



Institute of
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Marketing | Money | Ideas | Market | Info | Success

MARKEZINE

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ISSUE
XIX

THE UBIQUITOUS
QUANDARY

WRECKING
BALL



SENIOR MARKUP TEAM



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*"Either write something worth reading or do something worth writing about."
Benjamin Franklin*

EDITOR'S NOTE

With the above quote, the editors of Markezine, July 2017 recognise the enormous efforts put in by the writers of the articles sent to us. Each of the articles received showcased immaculate clarity of thought on the subject along with a personalised touch to them. We really had to rack our brains to decide on the articles to be published. We also thank the writers whose articles could not be published due to space constraints, which in no way means that they lacked quality.

The first topic "The Ubiquitous Quandary" questions one of the core pillars of marketing - Advertising. The topic questions whether Advertising really is all that important or it's just one of those fancy things a product can do without. The second topic "Wrecking Ball" urged all the writers to pen their thoughts on the recent developments or rather disruptions taking place in various industries and how important are they to leave a mark in today's fast moving market.

Finally, a heads up to all our readers that although we enjoyed reading each of the articles, the views and opinions expressed in the articles published are solely of the authors viewpoint and it may not be necessary that MarkUp shares the same. So, go ahead and indulge that inquisitive mind of yours.

Editors: **Akshay Goenka, Juie Talavia** Design: **Utkarsh Goyal**



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Shivani Desai
NL Dalmia

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THE ETERNAL CYCLE

How does a small, newly started company beat a big giant on its own turf? It does so by a process called “Disruptive Innovation”.

Business as a whole follows a consistent pattern. One of the most consistent patterns observed in the business cycle is that the leading companies of the world are not able to sustain themselves at the peak. They succumb under the changes in technology and market dynamics. Established companies invest aggressively in sustaining innovation and upgrading their technology that will help them to retain their existing and high paying customers. In the process, they fail to cater to the needs of their future customers. They do not invest much in developing something new for their prospective customers.

Companies believe that by charging higher prices to their most demanding customers, they will achieve highest profitability. However, this idea does not hold true. By focusing on the high end of the market, they loose out on the big chunk of the lower segment who demand for basic products and services. Their needs are unmet, which opens the door for “disruptive innovations”.

The term “Disruptive Innovation” was coined by Clayton Christensen back in 1995. A disruptive innovation is one that allows the population at the lower end of the market to get access to products and services that once upon a time only the higher segment of the population could access. The demand gap in the market makes way for entrepreneurial companies to enter the

space and fill the existing void. Here, the new companies focus on the basic consumer needs and offer their services at a lower price. By the time the incumbents realize, the disruptor has already started capturing the market share and then it progressively moves upwards. They then go forward and start competing with the big giants. It thus creates new markets and re-shapes the existing ones.

Disruption might occur in any and every industry. For a disruption to occur, the company does not require a breakthrough change or innovation. It can do so by making minor changes and focusing on consumer needs at that hour. Disruptions have occurred in the past and present, and the future is no different.

Micromax Mobile is a classic example of disruption that occurred in the recent past. With the increasing demand and use of mobile phones in India, the existing companies started producing cell phones with a plethora of features and a premium price. This deprived the lower segments of the market of good quality phones with similar features. This was not the only problem. People in rural India faced electricity shortage and hence wanted phones with a longer battery life. Micromax tapped this opportunity and entered the Indian markets with the "Micromax X1i, which was low cost and at the same time had a longer battery life and 30 days battery backup. Micromax captured the majority of the market share in that segment and then gradually moved upward by expanding its arms to the urban areas by launching the Micromax Canvas range. It then started competing with the existing companies and thus proved to be a classic disruption.

Well, this was a tale of the past. However, the future is rosier and has a lot in store. It would not be wrong to expect unmanned quadcopters delivering packages to our doors, eliminating delivery by humans. Flirtey, the premier independent drone delivery service in the world is focused on revolutionizing logistics. It might soon so happen that drones might be used for last mile delivery services by various companies. The drone delivery system enables one operator to operate 12 drones in a particular area and deliver packages from the place of business to the customer's doorstep and that too in a fraction of time, as compared to delivery boys. It can be used to deliver medicines and food packets at a faster rate. Drone delivery will reduce the cost to the buyer as well as supplier, and also make the delivery system faster.

Disruptions have occurred, and will continue to occur. One simply needs to identify the gaps in the market and act accordingly. It is a cycle which will never cease to exist.



**TELECOM INDUSTRY
ON THE BRINK OF
DISRUPTION**

Telecom industry has seen major disruptions over the last one and a half decade and one of the new players has been responsible for it every time. From when Reliance entered the segment and made incoming calls free to when Tata Docomo entered the market to introduce pay per second plans. Now Jio is set to enter the market to disrupt it with free calls and texts along with cheap internet data. But this disruption was the need of the hour as the top 3 telecom players were now looking at population and demand to drive growth rather than innovation.

With the entrance of Jio, a new price war has begun. Jio is looking at data as the key revenue driver for growth compared to existing telcos whose more than 75% of revenue comes from voice calls (Economic Times, n.d.). This will act as a major disruption in the industry as a whole as existing telcos have to maintain their revenues and compete with the new entrant's scheme of virtually free calls and messages. Data is a fast growing segment for telcos but still accounts for less than 25% of revenue. (Economic Times, n.d.) In such scenario, for Jio to make profit is going to be difficult given the smart phone penetration in India is just around 200 million devices and 4G devices are much lower than that. The new entrant has already waged a war against the traditional telcos and the sector as a whole is responding in different ways.

The consolidation has begun in the industry in a war for survival of the fittest with Reliance communications and Aircel announcing a merger (Economic times, n.d.). Norwegian giant Telenor has decided to exit and windup its India business (Economic Times, n.d.). Docomo is already exiting India by breaking its partnership with Tata and Vodafone has infused Rs.47,700 crore into its Indian arm for the spectrum auction to foray into the 4G business. The recently concluded spectrum auctions have resulted in huge buying by a debt mounted industry due to the competition faced by it. (Economic Times, n.d.)

Jio is targeting Rs. 150 per person which is its minimum plan and which is equivalent to

the average per person usage in the telecom industry. Jio believes "Data is the next oil" but is India ready for that kind of telecom revolution and can they create internet and handset penetration in all corners of the country. Jio has forced all the other telcos to restructure their tariffs and indulge in a price war with it. (BBC, n.d.)

Wi-Fi is also a huge potential competitor for Jio and telecom industry as a whole. Now as we see, Google and Facebook are partnering with the government to set up their own Wi-Fi hotspots across public places in the country. Also many new governments are having Wi-Fi as a part of their poll promise. This Wi-Fi decreases the potential revenues as it can easily allow people to call over VoIP apps like WhatsApp and Skype which results in huge decreasing revenues for the companies (FirstPost, n.d.). Many people are now shifting to Wi-Fi across their home, office and colleges which results in decreased revenue for them. The trend of Wi-Fi is increasing in shopping malls to cabs like Ola who have introduced Ola prime for Wi-Fi service in the cab. Wi-Fi faces the biggest threat to the industry which is betting its long term growth on the growth in data revenues. Infact, it may put a huge question mark on the business model of Reliance Jio which aims to sell data to earn revenue. Wi-Fi or Jio or both together can act as a wrecking ball to disrupt the communication industry.

Though rural India still remains a huge potential consumer for data consumption growth but a huge investment is needed to tap that potential and providing them a high speed internet connection is a task in itself. Can the industry players overcome all these challenges to continue operating or would these challenges be disruptive enough to kick out major players from the industry?



“ Malhar Shah
IMI New Delhi ”

ASSEMBLY LINE OF AMAZON REVIEWS

If you were Chetan Bhagat, what/who would give you sleepless nights?

Newspapers and Magazine reviews? No.

Whether your book is on 'Crossword recommended'? No.

Arnab with a U? No.

Just one word, bloggers. Today, these micro-celebrities decide whether your novel should be on the bestseller list or not. Your standing on the 'Listopia' of Goodreads decides how fat is your pay cheque. Shraddha Kapoor may launch your book, but if you don't have decent reviews on Amazon, they would be lying in your godowns gathering dust.

Good morning, Mr. Bhagat. Welcome to the world of Influencer Marketing - where battles are won and lost within 140 characters, where a YouTube rant against an FMCG giant may bring an early out-of-court settlement, where social media becomes an alternate customer care service centre, where establishment is wary of a girl with a smart phone.

If this ain't disruption, what is?

In 'The Tipping Point', Malcolm Gladwell describes how a small idea or a trend crosses a certain threshold to spread across like a wildfire. There is a concept called the 'Law of Few', wherein a small set of 'Mavens', 'Connectors', & 'Salesmen' help in kick-starting and fanning the conflagration of a full-fledged revolution. 'Mavens' are subject experts, 'Connectors' are connected to a lot many people, and 'Salesmen' know how to sell. According to the book, these three set of people are necessary to sell any product or idea. But what if we don't really need 3 sets of people? What if, in this era of internet, we just need to tap the power of one?

Saffola Fit Foodie is a great example, wherein they have unlocked the true brand potential of Saffola Masala Oats by collaborating with Celebrity Chefs. Chef Kunal Kapur (of Master Chef India fame) is a Maven, Connector and a Salesman all rolled into one. His expertise, his fan-following and his charisma has worked wonders for the brand. Rest everything was done by a website, a YouTube channel & chatter on social media.

People have increasingly become sceptical of celebrity endorsements and outrageous brand promises. Even James Bond was left visibly shaken and stirred by the outrage amongst people after he endorsed a Pan Masala brand. The person endorsing the brand should be credible, he should be an expert, he should know what he is talking about.

According to a statistics, about 60% of these Indian Influencers are in the age group of 20-30. Wisdom is no longer the purview of

the old. Today, being a travel writer or a fashion blogger, has emerged as an alternate career option. Technology has indeed brought about a sea-change in the way in which we handle consumer expectations.

But then, every coin has two sides. Today, there exists a robust 'paid-to-tweet' cottage industry - wherein it is not that difficult to manufacture a 'twitter trend'. Assembly line production of Amazon reviews can indeed cast a shadow of doubt about their authenticity, and it is difficult for people to gauge whether the review is paid or not.

But time inexorably moves forward. The world of tomorrow would be shaped by these micro-celebrities and we would increasingly rely on their opinion as we face a rising deluge of choices. These influencers create value for both - the company and the consumer. But one must remember, everything that creates value comes at a price.

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VISMAY HARANI
SPJIMR

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CHANGING THE MARKET

Creative Disruption is the business *mot de jour*, applied liberally to start-ups whose innovations are causing a stir in the markets in a surprisingly effective way.

Are the disruptive business ideas necessarily a digital tech phenomenon? May be not. Nor are they new. Entrepreneurs have been hatching disruptive business ideas and strategies for years, and in some of the unlikeliest places. Continuity-marketer Dollar Shave Club (DSC) didn't disrupt the technology of razors, instead disrupted the distribution channel by providing a monthly shipment of razor blades directly to the consumer which struck a chord with the consumers. Expedia is not just a hotel search engine, but a one-stop online travel portal. We see that disruptions have affected both the products and the business models.

"Facebook me", "Lets Snapchat", "Let me Netflix the episode", "So what if I don't have the Chanel dress, I will Rent-the-Runway", "Put the documents on Google Drive" - all these expressions from different walks of our life show that disruption in marketing is the new norm. The trick lies in understanding the consumer trends before they become trends and capitalize on them. Disruptive marketing makes affected customers canvass these brands to others and refer to them anthropomorphistically.

Though the "3 Cs of Disruption": Content, Complexity, and Connected and empowered consumers are still on top of everyone's mind, there was a notable increase in focus on another "C" in the ANA Conference of 2015: Competition, that fuelled the ideas of disruptive marketing.

“Marketing Disruption” can thus be defined as “Any profound change in the business landscape that forces marketing organizations to undergo signification transformations, as opposed to incremental changes”. The practice of marketing has been innovative pretty much since it was first



conceived, and many of those changes have already been disruptive. Advertising was once upon a time a disruptive idea. So was

telemarketing,

followed by customer relationship management (CRM), guerrilla, integrated, viral, ambush and, more recently, programmatic marketing. Functional hacking and contextual adjustment could very well be the latest disruptive marketing techniques.

“



Gandhali Inamdar
PGDM TAPMI

How to go about Disruptive Marketing?

Run an Osborn-Parnes model over the problem that you need to solve, using various techniques like Brainstorming, Six-Hat Thinking etc. Alternatively, answer some basic questions- Will the big idea that you have identified change consumer choices in your favour? How will you implement it? As an idea should be backed by effective strategy to alter line of thought

from “the way it’s always been done” to an altogether new approach. Think broadly and strike a balance between qualitative and quantitative aspects. Anticipate the emotional response from your customers for this disruptive marketing. Go on the offense. Find ways to leapfrog your competitors before they get a hang of it.

An important warning to these or any potentially disruptive



ideas in any domain, care should be taken during implementation, including but not limited to consultations with appropriate authorities in business and in life. Innovation by itself isn’t good or bad, but its implications can make or break relationships with stakeholders.

Functional Hacking

When Keurig Coffeemakers introduced a DRM-like mechanism in 2014 with hopes of limiting its coffeemakers to work only with its own tubs of coffee, Rogers Family Coffee introduced a little piece of plastic that blinded the sensor so that RFC cups still worked. The hack was labelled **Freedom Clip**. That little piece of plastic changed the coffee consumer experience. Likewise, any product or service can be hacked in constructive ways. An add-on nozzle on a spray cleanser bottle could add a significant weight to disruptive marketing by prompting conversations about the brand in functional reality, not just in creative content.

Contextual Adjustment

Progressive Insurance achieved everything over the years by changing the context in



The faculty coordinator of ABSA-Marketing, endearingly known as MarkUp, has rightly earned the position to represent the official marketing committee of IMT Ghaziabad. His alma maters include BIT Mesra and XLRI Jamshedpur. With keen interest in sales management to workplace spirituality, he has worked in Bennett Coleman and Company Limited for 24 years and taught at IIM C. He is now one of the most beloved teachers at IMT with an expansive and exemplary marketing knowledge.

The marketplace is full of quandaries. There are firms which don't invest exorbitantly on communication channels whereas there are some which do and the conundrum lies here- both the firms do equally well. One way out of this dilemma lies in the positioning of the product. Brands like Zara and Rolls Royce not indulging in any advertisements conveys how strong their positioning statement is. They don't need to constantly reinforce to seem appealing to their consumer base. This distinctive stand makes them divergent and fearless from any competition from other brands. Pulse Candy's sudden thrust into the market mixed with a great distributive strategy amounted to the brand's name, however it's growing popularity has evidently wilted. This can denote the absence of a clear marketing strategy and may need to delve into the advertising space.

We should also note that communication doesn't happen through advertisements only, it can happen when you visit the store also. The display and the décor help the consumer make the susceptible decision of buying the product or not. This paves the way for product innovation wherein marketers would indulge in product variation to target different segments or micro-segmentation. To appease the customers and not clutter their minds, there is indeed a need for a strong and coherent communication strategy. Each product would demand an advertisement

focused on different AIDA parameters. Some may just want to capture your interest when they get launched and some may want you to

On the other hand, everything doesn't classify as disruption. Disruption comprises of novelty and efficiency. It also renders existing products useless sometimes. The introduction of mobile phones made lives easier but resulted in the expiration of pagers, PDAs, etc. Marketing methods have been transformed with new-age analytics, content marketing and market intelligence. Prospecting a customer has been changed to qualified leads thereby ending the cold call regime. Disruption can't just be described as creation and annihilation of something, it needs to be additive and help increase the productivity and solve the problem solving capability of the business. The value and innovation the businesses create should cause the disruption in the market not merely features like low-cost pricing thereby ensuring it to be an enduring transformation.

The boundary of marketing is changing. We as marketers need to realize that and act upon it. We can't escape the metamorphosis into quantitative based marketing methods. Customer value itself is being redefined. It is not merely about benefits, it's more about solving problems to fortify durability. For this, marketers need to be constantly engaged in customer's life in order to modify it for good. Combination of channels need to be thoroughly researched upon regarding the type of product to reach the right customer. Contextual marketing is going to be exploited to make sure this happens. Advertising about cabs while a customer waits for a bus would help customer take action quicker.

buy the product thereby determining action through the means of discount or comparable advertising.

It is pleasing to know students show adornment for marketing and divulge their views regarding the topics.

I hope the readers will enjoy this edition of Markezine.



THE ART OF DIFFERENTIATION

Marketing is effortless for some, laborious for many. Listicles throughout Google mention why marketing is truly necessary but there's more that meets the eye. In an era where business models are solely dependent on advertising revenue, there are some brands that have become multi-billion dollar industries without advertising at all. That might come as a shock to all of us, but it is true!

So how does Zara do it?

The answer to it is quite simple: give the customers what they want, when they want it. The reason behind it being so popular is purely because instead of using product innovation it focused on process innovation. Their USP is 'fast fashion' where they are able to roll out the new designs as fast as in 2 weeks whereas the usual time taken by others is an astounding 10. Their mantra 'Make clothes customers need and make them fast'. It started slow and by only catering to the Spanish population and then it expanded all around the world.

'A brand is not always what we tell the consumer it is—it is what consumers tell each other it is'
—Scott Cook

Zara has become one of the leading retailers around the world because it is considered as an affordable luxury. Since it is an aspiration, that's the reason why it is growing and will continue to grow. It doesn't have any ad budget but yet it is in everyone's mind. The strategy--- Instead of spending excessive amount of money, they simply buy storefronts next to luxury brands.

Masoud Golsorkhi, the editor of a London magazine said *"Prada wants to be next to Gucci, Gucci wants to be next to Prada. The retail strategy of luxury brands is to try to keep as far away from the likes of Zara. Zara's strategy is to get as close to them as possible."*

Every brand has its own strategy. We have seen Zara's, now let's look at Pulse Candy. I would like to take this example as it is clearly not an aspirational brand.

Pulse of the People:

In February, DS group entered the candy segment with the electrifying **Pass Pass Pulse**. In India, the common practice is to have raw mango with something tangy. And that's how Pulse was created. The candy is a Kaccha Aam candy with a tangy masala twist at the heart. This hard-boiled candy was created after a massive 2 year research just for the taste factor. Companies always look for customer satisfaction and they have hit the right chord.

The success of Pulse didn't happen because of their massive advertising budgets. They didn't have an ad budget at all. Since the taste of the candy was already looked after, DS group now focused on its distribution and pricing. The candy was available at every corner and it was priced at just Rs.1.

Perfect mixes of all the right ingredients led to the candy's success and it becoming an Rs.100cr brand in just 8 months. Next, word of mouth started catching up. People started referring it to their friends and family. The surge in the demand is just due to word of mouth publicity and no penny was spent on advertising.

Why doesn't it work for some other brands?



There are some brands whose product offerings can easily be imitated. We have always learnt why it is extremely necessary to advertise. So here it is!

According to me, there are two reasons why some brands need to advertise-

- Firstly, there is so much competition in the market. Advertising is necessary to be in the consideration set of consumers at least.
- Product offerings brands offer these days can easily be replicated.
- Continuous innovation is possible.

Brands like Apple, Dominos and many more face a lot of competition these days. Moreover, these brands offer products that can be easily imitated by other brands and can be even a level higher/better than the other brands.

So, today if an Apple handset provides a 12 megapixel camera, tomorrow there is another handset providing better features. If Dominos came out with the Cheese Burst pizza, Pizza Hut followed by coming out with Cheese Maxx Crust pizza. Here, getting more people to buy your product is more important as the offerings are fairly similar throughout the market.

While advertising can be seen as necessary for some brands, but for others it doesn't always hold true. It largely depends on what product is being offered and how well it understands customers' requirements.

DIFFERENT STROKES FOR DIFFERENT FOLKS

ARE ADVERTISING SPENDS NECESSARY?



In my opinion, this is the most succinct way to define marketing. So how does marketing influence consumers. Is it just about bombarding them with advertisements? Or about waiting for word of mouth to spread? Just like most doyens of business world I would say, "It depends".

Historically, this influence has been achieved in two ways depending on various industry and market related variables. 1) By creating high recall, and 2) by creating high product differentiation. Let us delve deeper in each of these:

High Recall – This is the more commonly followed path, generally used for the categories which are cluttered (presence of multiple brands), low involvement purchases, for masses and deal with price sensitive consumers. The table below lists down the highest Indian advertisers in India

Clearly, all these brands mentioned above fulfill the requirements of being high recall players. But why does it have to be this way? There are multiple reasons for that:

Commodities - Little to no product differentiation – Most of these products largely cater to the functional needs of the consumers. For e.g. detergent powder/bar, bathing soap, hand wash, toilet cleaner, balm etc. Consumers hardly draw any major emotional payoffs from these products.

A consumer's willingness to pay for such needs is very low. Hence, it becomes important for the manufacturer to drive volumes, because of which they must create brands that have least common denominator, brands that are acceptable to masses. For e.g. Rose soaps, sandal soaps, Jasmine detergent, white toothpaste etc. Any product that is highly differentiated becomes niche and cannot drive volumes. This lack of differentiation makes advertising and brand recall to be a significant influencer in the purchase process.

1. **Inability to differentiate** – It is very difficult for consumers to judge the efficacy of a FMCG product before purchase. Consumers find the right product through hit & trial, and later they just stick to it. Therefore, these become low involvement purchases, depending heavily on brand recall.
2. **Share of mind is important** – Most of the FMCGs face fierce competition. They have multiple competitors to deal with. For e.g. beauty soaps category has – Lux, Vivel, Godrej No.1, Fama Di Wills, Mysore Sandal Soap, Dove etc. Since the categories are cluttered and commoditized, it becomes imperative for the brand to have high top of mind recall to win at the moment of truth.

High Differentiation – Although it is technically accurate to say that any product can create a relevant and evident differentiation, it is more probable to happen for products that offer experiences, have emotional payoffs, are innovative and do not operate in extremely cluttered markets. Few of the examples are:

	Innovative	Emotional Payoffs	Niche	Less Cluttered Market
Body Shop				
Google				
Facebook				
Harley Davidson				
Draft				
Royal Enfield				
Uber				
Starbucks				

1. **Innovation** – All these brands brought a major innovation on board which helped them eliminate competition right from the start. Take for example Google, a product that brilliant and unique but still just a few initial users were enough to spread the word. In absence of competition, they never had to fight for consumer's attention, therefore they didn't need to spend much on advertising.
2. **Experiential brands** – Most of these operate in the categories that go beyond just functional payoffs. For Example – Royal Enfield in India is not about commuting, it's about legacy, belongingness, and machoism. Their ability to provide the relevant emotional benefit by offering a unique product helped them build a cult status without traditional marketing.
3. **Niche** – Most of these brands did not have the pressure to achieve a critical mass, they could afford to stay niche, and highly differentiated.

Pulse Candy, which is a notable exception here managed to combine the best of both worlds. In a space which is dominated by fruit, mint, and coffee flavors, it differentiated by bringing in spice & salt, yet staying relevant for the masses by tapping into culturally embedded affinity for 'churan' 'chatpat' in India. However, the jury is still out whether Pulse's success is an exception or an example. For me, more often than not, it is the industry structure that dictates whether marketing spends are required or not. Therefore, yes **there is another way out**, but only for some



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Arjit Bansal
ISB

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Make it Subtle

When it comes to the success of a brand, coming up with a satisfying product or service, that is value for money is important. But that's just one of the initial few steps that can guarantee the brand and product awareness among masses and make it big. After coming out with a great product and then taking the foot off the pedal is one of the biggest mistakes rookies can make. A maker's view of a 'great product' is subjective. Of course, a maker will tend to believe that their creation is flawless. The real challenge is to make others see and believe it. It's to convince the masses that the product being offered is actually worth their hard earned money. That's when marketing becomes extremely important, to add that selling factor to a product. An effective marketing campaign can make a relatively lesser known product sell like hot cakes.

Take for example, Baba Ramdev's home-grown brand Patanjali. This brand has been around since a decade and majorly depended on the word-of-mouth publicity. Households which believed in home-grown products and the notion of 'swadeshi' made up most of their consumers. But, not a lot of urban population was aware of the brand's products, especially in the metropolitan cities of India and growing suburbs. However, recently Patanjali has been successful in shifting the attention of the urban population from the prevailing flashy and international market leaders towards 'swadeshi' product by changing the way they endorse their products.

Mind sets of generations keep changing, so does their consumer behaviour. That is why, marketing and advertisement techniques keep getting obsolete after every few years. Today's generation, is well acquainted with and prepared for the advertising and marketing intentions of the firms, tending to ignore them outright. This is what Patanjali did right, advertising their brand, without making it look like an advertisement but a public awareness campaign instead. Without roping in actors and sportspersons, their advertisements saw a humble, dhoti-clad yoga practitioner emphasizing upon the value of consuming pure and home-grown products in this era of adulteration. Now, they are making profits like never before, from Rs. 163 crore in the fiscal year 2009-2010 to Rs. 5000 Crore in 2015-2016, with a turnover growth rate of 150% (Source: Hindustan Times). Patanjali's approach to popularise the brand and its value into the minds of a population segment that had not awarded much attention to them for almost a decade is exemplary.

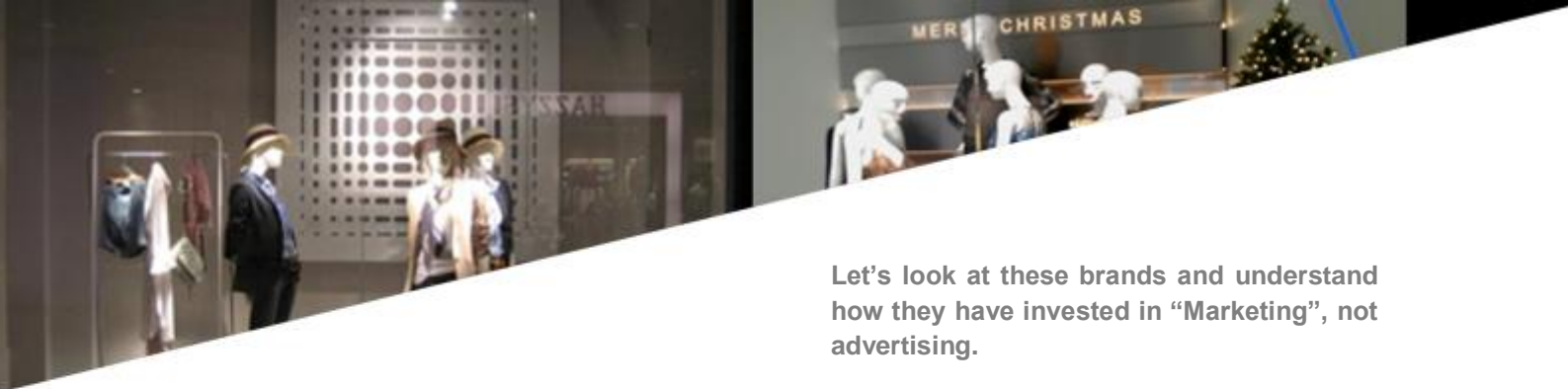
When other smartphone companies were busy coming out with taglines that boasted of their superiority over others, Apple came out with, "If you don't have an iphone, well, you don't have an iphone.". Such kind of marketing campaigns are oriented more towards the brand positioning, rather than advertising.

Another good example of today's subtle marketing is the flash sale mode of selling of Xiaomi smartphones. When Xiaomi first

launched in India, it was a new player in an industry of giants where they had massive competition from dozens of smartphone makers who offered almost same features at the same price range and with long term advertising, masses were more acquainted with their names. Without any TV or newspaper advertising in India, Xiaomi made available only a limited number of pieces in a flash sale event. As a result, the pieces sold out very quick, leaving a lot of people waiting and desiring relentlessly, making the owners of this product, be overwhelmed with a sense of achievement. A feeling that only premium priced smartphones like iphone used to offer. This is how some firms broke the ground-rules of marketing and advertising, by subtly making the consumers aware of products with the positioning and word of mouth, with or without advertising. It gave them that elite status which may even have backfired if they marketed their product in a conventional way like others. Youth rage-Pulse Candy, urban women's clothing choice-Zara, rich and suave men's wheels- Rolls Royce are only few of the examples. It may seem initially that there is barely any effort applied to market the product, it is a very clever research that goes on in the background to make the brand reach a position where it is

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*Prasoon Dwivedi, a PGDM student from BIMTECH,
 with keen interest in marketing. Hailing from Ludhiana,
 very passionate about Electronic Music
 Production and Mixed Martial Arts.*
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Let's look at these brands and understand how they have invested in "Marketing", not advertising.

The Overarching Role of Marketing

Marketing as we know is a set of activities undertaken to promote a business/product/service. It is an art as well as a science. The different names which we have for different forms of marketing, does not indicate in any way that the art of doing it is any different. Traditional norms have made us to believe that any activity which involves spending money is marketing while others are not. What we miss here is that marketing is the name of the art; a painter can choose to make a painting with any color of his/her choice, using any technique and form and so can marketing.

Similarly, what we see today is brands just following different techniques to reach out to their TG. The traditional definition of marketing still stays the same "Marketing is the act of identifying customer needs, convert them into value offering, communicate the unique proposition created to the customers and offer the product to the customers". Each brand is eventually following this cycle and coming up with ways to reach out to their target group. Saying brands like Zara, Pulse and Rolls Royce have spent zero money on marketing would be a fallacy as these brands have **indeed invested in either of the 4 Ps of marketing**. To make the assumption that spending on marketing is not useful would be a dangerous one to make. Sure, some brands can do away with a marketing department and club it with some other department. But in essence there is someone who is working to identify ways to attract the customers.



“ I am Neha Vasishtha, I have interned with Fidelity as a marketing analyst, like to write, play guitar and i am a big environment enthusiast ”

It is wrong to believe that Zara does nothing for product promotion. It just has a different take on promotion and believes its shop windows are its advertising medium instead of a TVC or a print ad. It invests heavily in the beauty and aesthetic

ZARA

appeal of its stores. It believes in reaching to

its customers through more number of stores, thus working on "Place". Zara is known for its fast fashion and brings to the market the latest fashion trends, aping all the runway styles and bringing them to the customers at affordable prices, thus working on "Product" and "Price".

Pulse candy is an example of a very carefully crafted "Product". It made efforts to develop a high quality product that will set the Indian taste palettes pulsating with its tangy flavor of raw mangoes. It was after two years of hard

work and extensive research that the product was launched in Rajasthan and Gujarat. Pulse also paid attention to "Place" by making sure the makers DS group leverages the distribution strength of its flagship product "*Rajnigandha*" and the product was readily available.

Pulse very smartly used BTL marketing activities through the retailers who induced the consumers to



try the product once by telling them "*Sir ek baar khaiye , iske beech me churan bhara ha, bahut acha taste ha*" (*Sir try this once, it has a churan powder within the candy and taste is good*).

Once the trials gained traction, the product quality took the front stage and induced word-of-mouth. The sales soured soon and the product was launched in other parts of the country and literally at every retail outlet possible.

When it comes to Rolls-Royce, it considers advertising to be too broad a medium to reach out to its TG as the general public cannot afford a Rolls-Royce. Its marketing strategy is focused



Rolls-Royce®

specifically
towards high
net worth

individuals.

The brand engages in a lot of personal marketing. Customers are invited to exotic dinners where deals are struck and they also receive special letters from the CEO or a coffee-table book about the product. The brand also involves the customers in the build process, allowing them to select the paints and leather to finish their cars. All these efforts are aimed towards increasing customer loyalty, so that repeat purchases happen.

Thus, the overarching role of marketing and its elements cannot be ignored. It is up to the marketer to use the marketing mix in a combination that is conducive to the success of the product and that combination can at times exclude advertising/promotion.



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