



# A study on the customer centric marketing strategy approach

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## *Abstract*

Marketing strategy of a business depicts its plan of action for reaching people and turning them into customers of the product or service that the business provides. It deals with the company's value proposition, key marketing messages, information on the target customer and other high-level elements. Marketing strategies are often confused with marketing plans. A marketing strategy covers the bigger picture of what business offers: the value proposition and related brand messaging. Whereas marketing plan deals with how the business will get across the key message: the platforms, the creative, the timing and so on. A marketing strategy grows out of a company's value proposition. The value proposition summarizes the competitive advantage a company has in its market. The value proposition usually provides the key message for all marketing. Any marketing asset, from a print advertisement design to a social media campaign, can be judged by how well it communicates the value proposition. Further the efficiency of marketing efforts, market research can be added to the marketing strategy for the purpose of identifying untapped audiences or refining the target consumer. There are different types of marketing strategies available. Picking up a marketing strategy includes analyzing the needs of the business, identifying the target audience and specifications of the products.

The two main types of marketing strategy are (a) Business to business (B2B) marketing and (b) Business to consumer (B2C) marketing. The most common form of marketing is business to consumer (b2c) marketing. Businesses typically employ one of the four marketing strategies: penetration, market development, product development or diversification. The choice of which strategy to use depends a number of factors, ranging from the time a business has been in a market to whether the business intends to focus on existing products and services or new products and services. A business new to a given area might probably employ a penetration strategy to build product interest and a customer network.

**Key words:** Business, customer attraction, retention, marketing, product, strategy.

**Introduction:**

Marketing strategies of a company could be in the form of (a) Paid advertisement: In this traditional approaches like Tele vision and print media is used for advertising. This also includes internet marketing and PPC (pay per click) advertising. (b) Cause Marketing: It links the services and products of a company to a social cause or issue. It is also well known as cause related marketing. (c) Relationship Marketing: Basically focuses on customer building. Enhancing existing relationships with customers and improving customer loyalty. (d) Undercover marketing: Marketing the product while customers are unaware of the marketing strategy. It is also known as stealth marketing. (e) Word of Mouth: It totally relies on what impression you leave on people. It is traditionally the most important type of marketing strategy. Being heard is important in business world. (f) Internet Marketing: It is also known as cloud marketing. It usually happens over the internet. All the marketing items are shared on the internet and promoted on various platforms via multiple approaches. (g) Transactional Marketing: Sales are particularly the most challenging work. Even for the largest retailers, selling is always tough especially when there are high volume targets. In transactional marketing the retailers encourage customers to buy with shopping coupons, discounts and huge events. It enhances the chances of sales and motivates the target audience to buy the promoted products.

**Importance:**

Marketing strategy provides an organization an edge over its competitors. Strategy helps in developing goods and services with best profit making potential. Marketing strategy helps in discovering the areas affected by organizational growth and thereby helps in creating an organizational plan to cater to the customer needs. It helps in fixing the right price for organization's goods and services based on information collected by market research. Strategy ensures effective departmental co-ordination. It helps an organization to make optimum utilization of its resources so as to provide a sales message to its target market. A marketing strategy helps to fix the advertising budget in advance, and it also develops a method which determines the scope of the plan, i.e., it determines the revenue generated by the advertising plan. A strategy is an operational tool to achieve the goals, and thus, the corporate mission. Strategies do not attempt to outline exactly how the enterprise is to accomplish its objectives. A company may view downsizing as a strategy in a competitive market to render cost-effective services. Thus, strategy provides a framework to guide thinking and action. Strategies are very much useful in organizations for guiding, planning and control. Strategy is a way of life both at the macro as well as micro levels for everyone, whether it is a nation or a company. To win over in a given complex situation, the organizations, even trans-nationals adopt strategies. They make changes, if necessary, even to their global strategies. An individual company may formulate its own strategy to bring out the desired results. The eventual success of the organization depends upon strategy formulation and implementation. The recently initiated moves such as globalization, privatization and liberalization are strategies to attain a globally competitive economy. Some marketing strategies are created for the purpose of capturing a certain segment of the market, but the majority of small business strategies are more generic in nature. Even so, it's important to understand what your strategy is trying to achieve.

## Three phases of strategic marketing process

**1. Planning phase:** The planning phase is the most important as it analyzes internal strengths and weaknesses, external competition, changes in technology, industry culture shifts and provides an overall picture of the state of the organization. This phase has four key components that will provide a clear picture of where the company is and what it is doing? SWOT analysis – defines the strengths, weaknesses, opportunities and threats of the business and reveals the company's position in respect to the market. To maximize strengths and minimize weaknesses an organization must perform the following:

- Analyse competitors
- Research company's current and prospective customers
- Assess company
- Identifying trends in the company's industry

Once this analysis is complete the results should be used as a basis for developing the company's marketing plan, which should be measurable and attainable. Marketing program – once the needs of the customers have been determined and the decisions have been made about which products will satisfy those needs, a marketing mix must be developed. This marketing program is the 'how' aspect of the planning phase, which focuses on the 4ps and the budget needed for each element of the mix.

**Set marketing and product goals:** Once the customer needs are understood, goals can be set to meet them, thus increasing the chances of success with new products. Find points of difference: company's unique selling proposition, each product should also have a certain set of traits or characteristics that makes it superior to the competitive substitute. For instance, the product could be long lasting, more accessible, more reliable or very user-friendly so the buyers will choose it over the competition each time. Position the product in people's minds as though it is the "go to" for their problem. Through emotional and mental marketing customers will associate the brand with their solution and eliminate choice. Select target markets: based on the research and their commonalities, so that both needs and goals are met. Market-product focus and goal setting – once the questions of where the company stands and what it wants to achieve are answered, the next step in the planning process is determining where the resources will be allocated and how to turn plans into focused action. To do this, customers should be divided into segments to determine what specific marketing technique will reach each targeted group and what each group needs. Next measurable goals should be set to get the needed products to the various groups, thus fulfilling the marketing objectives. For example, if customers are divided into groups of common needs it is easier to market them and provide what they have proven to need at the time. If customers are grouped by their common response to marketing, then the company will know the right decision to make to reach that specific market segment. Price strategy: focuses on the list price, price allowances (reductions), discounts, payment periods and credit contracts. Place (distribution) strategy: the final 'p' in the marketing mix should focus on distribution channels, outlets and transportation to get the product to the customer when they need it. Promotion strategy: this element of the program should focus on direct marketing,

advertising, public relations and sales promotions that create brand awareness. Product strategy: this element focuses on the features, packaging, branding and warranty of the product.

**2. Implementation phase:** The implementation phase is the action portion of the process. If the firm cannot carry out the plan that was determined in the early stages, then the hours spent planning were wasted. However, if the planning was adequately and competently structured, then the program can be put into effect through a sales forecast and a budget using the following four components. Obtaining resources – sums of cash to develop and market new products. Designing marketing organization – there should be put in place a marketing hierarchy to properly see the plans to fruition. Developing planning schedules – time needs to be allocated to specific tasks so they can be accomplished. Executing the marketing plan – effectively executing the marketing plan will take attention to detail, and focus on the strategy and tactics defined in your marketing plan.

**3. Evaluation or control phase:** The evaluation phase is the checking phase. This process involves ensuring that the results of the program are in line with the goals set. The marketing team, especially the manager will need to observe any deviations in the plan and quickly correct negative deviations to get back on course; for example fluctuations of the dollar creates a lesser need for the product than in the past, then the production of said product should be repurposed for a new more desired item. And they should exploit the positive divergences as well, for example if sales are better than predicted for certain products then there could be more resources allocated to greater production or distribution of the same item.

### **Review of Literature:**

According to Professor Peter Drucker (2005): “Strategic marketing is a process of analyzing environmental, market competitive and business factors affecting the corporation and its business units, identifying market opportunities and threats and forecasting future trends in business areas of interest for the enterprise and participating in setting objectives and formulating corporate and business unit strategies. Selecting market target strategies for the product-markets in each business unit, establishing marketing objectives as well as developing, implementing and managing the marketing program positioning strategies in order to meet market target needs”.

Strategic marketing is associated to processes (Bradley 1991) relative to the planning and the execution of the plans looking for, as a primary target, satisfying the needs of the individuals and the organizations clients (Benet 1995). Strategic marketing has direct relationship with the management of strategic business units or Sbu's, (baker, 1984), that is managed at a level of business, (non-corporate) and it communicates directly with the functional strategy of marketing, being defined by a set of basic principles which explain the main decisions and directives of performance of the company, it manages the cost level and budgets for marketing actions and it's in charge to allocate resources on the basis of needs, as well as to integrate the strategy of marketing within the set of the marketing plan (camera, 1995). Once again this approach presents a clear direction towards the planning systems. Strategic marketing separates and differentiates mainly from operative marketing in the related management with “time”, since the strategic one is oriented to the attainment of long term objectives, the possible evolution of the markets and oriented



to detected opportunities (Aramaic & lambing, 1991). The term is also clearly associated to the “objectives”, related to the processes of strategic marketing (Bradley, 1991).

### **Objectives of the study:**

1. To understand the importance of strategic marketing for an organisation
2. To know the different phases of strategic marketing process.
3. To identify the existing strategic marketing strategies of automobile sector.
4. To know the expectations of motorbike users and enable the manufacturer to enhance the level of customer satisfaction.
5. To suggest measures for its effective formulation and implementation.

### **Statement of the problem:**

Motor bikes are perceived to be practical and affordable means of transport by many users. Many of them are attracted to two wheelers. Many motorcycle users appear to prominence for new model bikes. Hence it is challenging task to undertake marketing of these motorcycles in face of competition and to increase the customer base. Hence a research study directed to find the strategic marketing strategies of companies towards attracting more and more customers, their customer centric approach is much needed.

### **Research Methodology:**

**Type of Research:** It is a descriptive research in nature

**Sampling method:** Simple Random Sampling.

**Sample size:** 80 respondents

**Primary data sources:** Method of Questionnaire, Direct personal interview and Method of schedule.

**Secondary data sources:** Journals published in various national and international journals, magazines, website was referred.

**Data Analysis:****Customer expectation and parameters considered while making a buying decision****Table 1**

Parameters	No of respondents	Percentage
Model	15	18.75
Price	30	37.5
Fuel consumption	25	31.25
mileage	10	12.5
Total	80	100

**Source:** Primary Data**Buying decisions influencing factors****Table 2**

Parameters	No of respondents	Percentage
Services	15	18.75
Quality	35	43.75
Price	20	25
Style and design	10	12.5
Total	80	100

**Source:** Primary Data**Expectation from two wheelers****Table 3**

	No of respondents	Percentage
4 stroke Engine	20	25
Broad tyres	10	12.5
Weight	05	6.25
Model/and design	15	18.75
Price	10	12.5
Power	05	6.25
Fuel efficiency	10	12.5
Design	05	6.25
Total	80	100

**Source:** Primary Data

## Satisfaction level of the customers

**Table 4**

Satisfaction level	Respondent	Percent
Highly satisfied	15	18.75
Satisfied	20	25
Somewhat satisfied	13	16.25
Dissatisfied	17	21.25
Highly dissatisfied	15	18.75
Total	80	100

**Source:** Primary Data

### Analysis:

A thorough perusal of the above data table reveals the fact that, customers pay more importance for price of the product compared to other parameters. In a country like India, where majority of the people are considered to be middle class, pricing of the product is definitely a crucial decision. Therefore company should be meticulous while pricing the product. The thinking avenue of the middle class is almost consistent through out the country, with out much topographical or geographical variation. Where ever seen, customers of two wheelers emphasizes on quality of the product in comparison with its looks or style of the product. Therefore the company must concentrate on the operational efficiency of the product rather than concentrating on the esthetic appeal of the commodity. As it is evident, 44% of the respondents have rated quality as their number one priority while making purchasing decisions. Engine which is compatible with the existing emission norms i.e., four stroke engine with very good fuel efficiency is the utmost expectation of the customers. A motor bike which meets these expectation brings more happiness for the customers.

### Suggestions:

- As respondents opined that they prefer price before buying a bike. Hence more importance should be given for pricing policies. So that it can increase customer network.
- Technologically upgradation is the need of the hour. Hence it should concentrate on design, fuel consumption to attract more and more customers.
- Respondents given more weightage for quality, hence style and design is lacking behind. So it should implement that features to attract the customers.
- Most of the customers gives high priority for the feature of 4 stroke engine which is the government norm. Hence it should concentrate on design, power and weight.
- Marketing strategies must be simple to implement, understandable and effective.

- Apart from media advertisement the company must concentrate equally on word of mouth publicity, casual marketing, relationship marketing etc.,
- Advertising on internet is must as the number of people using internet is on the rise in a country like India. Viral marketing strategies are go getters in the present scenario.

### Conclusion:

Marketing strategies vary tremendously from industry to industry and business to business. It helps to bring the organization to the task of marketing the products or services to the public. They create targeted campaigns that get the message out to the consumers who matter most to organisation success. Marketing strategies often require market research and that research can help to gain a better understanding of the market. In this connection designing an appropriate marketing strategy spells success for the organisation.

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