

MARKETING IN CURRENT TIMES: CHALLENGES AND OPPORTUNITIES TO COMPANIES MAKING CONSUMER PRODUCTS AND PROVIDING CONSUMER SERVICES IN INDIA

Dr Prateek Kanchan

MBA(Marketing), Ph.D(Advertising),
Professor & Director,
B.K. School of Professional and Management Studies(University School of Management),
Gujarat University, Ahmedabad-380009-India.

Abstract

Current times portray a lot of challenges to marketers of all types in all industries. Organizations operating within India, whether Indian companies or foreign companies operating in India are a part of this market and they all are passing through these challenges with varying degrees of success in their endeavors. It does not matter whether a company is operating since India's independence or has been operating since any year after 1947. The pressures and challenges for all companies are there and customers/consumers are not giving any special consideration to an old company as compared to a company which has recently started. It is for everyone to see the level of aggressive marketing resorted to by companies old or new or very new also. No industry is aloof from this phenomenon. It may be more in some industries as compared to other industries but all industries are a part of this ever dynamic marketing action resorted to by companies making consumer products and providing consumer services in India.

Keywords: Marketers, challenges, products, services.

INTRODUCTION

Marketing has all along faced challenges ever since competition has intensified. In fact, it will not be an exaggeration to say that competition breeds marketing. However, the reverse is also true as more and more marketing generates competition within and across industries as well as geographies. In India, ever since liberalization was given a major boost in 1991 by the then Central Government of late Prime Minister Mr P.V. Narsimha Rao(1991-1996) as well as during subsequent governments till the end of the 20th century as well as the current times of the 21st century, marketing and competition are major activities for the players in all industries. Providers of all products and services are constantly engaged in marketing of their offerings which has strong connection with the competitive space of which they are a part. This competitive space constantly expands and with this expansion all marketers within this space keep on changing/modifying their competitive activities.

Challenges and Opportunities for companies in marketing their offerings

Challenges and opportunities are considered as counter to one another, but in marketing, these are considered complementary by dynamic organizations and marketers working with them. It all depends upon how creative and ambitious the company and its marketers are which in turn will always be the foundation of converting any challenge into an opportunity in the existing or potential market. The focus of this article/paper is to see and interpret the challenge/s which had and can become opportunity/ies in the past as well as future. These can be traced from the four Ps of marketing which is the very essence of this discipline.

1. **Product:** The challenge with the product is its life and the changed expectations of the people from it. At times, expectations of people from a product as well as a service change/increase through their own motivation and at some other times companies motivate these expectations. Sometimes, these expectations change due to peer influence or influence of other societal players. Numerous examples are there in this direction. I will share some example in these cases although there may be numerous examples in each category.

1.1 Expectations of people change for the product/service through their own motivation. When consumers are using a product/service for a long time, they start expecting more from the same and with this their perception of the provider company also undergoes a sea change. Whether it is a mundane household item or a luxury car or even a star cruise across the world, this tendency of consumers performs its role regularly and without fail. All the companies in all categories, be they Fast Moving Consumer Goods(FMCG) companies, Consumer Durable companies, Consumer service providers etc have been experiencing this since

time immemorial. When a company comes out with a car, it may be meant for a particular number of people to be seated but the users may use the same car for number of people and they expect the company to help them out in the new model even if it requires more price to be paid. This changed expectation of customers can be assessed through consumer research done from time to time. Maruti Suzuki started with small cars and was all for its promotion since early 1980s. However, from that time till the current times (2016), it is strongly known also for big cars as well as small cars. Same can be said for many packaged food items. Ready to cook foods in packages started getting promoted by companies as a change from routine foods in the beginning. Later on, consumers started buying them in bulk to take advantage of their long shelf life and started using them as organized food items regularly as breakfast, lunch, and dinner. This all added the responsibility of companies to produce more to meet enhanced demands and promote their offerings differently with more creativity. Instant noodles is a classic example here. Initially started as a snack to be had off and on, it gradually became a staple diet for many households across the country resulting in its demand multiplying in a big way. Numerous brands came and tried their luck in the ever increasing market of Instant Noodles. Maggie from Nestle happens to be the most prominent here. However, it faced a serious problem in early 2015 over a debatable and controversial content in it thereby resulting in a countrywide ban after the harmful contents were verified by some certified laboratories in the country. Eventually, it made a comeback in late 2015 after overcoming the controversy considerably. It is a dynamic phenomenon which is only increasing and expanding with time. These are some examples from some industries. There are numerous examples from different industries.

1.2 Expectations of people change for the product/service through company motivation.

It is not always that consumers motivate companies through their behavior. At times, companies do a lot of things which makes consumers try something out of curiosity, or for a change. It dawns upon companies that this trial by an individual or a group of individuals could get researched leading to a modification in product/service design, usage, communication etc. When micro-wave technology came up with some select functions of cooking getting served by it, slowly but steadily consumers across all strata of society started accepting it. It made people plan their lives in such a manner that cooking started appearing attractive to people instead of a cumbersome, time-consuming task as earlier. Not just micro-wave oven, but appliances like Oven Toaster Griller (OTG), Hand blender, Induction cook top, Chimneys etc revolutionized India kitchen to a great extent and currently kitchen has become a good activity area for lots of people in many families, thereby generating a lot of demand for many things used in the kitchen. In turn, it makes a lot of business sense for companies making such products to advertise and promote them for further development of business. Real estate companies have adopted a robust marketing practice right from the point of legal approvals till selling their houses or commercial properties to their buyers. In the 21st century, buyers of houses or commercial properties are motivated by the promoters themselves to expect the best deal in the most agreeable price. Till the end of the 20th century, whether it was a metro city, state capital or any other prominent city of India, property was bought majorly to reside comfortably in it or to run one's own commercial activity from it. Not many of the buyers bought it with reselling as the major purpose, although some might have done it. Now, the advertisements and promotion of the real estate developers are put in such a manner that a buyer takes himself or herself as a business person negotiating a property for resell after a particular point of time, thereby reaping a good dividend out of it. This has motivated real estate developers come up with houses and commercial establishments which have re-sale value for a long term.

1.3 Expectations of people change for the product/service through motivation of peers, society etc.

All of us as consumers are a part of a vast expanse of social network which includes family, friends, colleagues etc which is very dynamic in the context of its regular impact on our decision making with respect to buying or not buying products and services from time to time. These multiples sets of people to which we belong simultaneously constantly change our expectations about and from products and service which we use. We do give varying importance at times to the opinions of such peers while buying a car, or a kitchen appliance, or a tour package, an insurance policy etc. It is so important that if a single person in our peer group has had an experience, positive or negative about any product or service used by him or her, it translates considerably in all of us depending upon the respect which he or she commands in our group. It motivates companies providing various products and services to find such opinion leaders from among people at various social and geographic levels in various markets and make them influence their respective circle positively from time to time. For negative word of mouth, companies have nothing to offer except open apology through various media channels.

2. **Price:** This P of marketing is very important for companies to face as well as ward off challenges to marketing their offerings across markets. The biggest challenge with the price is its justification over time. On the one hand, if the price remains constant for a long time without any clarification, as compared to the continuously reducing prices of the competition, consumers/customers may interpret it as arrogance on the part of the company although the company may be justified in continuing with the same price on grounds of quality, service etc. On the other hand, if the company continuously reduces the price whether the competition does it or not, and gives a tough fight on the basis of reduced costing due to increased demand, consumers/customers may perceive differently and start doubting the quality of the company's offering. If the

company increases the price for better service, quality etc and does not explain it to the market, regardless of the competitive action, then also consumers/customers will have complaint. So, every company faces this dilemma about handling possible consumer/customer reactions/outcomes whether price increases, decreases or even if it remains constant. So what is the way out? It is important for the company to explain in less and simple words any action which it takes vis-à-vis price of its offerings while taking action. In other words, the action related to the price must be accompanied with a smart, short, and crisp educative advertising campaign justifying the price increase, decrease, or same price without offending the feeling of the consumers/customers. We come across FMCG products, consumer durables, kitchen appliances, home furnishings etc which highlight price changes as a tool to come closer to different types of consumers/customers who get impressed with different price changes from time to time. Every time, the company has to justify the increase, decrease, or the constancy of the price. Otherwise, it backfires in a very bad way. Moreover, interpretations derived by consumers/customers spread like a strong word of mouth which is good if it is positive, but can be very harmful, if negative. Company has to make sure that positive word of mouth is generated and not negative one. It will be covered more in the head of 'promotion' further.

3. **Place:** In the current dynamic world of marketing, the location of the product or service offered for selling, whether offline or online, matters very much. The multiple points of sale on the one hand offers choice to consumers, and on the other hand sometimes leads to confusing the consumers about the best point of purchase. Whether it is a colony kirana store, or a departmental store in a community center or, a big supermarket on a high street, or a completely on-line store linking the consumer/customer with all possible brands on earth, place of actual selling has become very dynamic, and convenient. However, it also makes consumers/customers confused at times as to which is the best place to buy. Companies use all place options as consumers/customers find same brands available at all options. It becomes necessary on the part of companies to make the consumer/customer feel satisfied when he or she purchases from any outlet at any given point of time. As different outlets offer same products with different price, consumer/customer satisfaction is not easy. However, there is no option for the companies than to satisfy their audiences regularly.

4. **Promotion.** This P of the marketing mix talks about the most optimum mix of integrated marketing communications tools in order to make the product or service offered or to be offered known, liked, preferred, accepted, as well adopted across the targeted audience. It goes much beyond advertising, and includes tools like sales promotion, publicity and public relations, internet promotion, interactive media, corporate advertising etc. It depends upon various factors related to the company as a whole as well as the brand to be promoted as to which tool or mix of tools to be used and for how much time after which the mix needs change on the basis of market feedback which should be constantly taken. All types of products and services use promotion in varied forms and types in order to create, maintain and increase their presence in the market. However, not all are very successful in this activity. What differentiates the successful and not so successful promotions is the dynamic mixing of the promotion tools and the timing of its implementation keeping in mind the market dynamics. At times, if the goings get tough, howsoever genuine the brand and its promotion might be, it helps in promoting less or taking a break from it and coming back with renewed vigor later on. Maggie noodles from Nestle did the same in 2015 in India while facing a crisis due to a suspected harmful ingredient in it. In other words, promotion just does not mean shouting from the rooftops whether it is required or not. Moreover, in the current times of excessive competition across categories and geographies, smart promotion is required and not just same high sounding promotion throughout the year, year after year.

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