have also received high recognition – respectively 72% and

65%. Toshiba, another brand from the Hisense portfolio, has 72% recognition by the respondents.

Hisense scored a result of 17% brand recognition by the respondents in this survey. Results from this question also provide some information about the market environment and competitors. Two other brands, like Hisense, have only recently entered the Bulgarian market - TCL and Kivi, and have respectively 25% and 4% brand recognition in the results of the survey. TCL is also a Chinese global brand, among the leaders in TV manufacturing. On the Bulgarian market they also offer household appliances and mobile devices. This might have provided them with better exposure. Television sets are the only product Ukrainian brand Kivi offers on the Bulgarian market. Lower results in terms of brand awareness of these brands, along with Hisense, confirm another constraint Laurent et al. (1995) mentioned, discussed earlier – building brand awareness follows a curve and is a process which takes time.

The analysis of survey responses included testing for relationship between different demographic and behavioural variables and brand awareness, more specifically brand recognition of Hisense.

A moderate strength relationship between Hisense recognition and gender was established – a larger share of men had heard of Hisense TVs than women. A possible explanation was that the major role sports sponsorship plays in Hisense communications strategy and more specifically – football sponsorship. However, a relationship between preference for sports programs on TV and Hisense recognition were not proved to be significantly related, so this explanation has to be examined further.

While a weak relationship between place of residence and Hisense recognition was also established, it is difficult to provide further explanation for it based on the survey results only. Additional research with more representative sample on this criterion may provide more information.

An important relationship established in the analysis of results is the dependence between participation in the decision-making the last time when buying a TV and recognition of Hisense TVs – respondents who chose the TV themselves have the largest rate of Hisense recognition, followed by those who participated in the decision, and finally those, who didn't participate in the choice at all. It can be assumed that respondents who made or participated in the decision the last time are in general the decision-makers (alone or with someone else) for such purchases. Brand recognition by this group is especially important for brands, as it might influence future purchase decisions.

No statistically significant relationships were established between age, preference for watching sports programs on TV, time of last purchase and frequency of watching TV on one side, and Hisense recognition on the other.

In addition to the questions on brand recognition of Hisense specifically with regards to television sets, one question aimed to establish brand recognition of Hisense brand in general, including household appliances. Overall result doesn't differ much with 19.2% of respondents being familiar with the brand. Additional information obtained from this question, however, is that awareness is generally passive and respondents lack personal experience with the brand. Only 2 of the respondents have used a Hisense TV and one has used another household appliance by Hisense. This lack of personal experience is later explicitly mentioned in open-ended question about what respondents like or dislike about the brand and what they think distinguishes it from other TV brands as a reason why they cannot give an answer. This shows that personal experience is important for building the brand image of Hisense and this has to be taken into account in future strategy development.

As discussed in the analysis of the results from the survey, the number of respondents who had awareness of Hisense TVs and were allowed to proceed to the part of the questionnaire dedicated to brand image was very low. In addition to that, the vast majority of answers to each brand association question were neutral. This does not allow a detailed comparison between the image respondents hold for Hisense brand and the image the company is trying to create. Due to this low response rate is also not possible to analyse relationships between brand image associations and other variables. It can only be noted here that value-for-money proposition and model range received a slightly larger share of positive rates (compared to other attributes). Similarly, a larger share of respondents agree completely or to some extent that Hisense offers practical solutions and is a brand for young people (compared to other statements in the survey). With regards to reputation, there are fewer neutral responses, but the mean value for this association is slightly on the negative side. However, these observations have no proven statistical significance and cannot be directly applied to the general population.

The observed inability of respondents to rate different brand attributes or express agreement or disagreement with statements about the brand however is in itself a valid result. If it is assumed that these results were representative, this would mean that Hisense does not have a strong and clear image established among Bulgarian consumers. This can be due to the recent entry of the brand on the market and the time needed for brand image to be developed. It is also important to note the lack of clear or strong image at this stage is not necessarily a negative result for the brand. It leaves space for the brand to develop its image from a neutral starting point. Buil et al. (2013, p. 121) actually consider that first brand awareness has to be built, as “a means of anchoring the different associations consumers have of a brand, such as perceived value, personality or perceived quality”. Only after that, and as a way of generating greater loyalty, managers should focus on brand associations.

The brand image results from the present study have to be tested further before being used for any decision-making.

An interesting article from Harvard Business Review also offers a different point of view towards brand image (Clancy & Trout, 2002, March). On the basis of the results from market research on the public's perception of brand differentiation in major product categories, the authors conclude that an increasing number of product categories, including home entertainment equipment, are sliding towards commodity status, i.e., becoming less distinct. Possible explanations they propose are first, that brands rely too heavily on price-oriented promotions and thus distracting consumers from the brand, and second, lack of differentiating message, i.e., clear brand positioning, in advertisements. A team of Japanese researchers (Uehara et al., 2013) analyse more specifically the manufacturing reasons behind the commoditization in the flat-screen TV industry. Concluding this trend towards commoditization of digital consumer electronics is unavoidable, they suggest focusing on creating value by services delivered through commoditized products in the future.

The final part of the questionnaire, addressing favourability and uniqueness of brand associations through open-ended questions, received only several responses. In agreement with results on the evaluation of the value for money proposition of Hisense TVs, it was also mentioned by two respondents as a favourable brand association, with another respondent citing price only.

What can also be noted here is that respondents mention the Chinese origin of the brand. While one respondent sees Hisense as a “Chinese copy of leading Korean models” and made the comment in response to the question what they like about the brand, it has also been mentioned by respondents in a negative sense, in relation to poor quality. The country-of-origin effect observed is not surprising, especially when it comes to electronic products.

Ravi et al. (2006) confirm that country of origin influences not only the consumers' perception of quality but that it also affects significantly the overall brand equity. This is found to be dependent on the strength of the product category-country associations. It can be assumed that the strength of the association that Bulgarian consumers hold for electronic products and China as a country of origin is very strong. This can be deduced from some linguistic observations – it is extremely common to add the adjective “Chinese” to address the low quality of products (especially in textile and electronics) and present it as something to be expected.

Considering the low level of brand knowledge in the case of Hisense television sets in Bulgaria and assuming that most consumers are more likely considered as novices than as experts, country of origin can be expected to have a significant effect on product evaluations (Maheswaran, 1994). Brand origin misclassification and non-classification also affect consumers' brand image evaluations and associated purchase intentions (Balabanis & Diamantopoulos, 2011). Polfuß and Sönmez (2020) see country of origin as a dynamic concept and observe a change in the perception of German consumers regarding Chinese goods. In the past China was seen by North American and European consumers as a mass and inexpensive producer and Chinese producers rarely emphasized the origin of their

products. However, China is today among the global leaders in the production of high-tech products and the study shows country image in Germany is changing too, towards a more positive one.

Although with limited significance, the results regarding brand image can be used as a reference for future research. A qualitative method may be useful in order to achieve a more in-depth understanding of the brand image of Hisense, that is taking shape among Bulgarian consumers. It could also focus on the target group of consumers that Hisense has defined. The present research also has its natural limitations due to the chosen instrument. The questionnaire and the questions with Likert-type scale of responses provide a predefined set of associations. They were developed based on the assumed desired image of Hisense. However, consumers might hold other important associations affecting their purchasing behaviour which remain hidden, like for example the country-of-origin effect that emerged from the open-ended questions at the end of the questionnaire. It is also important to consider which brand associations are important to the consumers in their purchasing choices – the brand may succeed in creating the desired associations, but if they are not important for the consumers' buying decision, this would not have the desired end result.

6 MARKETING IMPLICATIONS

This chapter will look at possible applications of results and conclusions of the current research in the marketing strategy of Hisense in Bulgaria with regards to television sets.

What the results from the research demonstrated was relatively low brand awareness of Hisense television sets in the form of brand recognition only; brand recall was not established among the respondents in this survey. This limited the measurement of brand image associations by reducing the number of valid responses to the relevant part of the questionnaire, but an overall impression is the lack of strong and clear image of Hisense with regards to television sets. The goal of the suggested measures shall be increasing the brand awareness of Hisense television sets among Bulgarian consumers and creating a positive brand image, ultimately increasing the brand equity and its performance on the Bulgarian market.

When discussing the marketing strategy for Hisense television sets in Bulgaria, the specifics of their target audience also have to be taken into account. 26 to 35-year-olds belong to Generation Y, or the so-called Millennials. Moreno et al. (2017) summarize some important observations about their consumer behaviour. They are valuable to companies, because they represent a large share of the population with considerable purchase power. It is important for them that brands and products match their personalities, values and lifestyles. They react to social, cultural, economic and political changes and this also affects their loyalty towards brands. Technology to a large extent defines this generation and also influences their behaviour as consumers. They not only shop online, but also look for information online,

communicate online – with brands and with peers. Millennials are very sensitive to electronic word-of-mouth. In line with these observations, Moreno et al. (2017) highlight the role of digital marketing in the communication with Millennial consumers. Quality visuals, clear messages and efficient communication are very important when approaching them.

According to a survey, cited in Economy.bg (2019, November 25), Millennials constitute 20% percent of the population of Bulgaria. In line with the general characterization of the generation provided above, they are said to value technologies and social networks. They tend to reject traditions and show interest in the problems of humanity. They like to be the center of attention and experiences are very important to them. According to the article they value relationships more than money and spend readily.

According to Keller (2013, p. 59) the strategic brand management process begins with identifying and establishing brand positioning and values. Hisense has done this on a global level and as the company overview demonstrated. The positioning and values generally follow a standardized strategy across different markets. Besides this, the Bulgarian market is a smaller European one and it can only be expected that adaptations according to local market environment would be limited.

With this limitation in mind, some measures can be suggested on the next step in the strategic brand management process – planning and implementing marketing programs. The four Ps of the marketing mix will be addressed – product, place, price and promotion, and finally - some challenges that contemporary society holds for marketing researchers and practitioners.

6.1 Product

Television sets are a complex product which cannot be easily modified for different markets. The process of developing new models involves R&D, manufacturing, assembly, logistics, etc. The resources for a customized approach in all this are not justified for a small market, so possible adaptations are perhaps limited to the choice of models to be included in the product range for the specific market. The brand already provides a wide range of models on the Bulgarian market – ranging from budget to premium ones, so different consumer segments must be covered. Also, when asked to rate the model range of Hisense TVs in the current survey, 22.2% of respondents gave a positive rate (“good” or “very good”), while only 3.7% (which represents one respondent) gave a negative rate (“very poor”). The product range includes FHD/HD TVs, UHD TVs, ULED TVs, OLED TVs, Android TVs, Laser TVs.

However, looking beyond television sets, it was noted that brands with the highest brand awareness results in TVs have not only been on the Bulgarian market for much longer, but also offer a wider range of products – e.g., different household appliances. If Hisense

expands its portfolio with new product categories on the Bulgarian market, it might have an effect on the overall awareness of the brand, as it would provide consumers with more varied opportunities to become familiar with the brand, and more importantly to do so through personal experience.

The results of the survey offer no conclusive evaluation of brand image in terms of the quality of products. Besides, product quality itself cannot be directly addressed through local marketing strategy. However, some responses revealed a country-of-origin effect, i.e., the image of the products is affected by the image of their country of manufacturing. In the case of China, the observed country-of-origin effect is negative. The country-of-origin stereotypes are something that can be addressed locally. As Maheswaran (1994) has established, the role of these stereotypes is bigger when consumers' expertise and attribute strength is lower. Consumers can be better educated about the brand, the products and their characteristics.

An interesting and very detailed research on brand image in terms of quality by Kato and Tsuda (2018) studies the main factors that constitute quality. It is a complex and abstract concept and companies would benefit from a better understanding of the consumer point of view in creating a consistent and targeted messaging about their brand quality. What the authors establish is that in addition to the functional values of safety and durability, the values of innovation, comfort and reputation, which they describe as emotional ones, are also important constituent factors of quality. These factors are to a large extent in congruence with Hisense desired image, as it has been deduced from the company history and communications.

The emphasis on brand and product education can be taken into account when developing communication materials for advertising campaigns, social media, content for the local version of the company website, etc. The collaboration with the leading vlogger Slavi the Clasher (The Clashers Tech, 2022), mentioned in chapter 3.1.3 is a good example of that approach – it is very appropriate for targeting Millennials, creates connection with them and also increases their knowledge about the brand and the product characteristics.

It is also important to consider how to communicate product information most effectively. According to a study by Trzebinski et al. (2023) the trustworthiness of communication, which is important with regards to building a reputation and strengthening relationships with consumers, can be improved by using more specific product descriptions. Persuasiveness can also be improved by supporting abstract features with relevant product details and this is especially effective for knowledgeable consumers. Results of the study also suggest that it is important to take into consideration the stage of the buyer's journey. In the early stages or in another situation when the consumer is considering a product through their personal goals and values, it can be more effective to communicate product benefits. In contrast, when comparing product alternatives, communicating product attributes may be more appropriate.

Hisense as a company has not provided much information about itself on its Bulgarian website. In fact, its materials do not even mention it is a Chinese company. This corresponds to what Polfuß and Sönmez (2020) observe about Chinese brands in Germany which usually do not openly state their country of origin. However, consumers in Bulgaria seem to have found this information readily available.

On the other hand, Hisense can use its website to improve consumer expertise and to balance the possible negative country-of-origin effect. It can educate potential consumers about its long history, achievements in innovation and technology, and also about its values and mission. Chinese companies have climbed to top positions in the global technology industry and this will certainly change the country image to more positive one. However, Hisense also does not have to be perceived only as a Chinese brand - through its global expansion the company has created a worldwide network of R&D centers and production facilities, some of them located also in Europe. Slovenian brand Gorenje, one of the latest brands added to the portfolio of Hisense, is a very well-known brand to Bulgarian consumers and this might be used to the benefit of Hisense.

6.2 Place

In terms of distribution (place - from the 4 Ps of the marketing mix), Hisense products are already widely available to consumers through the biggest retail chains, online stores, telecommunication companies, etc. High distribution intensity may offer high brand equity (Yoo et al., 2000).

While online sales have grown in recent years, especially during the Covid pandemic (Nikolov, 2021, November 26), some consumers still prefer shopping in physical stores. This preference gives opportunities for personal contact with consumers and could also be taken advantage of. The way television sets are displayed in big retail chains for electronics is very much alike for all the brands. However, sales consultants can significantly affect consumer choice. So, they should be well educated about the brand, especially about what sets it apart from competitors. Consultant and sales partner education can also cover consumers – how different consumer segments use TVs and what characteristics might be important to them.

More in-depth research on Bulgarian consumer behaviour might help achieve better understanding of their purchasing decision-making and also help detect any local specifics, which might be important. The current research was based primarily on the desired image of Hisense – measuring the components that were seen as important by Hisense. However, it is also useful to take the opposite point of view – this of the consumer, and see if the same components are also the ones which are important to consumers.

A comment from a survey respondent however – that they had never owned a Hisense TV, but only had experience with the brand in a hotel suggests a different type of opportunity,

that can be created for potential consumers to experience products before actually buying them. Personal experience can be used to create awareness and brand image and this can be a much more effective way to achieve it than advertising. Hotels are just one example of that, but considering the high involvement of Hisense in sports sponsorship, this also provides a lot of opportunities for creating experiences for consumers. For example, Hisense TVs can be used for public screenings of football games. This not only exposes the audience to the product, but does so in a situation that is emotionally charged.

6.3 Promotion

This leads to the next component of the marketing mix – promotion. It encompasses all advertising and communication activities of the brand.

Considering the main target audience of Hisense are Millennials, digital marketing has to be part of the promotional activities. The company website is an important communication channel that consumers can use for example when doing research before a purchase. It is also usually the landing site for digital ads. The Hisense local website is dedicated almost entirely to product presentation. TV models are presented in a lot of detail, with a long list of characteristics for each of them. What could be useful for less educated consumers though would be some more general information on product categories. For example, visitors can browse by ULED, Laser, UHD, etc. However, this can be confusing to novice consumers who are not familiar with the abbreviations and the technologies behind them. So just a short annotation for each of them might be helpful. In addition to that, Hisense's main advantages, related to the whole product category, may be highlighted.

It can also be beneficial to also include more company information, an overview of its mission, vision, values, history. It can also mention the Bulgarian operations of the company or address Bulgarian consumers more specifically, like it has been done on the Hisense US website (<https://www.hisense-usa.com/>) – although it is just a minor touch, it makes the website's messages sound more personal. Tuškej et al. (2013) confirmed that the congruity between consumers' values and brand values increase their identification with the brand and this affects their commitment to the brand and willingness to generate positive word of mouth. They also highlight the importance of focused and personified brand communications, because “consumers are more likely to identify with brands whose core values are consistently communicated and relevant for them” (p.57). Using social media is suggested as an instrument for generating word of mouth, especially because it allows consumers to generate their own content too and to “use the brand in the context that is congruent with their own values, attitudes, and lifestyles” (p. 58). As mentioned above, this is also especially important to Millennials.

Building a strong brand can differ between cultures. Chatzipanagiotou et al. (2019) established that German consumers who are part of an individualistic society have a more rational and informed way of making decisions. They pay more attention to functional

characteristics of brands, which signal that a brand is reputable and this contributes to self-brand relevance and trust. For Greek consumers, on the other hand, who belong to a more collectivistic culture, relationship and personal attachment to the brand were found to be the leading factor in brand-related decisions.

Bulgaria can be considered closer to Greece with regards to this dimension of culture (Hofstede Insights, 2003; Davidkov, 2004). This also coincides with the behaviour traits of the Millennial generation.

Despite these differences, brand-self connection, relevance and trust, are identified as common core causes of customer-based brand equity in both Greece and Germany (Chatzipanagiotou et al., 2019). Increasing the self-brand connection is important for brands, which may be in a situation where they are disliked by consumers and have a low consumer-based brand equity, but also for avoiding such outcomes, showed a study by Veloutsou et al. (2020). The authors found nostalgic association to create positive connections.

While the lack of strong and clear brand image established through the survey might be affected by the small and non-representative sample and it cannot be taken as a certain fact before additional confirmation, measures towards differentiation from competitors would still be relevant, because of the mentioned commoditization trend (Clancy & Trout, 2002, March). This can be reflected in the content of different promotional materials by choosing the right messaging and highlighting the unique brand characteristics, that set it apart from others.

Advertising can be an important marketing tool which can help the brand increase its awareness. Buil et al. (2013) confirmed that the perceived advertising spend was found to have a positive effect on brand awareness, however it did not necessarily lead to improved brand image. In order to positively influence the associations related to the brand, companies should make sure their campaigns are original and creative.

Sponsorship seems to be the preferred marketing tool for Hisense and it is very effective for reaching wide audiences. However, it might be a good idea for sponsorship to be supported locally by other below-the-line activities, which form a stronger connection with consumers or which provide opportunities to increase product knowledge and form brand associations. Sports sponsorship also does not reach the whole potential audience of the brand – many potential customers are not sports fans and can be reached through other channels.

6.4 Price

The last component of the marketing mix is price. Hisense offers a wide range of models, covering different price segments. Respondents have also mentioned price and value-for-money among the positive associations they have about the brand, and the unique associations that set the brand apart from other TV manufacturers. Value-for-money was

also rated positively (“good” or “very good”) by the largest share of respondents (29.6% total) compared to other associations on the scale from “very poor” to “very good”. So, the pricing strategy of the brand on the Bulgarian market seems to be well accepted by consumers and also corresponds well to the image the brand is trying to build.

Yoo et al. (2000) established that frequent use of price promotions or a consistent low-price strategy can be a brand-harming activity. If consumers strongly relate price to quality, such marketing approach may lower the perceived quality of the product and harm the brand image. Huang and Sarigöllü (2012, p. 98) also warn promotions should be used carefully, although they may be a useful tool for increasing sales and awareness in the short term. They specifically comment on well-established brands and raise concerns about decreasing the internal reference price in consumers’ minds and harming brand image in terms of quality.

A more beneficial pricing strategy in terms of brand equity according to Yoo et al. (2000) may be combining an equal or higher price level with more advanced product features, capitalizing on technological progress, managerial efficiency, and customer service to enhance the value of the product. Buil et al. (2013) also recognise the risk of price promotions and suggest non-monetary promotional tools, such as gifts, which contribute to growing brand equity, as an alternative to price cuts.

The risks of a low-price strategy or frequent pricing cuts seems to be a reasonable concern in the case of Hisense. The brand would like to portray itself not as a cheap, but value-for-money, and this component of brand image actually received positive evaluation in the current research. Therefore, the price positioning of the brand seems successful and major activities affecting it should be carefully approached in order to maintain the balance.

According to Keller’s definition of strategic brand management process (2013, p. 59), planning and implementing brand marketing programs should be followed by measuring and interpreting brand performance. This should actually be a continuous activity in order to provide managers with current information and allow them to react in time to any arising opportunities or threats.

6.5 Contemporary challenges

In the initial development of marketing strategies and in monitoring activities marketers should also take into account the rapidly changing environment and the new challenges contemporary society creates. Swaminathan et al. (2020) analyse the effects of technological advances and hyperconnectivity on brands and brand management. One consequence of this is the “blurring of branding boundaries”. Companies are no longer the only or even the primary source of information about the brands – brand meanings and experiences are co-created by consumers and other stakeholders, thus posing a challenge for companies with regards to the control over brand positioning and messaging.

The generation of content became accessible to the ordinary users with the advent of Web 2.0 technologies and websites like Facebook, Wikipedia, YouTube, personal websites and blogs, etc. (Daugherty et al., 2008). In 2008 Daugherty et al. describe the ability to develop brand relationships via social experiences through user-generated content (UGC) and the means to deliver persuasive messages to consumers who experience or create UGC as “the future of marketing” (p.23) - today it is the present reality. Christodoulides et al. (2012) provide empirical evidence that consumer-generated content affects CBBE and managers have to find a way to manage this new form of brand-related communications correctly in order to benefit from it.

Consumers and companies, according to Swaminathan et al. (2020) should be rather viewed as parts of a bigger network now, not as individual players. In the digital world brands face bigger competition, making it harder for them to distinguish themselves and also to establish connection with consumers. Swaminathan et al. (2020) also observe “broadening of branding boundaries” – the expanding of geographical and societal roles of brands.

All these changes create challenges in the management of brands, as not all aspects of them have been researched sufficiently. But they can also provide opportunities for brands that carefully observe the dynamics of the environment and find an adequate approach towards these new realities.

7 CONCLUSION

This research is based on the business case of Hisense Bulgaria and more specifically – the product category of television sets. Its purpose was through empirical research to gain knowledge about Bulgarian consumers and the awareness and brand image of Hisense among them. Such insights might have practical value for evaluating the current situation of the company on the market and for developing future strategy and marketing activities. While the company is already among the global technological leaders, it entered the Bulgarian market only recently and this is an important stage of its development here.

A quantitative approach was chosen and empirical data was collected through an online survey. The questionnaire was developed after a careful examination of relevant theoretical sources, which provided the foundation of the empirical research. The desired number of responses was successfully obtained and they were subjected to analysis, including descriptive statistics and testing hypotheses about relations between the response variables.

The analysis of results regarding brand awareness of Hisense television sets didn't capture any top-of-mind awareness or brand recall among the respondents. However, brand recognition for Hisense TVs was measured at 17%. The survey also provided a picture of competitors' results and established that the leading brands in terms of brand recognition are Samsung, LG, Sony and Philips. Notably, these are all well-established brands with longer history on the Bulgarian market and wider portfolio of product categories. TCL, another

Chinese global leader in the industry, which also recently started selling TVs in Bulgaria and may be considered a direct competitor, has received a slightly higher score of 25% brand recognition among respondents. Results from the survey are not representative and not precise enough, but this result may just be taken as a prompt to follow the competitors' development on the market.

The statistical analysis established a moderate relationship between the gender of respondents and having brand recognition of Hisense – i.e., a larger share of men recognizes the brand, compared to women. Another connection that was established which is very favourable for Hisense is that recognition of Hisense was higher among respondents who, participated the decision or chose it themselves last time when purchasing a TV in the household.

While the sample of the survey is not representative and results cannot be directly applied to the general population, its size and the variance in demographic characteristics that was achieved allow some meaningful observations to be made.

The number of respondents who had brand awareness of Hisense, however, limited the number of responses to the last part of the questionnaire dedicated to brand image and didn't allow more advanced statistical analysis to be performed. The major finding in this part of the research is the prevalence of neutral responses, i.e., respondents still don't have a clear or strong brand image of Hisense and it is yet to be developed. It can also be mentioned that value-for-money proposition and model range received a slightly larger share of positive rates (compared to other brand attributes). Similarly, a larger share of respondents agree completely or to some extent that Hisense offers practical solutions and is a brand for young people (compared to those who disagree and also to other statements). The mean value for the responses about the reputation of Hisense is slightly on the negative side. This result can be viewed in connection with of the country-of-origin effect, detected through the responses to several open-ended questions. While the brand does not actively communicate its Chinese origin, some consumers mention it and also relate it to low product quality. This stereotype can be addressed by the company through its marketing and communication activities.

The results of the research and the relevant theoretical sources are both applied in the discussion on the marketing strategy of Hisense in Bulgaria.

Increasing the brand awareness for Hisense television sets and developing the image of the brand among Bulgarian consumers are important tasks for Hisense marketers. Exposing consumers to the brand and allowing them to get some personal experience with it before actually purchasing its products can be a measure addressing both. Lack of experience was mentioned by respondents as an explanation for the neutral responses on brand image questions. A respondent mentioned seeing a Hisense TV in a hotel and that is an example of such exposure. Hisense's active sponsorship in football also provides an excellent opportunity for such measures, as Hisense TVs can be used for example for public screening

of football games. This would also be beneficial in terms of creating emotional associations about the brand.

While sponsorship is a great way to reach wide audiences and football is probably the most popular sport in Bulgaria, not all potential consumers of Hisense television sets are reached that way. Therefore, this activity can be supplemented with more targeted below-the-line activities. Focused and personalised communication is important, because it helps consumers connect to brands with similar values and self-brand congruity is especially important to Millennials. They also trust personal communication. The opinion of their peers and electronic word-of-mouth has great influence on their consumer behaviour. Digital marketing is an important instrument in targeting this generation, as technologies are a big part of their lives.

Television brands with higher awareness among consumers like Samsung, Sony and LG, not only have longer history in Bulgaria, but are also familiar to consumers with other product categories too. In the Bulgarian market Hisense currently offers only television sets and air conditioners, however, globally, they have a wider portfolio. Expanding its portfolio may also provide more exposure for the brand and contribute for overall awareness among consumers.

Quality is very important to Hisense and therefore Hisense has to address the negative country-of-origin effects it experiences as a Chinese company. One way to approach it is through educating consumers about the company and its products. The more knowledgeable they are, the smaller will be the effect of negative stereotypes. This can be noted as a consideration when preparing communication materials. The Bulgarian website of the company can also be supplemented with more information – about the company and its history, about values, about its global operations and its production and R&D centers, located also in Europe. It can highlight the major and unique advantages of its products in general. While in recent years online sales have grown significantly, some consumers still prefer to shop in physical stores, so Hisense should ensure consultants on site are knowledgeable about the brand, in case some asks for their advice.

Finally, the pricing strategy of Hisense also has to be mentioned. Respondents in the survey have expressed positive reactions in terms of the value-for-money proposition of Hisense and this corresponds well to the desired image of the company. Price promotions should be approached carefully in order not to affect the balance between the perceptions of price and quality of the brand.

As it has been noted throughout the text, the significance of the findings of the present research are limited by the non-representative nature of the survey sample. The results regarding brand image are further restricted by the low number of respondents. Therefore, any conclusions based on these results should be additionally tested before being acted on.

Additional research on brand image may employ a qualitative method, in order to achieve a more in-depth understanding about the Bulgarian consumers' knowledge and perception of Hisense. It would also be useful to gain insights into the consumers' purchasing behaviour specifically in the category of television sets and find out the factors that consumers consider important. This would allow to set the right goals in terms of building the brand image.

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APPENDICES

Appendix 1: Povzetek (Summary in Slovene language)

Hisense je eno od vodilnih globalnih podjetij za gospodinjske aparate in potrošniško elektroniko, vendar je Bolgarija razmeroma nov trg za televizijske sprejemnike Hisense. Namen magistrske naloge je s pomočjo primarnih in sekundarnih virov ugotoviti stopnjo prepoznavnosti blagovne znamke in pridobiti informacije o podobi blagovne znamke televizorjev Hisense med bolgarskimi potrošniki. Nova znanja in vpogledi bi lahko imela tudi praktično vrednost za trženjske operacije podjetja.

Prepoznavnost blagovne znamke vključuje priklic blagovne znamke in prepoznavanje blagovne znamke (Keller, 2013). Podoba blagovne znamke je opredeljena in konkretizirana na podlagi Kellerjevega modela znanja o blagovni znamki. Sestavljen je iz asociacij blagovnih znamk (atributov, koristi, odnosov), za katere je značilna njihova naklonjenost, moč in edinstvenost (Keller, 1993). Za empirično raziskavo je bila uporabljena kvantitativna metoda - anketa med potencialnimi kupci televizorjev Hisense v Bolgariji, izvedena na spletu. Metoda vzorčenja je bila naključno vzorčenje in zbranih je bilo 205 odgovorov, ki so bili predmet analize, vključno z opisno statistiko in testiranjem hipotez o razmerjih med spremenljivkami odgovorov.

Rezultati so pokazali pomanjkanje priklica blagovne znamke za televizorje Hisense. Prepoznavnost blagovne znamke je bila izmerjena na 17%. Med spolom anketirancev in prepoznavnostjo znamke Hisense je bila ugotovljena zmerna povezava – višja je bila pri moških. Prepoznavnost je bila višja tudi pri anketirancih, ki so pri zadnji odločitvi pri nakupu televizorja v gospodinjstvu sodelovali ali pa so televizor pred kratkim sami izbrali.

Nižja prepoznavnost blagovne znamke Hisense je omejila število odgovorov na vprašanja o podobi blagovne znamke in ni omogočila naprednejše statistične analize. Glavna ugotovitev je pomanjkanje jasne ali močne podobe blagovne znamke televizorjev Hisense. Dobro razmerje med kakovostjo in ceno ter število ponujenih modelov izstopata z bolj pozitivnimi stopnjami. Da Hisense ponuja praktične rešitve in je blagovna znamka za mlade, se do neke mere ali v celoti strinja tudi večji delež anketiranih (v primerjavi s tistimi, ki se ne strinjajo in tudi z drugimi trditvami). Odzivi o slovesu Hisense so rahlo negativni. To je mogoče interpretirati tudi v povezavi z učinkom države izvora, ki je bil zaznan med anketiranci. Stereotip o nizki kakovosti kitajskih izdelkov je mogoče odpraviti z marketinškimi aktivnostmi podjetja.

Za gradnjo podobe blagovne znamke je pomembno ustvarjanje priložnosti za potrošnike, da pridobijo osebne izkušnje z blagovno znamko. Zagotavljanje posebnih informacij o izdelku lahko pomaga tudi pri spodbujanju kakovosti, razlikovanju od drugih blagovnih znamk in ustvarjanju zaupanja. Na drugi strani pa so čustvene asociacije zelo pomembne za milenijske potrošnike, zato je treba vrednote podjetja učinkovito posredovati. Digitalni marketing je zelo pomemben tudi pri nagovarjanju generacije milenijcev – spletno mesto podjetja, družbena omrežja je potrebno učinkovito uporabljati.

Appendix 2: Consumer survey on the television sets market in Bulgaria

Page 1

This survey is part of a Master's thesis in International Business at the University of Ljubljana, Slovenia. Your responses will remain anonymous and will be used only as aggregated data for the purpose of marketing analysis.

The survey takes approximately 5 minutes to complete.

The survey is intended for adults living in Bulgaria. Please, feel free to share your honest opinion on the questions in this survey – there are no right or wrong answers.

The survey will remain open until the desired number of responses has been reached.

Thank you in advance for your cooperation!

Page 2

In the beginning we would like to learn something more about you.

1. Your gender:

- ☐ Female
- ☐ Male

* 2. Your age:

* 3. Where do you live:

- ☐ Sofia
- ☐ Other regional center
- ☐ Smaller town or village

Page 3

We would also like to ask a few questions about your daily life and habits with regards to television.

* 4. Do you have a TV in your household?

- ☐ Yes.
- ☐ No, but I watch TV on other devices.
- ☐ No, I don't watch TV.

If the response is "No, I don't watch TV.", the respondent is taken directly to Question 7.

Page 4

* 5. How often do you watch TV?

- ☐ Every day.
- ☐ Two or three times a week.
- ☐ Once a week or less.
- ☐ I don't watch TV.

Page 5

* 6. What TV programs do you watch most often? (More than one answer is possible.)

- ☐ News and current affairs
- ☐ Films
- ☐ Sport
- ☐ Entertainment
- ☐ Popular science
- ☐ Other

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* 7. When was the last time you purchased a television set in your household?

- ☐ In the past 2 years
- ☐ 2-5 years ago
- ☐ More than 5 years ago
- ☐ We have never bought a TV

If the response is "We have never bought a TV" the respondent is taken directly to Question 9.

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* 8. The last time you purchased a television set in your household, who chose it?

- ☐ I chose it myself.
- ☐ I chose it together with other household members.
- ☐ Someone else chose it, I didn't take part in the decision.

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Now we would like to ask a few questions about different brands of TV sets.

9. What are the first three TV manufacturer's brands that come to mind? (You can leave an empty field if you can think of less than 3 brands)

1. _____
2. _____
3. _____

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* 10. Which of the following TV sets brands have you heard of? (More than one answer is possible.)

- ☐ Samsung
- ☐ Philips
- ☐ Toshiba
- ☐ Sony
- ☐ Hisense
- ☐ TCL
- ☐ LG
- ☐ NEO
- ☐ Crown
- ☐ Kivi
- ☐ None of the above

* 11. Are you familiar with the brand Hisense?

- ☐ Yes, I have used a Hisense TV
- ☐ Yes, I have used a Hisense household appliance
- ☐ Yes, I have used a Hisense TV and household appliance
- ☐ Yes, but I haven't used any Hisense product
- ☐ No, I am not familiar

If the response is "No, I am not familiar", the survey ends here.

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* 12. How would you rate Hisense TVs in terms of model range?

- ☐ Very poor
- ☐ Rather poor
- ☐ Cannot decide
- ☐ Rather good
- ☐ Very good

* 13. How would you rate Hisense TVs in terms of value for money?

- ☐ Very poor ☐ Rather poor ☐ Cannot decide ☐ Rather good ☐ Very good

* 14. How would you rate Hisense TVs in terms of picture quality?

- ☐ Very poor ☐ Rather poor ☐ Cannot decide ☐ Rather good ☐ Very good

* 15. How would you rate Hisense TVs in terms of innovative technologies?

- ☐ Very poor ☐ Rather poor ☐ Cannot decide ☐ Rather good ☐ Very good

* 16. How would you rate Hisense TVs in terms of smart functions?

- ☐ Very poor ☐ Rather poor ☐ Cannot decide ☐ Rather good ☐ Very good

* 17. How would you rate Hisense TVs in terms of design?

- ☐ Very poor ☐ Rather poor ☐ Cannot decide ☐ Rather good ☐ Very good

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We would like to know to what extent do you agree or disagree with the following statements regarding Hisense TV sets. Please, mark your responses.

* 18. Hisense is a reliable brand.

- ☐ Disagree ☐ Somewhat disagree ☐ Undecided ☐ Somewhat agree ☐ Agree

* 19. Hisense offers practical solutions.

- ☐ Disagree ☐ Somewhat disagree ☐ Undecided ☐ Somewhat agree ☐ Agree

* 20. Hisense offers innovative products.

- ☐ Disagree ☐ Somewhat disagree ☐ Undecided ☐ Somewhat agree ☐ Agree

* 21. Hisense is a young people's brand.

- ☐ Disagree ☐ Somewhat disagree ☐ Undecided ☐ Somewhat agree ☐ Agree

* 22. Hisense brand has a good reputation.

- ☐ Disagree ☐ Somewhat disagree ☐ Undecided ☐ Somewhat agree ☐ Agree

* 23. Hisense offers exciting products.

- ☐ Disagree ☐ Somewhat disagree ☐ Undecided ☐ Somewhat agree ☐ Agree

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* 24. What is your overall opinion of Hisense TV sets?

- ☐ Negative ☐ Fairly negative ☐ Undecided ☐ Fairly positive ☐ Positive

26. What do you like about Hisense TVs? Describe in a few words, please.

27. What do you dislike about Hisense TVs? Describe in a few words, please.

25. What do you think sets Hisense TVs apart from other brands? Describe in a few words, please.

Appendix 3: Statistical analysis - calculations

Table 1: Observed vs. expected values – Frequency of watching TV by age group

How often do you watch TV?									
Age group:	Once a week or less		Every day		2-3 times a week		I don't watch TV		Grand Total
	Observed	Expected	Observed	Expected	Observed	Expected	Observed	Expected	
18-25 years old	0	1.34	3	6.24	5	1.60	2	0.82	10
26-35 years old	11	6.16	24	28.69	10	7.35	1	3.79	46
36-55 years old	13	14.61	68	67.98	15	17.42	13	8.99	109
55+ years old	2	3.89	26	18.09	1	4.63	0	2.39	29
Grand Total	26	26.00	121	121.00	31	31.00	16	16.00	194

Source: Own work.

Table 2: Observed vs. expected values – Brand recognition of Hisense TVs by gender

Brand recognition of Hisense TVs					
Gender:	Has not heard of Hisense		Has heard of Hisense		Grand Total
	Observed	Expected	Observed	Expected	
Female	126	117.38	15	23.62	141
Male	38	46.62	18	9.38	56
Grand Total	164	164.00	33	33.00	197

Source: Own work.

Table 3: Observed vs. expected values – Brand recognition of Hisense TVs by age groups

Brand recognition of Hisense TVs					
Age category:	Has not heard of Hisense		Has heard of Hisense		Grand Total
	Observed	Expected	Observed	Expected	
<26 years	7	9.17	4	1.83	11
26-35 years old	38	39.17	9	7.83	47
36-55 years old	93	91.67	17	18.33	110
55+ years	27	25.00	3	5.00	30
Grand Total	165	165.00	33	33.00	198

Source: Own work.

Table 4: Observed vs. expected values – Brand recognition of Hisense TVs by place of residence

Brand recognition of Hisense TVs					
Place of residence:	Has not heard of Hisense		Has heard of Hisense		Grand Total
	Observed	Expected	Observed	Expected	
Sofia	113	118.33	29	23.67	142
Other regional center	36	30.83	1	6.17	37
Town or village	16	15.83	3	3.17	19
Grand Total	165	165.00	33	33.00	198

Source: Own work.

Table 5: Observed vs. expected values – Brand recognition of Hisense TVs by frequency of TV use

Brand recognition of Hisense TVs					
Frequency of TV use:	Has not heard of Hisense		Has heard of Hisense		Grand Total
	observed	expected	observed	expected	
Once a week	24	20.99	1	4.01	25
Every day	96	98.23	21	18.77	117
2-3 times a week	25	25.19	5	4.81	30
Doesn't watch TV	12	12.59	3	2.41	15
Grand Total	157	157.00	30	30.00	187

Source: Own work.

Table 6: Observed vs. expected values – Brand recognition of Hisense TVs by preference for watching sport on TV

Brand recognition of Hisense TVs					
TV programs preference:	Has not heard of Hisense		Has heard of Hisense		Grand Total
	observed	expected	observed	expected	
No sport	132	132.50	27	26.50	159
Sport	33	32.50	6	6.50	39
Grand Total	165	165.00	33	33.00	198

Source: Own work.

Table 7: Observed vs. expected values – Brand recognition of Hisense TVs by time of last purchase

Brand recognition of Hisense TVs					
Time of last purchase:	Has not heard of Hisense		Has heard of Hisense		Grand Total
	observed	expected	observed	expected	
In the past 2 years	56	54.17	9	10.83	65
2-5 years ago	44	46.67	12	9.33	56
More than 5 years ago	55	52.50	8	10.50	63
Never bought a TV	10	11.67	4	2.33	14
Grand Total	165	165.00	33	33.00	198

Source: Own work.

Table 8: Observed vs. expected values – Brand recognition of Hisense TVs by participation in decision-making

Brand recognition of Hisense TVs					
Decision-making:	Has not heard of Hisense		Has heard of Hisense		Grand Total
	Observed	Expected	Observed	Expected	
Chose it themselves	32	37.07	12	6.93	44
Chose it together with other household members	78	77.50	14	14.50	92
Someone else chose it	45	40.43	3	7.57	48
Grand Total	155	155.00	29	29.00	184

Source: Own work.