

Reasons of marketing strategy failure

[Business](#), [Marketing](#)



Despite the degrees that B-Schools offer for Marketing as a specialization, despite the multiple theories in place by famous marketers, despite the dedicated departments that most organizations have for devising their marketing strategies, it would not be unfair to say that as a function, “Marketing” is still viewed to be driven more by creativity and less by data analysis. Thus, as an extrapolation, the success or failure of a marketing campaign is viewed more from the crude parlance of external and uncontrollable factors (thus, luck) and less by the focused parlance of past customer behaviour, change in the customer needs and their disposable income.

Before we dive in to understand the gamut of reasons on why do marketing strategies fail, it is important to take a step back and wake up to the fact that quite a few organizations do not even have a marketing strategy in place! A recent research report by SBI mentioned that around 26% of marketers did not even have a clear marketing strategy for their respective enterprises that they could articulate. A little digging into this phenomenon reveals the real problem- marketers are more reliant on “tactics” than “strategies”. Blame it on the competitive pressure to deliver immediate and visible results that tactics are now being used interchangeably for integrated marketing strategies. To put it simply, a tactic could be “hiring a social media person” because social media platforms are the supposed “in thing” versus a strategy wherein the organization first attempts at finding out if there even exists a customer base in those social media platforms and then subsequently designing a holistic and sustainable campaign that is aligned to

the overall business strategy of the organization and is not reduced to just another exercise by the marketing team.

While the above was a fairly obvious reason on why a marketing strategy may fail, there are quite a few other reasons as well.

Localising does not always work

If one has been a fan/follower of the meme uprising movement (as I fondly term it) in India, you would not be unaware of this meme wherein a picture of “pasta biryani” has been labelled with different captions essentially driving home the point that Pasta with Biryani is simply blasphemous as a combination! Quite similar to this idea is the idea of localising as attempted miserably by Nestle Maggi and Danone. Maggi attempted an expansion of its product line by introducing its limited range “Flavours of India” noodles. These essentially included the significant spice palettes from the four corners of India (North, East, West and South) being bought together in 4 different flavours, namely- Mumbaaiya Chatak, Amritsari Achari, Bengali Jhaal and Super Chennai. A year since its launch, the supposedly innovative product line has not contributed much towards propelling Nestle’s share in the market. Danone, the leading French dairy giant met with a much worse fate as it decided on winding operations from India. Apart from the fact that it traditionally catered to a premium and thus limited consumer segment, its attempts at “Indianising” its products did not quite do the trick- be it the range of packaged Lassi with Masala, Mango and Sweetened flavours or the Kulfi flavoured Yum Chuski launched under its brand name “Fundooz”.

Lesson: Some classics are best left vintage**Relating to the Brand and its Ambassador**

So when a Shah Rukh Khan promotes Hyundai or an Akshay Kumar endorses Dollar vest, how many times have you wondered if they actually use these brand products in their day-to-day lives or not?! The answer is, except for an occasional spotting of an actor wearing his/her own label or the one that they endorse (read Deepika Padukone spotted wearing “ All About you” apparels) it is not believable that a Shah Rukh might be seen in a Hyundai Santro! Unless the intent is to cater to the premium band of customers, it is important that every product that tries to position itself as a “ value for money” commodity also has an advertising theme that is in line with this philosophy. Hence, instead of seeing Shah Rukh ride a Santro, a better campaign could be to invite some heartfelt Santro stories from the Santro customers and give the winning entry a chance to meet Shah Rukh! Incidentally, that is precisely what the company is doing currently on occasion of Santro completing 20 successful years in the market.

Lesson: Brand relativity is an outcome of a sound customer segment understanding and subsequent marketing design creation.

Consumers today are both Price and Status sensitive

Ever noticed how most consumers at a fruit shop want to buy the Rs. 40/kg apples over the Rs. 60/kg ones and even in the Rs. 40/kg lot they are seen picking and choosing the best one- with no dimples, no rots and optimum redness!

That at a granular level is how the middle class consumer, constituting for nearly 54% of the entire consumer base, functions. They are both cost and quality sensitive. And with the emergence of the Millennial and GenZ population, it is a highly legit expectation that they'd be status sensitive too! With the country's disposable income and thus the GDP healthily rising, Tata Motors chose the wrong time to launch NANO-“ the cheapest car” of India, or maybe, a car that it chose to brand as “ the cheapest car”. Gone are the days when owning a four wheeler was an aspirational dream. With the ease of an Uber/Ola and the banks offering car loans at reasonable interests, buying a car is now more of a decision and less of a dream and thus, the debacle of the “ cheapest car” strategy which tried to cash in on the now archaic Indian sentiment of “ car being a dream purchase”.

Source: The Economic Times

Lesson: being abreast with the dynamically changing consumer sentiment should be central to any strategy at all times.

While the examples of failed marketing strategies could be many and the reasons could be a lot more, what does not change is the intent of every marketing strategy- to create a lasting impact and translate that impression into a purchase. Innovation and the amplifying effects of social media will continue to be game changers provided they are supplemented with real time data on the ever changing consumer behaviours and preferences. What shall also remain constant are the fundamental sentiments of patriotism, brotherhood, friendship etc. that bind the nation and thus shall continue being at the heart of every marketing campaign.