

A Study On Corporate Strategies To Increase Customer Network

Dr. Salem Sreeveena

Associate Professor, Department of Commerce,
Government First Grade College, HSR Layout, Bangalore.

Abstract:

Marketing strategy refer to a business's overall game plan for reaching people and converting them into customers of the product or service that the business deal with. It includes, company's value proposition, key marketing messages, information to the target customers and to other high-level elements. A marketing strategy informs the marketing plan, which is a document that lays out the types and timing of marketing activities and it is expected to have a longer lifespan than any individual marketing plan. These things ideally do not shift very much over time. It is quite different from marketing plan as marketing plan is how, the business will get across the key message: the platforms, the creative, the timing and so on. Marketing plans are operational documents that get more attention because they are the day-to-day work that a company does to sell itself to the world. Having said that, a marketing plan would be meaningless without a message, a target market and a goal: all these are the core of every marketing strategy. The marketing strategy may also be absorbed upwards into the corporate value statements and other strategy documents. A marketing strategy grows out of a company's value proposition, which summarizes the competitive advantage a company has in the market. Once the value proposition is succinctly stated, important work is done. Any marketing asset, from a print advertisement design to a social media campaign, can be judged by how well it communicates the value proposition. To 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. Finally, an overall goal for the marketing strategy can be set, with all the subsequent marketing plans inheriting the responsibility for delivering on it. Selecting the right marketing strategy involves, carefully deciding the following criterion. Such as (a) Selecting the target group (b) conducting a pilot test on the buying behavior (c) selection of right marketing strategy (d) evaluating those marketing strategies etc.,

Key words: Marketing plan, target customers, strategy, value proposition, media advertisement.

Introduction:

Businesses typically employ one of four marketing strategies: market penetration, market development, product development, product diversification. The choice of strategy depends on number of factors, ranging from the time a business has been in a market, whether the business intends to focus on existing products and services or new products and services. A new business in a given area would probably employ a penetration strategy, in which it purposely charges low price to build product interest and a customer base. Regardless of the particular marketing strategy chosen, all of the strategies tend to share three common objectives. Having a right marketing strategy is very important for an organisation. Following points highlights the importance of it.

- Right marketing strategy provides an organization an edge over its competitors.
- It 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 right 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. In short, a marketing strategy clearly explains how an organization reaches its predetermined purposes.

A marketing strategy is an operational tool to achieve the goals and corporate mission. Strategies do not attempt to outline exactly how the enterprise will accomplish its objectives. A company may consider 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.

Once the customer needs are understood, goals can be set to meet them, thus increasing the chances of success with new products. Company's unique selling point, each product should also have a certain set of traits or characteristics that makes it superior to the competitive substitute, like product being long lasting, more accessible, more reliable or very user-friendly so that the buyers will choose it over the competition each time. Position the product in the market so that in people's minds the product 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, the needs and goals are both 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 it and provide what they have proven to need at the time. If customers are grouped by their common response to marketing, then the cooperation will know the right decisions to make to reach that specific market segment. Price strategy: focuses on the list price, price allowances (reductions), discounts, payment periods, and credit contracts. Promotion strategy: 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.

REVIEW OF LITERATURE:

According to Peter Drucker: “Strategic marketing as seen as a process consisting 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 has direct relationship with the management of strategic business units or Sbu's, (baker, 1984), that is to say, 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). The term includes a set of principles which would have to be appropriate and to be oriented to the long term (Harper & Baugh, 1990), in this “appropriate” case is understood to make decisions guessed “right and coherent” for the attainment of given marketing objectives. This classic approach also makes reference to the “opportunities” (lambing, 1977), these opportunities are those potential possibilities at which the company arrives at through an external analysis. Strategic marketing should be centered in the integral management of products and markets with the aim to reach the objectives previously set. The selection of the objective markets as well as a plan (generally in the long term) to arrive at the corporative objectives, allocating resources efficiently, without forgetting to consider detecting business opportunities and satisfying the customer needs (Kotler, 1997). 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).

Research Gap:

Motor cycles are practical and affordable means of transportation in the Indian context. Most of the consumers are attracted to two wheelers, because of its convenience and affordability. Though companies trying their best to design the products to meet the expectation of the consumers, most of the time they miserably fail to retain the existing customers and to attract the new customers. In the mean time some companies enjoy the lion's. Research studies aimed at studying customer satisfaction owning two wheels fails to identify, the causes and factors, which influences the customer retention and attraction. Therefore this study makes an attempt to study the marketing strategies adopted by TVS company to attract new customers and to retain the existing customers. Hence it is an empirical study.

Objectives of the study:

- To collect information about customers preference to use motorcycles.
- To understand prospect for marketing new motorbikes
- To know the customer's expectation of motorbike users and enable the manufacturer to enhance the level of customer satisfaction.
- To offer suggestions and recommendation for designing effective marketing strategy.

SAMPLING METHOD:

- **Respondents:** two wheeler customers
- **Sample size:** : 80 respondents
- **Sample type :** Convenience sampling method
- **Sources of data:** The sources of data used in this study are primary and secondary data.
 - 1] **Primary data:** The primary data was gathered through a specifically designed questionnaire, direct personal interview and observation method.
 - 2] **Secondary data:** The secondary data is gathered through relevant books, magazines and websites.
- **Plan of analysis:** It is proposed to analyze the data through tabulation using simple statistical tools.

Data Analysis:**Attractive property of Two wheelers:**

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

18.75% of the respondents are attracted towards model and make of the two wheeler, 37.5% of the respondents are attracted towards price, 31.25% of the respondents are attracted towards the fuel consumption and 12.5% of the respondents are attracted towards mileage. So an effective marketing strategy should concentrate on keep the selling price at an affordable level.

Decisive factors of Two wheelers:

Response	No of respondents	Percentage
Service centre and spare parts	15	18.75
Quality of service	35	43.75
Price	20	25
Style and design	10	12.5
Total	80	100

18.75% of the respondents opined that availability of service centres and spare parts is the decisive factor while making choice, 43.75% of the respondents opined that to quality of service is the most decisive factor, 25% of the respondents were particular about price and 12.5% of the respondents are opined that style and design of the motor cycle is the decisive factor, while making purchase decision. This indicates after sales service is very important on par with sales activities.

Preferential factors in Motor cycle:

Response	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

25% of the respondents like 4 stroke vehicles, 12.5% like broad tyres, 6.25% of the respondents like weight and sturdiness of the vehicle, 18.75% of the respondents like model, 12.5% of the respondents like price, 6.25% of the respondents like power, 12.5% of the respondents like fuel efficiency and 6.25% of the respondents like design.

Average distance travelled on Two wheeler (per month)

Response	Respondent	Percent
0-200km	30	37.5
200-500km	20	25
500-1000km	20	25
1000-2000km	10	12.5
Total	80	100

Source: Primary Data

37.5% of the respondents covers 0-200 km of average in a month, 25% of the respondents covers 200-500km of average in a month, 25% of the respondents covers 500-1000 km of average in a month and 12.5% of the respondents covers 1000-2000 km in a month.

Satisfaction level of the Respondents:

Response	Respondent	Percent
Highly satisfied	15	18.75
Satisfied	20	25
Somewhat satisfied	15	18.75
Dissatisfied	15	18.75
Highly dissatisfied	15	18.75
Total	80	100

Source: Primary Data

18.75% of the respondents said highly satisfied, 25% of the respondents said satisfied, 18.75% of the respondents said somewhat satisfied, 18.75% of the respondents said dissatisfied and 18.75% of them said highly dissatisfied.

SUGGESTIONS

- As respondents said they prefer price for buying a bike. So companies must price their product affordably as it increases customer base.
- Company must concentrate on improving technology. It should concentrate on design, fuel consumption to attract more and more customers.
- In today's competitive world sleek, aero dynamic, attractive design are the deal busters. Therefore company must concentrate on these
- Designing four stroke bike, which offer better fuel efficiency with extra power and light weight is the need of the hour.
- Keeping tab on the competitors strategy helps the company in updating and upgrading their marketing strategy. As Indian two wheelers market is an oligopoly market, observing other trends and changes, would not be very difficult.

Conclusion:

Comparing other competitors, the company should concentrate on style, design and service. Hence formulation of marketing strategy to increase customer base. Any amount of money being spent on media advertisement will not be on par with word of mouth advertisement. Therefore efforts must be made to ensure that, the existing customers are happy using the product or service. Once they are happy, they will spread positive word of mouth advertisement about the product, which induces others to buy it. Therefore, attracting new customers is important, but retaining the existing customers is all the most important. Information dissemination is the need of the hour. The company should revamp their websites to make it more user friendly and offer promotional videos with latest implemented feature. This would increase publicity and can attract the customer base.

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