

# [Pillsbury’s marketing flashcard](https://assignbuster.com/pillsburys-marketing-flashcard/)

Identify and describe the roles of product policy, pricing, promotion, and distribution in Pillsbury’s marketing of flour in India.

All P’s of the marketing mix play a role in marketing in India. The product is tailored to Indian preferences, prices are set low due to the of the low income of most Indians. The sales promotion is custom-made to the Indian situation, for example the Doughboy’s look, and the fact that The Pillsbury Doughboy has adopted Indian demeanor in TV spots, and speaks six regional languages. The distribution channels are also being formulated to fit the shopping tendencies of Indian housewives.

Did Pillsbury customize or standardize each of the four P’s?

There are two broad target groups of customers: industrial users and consumers. Industrial products are more likely to be standardized than consumer products. Hence, Pillsbury customized the four P’s of marketing to accommodate them to conditions in India. Within India language and marketing have been tailored and tweaked even more so to suit the many different regions of the country.

What mode of entry did Pillsbury use to enter the Indian market? Why did it choose this mode?

Pillsbury used its Diageo unit to enter India. The unit initially considered selling high-value products in India, but due to low disposable income levels abandoned that approach. Instead, they decided to go with a high volume product.

Using Dunning’s Eclectic theory, how would you characterize Pillsbury’s ownership advantage? Its location advantage? Its internalization advantage?

Pillsbury is a world-renowned brand and an expert in developing innovative products and packages for food. Therefore it is able to offer pre-packaged flour with a freshness guarantee that can’t be matched by competitors. The size of the Indian flour market and the need to provide fresh products makes locating in India advantageous for Pillsbury. By setting up operations in India, Pillsbury is able to internalize imperfections in the market for exporting flour such as, transportation time, barriers to importing and exporting agricultural products, in a way the further enhances Pillsbury’s advantage in the marketplace.