

## **CHAPTER – VI**

### **SCHEMES OF MARKETING STRATEGIES OF SELLING AGENCIES OF CARS IN SALEM AND NAMAKKAL DISTRICTS : AN ANALYSIS**

For selling Maruti Cars there were three selling agencies viz Sri Amman Cars of Hosur, SK Cars of Salem and Ambal Auto of Namakkal. The selling agency for Mahindra Cars was SKS Automobiles Salem Automobiles of Salem was the selling agency for Hyundai Cars and True Sai Works of Salem was the selling agency for TATA cars.

These agencies adopt marketing strategies to win inter – firm competition and also to promote intra – model competition. The marketing strategies were carried out by means of advertisements carrying trade - offs and benefits. The features of a few advertisements of these agencies in vernacular news papers for a period of two years were stated briefly below with the object of analysing, to a possible extent, the motives behind sales offers.

#### **6.1 MARKETING STRATEGIES OF AMBAL CARS, SK CARS AND SRI AMMAN CARS.**

On 21.08.2008 Sri Amman cars, SK Cars and Ambal Auto in their advertisements had stated that Maruti Suzuki Altos price starts from Rs.2.28 Lakhs and one can save up to Rs. 22,000. The advertisement further offered special concessions to Government employees and corporates.

From the above advertisement one cannot understand how to save Rs.22,000 and what are the special concessions to Government and corporates. Unless one makes a visit to the show-room the motive behind the advertisement can not be understood. Hence, the object of the advertisement may be to bring the probable buyers to the show room for effective personal selling strategy.

2. On 10.09.2008 Ambal auto in its advertisement for Maruti cars on the occasion of Onam festival, offered gift cheques of Rs. 12,000 to each Alto buyer, Rs. 20,000 to each buyer of wagon-R (Petrol) and Rs. 25,000 to zen estilo. The advertisement further offered financial assistance from sundaram finance.

The facts of the above advertisement revealed the fact that the amount of gift varies from one model to other model and the gift was not for all models of Maruti

3. On 1.9.2008 SK Cars, Ambal Auto and Sri Amman Cars in their advertisement stated that one can take a new Maruti car by just paying Rs.2999 and Special concessions were also offered to corporates and Government employees.

The analysis of the above advertisement revealed the fact that the special concessions were not disclosed. So the advertisement makes an invitation to the Government and corporates employees to visit their show-rooms.

4. On 18.09.2008 Ambal auto in its advertisement stated that one can save up to Rs. 17000 if one buys Maurti Alto. The advertisement further stated financial assistance from Sundaram finance.

An analysis of the facts of the advertisement revealed fact that how one can save upto Rs. 17,000 was not disclosed So, this advertisement was also an invitation to bring the probable buyers to the show-room to know how to save Rs. 17,000.

5. On 19.09.2008 SK cars, Ambal Auto and Sri Amman Cars in its advertisement stated that one can save upto Rs. 35,000 and can get a gold coin worth Rs. 2,000 if one buys Maruti Alto. Financial assistance from Sundaram finance was also offered. The offers were for only two days i.e., on 19<sup>th</sup> and 20<sup>th</sup> Sep'2008. Special concessions were also offered to corporates and Government employees.

An analysis of the facts of the advertisement revealed the fact that how to save Rs. 35,000 was not disclosed. The offer was only for two days and hence the advertisement forced the buyers to have a hasty conclusion of buying Maruti Alto.

6. On 06.10.2008 Sri Amman Cars, S.K. Cars and Ambal Auto, in their advertisement invited the probable buyers to buy Maruti Cars and save Rs. 12,500 from Rs. 800 to Rs. 21,000 for Alto, Rs. 21,500 for Omni, Rs. 35,000 for Zen Estilo and Rs. 35,000 for Wagon R Petrol, Rs.30,000 for Wagan-R and Rs.10,000 for Shift. Besides the advertisements offered exchange bonus. However, the meaning of savings and how to save were not disclosed.
7. On 07.10.2008 Ambal Auto of Namakkal in its advertisement offered gift cheques to probable buyers as below.

M 800 All Variants	Rs. 7,500
Omni All Variants	Rs. 11,500
Alto All Variants	Rs. 11,000
Wagon R(P)	Rs. 20,000
Wagon R Duo	Rs. 15,000
Zen Estilo All Variants	Rs. 25,000
Versa All Variants	Rs. 30,000

So, offer amount varies from one model to the other. Probably the highest amount may be offered to dispose disliked models.

8. On 10.10.2008 Ambal Auto of Namakkal in its advertisement offered gift cheques to various models as stated in its advertisement dated 07.10.2008 and offered an additional concession of Rs. 5000 to all models with financial assistance from Sundaram finance.
- The form and models of additional concessions were not disclosed.

## **6.2. Marketing strategies of SKS Automobiles to sell Mahindra cars**

1. On 09.09.2008 SKS Automobiles, Salem in its advertisement offered free insurance, two years extended warranty and an exchange bonus of Rs.10,000. However, this offer was valid upto 15.09.2008 or upto exhaustion of stock. So, the object of the offer was to dispose stock.
2. On 10.09.2008 SKS Automobiles in its advertisement offered free insurance, free spare parts, low amount of monthly instalment and surprising financial assistance for Mahindra Scropio. However, this offer was only for a short period. Short period sales offers may be to dispose stock.
3. SKS Automobiles in its advertisement dated 12.09.2009 offered same offers in its advertisement dated 10.09.2008 by giving 10 contact cell numbers and places.
4. SKS Automobiles in its advertisement date 15.09.2008 offered free insurance, two years extended warranty to Mahindras Renault Model and further stated formidable concessions. What were formidable concessions had not been disclosed.

5. SKS Automobiles in its advertisement dated 16.09.2008 offered loan mela for Mahindra products at Attur walk free insurance, free spareparts, low amount of monthly premium and formidable financial assistance. The same loan mela was also held at Sankari.
6. SKS Automobiles in its advertisement dated 22.09.2008 disclosed the scorpio car price as Rs. 7.78 lakhs onwards with free insurance. However, the advertisement further stated the offer was only for 4 days.
7. SKS Automobiles in its advertisements dated 24.09.2008 offered free insurars, free spare parts, low amount of monthly premium and maximum financial assistance. However these concessions will be offered for a few days.
8. SKS Automobiles in its advertisement dated 06.10.2008 offered glittering concessions such as 50 percent insurance, two years extended warranty and price of scorpio starts from Rs.7.78 lakhs. Further exchange offer, attractive finance and display of all models were also offered.
9. SKS Automobiles in its advertisement dated 10.10.2008 offered free insurance and extended warranty to its Logan within 4 days 50 percent insurance concession becomes 100 percent insurance concession for Logan.

### **6.3. MARKETING STRATEGIES OF TRUE SAI WORKS OF SALEM TO SELL TATA CARS.**

1. On 06.09.2008. True Sai works in their advertisement had stated that TATA MOTORS SAFARI DICOR and SUMO GRANDE will be given two years extended warranty and TATA Genuine Accessories worth Rs. 10,000. However this offer was valid upto 25<sup>th</sup> September or upto exhaustion of stock. This was an offer for two weeks.
2. On 08.09.2008 Trui Sai works in their advertisement had stated that TATA MOTOR SUMO SUMO VICTA DI TURBO will be given cash benefit of Rs.15,000 and low amount of monthly offer for Sumo Victa Di Turbo.
3. On 09.09.2008 The true Sai Works Salem in its advertisement offered, two years extended warranty and TATA Genuine Accessories and an exchange bonus of Rs.10,000 to all models with financial assistance from sundaram finance.

The form and mode of additional concession were not disclosed.

4. On 12.09.2008 True Sai Works in its advertisement offered total benefit and loyalty bonus and cash benefit to probable buyers as below.

Indigo total benefit                      Rs. 35,000

(includes loyalty bonus)

Indica DLS cash benefit                Rs. 25,000

(includes loyalty bonus)

Indica V<sub>2</sub> total benefit                Rs. 35,000

(includes loyalty bonus)

Indica Marina total benefit          Rs. 35,000

(includes loyalty bonus)

So, offer amount varies from one model to other models probably highest amount may be offered to dispose disliked models.

5. On 15.09.2008 True Sai Works in their advertisement had stated that TATA MOTORS All New sumo victa D1 Turbe will be given a cash benefit of Rs. 15,000 and more accessories with less price. However, this offer was only for a short period. Short period sales offer may be to dispose stock.

6. On 19.09.2008. True Sai works again in their advertisement had stated that TATA MOTORS Offered, two years extended warranty and TATA GENUINE Accessories and an exchange bonus of Rs. 10,000. However, this offer was valid up to 25<sup>th</sup> September or up to exhaustion of stock.

So, the object of the offer was to dispose stock.

7. On 23.09.2008, the TRUE SAI WORKS in their advertisement invited the probable buyers to buy TATA MOTORS and save up to Rs. 35,000 for Indigo, Rs. 25,000 for Indica, Rs. 35,000 for Indigo XL and Rs. 35,000 for Indigo Marina. Special sales offers were offered for three days only at Sankari.

8. On 04.10.2008. True Sai Works in its advertisement offered. during festival season drive home your favorite TATA car, cash benefit to probable buyers as below for favorite TATA car.

Indigo Xeta family Rs. 30,000 for LPG and

petrol Rs. 35,000

Indigo XL Rs. 35,000

MARINA Rs. 35,000

INDIGO Rs. 35,000

INDICA DLS NA Rs. 25,000

So, offer amount varies from one model to the other probably highest amount may be offered to dispose disliked models.

9. On 04.10.2008 True Sai Works in their advertisement had stated that TATA MOTORS SUMO VICTA D1 TURBO, a Cash benefit of Rs. 20,000 and Deepavali offer for SUMO VICTA D1 TURBO. However, this offer was only for a short period. Short period sales offer may be to dispose stock.
10. On 07.10.2008. True Sai Works in their advertisement had stated that TATA MOTORS SAFARI DICOT 22171 and SUMO GRANDE will be offered with free Insurance @ Rs.1 special concessions for three days only, with the financial assistance from Sundaram finance.

#### **6.4. MARKETING STRATEGIES OF RAMANI AUTOMOBILES PRIVATE LIMITED SALEM TO SELL HYUNDAI CARS.**

1. On 21.08.2008, Ramani Hyundai in their advertisement offered “free monsoon check-up campaign” for Hyundai products at Salem. Free board wash, Free safety check-up as per check list, free car polish and free 5 percent Discount on labour, However, this offer is valid from 21.08.2008 to 24.08.2008 on up to exhaustion of stock. So, this was only a four days offers.

2. On 05.09.2008 Ramani Hyundai in its advertisement offered Loan exchange mela for Hyundai products at Tiruchengode and Rasipuram. For 110 MP3 players or Rs. 5000 worth accessories plus Exchange and corporation bonus. For VERNA model it offered Rs. 15000 worth accessories plus exchange and corporate bonus, it offered Free Insurance and MP3 player plus exchange and corporate bonus. A special scheme for teaching staff on the occasion of teacher's day to all model of Hyundai including financial assistance from HDFC Bank.
  
3. On 08.09.2008 Ramani Hyundai in its advertisement "Offered Loan and Exchange Mela in Namakkal. For i10 model it offered MP3 player or Rs. 5,000 worth accessories plus exchange and corporate bonus, For verna model it offered Rs.15000 worth accessories plus exchange and corporate bonus, it offered free insurance and MP3 player and exchange and corporate bonus. A special scheme for teaching staff on the occasion of teachers day to all models of Hyundai including Namakkal Lorry Owner's Association office from Kotak car finance.

4. On 10.09.2008 Ramani Hyundai in its advertisement offered “Hyundai 10<sup>th</sup> Anniversary special offer get a new Santro at 10 year old price” (Exchange discount inclusive) and other special offers and a gold coin worth Rs. 10,000 as gift to the probable buyers as below.

<b>Model</b>	<b>Offer</b>	<b>Exchange Discount</b>	<b>Loyalty Discount</b>	<b>Corporate Discount</b>
Hyundai i10	Gold coin	15,000	-	2,000
Getz prime (P)	Gold coin + MP3 Player	10,000	10,000	7,000
Accent	Gold coin	10,000	10,000	5,000
Verna	Gold coin + MP3 player	10,000	10,000	7,000
Sonata Embera	Gold Coin	-	-	-
Tucson	Gold Coin	-	-	-

So, the offer amount varies from one model to the other probably the highest amount may be offered to dispose disliked models.

5. On 16.09.2008 Ramani Hyundai in its advertisement offered “Hyundai 10<sup>th</sup> Anniversary special offer get a new Santro at 10 year old price” (Exchange discount inclusive) and other special offers and a gold coin worth Rs. 10,000 as gift to the probable buyers as below.

<b>Model</b>	<b>Offer</b>	<b>Exchange Discount</b>	<b>Loyalty Discount</b>	<b>Corporate Discount</b>
Hyundai i10	Gold coin	15,000	-	2,000
Getz prime (P)	Gold coin + MP3 Player	10,000	10,000	7,000
Accent	Gold coin	10,000	10,000	5,000
Verna	Gold coin + MP3 Player	10,000	10,000	7,000
Sonata Embera	Gold coin	-	-	-
Tucson	Gold coin	-	-	-

So, they offered an additional exchange discount of Rs. 5000 for over and above all offers on exchange of Hyundai cars. So, the offer amount varies from one model (New Santro 2008 model and new features power steering and upgraded 1.1 LeRLX engine and Euro 111 compliant) to the other probably the highest amount may be offered to dispose disliked models.

6. On 18.09.2008 Ramani Hyundai Salem in its advertisement offered “Get a new Santro at 10 year old price” and 10 years of Driving India. Here are some gifts to celebrate this special occasion as shown below.

<b>Model</b>	<b>Offer</b>	<b>Exchange Discount</b>	<b>Loyalty Discount</b>	<b>Corporate Discount</b>
Santro Xing	Gold coin + Free insurance	15,000	-	4,000
Hyundai i10	Gold coin	15,000	-	2,000
Getz prime (P)	Gold coin + MP3 Player	10,000	10,000	7,000
Accent	Gold coin	10,000	10,000	5,000
Verna	Gold coin + MP3 Player	10,000	10,000	7,000
Sonata Embera	Gold coin	-	-	-
Tucson	Gold coin	-	-	-

So, the offered amount varies from one model to other probably highest amount, of discount may be offered to dispose disliked models.

7. On 06.10.2008 Ramani Hyundai in its advertisement offered “Avail vehicle Demo at Namakkal and Attur” for Hyundai car offer drive more and save more presenting the super saver bi fuel Santro Eco LPG with 2 year in limited manufacturer warranty and Santro Eco first car.

**TABLE – 6.1****TABLE SHOWING THE NATURE OF OFFERS OF CAR GENCIES**

<b>Maruti</b>	<b>Mahindra</b>	<b>TATA</b>	<b>Hyundai</b>
Offer price	Free Insurance	Extended warranty	Free board wash
Savings upto certain amount	Extended warranty	Genuine Accessories	Free safety check-up
Gift cheques	Bonus	Cash benefit	Free car polish
Low down payment	Free Spare parts	Exchange bonus	Mp3 player
Gold coin	Financial Assistance	Loyalty bonus	Free insurance
Concessions	Concessions	Savings	Accessories
Free insurance	Low among of monthly premium loan mela and offer price		Corporate bonus
Free spares			Gold coin
			Sales at 10 year old price

## 6.5. CONCLUSION

The agencies of car manufacturers indulge in marketing strategies by giving advertisements in news papers frequently. The offers were for a short period. The trade offs were not uniform for all the models of cars of a company. The advertisements were not disclosing the motives of advertisements. Unless a probable buyer makes a visit to the show-room the motives behind the advertisements cannot be understood. Frequent advertisements were carried out with view to give a pressure to take decisions. The nature of advertisement of Maruti car Agencies was to give monetary concessions to buyers, Mahindra Car Agencies towards giving free insurance, warrants, free spare parts, etc., TATA car Agencies towards giving monetary and service benefits and Hyundai car Agencies towards complements and monetary benefits. How the strategies were perceived by the respondents had been tested empirically in the subsequent chapters.