

Wipro marketing strategy essay



If I Was the Chief Marketing Officer of Wipro Technologies By: Samir Faruqui
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Introduction Wipro Technologies is a global information technology, consulting and outsourcing company with 145, 000 employees serving around 970 customers in 54 countries. I joined Wipro Technologies as a fresh Engineering Graduate in 2006.

I have had excellent experiences working in Wipro so far. In the next 7-8 years I am determined to gain the experience and skills required to lead the Marketing function of Wipro Technologies. I have chosen to analyze Wipro as by doing so I will get the opportunity to start thinking like the Chief Marketing Officer of Wipro. This paper will highlight Wipro's Marketing efforts in the past, the current competition/challenges and recommended strategies to overcome the challenges. Past Marketing Strategies - Focus on Branding and New Customer Acquisition As per the brand tracking survey conducted in 2006 Wipro's awareness level among the survey population of key non-clients was 35%, whereas the leading Indian competitor, Infosys, had an awareness level of 50%.

International competitors such as IBM and Accenture were way ahead with near perfect awareness levels. It was certain that if Wipro wanted to be recognized among the Top 5 global IT companies, Wipro needed to scale up its branding efforts and achieve a distinctive positioning. Highlights of Wipro's Brand Campaign Branding efforts were focused on grabbing the attention of CXO's or in other words the organizational decision makers. Since a CXO's job required considerable travel, airport lounges, cabs and hotels became the primary channels for the campaign. * Wipro organized

global academic and industry events to improve visibility among current and future CXO's. The Applied Innovation Council comprising of Wipro, industry experts and thought leaders was launched to analyze industry trends and work on innovative solutions to address new consumers, markets and business challenges.

Wipro Council for Industry Research was set up in partnership with leading business schools such as Harvard, Wharton, LBS and INSEAD to run joint thought leadership research studies. The focused branding efforts helped Wipro move to a new level as reflected in the Brand Audit by Penn, Schoen and Berland Associates which showed that Wipro ranked second only to IBM in favorability amongst prospective clients. This enhanced recognition in turn increased new customer acquisition rates. Wipro currently adds an average of 45 customers every quarter. Current Situation Competitor Strategy Tata Consultancy Services and Infosys are Wipro's main rivals. TCS's strategy for longer-term growth is to expand its geographic reach, industry coverage and service capabilities.

It also plans to deepen existing client relationships. Infosys is moving towards a non-linear growth model, which is the norm among its peers. It has undergone major restructuring, wherein it has consolidated businesses into three distinct service lines to aid its transition from a pure-play technology company to a consulting firm. Apart from the major rivals there are numerous smaller, low cost IT service providers.

These providers deliver “ Good Enough” services and leverage their low prices as the Unique Selling Proposition. They are often able to sway away

customers from premium service providers such as Wipro. Current Challenges * Low-Cost Competition and Customer Retention Wipro has achieved high brand recognition and a strong customer base however it struggles against low-cost competition. While Wipro has established price floor limits and does not agree to cut prices below these limits , low-cost IT service providers are usually ready to service clients at prices that are 15-20% lower than Wipro prices. Customers are on the lookout for vendors offering cheaper prices and are willing to shift to low-cost providers if their services are “ Good Enough”.

Wipro needs to devise a strategy to tackle low cost competition. * Shift from IT-Outsourcing to Business-IT Consulting Wipro has developed high-end business advisory & consulting capabilities, however majority of the customers still perceive Wipro as just a technology service provider. The Marketing Function needs to advertise Wipro’s consulting services and transform customer perceptions. Recommendations for the Future (Next 2 Years) - Wipro needs a dual-pronged strategy - one that both challenges low-cost competitors in the “ good-enough” segment, while also letting Wipro compete as a premium player leveraging value and performance leadership.

Wipro needs a marketing strategy that achieves following objectives * Develop long-term ties with existing customers, maximize customer satisfaction and achieve “ Zero Customer Attrition”. In comparison to the earlier strategy which was focused on customer acquisition, there should be increased emphasis on customer retention. Wipro should not lose customers

to low-cost competition. * Promote Wipro's deep Business Advisory and Consulting expertise as its key competitive differentiator from rivals.

Proposed Marketing Campaign - "Bring the Friends Closer" 1. Maximize Customer Satisfaction and Service Value -Customer feedback has always reflected the notion that Wipro Teams are excellent at delivering quality software solutions but struggle to provide meaningful advice on how customers can use IT to do their businesses better. With the formation of the Wipro Consulting Services (WCS), Wipro can now provide high value Business Advisory and consulting services as an add-on to the regular technology services and therefore maximize customer satisfaction. The Marketing team will advertise Wipro's consulting services and change current perceptions of Wipro as a mere provider of software services. Based on the customer retention requisite existing customers will be allowed discounts on availing consulting services. 2.

Strategic Partnerships - Account Managers/Client Engagement Managers will be incentivized to establish strategic alliances with top customers. The Wipro IT360™ framework that helps define and measure value from IT investments will be used to demonstrate the benefits of a long-term alliance with Wipro. Wipro will fulfill the entire Information Technology needs of the partner. Deep ties will minimize the chances of customer attrition.

Partners will be expected to share domain knowledge and industry best practices with Wipro. Wipro will leverage these insights and best practices while servicing other customers. . Top Ten Focus - The Top Ten customers

account for 22 percent of the total revenues. These are our priority customers and we can't afford to lose them.

The Wipro Marketing Team will evaluate the customer perceived value by performing detailed customer value analysis of the Top Ten customers. This will reveal Wipro's strengths and weaknesses relative to its competition. All functions within Wipro will work together to eliminate exposed weaknesses and build on the strengths leaving no scope for customer defection to competition. 4.

Increase Focus on Client Frontline Teams - Marketing Teams will target frontline client teams. As mentioned earlier Wipro Marketing/Branding campaigns have been mainly targeting C-Suite executives. However from my experiences working at the client side in the US, I have learnt that frontline customer teams that work directly with the Wipro Teams are equally important as their feedback forms an important part of the vendor selection process. As per my recommended approach Wipro will constantly seek feedback from the frontline clients and ensure all feedback is acted upon adequately. To build deep relations with its clients , Wipro will also organize " Experience India" programs in which clients will be invited to work out of Wipro facilities in India so that they can understand the Wipro culture and meet their offshore(India based) Wipro colleagues.

The customers will also be offered Holiday packages to tourist destinations in India. Wipro Teams working at the client side will be educated not only on the importance of understanding the voice of the customer but will also be trained on the basics of client engagement and relationship building. .

Institutionalize Customer Defection Management Program –Wipro Teams will perform surveys to extract and investigate the reasons of customer defections. Defected customers will be incentivized to participate in these surveys.

Special Teams comprising of senior Wipro executives will evaluate the survey results and use the findings to devise strategies to pursue and win back the lost customers. 6. Standardize the Referral System – Wipro will perform loyalty/influence analysis on its customers. The analysis will result in a list of Wipro customers who are not only willing to provide good referrals about Wipro but also have strong industry influence.

Wipro teams will pursue these customers to get recommendations that can be shared with prospective customers. 7. Networking -Wipro has a large and highly diversified customer pool of nearly 970 customers. Wipro will organize quarterly business networking events that will facilitate interactions among the customers. This will be a good opportunity for customers to meet senior leaders and possibly make business leads.

These networking events will also be a platform for Wipro to provide customers deeper insights into Wipro's business values, objectives, strategy and future value offerings. Conclusion While most Indian IT vendors are still employing transactional/short-term customer engagement models I believe my recommended strategy to position Wipro as a long term – high value player will yield high dividends in the next 2 years. Low-Cost competitors may be able to provide services to the clients at lower prices but will not be able to replicate Wipro's high-value consulting/technology service offerings.

Therefore these small players will find it extremely difficult to cannibalize Wipro's customer base. With its focused relationship marketing efforts Wipro will take a lead over its rivals such as TCS and Infosys in establishing long term strategic alliances with customers and will become the partner of choice. References 1.

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