PREFACE

Promotion is the core activity of the marketing programme. It performs the marketing task of informing, persuading and reminding the target customers (existing and probable), counters the competition, and builds a favourable company/brand/product image. In essence, promotion is the spark plug of the marketing mix and an important marketing strategy. In marketing, effective promotion is absolutely necessary even though having a best product, best package and reasonable price but the customer will not buy the product, if they have never heard of it and they are simply unaware of its existence.

Marketing strategies are classified into a number of strategies such as product strategy, pricing strategy, promotion strategy and place or distribution strategy. Among these strategies, promotional strategies enjoy special position in the overall marketing strategies because without promotional efforts no strategy can hope to succeed. For Indian companies, promotional strategies are even more important as the Indian economy is now a part of the global economy and Indian companies need to compete globally. Therefore, it becomes necessary to investigate the roles of promotional elements on sales, operating profit and net profit of the company under the study.

With the opening up of the Indian economy, the market scenario in India has changed rapidly and firms are becoming increasingly proactive in anticipating rapidly occurring changes in the environment. The most significant element that has influenced the vast global changes is the rapid advance in the fields of science and technology. These developments have led to the availability of high-tech products, higher product quality, shorter product life cycles, intensified competition. Companies that are not in step with theses changes
find difficult. Obviously, the success will depend on the ability of the companies to understand the markets unfolding around them and develop a rational strategy for long-term gains. One of the significant aspects of the marketing strategy in the contemporary world is to develop the ability to design effective promotional strategies that fit into the overall scheme of business strategies.

As promotional strategies play a very vital role in the overall marketing strategy of the organisation, the study of designing promotional strategies for effective marketing in a competitive environment is extremely important. It is particularly important at this present juncture when the highly competitive market environment compels marketers to increase their spending on the promotional mix, while simultaneously on the other hand, promotional expenditures are being examined by top management as one of the areas left for cutting costs and increasing profits. In designing an effective promotional strategy in a competitive environment, a company combines the promotional mix elements to produce an effective promotional campaign. In this context, it is important to examine the role of promotional strategies of Clariant (India) Limited (CIL) in enhancing the operational performance of the company. Therefore, an attempt has been made to examine the promotional strategies of CIL for effective marketing in a competitive environment through the analysis and interpretation of data relating to the different kinds of promotional elements of CIL as also those relating to sales, operating profit, and net profit of CIL.

In developing and designing the effective promotional strategies, the marketing managers need to begin by recognising the various tools of promotion such as advertising, public relations, sales promotion etc., which are not be looked and managed in isolation. Instead, they need to be seen as the component parts of a promotions mix, which, in turn, is just an essential
part of the organisation’s overall marketing mix. Therefore, it is essential to develop a clear understanding of the nature of promotions mix and its relationship to the marketing mix.

While designing an effective promotional strategy in a competitive environment, a company combines the promotional elements to produce an effective promotional campaign. In this context, the attempts have been made to examine the role of promotional strategies of Clariant (India) Limited in enhancing the operational performance of the company. It is also seen today companies are recognising the fact that emerging markets like India as well as other parts of the world have tremendous opportunities for growth. They also admit that advertising and other promotional tools will play an increasing role in matching the new global consumers. In this perspective, the present study entitled “Designing Promotional Strategies for Effective Marketing in a Competitive Environment: A Case Study of Clariant (India) Limited” has been undertaken and assiduously completed. The study is expected to open up new vistas of research.

This study is basically empirical in nature. The objectives of the study have been carefully developed to guide the research work along with the desired direction so as to reach the destination. The methodology of the study consists of the collection of secondary data relating to the performance of the company in terms of Sales, Operating Profit and Net Profit and three promotional expenses incurred by the company which are under the three heads General promotional Expenses, Discount on Sales and Trade Commission so as to prepare appropriate promotional strategies for effective marketing in a competitive environment. It is important to mention that in order to supplement the secondary information we have collected some primary data by directly interviewing the senior executives of CIL.
At the end, the analysis and interpretation of data with the help of appropriate statistical tools and techniques have yielded a number of valuable findings, which can be used by companies for formulating appropriate promotional strategies for effective marketing in the era of globalisation and liberalisation of the economies of the world. Although, the study is mainly confined to only CIL, which is one of the major multinational companies in speciality chemical industry in India, the outcomes of the study will be useful equally for all chemical firms – big or small.

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