

**"A Study of Impact of Competition on Marketing Strategies"**

---

**Prof. Dr. M. B. Sonawane** Associat Prof. & HOD of Business Practices**M. Com, M. Phil, Ph.D.****Ness Wadia College of Commerce****Abstract :**

Electronic retailing, whether on TV or the Internet, is about motivation. How do companies influence someone to do something - to pick up the phone or log on to a Web site and then make a purchase? Consumers will buy a product or service through an electronic retailing campaign because they perceive its value or because it makes them look better or feel better about themselves. They do this even though they cannot examine the product in person and may have to wait four to six weeks to receive the product.

**Keyword** Marketing Strategies**I. Introduction :**

The current Marketing trends such as shortening product life cycles, collaborative e-business and the move to out source business process require organization to establish improve collaboration with their supplier has -Global firm have to take into account institutional, cultural and psychological differences between parent company host countries to make sensible decisions in the key areas of Marketing Strategies. Companies have tried several paths to growth cost & price cutting, aggressive price increase, international expansion, acquisition & new products each have problems. Price cuts are usually matched & neutralized. Price increase is difficult to pass on during. Sluggish economic times most international markets are now highly competitive or protect. Company acquisitions are expensive & have not proven very profitable. And the number of new products winners are few. After globalization it is very difficult to survive in the market. If you don't have quality perhaps you may be out.

II. There is a meaningful sentence said by Jeff Bezos, founder of Amazon.com "Your brand is what other people say about when you are not in the room" about branding.

The above mentioned quote is revealing the importance of branding, today's world is inter-connected using information technology. Competition is everywhere but now a day's retailers are facing high degree of competition. Technology has pivotal role in this regard. No one can simply neglect this transformation phase. Transformation from traditional to electronic retailing. Thousands of online retail shops are available now a days. Buyers are simply comparing the product online and the placing the order using technology.

E-tailing or e-retailing refers to the selling of retail goods electronically over the Internet. The term is a short form for "electronic retailing", and surfaced in the 1990s for being frequently used over the Internet. The term is an inevitable addition to other similar terms such as e-business, e-mail, and e-commerce. E-tailing usually refers to the business-to-consumer (B2C) transactions.

Electronic retailing is a powerful marketing technique for the right product with the right message to the right person. But what makes for the right combination? Why do consumers respond to TV offers or shop online? The short answer is that the consumer benefits. People respond to electronic retailing messages because it is to their advantage to do so. It addresses their needs, either practical or psychological.

### **III. Statement of the problem**

According to censuses 2011 urban population shows increasing trend i.e. 61%, population of Pune is educated enough and living a very busy lifestyle. Now a day's highly educated and technologically savvy generation is always preferring online purchase through mobile apps as well as websites of different online stores.

E-tailing began to be used by major corporations and smaller entrepreneurs as early as 1997 when Dell Computers managed multimillion-dollar orders through its online Web site. The success of online retailing businesses such as Amazon.com hastened the arrival of Barnes and Noble's e-tail site. With improvements in technology, the concerns about secure order taking slowly started receding.

E-tailing has resulted in the development of e-tail ware - a term used to refer to the software tools that are used for creating online catalogs and managing the business undertaking e-tailing. A new trend was noticed in the form of the various price comparison sites that allowed the users to compare prices from a number of different e-Tailers and link them to their portals for the subsequent online purchase.

Retailers have always been subject to enormous competitive strain and the commonly perceived solution is to add 'e' to the business model in an attempt to capture the attention of a global shopping audience. Such an initiative results in no more than an additional channel and the successful company must have more than an electronic distribution medium - it must continue to provide what its customers want.

We are witnessing the tip of the iceberg. Such is the growth potential in the e-tailing industry that it is difficult to quantify the industry's size or growth. There are pros and cons in both the cases, be it conventional retailing or e-tailing. With so many hurdles around for e-tailing, it would take time before it really catches up. But, the trend has surely begun. In the future, we will see a peaceful and complementary co-existence of conventional retailing and e-tailing.

In this scenario it is essential to analyze the present situation and future prospects of e-tailing for pune city. Pune city is well developed as an academic hub, the degree of technology used by young generation is very high. How e-Tailers are developing their business in this scenario and which practices they are adopting for building a brand image is very essential to know.

#### **IV. Objective of the Study :**

1. To achieve growth requires developing a growth mentality in the company's personnel and partners.
2. To watch for needs not begin currently satisfied.
3. Instead of starting from the Company's current products & competencies seance growth by sending the untapped needs of existing & new customers.
4. To look at the end users needs their you immediate customer's needs & finaly decided which needs you can meet profitably.
5. To study the business development practices adopted by e-tailers in pune city.
6. To know future prospects of e-tailing industry.
7. To analyze the opportunities and challenges faced by e-tailers.
8. To study various factors affecting use of E - Commerce.
9. To study the image building practices adopted by e-tailers.
10. To identify the consumer groups for e-tailing business.
11. To know the specific requirements for running e tailing business.

**V. Need of the study**

E-Tailers are increasing in pune and they are facing huge competition from traditional retailers due to some disadvantages of e commerce like excess lead time. Some customer's wants product quickly after purchasing it but some e-Tailers are giving same day delivery of goods. Some are not able to do so. Also they are having different business practices for developing their brand in today's competitive era. Now a day's states and nations are boundary less because we can purchase from any country through e-Tailers.

Business practices adopted by e-Tailers are essential to know how they are managing their online shops and how they are creating consumer base as well as loyalty about the shop amongst them. What strategies they are applying for succeeding in to their online retailing business and retaining their customers for a long term.

**VI. Importance of the study**

First came the World Wide Web. Then came e-commerce, a concept defined as the buying and selling of goods and services on the Internet. E-commerce spawned e-tailing, short for electronic retailing, which is narrowly defined as the selling of retail goods on the Internet. A term once linked primarily to tier-one retailers, e-tailing has become a major revenue stimulus for small to midsize retailers. E-tailing has gained momentum over the years for many reasons. A primary reason for this gain in momentum is the implementation and execution of high-level marketing strategies and business development practices.

**Logistics, Distribution and Customer Service Issues**

E-tailing can facilitate the transaction, but unless the transaction involves a digital product (software, music etc.) the delivery of the product needs to be considered. Many e-Tailers have focused on significant marketing efforts to attract customers in order to execute transactions, but have not focused on the less glamorous, but equally important, aspect of keeping the customers, by facilitating flawless delivery. Not only is it important to follow through and make sure delivery is facilitated, but companies can use the web to enhance delivery via customer service by allowing customers to track the status of the transaction. So it is not simply a case of allowing for delivery, but enhancing the delivery experience with the web.

Catalog retailers have typically been more successful in the early stages of e-tailing as they have similar needs in terms of distribution. In fact many e-Tailers have begun to outsource their delivery systems to

catalog retailers such as Fingerhut, in order to capitalize on their expertise. Christmas 1999 highlighted the delivery problems of e-Tailers. Since that time, more attention has been paid to this aspect of the entire transaction.

This research will help e-tailers, to know the importance of brand image building and to researchers how e-tailers are developing their business and which practices they have adopted for business development.

## **VII. Review of literature**

Articles in Times of India and Indian express on image building practices adopted by e-tailers in India. E - Commerce is definitely one of the business options that one will have to explore in the future. E - Commerce can broadly be defined as "Any form of business transaction in which the parties interact electronically rather than by physical exchanges of documents or direct meetings amongst officials.

Shopping can be done from the home, hopefully quickly and conveniently. Internet e commerce avoids the hassles of travelling, parking, queuing and whatever else makes you mad in a shop. (David Whiteley2011).

Amin and Amin (2010) argued that online shopping grown in India like a mushroom, and it is well accepted for different products and services like computer products, automobiles, travel products, investment products, clothing, flowers, books and music because technological advances, changed perceptions of the corporate world, convenient and customized offering by companies, availability of software and various search engines.

Well-known and reputable high street shops are more successful in converting a significant number of passer-by into potential customers than their lesser-known and less-trusted competitors. Online shops are similar, except that customers make purchases from web pages instead of from a physical location. Internet shops attract customers in two ways: through their overall reputation and popularity and through ranking highly in search engine queries. This paper explores the relationship between Internet positioning and the two basic types of competitive advantages available to companies: cost leadership and differentiation (Porter 1980). It also analyzes the relationship between Internet positioning and business success measured by visits to the web page and by financial results. Finally, the study conducts an empirical analysis using data from US e-tailers.

Lucas (2001) reviews approaches for analyzing and developing business strategies for Internet and electronic commerce. According to Ghosh (1998), the Internet can be used to create 'Digital Value' for customers, by offering additional information or transaction services to the existing customer base, by addressing the needs of new customer segments, or by generating new sources of revenue.

### **VIII. Image & Emotional Marketing :**

After Globalization more companies are now trying to develop image that more the heart instead of the head. Those who addressed to the head lend to slate the same benefits so companies are trying to sell on attitude like prudential wants people to have a "piece of the rock"<sup>1</sup> These campaigns work more on effect than cognition companies are turning to anthropologists psychologists to develop messages that touch emotions more deeply, fine approach is to build the image of the product round same deep archetype the hero antihero siren wise old man, small kids that reside in the collective unconscious.

Companies are increasingly turning to image and emotions marketing to win customer mind share & heart share. Although this has gone on from the beginning of time to day its is accelerating. The old marketing mantra advised companies to outperform competitions on same benefits to promote this "Maruthi is the safest car"

Tide cleans better than any other detergents, Going under the name of benefits marketing it is assumed that customer was more influenced by rational arguments than by emotional appeals. But in today economy companies rapidly copy any competitions advantage until it no longer remains.

### **IX. Statement of hypothesis**

H1: Level of education of consumers influences the use of internet.

H2: Offers and schemes influence the consumer buying behavior.

H3: There is a significant variant in business development and image building practices by e-tailers due to different strategic approaches.

### **X. Scope of the study**

From last decade pune at local level and nearby talukas in the district are growing tremendously and this development is due to industrial development in nearby suburbs.

---

**Pune district has 13 Talukas as mentioned bellow (Geographical Scope)**

- |              |              |             |
|--------------|--------------|-------------|
| 1. Junnar    | 2. Velhe     | 3. Haveli   |
| 4. Maval     | 5. Indapur   | 6. Purander |
| 7. Khed      | 8. Daund     | 9. Mulshi   |
| 10. Baramati | 11. Ambegaon | 12. Bhor    |
| 13. Shirur   |              |             |

- The basic scope of this study is for the benefits of thee-tailers.
- The study is restricted within pune city only.
- This will help e-tailers by providing opportunities for formulating strategies for business development and image building.
- The study will cover e-tailers only.
- E-tailing industries will be benefited to make commercial relationship with consumers for crating brand, easily maintain records of consumers and pattern of buying through E - Commerce

**XI. Research Methodology**

**Universe of the study:** It is proposed to conduct the study for e-tailers in Pune region of Maharashtra state in India. Thus e-tailers operating their e-tailing business from Pune region are the universe of the study.

Sr. No	Name of Institution	Universe	Population (Estimated)	Sample size 30%
1	Managers of e-tailers shop	Unknown	40	12
2	Employees e-tailers shop		500	150

3	Customers who purchases online through e-tailers		800	240
---	--	--	-----	-----

The primary data will be collected from random sampling method called random sampling method called simple random sampling without replacement (SRSWOR), so that accurate data can, be obtained. Researcher will pick necessary samples to draw the conclusion. The sample size will be the 30% of population which is reasonable to come to the conclusion. Secondary data will be collected from the books, articles, e-source.

Primary data will be collected in the form of interview and questionnaire, to study the various practices and strategies adopted by officials of e-tailers. Secondary data regarding the image building practices will be collected from the books, periodicals, articles, workshops, seminars, websites, Government records and research reports in the time frame of research.

The study will be based on primary and secondary data.

- To collect the primary data from respondents (e-tailers) questionnaire and personal interview method will be used.
- To collect the secondary data detailed analysis of readily available data is to be done and secondary data will be collected from related government websites and different reports, record and documents maintained and used by the e-tailers as well as books, periodicals, articles, workshops, seminars etc.

The study will be based on primary and secondary data. To collect the data from respondents a pre-tested questionnaire and personal interview method will be used.

### 1. Primary Data:

a) Personal Interview

b) Questionnaire



## 2. Secondary Data

- a) Books
- b) Periodicals
- c) Articles
- d) Presentations from workshops and seminars
- e) Various websites
- f) Governments Records and Reports
- g) Research Projects
- h) Economic Survey

Appropriate statistical tools like regression, correlation, factor analysis, etc, will be used according to the requirements of the data. The SPSS package will be used for the analysis of collected and tabulated data. Based on analysis, interpretation will be made to reach the meaningful conclusions

Ratios, proportion, percentage, Karl Pearson's co-relation coefficient, regression analysis, different types of graphs etc. will be used to analyze the data.

### **XII. Conclusion :**

Marketing is becoming more based on information than on brunt sales paper. Thanks to the computer & the Internet no sales person can say to the boss that he / she did not know the prospect's industry. Company, problems or potentials.

A Company that masters only its domestic market will eventually lose it. Strang foreign competitors will ingestible come in & challenge your company. It is now business without the borders.

Global counties must team to use counter trading. Many countries arc poor but they will barter. It will be better lo lake sonic goods in exchange or forget selling to that country- Pepsi cola has to promote Russia that it would help sell. Russian vodka abroad in exchange for selling Pepsi cola in Russia-when companies Tail abroad the most common factors arc

- 1) Failure to define the target users
- 2) Failure to adapt the product
- 3) Failure to offer adequate service
- 4) Failure to find goods strategic partners

As a student & personally think the marketing strategy should be used which arc suitable to our situation. We must think about the lower class & medium class where the product will be popular & get market easily in our country as well as abroad. I don't think anybody ought lo be making marketing strategic decisions without same form of research, because you can waste a lot of time & money.

Mobile Phones can also be an extremely cost effective communication channel as well as an efficient way of delivering a marketing message. Promotion through Mobiles has emerged as an integral part of any brand's marketing campaign today. It has become an important engagement tool for brands, and aims to fulfill the gap that traditional media has been unable to bridge.

With the increasing popularity of the Mobile Internet, this form of marketing is soon on the edge to achieve a significant reach. It is also widely believed that the success of mobile advertising will directly depend upon the penetration and the success of mobile Internet, There are plentiful opportunities for content and service providers to

generate mobile value added services (mVAS) revenues from this nascent market.

In order to make mobile marketing popular among Indian customers, the following aspects need to be borne in mind before large-scale mobile advertising is undertaken.

- Marketers must ensure relevance, perceived consumer benefit, engagement, interaction and most importantly, respect for the consumer.
- The cultural and personal mindset will take some time to change and it needs a concerted effort to convince the audience that the mobile can offer for greater services than the ones currently being used i.e. voice and SMS. Mobile banking, mobile payments and targeted and personalized mobile marketing can also go a long way in creating a positive shift towards mobile advertising.

- Enterprises should focus on targeted and non-intrusive mobile marketing. Operators should consider acting as marketers and advertising publishers, while using their discretion in order to control what goes to customers, at what time and what location.
- However, if operators need to move up the value chain and do customer data driven targeted, contextual, permission-based mobile marketing and advertising, they need to overcome technical challenges, including data silos, manual processes and open loop marketing, which hinder the ability to track the campaign responses.

**References :**

- 1) Marketing insights from A to Z - (Concepts every manager needs to know) - Philip Kotler
- 2) Business India - The magazine of the corporate world - Oct. 2006
- 3) Global CEO - The ICFAI University press Dec, 2006
- 4) Global CEO The ICFAI University press Nov 2006
- 5) David Whitely (2011) "E-Commerce" Tata McGraw – Hill Edition.
- 6) Waghmare G. T. (2012) "E-Commerce : A Business Review and Future Prospects in Indian Business" Indian Streams Research Journal, Vol -2, Issue 4.
- 7) Henry C. et al (2009) "E-commerce : Fundamentals and Applications" Wiley India Publications (pp319).

**Websites :**

<http://www.sciencedirect.com/science/article/pii/S1567422309000592>

<http://www.sciencedirect.com/science/article/pii/S1567422309000593>

<http://www.jstor.org/>

<http://pune.nic.in/punecollectorate/Gazettee/gaz.aspx>