CHAPTER-5

MARKETING STRATEGIES OF MARUTI SUZUKI INDIA LIMITED AND
HYUNDAI MOTOR INDIA LIMITED

This chapter involves the study of marketing strategies of Maruti Suzuki India Limited and Hyundai Motors India Limited. Marketing strategies of both the companies has been carried out by considering few parameters like Brand Positioning, Advertising, Sales Promotion, Pricing, Distribution & After Sales Service.

“It is more important to do what is strategically right than what is immediately profitable”- Philip Kotler.

Marketing: Introduction, Importance, Scope

Marketing is everywhere. People and companies, formally and informally engage in a vast number of activities that could be called marketing. Good marketing has become an increasingly vital ingredient for the success of business. Marketing has a very great impact on our day to day life. It is embedded in everything we do-from the watches we wear, the goggles we wear, the apparels we wear to the ads we see. Financial success often depends on marketing ability. Accounting, Finance, operations, and other business functions will not really matter if there is not sufficient demand for products and services so the company can make a profit. It has also been observed that marketing is viewed by many as advertising, sales promotion, selling etc. Today though we are living in the age of marketing, it has witnessed transition from barter system to money economy. Marketing as a business function and an economic activity influences economic development of a country. Marketing plays a dominant role in every economy.

Marketing is considered both an art as well as a science. In today’s era, no company can think or even go ahead without marketing as it is considered as the heart of business activity. Marketing practices are continually being refined and reformed in virtually all industries to increase the chances of success.\(^1\)
The basic objective of marketing is to attract new customers by promising and offering superior value and to retain and grow current customers by delivering satisfaction. Marketing deals with customers more than any other business function, and deals mainly with customers. Sound marketing is essential for the success of every company, whether large or small, national or global. Today marketing is practiced not only by large profit making organizations but also used by non-profit organizations like colleges, hospitals, churches and charitable trusts like Help Age, CRY etc.²

**Definitions of Marketing**

Many authors have defined marketing as follows-

According to marketing guru Philip Kotler, Marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering, and freely exchanging products and services of value with others.³

“The performance of business activities that direct the flow of goods and services from the producer to the consumer or user.” - R.S.N. Pillai & Bagavathi.⁴

Marketing is, “Meeting needs profitable”.- Philip Kotler, Kevin Lane Keller, Koshy, Jha.⁵

“Marketing is a total system of interacting business activities designed to plan, price, promote and distribute want satisfying products and services to present potential customers” William Stanton.⁶

Marketing is often confused with plain selling but it is much more that. It includes functions like Market research, advertising, promotions, public relations, product enhancements, customer care and everything else that goes into building a brand.⁷

Marketing plays diversified roles in businesses as follows-

- Marketing helps in continuous upgradation and improvement of products for better customer satisfaction.
- Marketing concepts give rise to better and more effective packaging of consumer products.
- Marketing gives rise to competition.
• Marketing helps in economic growth and activity.
• Marketing helps in creating employment opportunities.
• Marketing efforts result in extended product life cycle for consumer products as well as industrial products.

Marketing helps in continuous upgradation and improvement of products for better customer satisfaction.

Today due to increased competition and continuous change in customer needs, the marketing of products, services and information is becoming challenging. Due to this change and with an object to fulfill the demand of customer as well as market, companies are very much conscious about framing and adopting innovative strategies in all areas like Promotion, Pricing, Sales, Advertising, Distribution and Brand Building etc. Companies today realized that innovative & aggressive marketing strategies are vital to grab the major market share.

**Marketing Strategy**

Presently marketing can be seen as the process of developing and implementing a strategy to plan and coordinate ways of identifying, anticipating and satisfying consumer demands, in such a way as to make profits. A strategy is a long term plan to achieve certain objectives. A marketing strategy is therefore a marketing plan designed to achieve marketing objectives.

The success of marketing strategies depends largely on producers understanding their markets and activities or practices involved in marketing.

A marketing strategy is most effective when it is an integrate component of corporate strategy-defining how the organization will successfully engage customers, prospects and competitors in the market arena. As the customer constitutes the source of a company’s revenue, marketing strategy is closely linked with sales.

Marketing strategies assist the business in understanding and connecting with clients and customers. Marketing and promotional strategies are also important for guiding the business into the development of financial goals.

Marketing strategies also helps organizations to focus their attention to complete resource utilization to increase sales and win over their competitors. There are
different types of marketing strategies. Challenger, Leader and Follower are types of market dominance strategies. These strategies are used to dominate the market. Cost leadership, Market Segmentation and Product differentiation are types of porter generic strategies. Porter generic strategies are built on strategic strength or competing abilities and strategic scope or market penetration. Close followers, late followers and pioneers are types of innovation strategies. Innovation strategies are meant to trigger the rate of product development and model innovation. Diversification, Intensification, Vertical integration and Horizontal integration are types of growth strategies. Presently the organization are focusing on 4 Ps i.e Product, Price, Place and Promotion before framing strategies as all the strategies revolve around 4 P’s.\textsuperscript{13}

**Components of Marketing Strategy**

The key elements of marketing strategy are target market strategy and marketing mix strategy. The target market strategy is applicable for long term period which includes evaluating various market segments and deciding how many and which market segments to target. The marketing mix strategy is applicable for short term period. The marketing mix consists of a set of marketing tools the company uses to achieve its marketing objectives in the target market. These tools are classified into four broad groups that we called four Ps of Marketing i.e Product strategy, Promotion strategy, Price strategy and Distribution strategy. Again the promotion i.e marketing communication strategy has five components namely sales promotion strategy, advertising strategy, personal selling/sales force strategy, public relation strategy and direct marketing strategy.\textsuperscript{14}

Promotional activities can help a firm justify its existence and maintain positive and healthy relationships with various groups in the marketing environment.\textsuperscript{15}

**Marketing Strategies of Maruti Suzuki India Limited**

Maruti Suzuki India Limited is a leading manufacturer of passenger vehicles in India. Lovingly referred to as the people’s car maker, over the past three decades Maruti Suzuki has changed the way people in India commute and travel. Over three decades, Maruti Suzuki has won the hearts of customers through high quality products and services. Today due to innovative marketing strategies Maruti Suzuki India Limited has become the leading car manufacturers in India.\textsuperscript{16}
In previous days, when the Indian automobile market was dominated by Ambassador & Premier Padmini, Maruti Suzuki India Limited entered into Indian automobile sector with different strategy. The strategy of the company was to offer a compact, modern and fuel efficient car. Maruti released its first Maruti 800 on 14 December 1983 to fulfill the needs of Indian customers. Since 1983 till date Maruti Suzuki gradually offered several choices to the customer.  

With an object to face competition, Maruti Suzuki started restructuring exercise. As a part of strategy the company focused on improving its operational efficiency by upgrading manufacturing using innovative manufacturing techniques, increasing capacity, using information technology in manufacturing, continuous eye on launching of new and innovative products at regular intervals along with venturing into other related businesses like car finance, insurance. Realizing the potential of the used car market, Maruti Suzuki established Maruti True Value in 2001.

As a part of competitive strategy, Maruti Suzuki broadened its product portfolio and expanded its sales and service network to reach all over India. With increasing competition, Maruti Suzuki decided to cater to all the segments of the Indian car market. The company not only launched new models but also upgraded its existing models drastically. Market segmentation is the vital step in marketing strategy. Considering the growing demand for passenger cars from various segments, Maruti Suzuki offers cars for different segments- like the small, the less costly Maruti 800, Maruti Omni, the middle level Maruti Zen, Swift and the higher level Swift Dzire, SX4 to Sports Utility Vehicle Grand Vitara. Maruti knew that the strategy of segmentation allows companies to avoid head-on competition in the market by differentiating their product offerings, not only on the basis of price but also through styling, packaging, promotional appeal, distribution methods and superior service.

Initially, the policies adopted by Maruti Suzuki in the area of marketing and sales was based on the Japanese experience but modified to suit Indian conditions.

With the changing needs, wants & requirements of customers and markets, Maruti Suzuki is altering its brand positioning, advertising and promotional strategy. Maruti Suzuki’s marketing strategy is based on meetings the customer’s needs, and simultaneously keeping ahead of the global competition from companies’ like- Hyundai, General Motors, Mahindra etc.
**Brand Positioning Strategy**

Brand- A brand is a product that adds other dimensions, and differentiates it in some way from other products designed to satisfy the same need. Building a brand is not confined to merely advertising or creating visibility, it is about offering the right marketing mix elements-product attributes, pricing, distribution (place) and promotion.

**Brand Positioning**- Brand positioning is the most important fundamental concept in a brand’s strategy. Brand positioning is also linked with managing a brand’s meaning. Currently several brands of cars are positioning themselves on the features like-Price, Comfort dimensions, Safety, Mileage etc. Today Maruti Suzuki followed a very effective multi segmentation strategy to grab the different segments of the market with different versions of its brands.

About brand positioning Mayank Pareek says that, Maruti Suzuki believe in research and before launching a product the Maruti team does an extensive research on the needs of the customer. Maruti try to understand the customer’s demography and psychology to position a brand. Also the company follows the suggestions made by existing customers. Commenting on Maruti brand Mr.Pareek said that brand Maruti stands for reliability, flexibility, trust and fun. It is an Indian icon as many Indians had their first motoring experience in it. We put the nation on the wheel. He stated that Maruti have transformed from being a sales-driven organization to a totally customer-centric organization.

According to Mr.Shashank Srivastava, Chief General Manager (Marketing-Maruti Suzuki), the changed marketing strategy of Maruti Suzuki has reflected in its brand positioning. He says that we have changed our tagline from ‘Count on Us’ to ‘Way of Life’. The earlier tag line was based on reliability and affordability, but with ‘Way of Life’, our brand positioning of being straightforward and value driven has been joined by attributes of sporty and spirit to create more excitement.

The following are few brands of Maruti Suzuki which positioned differently and innovatively in Indian automobile market by Maruti Suzuki.

**Maruti 800**- Considering the growing middle class & small families, Maruti Suzuki launched Maruti 800. The Maruti 800 brand basically targeted for middle class people
at the urban professionals. Maruti created revolution in the Indian market by introducing its 800 model, which was positioned on economy of fuel consumption. It was projected as a car with minimum maintenance needs and with greater fuel efficiency. Later the company added some features in it like MPFI (Multi Point Fuel Injection) technology & few changes in front grill, head light, and rear light. According to Jagdish Khattar, Maruti 800 is the ‘dream car’ and our gift for ‘middle class’ consumers who wanted to upgrade from a two wheeler to a car.\textsuperscript{24}

Maruti 800, which was introduced in 1983, is still zips across Indian roads, making it one of the longest surviving automobile brands. According to Mayank Pareek, Executive officer-Marketing & Sales, Maruti Suzuki says for any brand to survive so long, “expectation and product promise should match”. He stated that this car came as a breath of fresh air and almost immediately became the first choice of its target consumers. It has evolved from an aspirational product to a common man’s car. Maruti Suzuki has tweaked the positioning several times under the theme an affordable, fuel efficient vehicle, easy to run and maintain. The present tag line of Maruti 800 i.e “Change your life” highlights that Maruti 800 has got beyond being just a car; it has actually changed the lives and lifestyle of people.\textsuperscript{25}

**Alto 800**- Alto 800 is another popular model of Maruti Suzuki. Its tagline “Let’s Go Khisko” focuses & communicate message to youths that let’s leave boredom behind with the all new Maruti Alto 800 and enjoy every moment of life. The Alto 800 brand is positioned considering the youths. The Alto 800 brand highlights on various additional features of it like- Wave front design, fresh and spacious interiors, best in class mileage, easy drive and handling and safer drive. Alto 800 brand positioned by Maruti Suzuki as it deliver 15 percent higher fuel efficiency, having more interior space, more leg and shoulder space, more headroom and modern design lines.\textsuperscript{26}

**Omni**: Omni is Maruti Suzuki’s multipurpose vehicle. Today Omni is available in 5 different versions i.e 5 Seater, 8 Seater, Cargo, Ambulance & LPG. Maruti introduced Omni to meets the diverse needs across different user segments. Omni is presently used as passenger carrier as well as goods carrier.\textsuperscript{27} Earlier the Maruti Omni was positioned and advertised as a van. Later it was renamed Omni and repositioned as the most spacious car on the Indian road.\textsuperscript{28}
In the Multi Utility Vehicle segment, Maruti Suzuki positioned the Omni as the low priced with more spacious vehicle. When Maruti realized that Omni could not acquire a dominant position in the van market, the company again changed the positioning strategy of Omni from van to family car. As the company found that the consumers had different perception regarding Omni in their mind. Later through advertisement, Maruti Suzuki focused the new value proposition of Omni: the most spacious car for the family. And it was positioned as “A Small Car that is Big on Space”. Presently Maruti promoted Omni as a family car with the baseline, “Kamyabi Khushiyan Se Sajaiye”.

**Wagon R**- Wagon R is one of the successful brands from Maruti portfolio in the premium segment of compact cars. Wagon R was initially positioned on the basis of the functionality platform. Wagon R was initially positioned as a luxury car within the compact car segment. it claimed that the Wagon R provides the space, comfort and performance of a luxury car in a compact car. Later, Maruti Suzuki repositioned the Wagon R on ‘Value Plank’. Maruti drew attention to the car’s performance, its 64 bhp engine, fuel efficiency, its design principal of “maximum inside and minimum outside. Maruti Suzuki through Wagon R claimed that those who looked for ‘enhancing the quality of life’ rather than just status would vote for Wagon R. Maruti Suzuki positioned the Wagon R on various attributes like superior engine power & pick up, better fuel efficiency, more space, more height, better seating comfort, power steering, more boot space, intelligent dashboard, safety features, available in duo i.e. Petrol and LPG etc. Describing the distinctive feature of Wagon R as compared to Hyundai Santro, Maruti Suzuki highlighted that, Wagon R is 7 cm taller than the Santro which facilitates people to get it easy in and out. Since long year, popular actor Madhavan has been a brand ambassador of Wagon R. commenting on this, Shashank Srivastava-Chief General Manager-Maruti Suzuki India Limited said that for Wagon R vehicle the target group was the middle or upper middle class families, who look for space and sound engineering, as well as buyers looking for a rational and performance-oriented vehicle. As the brand ambassador, Madhavan was seen as a geographically neutral face, and Wagon R’s contemporary, pragmatic and balanced brand values were seen to resonate well with his personality.

**A-Star**- A-Star is the best in class fuel efficient car of Maruti Suzuki. On November 2008, Maruti Suzuki launched the much awaited A-Star. The brand was touted as a
world strategic model and was the first car to be fitted with the famed KB series engine. The brand started its journey with an aspirational note positioning itself as an aspirational loaded young car for the successful ones. The A Star has been designed keeping in mind aspirations of the urban economy conscious customers who seek best in class fuel efficiency, lower emission and high performance along with style. The A Star has positioned in the premium A2 segment and targeted towards urban young professionals. It is about the new generation of Indian’s who are confident. According to Mr. Shashank Srivastava, in 2008, during first campaign of A-Star they realized that they had focused on the attitude part of positioning, they also needed to educate the consumer on the functionality aspect of car. Hence the company changed its brand positioning strategy in its second campaign i.e in July 2009. The company informed the customers about the A-Star’s K series engine. In later campaign the A-Star positioned on the aspect of Self belief.

Maruti Suzuki later refreshed A-Star with some modifications in it. Explaining the modifications, Mr. Shashank Srivastava, Chief General Manager-Marketing said, “A-Star is one of the most vibrant brands in our portfolio. Some of its high points such as contemporary styling, dynamic handling and ride quality, best in class turning radius, power, flat torque and superior performance made A Star a popular choice especially amidst the youth.

Advertising Strategy

Advertising is one of the vital functions of marketing. Advertising is an important promotion tool to establish and retain brand loyalty. A good advertisement must have the right message communicated through a right media. It must reach the right people and prospects and that too at the right time and at the right cost. Customer generally remembers the products or brand because of innovative and creative advertisements. Hence it is important that the advertisement must be creative, innovative, distinctive and unique.

Advertising is one important aspect of brand building. Maruti’s advertising campaign includes TVCs, Radio and print ads, Point of sales, Mobile promotions and online marketing and Outdoor promotions etc. Maruti’s advertising strategy focused both on building up its corporate image and promoting its cars. Maruti’s campaigns emphasized different aspects of its cars including fuel efficiency, looks, space etc.
With an intention to promote all its brands effectively, in year 2000 Maruti decided to appoint Capital Advertising agency. In 2003, Maruti Suzuki came up with an innovative toy car advertisement which became very popular for its simplicity and straightforward message. The advertisement depicted a child playing with a toy car. When reprimanded by his father the child replies, “Kya karoon papa petrol khatam hi nahi hota” (what should I do? The petrol never finishes)?

Few years back, Maruti Suzuki has come up with a new ad campaign based on fuel efficiency aspect of its cars. The three advertisements in the campaign show a Yacht, tank and a Spacecraft being sold to potential customers. The people/viewers after listening to all specifications relating to the performance and attributes of all three vehicles asks only one question to the person who gives the information about those vehicles, “Kitna Deti Hai?” the voiceover of all three advertisement then says, “for a country obsessed with mileage, Maruti Suzuki makes India’s most fuel efficient cars”. Those innovative advertisements depicted that, Indian are always conscious about fuel efficiency. And through those advertisements Maruti Suzuki have tried to position their cars as most fuel efficient cars. According to Mr. Joy Mohanty-senior creative director of Capital advertising, who made that ad, explained that the brief for these commercial was to communicate fuel efficiency.

Maruti Suzuki’s TV advertisement “India comes home” highlighted its models like Wagon R, Zen, Alto, SX4, 800 and Swift. This ad basically touched the emotions and feelings of Indians. For e.g, in this ad a young couple in a red Wagon R driving along the Kerala backwaters to meet their parents. The parents come out of a temple procession and receive the couple with their new born. In one scene a daughter after her marriage becomes emotional & during exit from her own home, lot of tears comes in her eyes but the budding husband pick up her and the moment they entered in SX4, the daughter went by laughing with her husband. In another scene, a young boy waits on highway for lift to go home, when he spots a red Maruti Swift cruising on the highway, he smiles to himself and pull out a placard that reads, “Need to be home for Diwali”. After seeing that the driver of the car stops and gives lift to the boy. The TVC ended with the voiceover, ‘India Comes Home in a Maruti’, highlighting the Maruti’s leadership in the Indian car market. The ad consists some nice lines like ‘Manjile Najdik Hai, Pairo tale hai Raste….Ghar hai aa gaya hindustan’. Maruti
Maruti Suzuki in its recent corporate brand campaign, “Rishton Mein hum Jeete hain”, created by Publicis Capital focuses on the joy of celebrating the many colorful festivals of India with loved ones. The ad highlighted that Maruti Suzuki cars are an intrinsic part of the lives of Indians from different parts of the country, by showcasing different models with the backdrop provided by a different Indian festival for each. The ad film begins with a couple who gave surprise to their daughter with an Alto as a gift for Eid. The ad then moves on to a crowded street with people celebrating the festival of Ganesh Chaturthi- a family in a Dzire with a Ganpati idol capture the spirit of this festival. Likewise different festivals such as Diwali, Durga Pooja, Holi and Christmas are shown with families celebrating with their respective Maruti Suzuki cars. The TVC ends with the voice over saying, “Maruti Suzuki: for a festival called life.”

**Advertising strategy of Maruti Suzuki’s Service Network**

Maruti Suzuki in one of its TV ad highlighted about its Service Stations. Through this innovative advertisement the company tried to highlight that Maruti Suzuki’s strong and wide service network is available everywhere even at a sandy area i.e Desert. In this ad Maruti car comes and stops before four men sitting at a crossroad in a desert. A man asks them about Maruti Suzuki’s service station, after his inquiry suddenly all the sited men’s stands up and shows the different directions in answer. The person confused and laugh himself. This ad depicts that, Maruti Suzuki’s service station is everywhere. This TV ad ended with the voiceover-“Jayenge aap jaha..payenge aap Maruti Suzuki Service Station waha” (Wherever you go, you will find a Maruti Suzuki service station)

In 2009, Maruti Suzuki launched one TV ad about its service network. In this ad, a small baby was shown crying. The father and other relatives of the baby tried to stop the baby from crying but were not successful in that. Finally, when the baby reaches in the hand of her mother started laughing. The TV ad ended with the voiceover-“Bring your Maruti only to the Maruti Suzuki Service Network’. Simply Maruti Suzuki gives message that if you wish to service your vehicle, do it only at Maruti Suzuki service station.
Brand related Advertisement Strategy

To target different segment customers & to grab major market share, Maruti Suzuki designed product specific advertisement & gave different message through advertising of its models. Maruti Suzuki’s few brand related advertising strategies can be seen as follows-

**Wagon R** - Maruti Suzuki launched Wagon R in the year 2000 and launched an ad campaign with the tagline, ‘A Car Full of Ideas’. In May 2009, Maruti launched an innovative and creative outdoor campaign for Wagon R using billboards, mobile vans, unipoles etc. The outdoor ads of Wagon R were placed on 23 outdoor sites in and around airports of several cities across India. In the ads different backgrounds were highlighted and each ad displayed a landmark structure from each city with different messages. For e.g, in Mumbai it was,’ Welcome to the city of film stars and Wagon R’, in Hyderabad, the message was ‘Welcome to the city of Charminar & Wagon R’. Commenting on this innovative ad campaign, Mr.Mayukh Bhattacharya-Manager-Business Development, Outdoor Media Integrated told the idea behind this campaign was to welcome visitors coming into the city by these contrasting creative’s in each city. He also stated that the airport act as a good catchment area. Also being in and around the vicinity of airport, it also reached out to existing consumers for that feel good factor.  

According to the changing scenario, Maruti Suzuki changed the positioning of Wagon R brand several times. At first it was ‘Feel At Home’, then ‘Inspired Engineering’, then to ‘As Interesting as you are’ then ‘For a Smarter race’ and ‘Big like India, Smart like you’. Maruti Suzuki has used digital and print media to promote its Wagon R.

**SX4** - In year 2011, Maruti Suzuki came up with ad campaign for its SX4 diesel. In the TVC created by Lowe Lintas, it is highlighted that women are left waiting in various situations by their men, and when asked whether the reason is the SX4 Diesel, they resignedly agree, “Yes, it’s here” as the scene changes to the men enjoying their new cars, the voiceover says, “Now men will make everything else wait”. The focus of this ad was on the Indian male and his obsession with the car. Commenting on this ad Mr.Shashank Srivastava, Chief General Manager (Maruti Suzuki) said, we have tried to create awareness among customers that Maruti Suzuki has launched SX4 Diesel version. And according to Mr.Srivastava, the company is promoting this ad
during world cup to reach to maximum customers. Also he commented that the company has chosen web, radio, outdoor and print media to promote SX4 Diesel.42

**A-Star**- Maruti has always been advertised A-Star with the tagline of ‘Stop at Nothing’ which shows the attitude that this car has always stood for. According to Mr. Shashank Srivastava, in third campaign of A Star, the company have emphasized on Self belief and confidence. Farhan Akhtar was the brand ambassador during the launch of A Star and the launch TVC also shared elements with the Bollywood hit film ‘Rock On’ to make it more relatable to the young adult seeking an expression for his passion. The advertising continued with Farhan Akhtar as the brand ambassador with a little more aggressive in the print advertising. The company used a different advertising strategy to promote A Star and to focus on youths; a three city rock show was done with Farhan Akhtar for ‘Generation A Star’, which totally related with the ‘Rock On’ mania.43

**Media tools used by Maruti Suzuki**

**Cyber Media**- Commenting on marketing tools, Mr. Mayank Pareek, Executive officer (Marketing & Sales) Maruti Suzuki India Limited said that Cyber media plays vital role to promote Maruti brands. Also the banners have been displayed on various internet sites. He stated that we have various schemes for people like Maruti Financial Ltd, Maruti Countrywide and tie-ups with banks like SBI, HDFC and ICICI.

**Outdoor Media**- Regarding advertisement of Swift, Mr. Pareek opined that Swift car is better in terms of technology and has the appeal of a very cool and smooth brand. According to him, Swift is a successful venture because of its outdoor media campaign. Maruti Suzuki created 500 innovative displays of Swift spread all over India. Also to make Swift very popular, In Delhi, Maruti Suzuki displayed cardboard models of Swift at the busy Rajiv Chowk and the ITO crossing. The quality of plastic, steering wheel, fabrics, controls and instruments are good and feel classy.44

**Digital Marketing**- with an object to reach to target customers Maruti Suzuki have collaborated with Google for digital marketing. According to Shashank Srivastava, the digital media is changing fast and hence it is must to focus on this area. He said that, Maruti and Google have been working closely on, “search engine optimization and online reputation management” initiatives. This collaboration will help Maruti
Suzuki in identifying and reaching to target customers. When the customer posts something about Maruti’s service or products on Face book or Twitter, the search engine will alert the company to help to catch relevant words online so Maruti can track and take action and even positively respond.  

Print Advertisement- Maruti Suzuki, whenever launched the car, it supported the launch of the product with an ad campaign. The campaigns also include print ads. Currently print ads are also playing vital role in promoting the products as well as services. Considering the growing number of readers of newspapers and magazines, Maruti Suzuki currently advertising its brands through leading newspapers and automobile magazines like Auto India, Auto Car, Overdrive, Auto Bild India etc. Also with an intention to reach to all and to make everyone aware about Maruti brands and services, the company through local newspapers, advertising its products and services. For e.g. to reach to Marathi people the advertisements has continuously been displayed through local newspapers for e.g In Marathwada region, Maruti Suzuki advertising its brands through Dainik Lokmat, Dainik Divya Marathi and Dainik Sakal, Dainik Punya Nagari, Loksatta, as those are the leading Marathi news papers.

When Maruti Suzuki decided to launch its new Suzuki Swift, before launching it the company aggressively promoted the Swift through print ads in leading newspapers. The company to increase the bookings of Swift started to give half page ad in newspapers.

Maruti Suzuki to create awareness and promote its Kizashi brand gave advertisement in Business Standard newspaper. The ad was highlighted as “Presenting Kizashi, India’s first luxury sports sedan” (Source: Business Standard, 4 Feb 2011, Page 12)

Social Media- Today social media plays vital role in promoting & creating awareness about the brands and services along with providing a platform to discuss and share the views, opinions, ideas of each other. According to NM incite- a joint venture between Nielsen and McKinsey & Company, Maruti Suzuki has been ranked the top most Indian brand in the social media space. According to the report, Maruti Suzuki enjoys strong sentiments and high volumes of conversations on auto forums that include blogs, boards and social media sites like Face book, Twitter and You Tube etc. Before buying any valuable product, the consumers today are focusing on various discussion forums, social media for getting proper information and to solve their query. Hence
Currently social media is considered as a vital advertising tool. The first time car buyers are generally collect the information of cars through social networking sites. And as per the auto experts, currently in automobile market the trend of E-Marketing is growing. According to Mr. Samarth Saxena, Co-founder, Octane Marketing, currently to attract the customers, the companies are sending email new alert to customers. The customers are attracting towards social media, as it is non expensive method to collect the relevant information.

**Sales Promotional Strategies of Maruti Suzuki**

Every company is it a big or small needs an innovative promotional strategy because promotional campaigns tend to have a huge effect on the reception of the product. Maruti Suzuki India Ltd has a formidable line-up of vehicles in its stable and has been quite aggressive about promoting each of its automobile brands.

In 2003, to attract the customers Maruti Suzuki launched attractive campaign like “Change Your Life”. The company also offered vehicle insurance for One rupee only. In this campaign the customers were asked to write down the chassis and engine number of their vehicles on the entry form and had to answer the question. In this contest the winners were chosen by a draw of lots and were entitled to gifts worth Rs.50 million.

In year 2003, Maruti Suzuki and State Bank of Travancore enter into an agreement to provide low interest loan to the persons who intend to buy Maruti cars. Also in same year, the company alliance with Union Bank of India for providing loans to the customer of Maruti Suzuki at competitive rates.

Maruti Suzuki introduced an offer ‘2599’ in 2004 for Maruti 800. The offer not only conveyed that the car can be bought at only Rs.2,599 per month but also highlighted the aspirations of scooter owners who can upgrade to car. In this offer the customer could buy a Maruti 800 with an Easy Monthly Installment of Rs.2,599 for seven years period.

With an object to attract more customers & to increase the sales of Maruti 800, the company further revised its ‘2599’ offer in which Maruti Suzuki made Maruti 800 more affordable by reducing the EMI to Rs.2,499. For this offer the company reduced
down payment figure to Rs.21,000 which was earlier Rs.40,000 also the company extended the loan repayment period from seven to eight years.  

In year 2004, Maruti Suzuki introduced the ‘Teacher Plus’ scheme in a tie up with SBI. Under this scheme, Maruti Suzuki focused on teachers who were interested to buy a new car. In this scheme the State bank of India offered reduced rates of interest for teachers which lead to boost the sales of Maruti Suzuki.

In July 2009, Maruti Suzuki India Limited and IndusInd Bank have announced a strategic tie up for financing Maruti vehicles in all India. This tie up took place to provide the customer quicker and easier credit facilities. As per the agreement, Maruti Suzuki India Limited had nominated IndusInd bank as its preferred financier for financing all Maruti vehicles. Under this tie up, IndusInd bank agreed to offer financing facilities to all eligible customers for purchasing Maruti vehicles through its network of 180 branches, spread over 147 geographical locations. According to Mr.R.S.Kalsi, Chief General Manager, Maruti Suzuki India Limited, through this strategic alliance with IndusInd bank, Maruti Suzuki will win customer confidence as well as with this alliance Maruti Suzuki will expand its business across the country including rural and semi urban markets.

Considering the potential opportunities in rural India, in 2010, Maruti Suzuki have decided to tie up with ITC’s e-Choupal and Hariyali Kisaan Bazaar of DCM Shriram Group for better penetration into the rural markets. Senior official of Maruti Suzuki stated that, through the tie up with Panchayat and Local Co-operative banks, Maruti Suzuki wants to concentrate more on the domestic market in order to raise its share of rural sales to 20 % from the current 17 %. For Maruti Suzuki, ITC’s e-Choupal will provide display demand customer engagement at their Choupal Sagars and facilitate meeting with prospective clients at village level.

In year 2011, Maruti Suzuki, launched ‘Eeco Meal’ promotion offer. Under this promotion campaign, Maruti Suzuki collaborated with McDonalds. Under this Eeco Meal offer, a family can walk into any McDonald’s outlet and upon the purchase of a value meal, happy meal and breakfast meal customers will get an EECO Happy Family contest form. The form contains questions about the Maruti Suzuki Eeco which customers will have to answer and submit along with a witty slogan on the Eeco. The winner will be chosen based on the wittiest slogan submitted about the
Maruti Suzuki Eeco. According to Shashank Srivastava, positioned as a perfect family multipurpose vehicle, with the Eeco we wanted to reach out to many more families.  

**Rural Marketing-** Today the village’s i.e rural peoples have not only accepted the modern way of agriculture as businesses but have also accepted modern living. Farmer is choosy in his buying. Apart from food and consumable items, he is interested in buying radios, T.V sets, Refrigerators, bicycles, wrist watches and car.

The per capita income of the farmers is on the increase and the manner in which they spend their disposable income has also changed. Today the rural market is not passive. It is vibrant and growing at a faster pace. The expanding rural market is important to the growth of economic development of India. With the change in scenario, the marketing focus is also changing towards villages: “Go rural” is the slogan of marketing professionals, gurus.

For the success of Maruti Suzuki there are many reasons, one of the strongest reason is its rural market dominance. Maruti Suzuki, as a brand, has far reaching powers in rural areas. The rural market share of Maruti increased from 3.5 percent of total sales five years ago to 26 percent in 2012. In 2009, Maruti Suzuki started paying more attention to rural markets. As a part of promotion Maruti Suzuki tried to influence the opinion leaders of the village (like Sarpanch) by taking them for factory visits. Maruti Suzuki aggressively marketed its brand at rural sporting events to sales fairs (Grameen Mahotsav) to SMS campaign for Gram Panchayat Members.

Recently Maruti Suzuki has started innovative concept i.e ‘Video on Wheels’ campaign in which the villagers get to see the screening of Maruti Suzuki ads while sitting in an air conditioned environment created in the back of truck.

According to Mr.Shashank Srivastava, Chief General Manager-Marketing, Maruti Suzuki India Limited, “we are increasing our efforts to attract more first time buyers”. He also stated that Maruti Suzuki has started campaign for targeted customers. Maruti Suzuki is looking at a specific customer base like orange growers in Nagpur, Jute mill owners or mango growers in Bengal. Lastly he highlighted that we are working to increase our rural sales.
Promotional Offers

As a part of promotion strategy and to increase the sales, Maruti Suzuki launched various offers for its customers through its authorized dealers. In this offer, before declaring the budgets, Maruti Suzuki dealers launched “Khulja Sim-Sim offer” in which, dealers highlighted that, the customer who will buy the Maruti car before declaring the budget will get assured gifts under this offer. The company dealers offered assured gifts to its customers like Refrigerator, Washing machine, LCD screen 22”, Micro Wave, Digital Camera, Titan watch (Pair), Suitcase, DVD player, Mobile, Video Game, Dinner Set, Maruti Genuine Accessories worth Rs.1500 and Maruti Genuine Accessories worth Rs.1000. 59

Today reality shows are very much popular in India and people’s are very crazy about those dance shows, mimicry shows. Dance India Dance (DID) is a very popular reality dance show that airs on the Indian satellite television channel Zee TV. According to Mr.Aakash Chawla, Marketing Head, National channels, ZEEL said, “Dance India Dance is a brand that is a favorite with viewers of all ages, especially the youth.” 60 This reality show was presented by Maruti Suzuki India Limited. With an object to promote the Maruti brands and to reach to various prospective customers, Maruti Suzuki associated with Dance India Dance programme.

Considering the growing popularity of reality shows like Just Dance, which was very popular reality show & which was simultaneously aired on Star Plus, Star One, Star Pravah, (with Marathi sub titles), Maruti Suzuki associated with Star TV as title sponsors for this reality show. As a part of promotional approach Maruti Suzuki promoted Swift and other brands through sponsoring this programmes.61

With an object to target the youths of India as a potential customers and to discover the most versatile, talented and skilled student in B School & professional colleges across India, Maruti Suzuki organized “Maruti Suzuki Colors of Youths 2012” a mega show that offer students a platform to showcase their colors- Talent & Knowledge to the country at large. This event covered 150 colleges in 10 cities across the country. Famous actress Isha Koppikar and Subir Malik were the judges for those events. 62
With an intention to increase the sales, Maruti Suzuki motivated its dealers. The Maruti Suzuki dealers launched various schemes like loan and exchange mela in which they offered heavy discounts on its various models. The dealers announced that the customers who will book the Maruti vehicles will get heavy discounts. Like Rs.20,000 discounts on Ritz (Diesel), Rs.45,000 discount on Ritz (Petrol), Rs. 25,000 on Maruti 800, Rs.48,000 on A-Star, Rs.45,000 on Wagon R Duo, Rs.22,000 on Omni, Rs.65,000 on Estilo (Petrol), Rs.51,000 on Alto F8, Rs.45,000 on Alto K10 etc. Also the dealers announced various schemes i.e discounts for Doctors, Zilla Parishad Schools, Colleges, State bank employees, LIC employees, State and Central Govt employees, Chartered Accountants, Retired government employees & their wife etc. (News paper ad, Dainik Divya Marathi, Jalgaon, 11 Sept 2012)

Since last six months, i.e Oct 2012 to Mar 2013, the Indian automobile sector witnessed downsizing in sales of its vehicles. Hence to increase the sales of vehicles & to attract the customers, Maruti Suzuki India Limited offered various schemes like free insurance, exchange bonus on its vehicles. In April 2013, the company given a rebate of Rs.23,000 on Alto 800, a discount of Rs.25,000 on A-Star, Zen Estilo and Wagon R models. On Wagon R- LX, Alto K10 model the company given discount of Rs.20,000 to 25,000. Maruti offered discount of Rs.15,000 on its Ritz (Petrol) & Rs.25,000 on Diesel whereas on SX4 the company given discount of Rs.25,000 on petrol model and Rs.30,000 on diesel model.

**Pricing Strategy**

Price is the exchange value of goods or services in terms of money. The price is a matter of vital importance to the buyer and the seller. Prices are important economic regulators. When a firm sets a price for its goods, it has to consider many factors-demands, existing competition, legal restrictions.

Maruti caters to all segments and has a product offering at all price points. Maruti gets 70 % business from repeat buyers who earlier had owned a Maruti car. Maruti Suzuki’s pricing strategy is to provide an option to every customer looking for up gradation in his car.  

Maruti Suzuki’s pricing strategy helps both its customers and Maruti. The company offers its different model just at a price difference around Rs.10,000 /- for cars
ranging between Rs. 3.25 lakhs to Rs.4.50 lakhs. Maruti offers five different cars in this range and different versions of each car. This pricing strategy helps make more option available to a customer. Due to lot of options, most of the time customers have an option within their budget or around their budget. Also such a large set of options allow customers to save his money as there are more chances of availability of a model with features only required by customer and not loaded with unnecessary features which may be useless to a customer. Such a strategy allows businesses to specialize in a specific domain and hence to exploit economies of scale. This strategy could help businesses to expand rapidly and capture those untapped markets. 64

According to Mr.R.C.Bhargava, Suzuki Motor Corporation brought to Maruti the concept cost reduction as a continuous process. Despite being the lowest cost manufacturers of cars in the world, Japanese companies continued to reduce costs every year. He stated that, minimizing expenditure and reducing cost became a part of the management philosophy. Maruti adopted policies on the Japanese experience but modified to suit Indian conditions. Maruti benefited from the decision to keep profit margins very reasonable, especially when the vehicles were in short supply and commanded a high premium. This led to a more rapid growth of demand and also gave Maruti an image of not being a profiteering company. 65

Maruti Suzuki initially used penetration pricing strategy for its 800 and Omni models. In 1998, Hyundai Motor when launched its Santro, it grabbed major market share because of its innovative features. To compete with Hyundai and other competitors Maruti Suzuki adopted competitive pricing strategy for its Maruti 800, Omni models. Maruti also brought about several innovative schemes through joint venture with finance companies to benefit the potential buyers with car loans to be repaid over a long period extending up to seven years. Maruti Suzuki later adopted discount pricing strategy for its 800, Omni & Zen to grab the major market share & to remain in the competition.

To face the competition, on 30 December 1998, before launching of Tata Indica, Maruti announced sharp cuts in the prices of Maruti 800 making it available at just Rs.1.85 lakhs, as the cheapest car. After the price cuts, the basic Maruti 800 was to cost Rs.74,000 cheaper than the Indica in Delhi. Maruti also cut the prices on the Omni eight seater which was made cheaper by Rs.17,000 and priced at 1.79 lakhs and
its five seater counterpart to cost Rs.7,000 lower at Rs.1.98 lakhs. These were ex-
showroom prices.

Later Maruti Suzuki launched a stripped down version of Zen, the new air conditioned
model available at Rs. 2.95 lakhs to counter competition from Hyundai Santro and
Tata Indica. Maruti Suzuki adopted Parity pricing strategy for its Zen model. Parity
pricing strategy is basically fixing the price to match the price of competitors. 66

Maruti Suzuki initially adopted competitive pricing strategy for its Alto model, then
to face the competition from Indica & Santro, Maruti adopted discount pricing
strategy for Alto and Alto K10 model. In June 2011, Maruti Suzuki launched lets go
India offer by its dealers for its Alto and Alto K10 model which was valid till 30 June
2011. This offer was launched through print ads through various local news papers.
Under this offer, Maruti dealers declared that the customer who will buy Alto before
30 June 2011 will save Rs.21,000 & Rs.15,000 savings on Alto K10 model.67

In Feb 2012, Maruti Suzuki, launched its new Sedan i.e Swift Dzire, with 150 more
features, attractive looks and Rs.30,000 cheaper than previous Swift Dzire. The
company launched new Swift Dzire in New Delhi with showroom costing at Rs.4.79
to Rs.7.09 lakhs. Commenting on the new Dzire, Maruti Suzuki’s Mayank Pareek told
that the new Dzire is cheaper by Rs.30,000 because it is 4,000 mm in overall length
and fitted with the engine less than 1,200 cc, hence the car comes under small car
segment & eligible to get 16 percent excise duty under the Government’s small car
norms. Initially Maruti Suzuki adopted Value pricing strategy for Swift Dzire and
later the company adopted competitive pricing strategy.

In case of Maruti Swift, Ritz the company adopted Value pricing strategy where as for
its SX4 Grand Vitara & Kizashi, Maruti adopted Premium pricing strategy to grab the
attention of high profile customers. Value pricing is based on the assumption that the
objective of pricing is not to recover costs, but to realize the value of the product
perceived by the customers. The merit of this method is the belief that the customer is
interested not in the cost of the product but only in the value. 68

To compete with Hyundai Santro and Tata Indica, Maruti Suzuki initially adopted
Parity pricing strategy for its Wagon R model. Later to face the competition, Maruti
Suzuki for its Wagon R, Alto K10 and Omni adopted discount pricing strategy. In
Sept 2012, Maruti dealers brought offers for customers. The dealers reduced the prices of Alto K10, Wagon R and Omni model under Utsav offer. Under consumer offer, the dealers reduced the price of Alto K10 by Rs.25,000, Wagon R by Rs.35,000 and Omni by Rs.10,000. Under this offer, the customers were given heavy discounts. This offer was valid till 30 Sept 2012. ⁶⁹

Maruti Suzuki adopted innovative & aggressive pricing strategy for its Ertiga (Petrol) model. To push the sales of petrol engine model of Ertiga, Maruti Suzuki has priced the base petrol Ertiga at INR 5.89 lakhs whereas the base diesel model at INR 7.30 lakhs. Ertiga’s pricing strategy was to encourage sales of petrol engine cars for better capacity utilization.⁷⁰

**Distribution Strategy**

Distribution of goods and services plays an important role in the sales system. Distribution system varies from company to company and region to region. The distribution system gives strength to the company by helping to increase the reach of the product to various parts of the region, country or even in foreign markets. An effective distribution system helps in making available goods in the right quantity at the right time when they are required.⁷¹

In early day’s consumers used to book for a car and wait for more than a year to actually buy it. Also, the concept of exclusive showroom for any automobile company was non-existent. Maruti Suzuki was keen to change the situation and offer better service to the customers. To develop a unique distribution system, Maruti Suzuki taken steps and this was modern and innovative. With an objective to provide the vehicles in time to the customers, Maruti Suzuki developed a unique distribution network which gave a company a distinctive competitive advantage. The company established a wide network of Dealers, Maruti service zones etc across the whole country, even in remote areas. The strategy and idea behind establishing the vast distribution network was to reach the customers in remote areas and deliver the products of the company. The company’s major thrust has been to ensure easy availability of vehicles to all the customers across the whole country.

Before the entry of Maruti Suzuki, other manufacturers used to send vehicles from the factory to any part of the country by road with a driver. But Maruti changed the
scenario. Maruti Suzuki was the first company in making sure that the vehicles which leave the factory should reach the show rooms as early as possible and in ‘factory fresh condition’. As Maruti Suzuki knew that, the Indian customers are very much crazy about fresh vehicles i.e they can’t accept the new vehicles with even small scratches or damages on it; hence Maruti Suzuki always aimed to deliver the vehicles to its customers as early as possible and without any damage during shipment of vehicles. Maruti Suzuki’s major innovation in terms of distribution was, it reduced the time gap between the manufacture of the car and its availability to the customer.  

As we know the continuous strike at Manesar plant badly hampered on production of Maruti vehicles. Maruti Suzuki faced lot of problems during those strikes as it was very tough for company to balance the demand and supply of vehicles. During those strikes, to reassure the potential buyers, Maruti Suzuki planned an extensive public relation campaign. Under this campaign, the company gave some clarity on the situation at Manesar and gave a new tentative delivery schedule for cars that have already been booked. To keep balance in demand and supply, Maruti Suzuki in those strike periods received fresh bookings of Swift and Swift Dzire and dispatched 26,000 ready cars at the Manesar plant stock yard to its dealers.

Today, Swift and Swift Dzire models are having a great demand due to which the waiting list for those vehicles is very long. But Maruti Suzuki has adopted very transparent policy in this regard; the company has informed & trained its dealers to handle the situation in this regard. Also the company informed the dealers to intimate the customers about original waiting period of vehicles especially Swift and Swift Dzire, so that the customer will be aware about actual waiting period.

Service Feedback & After Sales Service

With an intention to encourage customers to provide feedback or compliments, Maruti Suzuki has provided a nice platform to its customers. The customer’s if noticed any problem or complaints they can register it online on company’s website & those complaints are reviewed immediately. The company has also provided a toll free number where customer complaints can be registered. This service feedback facility helps Maruti Suzuki to identify the customer satisfaction level.
Maruti Suzuki has the largest sales and service network in India. At present, Maruti Suzuki has 802 sales outlets in 555 cities and 1653 authorized service stations in India. The company with this vast service station network has reached the customers located even in remotest parts of the country.  

**Marketing Strategies of Hyundai Motors India Limited**

Today, Hyundai Motor India Limited has created a different identity in the Indian automobile market. To cater the needs of various segments of customers, Hyundai Motors have a complete range of cars in its basket. Considering the changing needs of customers, Hyundai have fulfilled the expectations of customers by giving them technologically advanced vehicles with innovative features. Hyundai’s growth has been driven by volume oriented revenues coupled with technological soundness, superior designs and constant innovations. Since inception, Hyundai Motor India Limited has dominated the automobile market with the reputation of being the fastest growing automobile manufacturer in India. Hyundai Motor India Limited is considered as the largest exporter of automobiles to European countries.

Hyundai Motor India Limited is a wholly owned subsidiary of Hyundai Motor Company, South Korea. It was set up in 1996 as a 100 percent subsidiary of Hyundai Motor Company of Korea with a total investment of $ 614 million. The company presently offers 8 models of passenger cars across segments. The A2 segment includes the Eon, Santro, i10 and i20, the A3 segment includes the Accent and the Verna, the A5 segment includes the Sonata Transform and the SUV segment includes the Santa Fe.

Presently Hyundai Motor India Limited is known as a successful automobile giant due to its innovative and differentiated marketing strategies. After survey, Hyundai noticed that their primary consumer target is middle to upper income professionals who need true value for their money and comfortable ride, Hyundai also found that their secondary consumer target is college students who need style and speed.

To capture the major market share, Hyundai Motor has focused on various marketing strategies. Hyundai Motor entered in India when the Indian automobile market was highly dominated by few renowned brands like Maruti Suzuki India Limited, Tata Motors, Hindustan Motors etc. Before entered in India, Hyundai Motor closely
studied the Indian automobile market along with taste and need of the customers. With an intention to get acquainted with Indian automobile market & customer, the company made a customer, vendor and dealer survey. Recognizing the potential in Indian automobile market, Hyundai Motor decided a strategy to offer a compact, modern and family car. As a part of strategy Hyundai decided to launch entirely new car in India rather than introducing a car that was already running in the global market.  

In 1998, when Hyundai entered in Indian market it was little bit tough for the company to create an image in the market. But Hyundai changed its position & brought its various models aggressively in the Indian market to cater & fulfill the needs of all segments. According to Arvind Saxena, when Hyundai Motors entered India, the Indian automobile market was changing and people were looking for safer and more efficient vehicles i.e more value for money. Hence Hyundai Motors developed its product positioning strategy, the company tried to fulfill the consumers’ expectations by providing them technologically advanced cars with more features. 

To tap the rural area, in April 2009, Hyundai Motor introduced new marketing strategy, i.e Hyundai Utsav. Through this new marketing strategy Hyundai aims to reach out to farmers, private companies, doctors, business community, money lenders, government employees, lawyers across all non dealership towns to create awareness about the brand. Under this strategy the local wholesale marketplace or the ‘Mandi’ were targeted as the marketing venue. Regarding this strategy, Mr. Arvind Saxena (senior vice president Sales & Marketing) commented that, “Rising rural incomes, healthy agricultural growth, growth in rural infrastructure and growing consumerism have opened up new avenues for automobile manufacturers. He said that 50 percent of the 220 million rural households are potential car buyers. Also in order to facilitate rural financing Hyundai Motor has tied up with various public sector banks (PSB). 

Under this strategy, the rural customers were offered test drives and were educated about loans and various schemes. 

To boost the sales of Hyundai vehicles, in 2010, Hyundai Motors India Limited signed a memorandum of Understanding (MOU) with Allahabad Bank. As a part of agreement, both Hyundai Motor India Limited dealers and the Allahabad bank agreed to utilize their respective customer databases for growing their car loan business. The
tie-up was extended to cover financing options by all the branches of the bank in India.  

Hyundai Motors has always been employing innovative tools to jack up sales. As a part of marketing strategy, on 21 Feb 2010, Hyundai Motor organized the ‘Miles & Smiles rally 2010’ in New Delhi. 80 Hyundai i20 customers were participated in it. The basic objective of this rally was to help the customer in different cities in to acquaint themselves better with their cars, learn the techniques of fuel efficient driving, calculate the mileage per litre and also win exciting prizes in the process. The first and second runner up received prizes worth Rs.6,000 & Rs.4,000 respectively whereas the winner received prizes worth Rs.10,000. The event was sponsored by Indian Oil Corporation. Commenting on this rally, Mr.Arvind Saxena told the Miles & Smiles rally had been organized for our customers, as we believe that our role as an automobile manufacturer also includes imparting techniques of fuel efficient driving to our customers.

Considering the potential market in rural areas and as a part of marketing strategy, in year 2011, Hyundai Motors India Limited plans to build a network of 1000 rural outlets. Mr.Arvind Saxena, told in interview that, “as a part of expansion strategy we are looking strongly at these rural markets and want to focus on growing our network there”.  

According to Mr.Arvind Saxena, Hyundai Motor is very keen to expand its market in rural areas & the company has announced to generate employment for about 2,000 sales executives at these rural outlets. According to company the car markets which are present in areas outside the superior 40 cities are marked under rural areas. According to Arvind Saxena, these outlets are just the basic models made with small investments and these are not the typical permanent outlets made with brick and stone. The strategy behind these rural outlets was to give a feel to rural folks with car demonstrations, test drives in addition with basic little repair requirements. Mr.Saxena told that these rural models will definitely help amazingly in increasing the sales of company.

To boost the rural sales and to compete with Maruti Suzuki India Limited, Hyundai Motor has planned to introduce a car costing less than Rs.3,00,000 its cheapest model
in India. According to Mr. Arvind Saxena, the new model of Hyundai will compete with Maruti Suzuki’s Alto in the small car segment.\textsuperscript{83}

Hyundai Motors India Limited already enjoyed a good position in Indian automobile market. When Hyundai noticed that many big brands have entered in Indian automobile market, Hyundai Motor devised a three step strategy to maintain a better grip of their position globally. Under this strategy, Hyundai announced that it will be launching six new models over the time span of three years. As a part of this strategy Hyundai Motor tried to strengthen its current position. Commenting on this strategy, Mr. Arvind Saxena told that we will be now launching two new models every year for three consecutive years which means six fresh models in three years. He also commented that this will strengthen our position, as we will be offering new products for various type of market.\textsuperscript{84}

Considering the fever of cricket & its popularity in India, Hyundai Motor India Limited ties up with one of the biggest sports extravaganzas of modern times-the ICC Cricket World Cup & became the official car partner for the ICC Cricket World Cup 2011. This tie up awarded Hyundai a worldwide rights package from 2011 until 2015 and included the ICC Cricket World Cup 2011, taking place in Bangladesh, India and Sri Lanka, as well as all other ICC tournaments up to and including the ICC Cricket World Cup 2015. According to the terms of the contract signed with the ICC, officials, players and VIP guests will be transported with i10, the luxurious SUV Santa Fe, the powerful Verna Transform and the international favorite the Sonata Transform for official transportation for the entire duration of the World Cup.

Hyundai Motors to be part of the Cricket fever has also conducted activities like the ‘Hyundai Fan Park’, where the matches are screened live on big screen TV at prominent locations. As a part of strategy Hyundai Motor is currently one of FIFA’s top partners and has extended its strategic sponsorship agreement with FIFA to cover the 2022 FIFA World Cup in Qatar.\textsuperscript{85}

On 8 April 2012, Hyundai Motors organized ‘Eon Miles N Smiles’ rally to educate the customer by providing tips on safe and fuel efficient driving habits. 60 Eon car owners were participated in this rally with their family. The customers won attractive prizes in this rally.\textsuperscript{86} Hyundai Motors also organized the ‘Miles & Smiles Rally 2012’ for the Eon in Guwahati. The rally was sponsored by Indian Oil and received response
of 80 Eon customers. According to Mr. Arvind Saxena, this rally is a special initiative from Hyundai Motors India Limited to help its customers in different cities to know their cars, learn about fuel efficient driving. The rally was organized to increase awareness about fuel conservation.  

**Brand Positioning Strategy**

It is a well accepted fact within the corporate world that one of the most valuable corporate assets is the brand. Companies strive very hard to create brands that resonate with customers. Today, Hyundai Motor is the successful brand in automobile market due to its extensive brand positioning strategy.

The company’s brand slogan is “new thinking, new possibilities”. It means Hyundai’s new way of thinking is to share premium value with more people. According to Hyundai new thinking means challenging convention and pushing boundaries. Hyundai make new possibilities for people and our planet by constantly generating new ideas. As per Hyundai new possibilities means coming up with more forward thinking ideas and solutions. This slogan illustrates the idea of providing more to its customers with new innovations, experiences and values beyond their expectations.

Hyundai Motors also created its new ‘Live Brilliant’ campaign, which strives to connect with people on a deeply emotional level. The ‘Live Brilliant’ campaign is the Hyundai’s first worldwide brand campaign with one single communication applied to all major markets to build up a consistent image as a global brand. The new campaign based on Hyundai’s enhanced status which helps global customers in identifying a unique image of Hyundai and gets a better understanding of the company’s Modern premium values.

Hyundai’s basic idea about reinventing innovation is that Hyundai always looks for a bigger change for the people. They do not take people for granted because they take the time thinking about cars and even more time thinking about the people who drive them. The company generates fresh ideas for their cars that people really need.

**Santro**- It has been a successful brand of Hyundai Motors. Santro is the best example of managing a product lifecycle. Santro has managed to keep its market position by regular upgrades, product changes, relaunches and repositioning. Hyundai launched Santro in September 1998. Before launching Santro the market was already
dominated by Maruti 800 & Zen. Hyundai changed its strategy and launched Santro in the tough small car market. Santro was initially positioned on the design aspect. Santro was designed to be a tall boy car and initial product testing revealed that Indians did not like the tall boy design. But later Hyundai turned its biggest disadvantage into an advantage. Customers liked Santro due to its driving comfort.

Later Hyundai changed the positioning of Santro on various attributes. Focusing on spaciousness of Santro and targeting the Maruti 800 users who wanted to upgrade into the B segment the company later positioned Santro as a complete family car. Initially Santro’s target market was 35-45 years middleclass Indians. By highlighting on its safety features like child safety rear door locks, Hyundai positioned Santro as a safety car. Initially Santro used a celebrity i.e Shah Rukh Khan-an actor, to showcase the brand attributes. Santro used celebrities to add a lifestyle appeal to it. Later Santro have introduced various variants after getting brand acceptability among customers. Santro had an unusual design which appealed to consumers, initiated professional after sales service with a good distribution network.

Hyundai also positioned Santro as fuel efficient car by highlighting and introducing its various features like MPFI (Multi Point Fuel Injection System). Later to cope up with competition & to appeal to the first time car buyers the company in Oct 2002 decided to reposition the Santro as a “Sunshine Car”. Sunshine has an intuitive association with brightness, joy, new hope and success.

Considering the growing number of youths of India as a target market, in year 2003, Hyundai changed Santro completely. The company changed entire design of Santro and new Santro was launched as Santro Xing. This car repositioned as an improved version of Santro in various aspects like Safety, Comfort & Convenience.

**i10**-After the huge success of Hyundai Santro, the company launched i10 in hatchback segment and has gained much popularity in Indian market since its launch in 2007. Hyundai i10 is a premium hatchback segment model that takes place between Hyundai Santro & Hyundai Getz. The company launched i10 by targeting the youths in India. Within just five months of its launch, the i10 has enticed youth not only in Indian market but also abroad. Initially Hyundai Motor has positioned i10 as fuel efficient and low maintenance car with great performance.
In year 2009, Hyundai Motor repositioned i10 as, “the most feature rich compact car in India”. According to George Koshy, Creative Director-Innocean, Hyundai Motors repositioned i10 by considering the first time buyers as target customers and considering those who want to upgrade from entry level compact car in the age between 25-28 with a monthly household income of around Rs.40,000. He told that the i10 is positioned for someone who seeks fun in life.  

Hyundai Motors also positioned its i10 as the most desirable compact car with primary target being young working couples; small nuclear families and more for urban use.

**Accent**- Accent is one of the most successful brands of Hyundai Motor. Launched in 1999, Accent is one of the oldest selling sedans in the Indian market. Accent has survived only because of its performance and quality. Initially Accent was positioned as a premium car offering value for money & was targeted for upper class customers. Because of nice design Accent was positioned as stylish car. Hyundai made changes in Accent according to needs of customers & changed the positioning of Accent. In year 2002, Hyundai launched Accent Viva which was positioned as a Sporty Sedan. The company given very sporty look to Viva and gave more power than earlier variant. In year 2011, Hyundai launched Accent executive version with various new features. Because of attractive design and eye catchy looks, the company positioned Accent as a most stylish vehicle. Accent had tried out different taglines during its different stages. The first tagline of Accent was ‘Sheer Pleasure’ through which Hyundai positioned Accent as a car which gives absolute i.e complete happiness, enjoyment to its customers. Later Hyundai changed the positioning of Accent by changing tagline as ‘Expect More’, ‘The Next Step’, ‘The Power to Excite’ and ‘What dreams drive’ etc.

**Eon**- In year 2011, Hyundai Motor launched Eon to target the middle class customers along with youths. Eon is a brand new global product styled on Hyundai’s successful fluidic design philosophy and is the youngest brand in the entry car segment. Eon has created its own space as a modern and premium brand offering trendsetting features. Considering the changing needs & requirements of youths regarding their dream vehicle i.e style, performance, speed, Eon was positioned for young professionals and executives in the age group of 24-25 years, hailing from urban India. The Eon was
basically positioned to compete with the Maruti Alto & to meet the expectations of entry level car buyers. Because of its affordable price, Hyundai positioned Eon as an affordable as well as competitive car. Eon has a tagline ‘new India’s trendsetter' which highlighted that the youths of India have a power to set the new trends for India.\textsuperscript{93}

**Sonata**- Hyundai Motors India limited, in March 2012 launched its sixth generation luxury sedan: new Sonata. Hyundai introduced & positioned Sonata as a premium, stylish car. According to Mr.Vivek Srivastava, Joint Managing Director-Innocean, the basic idea behind launching Sonata was to target the business leaders and top executives. As the Sonata has various safety and innovative features like six airbags, rear parking sensors, anti lock braking systems, fluidic design and sunroof.

**Advertising Strategy**

Advertising plays vital role in introducing the product to the customer and market. Since inception, Hyundai Motors India Limited has focused on innovative advertising strategies. As per the report by Deloitte research, television advertising’s appeal is strongest amongst the youngest and television was way ahead of newspapers and magazines. Presently Hyundai Motors have adopted an aggressive advertising strategy.

To promote the brands, Hyundai Motors have used various media like print, hoarding, direct marketing & digital marketing etc. To tap the customer of urban area, Hyundai advertised its brands with the help of local newspapers, advertisement through hoardings, electronic displays at market place, malls etc. Due to increasing trend of E-Marketing, Hyundai Motor is advertising and selling their brands through social networking sites likes Face book, Twitter etc. Mr.Arvid Saxena depicts that today young customers are using social networking sites for getting primary knowledge and to exchange their views and opinions and to share the information.\textsuperscript{94} Hyundai is also promoting its brands by sponsoring various sports events. Hyundai has also promoted its Santro brand through in film advertising i.e in movie, “Phir Bhi Dil Hai Hindustani”, which was casted by Shah Rukh Khan & Juhi Chawla.

Hyundai Motors when decided to launch Santro brand, first it roped in Saatchi & Saatchi as the ad agency. For promotion of Santro, Hyundai decided to engage a
superstar of Indian cinema-Shah Rukh Khan as a brand ambassador who projected a fun loving, intelligent and youthful image. For Santro the advertisement campaign was carried out in three phases. The first phase of campaign focused at building awareness and understanding about Hyundai. The second phase of campaign introduced Santro to the Indian customer and the last stage aimed at reinforcing the brand and triggering the buyer’s purchasing decision in favor of Santro.

In one TV advertisement of Santro, which was launched in 1998, Shah Rukh Khan drives the Santro very roughly and maintains a nice balance while driving Santro among peoples who stands in middle of the road as a divider. The advertisement highlights various attributes of Santro like MPFI engine, more space, nice control, superior engine etc. This TV ad ended with the voiceover that Santro is a perfect family car. In one advertisement of Santro Shah Rukh Khan describes the unique features of Santro like international Tall boy design, computerized multi point fuel injection, powerful engine, more space, more head and boot space, more luggage space, advanced epsilon engine etc. Lastly the advertisement gives message that Santro is a complete family car as it is convenient for office, for shopping, for holiday, for weekends etc.

Hyundai’s one of the popular advertisement i.e ‘Santro Sunshine’ depicts that a car can change the life of young Indian. The idea behind this advertisement was, Santro will bring sunshine to your life. In this advertisement, the sunshine was communicating two intangibles i.e Freshness and youth full attitude. This advertisement was revolving around Indian stars Shah Rukh Khan and Priety Zinta.

In one of the nice advertisement of Santro Xing launched in August 2009 i.e “Bar Bar Dekho……Hazar Bar Dekho”, Santro was positioned with its tagline “First car, First choice”. Hyundai Motors had rolled out this creative TVC campaign “Bar Bar Dekho” to highlight the interior and exterior features of Santro. In this film a group of college kids doing a sporty day march past on the street. Just as the brand new Santro passes by, all the kids doing the march past do an instant double take to look at the Santro. At one corner, a group of Kathakali dancers, dancing, just when the Santro passes by they too do a double take. Also a young couple suddenly stops chatting & give a look to Santro when it passes by. Lastly the advertisement ended with
voiceover that Hyundai is most trustable vehicle of 15,00,000 customers with low maintenance, better looks and great mileage.96

In 2012, Hyundai Motors released nice television advertisement for the ‘Next Gen’ version of its i10. The brand ambassador of Hyundai Motors Shah Rukh Khan along with actor Manajari Phadnis played role in this advertisement. This was very innovative and creative advertisement of i10 which was created by Innocean Worldwide. The film shows how the i10 literally plays a helping hand in bringing good things to its owners. In this creative ad Shah Rukh Khan shown driving the car alone and the first good things that happens to him is that Phadnis joins him for a drive. The weather is next up for the i10, as the rains give way to the sun during the drive. This advertisement highlighted on various features of i10 like the Sunroof, back wiper, superior engine etc. The film ends with Shah Rukh Khan shown parking the i10 on a beach and getting ready to watch the sun go down with Phadnis by his side. Mr.Arvind Saxena- Director, Marketing & Sales commented on this ad that the i10 has been one of the most successful cars and with this commercial we want to reiterate the message that the i10 continues to be a preferred choice with competition nowhere close to it in styling, mileage.97

Hyundai Motors creative advertisement can be seen in its Television advertisement of Verna where a man driving Verna to drop a lady to a yacht port. The girl rushes out of the car toward the yacht pier. As he is about to drive away, he realizes that the lady has forgotten her earrings in vehicle. Instead of giving those earrings to the lady, he smirks and drives away in the car. Shots of the car are then show with a focus on both, its interiors and exteriors till the car stops on the top of a bridge. Later the man steps out of his car and chucks the earrings into the yacht that is passing below the bridge. In this advertisement Hyundai positioned on various features of Verna like its interiors, exteriors, speed and powerful engine. This advertisement has supported with print advertisements, outdoor ads, internet banners and e-mailers.98

Before launching the Eon, Hyundai Motors focused on the digital media as a powerful source of promotion. Hyundai Motors used digital media to create a buzz before the launch of Eon. This digital media was combined with various above the line communications (ATL) such as Print, electronic and out of home (OOH) advertising as well as some rigorous below the line (BTL) activities. This activity was designed
and executed by Innocean worldwide. According to Mr. Saurabh Dasgupta, executive creative director, Innocean Worldwide, ‘The creative idea centered upon Eon as a “Life Changer” for the target audience in a compelling manner. The style quotient of Eon was pumped to competitive superiority and the aim was to give Indians their new drive. For advertising Eon, Hyundai Motors focused on idea that this car meets the aspirations of youthful India and played around with the brand’s creative tagline ‘India On.’

Considering the growing importance of digital media and the use of digital media by youths, Hyundai Motors promoted Eon through Face book, Twitter, YouTube and a dedicated micro site. The micro site offered the visitor an opportunity to have a personal car unveiling. Also to promote Eon on a mass level, Hyundai Motors released print ads of Eon in national and regional dailies, with specific emphasis on innovative sizes. The campaign of Eon was also run on television and many channels. In advertisement Eon was positioned on many winning aspects like mileage, style, space and safety. With an intention to create awareness of Eon, it was displayed in various malls across the country.  

With an intention to target mass audiences & considering the growing popularity of few Hindi serials Hyundai Eon made advertisements with characters from ‘Saas Bina Sasural’, ‘Bade Achhe Lagte Hai’, ‘Sajan Re Jhoot Mat Bolo’ and ‘Kuch Toh Log Kahenge’ which air on Sony TV and SAB TV. Commenting on this advertising strategy Mr. Arvind Saxena told that to create a buzz among the target audience an innovative media initiative is imperative. He also told that the character’s mass appeal would appeal to the audience, and the brand would be seen in a new perspective.

Hyundai Motors knew that, product display is one of the most effective ways to reach out to the prospective customers; especially in India where people prefer have a feel of the product before taking any decision. Hence as a part of innovative advertising campaign, Hyundai Motors spotted Eon at the Delhi Metro Stations. Under this advertising campaign, the Eon was spotted for a month at Metro Station where the customers could come across with Eon.

Today Social media is playing vital role in communicating and spreading wide information of new product or services. Presently in India the peoples, especially youths are very much conscious and well aware of Social Media like Face Book,
Twitter, You Tube etc. The youths are using those social media as a great source of getting information, exchanging information and expressing their views, ideas, likes and dislikes.

To target the youths and to promote Hyundai brands successfully at the Auto Expo 2012, Hyundai Motors gave visitors an interactive experience in digital media. The stalls at the zone enabled visitors to update his/her wall with posts and picture on a real time basis on their Face book and email IDs using RFID cards. Once a user of the RFID card would like a car at the Expo, a link would appear on his Face book page along with the Indian TVC and a note about the car. Commenting on this innovative advertising strategy, Mr. Arvind Saxena told, we have been very active on social media because we have seen a trend of younger car consumers in the country. With an object to get prompt feedback from customers, Hyundai Motors at the auto expo put up sensing machines for every display where people can put up their comments on Face book and Twitter.

In India, the peoples are very much crazy about Cricket and Bollywood (Indian Cinema). Identifying this fact, Hyundai Motors associated with Indian Cricket and actor Shah Rukh Khan to promote the Hyundai brands. To connect with the people’s Hyundai have also tie ups with FIFA, The Australian Open and the Super Bowl.102

Mr. R. Gowthaman-Mindshare South Asia leader commented that Television creates awareness and creates a desire, while Internet provides the platform to execute them. He stated that an individual watches the ad on TV and then goes to the web to search more information to buy the product. He pointed that today digital media is largely been using by automobile sector.

**Sales Promotional Strategies**

In any business, promotion strategy plays vital role to boost the performance of business. An accurate & innovative strategy will not only attract the customers but saves lot of company cost. A well developed promotional strategy can also assist the business in understanding and connecting with clients and customers.103

Currently, Hyundai Motors India Limited is known as one of the leading companies which occupies prominent place in Indian automobile industry due to its innovative and clear promotional strategies.
As a part of promotional strategy, in 2010, Hyundai Motors organized its annual ‘Miles & Smiles Rally 2010’ in Calicut and Jaipur. The owners of Hyundai i10 1.1 L iRDE and 1.2 L Kappa variants were participated in the events which were organized to prove the car’s fuel consumption figures. In this rally 80 Hyundai cars participated in each city. The rally was basically organized to give the customers a chance to get the best fuel mileage from their cars, learn the techniques of fuel efficient driving and also win prizes in the process. In this rally, the winner got a prize of Rs.10,000. 104

In 2011, Hyundai Motors became a global ICC sponsor started off its on-ground activation for the ICC Cricket world Cup 2011 with Hyundai ICC First Ball Tour initiative. As a part of promotional strategy, Hyundai gave cricket fans a chance to closely inspect the same cricket balls that were to be used for play in the very first World Cup match between Indian and Bangladesh. Under this initiative, fans could also visit select Hyundai showrooms for a preview of the same. The tour included colorfully painted Hyundai i10 cars carrying the cricket balls in the boot of the car which were displayed to the eager fans. 105

In year 2011, Hyundai Motor India Limited, the official ‘Car Partner’ of the ICC Cricket World Cup 2011’ organized its consumer engagement program with the launch of the Hyundai Fan Park, where fans can watch the matches of the ICC World Cup live on large screens in a fun-filled environment. The Hyundai Fan Park initiative was set up in high-flying malls like the Great India Place, Noida, the In-Orbit Mall in Mumbai and the Ampa Mall in Chennai. The pavilions had giant screens for live screening of all matches, a cricket pitch for fans to display their cricketing talent. 106

In year 2011, Hyundai Motor India Limited presented the All New Fluidic Verna to Virender Sehwag, Piyush Chawla, Ashish Nehra, Zaheer Khan and S Sreesanth, members of the ICC Cricket World Cup 2011 winning team which brought the World Cup back to India after 28 years. To encourage the Indian cricket team to win the ICC Cricket World Cup 2011, Hyundai Motor India Limited had announced that if the World Cup comes home then the winning Indian team will be felicitated with the All New Hyundai Verna cars. 107

In year 2011, Hyundai Motors introduced a promotional offer through its dealers i.e ‘Hyundai Hattrick’ in which Hyundai offered free insurance of Rs.11,000 plus Loyalty bonus of Rs.10,000 on purchasing of Santro and i10 models. The Hyundai
also offered free gift of Premium Sun Blinds-Set of 4 to the buyer of Santro and i10. As a part of offer, Hyundai organized a Painting competition for children (5-14 years) at the showroom of dealer where the company declared assured gift of Hyundai Fluidic Verna T-shirt to the children’s. Hyundai also offered a trip to its world class factory in Chennai as a Bumper Prize. 108

In year 2012, Hyundai Motors launched special customer engagement initiative where Hyundai showcased the ‘First Ball’ for ICC World Twenty 20, 2012. This ‘First Ball’ showcase was conceptualized keeping the objective of bringing together the cricket fans and provides them with an opportunity to indulge in celebration of the moments of the ICC World Twenty20 Sri Lanka 2012. Under this event, for Hyundai customers, the first cricket ball was showcased in 6 cities – New Delhi, Mumbai, Chennai, Hyderabad, Ahmadabad & Lucknow. The cricket balls were displayed in specially branded Eon. With an intention to add to the excitement among the cricket fans, special activities were organized at the dealership locations, which included games and quizzes on cricket trivia, contests on juggling balls and a special graffiti wall where fans were able to pen their thoughts and cheer for the favorite teams and players. 109

In May 2012, Hyundai Motors announced a Petrol Price Lock Assurance Programme to protect its customers from the fuel price hike announced on 23 May 2013. Under this programme, the customers were offered discounts on the petrol models of the Eon, Santro, i10, i20, Accent & Verna. The programme covered this fuel hike for the next seven months & was valid on purchase made till 31 May 2012. Commenting on this programme Mr. Arvind Saxena told that “The petrol lock scheme will insulate the customer from the impact of the price hike. The price hike is severe and we need to soften the blow for our customers”. 110

Since October 2012 till date, the Indian automobile industry is badly hampered because of continuous hike in the prices of Petrol and Diesel, increased taxes and due to financial crises. Since last six months the automobile sector recorded a huge loss hence to attract the customers & to increase the sales, in April 2013, Hyundai Motor India Limited has introduced various offers to its customers. To increase the sales, Hyundai adopted various strategies like; the company has focused on providing free insurance, exchange bonus on its various vehicles.
Under this offer, Hyundai has given exchange offer of Rs.10,000 along with free insurance on its Eon model. The company offered free insurance along with exchange offer worth Rs.20,000. In addition to this Hyundai offered a gift cheque worth Rs.9,000 on i20, there is an exchange offer of Rs.15,000 along with free insurance. And on its premium vehicle Verna, the company offered exchange offer of Rs.15,000. To boost the sales, in April 2013, Hyundai launched limited period offer during 24 to 30 April i.e “Never before never again offer” in which Hyundai offered a free gold coin on every booking.

Customer Care Strategy

After sales service is an important aspect while buying vehicle. A customer when decides to buy vehicle, he first think about after sales service. Naturally, while buying vehicle a customer carefully looks that whether he will get proper and prompt after sales service or not. It is a phenomenon that, a customer may be satisfied with the vehicle & its performance but may be disappointed because of improper after sales service. With an object to provide a better after sales service & to delight the customers, Hyundai Motors India Limited had taken several innovative initiatives. For providing better & fast service Hyundai Motor has set up a strong dealer network across India. At present Hyundai Motor is having 900 service centers across India. Hyundai Motor offers customer support through Internet, Phone and physical customer support centers located all over India.

With an object to provide an instant service & support to its customers, to increase the transparency and to make the customer delight, Hyundai Motors launched Hyundai after sales website where the customer can find the information about Hyundai cars, and by visiting customer care link may register his complaints or query either online or by sending email to Hyundai, also an individual may submit a test drive request or can browse FAQ (Frequently Asked Question) section to know the information, he may find the nearest dealer/service centre, or may take driving, maintenance & fuel saving tips.

Hyundai Motors has its own Customer Care Centre where, the Hyundai customers if having any query or complaints may dial toll free number to register his query. With an object to provide the quick and prompt service to customers, Hyundai is having the
24x7 toll free roadside assistance number. For e.g if the customer is having any vehicle problem on highways, he by just dialing a toll free number can take assistance.

In May 2012, Hyundai Motors had launched a promotional programme called the ‘5 Star Assurance Programme’ for the buyers of Santro and i10. This programme offered total maintenance assurance, motor assurance, warranty assurance, exchange assurance and roadside assurance. In total maintenance programme, the company offered free maintenance for 3 years or 40,000 kilometers whichever is earlier. This programme covered the expenses like service, repairs including cost of parts and materials as per the standard periodic maintenance service schedule.

In Motor insurance programme, Hyundai provided comprehensive motor insurance at Rs.1 and the warranty assurance programme offered extended warranty for the 3rd year or up to 40,000 kilometers. The 5 star assured programme also offered free 24x7 roadside assistance for two years and an exchange/loyalty offer of Rs.15,000 for Santro & i10 buyers. Mr.Arvin Sadh Saxena, commented that, ‘The 5 Star assurance programme is designed to offer 360 degree services to Hyundai customer ranging from maintenance to roadside assistance and the primary objective of this programme is to enhance customer satisfaction long after the purchase has been made.’

In June 2012, Hyundai Motor launched nationwide service initiative i.e ‘Always Around’ for the Hyundai customers with a novel idea of ‘Always There, Because We Care’, started from 24 June 2012, this campaign provided free check-ups for its customers at conventional locations. With an intention to reach to each and every customer of Hyundai, the campaign was extended till December 2012 covering 8,800 locations of India. To provide the best services to its customers & to make them aware about the campaign, Hyundai conducted this campaign at various common locations like Joggers Park, Shopping Malls, Multiplexes, Select Residential Blocks etc. Hyundai Motors through this campaign offered a comprehensive 17 point check-up with oil top-up and a thorough examination of the vehicle and services such as tyre and vehicle polishing, coolant and oil top-up. Commenting on this campaign, Mr.Arvin Sadh Saxena told that, “At Hyundai we always aim at providing our customer with a trouble free experience right from the sales process. He stated that The
‘Hyundai Always Around’ campaign is aimed at reinforcing our bond with our valued customers.\textsuperscript{114}

With an intention to provide the free service to its customers Hyundai Motors every year launches an event i.e “Free car care clinic”. This is a nationwide activity being organized by company twice every year where Hyundai Motors provide free 80 point checkup to its customers. This checkup includes examination of the transmission, engine, electrical, underbody, exterior, AC etc. Hyundai organize this activity at 900 locations across India.\textsuperscript{115}

Hyundai Motor India Limited launched its 13\textsuperscript{th} nationwide free car care clinic during 14-23 Sept 2012 at over 830 Hyundai workshops across the country. Mr.C.H.Han, Executive Director, Hyundai Motors, at the time of launch stated that, “At Hyundai we believe in keeping pace with the evolving customer needs and preferences and this event allow us to understand the requirements of customers and helps us connect with them. During this event, Hyundai announced that, Hyundai customers can avail up to 10 percent discount on spare parts, selected accessories, extended warranty and any other value added services. In addition to this the Hyundai offered an attractive discount of up to 20 percent on labor charges.\textsuperscript{116} Hyundai Motors launched its 14\textsuperscript{th} free car care clinic event during 15-24 March 2013 at around 900 locations across India in which Hyundai offered free car wash, additional discounts for female owners, special discount on cars more than 4 year old etc.

With an intention to increase satisfaction of existing customers and to impart required education to customer, Hyundai Motors organized general camps like Monsoon check up camp to develop long term relations with the customers. Hyundai organize Monsoon check up camp to provide preventive maintenance during monsoon. To make customers aware about this camp, Hyundai displayed the banners one week earlier at prominent locations in the cities. In this camp the Hyundai offers services to customers like check up of brake fluid lines, tire conditions, wiper arms and its rubber conditions, power window operations, central locking operations, clutch and suspension during road test etc.

Hyundai Motor has always been conscious about providing proper knowledge & creating awareness to their customers. To make customers aware about proper utilization of AC, the company generally organizes free AC check up camp for
Hyundai customers where the customers give proper guidance about how to make the AC effective.

With an objective to prepare cars to face the tough winter conditions, Hyundai organizes winter check up camp especially in northern part of the country. During these camps the company focuses on underbody of car such as oil leaks, shock absorber leakage, exhaust system mounting and leakage, brake and fuel lines for leakage etc. 117

**Pricing Strategy**

Price is the most important determinant of the profitability of any company or business. Price is also one of the most flexible elements of the marketing mix and unlike others, can be changed quickly. For every company pricing decisions are very crucial decision. Pricing is very important because it is a highly risky decision area. Any mistake in pricing will adversely affect the company, its profits, growth and future. 118 In initial years, Hyundai’s strategy was not to make profits but to gain major market share. Since inception till date, Hyundai’s focus is to become a quality vehicle manufacturer rather than a price conscious manufacturer. Presently Hyundai Motors because of innovative & unique features of its vehicles have adopted the Premium pricing, Value pricing & Competitive pricing strategy.

When Santro launched in Indian automobile market it was known as excellent value for money car. In early days Santro’s competition was mainly with Maruti 800. In case of Santro, Hyundai Motor adopted value pricing strategy. The advantage of this strategy is the belief that the customer is interested not in the cost of the product but only in the value. The company made slight changes in the price of its variants of Santro according to the features. Hyundai highlighted price of Santro on its advanced features like power steering, power windows and audio system. In initial years, Hyundai’s strategy was not to make profits but to capture market. In current scenario, to cope up with the competition with Maruti Suzuki’s Alto, Estilo, Wagon-R and Tata Indica, Hyundai Motor has adopted competitive pricing strategy for Santro. 119

Currently, Santro has emerged as the bestseller in rural markets. According to Mr. Arvind Saxena, in 2009, 31 % of the Hyundai sales had come from rural India. And the dealers are setting up more sales points in tier III cities. Considering the
growing popularity in rural market, Hyundai Motors has adopted discount pricing strategy to tap the rural market.\textsuperscript{120}

Hyundai Motor launched its premium hatchback car i.e. Getz Prime 1.3 and 1.1 in year 2007. This car was basically targeted to the middle to upper level customers who wanted to upgrade from entry level car to premium hatch back segment. In 2007, the Indian automobile market witnessed Palio Stile 1.1 and 1.6, New Mahindra Renault Logan along with Getz Prime. While launching, Hyundai Motor positioned Getz as the car, deliver more mileage, more spacious, and equipped with new engine. In case with Getz, Hyundai Motor adopted aggressive pricing strategy. The Getz Prime 1.1, though priced aggressively at Rs.3.9 lakh, reflected Getz’s premium positioning which has been retained in order to separate it from the other small cars. \textsuperscript{121}

Hyundai i10 is the popular hatchback car of Hyundai Motors. Hyundai positioned its i10 on its attributes. The reason of success and growth of i10 is its style, superior technology and the competitive pricing strategy adopted by Hyundai Motors. To compete with Maruti’s Zen Estilo, Wagon R & Tata’s Indica, Hyundai Motors have adopted competitive pricing strategy for i10. According to Mr. Arvind Saxena, “Hyundai follow a multi-model strategy and look at consolidated sales of Santro and i10. He also stated that sales of the Santro and i10 together contribute a sizeable chunk of the compact car segment and it adds to a larger customer base”.\textsuperscript{122}

i20 is one of the premium segment cars of Hyundai Motor. The company launched its i20 to compete with Maruti Suzuki’s Swift, Ritz and other premium segment cars of competitors. Because of innovative features, more space and latest technology, Hyundai Motor initially adopted Premium pricing strategy for i20. Though Hyundai Motor is one of the strong players in the compact segment but because of restructuring and redefining pricing strategies of Volkswagen Polo, General Motors Beat and Ford Figo, Hyundai Motors launched new version of its i20 compact in year 2010 with a price cut of Rs.40,000. This was the Parity pricing strategy of Hyundai Motor to compete with the other brands.\textsuperscript{123}

To compete with Maruti Suzuki’s 800, Alto & to attract the first time buyers especially middle class, Hyundai Motor launched its compact segment car Eon. Hyundai Motor with an object to reach to all segment of customer’s adopted affordability based pricing strategy for Eon. Hyundai Motor priced Eon in such a way
that all segments of the total market can afford to buy Eon. As a part of strategy Hyundai launched Eon’s base level variant (D-Lite) in Bangalore at Rs.2.73 lakhs ex-showroom price. Hyundai launched another variant of Eon i.e Era and Magna with power steering and AC whose ex-showroom price were Rs.3.19 lakh and 3.41 lakh, about Rs.25,000 cheaper than Santro with almost similar features.

Hyundai claimed that Eon scores more over Alto in terms of higher mileage, power, torque, and superior AC cooling, large boot space and it is more spacious than Alto. Though the price of Eon is slight more than Alto but still Eon is considered as the car for first time buyers. Presently to boost the sales of Eon, Hyundai adopted competitive pricing strategy.124

As far as Accent is concerned initially Hyundai adopted parity pricing strategy & for Sonata, Elantra and Verna is concerned, highlighting its innovative & unique features, Hyundai adopted skimming pricing strategy to target the upper class customers.

**Distribution Strategy**

Distribution channels are an important part of any organization to deliver their products and services to consumer properly. The necessity for channels of distribution arises because the product has to move to the customer from the factory, in the right quantity, at the right time and at the right place. In today’s stiff competition companies became very proactive as companies now realized that, if they want to delight & retain their customers for long period of time & if companies want to create a good image in national as well as at globe then it is not only vital to offer good quality products but it is most vital to deliver that product within time to the customer so that the needs and wants of customers will be fulfilled. The operational success of a company not only depends on how well it performs in terms of sales and production but also on how well its entire channels of distribution compete with competitors channels.

In an era when just in time is being used as an effective tool to reduce inventory and cut costs. It is crucial for automobile companies to maintain as low an inventory is possible. Also in times when competition is passionate and the customer has more than one choice, it is important that the automobile manufacturers ensure that the cars are with the dealers spread across the country to deliver to their customer on the
promised date, for that, it is vital to frame ideal logistics strategies. The business firms may develop both cost based and differentiation based strategies to make their supply chains competitive.

Hyundai Motor India Limited is one of the India’s pioneer automobile companies & wholly owned subsidiary of Hyundai Motor Company. When Hyundai Motor had decided to enter in India, the market was highly dominated by mainly Maruti Suzuki India Limited and Tata Motors.

Before entering in India, Hyundai Motor had studied the Indian automobile market carefully along with the needs and requirements of Indian customers. Hyundai knew that the Indian automobile market has lot of potential & scope for expansion. Hyundai started its production plant at Irrungattukotai near Chennai in 1996. Considering the demand of Indian automobile customer especially middle class segment, Hyundai Motor decided to launch its first and most successful vehicle Santro which was a runaway success.

Initially, Hyundai Motor’s production was 1,00,000 units a year. For better production in time, Hyundai tied up with vendors to ensure timely delivery of components at the factory. Hyundai knew that providing the vendors with a schedule of supply and keeping in regular touch with them is very crucial for the supply chain to run smoothly. Hence as a part of strategy & to cope up with sudden demand & supply, Hyundai shared its production schedule well in advance with the component suppliers, keeping them informed of any changes planned to the schedule. Commenting on this strategy, Mr.A.P.Gandhi, President-Hyundai Motor India Limited pointed out that a lot of thought has gone into vendor development. Hyundai Motors India has brought in 14 suppliers which were also suppliers to its parent company in Korea.

Hyundai Motor has always been fulfilling the needs of customers in time. For this the credit goes to the Hyundai’s suppliers located in the vicinity of its factory making it that much easier for Hyundai to move the components to the plant.

As far as vehicle movement is concerned, the finished vehicle when moved from the assembly line, Hyundai uses rail to transport a larger number of cars. Commenting on the strategy, Mr.Gandhi stated that moving cars by rail is cheaper and takes less time
than moving them by trucks. Besides, there is almost no damage when the cars are moved by rail. Hyundai presently is able to send a full rake load of cars and hence always like to move as many cars as possible by rail. As there is absence of rail link at Sriperumbudur industrial belt, hence Hyundai loads the cars at Tiruvallur, a short distance from factory. After reaching to its destinations, Hyundai Motors move those cars using only closed trucks.\textsuperscript{125}

Hyundai has its own logistics company named Hyundai Glovis India Private Limited through which Hyundai vehicles transported across India & delivered to the dealers. It is an international logistics management company which is a group of Hyundai Motor Company. Hyundai Glovis provides ocean transportation, air transportation, inland transportation, logistics consulting, storage, packaging services as well as supply chain management services. Hyundai Glovis started its operations in India in the year 2006. The first service was offered to its parent company Hyundai Motor India in year 2007. Presently Hyundai Glovis transports more than six lakhs cars per year out of which it transports four lakh cars to its dealers in the domestic segment across India whereas two lakh fifty thousand cars in the export segment per year. The cars delivered to dealers in its closed trucks with proper safety. Glovis India ensures competitive transportation price, high safety, service variety, order configuration, flexibility and transparency while maintaining time and points of contacts. Glovis India provides warehouse facility for export and import cargoes. The warehouse is covered with adequate safety, security and storage facilities. Glovis India is also having a closed warehouse of 1200 Sq.M which is designed with two ramp facilities for loading and unloading.\textsuperscript{126}

As a part of innovative step, Hyundai Motor has provided a support to its dealers in India through G.D.M.S (Global Dealer Management Service) where all the dealers were link up the entire network with the company’s main computer system for onsite support facility.

A company may produce the best products but still not do well if its dealers perform poorly in sales and service against the competitor’s dealers. Considering this fact, Hyundai Motors has set up a wide and strong dealer network of 400 dealers & 900 service centers in each and every corner of India to cater the needs and wants of customers. Also considering the potential market in rural areas and as a part of
expansion & distribution strategy, in year 2011, Hyundai Motors India Limited builds a strong network of 1000 rural outlets to reach to rural consumers.

On the basis of above discussions a few observations can be summarized as under-

1. It was observed that today, Maruti Suzuki India Limited & Hyundai Motor India Limited are the renowned automobile giants who have occupied prominent place in Indian automobile industry especially in passenger vehicle segment because of their innovative and unique branding & marketing strategies.

2. It was disclosed that Maruti Suzuki has dominated the Indian passenger vehicle industry and grabbed number one position because of its wide variety of vehicles to various classes of customers, good mileage, better after sales service and continuous innovations.

3. It was noticed that considering the potential market in rural areas and as a part of strategy, Maruti Suzuki has focused on organizing various events in rural areas like Gramin Mahotsav, Video on Wheels campaign to promote its brands. Maruti’s few unique promotional strategies include Teacher plus scheme, 2599 scheme etc. Maruti Suzuki, has adopted innovative advertising strategy, for wide coverage and target the large audiences Maruti has presently promoted its brands with the help of social networking sites like Face book, Twitter etc.

4. It was revealed that, Hyundai Motor India Limited is the second largest passenger vehicle manufacturer after Maruti Suzuki. To compete with the competitors, Hyundai Motor fulfilled the expectations of customers by providing them technologically advanced vehicles with value added and innovative features. Presently, Hyundai motor is also considered as the largest exporter of automobiles to European countries.

5. It was noticed that as a part of expansion strategy, Hyundai Motors has opened 1,000 rural outlets across India to tap the rural customers. Hyundai Motors few unique marketing strategies include Hyundai Utsav, Miles and Smiles rally, Hyundai Hattrick, Sports marketing i.e association with ICC cricket etc. Hyundai has adopted aggressive advertising strategy to promote its brands and with an object to target the youths Hyundai is promoting and advertising its brands through digital media.
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