

Marketing Management

**Text and Cases
An Indian Perspective**

4th Edition

Dr. R.L. Varshney • Dr. S.L. Gupta



Marketing Management

Text and Cases: An Indian Perspective

Dr. R.L. Varshney

*M. Com, Ph. D
Ex. Director*

Indian Institute of Foreign Trade
New Delhi

Dr. S.L. Gupta

*M.Com, M.B.A, Ph.D
Professor*

Birla Institute of Technology
Noida, Uttar Pradesh



Sultan Chand & Sons®
*Educational Publishers
New Delhi*

SULTAN CHAND & SONS®

Educational Publishers

23, Daryaganj, New Delhi-110 002

Phones : 011-23281876, 23266105, 41625022 (Showroom & Shop)

011-23247051, 40234454 (*Office*)

E-Mail : sultanchand74@yahoo.com; info@sultanchandandsons.com

Fax : 011-23266357; Website : www.sultanchandandsons.com

ISBN : 978-93-91820-78-7 (TC-822)

Price : ₹ 795.00

Third Edition: 2005 ; Reprint: 2016

Fourth Edition: 2026

EVERY GENUINE COPY OF THIS BOOK HAS A HOLOGRAM



In our endeavour to protect you against counterfeit/fake books, we have pasted a copper hologram over the cover of this book. The hologram displays the full visual image, unique 3D multi-level, multi-colour effects of our logo from different angles when tilted or properly illuminated under a single light source, such as 3D depth effect, kinetic effect, pearl effect, gradient effect, trailing effect, emboss effect, glitter effect, randomly sparkling tiny dots, micro text, laser numbering, etc.

A fake hologram does not display all these effects.

Always ask the bookseller to put his stamp on the first page of this book.

All Rights Reserved: No part of this book, including its style and presentation, can be reproduced, stored in a retrieval system, or transmitted in any form or by any means – electronic, mechanical, photocopying, recording or otherwise without the prior written consent of the publishers. Exclusive publication, promotion and distribution rights reserved with the Publishers.

Warning: An unauthorised act done in relation to a copyright work may result in both civil claim for damages and criminal prosecution.

Special Note: Photocopy or Xeroxing of educational books without the written permission of publishers is illegal and against Copyright Act. Buying and Selling of pirated books is a criminal offence. Publication of a key to this book is strictly prohibited.

General: While every effort has been made to present authentic information and avoid errors, the author and the publishers are not responsible for the consequences of any action taken on the basis of this book.

Limits of Liability/Disclaimer of Warranty: The publisher and the author make no representation or warranties with respect to the accuracy or completeness of the contents of this work and specifically disclaim all warranties, including without limitation warranties of fitness for a particular purpose. No warranty may be created or extended by sales or promotional materials. The advice and strategies contained therein may not be suitable for every situation. This work is sold with the understanding that the publisher is not engaged in rendering legal, accounting, or other professional services. If professional assistance is required, the services of a competent professional person should be sought. Neither the publishers nor the author shall be liable for damages arising herefrom.

Disclaimer: The publishers have taken all care to ensure highest standard of quality as regards typesetting, proofreading, accuracy of textual material, printing and binding. However, they accept no responsibility for any loss occasioned as a result of any misprint or mistake found in this publication.

Author's Acknowledgement: The writing of a Textbook always involves creation of a huge debt towards innumerable authors and publications. We owe our gratitude to all of them. We acknowledge our indebtedness in extensive footnotes throughout the book. If, for any reason, any acknowledgement has been left out we beg to be excused. We assure to carry out correction in the subsequent edition, as and when it is known.

Preface

P

This Fourth Edition of *Marketing Management – Text and Cases: An Indian Perspective* brings together the purpose and strengths of earlier editions into one unified and enriched preface. The book was originally created to fill a critical gap in marketing literature: the absence of textbooks that explain marketing concepts within the Indian context. While many global books offer valuable insights, they do not fully address the unique characteristics, challenges, and opportunities present in the Indian market. This edition continues to build on that foundation, emphasizing Indian products, Indian companies, local market conditions, and examples from both national and multinational firms operating in the country.

India's economy has witnessed significant transformation over the years. Growing incomes, expanding consumer aspirations, increasing competition, liberalized policies, and the steady entry of multinational brands have reshaped the marketing environment. The shift from a sellers' market to a buyers' market has made customer value, innovation, and strategic marketing more important than ever. Today, the success of a business depends greatly on how effectively it understands consumer needs and implements its marketing functions.

In this rapidly changing environment, access to reliable, timely, and relevant information has become essential. Marketing research has therefore evolved into a crucial decision-making tool. With abundant data available through business journals, economic dailies, research publications, and expert analyses, marketers can now make more informed decisions. This edition draws extensively from such sources and incorporates updated examples, insights, and discussions to reflect the realities of the Indian business world.

Case methodology, a widely used approach in management education, continues to be a vital component of this edition. Cases allow students and practitioners to apply theoretical concepts to real business situations. They encourage analytical thinking, problem diagnosis, and decision-making based on factual evidence. In this edition, the case studies have been further revised, expanded, and aligned with current market trends to provide richer learning experiences.

This Fourth Edition also integrates improvements drawn from years of feedback from teachers, students, professionals, and reviewers. The content has been thoroughly revised and expanded to include new chapters, updated exercises, and modern applications that address emerging marketing practices and technologies. Our goal remains to offer a comprehensive, practical, and relevant resource for students of MBA, M.Com., MBE, BBA, BBS, B.Com., PGDBM, PGDMM, and for industry practitioners seeking deeper marketing insights.

We extend our sincere gratitude to all who contributed to the development of this edition. Their valuable suggestions and support have helped make this book more refined, more relevant, and more beneficial. We remain committed to continuous improvement and welcome further feedback for enhancing future editions.

Dr. R.L. Varshney

Dr. S.L. Gupta

Contents



C

Unit-I: Fundamentals of Marketing

1. Introducing Marketing	3
<i>Learning Outcomes</i>	3
Inception of The Chapter	4
Origin of Marketing	4
Contributions to the Development of Marketing Thoughts.....	4
The Evolution of Marketing.....	5
What is Marketing?	5
Definitions of Marketing.....	6
<i>Caselet 1.1: Wipro Marketing Strategy</i>	6
Difference between Marketing and Selling	7
What is Utility in Marketing?	7
The Four Types of Utility in Marketing	7
Core Concepts of Marketing	8
Needs, Wants, and Demands.....	9
Product, Service and Experience	10
Value and Satisfaction.....	10
Exchange and Transaction	10
Market	11
Nature of Marketing	11
Functions of Marketing	12
Functions of Exchange.....	12
Functions of Physical Distribution.....	13
Functions of Facilities.....	13
Marketing Management	14
Role of Marketing Management	14
Prerequisites for a Marketing Activity	14

Marketing Management Philosophies or Concepts	15
Production Concept	15
Real Life Example of Production Concept	15
Product Concept	15
Real Life Example of Product Concept	16
Selling Concept	16
Real Life Example of Selling Concept.....	16
Marketing Concept.....	16
Real Life Example of Marketing Concept	17
Societal Marketing Concept.....	17
Real Life Example of Societal Marketing Concept	18
Holistic Marketing Concept	18
Real Life Example of Holistic Marketing Concept	18
How Business and Marketing are Changing?	18
Scope of Marketing	19
Areas of Study in Marketing Management	20
<i>Caselet 1.2: P&G's Consumer-Driven Innovation</i>	21
What is a Marketing Process?	21
The 5 Steps of a Marketing Process	21
Understand the Marketplace and your Customers.....	22
Develop a Customer-Driven Marketing Strategy.....	22
Deliver High Customer Value.....	22
Grow Profitable Customer Relations	22
Capture Value from Customer	22
Creating Impenetrable Customer Loyalty.....	23
Usage Segmentation.....	23
Customer Identification.....	23
One-to-one Marketing.....	23
Impact of Globalisation on the Indian Marketing Scenario.....	23
Summary	24
<i>Multiple Choice Questions</i>	25
<i>Practical Assignment</i>	27
<i>Review Questions</i>	27
Appendix 1.1: Types of Goods	28
Appendix 1.2: Marketing Myopia Theodore Levitt	29
2. Marketing Environment	31
<i>Learning Outcomes</i>	31
Inception of The Chapter	32
What is The Marketing Environment?.....	32
Features of Marketing Environment	32
Nature of The Marketing Environment	33
What is Marketing Environment Analysis?	33
Importance of Environment Analysis	34
Need for Environmental Analysis	34
Factors Involved in Marketing Environmental Analysis	36
Micro Environment	36
The Customers	36
The Competitors.....	36
The Suppliers	37
The Middlemen.....	37
Shareholders	37
Macro Environment	37
Economic Environment	37

Demographic Environment	38
Socio-cultural Environment	38
Technological Environment	39
Political Environment	40
<i>Caselet 2.1:</i> How Political Environment Affects Persistent Systems	41
Legal Environment	42
Global Environment.....	42
How to Conduct Marketing Environment Analysis.....	42
Scanning.....	42
Monitoring.....	43
Forecasting	43
Assessment.....	43
What is Environmental Scanning.....	43
Techniques of Environmental Scanning	43
SWOT Analysis	43
PESTLE Analysis.....	44
ETOP Analysis	44
Competitor Analysis.....	44
Summary.....	45
<i>Multiple Choice Questions</i>	46
<i>Practical Assignment</i>	48
<i>Review Questions</i>	48
<i>Appendix 2.1:</i> Adidas: A Global Sportswear Powerhouse – Pestle Analysis	49
<i>Appendix 2.1:</i> SWOT Analysis of Patanjali.....	50
3. Marketing Mix	53
<i>Learning Outcomes</i>	53
Inception of The Chapter	54
What is Marketing Mix?	54
The Four Ps of Marketing	55
Product Mix.....	55
<i>Caselet 3.1:</i> Bajaj Auto Limited: A Strategic Analysis of Product Line and Range.....	56
Price Mix.....	57
Examples.....	57
Place Mix	58
Example	58
<i>Caselet 3.2:</i> Reliance Retail's Place Mix Strategy	59
Promotional Mix	59
The Four Ps of Marketing Mix Operate within the Business Environment	60
Elements of the Marketing Mix of Manufacturer.....	61
Marketing Mix of four Big Players of the Washing Machine Industry.....	62
Whirlpool Corporation.....	62
Marketing Mix for Whirlpool Washing Machines.....	63
IFB (Indian Fine Blanks Limited)	63
Marketing Mix for IFB Washing Machines.....	63
Haier	63
Marketing Mix for Haier Washing Machines	64
LG	64
Marketing Mix for LG Washing Machines.....	64
The Integrated Marketing Mix – Translating The Four Ps Into the Four Cs	64
Understanding the Four Ps and Four Cs in Marketing	65
The Digital Marketing Mix: How the Four P's Have Evolved in the age of Internet Marketing.....	66
Defining the 7Ps of The Digital Marketing Mix	66
Product.....	66

Price	66
Place.....	66
Promotion	66
People	67
Process	67
Physical Evidence	67
Understanding The Relationship Between Marketing Mix and Marketing Strategy	67
Summary	68
<i>Multiple Choice Questions.....</i>	68
<i>Practical Assignment</i>	69
<i>Review Questions</i>	70
Appendix 3.1: Ikea's Marketing Mix: A 7Ps Analysis	70
4. Market Segmentation	73
<i>Learning Outcomes</i>	73
Inception of The Chapter	74
What is Market Segmentation?	74
Criteria for Market Segmentation	74
Bases for Market Segmentation	75
Geographic Segmentation	75
Demographic Segmentation.....	76
Psychographic Segmentation	76
Buyer Behaviour Segmentation	77
Volume Segmentation	78
Benefit Segmentation	78
Selecting The Market Segment	79
Practical Requirements of Market Segmentation.....	80
Advantages of Market Segmentation.....	80
Segmentation of Markets for Industrial Goods.....	81
Segmentation Bases for Institutional Markets	81
Examples of Market Segmentation	82
Cigarettes.....	82
Refrigerators.....	82
Washing Machines	82
Airline Services.....	82
Banking Services.....	82
Approaches to Market Segmentation	82
Example of Segmental Analysis.....	84
Brooke Bond Lipton India Ltd. Ice Creams	84
Bases of Segmentation	85
Air-conditioners	85
Paints	86
<i>Caselet 4.1: Segmental Analysis: Tailoring Your Sneaker</i>	
<i>Strategy To Different Customer Types</i>	86
Applying Market Segmentation in Targeting and Positioning.....	88
Summary	88
<i>Multiple Choice Questions.....</i>	90
<i>Practical Assignment</i>	91
<i>Review Questions</i>	91
Appendix 4.1: The Economics of Market Segmentation	92
Appendix 4.2: Toothpaste Market Size and Segmentation	93
Appendix 4.3: Marketing To College Students	94
5. Market Targeting and Positioning	95
<i>Learning Outcomes</i>	95

Inception Of The Chapter.....	96
What Is Target Market?.....	96
Guidelines for Selecting Target Market.....	96
<i>Caselet 5.1:</i> Oneplus Conquering The Indian Smartphone Market Through Value and Community	97
Approaches To Target Market.....	98
Undifferentiated Marketing (Mass Marketing).....	98
Differentiated Marketing (Multiple Segmentation)	98
Concentrated Marketing.....	98
What is Product Positioning.....	99
Why Positioning?	100
Positioning of Products and Services.....	100
Effective Positioning	101
<i>Caselet 5.2:</i> Product Positioning of Maggi: An Overview	102
Positioning The Intangibles.....	103
<i>Caselet 5.3:</i> Positioning in Marketing: A Case Study of LG Televisions	104
<i>Caselet 5.4:</i> Positioning In Marketing: A Case Study of Apple's iPhone.....	105
Positioning Process	106
Market Positioning	107
Psychological Positioning	108
Objective Positioning.....	108
Subjective Positioning.....	109
Positioning Approaches.....	109
Positioning by Attributes, Features, or Customer Benefits	109
Positioning by Price Value.....	109
Positioning by Use of the Application.....	110
Positioning According to Users or Class of Users.....	110
Position Concerning Product Class.....	110
Positioning against Competition.....	110
Positioning by Endorsement.....	110
Positioning by Quality Dimensions	110
Positioning by Physical Evidence.....	112
Positioning by Process.....	112
Positioning Maps.....	113
Summary.....	115
<i>Multiple Choice Question</i>	116
<i>Practical Assignment</i>	118
<i>Review Questions</i>	118
Appendix 5.1: A Strategic Analysis of Volkswagen Group's Market Segmentation, Targeting, and Positioning Strategies	119
6. Marketing Planning and Strategies for Business Success	121
<i>Learning Outcomes</i>	121
Inception of The Chapter	122
What is Planning?	122
Importance of Planning.....	122
What is Marketing Planning?.....	123
Importance of Marketing Planning.....	123
What is Strategic Marketing Planning?	124
Steps in Strategic Marketing Planning.....	124
Strategic Marketing Decision Process	126
Nature of Marketing Planning.....	127
Corporate Planning	127
Long-term Planning	128

Short-term Planning	129
Strategic Marketing Planning	130
Strategic Business Units (SBUs)	130
Portfolio Based on SBU in Strategic Marketing Planning	130
The Marketing Planning Appraisal Process	130
External Appraisal	131
Internal appraisal	131
SWOT Analysis	132
<i>Caselet 6.1:</i> SWOT Analysis Pepsico	132
Gap Analysis	134
Forecasting	134
Strategic Marketing Planning Models	135
The Boston Consulting Group's Growth-Share Matrix (<i>BCG Model</i>)	135
General Electric Matrix (<i>GE Model</i>)	137
The Arthur D. Little (<i>ADL</i>) Model	139
Porter's Generic-Strategies Model	139
Marketing Elements: Functional Planning	141
Components of Marketing Functional Plans	141
Marketing Organisation Plan	141
Sales Forecast	141
Sales Plan	141
Product Plan	142
Distribution Plan	142
Sales Force Plan	143
Advertising and Sales Promotion Plan	143
What is Strategy?	143
Where Do We Wish To Go?	143
Where We Are?	144
How Do We Get There?	144
Strategic Approaches for Market Positioning	144
Market-Leader Strategies	144
Expand the Total Market Strategy	144
Defending Market Share Strategy	144
Expanding the Market Share Strategy	145
Market Follower Strategies	145
Following Closely	145
Following at a Distance	145
Following Selectively	145
Market Nichers' Strategies	145
Channel Specialist	146
Service Specialist	146
Product Feature Specialist	146
Product Line Specialist	146
Geographic Specialist	146
Specific Customer Specialist	146
Customer Size Specialist	146
Types of Marketing Strategies	146
Rivalry Strategies	146
Cost Leadership Strategy	146
<i>Caselet 6.2:</i> Walmart's Cost Leadership Strategy	147
Differentiation Strategy	149
<i>Caselet 6.3:</i> Differentiation Strategy of Tesla Inc.	150
Product Flanking Strategy	152
Confrontation Strategy	153

Defensive Strategy	153
Offensive Strategy.....	154
Demarketing Strategy	154
Remarketing Strategy.....	154
Growth Strategies.....	154
Growth Strategies for Existing Markets.....	154
Growth Strategies for New Markets.....	155
Consolidation Strategies	155
Functional Strategies.....	156
Product Strategies	156
Branding Strategies	157
<i>Caselet 6.4:</i> The Success of Comirnaty® (Pfizer-Biontech Covid-19 Vaccine).....	158
Positioning Strategies.....	159
Pricing Strategies	159
Distribution Strategies.....	159
Media Strategies.....	160
<i>Caselet 6.5:</i> Airbnb's Growth Through Effective Media Strategy	161
Sales Promotion Strategies.....	163
Summary.....	165
Multiple Choice Questions.....	167
Practical Assignment	168
Review Questions	169
Appendix 6.1: Colgate-Palmolive India Ltd (CPIL) – 2024	169

Unit-II: Marketing Research & Information

7. Marketing Information System	175
Learning Outcomes	175
Inception of The Chapter	176
What is Marketing Information System (<i>MIS</i>)?.....	176
Components of Marketing Information System.....	177
Internal Records	177
Marketing Intelligence	178
Marketing Research	178
Marketing Decision Support System (MDSS).....	178
<i>Caselet 7.1:</i> Marketing Information System (<i>MIS</i>) at Dell Technologies.....	178
Importance of Marketing Information System (<i>MIS</i>) in Modern Marketing	180
Evolution of The Marketing Information System.....	182
Levels of Marketing Management and their Differences	182
Strategic Level	183
Tactical Level	183
Marketing and Information	183
The Dimensions of Marketing Information Systems.....	184
Marketing Information System Design.....	184
Steps in Marketing Information System Design	184
Define the System.....	184
Source and Frequency Identification	184
Formats of <i>MIS</i>	184
Implementation	185
How Managers use the Marketing Information System?	185
Cross-functional use of <i>MIS</i>	185
Future Trends in Marketing Information Systems.....	186
Big Data and Analytics	186
<i>Caselet 7.2:</i> Reliance Jio's use of Big Data and Analytics.....	186

Artificial Intelligence (<i>AI</i>).....	187
Internet of Things (<i>IoT</i>)	187
Cloud Computing.....	188
Enhanced Data Privacy and Security.....	188
Functional Information Systems	188
Marketing Principles	189
Marketing Mix	189
<i>Summary</i>	189
<i>Multiple Choice Questions</i>	190
<i>Practical Assignment</i>	191
<i>Review Questions</i>	192
<i>Appendix 7.1:</i> Significance of MIS to the Banking Sector.....	192
8. Marketing Research	195
<i>Learning Outcomes</i>	195
Inception of the Chapter.....	196
What is Marketing Research?	196
Definition of Marketing Research.....	196
Why Marketing Research is Important?	197
Scope of Marketing Research	197
Role of Marketing Research.....	198
<i>Caselet 8.1:</i> Role of Marketing Research in the Development and Implementation of the <i>Aarogya Setu App</i>	198
Types of Marketing Research.....	200
Exploratory Research.....	200
Descriptive Research.....	200
Causal Research	201
Predictive Research.....	201
Diagnostic Research.....	201
Evaluative Research.....	201
Deductive Research.....	201
Inductive Research.....	202
Advantages of Marketing Research	202
Limitations of Marketing Research.....	202
General Limitations.....	203
Specific Limitations	203
Steps in Marketing Research.....	203
Identifying the Marketing Problem.....	203
Marketing Research Plan	204
Designing a Marketing Research Strategy.....	204
Collection of Data	204
Analysis of Collected Data	204
Preparation of the Research Report	204
Users of Marketing Research	206
Consumers.....	206
Market Intermediaries	207
Business Firm.....	207
Marketing Research Agencies.....	207
Government.....	207
Producers.....	207
Use of Scaling in Marketing Research.....	209
Types of Scales.....	209
Nominal Scale	209
Ordinal Scale.....	210

Interval Scale.....	210
Ratio Scale	211
Specialised Scale.....	211
Semantic Differential Scale.....	212
Thurstone Scale.....	212
Likert Scale	213
Constant Sum Scale.....	214
Paired Comparison Rating Scale	214
Methods of Data Collection	215
Primary Methods.....	215
Interview Method	216
Delphi Technique	218
Projective Techniques	218
Focus Group Interview	220
Questionnaire Method.....	220
Secondary Methods.....	221
Internal Sources of Secondary Data.....	221
External Sources of Secondary Data.....	221
Summary.....	221
<i>Multiple Choice Questions</i>	223
<i>Practical Assignment</i>	224
<i>Review Questions</i>	225
<i>Appendix 8.1:</i> Use of Data Mining and Data Warehousing in Marketing Research	225
<i>Appendix 8.2:</i> Dabur: Market Testing and Market Plan Implementation.....	238
<i>Appendix 8.3:</i> Questionnaire for The Consumers	239
<i>Appendix 8.4:</i> Questionnaire Formats for Marketing Strategy	230
9. Market Potential, Sales Forecasting and Budgeting	233
<i>Learning Outcomes</i>	233
Inception of The Chapter	234
What is Market Potential?.....	234
Factors Affecting Market Potential	235
Market Demand.....	235
Market Expenditure by the Industry.....	235
Market Environment	235
What is Market Forecast?.....	235
<i>Caselet 9.1:</i> Apple's Market Forecasting for iPhone 16	236
What is Sales Forecasting?.....	237
Role of Forecasting in Planning and Budgeting.....	237
Determining the Objective.....	238
Factors Involved in Sales Forecasting	239
Length of Forecasts	240
Purposes of Forecasting	240
Short-term Forecasting.....	240
Long-term Forecasting.....	241
Methods of Sales Forecasting	241
Survey of Buying Intention.....	241
Delphi Method	242
Collective Opinion	242
Analysis of Time Series and Trend Projections.....	243
Use of Economic Indicators.....	243
Controlled Experiments	244
Judgemental Approach.....	244
Forecasting Demand for new Products	244

Criteria of a Good Forecasting Method	245
Sales Budget.....	245
Classification of Sales Expenses.....	246
Significance of a Sales Budget.....	246
Estimating the Budgeted Selling Expenses	246
Standardising the Cost Factor	247
Procedure of Forming a Budget.....	247
Planning Patterns and Budgetary Procedures.....	247
Budgetary Procedure in Practical Life.....	248
Budget as a Control Measure.....	248
<i>Summary</i>	249
<i>Multiple Choice Questions</i>	250
<i>Practical Assignment</i>	251
<i>Review Questions</i>	252
<i>Appendix 9.1:</i> Sales Forecasting Techniques For New Products.....	252

Unit-III: Understanding Consumer Choices

10. Understanding Consumers and Consumer Behaviour	257
<i>Learning Outcomes</i>	257
Inception of The Chapter	258
Consumer Behaviour Defined	258
Why Study Consumer Behaviour?.....	259
For Corporates.....	259
For Non-profit Organisations:.....	259
For Government	259
For Legislation	259
For Demarketing Programmes	259
The 7 O's Framework in Consumer Behaviour	259
Who is the Consumer (Occupants)?	260
What does the Consumer Buy (Object)?	260
Why does the Consumer Buy (Objective)?	260
When do they Buy (Occasion)?	260
Where do they Buy (Outlets)?	260
How do they Buy (Operations)?	260
Who is Involved (Organisation)?	260
Factors Influencing Consumer Behaviour.....	261
Psychological Factors	261
Motivation.....	261
Perception	261
Learning.....	261
Attitudes.....	262
Personality and Self-concept	262
Socio-cultural Influences.....	262
Culture	262
Demographics	263
Social Class.....	263
Reference Groups.....	263
Family Influence	263
<i>Caselet 10.1:</i> Consumer Behaviour in the Purchase of Eyewear – Lenskart’s Convenience and Innovation Strategy.....	264
Different types of Buying Motives.....	265

Inherent and Learned Buying Motives	265
Emotional and Rational Buying Motives.....	266
Difference between Emotional and Rational Buying Motives.....	266
Consumer Buying Process	266
Steps in the Buying Decision Process.....	268
Problem Recognition.....	268
Information Search.....	268
Evaluation of Alternatives.....	269
Purchase Decision	270
Post-purchase Behaviour.....	271
Participants in The Buying Process	271
Types of Buying Behaviour	271
Complex Buying Behaviour	272
Dissonance Reducing Buying Behaviour	272
Variety-seeking Buyers' Behaviour	272
Habitual Buying Behaviour	272
Summary.....	273
<i>Multiple Choice Questions</i>	274
<i>Practical Assignment</i>	276
<i>Review Questions</i>	276
<i>Appendix 10. 1:</i> Role of Government in Influencing Consumer Behaviour and Marketing Decisions.....	276
11. Models of Consumer Behaviour	279
<i>Learning Outcomes</i>	279
Inception of The Chapter	280
Role of Models.....	280
Types of Models	280
Monadic Models of Consumer Behaviour.....	281
Elasticity Model	281
Response Hierarchy Model	281
Eclectic or Multivariable Models of Consumer Behaviour.....	281
The Black Box Model.....	281
The Howard-Sheth Model	282
The Howard-Ostlund Model.....	284
The Engel, Blackwell, and Miniard Model	284
The Nicosia Model	286
The Andreasen Model.....	287
The Product Adoption Model	288
The Model of Family Decision-Making.....	289
Summary.....	290
<i>Multiple Choice Questions</i>	291
<i>Practical Assignment</i>	292
<i>Review Questions</i>	293
<i>Appendix 11.1:</i> Consumer Protection Act, 1986	293
<i>Appendix 11.2:</i> Consumer Rights.....	294

Unit-IV: Product and Branding Decisions

12. Product Management – An Introduction from Planning to Positioning	299
<i>Learning Outcomes</i>	299
Inception of The Chapter	300
What is Product?	300
Layers of Product	301

Essential Features of Products and Services.....	301
Role of Product Manager in an Organisation	302
Decisions Which are Useful for Product Management	303
Factors to be Considered in Organising for Product Management	303
Approaches to Organise Product Management	303
Individual Product Manager.....	303
Several Product Managers.....	304
The Product Group Coordinator	304
Product Classifications	304
Durability and Tangibility Classification.....	304
Consumer Goods Classification.....	305
Industrial Goods Classification	305
Product Mix Decisions	306
Components of Product Mix.....	306
Structure of Product Mix	306
Product Mix Strategies.....	307
Expansion of Product Mix	308
Contracting or Dropping the Product Mix.....	308
Alteration of Existing Product	308
Development of New Uses for Existing Products	308
Trading-up and Trading-down	308
Product Differentiation and Market Segmentation	309
Product Positioning	309
Perceptual Mapping	309
Product Benefits	310
Segmentation.....	310
Product Categories	311
<i>Caselet 12.1:</i> Product Positioning Strategy of Nykaa	311
New Product Planning.....	312
The Role of New Product Development.....	313
Steps in New Product Development	313
Idea Generation	314
Screening the Ideas	314
Business Analysis.....	314
Developing the Product.....	315
Testing the Product.....	315
Concept Testing.....	315
Product Testing.....	316
Test Marketing	316
Commercialisation of the Product	317
Consumer Adoption Process	318
Elements of the Diffusion Process	318
Adoption Process	318
Adopter Categories	319
<i>Summary</i>	320
<i>Multiple Choice Questions</i>	322
<i>Practical Assignment</i>	324
<i>Review Questions</i>	324
<i>Appendix 12.1:</i> Measuring Customer Service Quality with the RATER Framework	325
13. Managing Products Life Cycle and Portfolio Strategies	327
<i>Learning Outcomes</i>	327
Inception of The Chapter	328
What is the Product Life Cycle (PLC)?	328

Definitions of Product Life Cycle (<i>PLC</i>).....	329
Levels of Product Life Cycle (<i>PLC</i>).....	329
Shapes of Product Life Cycle (<i>PLC</i>)	329
Product Life Cycle (<i>PLC</i>) Stages.....	330
Introduction Stage	330
Growth Stage.....	331
Maturity Stage.....	331
Saturation Stage	331
Decline Stage	331
Extending and Managing the Product Life Cycle (<i>PLC</i>).....	331
Factors Contributing to Short Product Life Cycles.....	331
Reviving Product Cycles.....	332
Impact of Fading Distinctiveness on Pricing.....	332
Adapting Pricing Strategies Across the Product Life Cycle.....	332
Characteristics of Product Life Cycle (<i>PLC</i>) Stages	332
Strategic Considerations in The Product Life Cycle (<i>PLC</i>) Concept.....	333
Introduction Stage	333
Rapid Skimming Strategy.....	333
Slow Skimming Strategy	333
Rapid Penetration Strategy.....	333
Slow Penetration Strategy	333
Caselet 13.1: The Google Glass: Failure at The Market Penetration Stage.....	333
Caselet 13.2: The Launch of Nothing Phone 1: Success in The Introduction stage of The Product Life Cycle	334
Growth Stage.....	336
Product Improvement.....	336
Expanding Distribution Channels.....	336
Promotion Shift.....	336
Maturity Stage.....	336
Market Modification	336
Product Modification.....	337
Decline Stage	337
Divesting.....	337
Harvesting.....	337
Product Life Cycle (<i>PLC</i>) Concept as a Guideline for Formulating and Implementing Marketing Strategy	337
Why Changes Occur in the Product Life Cycle (<i>PLC</i>)?.....	338
Portfolio Matrices.....	338
Types of Portfolio Matrices.....	338
The Boston Consulting Group's Growth-Share Matrix (<i>BCG Model</i>)	338
Practical Significance of <i>BCG Matrix</i>	341
Limitations of <i>BCG Matrix</i>	341
General Electric Matrix (<i>GE Model</i>)	342
Shell's Directional Policy Matrix.....	343
Arthur D. Little Company's Matrix	343
Hofer's Product/Market Evolution Matrix.....	344
Areas Excellence Through Portfolio Analysis	345
Summary	345
Multiple Choice Questions.....	347
Practical Assignment	349
Review Questions	349
Appendix 13.1: Corporate Diversification of Indian Companies.....	350
Appendix 13.2: The Product Life Cycle as A Decision-Maker.....	351

14. Branding Strategies and Brand Equity	353
<i>Learning Outcomes</i>	353
Inception of the Chapter.....	354
What is a Brand?	354
Selecting a Brand Name.....	354
What is Branding?.....	354
Advantages and Disadvantages of Branding.....	355
Advantages to Buyers.....	355
Disadvantages to Buyers	355
Advantages to Manufacturers.....	355
Brand Impact on Product Quality and Customer Trust	355
Types of Brands.....	356
Differences between Branding and Marketing.....	357
Brands as Valuable Tradable assets.....	357
Extent of Brand Loyalty.....	358
Mascots as Brands.....	359
Branding Decisions	359
Whether to Brand or Not	359
National Brand or Private Brand	360
Attributes to be Built into the Product.....	360
Family Brand and Individual Brand	360
Multibrand	361
Building A Brand.....	362
<i>Caselet 14.1:</i> Royal Stag – Building A Premium Whisky Brand in India	362
<i>Caselet 14.2:</i> Fabindia – Preserving Tradition while Building a Modern Brand.....	363
Brand Management	364
Branding Strategy	366
Brand Piracy.....	366
Brand Development	366
Brand Extension.....	367
Brand Rejuvenation.....	367
Brand Equity	368
The Brand Identity-What does it Comprise?	369
Kapferer's Brand Identity Prism-The Concept.....	369
How to Manage Brand Equity?.....	370
Assets and Liabilities	371
Value to Customer.....	372
Value to the Firm.....	372
Issues in Managing Brand Equity	372
Brand Equity—a Financial Concept	372
Value of Brand Equity	373
Brand Contribution Method.....	374
Discounted Cash Flow Method.....	374
Market Value Method.....	375
Inter-brand Method	375
Price Premium Method	375
Brand Goodwill Method	375
Summary	376
<i>Multiple Choice Questions</i>	378
<i>Practical Assignment</i>	379
<i>Review Questions</i>	379
Appendix 14.1: A Comparative Branding Strategy.....	380

15. Packaging Decisions and Innovations	383
<i>Learning Outcomes</i>	383
Inception of The Chapter	384
What is Packaging?	384
Differences between Packing and Packaging	384
Importance of Packaging	385
Role of Packaging as a Marketing Tool.....	386
Packaging—The Fifth ‘P’ of Marketing	386
Levels of Packaging.....	387
Primary Packaging	387
Secondary Packaging	387
Transportation Packaging.....	387
Type of Packages	387
Consumer Package.....	387
Bulk Package.....	388
Industrial Package	388
Dual-use Package	388
Key Qualities of Effective Packaging	388
Functions of Packaging	389
Protection	389
Appeal	389
Performance	389
Packaging for Convenience	389
Cost-effectiveness.....	389
Packaging Decisions	390
Other Useful Packaging Decisions	390
Innovative Packaging Strategies	390
<i>Caselet 15.1:</i> Paper Boat – Packaging as a key to Success.....	391
Evaluating a Package’s Effectiveness	392
Labelling an Essential Packaging Component.....	392
New Dimension of Labels	393
Summary.....	393
<i>Multiple Choice Questions</i>	394
<i>Practical Assignment</i>	395
<i>Review Questions</i>	396
Appendix 15.1: Product Packaging Decisions for Brand Success	396

Unit-V: Pricing and Distribution Decisions

16. Pricing Policies and Challenges	401
<i>Learning Outcomes</i>	401
Inception of The Chapter	402
What is Pricing?	402
The Importance of Price in Marketing.....	402
Guidelines for Formulating Price Policies	403
General Considerations in Pricing	403
Objectives of Pricing Policy.....	405
Additional Objectives Highlighted by Kotler.....	405
Consumer Psychology and Pricing	405
Price as a Signal of Product Quality	406
Kotlers Price Quality Strategies.....	407
Demand Factors in Pricing.....	408
Demand Elasticity and Price Policy.....	408

Cost Reduction, Elasticity of Demand, and Price Policy	408
Pricing Methods	409
Cost-Oriented Pricing Methods	409
Cost-Plus or Full-Cost Pricing	409
Pricing for a Rate of Return (Target Pricing)	410
Marginal Cost Pricing.....	411
Competition-Oriented Pricing Methods.....	412
Going-rate Pricing.....	412
Customary Prices	413
Pricing Strategies.....	414
Psychological Pricing.....	414
Premium Pricing	414
<i>Caselet 16.1:</i> Apple's Premium Pricing Strategy – The Success of the iPhone	415
Value-Based Pricing.....	416
Economy Pricing.....	416
Bundle Pricing.....	416
Dynamic Pricing	417
Freemium Pricing.....	417
Geographic Pricing	418
Penalty Pricing	418
Captive Pricing.....	418
Export Pricing	419
Dual Pricing	419
Administered Pricing	420
Transfer Pricing.....	421
Pricing Strategies across the Product Life Cycle.....	422
Pricing Strategies for New Products – Pioneer Pricing	422
The Key Question: Skimming Price or Penetration Price?	423
A High Initial Price (Skimming Price)	423
A Low Penetration Price	424
<i>Caselet 16.2:</i> IKEA's Penetration Pricing Strategy in India.....	425
Pricing New Products—Some Questions	425
Pricing for Mature Products.....	426
Price Policy for Products of Lasting Distinctiveness	426
Retail Pricing Strategies.....	426
Manufacturer-Suggested Pricing.....	427
Government and Trade Association Pricing	427
Market-Driven Pricing	427
Cost-Based Pricing.....	427
Loss Leader Pricing	427
Markup and Markdown Pricing.....	427
Team Pricing	427
Automatic Repricing	427
Pricing Policy in the Public Sector	427
Product-Line Coverage and Pricing	428
Multiple Products	428
Product-line Pricing	428
Summary	429
Multiple Choice Questions	430
Practical Assignment	431
Review Questions	432
Appendix 16.1: Price Discounts and Differentials	433
Appendix 16.2: Fundamentals which May Affect Price Decisions.....	434

17. Channels of Distribution	439
<i>Learning Outcomes</i>	439
Inception of The Chapter	440
What is a Distribution Channel?	440
Definitions of Distribution Channel?	440
Vertical Marketing System (VMS)	441
Horizontal Marketing System (HMS).	441
Marketing Intermediaries	441
Types of Channels	442
Direct Marketing Channel (or Zero Level)....	442
Indirect Marketing Channel	442
One-level Channel.....	442
Two-level Channel	443
Three-level Channel.....	443
Four-level Channel.....	443
Functions of Marketing Channel.....	443
Channel Strategy Decisions	444
Channel Selection Criteria	444
Market Factors	444
Product Factors	444
Producer/Manufacturer Factors.....	445
Distribution Intensity	445
Intensive Distribution.....	445
Selective Distribution.....	445
Exclusive Distribution.....	445
Channel Plan Finalisation	445
Primary Participants	446
Manufacturers	446
Key Issues in Determining Manufacturing Channel Requirements.....	446
Manufacturing Strategies	447
Wholesaler.....	447
Types of Wholesalers.....	447
Selecting Wholesalers	449
Issues in Using Wholesalers	449
Strategic Management of Wholesalers	450
Retailing	450
Importance/Role of Retailing in Marketing Channels.....	451
Retailing Functions in Distribution.....	451
The Relationship Between Retailers and Suppliers.....	451
Evolution of Retailing	452
The Wheel of Retailing	452
The Dialectic Process.....	453
The Retail Life Cycle.....	453
Selecting, Motivating and Evaluating Channel Members	453
Channel Decisions.....	453
Factors in Selection of Distribution Channels	454
<i>Caselet 17.1:</i> Procter & Gamble's Distribution Strategy – Expanding Market Reach	455
Motivation of Intermediaries.....	456
Performance Evaluation of Channel Member.....	458
Controlling The Distributor	458
Salesperson's Job at the Distributor's Place	459
Distributor's Objections	459
Controlling the Retailer.....	459
Jobs to be Done at the Retail Shop.....	460

Don'ts for a Salesperson	460
Retailer's Objections	460
Tools for Control	461
Contract	461
Power	461
Kinds of Control Devices	461
Reports and Budgets	462
Dealer Relations Index	462
Distribution Audit	462
Role of Manufacturer—Distributor Synergy in Business Growth	463
The Role of Technology in Making Distribution Channels More Efficient	465
<i>Summary</i>	465
<i>Multiple Choice Questions</i>	467
<i>Practical Assignment</i>	468
<i>Review Questions</i>	468
<i>Appendix 17.1: Distribution Cost Control</i>	469
18. Logistics and Physical Distribution Management	473
<i>Learning Outcomes</i>	473
Inception of The Chapter	474
What is Logistics?	474
Logistics Management: A Strategic Approach	475
Why Physical Distribution is Crucial in Business	475
Physical Distribution	476
Role of Physical Distribution in the Marketing Mix	476
Product Design	476
Pricing	476
Promotion	477
Objectives of Physical Distribution	477
Total Cost Goals	477
Customer Service Goals	477
Cost-Service Trade-offs	478
Logistics as a key Driver in Production and Sales	478
Types of Logistics	479
Supplier Logistics	479
Production/Corporate Logistics	479
Current Situation	480
Situation After Using <i>MLPS</i>	480
Specific Terms Under <i>MLPS</i>	481
<i>MLPS</i> Implementation Requirements	482
Training Requirements	482
Customer Logistics	483
Key Activities in Customer Logistics	483
Key Focus Areas in Customer Logistics	485
Functional Areas of Physical Distribution	485
Network Design	485
Information Technology	485
Transportation	485
Just-in-time (<i>JIT</i>) transport management	486
Benefits and Justification of <i>JIT</i> Implementation in Transport and Inventory Management	486
Inventory Management	487
Economic Order Quantity (<i>E.O.Q.</i>) – A Key Inventory Control Technique	488
Warehousing	490

Purposes of a Good Warehouse.....	490
Types of Warehouses	490
Factors Affecting Warehousing Choice.....	490
Materials Handling Equipment	491
Classification of Materials Handling System.....	491
Secondary Packaging	491
Physical Distribution—Tasks and Approaches	492
Physical Distribution.....	492
Manufacturing Support	492
Procurement	492
Understanding Selling and Distribution Costs	492
Importance of Distribution Cost Analysis in Logistics.....	493
Allocation of Distribution Costs	493
Analysis of Distribution Costs	494
Elements of Total Cost in the Physical Distribution System.....	494
Transportation Costs	494
Railway Cost.....	494
Freight Rate Structure in Road Transport.....	495
Cost of Airways	495
Costing of Seaways	495
Inventory Costs	496
Ordering Cost.....	496
Cost of Materials	496
Carrying Cost.....	496
Warehouse Costs	496
Material Costs	496
Packaging Costs	496
Customer Service Costs	496
Control System for Efficiency.....	497
Productivity Aspects and Logistics Management	497
The Impact of Distribution on Customer Satisfaction	498
<i>Caselet 18.1:</i> FedEx's Integration of Ground and Express Networks.....	499
Summary.....	500
<i>Multiple Choice Questions</i>	501
<i>Practical Assignment</i>	502
<i>Review Questions</i>	503
Appendix 18.1: Logistics and Adaptation to Change.....	503
Appendix 18.2: Distribution Channels in the Digital ERA.....	504
19. Retail and Direct Marketing Strategies	507
<i>Learning Outcomes</i>	507
Inception of The Chapter	508
What is Retailing?.....	508
Who Can Be a Retailer?.....	508
Traditional Retail Scene in India	509
Characteristics of Traditional Retail in India.....	509
Functions of Retailing	509
Importance of Retailing.....	510
Three Basic Tasks of Retailing	511
Key Elements of the Retail Mix	512
Globalisation of Retailing	513
Winds of Change in the Retail Industry	513
Retail Economics in India.....	513
Turnaround in Indian Retail.....	513

Consumerism Cycle in Retailing	514
The Rise of Organised Retail and E-Commerce.....	514
Financial Growth and Market Expansion	514
Agmarknet – Revolutionising Agricultural Retail	514
The Future of Retail in India	515
Retail Environmental Analysis.....	515
Political Environment	515
Economic Environment.....	516
Social (Socio-cultural) Environment	516
Technological Environment	517
Retailing Responding to Demographic Trends	517
Types of Retail Marketing.....	518
In-Store Marketing.....	518
Traditional Marketing	518
Digital Marketing.....	518
Omnichannel Marketing	519
Direct Marketing.....	519
Experiential Marketing	519
Seasonal and Event-Based Marketing	520
Guerrilla Marketing.....	520
Loyalty and Relationship Marketing	520
Theories of Retail Evolution	520
Cyclical Theories	521
The Wheel of Retailing.....	521
The Accordion Theory.....	521
Evolution Theories	522
Dialectic Process Theory.....	522
Natural Selection Theory.....	523
Changes in Consumer Values.....	523
Social Consciousness	523
Value-oriented Customers	523
Cocooning	523
What is Direct Marketing?	523
Three basic Properties of Direct Marketing.....	524
Methods of Direct Selling	525
Telemarketing: Selling Over the Phone	525
Sales on the Internet (E-Commerce).....	525
Mail Order Sales	526
Direct Selling	526
Lessons Learnt by Direct Marketers	527
Advantages of Direct Marketing	527
Disadvantages of Direct Marketing	528
Types of Direct Marketing	529
Face-to-Face Marketing	529
Door-to-Door Marketing.....	529
Kiosk Marketing	529
Leaflet Distribution	529
Telemarketing.....	529
E-mail Marketing	529
Targeted Digital Advertising.....	530
SMS and Mobile Marketing	530
Direct Mail Marketing	530
Catalogue Marketing.....	530
<i>Caselet 19.1: Direct Marketing Strategy of Amway India</i>	530

<i>Summary</i>	531
<i>Multiple Choice Questions</i>	533
<i>Practical Assignment</i>	534
<i>Review Questions</i>	535
<i>Appendix 19.1:</i> Creating an Effective Retail Strategy	535

Unit-VI: Integrated Marketing Communications

20. Advertising Management	539
<i>Learning Outcomes</i>	539
Inception of the Chapter.....	540
Advertising as a Key Promotional Tool.....	540
What is Advertising?.....	540
Definitions of Advertising.....	541
Importance of Advertising.....	541
Advertising as a Source of Information.....	541
Pricing Concerns.....	541
Manufacturer's Concerns.....	541
Fundamental Right of Freedom of Speech.....	542
Boosting Production and Employment.....	542
Economic Growth of Country.....	543
Growth of Firms and Market Share.....	543
Preventing Monopolies and Encouraging New Entrants.....	543
Consumer Demand and Lifestyle Changes	543
Advertisement and Sales Promotion	543
Developing The Advertising Programme.....	544
Advertising Goals.....	545
Need to Set Advertising Objectives	545
Various Approaches for Setting Advertising Objectives.....	546
DAGMAR Approach.....	546
Awareness	547
Comprehension	547
Conviction.....	547
Action	547
Product Life Cycle Approach.....	548
Introduction Stage	548
Growth Stage.....	548
Maturity Stage.....	548
Decline Stage	548
Primary and Selective Demand Theory	549
Informative Advertising	549
Persuasive Advertising	549
Surrogate Advertising	549
AIDA Model (Planning the Best Message—What to Communicate).....	549
Attention	549
Holding Interest.....	549
Arousing Desire	550
Obtaining Action is Important	550
<i>Caselet 20.1:</i> Tata Salt – “Desh Ka Namak” Campaign.....	550
Media Profile for Advertising.....	552
Role of Media	552
Media Planning	552
Media Selection.....	552

Media Planning Process	553
Media Selection for Rural Marketing	553
Media Selection Decisions.....	553
Advertising Agencies	555
Functions of Ad Agencies	556
Clients' Expectations.....	556
Agency Education Parameters	557
Measuring Advertising Effectiveness.....	558
Communication Effect Analysis.	558
Pre-Testing Ads	558
Post-Testing Ads.....	560
Sales Effect Research.....	561
Pre-Testing Sales Impact	561
Post-Testing Sales Impact.....	562
Determining Advertisement Outlays.....	563
Advertising In India	564
Early Beginnings of Advertising in India	565
Major Phases of Advertising in India	565
Evolution of Advertising Mediums in India	565
Print Advertising	565
Cinema & Radio Advertising.....	565
Television Advertising	565
Out-of-Home (OOH) Advertising	565
The Golden Age of Indian Advertising (1980s-1990s)	566
Digital Advertising Revolution	566
Future of Advertising in India.....	566
Advertising Regulations in India	566
Legal Framework for Advertising in India	566
Advertising Regulatory Bodies in India	567
Why should there be Regulations on Advertising?	567
How Advertising Regulations Work in India?.....	568
Good Advertisement in India	569
Amul Butter- “Utterly Butterly Delicious”.....	569
Cadbury Dairy Milk – “Kuch Acha Ho Jaye, Kuch Meetha Ho Jaye”.....	569
Fevicol – “Fevicol Ka Jod Hai, Tootega Nah!”	570
Surf Excel – “Daag Achhe Hain”	570
Airtel – “Har Ek Friend Zaroori Hota Hai”.....	571
Impact of AI on Advertising.....	571
Key AI Applications in Advertising.....	571
Summary	572
<i>Multiple Choice Questions</i>	574
<i>Practical Assignment</i>	576
<i>Review Questions</i>	577
Appendix 20.I: What Is International Advertising?.....	578
21. Sales Promotion in Modern Marketing: Strategies, Tools and Evaluation	579
<i>Learning Outcomes</i>	579
Inception of The Chapter	580
How are Sales Affected by Sales Promotions?	580
Brand Switching.....	580
Repeat Buying.....	581
Purchase Acceleration and Stockpiling Behaviour.....	582
Category Expansion and Increased Usage.....	582
Sales Promotion Design Issues	583

Promotion Choice	583
Immediate Value Offer vs. Delayed Value Offer.....	584
Price-cut vs. Extra Value Offer.....	584
Product Choice.....	585
Choice of Market Areas	586
Promotion Timing, Duration and Frequency	586
Sales Promotion Evaluation	588
Pre-testing	588
Concurrent Testing	588
Post-Testing.....	589
Planning Guidelines for Sales Promotion Campaigns	590
Types of Sales Promotions	592
Sales Promotion Tools and Techniques.....	593
Price Deals.....	594
Price Discounts	594
Advantages of Price Deals.....	595
Disadvantages of Price Deals.....	595
Bonus-Packs	595
Price-Pack or Value-Pack Offers.....	595
Banded Packs	595
BOGO Offers (Buy One, Get One Free).....	596
Mixed or Complementary Product Packs	596
Advantages of Bonus Packs.....	596
Disadvantages of Bonus Packs	596
Refund and Rebates.....	596
Cashback Offers	597
Full Refund Offers	597
Partial Rebate Offers	597
Loyalty-Based Refunds	597
Retailer-Level Refund Policies	597
Advantages of Refunds and Rebates	597
Disadvantages of Refunds and Rebates	598
Coupon	598
Retailer and Manufacturer Coupons	599
Media Distributed Coupons	599
Product Distributed Coupons	599
Direct-to-Consumer Distribution	599
Advantages of Coupons	599
Disadvantages of Coupons	600
Contests and Sweepstakes.....	601
Advantages of Contests and Sweepstakes	602
Disadvantages of Contests and Sweepstakes.....	602
Premiums.....	603
In-Pack Premiums	603
On-Pack Premiums	603
Near-Pack Premiums.....	603
Container Premiums.....	603
Free-in-Mail Premiums	603
Self-Liquidating Premiums	604
Advantages of Premiums	604
Disadvantages of Premiums	604
Sampling.....	604
Advantages of Sampling	605
Disadvantages of Sampling.....	605

Continuity Programmes (Loyalty Programmes)	605
Advantages of Loyalty Programmes.....	605
Disadvantages of Loyalty Programmes	605
Trade Coupons.....	605
Advantages of Trade Coupons.....	605
Disadvantages of Trade Coupons.....	606
Trade Allowances and Deals	606
Advantages of Trade Allowances and Deals	606
Disadvantages of Trade Allowances and Deals	606
Exchange Offers	606
Advantages of Exchange Offers.....	606
Disadvantages of Exchange Offers	606
Displays, Trade Fairs, Exhibitions and Event Sponsorships	606
Advantages of Displays and Sponsorships	607
Disadvantages of Displays and Sponsorships.....	607
<i>Caelet 21.1: Haldiram's Cashback offer with Paytm – A Smart Sales Promotion Strategy.....</i>	607
<i>Summary.....</i>	608
<i>Multiple Choice Questions.....</i>	609
<i>Practical Assignment</i>	611
<i>Review Questions</i>	612
<i>Appendix 21.1: Importance of Coordinating Sales Promotion with Advertising and Personal Selling</i>	613
22. Sales Management and Public Relations	615
<i>Learning Outcomes</i>	615
Inception of The Chapter	616
What is Sales Management?	616
Role of Sales Management in Marketing	616
Managing The Salesforce.....	617
Organisation	618
Strength and Qualification	618
Compensation and Incentive systems	618
Steps in Designing and Managing a Salesforce.....	619
Objectives Setting	619
Training for Sales Policies	619
Designing the Sales Force: Structure and Size	619
Deciding Sales Force: Compensation	620
Recruiting and Selecting the Salesforce	620
Guiding and Motivating the Salesforce	620
Performance Rating of Salesforce	620
Organising and Managing a Salesforce	620
Sales Territory Allocation	620
Deployment Based on Product and Consumer Needs	620
Training and Development of the Salesforce	621
Regular Meetings and Discussions	621
Sales Manager's Duties and Responsibilities	621
Problems of Sales Management.....	622
Designing and Managing Salesforce	623
Salesforce Authority.....	623
Target-Setting	623
Sales Forecasting.....	623
Sales Management—Formulation of Sales Strategy	623
Relationship Based Strategy	624

The Double-Win Strategy	624
Instant Service Strategy	625
Hard Sell <i>Versus</i> Soft Sell Strategy	626
Integrated Sales Strategies	626
Client-centred Selling Strategy	627
Methods of Selling	628
Telemarketing (Selling Concepts on the Phone)	628
Internet Selling (Online Sales).....	628
Mail Order Sales	628
Selling through Large Fixed Retailers.....	629
Selling through Wholesalers and Retailers.....	629
What is Public Relations?	629
Definitions of Public Relations	629
How is Public Relations used in Marketing?.....	629
Models of Public Relations	629
Press Agentry / Publicity Model	630
Public Information Model.....	630
Two-Way Asymmetric Model.....	630
Two-Way Symmetric Model.....	630
Roles of Public Relations Professionals.....	631
Expert Prescriber.....	631
Communication Technician.....	631
Communication Facilitator	631
Problem-Solving Process Facilitator.....	631
Acceptant Legitimiser.....	632
Brand Building Through Public Relations.....	632
Establishing Trust and Credibility	632
Creating an Emotional Connect.....	632
Reinforcing Brand Values and Identity.....	632
Differentiating from Competitors.....	632
<i>Caselet 22.1:</i> Modi – The Man who Turned Leadership into a Brand.....	633
Types of Public Relations Activities	634
Counselling	635
Research	635
Media Relations	635
Publicity	635
Employee/Member Relations.....	635
Community Relations	635
Financial Relations.....	635
Industry Relations	635
Development and Fund-Raising.....	636
Special Events	636
Tools of Public Relations	636
Press Release.....	636
Press Kits.....	636
Brochures	636
Newsletters.....	636
Annual Reports	636
Conferences and Seminars.....	637
Events.....	637
Social Media	637
Blogs and Thought Leadership Articles.....	637
Influencer Collaborations	637
Internal Communication Tools.....	637

<i>Summary</i>	637
<i>Multiple Choice Questions</i>	639
<i>Practical Assignment</i>	641
<i>Review Questions</i>	641
<i>Appendix 22.1: Digital Tools and Social Media:</i>	
The Game Changers of Modern PR.....	642
23. Personal Selling	643
<i>Learning Outcomes</i>	643
Inception of The Chapter	644
What is Personal Selling?.....	644
Definitions of Personal Selling	644
Importance of Personal Selling	644
Changing Face of Personal Selling	645
Efficacy of Personal Selling in The Marketing Mix	645
Personal Selling and Product Strategy.....	646
Personal Selling and Pricing Decisions	646
Personal Selling and Distribution	646
Personal Selling and Product Promotion	646
Steps in Personal Selling.....	646
Prospecting.....	646
Methods of Prospecting.....	647
Ferris Wheel Concept.....	647
Pre-approach	648
Significance of Pre-approach.....	648
Quality Usage of Prospecting Time	649
The Approach	649
Importance of a Successful Approach.....	649
Types of Approaches	649
Keys to a Successful Approach	650
Methods of Approach	651
Presentation and Demonstration	652
Presentation	652
Demonstration.....	653
Tackling the Objections	654
Types of Objections.....	654
How to Handle Objections.....	655
The Close	655
Follow-up	656
<i>Caselet 23.1: LIC India – Building Trust Through Personal Selling</i>	656
Technology and Tools in Personal Selling.....	657
Customer Relationship Management (CRM) Systems	657
Video Calling Platforms.....	658
E-mail Marketing Tools	658
Sales Automation Tools.....	658
Sales Analytics Tools	658
Social Selling Tools.....	658
Collaboration and Communication Tools	658
Difference between Personal Selling and other Promotional Tools.....	658
<i>Summary</i>	660
<i>Multiple Choice Questions</i>	661
<i>Practical Assignment</i>	662
<i>Review Questions</i>	663
<i>Appendix 22.1: Ethical Issues In Personal Selling</i>	663

Unit-VII: Specialised Marketing Areas

24. Service Marketing	667
<i>Learning Outcomes</i>	667
Inception of The Chapter	668
Nature and Classification of Market Offerings	668
The Concept of Service: Definition	669
Characteristics of Services	671
Intangibility	671
Inseparability	672
Perishability	672
Heterogeneity or Lack of Standardisation	672
Customer Participation	672
Ownership	672
The Service Marketing Mix	673
Product	673
Pricing	674
Promotion	675
Place	677
People	678
Physical evidence	679
Process	680
<i>Caselet 24.1:</i> Dr. Lal Pathlabs – India's Trusted brand in Diagnostic Services	681
<i>Caselet 24.2:</i> UrbanClap – Trusted Home Services at your Doorstep	682
Developing Marketing Strategies for Services	683
Proactivity — A Strategic Tool to Outservice Competition	683
Core Product / Service Offering	684
Supplemental Services	684
Why Customers Evaluate Services on Supplements	684
Create a Differential Advantage	684
Changing Trends in The Service Industry	686
Service Sector and Government Revenue	686
Importance of The Service Sector in Indian Economy	687
Reasons for Growth in Service Sector	688
Summary	691
<i>Multiple Choice Questions</i>	692
<i>Practical Assignment</i>	693
<i>Review Questions</i>	694
Appendix 24.1: OYO Rooms – A Successful Example of Service Marketing in India	694
25. Rural Marketing	697
<i>Learning Outcomes</i>	697
Inception of The Chapter	698
What Is Rural Marketing	698
Definitions of Rural Marketing	698
Classification of Rural Marketing	698
Inbound Rural Marketing (Urban to Rural)	699
Outbound Rural Marketing (Rural to Urban)	699
Rural to Rural Marketing	699
Urban to Urban Marketing via Rural	699
Features of Rural Marketing	699
Demographic Profile of Rural India	700
Scope of Rural Marketing	701
Evolution of Rural Marketing	702

Pre-Independence Period (Before 1947).....	702
Post-Independence and Pre-Green Revolution Period (1947–1966).....	703
Green Revolution to Economic Reforms (1966–1991).....	703
Post-Liberalisation Phase (1991–2010)	703
Digital and Inclusive Growth Phase (2010 onwards).....	703
Rural Marketing Strategies.....	704
Market Segmentation Strategy.....	704
Product Strategy	704
Pricing Strategy.....	704
Distribution Strategy.....	704
Promotion Strategy	705
Use of Digital and Mobile Technology.....	705
Relationship and Trust-Building Strategy.....	705
Rural Marketing Mix.....	705
4Ps of Rural Marketing Mix	706
Product.....	706
Price	706
Place.....	706
Promotion	706
4As of Rural Marketing Mix	707
Affordability	707
Availability	707
Acceptability.....	707
Awareness	707
Problems and Constraints in Rural Marketing.....	708
The Need for a Selective Approach.....	708
Problems in Reaching the Rural Consumer.....	708
Literacy and Media Habits.....	708
Constraints in Developing the Rural Market.....	708
Requirements for Success in Rural Marketing	709
High Market Development Costs and Government Policy Barriers	709
Importance of Institutional Promotion over Brand Advertising.....	709
Limited Stocking Capacity of Rural Retailers.....	709
Inadequate Warehousing Facilities	709
Product Development in Rural Marketing.....	710
Guidelines for Product Development.....	710
Distribution Management in Rural Marketing.....	711
Management of Channels.....	711
Management of Physical Distribution	711
Government Initiatives for Promoting Rural Marketing	711
<i>SARAS Mela</i>	712
<i>e-Saras Portal</i>	712
<i>Price Support Scheme (PSS).....</i>	712
<i>PMAASHA (Pradhan Mantri Annadata Aay Sanrakshan Abhiyan).....</i>	712
<i>Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDUGKY)</i>	713
<i>Start-Up Village Entrepreneurship Programme (SVEP).....</i>	713
<i>Pradhan Mantri Gram Sadak Yojana (PMGSY).....</i>	713
<i>Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY)</i>	713
<i>Khadi and Village Industries Commission (KVIC).....</i>	713
<i>National Cooperative Development Corporation (NCDC).....</i>	714
<i>Caselet 25.1: Mahindra Tractors – Reaching Rural India</i>	714
Summary.....	715
<i>Multiple Choice Questions.....</i>	717
<i>Practical Assignment</i>	718

<i>Review Questions</i>	719
<i>Appendix 25.1:</i> A Profile of the Background of the Rural Marketing Today	719
26. Relationship And Interactive Marketing	723
<i>Learning Outcomes</i>	723
Inception of The Chapter	724
What is Relationship Marketing.....	724
Definition of Relationship Marketing.....	724
Why Relationship Marketing?.....	724
Objectives of Relationship Marketing	725
Scope of Relationship Marketing.....	725
Evolution of Relationship Marketing	726
Transactional Marketing Approach (Before 1980s)	726
Introduction of Relationship Marketing by Leonard L. Berry (1983)	726
Broader View by Christian Grönroos (Late 1980s).....	726
Use of CRM and Technology (1990s).....	727
Integration into Business Strategy (2000s).....	727
Digital Relationship Marketing (2010s)	727
AI and Data-Driven Marketing (2020s).....	727
5 E's of Relationship Marketing	728
Relationship Marketing Strategies	729
Personalised Customer Experience.....	729
Incentives for Customer Loyalty	730
Leveraging Technology.....	730
Event Marketing.....	730
Social Media Marketing.....	730
E-mail Marketing	730
Referral Marketing	730
Customer Feedback and Engagement.....	730
<i>Caselet 26.1:</i> Audubon Hill – Relationship Marketing in Practice.....	731
What is Interactive Marketing?	732
Definition of Interactive Marketing	733
Types of Interactive Marketing	733
Email Marketing	733
Chatbots and Messaging Apps	733
Personalised Content and Recommendations	733
Social Media Engagement	733
Interactive Websites and Tools.....	734
Online Contests and Gamification	734
Live Streaming and Webinars	734
Surveys, Polls, and Feedback Forms	734
Augmented Reality (<i>AR</i>) and Virtual Reality (<i>VR</i>).....	734
Interactive Advertisements.....	734
SMS and Mobile App Marketing	734
Voice-Enabled Marketing (Smart Assistants)	735
<i>Caselet 26.2:</i> Pass Pass Pulse Candy – Using Interactive Marketing to Create Buzz	735
Interactive Marketing Funnel	736
Top of the Funnel (<i>TOFU</i>) – Awareness Stage.....	736
Middle of the Funnel (<i>MOFU</i>) – Engagement and Consideration Stage.....	736
Bottom of the Funnel (<i>BOFU</i>) – Conversion and Retention Stage.....	737
Summary.....	737
<i>Multiple Choice Questions</i>	739
<i>Practical Assignment</i>	740
<i>Review Questions</i>	740
<i>Appendix 26.1:</i> Shivraj Singh Chouhan – A Leader Who Built Bonds, Not Just Votes.....	741

List of Figures



F

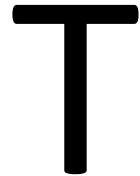
1.1: Timeline of Marketing Evolution	5
1.2: Form Utility	8
1.3: Time Utility	8
1.4: Place Utility	8
1.5: Possession Utility	8
1.6: Philip Kotler's Five Core Concepts of Marketing	9
1.7: Customer and Competitor Orientation in Marketing	11
1.8: Marketing and Customer Needs	11
1.9: Coca-Cola's Customer-Centric Journey	12
1.10: Marketing: A Multifaceted Approach	12
1.11: Exchange of Value for Money	12
1.12: Functions of Marketing	13
1.13: Types of Marketing Concepts	15
1.14: Ford's Model – T	15
1.15: Key Terms of Selling Concept	16
1.16: Key Terms of Marketing Concept	17
1.17: Societal Marketing Concept	17
1.18: The 5-Step Framework	21
1.19: Globalisation's Influence on Indian Marketing	24
1.20: Various Types of Industrial Goods	28
1.21: Various Types of Consumer Goods	29
1.22: Nokia's Marketing Myopia: The Downfall of a Mobile Giant	30
2.1: "Features of the Marketing Environment"	32
2.2: Key Factors Shaping the Marketing Environment	33
2.3: "Johnson and Scholes, Five Stages of Environmental Analysis"	35

2.4: Types of Marketing Environment	36
2.5: Impact of Culture on Marketing Decisions	39
2.6: <i>PESTLE</i> Analysis	44
2.7: Competitor Analysis	45
3.1: Understanding the Marketing Mix	54
3.2: Classification of Product	56
3.3: A System of Promotion Mix	60
3.4: Four Ps Influence on the Business Environment	60
3.5: Washing Machine Industry Mix	62
3.6: 7 Ps of Marketing Mix	67
4.1: Flow Chart of Segmentation Process	79
4.2: Five Requirements for Effective Segmentation	80
4.3: Market Segmentation Process	83
4.4: Approaches to Market Segmentation	83
4.5: Segmentation Framework	84
4.6: Market Segmentation: Targeting and Positioning Strategies	88
4.7: Criteria for Market Segmentation	89
4.8: Practical Requirements of Market Segmentation	89
5.1: Healthcare Service Positioning by Process	113
5.2: Criteria for Competitive Positioning	114
5.3: Positioning Holiday Concepts	114
5.4: Some Hypothetical Example of Product Positioning Map	115
6.1: Marketing Planning System in a Flow Chart	124
6.2: Strategic Planning Process Cycle	125
6.3: Strategic Marketing Decision Process Framework	126
6.4: Broad Areas of Marketing Planning	127
6.5: Internal Appraisal Factor Influencing Strategic Marketing Planning	131
6.6: SWOT Analysis of PepsiCo	133
6.7: The Boston Consulting Group's Growth-Share Matrix	135
6.8: <i>SBU</i> K's Position in GE Model	138
6.9: The GE Model and Strategies	138
6.10: The Arthur D. Little Strategic Condition Matrix	139
6.11: Scope of Target Market	141
6.12: Comprehensive Marketing Functional Plans	142
6.13: Ducker's Product Portfolio Classification	156
6.14: Brand Equity Management Framework by David A. Aaker	157
6.15: Alternative Pricing Strategies	159
6.16: Colgate's Diverse Product Range	170
6.17: Colgate Campaign	170
7.1: Marketing Information System Framework	176
7.2: Four Basic Components of a Marketing Information System (<i>MIS</i>)	177
7.3: Significance of Marketing Information System	181
7.4: Kotler's Information Flow	182
7.5: Information Requirements at Various Levels of Marketing	183
7.6: Functional Information Systems Represent Functional Physical Systems	188
8.1: Relationship between Attitude and Scale	209
8.2: Data Collection Methods	215
9.1: Demand Gaps in Sales Forecasting	236
9.2: The Relationship of Forecasting to Budgets	238

10.1: Maslow's Hierarchy of Needs	261
10.2: Determinants of an Individual's Social Class	263
10.3: Family Life Cycle	264
10.4: Consumer Decision Path	267
10.5: Five-stage Model of the Buying Process	268
11.1: Response Hierarchy Model	281
11.2: The Black Box Model	282
11.3: The Howard-Sheth Model	283
11.4: Howard-Ostlund Model	284
11.5: The Engel-Blackwell-Miniard Model	285
11.6: The Nicosia Model: A Structure of Consumer Behaviour	286
11.7: Andreasan Model of Complex Customer Decision	287
11.8: Product Innovation Model	288
11.9: The Family Buying Decision Model	290
12.1: Levels of Product Benefits	300
12.2: "The Five Layers of Product"	301
12.3: Classification of Goods and Services	302
12.4: Product Classification	304
12.5: Key Components of Product Positioning	309
12.6: Perceptual Mapping of Parlour Game on Price and Frequency of Visits	310
12.7: Stages of New Product Development	313
12.8: The Innovation Decision Process	318
12.9: A Proposed Modification to the Trial Adoption Process	319
12.10: Adopter Categories and Diffusion Curve	320
13.1: Product Life Cycle	328
13.2: <i>PLC</i> for Different Product Classes	329
13.3: Shapes of <i>PLC</i>	330
13.4: The Boston Consulting Group's Growth – Share Matrix	339
13.5: The Boston Consulting Group's Growth-Share Matrix of M/S Max Ltd.	341
13.6: <i>GE</i> Matrix	342
13.7: Shell's Directional Policy Matrix	343
13.8: Arthur D. Little Company's Matrix	344
13.9: Hofer's Product Market Evolution	344
13.10: Key Excellence Areas	345
14.1: An Overview of Brand Decision	359
14.2: Proctor & Gamble Brand Management System (2025)	364
14.3: Dissatisfaction with Brand Management	365
14.4: Brand Development Framework	367
14.5: Components of Brand Equity	368
14.6: Brand Identity	369
14.7: "Kapferer's Brand Identity Model"	369
14.8: Brand Equity Framework	370
14.9: Dimensions Of Brand Goodwill	376
15.1: Packaging Hierarchy	386
15.2: Levels of Packaging	387
16.1: Framework for Determining Price	402
16.2: Kotler's Price-Quality Strategies	407
16.3: Skimming and Penetration Price	423
17.1: "Distribution Channel Overview"	440

17.2: "Vertical Marketing System"	441
17.3: Functions of Retailing	451
17.4: Wheel of Retailing Theory	452
17.5: Factors in The Choice of Distribution	455
17.6: Manufacturer-Distributor Channel Relationship	457
17.7: Manufacturer-Distributor Synergy	464
18.1: Business Logistics Framework	475
18.2: Role of Logistics in Production and Sales	479
18.3: Concept of Market Linkage Production System	480
18.4: Organisational Structure of Logistics Management	481
18.5: Concept of Replenishment Production System (<i>RPS</i>)	482
18.6: Concept of Purchase Support System	483
18.7: Key Components of Customer Logistics	483
18.8: Logistics Management Framework	484
18.9: "Inventory Cost Analysis: <i>EOQ</i> Model"	488
18.10: Trade-off Typically Found in Managing and Controlling Inventory Levels	489
18.11: Output Logistics System	497
19.1: Retail Mix	512
19.2: Changing Customer Expectations In India	516
19.3: Wheel of Retailing (Cyclical)	521
19.4: Accordion Theory (Cyclical)	522
19.5: The Dialectic Process (Evolutionary)	522
19.6: Natural Selection (Evolutionary)	523
19.7: Process for Adding Value Through Direct Selling	526
20.1: Models of News Communication	542
20.2: Advertising Impact Cycle	542
20.3: DAGMAR Model	546
20.4: Advertising Strategies Across the Product Life Cycle	548
20.5: Role of Media in the Advertising Process	552
20.6: Advertising Impact on Market Share Framework	561
21.1: Promotion Planning Process	587
21.2: Post-testing Sales Effect	589
22.1: The Relationship of Sales Strategies to Marketing and Corporate Plans	617
22.2: Double-win Strategy	624
22.3: Simplified Model for Ensuring Customer Delight	625
22.4: Hard Sell <i>Versus</i> Soft Sell Strategies	626
22.5: Integrated Sales Model	627
23.1: Steps in Personal Selling	646
23.2: The 'Ferris Wheel' Concept	648
24.1: A Goods-Service Continuum	671
24.2: Role of Agent and Broker in Service Sector	678
24.3: Proactive Service Model	685
24.4: Service Growth Trend in India	687
24.5: Reasons for Growth Service Industry	689
25.1: Seven Essential Strategies in Rural Marketing	705
25.2: 4Ps of Rural Marketing Mix	706
25.3: 4As of Rural Marketing Mix	707
26.1: Relationship Marketing Strategies	731
26.2: Interactive Marketing Funnel Theory	737

List of Tables



1.1: Key Contributors and Transformative Contributions	4
1.2: Major Distinctions: Marketing vs. Selling	7
1.3: Role of Needs, Wants, and Demands in the Context of Marketing	9
1.4: Role of Product, Service, and Experience in the Context of Marketing	10
1.5: Functioning of Marketing Philosophies	18
1.6: Old vs. New Areas of Study	20
2.1: Model for Handling Environmental Conditions	35
2.2: Swot Analysis	44
4.1: Common Life Style Dimensions	76
4.2: Benefit Segmentation of The Toothpaste Market	78
4.3: Indian Examples of Various Market Segments	80
4.4: How College Students Spend their Money (as a Percentage of Discretionary Income)	94
4.5: How College Students Spend their Free Time (Mean Hours per Week)	94
5.1: Alternative Segmentation Strategies	98
5.2: Target Market Approaches—A Comparison	99
6.1: Components of SWOT Analysis	132
6.2: The BCG's SBU Classification And Suggested Strategies	136
6.3: SBU's Classification and Strategic Analysis	137
6.4: Diversification Strategies: Major Advantages and Disadvantages	155
7.1: Dell Customer Satisfaction Survey Results (2023)	180
7.2: Dell's MIS Benefits	180
7.3: Subsystems of MIS and their Relevance to Various Managers	185
7.4: Reliance Jio's Big Data and Analytics Impact	187
7.5: Examples of Internal Records in Banking	192

7.6: Sources of Marketing Intelligence in Banking	192
7.7: Marketing Research Techniques in Banking	193
7.8: Analytical Tools in DSS for Banking	193
7.9: Implementation Phases of MIS in Banking	193
7.10: Advantages of MIS in Banking	194
8.1: General vs. Specific Limitations of Marketing Research	202
8.2: How Marketing Decisions are Taken	205
8.3: Typical Applications of Marketing Research	208
10.1: Consumer Behaviour Roles	258
10.2: Stages of Family Life Cycle and their Buying Patterns	264
10.3: Four Types of Buying Behaviour	271
12.1: Four Dimensions of the Product Mix at a Glance	307
13.1: Product Life Cycle (PLC) Stages and Elements	332
13.2: Marketing Strategies in Product Life Cycle (PLC) At a Glance	337
13.3: The BCG's SBU Classification and Suggested Strategies	339
13.4: SBU Classification and Strategies Analysis of M/S Max Ltd.	341
13.5: Strategic Business Unit's Product Positioning and Recommendations	343
14.1: Key Differences Between Branding and Marketing	357
14.2: India's Most Trusted Brands	373
14.3: Measurement of Brand Equity	375
15.1: Key Differences between Packing and Packaging	385
16.1: Effect of Price Reduction with Elastic Demand and Inelastic Demand	408
16.2: Cost Reduction and Price Policy	408
16.3: Product-line Cost Structure	429
17.1: Functions Performed by Marketing Channels	443
17.2: Criteria for Selecting Intermediaries	454
18.1: Selecting Inventory Control Techniques	487
18.2: Decision Variables in Choosing among Types of Warehouse	490
18.3: Allocation of Selling and Distribution Costs to Products	493
18.4: Allocation of Selling and Distribution Costs to Customers	494
18.5: Elements of Customer Service	498
19.1: Comparison of Manufacturers' and Customers' Expectations	511
19.2: Comparison of Controllable and Uncontrollable Variables	512
19.3: Mass Marketing vs. Direct Marketing (One-to-One Marketing)	525
20.1: Difference between Advertising and Sales Promotion	544
20.2: Steps in Advertising Programme	545
20.3: Survey Result	548
20.4: Types of Media for Advertising	553
20.5: Effectiveness of Each Mode of Media	555
20.6: Incremental Revenue from Selling Expenses	564
20.7: Evolution of Advertising in India	565
20.8: Evolution of Digital Advertising	566
20.9: Growth of Indian Advertising Industry	566
21.1: Some Important Objectives and Suitable Promotional Types	592
22.1: Territory Sales Manager's Job Responsibilities	622
22.2: Comparison between Product-Centred Selling and Client-Centred Selling	628

22.3: Grunig and Hunt's Four Models of Public Relations (1984)	631
23.1: Difference between Personal Selling and Advertising	659
23.2: Difference between Personal Selling and Sales Promotion	659
23.3: Difference between Personal Selling and Public Relations	659
23.4: Difference between Personal Selling and Direct Marketing	660
24.1: Difference between Physical Goods and Services	669
24.2: List of Selected Services	669
24.3: Service Product Level	673
24.4: Terms Used in Service Pricing	674
24.5: Intermediaries in Service Marketing	678
24.6: Special Service Characteristics and Suitable Strategies	683
24.7: Growth of Service and Revenue Collected	688
24.8: Growth of Service Industries: Cause and Effect	689
24.9: Services Needs and Products as Consequence	690
25.1: Demographic Indicators – Rural vs. Urban India	701
25.2: Top 10 States by Rural Population	701
25.3: Phases of Rural Marketing	703
26.1: Phases of Relationship Marketing	727
26.2: Comparison of Seller and Buyer Reactions	728
26.3: Contrasting Transactional and Relationship Marketing	728

List of Caselets



C

1.1: Wipro Marketing Strategy	6
1.2: P&G's Consumer-Driven Innovation	21
2.1: How Political Environment Affects Persistent Systems	41
3.1: Bajaj Auto Limited: A Strategic Analysis of Product Line and Range	56
3.2: Reliance Retail's Place Mix Strategy	59
4.1: Segmental Analysis: Tailoring Your Sneaker Strategy To Different Customer Types	86
5.1: Oneplus Conquering The Indian Smartphone Market Through Value and Community	97
5.2: Product Positioning of Maggi: An Overview	102
5.3: Positioning in Marketing: A Case Study of LG Televisions	104
5.4: Positioning In Marketing: A Case Study of Apple's iPhone	105
6.1: SWOT Analysis Pepsico	132
6.2: Walmart's Cost Leadership Strategy	147
6.3: Differentiation Strategy of Tesla Inc.	150
6.4: The Success of Comirnaty® (Pfizer-Biontech Covid-19 Vaccine)	158
6.5: Airbnb's Growth Through Effective Media Strategy	161
7.1: Marketing Information System (<i>MIS</i>) at Dell Technologies	178
7.2: Reliance Jio's use of Big Data and Analytics	186
8.1: Role of Marketing Research in the Development and Implementation of the <i>Aarogya Setu</i> App	198
9.1: Apple's Market Forecasting for iPhone 16	236
10.1: Consumer Behaviour in the Purchase of Eyewear – Lenskart's Convenience and Innovation Strategy	264
12.1: Product Positioning Strategy of Nykaa	311
13.1: Google Glass: Failure at The Market Penetration Stage	333

13.2: The Launch of Nothing Phone 1: Success in The Introduction stage of The Product Life Cycle	334
14.1: Royal Stag – Building A Premium Whisky Brand in India	362
14.2: Fabindia – Preserving Tradition while Building a Modern Brand	363
15.1: Paper Boat – Packaging as a key to Success	391
16.1: Apple's Premium Pricing Strategy – The Success of the iPhone	415
16.2: IKEA's Penetration Pricing Strategy in India	425
17.1: Procter & Gamble's Distribution Strategy – Expanding Market Reach	455
18.1: FedEx's Integration of Ground and Express Networks	499
19.1: Direct Marketing Strategy of Amway India	530
20.1: Tata Salt – “ <i>Desh Ka Namak</i> ” Campaign	550
21.1: Haldiram's Cashback offer with Paytm – A Smart Sales Promotion Strategy	607
22.1: Modi – The Man who Turned Leadership into a Brand	633
23.1: LIC India – Building Trust Through Personal Selling	656
24.1: Dr. Lal Pathlabs – India's Trusted brand in Diagnostic Services	681
24.2: UrbanClap – Trusted Home Services at your Doorstep	682
25.1: Mahindra Tractors – Reaching Rural India	714
26.1: Audubon Hill – Relationship Marketing in Practice	731
26.2: Pass Pass Pulse Candy – Using Interactive Marketing to Create Buzz	735

List of Appendices

A

1.1: Types of Goods	28
1.2: Marketing Myopia Theodore Levitt	29
2.1: Adidas: A Global Sportswear Powerhouse – Pestle Analysis	49
2.2: SWOT Analysis of Patanjali	50
3.1: Ikea’s Marketing Mix: A 7Ps Analysis	70
4.1: The Economics of Market Segmentation	92
4.2: Toothpaste Market Size and Segmentation	93
4.3: Marketing To College Students	94
5.1: A Strategic Analysis of Volkswagen Group’s Market Segmentation, Targeting, and Positioning Strategies	119
6.1: Colgate-Palmolive India Ltd (<i>C PIL</i>) – 2024	169
7.1: Significance of MIS to the Banking Sector	192
8.1: Use of Data Mining and Data Warehousing in Marketing Research	225
8.2: Dabur: Market Testing and Market Plan Implementation	228
8.3: Questionnaire for The Consumers	229
8.4: Questionnaire Formats for Marketing Strategy	230
9.1: Sales Forecasting Techniques For New Products	252
10.1: Role of Government in Influencing Consumer Behaviour and Marketing Decisions	276
11.1: Consumer Protection Act, 1986	293
11.2: Consumer Rights	294
12.1: Measuring Customer Service Quality with the RATER Framework	325
13.1: Corporate Diversification of Indian Companies	350
13.2: The Product Life Cycle as A Decision-Maker	351
14.1: A Comparative Branding Strategy	380

15.1: Product Packaging Decisions for Brand Success	396
16.1: Price Discounts and Differentials	433
16.2: Fundamentals which May Affect Price Decisions	434
17.1: Distribution Cost Control	469
18.1: Logistics and Adaptation to Change	503
18.2: Distribution Channels in the Digital ERA	504
19.1: Creating an Effective Retail Strategy	535
20.1: What Is International Advertising?	578
21.1: Importance of Coordinating Sales Promotion with Advertising and Personal Selling	613
22.1: Digital Tools and Social Media: The Game Changers of Modern PR	642
23.1: Ethical Issues In Personal Selling	663
24.1: OYO Rooms – A Successful Example of Service Marketing in India	694
25.1: A Profile of the Background of the Rural Marketing Today	719
26.1: Shivraj Singh Chouhan – A Leader Who Built Bonds, Not Just Votes	741

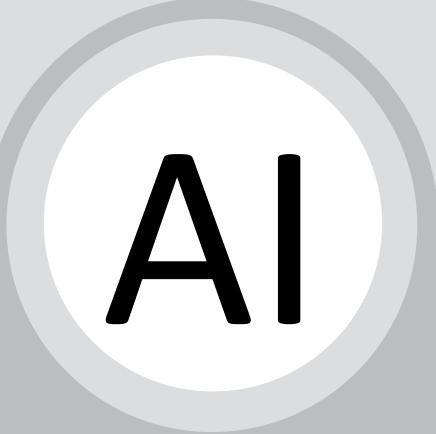
Snapshot of the Book

S

No.	Chapter	Pages	Tables	Figures	Caselets	MCQ	Practical Assignments	Review Questions	Appendix
Unit-I: Fundamentals of Marketing									
1.	Introducing Market	30	6	22	2	16	6	21	2
2.	Marketing Environment	22	2	7	2	16	5	16	2
3.	Marketing Mix	20		6	2	10	6	14	1
4.	Marketing Segmentation	22	5	8	1	11	5	15	3
5.	Marketing Target and Positioning	26	2	4	4	12	6	10	1
6.	Marketing Planning and Strategies for Business Success	44	4	16	5	16	4	19	1
Unit-II: Marketing Research & Information									
7.	Marketing Information System	22	10	6	2	10	6	6	1
8.	Marketing Research	38	3	2	1	14	4	20	4
9.	Market Potential, Sales Forecasting and Budgeting	22		2	1	12	3	9	1
Unit-III: Understanding Consumer Choices									
10.	Understanding Consumers and Consumer Behaviour	18	3	5	1	12	3	13	1
11.	Models of Consumer Behaviour	20		9		11	5	10	2

No.	Chapter	Pages	Tables	Figures	Caselets	MCQ	Practical Assignments	Review Questions	Appendix
Unit-IV: Product and Branding Decisions									
12.	Product Management – An Introduction from Planning to Positioning	30	1	10	1	14	4	18	1
13.	Managing Products Life Cycle and Portfolio Strategies	26	5	10	2	20	8	25	2
14.	Branding Strategies and Brand Equity	30	3	9	2	13	5	15	1
15.	Packaging Decisions and Innovations	16	1	2	1	10	4	10	1
Unit-V: Pricing and Distribution Decisions									
16.	Pricing Policies and Challenges	40	3	3	2	11	6	17	2
17.	Channels of Distribution	34	2	7	1	12	3	15	1
18.	Logistics and Physical Distribution Management	34	5	11	1	12	3	18	2
19.	Retail and Direct Marketing Strategies	30	3	7	1	12	3	12	1
Unit-VI: Integrated Marketing Communications									
20.	Advertising Management	42	9	6	1	20	5	26	1
21.	Sales Promotion in Modern Marketing: Strategies, Tools and Evaluation	36	1	2	1	21	5	24	1
22.	Sales Management and Public Relations	28	3	5	1	15	3	22	1
23.	Personal Selling	22	4	2	1	12	3	21	1
Unit-VII: Specialised Marketing Areas									
24.	Service Marketing	32	9	5	2	12	6	14	1
25.	Rural Marketing	26	3	2	1	12	4	11	1
26.	Relationship And Interactive Marketing	20	3	3	2	12	5	15	1
Total		744	90	171	41	348	125	402	37

AI Tools for Marketing Managers



AI

1. **Jasper AI:** Creates high-quality marketing copy using customizable templates.
2. **Copy.ai:** Generates social media captions, ads, blogs, and product descriptions instantly.
3. **Writesonic:** AI writing tool for long blogs, ads, and SEO-optimized content.
4. **Rytr:** Produces quick, affordable AI text for emails, posts, and marketing materials.
5. **Anyword:** Uses data-driven predictions to write high-converting marketing copy.
6. **Neuroflash:** AI-based content generator with brand-tone control.
7. **Peppertype.ai:** Creates short-form marketing content like ads and captions.
8. **Scalenut:** AI SEO + writing platform for research-backed long-form content.
9. **ShortlyAI:** Expands short prompts into long paragraphs for creative writing.
10. **Copysmith:** Helps e-commerce teams generate bulk product descriptions.
11. **CopyMonkey:** Creates optimized Amazon product listings automatically.
12. **Headline:** Generates landing page copy and headlines using AI.
13. **Nichesss:** Niche-focused content generator for small business marketing.
14. **Texta.ai:** Writes blogs and marketing text with auto-research.
15. **Wordtune:** Rewrites sentences to improve clarity and tone.
16. **GrammarlyGO:** AI assistant for writing, editing, and tone adjustment.
17. **Sudowrite:** Creative writing AI for storytelling and idea expansion.
18. **Hypotenuse AI:** Creates SEO-rich product descriptions and blogs.
19. **Writer.com:** Enterprise AI writing assistant ensuring brand-style consistency.
20. **Compose.ai:** Autocompletes and rewrites text for faster writing.
21. **Hootsuite AI:** Suggests captions and analyzes optimal posting times.
22. **Buffer AI:** Creates AI-generated posts and schedules them automatically.
23. **Lately.ai:** Converts long videos or blogs into dozens of social posts.
24. **Sprout Social AI:** Provides engagement insights and automated replies.
25. **SocialBee.ai:** Creates and manages AI-powered social content calendars.

26. **Predis.ai:** Designs entire social posts (text + visuals) using AI.
27. **FeedHive:** AI suggestions for better engagement and viral content.
28. **Publer AI:** Creates captions, hashtags, and auto-schedules posts.
29. **Ocoya:** AI designer + writer for creating social ads quickly.
30. **HelloWoofy:** Automates social posts using smart AI suggestions.
31. **ContentStudio:** AI-powered social listening and content scheduling.
32. **MavSocial:** Social management tool with automated visual content tagging.
33. **Loomly AI:** Suggests post ideas and optimizes content performance.
37. **Metricool:** Provides AI analytics for social and ad performance.
35. **Statusbrew:** Automates replies and manages multi-platform social campaigns.
36. **SEMrush:** AI keyword research and competitor analysis platform.
37. **Ahrefs:** Provides search visibility and backlink intelligence using AI.
38. **Moz Pro:** Tracks rankings and optimizes pages with smart SEO insights.
39. **SurferSEO:** Helps write SEO-optimized content with AI content scoring.
40. **Frase:** Creates SEO briefs and drafts using AI research.
41. **Clearscope:** AI content optimizer for better keyword usage.
42. **MarketMuse:** AI content planner with topic insights and gaps.
43. **RankIQ:** Helps rank blogs faster with AI-selected keywords.
44. **TopicMojo:** Finds trending search topics and questions.
45. **LowFruits:** Spots easy-rank low-competition keywords using AI.
46. **SEO PowerSuite:** Automates audits, rank checks, and link building.
47. **PageOptimizer Pro:** AI tool for on-page SEO improvements.
48. **SE Ranking:** All-in-one SEO platform with AI keyword tracking.
49. **KeywordInsights.ai:** Clusters keywords and search intent using AI.
50. **WriterZen:** AI keyword research and plagiarism-free content writing.
51. **Canva AI:** Generates designs, images, and presentations automatically.
52. **Adobe Firefly:** Creates images and text effects through generative AI.
53. **Midjourney:** Produces high-quality artistic images from text prompts.
54. **DALL·E:** AI-generated images for ads, marketing, and creative visuals.
55. **Leonardo AI:** Creates professional 3D visuals, product shots, and art.
56. **Fotor AI:** Photo enhancement and AI image generation tool.
57. **Piktochart:** AI-powered infographic and presentation maker.
58. **Visme:** Creates branded graphics and visual marketing material.
59. **Snappa:** Quick graphic design tool for social media creatives.
60. **Crello:** AI-based animation and design builder.
61. **Kapwing:** AI video + image editor with templates.
62. **Synthesia:** Creates AI avatar videos from text.
63. **Lumen5:** Turns blogs into AI-generated videos.
64. **RunwayML:** Advanced AI video and image editing suite.
65. **Designs.ai:** All-in-one AI platform for logos, videos, and banners.
66. **Pictory:** Converts scripts and text into professional videos.
67. **InVideo AI:** Generates marketing videos automatically from prompts.
68. **VEED.io:** AI-powered video editing and caption creation.
69. **Fliki:** Creates videos with AI voiceovers.
70. **Descript:** Edits video/audio by editing text.
71. **Synthesia:** AI avatar-based video generation.
72. **Rephrase.ai:** Creates personalised marketing videos.

-
- 73. **Kamua:** Automatically resizes and edits videos for platforms.
 - 74. **Steve.ai:** Makes animated and live-action videos using AI.
 - 75. **Kapwing AI Video:** Auto-edits and enhances marketing videos.
 - 76. **Mailchimp AI:** Suggests send times, subject lines, and segments.
 - 77. **HubSpot CRM:** AI-powered customer tracking and email personalization.
 - 78. **Salesforce Einstein:** Predicts customer behavior and sales outcomes.
 - 79. **Zoho CRM AI:** Provides smart sales recommendations and scoring.
 - 80. **ActiveCampaign:** Automates email journeys using behavior data.
 - 81. **Brevo (Sendinblue):** AI segmentation and email personalization.
 - 82. **Klaviyo:** Smart e-commerce email automation.
 - 83. **Constant Contact AI:** Creates optimized email campaigns.
 - 84. **Smartwriter.ai:** Writes personalized outreach emails.
 - 85. **Outreach.io:** AI-driven sales engagement platform.
 - 86. **Intercom AI:** Automates customer support conversations.
 - 87. **Drift:** AI chatbot for lead generation and qualification.
 - 88. **Tidio AI:** Live chat + AI response system.
 - 89. **ManyChat:** Automates WhatsApp, Instagram, and Facebook messaging.
 - 90. **MobileMonkey:** Creates chatbots for marketing automation.
 - 91. **Chatfuel:** Drag-and-drop AI chatbot builder.
 - 92. **Crisp Chat:** AI-powered multi-channel support.
 - 93. **Zoho SalesIQ:** AI bot for real-time website engagement.
 - 94. **Ada:** Automated customer service chatbot.
 - 95. **Freshchat AI:** Predictive support chat for faster resolutions.
 - 96. **Google Analytics AI:** Provides predictive insights and smart recommendations.
 - 97. **Power BI AI:** Converts data into smart visual insights.
 - 98. **Tableau AI:** Automates chart building and insights.
 - 99. **Brandwatch:** AI social listening and brand analysis
 - 100. **Shopify Magic:** AI assistant for store content and product descriptions.
 - 101. **Vue.ai:** AI personalization for product recommendations.
 - 102. **Clerk.io:** Smart search and product recommendation engine.
 - 103. **Algolia:** AI-powered search for e-commerce sites.
 - 104. **Wix ADI:** Builds websites using AI in minutes.
 - 105. **BigCommerce AI:** Provides automated store insights and suggestions.
 - 106. **Recom.ai:** Personalized recommendation tool for online stores.
 - 107. **Nosto:** AI-driven e-commerce personalization.
 - 108. **Klevu AI:** Intelligent product search and discovery.
 - 109. **Octane AI:** Quiz-based personalization for e-commerce.
 - 110. **Notion AI:** Summarizes, writes, and organizes workspaces.
 - 111. **Trello AI:** Automates task suggestions and workflow improvements.
 - 112. **Asana AI:** Predicts deadlines and organizes tasks.
 - 113. **Monday.com AI:** Offers automated work insights and planning.
 - 114. **ClickUp AI:** Writes documents and speeds up task management.
 - 115. **Upfluence:** Finds influencers using AI matching.
 - 116. **HypeAuditor:** Analyzes influencer authenticity and audience.
 - 117. **AspireIQ:** Manages influencer collaborations.
 - 118. **CreatorIQ:** Tracks creator performance using AI insights.
 - 119. **Modash:** Helps brands find and evaluate influencers globally.

The Marketing Funnel

Update of 2026



Source: Nafees Salim, The Marketing Funnel (Update of 2026). Social media post

About the Book

- This book presents a comprehensive understanding of marketing management within the Indian environment.
- It emphasizes how economic changes, liberalization, and global brands have reshaped marketing in India.
- The text highlights the growing importance of customer value, innovation, and strategic marketing.
- It uses case studies and practical examples to connect theory with real business applications.
- The book offers a blend of research insights, updated examples, and applied marketing tools.
- Overall, it serves as both a textbook and a practical guide for students and professionals in marketing

Salient Features

- The book provides a strong Indian perspective on marketing, filling the gap left by foreign-focused textbooks.
- It explains marketing concepts through Indian products, companies, markets, and real business situations.
- The content is fully updated to reflect India's changing economy, rising incomes, and new consumer behavior.
- It includes revised and expanded case studies designed to build analytical and decision-making skills.
- The book integrates insights from marketing research, business journals, expert opinions, and market data.
- It features new chapters, updated exercises, and modern marketing practices aligned with current trends.
- The edition is tailored for MBA, M.Com., BBA, B.Com., PGDBM, PGDMM, and marketing practitioners.

About the Authors

Dr. R. L. Varshney is recognized as a former senior faculty member at the Indian Institute of Foreign Trade (IIFT) and has also served in leadership roles, including Director / Additional Director General. He has actively participated in numerous academic and industry forums, contributing expert insights on global business, international marketing, and foreign trade. His scholarly work and contributions are included in academic curricula, particularly in programs related to international marketing and trade management, reflecting their continued relevance and impact.

Dr. S.L. Gupta is a seasoned academician with over 30 years of experience in teaching, research, and academic leadership. Currently a Professor at Birla Institute of Technology, Noida, he has held key roles including Director at BIT Patna and Dean at Waljat College, Muscat. With a Ph.D. and D.Litt., his expertise lies in Marketing, Finance, and Business Research. He has authored 16 books, published 32+ research papers, and guided nine Ph.D. scholars. Honoured with the Best Director – Technical Institutes Award (2013), he is also a life member of several professional bodies and actively contributes to curriculum development, faculty training, and institutional collaborations.



Sultan Chand & Sons

Publishers of Standard Educational Textbooks



23 Daryaganj, New Delhi-110002
Phones (S): 011-23281876, 23266105, 41625022
(O): 011-23247051, 40234454
Email : sultanchand74@yahoo.com
info@sultanchandsons.com



TC 822



9 788391 1820787