

# Marketng analysis of bajaj fans



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## **Critically analysis of the Bajaj fans contribution of marketing planning to the process of the strategic development**

In the strategic development process begins with strategic planning.

Strategic planning is the process of developing overall plan & strategies for the whole of organization. Under the strategic planning process evaluate & answering the following questions;

- Where are we now?
- How did we get there?
- Where are we heading?
- Where would like to be?
- How do we get there?

After that review whole planning process part by part sequential order.

Those steps are;

Analyze Vision and Strategic intent – where we want to be future

Reviewing mission statement in terms of rationale for existence of the business and value of the business. Under this review process evaluates further Purpose, values, Competencies, Culture, Polices and Product

As a next step developing goals and objectives for whole organization

Then carrying out the position audit by using SWOT analysis techniques and identify gaps.

To fill that the above gaps evaluating corporate strategic choices. Here generating the strategic options by answering the following question;

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How to compete

Where to compete & method of growth

As well as evaluating options by using the following criteria's acceptability (evaluating based on stakeholders goals, objectives and their power), suitability (evaluating in relation with mission and strategic intent) and Feasibility (in terms of financial viability and risk)

There after finishing that process start strategic implementation process. In this stage do the followings ;

Resources Planning

Draft operations plans, structure and culture

Change (Implement changes)

Implement Functional Strategies

Productions & operation strategies

R & D strategies

Marketing strategies (Marketing mix, Segmentation, PLC analysis, MIS).

HRM (Personal planning, Motivation, Appraisal)

Finance strategies (source of finance, investment)

IT strategies

Looking at actual performance

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Review and control - (assessing the deviation from plan and make corrective actions based on that)

As final stage link to the step called strategic analysis.

How the marketing planning contributing to strategic development process can be seen in above mentioned step number 5. If the company is having more than one business, there are three type of strategies can be identified those are;

Corporate strategy

Business and functional strategies

Corporate level strategies are focused;

Maximize share holders wealth

Increase the overall profitability company as a whole

Typically focused determining overall propose of the business.

Decisions on mergers and acquisitions sell off or closure of business units.

Maintain relationship with key stakeholders of the business such as investors, government and regulatory body.

Explore new market

Developing corporate image

Under the Business strategies developed for division in the larger organization, that has a significant degree of autonomy basically responsible for developing and marketing their own products or services. Functional strategies mainly focused on selection of decision rule of the in each of functional area.

In this case Baja electrical division or business unit (SBU) has draft a product marketing plan for “ fans”. Under that product marketing plan strategic business unit has analyze, create and developed strategies to support the corporate strategies in the every aspect. Such as profitability, market share, developing corporate image by using corporate brand with the products. As a final conclusion

Can say Bajaj fans marketing plan has contribute significantly for the strategic development process.

## **Appraise marketing plan of Bajaj fans with suitable marketing element of marketing mix**

Under the marketing plan of bajaj fan has considered all the aspect of marketing mix element such product, STP process, price, place, and promotion).

### **2. 1. Product analysis**

2. 1. 1. Product mix - This has developed to attract the customers (different segment). Those product mix are Ceiling fans, TPW fans (Table/ Pedestal / wall) and fresh air fans. Not only that under that they have developed different design like decorative and non decorative based on the segment.

2. 1. 2. Brand Name – for the fan product category very low focused given by customers even bajaj fans was not included in the consideration set under their decision making process. That was major weakness. To eliminate that weakness they have come up with new strategies called umbrella branding (family branding)

2. 1. 3. Packaging – Company has changed their graphic on packaging for entire product rage.

## **2. 2. Segmentation, targeting and positioning (STP)**

At earlier stage company has followed niche marketing strategies. Company segmentation bases are price, quality and aesthetics look. Based on that segmentation criteria's, they have introduced different product categories for each segment.

Price based segmentation with sub brands as follows;

### **Product category & Price**

#### **High price**

#### **Medium price**

#### **Low price**

Ceiling fans

Crown

Maxima

Bahar , Grace

TPW fans

Crown

Bahar

Fresh air fans

Aesthetics look based segmentation

Decorative

Non decorative

Company product position strategies is that benefit positioning, Price & quality positioning and performance based positioning revolutions per minutes RPS (speed, cooling).

### **2. 3. Pricing analysis**

Company maintains the cost based pricing policy. There major weakness of the pricing having high margins for distributors. That has directly affected on their profitability because of high cost is incurred for distributors margins. To save that cost company has started distribution of products by using their own vehicles.

### **2. 3. Promotion analysis**

Major media is television because of cable and satellite TV penetration is very high. Mainly advertising on C & S channels such as star, Sony, Zee. Different types of TV commercial has developed air time (10, 20 & 30). These TV commercial showing by using the different language.

Major communication message is that " Subse Tez"

Under the advertising they have new packaging strategies are incorporated with posters, POPs, Shops or dealers, boards and other communication elements direct mail.

Followed different marketing recalling elements such as promotion team with braded t-shirts and caps, distribute leaflet for potential customers on point of sales.

Used to promote the product dealers word of mouth recommendation to increase the sales.

AS a pull strategy thy used pull strategies by organizing different contest among the customers, attractive pops, display schemes.

## **2. 4. Place analysis (Distribution)**

There distribution strategies reduced by one layer. Company directly distributes their products to the retailers.

As well as they have developed separate distribution network sub economy market segment.

At the same time promoting dealers under pull strategy to keep their loyalty, increase shop share and attract the customers.

Logistic is very strong 20 branches after sales service centers around 200 franchise that is also increasing the sales capacity of the channel.



## **Identify the process of the developing and using brand identity of Bajaj with further evaluation of marketing segmentation, competitive analysis**

To develop the brand identity company used major strategy is umbrella strategy strengthening the product with corporate brand. That increases the customer credibility and dealers loyalty. At same time they are promoting by using pull strategies both party customers and dealers that is help to increase the brand loyalty of dealers. Not only that they are using TV commercial to communicate the brand identity for the different market segment that is on of the strategy which help to upgrade the top of mind brad awareness.

In terms market Segmentation Company has develop different market based on the price, quality and aesthetics look. This also helps develop brand awareness of those market segments. Currently in market leading players are; Crompton, orient, polar, Khaitan, Usha. Current situation is level of competition very high and that is reducing margin of products because of profit divided into the above major competitors. Bajaj market segmentation strategy is also helping to face that competition. Because of all the above players are having their own production plant as well as gained economies of scale. Therefore major strategies that they need to be followed develop the customer loyalty via product performance and after sales services. As well as Bajaj Company use the promoters to develop brand awareness among the customer by using branded T - shirts and caps. Some time such capacities do not have competitors to promote their products.

## **Analyze the marketing capabilities of Bajaj fans to utilize the current technologies e-marketing and e – commerce platform.**

If the bajaj used e - marketing tools and techniques under this context of e - commerce by which creating new distribution channel for the bajaj company as well as e - marketing is help to reach different customer segment on individual basis ( via email campaign marketing) and corporate segment. In addition to that the following benefit and advantage that they can gain out of the e - marketing;

Can access wider rage of the market - because of penetration of internet and email usage is very high. Therefore, in terms of cost vs. benefit, benefit is higher than cost, because of cost to reach very low. As example if the company developed websites by spending INR 150, 000 and suppose that 1500 peoples access per month to site ( $150,000 / 1500 = 100$ ) in the first moth cost is 100 Indian rupees. Month by moth that cost is reduced only thing that they need invest that capital for web site. That web sites is providing adverting and online purchase facility also can be set.

When online marketing is going to apply it is ideal for corporate segment such as companies, building & housing contractors. Online purchasing help reduce time gap in ordering and delivering product. As well as it is reducing the retailer margin which that they paying for retail sales.

Online promotional campaign also can carry out by using e - marketing tools such as pop up advertising, cross promotions.

Disadvantage of e - marketing and e - commerce are technical failures and security issues.

By analyzing those cost & benefit as well as advantage and disadvantage Bajaj Company apply new technology to improve their communication, sales and to beat the competition. As final conclusion bajaj has feasibility to use the new technology. In the future they can collect domestic and international corporate orders via web. That will deliver greatest benefit for them. Therefore bajaj is capable enough use the new technology under this scenario.