CHAPTER-III

Review of Literature & Methodology
1. REVIEW OF LITERATURE:

In this chapter, a review of literature is made relating to the identified research problem to know what has been found so far. Then the relevance and significance of the proposed study are outlined. The objectives of the study, the hypotheses chosen for testing and scope of the study are presented. Further, the methodology adopted for research is described and limitations are identified.

3.1 Literature Review

McCarthy (1964) offered the “marketing mix”, often referred to as the “4Ps”, as a means of translating marketing planning into practice (Bennett, 1997). Marketing mix is not a scientific theory, but merely a conceptual framework that identifies the principal decision making managers make in configuring their offerings to suit consumers’ needs. Marketing mix is originating from the single P (price) of microeconomic theory (Chong, 2003).

Kent (1986) refers to the 4Ps of the marketing mix as “the holy quadruple…of the marketing faith…written in tablets of stone”. The proportions in the marketing mix can be altered in the same way and differ from the product to product (Hodder Education, 1993). The marketing mix management paradigm has dominated marketing thought, research and practice (Grönnroos, 1994). The tools can be used to develop both long-term strategies and short-term tactical programmes (Palmer, 2004), and “as a creator of differentiation” (Van Waterschoot, 1998) since it was introduced in 1940s.

Möller, (2006) marketing mix has been extremely influential in informing the development of both marketing theory and practice. The main reasons the marketing mix is a powerful concept, and it makes marketing system easy to handle, allows the separation of marketing from other activities of the firm and the delegation of marketing tasks to specialists.

The components of the marketing mix can change a firm’s competitive position (Grönnroos, 1994). The marketing mix concept also has two important benefits. First, it is an important tool used to enable one to see that the marketing manager’s job is,
in a large part, a matter of trading off the benefits of one’s competitive strengths in the marketing mix against the benefits of others. The second benefit of the marketing mix is that it helps to reveal another dimension of the marketing manager’s job.

**Low and Tan**, (1995) all managers have to allocate available resources among various demands, and the marketing manager will in turn allocate these available resources among the various competitive devices of the marketing mix. In doing so, this will help to instill the marketing philosophy in the organization. However, **Möller** (2006) highlighted that the shortcomings of the 4Ps marketing mix framework, as the pillars of the traditional marketing management have frequently become the target of intense criticism.

**Alderson**, (1957) prior to the marketing mix model, marketing managers were confronted with many different marketing activities to manage independently and separately. Actually Neil Border may have been the first (in the late 1940s) to advance the marketing mix concept in his teaching and business consulting. Not until the mid-1960s did Borden publish his model in which he identified the marketing mix elements and the market forces.

**McCarthy** (1960) gets the credit for the marketing mix model – product, price, place (channels of distribution), promotion – that remains widely used by practitioners and scholars today. **Borden**, (1965). First, the elements included product planning, pricing, branding, channels of distribution, personal selling, advertising, promotions, packaging, displays, servicing, physical handling and fact-finding and analysis. Second, the market forces were consumers’ buying behavior, the trade behavior, competitors’ position and behavior, and government behavior – controls over marketing. However, **Brand equity** is “a set of brand assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and/or to that firm’s customers” **(Aaker 1991)**.

**McCarthy** (1960) gets the credit for the marketing mix model – product, price, place (channels of distribution), promotion – that remains widely used by practitioners and scholars today. Five dimensions of brand equity are brand loyalty, brand awareness, perceived quality, brand association and other propriety brand assets. The importance
of brand equity is (1) for financial value for merger, acquisition or divestment and (2) to improve marketing strategy and productivity (Keller, 1993). Keller defines customer-based brand equity “as the differential effect of brand knowledge on consumer response to the marketing of the brand”. This brand knowledge includes brand awareness (brand recall and recognition) and brand image (types, favorability, strength and uniqueness of brand associations). Keller concludes, “consumer-based brand equity occurs when the customer is aware of the brand and holds some favorable, strong, and unique brand associations in memory”. Furthermore, branding and brand management are applicable to retail brands, e.g., retail and store image, perceived retail brand association, as well as to retail brand equity measurement (Ailawadi and Keller, 2004).

Lassar, Mittal and Sharma (1995) in an early study of customer-based brand equity (CBBE) measurement identified five constructs. These include performance, social image, value, trustworthiness and attachment. Yoo, Donthu and Lee (2000) consolidated these five, and used three measures to test CBBE. The researchers measured perceived quality, brand loyalty and brand awareness/association (as one construct) in a three product (athletic shoes, camera film and television sets) study. Yoo et al. (2000) did recognize the marketing mix elements (marketing efforts) as antecedents of brand equity, and operationalized the marketing mix as (1) price, (2) advertising spending, (3) price deals, (4) store image and (5) distribution intensity.

Pappu, Quester and Cooksey (2005) challenged, and tested the combining of brand awareness and brand association. First, Pappu et al. (2005) used two products (cars and television sets), and then for retailer CBBE Pappu and Cooksey, (2006). However, unlike Yoo, Donthu, and Lee (2000), neither (Pappu et al., 2005; Pappu et al., 2006) study tested the marketing mix and CBBE relationship. Both studies successfully tested CBBE. This retailer CBBE study will use the four construct measures of: (1) brand loyalty, (2) brand awareness, (3) perceived quality and (4) brand association (Pappu et al., 2006). For this study, the customer is either a male or female retail shopper that has been exposed to the marketing mix and the influence, if any, contributing to customer-based brand equity.
Keller (1993) purposes that “customer-based brand equity involves consumers’ reactions to an element of the marketing mix for the brand comparison with their reactions to the same marketing mix element attributed to a fictitiously named or unnamed version of the product or service”. Research has shown the relationship of gender and the marketing mix (price, advertising spending, price deals, store image and distribution intensity. Additional research has shown the influence of gender on brand equity (brand loyalty, brand awareness, perceived quality, and brand association. The following are some select studies that indicate these relationships.

History and Implementation of Marketing Mix:

Borden (1965) claims to be the first to have used the term “marketing mix” and that it was suggested to him by Culliton’s (1948) description of a business executive as “mixer of ingredients”. An executive is “a mixer of ingredients, who sometimes follows a recipe as he goes along, sometimes adapts a recipe to the ingredients immediately available, and sometimes experiments with or invents ingredients no one else has tried” (Culliton, 1948). The early marketing concept in a similar way to the notion of the marketing mix, based on the idea of action parameters presented in 1930s by Stackel Berg (1939). Rasmussen (1955) then developed what became known as parameter theory. He proposes that the four determinants of competition and sales are price, quality, service and advertising.

Mickwitz (1959) applies this theory to the Product Life Cycle Concept. Borden’s original marketing mix had a set of 12 elements namely: product planning; pricing; branding; channels of distribution; personal selling; advertising; promotions; packaging; display; servicing; physical handling; and fact finding and analysis. Frey (1961) suggests that marketing variables should be divided into two parts: the offering (product, packaging, brand, price and service) and the methods and tools (distribution channels, personal selling, advertising, sales promotion and publicity). On the other hand, Lazer and Kelly (1962) and Lazer, Culley and Staudt (1973) suggested three elements of marketing mix: the goods and services mix, the distribution mix and the communication mix.
McCarthy (1964) refined Borden’s (1965) idea further and defined the marketing mix as a combination of all of the factors at a marketing manager’s command to satisfy the target market. He regrouped Borden’s 12 elements to four elements or 4Ps, namely product, price, promotion and place at a marketing manager’s command to satisfy the target market. Especially in 1980s onward, number of researchers proposes new “P” into the marketing mix. Judd (1987) proposes a fifth P (people). Booms and Bitner (1980) add 3 Ps (participants, physical evidence and process) to the original 4 Ps to apply the marketing mix concept to service.

Kotler (1986) adds political power and public opinion formation to the Ps concept. MacGrath (1986) suggests the addition of 3 Ps (personnel, physical facilities and process management). Baumgartner (1991) suggests the concept of 15 Ps. Vignalis and Davis (1994) suggests the addition of S (service) to the marketing mix. Goldsmith (1999) suggests that there should be 8 Ps (product, price, place, promotion, participants, physical evidence, process and personalization). Möller (2006) presents an up-to-date picture of the current standing in the debate around the Mix as marketing paradigm and predominant marketing management tool by reviewing academic views from five marketing management sub-disciplines (consumer marketing, relationship marketing, services marketing, retail marketing and industrial marketing) and an emerging marketing (E-Commerce).

The concept of 4Ps has been criticized:

Rafiq and Ahmed, (1995) development of marketing mix has received considerable academic and industry attention. Numerous modifications to the 4Ps framework have been proposed, the most concerted criticism has come from the services marketing area. The introductory marketing texts suggest that all parts of the marketing mix (4Ps) are equally important, since a deficiency in any one can mean failure. Kellerman, Gordon and Hekmat, (1995). Number of studies of industrial marketers and purchasers indicated that the marketing mix components differ significantly in importance. Jackson, Burdick and Keith, (1985).
Udell (1964) determined that these key policies and procedures included those related to product efforts and sales efforts. This followed in order by promotion, price, and place. In a replication of this survey, Robicheaux (1976) found that key marketing policies had changed significantly. Pricing was considered the most important marketing activity in Robicheaux’s (1976) although it ranked only sixth in Udell’s (1964) survey. Jackson, Burdick and Keith, (1985) of two surveys focused on determination of key marketing policies and procedures common to successful manufacturing firms.

Udell (1968) found that sales efforts were rated as most important, followed by product efforts, pricing, and distribution. LaLonde (1977) found product related criteria to be most important, followed by distribution, price, and promotion. Perreault and Russ (1976) found that product quality was considered most important, followed by distribution service and price. McDaniel and Hise, (1984) found that chief executive officers judge two of the 4 Ps, pricing and product to be somewhat more important than the other two place (physical distribution) and promotion.

Kurtz and Boone (1987) found that on the average, business persons ranked the 4 Ps to be of most importance in the following order: price, product, distribution, and promotion. Thus, it appears from these studies that business executives do not really view the 4 Ps as being equally important, but consider the price and product components to be the most important (Kellerman, Gordon and Hekmat, 1995).

Lauterborn (1990) claims that each of these variables should also be seen from a consumer’s perspective. This transformation is accomplished by converting product into customer solution, price into cost to the customer, place into convenience, and promotion into communication, or the 4C”s. Popovic, (2006) the concept of 4Ps has been criticized as being a production-oriented definition of marketing, and not a customer-oriented. It’s referred to as a marketing management perspective. Möller (2006) highlighted 3-4 key criticisms against the Marketing Mix framework: The Mix does not consider customer behavior but is internally oriented. The Mix regards customers as passive; it does not allow interaction and cannot capture relationships.
The Mix is void of theoretical content; it works primarily as a simplistic device focusing the attention of management.

Fakeideas (2008) found that the Mix does not offer help for personification of marketing activities. A review of another article, “Revision: Reviewing the Marketing Mix”: The mix does not take into consideration the unique elements of services marketing. Product is stated in the singular but most companies do not sell a product in isolation. Marketers sell product lines, or brands, all interconnected in the mind of the consumer. The mix does not mention relationship building which has become a major marketing focus, or the experiences that consumers buy.

Rafiq and Ahmed (1995) study found that there is a high degree of dissatisfaction with the 4Ps; however, 4Ps is thought to be most relevant for introductory marketing and consumer marketing. The result also suggests that the 7Ps framework has already achieved a high degree of acceptance as a generic marketing mix among our sample of respondents. The conceptualization of the mix has implied marketers are the central element. This is not the case. Marketing is meant to be "customer-focused management".

Yudelson, (1999) the product should nowadays be redefined as: all the benefits through time that the user obtains from the exchange, this definition applies to the digital context. From the supply side, product policies can gain great benefits from the capability of Internet to engage the consumer in long term relationships that lead to the development of new products.

Valdani, 2000; Pastore & Vernuccio, 2004 the interactive and connective potential of Internet leads to a new product concept: the virtual product. Von Hippel, 2005; Dominici, 2008 The virtual product is seen as the union of tangible and intangible aspects, which is adapted and personalized according to the variety and variability of individuals’ preferences by customizing the product with the active help of consumers.

Smith & Chaffey, (2001). From the demand side, the capability of retrieving information plays a key role. Pastore & Vagnani, (2000) a product can be delivered
from producer to consumer in digital form (MP3 for music, AVI for movies, PDF for books and magazines, and so on) thus contextualizing their fruition in the digital framework).

Andreini (2006) underlines the effectiveness of Nelson's classification (1970) which divides products in two categories: “search”, when it is possible to obtain complete information before the purchase and “experience”, when it is not possible, or too expensive, to gather information before the use of the product. Klein, 1998; Andreini, (2006). Internet has been of great help for the purchasing process of “search” products, thanks to the easiness and affordability of retrieving information online, that, together with the increasing quantity of information and the interactivity of Web 2.0, has made it also possible to transform experience products into search products

Sethuraman and Cole, (1999), price may be defined simple as the monetary cost of a product (good or service). However, other measures can be associated with price, e.g., premiums quality (Peterson, 1970), fee method (Munnukka, 2006), loyalty (McConnell, 1968), branding (Anselmsson, Johansson, and Persson, 2007).

Sethuraman and Cole, (1999) in a grocery products study, women were more willing to pay higher price premiums than men. However, such willingness to pay higher prices is based on perceived quality that is nonlinear in which prices have high and low thresholds (Peterson, 1970). In a recent study of pricing methods, males were willing to pay on a usage fee based method while females on a fixed fee based method (Munnukka, 2006).

McConnell, (1968)., price serves as a cue of product quality and the brand loyalty strength. A recent study identified specific criteria based on price premiums that contribute to brand equity. The brand equity dimensions (with some findings) were loyalty (purchase frequency, first choice in category), awareness (first mentioned in category, knows brand, logo and name), perceived quality (taste, performance, durability), and association (health and environmental factors, organizational innovativeness and success, social image Anselmsson, Johansson and Persson, (2007)
Yudelson, (1999), the price should be redefined as everything given by the acquirer in terms of money, time and effort given to obtain the product. From the consumer’s perspective, the main benefits of the Web concern the reduction of information asymmetries that allow the consumer to compare prices in real time and gain more transparency (Bhatt & Emdad, 2001).

Allen & Fjermestad, (2001) from the producer’s point of view, Internet makes it possible to modify prices in real time; this could lead to dangerous price competitions () with the consequent reduction of profit margins. To avoid this, online communication must be directed towards qualitative aspects and differentiation attributes of the product. Dominici, (2008) the implementation of Artificial Intelligent Agents enable to make automatic and tailored comparisons of prices and features, reducing the price in terms of time and effort.

Yudelson (1999) it can be defined today as: everything that is done and necessary to smooth the process of exchange. The application of this definition to the digital context urges to add the element of purchasing process as a key feature of place within the mix. The process must be smooth and easy, while building relations with customers at the same time. The physical place becomes virtual and includes intangible aspects of transaction.

Bhatt & Emdad (2001) underline that the main contribution of Internet to business is not the mere possibility of selling products online, rather its capability of building relations with customers.

Fjermestad & Romano, 2003; O’Learly et al., 2004) the interactive capabilities of Internet allow the implementation of more efficient and effective systems of digital Customer Relationship Management (e-CRM). Internet enables to obtain information which can be used to manage customers, thanks to the data gathered through the registration of users to the company’s Web page and the online purchase data for each customer. This helps to maintain the service level and improve the management of the customer portfolio (
Williams, Absher, and Hoffman, (1997) in a study of super-store shoppers, females were significantly different from males in 14 of the 22 store attributes. Females rated the stores’ attributes higher, “more appealing,” than men for 20 of the 22 survey items did. The highest rankings by women were associated with product selections and convenience, e.g., having large, more product assortments. Koelmeijer and Oppewal, (1999) size of assortment reduces the chance of consumers considering shopping at competing retailers. There is a direct, proportionate relationship between (increased) assortment composition and size and (increased) purchases. Kotler and Keller, (2006) distribution intensity is the breadth and depth of products offered (with greater availability, convenience for consumers (Yoo et al., 2000).

Krugman, (1965) it also makes possible to hit the target while he/she is in a situation of relax and confidence (defined as “low involvement” by similar to that of television, but with higher informative capability, due to the multimedia features of the Web communication. The aim of online communication is not just to advertise a product, but to built a purchase relation and create a perception of trust in the customer. Interaction, multimedia and relationship should be included as elements of the P of promotion. Morris & Ogan, (1996).definition includes also the interactive aspects of digital communication. The Internet is different from other mass communication media.

Hoffman & Novak (1997) point out that, in the Web environment, the one-to-many concept loses its cogency, while the new many-to-many paradigm takes its place. Personal interaction allows issue a messages directed to a specific individual with a degree of flexibility which no other media can be capable of (Bhatt & Emdad). Yudelson (1999) it can be redefined in order to include: all of the information that is transmitted among parties. Infact, while it is surely a medium which can reach a numerous and dispersed audience, it differentiates itself from the other media regards interactive and multimedia features.

Belch and Belch, (2007) Advertising is “any paid form of nonpersonal communication about an organization, product, service or idea by an identified sponsor, advertising spending contributes positively to brand equity (Cobb-Walgren, Ruble, and Donthu, 1995) that provides important extrinsic cues for consumers (Milgrom and Roberts, 1986).
Maldonado, Tansuhaj, and Muehling, (2003) Messages have been successful, not only in the level of spending, but also when targeting an audience’s gender group in which the exposure links to the viewer’s social identity.

Morrison and Shaffer, (2003) this gender group may, or may not be the traditional male-female classification but rather advertising effectiveness may be better targeted as nontraditional masculine-feminine grouping for greater congruence. In addition, self-image congruity is a predictor of consumers’ brand preference (Jamal and Goode, 2001) Congruency between the advertisements and the audience has self-identified masculinity and femininity results in positive attitudes toward the advertisements (Chang, 2006). Furthermore, when advertised brands were evaluated, masculinity individuals relied more on product function beliefs (Chang, 2006), which supports the Selectivity Model (Meyers-Levy, 1989).

Marketing Strategies:

Drucker (1973), “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”.

Hart & Stapleton (1977), “a statement in very general terms of how the marketing objective is to be achieved, e.g. Acquiring a competitive company, by price reductions, by product improvement, or by intensive advertising. The strategy becomes the basis of the marketing plan”.

Lambin 1977, “The role of strategic marketing is to lead the firm towards attractive economic opportunities, that is, opportunities that are adapted to its resources and knowhow and offer a potential for growth and profitability”.

Baker (1984), “the establishment of the goal or purpose of a strategic business unit and the means by which it is to be achieved through management of the marketing function”.

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Carvans (1986), "the establishment of the goal or purpose of a strategic business unit and the means by which it is to be achieved through management of the marketing function".

Hamper & Baugh (1990), "Although definitions for the term vary, we define marketing strategy as a consistent, appropriate and feasible set of principles through which a particular company hopes to achieve its long-run customer and profit objectives in a particular competitive environment".

Armario & Lambin (1991), "although marketing has basically an strategic conception of the selling activity, we use to distinguish between strategic marketing and operational marketing, depending on long term or short term objectives. Strategic marketing starts in thoughts about current situation of the company and situational analysis and possible evolution of the markets and the environment, with the goal of detecting opportunities which can establish objectives".

Schnaars (1991), "There is no unified definition upon which marketers agree. Instead, there are nearly as many definitions of it as there are uses of the term. Clearly, marketing strategy is a commonly used term, but no one is really sure what it means". Bradeley (1991) "the strategic marketing process, therefore implies deciding the marketing strategy based on a set of objectives, target market segments, positioning and policies".

Walker, Boyd & Larreché (1992), "The primary purpose of a marketing strategy is to effectively allocate and coordinate marketing resources and activities to accomplish the firm’s objectives within a specific product-market. Therefore decisions about the scope of a marketing strategy involve specifying the target-market segment(s) to be pursued and the product line to be offered. Then, firms seek a competitive advantage and synergy, planning a well integrated program of marketing mix elements".

Camara (1995), "Strategy which defines the general principles for reaching objectives related to the specific SBU’s and target markets. It contains the main directives of the marketing expenditure, marketing actions, and resource allocation in this area. It includes decisions like: segmentation strategies,
positioning, and communication. The definition of marketing strategies referring to the marketing plan: it is one of the sections which integrate the marketing plan and its own objective is to present an action plan which will be utilized to reach the marketing plan objectives."

Bennet (1995), "the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational goals".

Sudharshan (1995) "the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational goals".

Kotler (1997) "the selection of target markets, the marketing mix and the marketing expenditure levels"...... "The marketing strategy is the way in which the marketing function organizes its activities to achieve a profitable growth in sales at a marketing mix level" ....... "A marketing strategy may be defined as a plan (usually long term) to achieve the organization's objectives as follows..."

• By specifying what resources should be allocated to marketing?
• By specifying how these resources should be used to take advantage of opportunities which are expected to arise in the future. “A marketing strategy would consist of the following:
• Identifying markets and customers needs in those markets.
• Planning products which will satisfy the needs of these markets.
• Organizing marketing resources, so as to match products with customers in the most efficient and effective way possible, i.e., so as to maximize customer satisfaction and the organizations profits or sales revenue. (Or whatever its objectives are!) at the same time”.

McDonald (1999) “marketing strategy” reflects the company’s best opinion as to how it can most profitably apply its skills and resources to the marketplace. It is inevitable broad in scope. Marketing strategies are the means by which a company achieves its marketing objectives and are usually concerned with the 4 p’s”. Bradley (2003) A marketing strategy consists of an internationally integrated but externally focused set of choices about the organization addresses its customers in the context of a competitive environment.
After analyzing the definitions of the most well known authors, it is necessary to say that they could be grouped in two generic groups since all do not agree in the terms of the definitions, or approaches. This classification includes a first group denominated "classic" approach, formed by those theoreticians who maintain a clear homogenization on the term, its definition and its characteristics. (Druker 1973, Bradley 1991, Bennet 1995, Camara, 1995, Baker 1984, Walker, Boyd and Larreché 1992, Harper and Baugh 1990, Lambin 1977, Jain 2000, Kotler 1997, Aramario and Lambin 1991, Bradley 1991.) It seems to be that this group agrees in its definitions existing only some simple adaptations over the time.

The classic line of thought:

**Druker, (1973), Bradley (1991)** The classic line part of premises such as that strategic marketing is associated to processes and it 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 (Bennet 1995).

**Baker, (1984)** Strategic marketing has direct relationship with the management of Strategic Business Units or SBU's, 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.

**Aramario & Lambin, (1991)** 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 (Aramario & Lambin, 1991). The term is also clearly associated to the "objectives", related to the processes of strategic marketing (Bradley, 1991).
Harper & Baugh, (1991) the term includes a set of principles which would have to be appropriate and to be oriented to the long term in this “appropriate” case is understood to make decisions guessed “right and coherent” for the attainment of given marketing objectives. Walter, Boyd and Larreché, (1992) this classic approach also makes reference to the “opportunities” (Lambin, 1977). Camera, (1995). Strategic Marketing also should define subjects related to the coordination of the marketing resources, as well as to the allocation of such referring to the importance of the competitive advantage these opportunities are those potential possibilities at which the company arrives at through an external analysis. Kotler, (1997) 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. Once again this approach presents a clear direction towards the planning systems. Strategic Marketing should be centered in the integral management of products and markets with the aim to reach the objectives previously set (Jain 2000).

This type of thought is clearly focused to converge in a base of subjects such as:

Aaker & A., 2004; Cravens & W., 2000; Kotler et al., 1987; Lambin & Jean-Jacques, 1993; Wilson, S., Gilligan, & Colin, 1997) most of definitions contain this term. Sometimes they use the similar or substitute terms like “future”, “goal”, “path”, “intentions” or “evolution”. Strategic Marketing includes a high interest to know which the future will be, although it leaves from a base of logical uncertainty. It is impossible to control all the elements and variables that influence in the discipline. It seems that the authors and the discipline is more comfortable determining or visualizing the road mentally toward which the company must go in a long term. So, we can determine that objectives and goals are key factors in Strategic Marketing.

Ansoff (1985) the profitability- this it is an element which crowns the previously mentioned objectives, as well as the use of Strategic Analysis Techniques. The profitability, which is a purpose of the company appears in a systematic way in the
definitions. It is important to mention that from a Strategic Marketing point of view, the profitability not only has to be kept in mind but rather also other such factors as the market share, stability, the company, the coherence of the products etc. should be kept in mind. The profitability will show if strategic plans of marketing are aligned with the financial policies of the company.

Lambin & Jean-Jacques, 2000), Without a good analysis of the marketing plan it doesn't exist the Strategic Marketing Plan Sturdiness and then is not easy to build on it. Boyd et al., 1998; Walker & C., 2003) the analyzing activity seems also important in the definitions of Strategic Marketing. (It is vital as a first step be able to read, to evaluate, to gather data, to generate systems of information of marketing intelligence, which allow the marketing manager to decide the markets and the most attractive products for the company in the future.

Day (1986) the robustness of the Strategic Marketing Plans is determined by seven following aspects which are: the opportunity, the validity, the feasibility, the coherence, the vulnerability, the flexibility, and the profitability. Under a general rule, the word “planning”(Wilson et al., 1997) also appears continuously in the definitions. Authors talk about planning keeping in mind aspects like analysis and decisions and the actions which should be kept in mind to determine future products and markets, as well as attractiveness, market opportunities, etc. Some authors have developed investigations related to the barriers in the marketing planning, (McDonald 1999), and consequently to the planning of Strategic Marketing.

Prahalad, K., Ramaswamy, & Venkat. (2004), the strategic analysis of marketing makes reference to the future situation of products and markets, that is to say that tries to guide the company by the correct path and where the company should be in the future. It is necessary to make reference to the work carried out by such authors as a C.K. Prahalad and Gary Hamel (1993) where they have contributed from a significant way to clarify the orientations of marketing managers. It is also important to define clearly what should be interpreted for product and for markets and this is important because marketing strategies are open to interpretations.
Traditional definitions can be broken by new variables that contribute to redefine markets and products. These variables can be technology, Internet, changing consumers attitudes, social changes, etc..

Gale, T., Branch, & Ben, (1980) resource allocation-Strategic Marketing explores and gives relevance to the importance of negotiating resources of any type. Financial, human, production, marketing budgets, etc. Such factors as the launch of new products, the selection of guarantees, the divestment or the diversification are directly related with the term Strategic Marketing. For the marketing manager it will be the very important to know and manage the economic flows and financial statements.

2. RESEARCH DESIGN & METHODOLOGY:

2.1. Research Gap:

After thorough review of the literature on marketing strategies of various industries, it is observed that there is no study on the marketing strategies of the Indian dry battery industry in Andhra Pradesh. Hence, the present study has been undertaken to consider all the marketing strategies of battery industry into a research.

2.2. Need for the Study:

Marketing is one of the key functions which are referred as a heart of the business. In every industry all the firms try to compete with the other competitors to get the appropriate place in the market and consumer sight. To achieve this every firm establishing the own system of marketing and prepare specified strategic activities. This study is also taken as an opportunity to review and analyze the market in activities practiced by various firms in the battery industry of India.

The study the tries to analyze the selected industry, because, every movement of marketing activities, plans and strategies are basically depends on the industry growth, potentially, profitability, likely future partners of the industry, industry barriers and forces that shaping competition in the industry.

Even though, marketing concept is common to every industry or firm, it is not similar to all the industries and firms, while applying the 4p's of marketing. Even
in the same industry the firm's may adopt different approaches to compute themselves in the industry. In this regard, the researcher presented the various marketing plans and practices adopted by the companies in the battery industry.

2.3. Statement of the problem:

The present study is concerned with Marketing Strategies in Indian Battery Industry. The marketing practices of dry battery units, problems faced by them in implementing the marketing strategies and measures needed to solve these problems, come under the purview of this study. The main focus is on the marketing strategies used by the various sectors in the areas of production, promotions, distribution and pricing. The Indian battery industry has been chosen for various reasons:

The prime reason is directly connected to the nature of the product. The dry batteries are comes under the FMCG product category containing less number of customers. Therefore, the marketing practices and strategies that are adopted by the companies in the industry are different with other industries.

Second reason to choose this industry is that the contribution of this sector in domestic economy and earning of the foreign exchange is very low. Therefore, the study tries to find the approaches and strategies of marketing where the industry has been lacking.

Third reason for this study is that the dumping of the Chinese batteries in Indian market with cheaper rates, and also introducing of the rechargeable batteries in place of the dry batteries are the key problem areas in this industry.

2.4. Objectives of the Study:

The following are the major objectives of the study:

1. To examine the marketing strategies of selected companies in Indian battery industry.
2. To compare the marketing strategies of selected companies in Indian battery industry.
3. To suggest the strategies to improve the performance of Indian battery industry.
2.5. Research Methodology:

The researcher makes an evaluation of the marketing strategies of the selected organizations of the battery industry with the help of views expressed by the top, middle, and lower level executives of the respective concerns. In this process, the questionnaire and interview techniques are selected to elicit the views of the executives for the study. The researcher also applied appropriate statistical tools, such as one way ANOVA test, Factor Analysis and percentile methods to get the desired results. Subsequently, the researcher consolidates the results of the analysis with the marketing practices of the undertakings identified through the content analysis of the various reports. In the process of analyzing the executive views, the data obtained through questionnaire is supplemented with the information gathered in course of personal discussion.

2.5.1. Data Collection:

The following are the main sources of data for the study:

(a) Primary Data:

i. Data collected through structured questionnaire served on the top, middle and lower level management, functional heads of the selected enterprises of the battery industry.

ii. Information gathered through personal discussion held with the head of the management services departments or marketing department of the selected organization

(b) Secondary Data:

The following are the secondary sources available for the required data of the research, these are:

i. Earlier research on marketing-mix and marketing practices in various industries and reports in reputed organization

ii. Data collected from the library of the institutions and universities at Bangalore, Chennai, Hyderabad and Tirupathi.

iii. Reports of the concerned organizations on department manuals and other reports

iv. Circulars and other relevant data from form the selected organization websites.
The data collected from the above sources is processed, analyzed, interpreted and presented in the study.

2.5.2. **Sample Size:** The study considered only four major and reputed organizations in this industry as a sample unit for the study. This study mainly confined to the dry battery segment. The four companies considered are Nippo, Eveready, Sanyo and Panasonic.

**Name of companies and sample size of the respondents:**

<table>
<thead>
<tr>
<th>Name of the Company</th>
<th>Company wise respondents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Managerial Staff</td>
<td>Agents</td>
</tr>
<tr>
<td>Nippo</td>
<td>20</td>
<td>40</td>
</tr>
<tr>
<td>Eveready</td>
<td>20</td>
<td>40</td>
</tr>
<tr>
<td>Panasonic</td>
<td>20</td>
<td>40</td>
</tr>
<tr>
<td>Sanyo</td>
<td>20</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>160</td>
</tr>
</tbody>
</table>

**Managerial staff-wise Respondents:**

<table>
<thead>
<tr>
<th>Name of the Company</th>
<th>Managerial Staff-wise respondents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Top Level</td>
<td>Middle level</td>
</tr>
<tr>
<td>Nippo</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Eveready</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Panasonic</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Sanyo</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>16</td>
<td>32</td>
</tr>
</tbody>
</table>

2.5.3. **Tools of Data Analysis:**

This research has considered to evaluate and analysis of the data which are drawn from the respondents of the selected organization. For this purpose the popular and suitable to this research has considered ANOVA as suitable statistical tool. Due to the inequality in the respondents' population, the researcher has used the F test for analysis the satisfaction level about various policies and performance factors among the respondents of the study. Through these test also an appropriate
tabulation has using to make understand the significant difference between the selected variables and also the selected hypothesis. SPSS 20.0 package is used for analyzing the data.

2.5.4. Statistical Test used:

Descriptive and inferential statistics were used selectively for the testing of hypothesis. Descriptive statistics like frequency, mean, standard deviation for all the study variables were computed.

**Frequency:** Frequency or one-way tables represent the simplest method for analysis categorical (nominal) data. Frequency was used as one of the exploratory procedures to review how different categories of values are distributed in the sample of this study.

**Mean:** mean of all the respondents to each variable was calculated describing the central location of the data.

**Standard deviation:** the standard deviation was used to establish a scale for determining the significance of difference between the scores.

2.5.5. Hypotheses of the study:

The following hypotheses were formulated for the study based on some basic critical success factors of the marketing concepts.

- H0 (1-1): There is no significant difference between the companies with regard to the product policies
- H0 (1-2): There is no significant difference between the categories with regard to the product policies
- H0 (1-3): There is no significant difference between the employees with regard to the product policies
- H0 (2-1): There is no significant difference between the companies with regards to the pricing policies
- H0 (2-2): There is no significant difference between the categories with regard to the pricing policies
- H0 (2-3): There is no significant difference between the employees with regard to the pricing policies
- H0 (3-1): There is no significant difference between the companies with
regard to the distribution policies

- H0 (3-2): There is no significant difference between the categories with regard to the distribution policies
- H0 (3-3): There is no significant difference between the employees with regard to the distribution policies
- H0 (4-1): There is no significant difference between the companies with regard to the promotion policies
- H0 (4-2): There is no significant difference between the categories with regard to the promotion policies
- H0 (4-3): There is no significant difference between the employees with regard to the promotion policies

2.6. Limitations of the study:

This study is confined to four large organizations in the dry battery industry. Some time, respondents may not spare the time and concentration for the researcher to provide the accurate information, therefore, in this cause the actual result may not occur as per the research objective determined.

This research equally depends on the personal interaction with the managerial staff that is top, middle and lower level managers, agents, wholesalers of the respective companies. Therefore, the researcher will take lot of delay and consider the valuable time of those respondents. In this regard, the complete information about the research objectives may not permitted some time.

2.7. Directions to Future research: Even though the present study reveals some useful issues it leaves a lot of scope and directions for future research. Some of the directions are, for further study of this research can be conducted even on the Impact of the Rechargeable Batteries in place of Alkaline and Dry Batteries in Indian Battery Industry. There is also possibility for further study on the impact of the dumping of Chinese Rechargeable on Indian Traditional Batteries in Indian Market.
2.8. Chapter Scheme:

The present study is organized into five chapters as per the details given below:

**Chapter-I: Introduction:** Introduction to Indian Battery industry - the concept of marketing management, Marketing strategies and its importance at the delivery of the products in the market - profiles of the selected companies of the battery industry.

**Chapter-II: Marketing Strategies in Selected Companies- A Review:** Marketing strategies in NIPPO – Marketing strategies in Panasonic – Marketing strategies in Sanyo – Marketing strategies in Eveready – A Comparative analysis.

**Chapter-III: Review of Literature & Methodology:** Review of literature, Need for the study, statement of the problem, hypothesis of the study, research methodology, data collection instruments, data sources and data analysis tools – Limitations of the study and chapter scheme.

**Chapter-IV: Data analysis and interpretation:** Analysis and interpretation of various critical success factors related to product, price, place and promotional strategies of marketing.

**Chapter: V: Summary of findings, Suggestions & Conclusion:** Containing the summary of findings of the study, constructive suggestions to the companies, and conclusion of the study.
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marketing


