

# The maruti suzuki swift marketing essay

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



## ADVERTISING CONCEPTS AND PRINCIPLES-IDEFINING BRAND SUCCESS IN

TERMS OF BRAND CONSCIOUSNESSSubmitted to: Submitted By: Ruhi Lal

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ContentsTopicThe Maruti Suzuki Swift was launched in India in May 2005 with a 1.3-litre petrol engine. Later, in early 2007, Maruti introduced the Swift with a Fiat-sourced 1.3 L DDiS engine. In 2010, due to the new BS IV emission norms, Maruti replaced the 1.3 L petrol engine with a 1.2 L K-series engine. In August 2011, Maruti launched the all-new third-generation Swift, with 1.2 L K-series petrol and 1.3 L DDiS engines. The story of Maruti Swift reads like a recipe for success -- a good product, aggressive branding strategy and doing things differently. So, no teaser campaigns, no going all-out with TV ads and no brand ambassador for you. And no white model -- the best-selling colour! While most auto companies -- including Maruti Udyog Limited (MUL) -- prefer to keep a new car model under wraps until the launch day, the Swift had already undergone test drives by auto experts. It had been showcased to the distributors, and had 9,000 bookings before the launch, even before the price was announced. "We were so sure of the design and the complete product that we feel the need to keep it under wraps," says a company official. From the Maruti 800 to the Esteem, MUL has always successfully cashed-in on the value-for-money proposition. "We were a little conservative when it came to the design," says a senior company executive, "but we went all out with the design with the Swift." "MUL identified an aspiration gap and plugged the gap with the Swift. No wonder it is doing so well," says Jagdeep Kapoor, brand guru and CMD, Samsika Marketing Consultants. That's a thought echoed by the respondents of the

Brand Derby. Eighty per cent considered the Swift a very successful launch, with 21 per cent considering it the year's most successful brand. "

Aspirational value", " brilliant positioning" and " a killer combination of style and reliable brand" -- Derby respondents certainly found a lot to praise in the Swift. But then, a lot of effort has gone into creating it. India's largest car company invested Rs 440 crore (Rs 4. 40 billion) in developing the Swift, of which Rs 190 crore (Rs 1. 90 billion) was contributed by its vendors. Further, a team of 25 MUL engineers and designers were a part of the design team for the Swift and even spent six months in Europe, the world's biggest small-car market, studying trends and also working on what would still be stylish five years from now. At the same time, they didn't forget the Indian roads and climate. So, the Indian variant has features such as better suspensions and an anti-rust coat at the bottom of the body. Another first: the car was launched globally within a span of a few months. Come December 2004 -- five months before the car was launched in India -- all new WagonRs and Maruti Omnis had sunshields and stickers that said: " My next car is a Swift." For the first time, MUL also opted for an in-film placement with the Bollywood hit Bunti Aur Babli, which was slated to hit the box-office around the same time. " The movie could have been released a fortnight in advance, or a month late. We didn't let that bother us, however," says the MUL spokesman. A 1, 000-strong team of salespeople called " energisers" were trained and placed at the 328 Maruti car dealers to sell only the Swift. Overnight, models of the car appeared on high platforms at busy intersections in Delhi, and in malls. In India, the car launch spread over just three to four days in 15 cities. " Not after the Maruti 800 has such activity and buzz happened over a car

from the MUL stable," gushes an auto analyst. The price tag was equally attractive. With the base model for Rs 3. 87 lakh (Rs 387, 000), the Swift was almost Rs 50, 000 less than what other cars in the segment cost. " Affordable and stylish in today's age, what more do customers want?" asks Kapoor. Adds auto analyst Tutu Dhawan, " More than the marketing initiatives, it was the car that made the difference. It was targeted not only at the first-car buyers but also at those who wanted another one, or a change from set of staid-looking wheels." Too much of a good thing? You're probably right. " What can I say? Looks like our estimates about the car demand were conservative," smiles a senior MUL executive. When other cars in the A2+ segment -- Hyundai Getz, Fiat Palio, Corsa Sail -- were selling 2, 000 units a month collectively, MUL set itself a monthly target of 4, 000 cars. However, within the first six months, the car had already sold over 40, 000 cars -- more than 6, 600 cars a month. Soon, there was a four-month waiting period while other cars in the segment were available off-the-shelf." There would have been huge discontent if customers had to wait so long," says the MUL official. Within five months, MUL upped its production capacity by 30 per cent: it can now manufacture 6, 000 units a month. The branding exercise is far from complete. The MUL corner at the just-concluded Auto Expo in New Delhi was more about the Swift than any other car. On display were seven more Swift models, from Swift Sport to the rally Swift, the Swift JWRC. " It's a car of the future," says the MUL spokesman proudly, " and there's more to come." Maruti Suzuki India Limited, commonly referred to as Maruti and formerly known as Maruti Udyog Limited, is an automobile manufacturer in India. It is a subsidiary of Japanese automobile and motorcycle manufacturer

Suzuki. As of November 2012, it had a market share of 37% of the Indian passenger car market. Maruti Suzuki manufactures and sells a complete range of cars from the entry level 800, Esteem and Alto, to hatchback Ritz, A-Star, Swift, Wagon R, Zen and sedans DZire, Kizashi and SX4, in the 'C' segment Eeco, Omni, Multi Purpose vehicle Suzuki Ertiga and Sports Utility vehicle Grand Vitara. The company's headquarters are on Nelson Mandela Road, New Delhi. In February 2012, the company sold its ten millionth vehicles in India. Originally, 18. 28% of the company was owned by the Indian government, and 54. 2% by Suzuki of Japan. The BJP-led government held an initial public offering of 25% of the company in June 2003. As of May 2007, the government of India sold its complete share to Indian financial institutions and no longer has any stake in Maruti Udyog. Maruti Udyog Limited (MUL) was established in February 1981, though the actual production commenced in 1983 with the Maruti 800, based on the Suzuki Alto kei car which at the time was the only modern car available in India, its only competitors- the Hindustan Ambassador and Premier Padmini were both around 25 years out of date at that point. Through 2004, Maruti Suzuki has produced over 5 Million vehicles. Maruti Suzukis are sold in India and various several other countries, depending upon export orders. Models similar to those made by Maruti in India, albeit not assembled or fully manufactured in India or Japan are sold by Pak Suzuki Motors in Pakistan. The company exports more than 50, 000 cars annually and has domestic sales of 730, 000 cars annually. Its manufacturing facilities are located at two facilities Gurgaon and Manesar in Haryana, south of Delhi. Maruti Suzuki's Gurgaon facility has an installed capacity of 900, 000 units per annum. The Manesar

facilities, launched in February 2007 comprise a vehicle assembly plant with a capacity of 550, 000 units per year and a Diesel Engine plant with an annual capacity of 100, 000 engines and transmissions. Manesar and Gurgaon facilities have a combined capability to produce over 14, 50, 000 units annually. About 35% of all cars sold in India are made by Maruti. The company is 54. 2% owned by the Japanese multinational Suzuki Motor Corporation per cent of Maruti Suzuki. The rest is owned by public and financial institutions. It is listed on the Bombay Stock Exchange and National Stock Exchange of India. During 2007 and 2008, Maruti Suzuki sold 764, 842 cars, of which 53, 024 were exported. In all, over six million Maruti Suzuki cars are on Indian roads since the first car was rolled out on 14 December 1983. Maruti Suzuki offers 15 models, Maruti 800, Alto, Maruti Alto 800, WagonR, Estilo, A-star, Ritz, Swift, Swift DZire, SX4, Omni, Eeco, Gypsy, Grand Vitara, Kizashi and the newly launched Ertiga. Swift, Swift DZire, A-star and SX4 are manufactured in Manesar, Grand Vitara and Kizashi are imported from Japan as completely built units(CBU), remaining all models are manufactured in Maruti Suzuki's Gurgaon Plant. The company is believed to be moving towards introduction of a new version of Maruti 800 by November 2012, which will be more fuel efficient, though slightly costlier than Alto and existing Maruti 800. The Suzuki Motor Corporation, Maruti's main stakeholder, is a global leader in mini and compact cars for three decades. Suzuki's strategy is to utilise light-weight, compact engines with stronger power, fuel-efficiency and performance capabilities. Nearly 75, 000 people are employed directly by Maruti Suzuki and its partners. It has been rated first in customer satisfaction among all car makers in India from 1999 to

2009 by J D Power Asia Pacific. Small car wizard, Maruti Suzuki's supremacy goes back to the year 1983 when the carmaker started its innings in India. The iconic Maruti 800 was the solo performer of Maruti which reigned Indian roads for close to three decades before it retired. In the mid-90s, other car companies from across the world realised the potential of India and started heading towards the then not-so-popular auto market. With other foreign brands coming to India, Maruti Suzuki India had to bring in more cars in the arena to face competitors. The story of Maruti Swift reads like a recipe for success -- a good product, aggressive branding strategy and doing things differently. So, no teaser campaigns, no going all-out with TV ads and no brand ambassador for you. And no white model -- the best-selling colour! While most auto companies -- including Maruti Udyog Limited (MUL) -- prefer to keep a new car model under wraps until the launch day, the Swift had already undergone test drives by auto experts. It had been showcased to the distributors, and had 9, 000 bookings before the launch, even before the price was announced. " We were so sure of the design and the complete product that we feel the need to keep it under wraps," says a company official. From the Maruti 800 to the Esteem, MUL has always successfully cashed-in on the value-for-money proposition. " We were a little conservative when it came to the design," says a senior company executive, " but we went all out with the design with the Swift." " MUL identified an aspiration gap and plugged the gap with the Swift. No wonder it is doing so well," says Jagdeep Kapoor, brand guru and CMD, Samsika Marketing Consultants. That's a thought echoed by the respondents of the Brand Derby. Eighty per cent considered the Swift a very successful launch, with 21 per cent

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interesting to learn and know how this brand Swift has been built. Swift is Maruti's first new model built from scratch after Suzuki took charge of the Indian venture.

**Objectives of Swift** ♦ **The Emerging Hatchback Customer:** Maruti sensed a nascent need in the market for a hatchback with a few luxury features, and has realised that while its 800 had been its bread and butter for long, and models like Esteem and Baleno doing from just about surviving to well enough in the market, it had to concentrate on the Hatchback segment which had increasing demand. ♦ **Huge Opportunities in Hatchback:** With players like Hyundai Getz, Fiat Palio and Tata Indica doing well in the Indian market, Maruti sensed a position for itself in the segment. ♦ **Diesel Opportunity:** While Maruti's smaller vehicles didn't allow them to be made Diesel compatible because of engine requirements, Maruti sensed an opportunity in the Hatchback segment for a model that could be converted to a Diesel offering in due course of time. This could offer a foothold for Maruti in the 19% Diesel Car market in India. ♦ **Image Makeover:** Maruti has always been branded as a carmaker for fuel-efficient India that has always gone easy on the looks and styling department of it. And here was a real chance in front of Maruti of proving those detractors wrong. ♦

**Globalisation of Suzuki:** The globalisation decision of Suzuki thus sharing its operations across all its markets enabled Maruti to think big and design a car usable for various markets. ♦ **Innovation:** There was a requirement for innovation in the Maruti stable with most of its names aging out, and opening up avenues for competitors to dominate. In middle of 2005, the makers of the Maruti Swift-Maruti Udyog Ltd. released the new Swift in India with rave reviews. For being a subcompact vehicle, the Swift housed all of

the best technology that Japan had to offer in a small subcompact car. Since it first debuted, the Swift has taken ownership of many acclaimed international awards such as: ♦ Car of the Year-Overdrive ♦ Best Design and Styling-CNBC Autocar ♦ Best Value for Money Car-CNBC Autocar ♦ Small Car of the Year-NDTV Profit ♦ Design Car of the Year-BBC Top Gear ♦ Car of the Year-CNBC Autocar ♦ Car of the Year-BS Motoring ♦ Total Customer Satisfaction-TNS Study ♦ No. 1 in Initial Quality Study-JD Power ♦ #1 Premium Compact Car-JD Power India Appeal Study (2007) It appears that the new Maruti Swift isn't stopping there and the designers are planning even more room on their shelves for additional awards and trophies. A new K-Series engine Swift will be introduced-first in India, coming in early 2010. This marks the beginning of sales for the new Swift in the United States also. Previous years, the car was not available for sale in the United States. Rave reviews are expected as it launches itself into stardom with the States. The new K-Series engine will provide a smaller amount of bulk horsepower but will offer better fuel mileage than the previous models. Even with the fact of less horsepower, the torque remains that same. A side-by-side comparison of the older generation engine and the new K-Series engine are below:

First Generation Gasoline Engine ♦	1, 298cc, 16-Valve ♦	87bhp @6, 000 rpm ♦
113Nm@4, 500 rpm ♦	16 kpl	K-Series 1. 2L Engine ♦
1, 197cc, 16-Valve ♦	85bph @ 6, 000 rpm ♦	113Nm@ 4, 500 rpm ♦
18 kpl	Additional safety features are integrated into all base model Swifts as part of their surround protection such as: ♦ EBD ♦ Airbags ♦ ABS ♦ Crash Resistant and Power Absorbing Trim Design ♦ Adjustable Steering Column ♦ Front Seat Belt Pre-Tensioners that instantly tighten in the event of a crash	

Along with the new K-

Series engine, the 2010 Swift will have an ample supply of comforts that were only found in the larger mid-size cars. It will be equipped with integrated radio controls on the steering wheel, a keyless remote and a key-in warning buzzer just to name a few. Maruti Suzuki is India's leading car maker. Its car Maruti Swift is the largest selling car in A2 segment. The company enjoys majority of share in the small car market of India. The company was started as a joint venture between the Indian government and Suzuki Motor Corporation of Japan. Now Suzuki holds the majority stake in the venture. Maruti Suzuki is the largest car maker in India. Its cars top sales charts year after year. The company became the first car maker in India to produce and sell more than a million cars. Earlier the company was known as Maruti Udyog, but was renamed as Maruti Suzuki India Limited on 17 September 2007. This publicly traded company is headquartered at Gurgaon, Haryana. Earlier the Indian government held 18.28% of Maruti Suzuki. Later the government sold its stake to Indian financial institutions during the company's initial public offering in June 2003. Now, the government holds no stake in the company. Established in February 1981, Maruti Suzuki started production in 1983 with its flagship brand 800. The car became a huge success. At that time the car had competition in the form of old models like Hindustan Ambassador and Premier Padmini. Maruti 800 soon became the best-selling car in the Indian market, the position it held till 2004. Maruti caters to the huge domestic car market and sells over 730,000 cars annually. The company also exports more than 50,000 cars per annum. As of now, its model Alto is the largest selling car in India. The success of Maruti has largely to do with its understanding of the Indian consumers. The

company understands the need of the consumers and have come up with small and less expensive cars for the market. It is seen that in India, where most the roads are in bad shape, small cars deliver better performance. Indians are price conscious. So pricing a car at a low bracket is a smart strategy of the company. Maruti has been successful in maintaining its leadership position over the years. After the liberalization of economy many foreign car companies came to India to do business, but no one was able to beat Maruti Suzuki at its game. And Maruti Swift continues to be a best-seller. The Advertising StrategyThe Brand Trust Report published by Trust Research Advisory has ranked Maruti Suzuki in the seventh position in 2011 and the sixth position in 2012 among the brands researched in India. Bluebytes News, a news research agency, rated Maruti Suzuki as India's Most Reputed Car Company in their Reputation Benchmark Study conducted for the Auto (Cars) Sector which launched in April 2012. Maruti Suzuki Swift was awarded the Frost & Sullivan 2010 Aspirational Car of the Year Award in Segment B. The award was received by Mr. Shashank Srivastava, Chief General Manager Marketing, Maruti Suzuki India Limited. The Frost & Sullivan 'Aspirational Car of the Year' Award is conferred to a manufacturer based on a structured research process and by evaluating the performance of its products by end users. The "Voice of Customer" survey recognizes an OEM that has launched the best models across various segments of passenger vehicles, satisfied aspiring needs, and been rated high for its achievement in "Excellence in Technology and Innovation". In addition to the methodology followed, specific criteria were used to determine the final ranking of competitors in the industry. The recipient of this Award had to excel in one or

more of the following criteria: Improvement in customer satisfaction levels  
Reduced churn rate  
Reduction in operational costs while maintaining high levels of satisfaction  
Imitation by competitors  
The recipient company is known for the economical pricing of its vehicles and fuel efficiency, and the Award-winning model is no exception. The Award has been conferred upon the smart and compact hatchback " Maruti Suzuki Swift" for its outstanding contribution to the industry as the most " Aspirational" car under the Segment B category. Maruti Suzuki Swift is a truly global vehicle. It is built with typical Japanese precision, attention to detail, tested for unique Indian road conditions and customer requirements. Maruti Suzuki Swift is an example of the growing recognition for Indian intellectual and engineering capabilities. Maruti Suzuki's R&D capability, evident time and again in its efforts to upgrade existing models, has attained a new definition with Maruti Suzuki Swift. Maruti Suzuki Swift gives the feel of a sporty drive, has excellent engine responsiveness, handles well, and has shock absorbers built exclusively for Indian road conditions. The front end of the car features vertically stacked headlamps, a raised bonnet line that meets new pedestrian safety norms, well-defined muscular wheel arches, a waistline that runs through the length of the car, and chunky C-pillars that make the car look like a state-of-the-art design as it gets closer. Maruti Suzuki's Swift diesel model houses a next generation DDiS engine with a 16-valve cylinder head for more power and higher engine response, leading to a smoother drive. It boasts of a combination of Turbocharger, Intercooler, and a Double Overhead Camshaft for high performance. Swift houses the latest Chain Drive Timing System engine, which is maintenance-free for its entire life

cycle. Presenting the award, Mr. V. G. Ramakrishnan, Senior Director, Automotive and Transportation, South Asia, Middle East & North Africa, Frost & Sullivan, said, " Maruti Suzuki Swift's concept-car-like styling with an excellent build quality influences the purchase decisions of Indian vehicle owners. Its low maintenance cost and active safety features make it an attractive buy and value-for-money, despite close competition from various other models in the same price and segment." Receiving the award Mr. Shashank Srivastava, Chief General Manager Marketing, Maruti Suzuki India Limited said, " Swift is one of the most important brand for us. It has been a great success story for Maruti Suzuki and the Indian Automotive Industry. With its radical styling, sporty drive and advance features it taken the customer expectations to a new level, creating an all new segment. It is heartening to see Swift get this most aspirational car award. The Swift continues to be the most popular and aspirational car for the customers

The Brand Trust ReportThe Brand Trust Report, India Study is an annual study based on a primary research conducted across Indian cities based on Trust Research Advisory's proprietary 61-attribute Trust Matrix. The research studies trust attitudes and preferences of brand influencers and also lists the Most Trusted Brands in India based on the Brand Trust Index. The Brand Trust Report, India Study - 2013 (ISBN 978-81-920823-4-9) was a result of a research conducted across 2505 influencers from 16 Indian cities generating 3 million data points. The Brand Trust Report - 2013 lists 1100 Most Trusted brands from 211 categories from among the 19000 unique brands generated in the study. Nokia was ranked as India's Most Trusted Brand for the third consecutive year, followed by Samsung ranked 2nd and Sony ranked 3rd.

BMW jumped twenty ranks from the previous year to be ranked India's 4th Most Trusted brand and India's Most Trusted car brand. Tata was ranked India's 5th Most Trusted, losing 3 ranks from the previous year. Other brands among India's 10 Most Trusted brands include Godrej, Reliance, Bajaj, Airtel and LG. Anna Hazare as India's Most Trusted personality and Kiran Bedi as the Most Trusted Female personality. The other prominent Most Trusted Category leaders include Maruti Suzuki in Automotive, Life Insurance Corporation in Insurance, State Bank of India among Banks, LG in Durables. The Brand Trust Report, India Study - 2012 (ISBN 978-81-920823-1-8) was conducted in 15 cities with 2718 influencer-respondents and the report generated 17000 unique brands. The Brand Trust Report - 2012 listed India's 1000 Most Trusted Brands and Nokia was ranked India's Most Trusted brand in 2012 followed by Tata ranked 2nd and LG ranked 3rd. Other brands listed among the top 10 most trusted include Samsung, Sony, Maruti Suzuki, Bajaj, Life Insurance Corporation, Airtel and Reliance. The Brand Trust Report, India Study, 2011 (ISBN 978-81-920823-0-1) researched 2310 influencer-respondents and generated 10, 00, 000 data points and 16, 000 unique brands from over 10, 000 hours of fieldwork conducted in nine cities. Of the 300 Most Trusted brands listed in the report, Nokia was India's Most Trusted Brand. The other brands in the top 10 were Tata, Sony, LG, Samsung, Reliance, Maruti Suzuki, Life Insurance Corporation, Airtel and Titan. Maruti has strategised the brand campaign of its newly launched brand Swift. The ad-campaign will be product-centric and no props will be used. The ads will highlight the 'attitude' and a power car concept, by showing the car in some most striking formats." The campaign will be across all media - print,



electronic (radio and television) and outdoor, as well as on websites such as yahoo and rediff," claims a Maruti executive. Capital Advertising handles the creative while Initiative handles the media. A re-look into ad budgets is on the cards, according to Maruti Udyog Ltd marketing manager Mayank Pareek. It is believed that, ad budgets could be laid on the chopping block since the brand is now quite well-known and respected. Maruti's official release claims that the Swift has been designed and built to meet aspirations of young Indians who want the most contemporary products and international lifestyles. This car has been targeted at the Indian customer who will look at the Maruti-Suzuki brand name and also demand typically Indian attributes like fuel efficiency, reliability and performance along with looks and sports an 'attitude' as well. Maruti Suzuki Swift, the brand that has transformed the Indian car landscape, turns five tomorrow. The Maruti Swift was launched in India on May 25, 2005. The car seemed destined to succeed from the day it was born. Nearly 16, 000 customers had placed advance orders for the Maruti Swift even before it was unveiled and its price made public. It won a bagful of awards that year, including all the car-of-the-year awards in India. The international editions of Maruti Swift similarly won awards in markets across the world. In these five years, more than 4. 5 lakh Maruti Swift cars have been sold in India. In the early days of the brand, nearly 5, 000 Maruti Swift cars were produced every month; an ambitious number for a car in that segment. In these five years, the Company has had to regularly scale up capacity and production to meet unmet demand for brand Swift. Today, driven by customer demand, Maruti Suzuki manufactures over 12, 000 Swift cars in a month (including the diesel versions). Maruti

**Swift: New Design Philosophy** The Swift is a landmark model for many reasons. As Suzuki Motor Corporation's first World Strategic Model, it ushered in the new design philosophy of the Japanese small car giant. Bold, aggressive, distinctly European, sporty and curvy, it was unlike anything that Suzuki had offered until then. When Maruti Suzuki launched the Swift in India, it was instantly appreciated by Indian customers. The same sporty and dynamic design philosophy is evident in the subsequent four World Strategic Models – Grand Vitara, SX4, Ritz and A-star – that Maruti Suzuki has launched since then. Maruti Suzuki's Managing Executive Officer (Marketing and Sales), Mayank Pareek said, "The Swift has captured the imagination of Gen-next. It symbolises Maruti Suzuki's efforts to be in step with a changing India. Its sporty styling and peppy performance made it an instant hit, and these attributes remain unsurpassed even today."

**Maruti Swift: The Indian story** The Swift is also special because this was the first time when Maruti Suzuki engineers worked in collaboration with Suzuki engineers in Japan to design and develop this car. Thus, the Swift launched in India was a global model, sensitive to requirements of Indian customers. The knowledge and exposure gained with the Swift enhanced the R & D capability of Maruti Suzuki, and enabled the Company to launch more India-sensitive models and face lifts in these last five years.

**Maruti Swift: Defining a New Segment** Five years ago, it was hard to conceive that customers of small cars in India would be willing to pay a premium for a small car. The Swift successfully challenged that perception and defined what is now popularly known as the premium A2 segment of the Indian car industry.

**Maruti Swift and the New India:** Part of the reason for Swift's success is that its journey coincided with

a transforming India. In the last five years, customers have become more assertive, aware and demanding. They seek the best the world has to offer, while retaining Indian values of reliability, fuel efficiency and low cost of ownership. The Swift has successfully balanced these demands. The Maruti Swift Diesel: Brand Swift's defining role is extended to the diesel segment as well. Launched in January 2007, it was instantly lapped up by customers who sought refinement and performance alongside the fuel economy of diesel. With the DDiS engine (Europe's Engine of the Year 2005), the Swift Diesel marked Maruti Suzuki's re-entry into the diesel car market. The Cult car: Over the years, customers have conferred an iconic status to brand Swift. Little wonder that the Swift Life online Community is fast gaining popularity. The passionate Swift customers engage among themselves and with their favourite brand online and offline. Maruti Swift and World Record: As a part of Swift's birthday celebrations and to commemorate the landmark, on Sunday, May 30, Maruti Suzuki will attempt to set a new World Record by bringing together the largest gathering of Swift cars in three cities – Delhi NCR at Gurgaon, Mumbai and Sriperumbudur at Chennai – simultaneously. This will be a first-of-its kind attempt in India and of its size anywhere in the world. A snapshot of Maruti Swift's sterling performance: 1st One lakh units in under 21 months 2nd One lakh units in under 13 months, fastest 2 lakh units sales among all cars 3rd One lakh units in under 11 months, fastest 3 lakh units sales among all cars 4th One lakh units in under 11 months Only car in A2 + segment to achieve over 1 lakh unit sales per year consecutively for last two years. As per the ARAI certified fuel efficiency, the Swift Diesel with its compact 1.3 litre DDiS engine delivers 21 kmpl,

while the Swift Petrol with next generation K Series 1. 2 litre engine has a fuel efficiency of 17. 94 kmpl. PromotionMUL strongly believes in attribute-oriented advertising. In an attempt to reposition M800 as a choice for those upgrading from a two-wheeler, MUL's campaign of a child playing with a toy M800 drives home the fuel-efficiency factor: the car never stops because the fuel never finishes. The future communication strategy that MUL has envisioned for M800 is a snap of a typical middle-class family commuting on their two-wheeler. Next to them is another family except that this one is comfortably ensconced in a Maruti 800.> One of MUL's most ambitious television campaigns launched the Zen Predator. Positioning it as strong, sleek and sexy, the commercial showcases the variant's new styling through the theme of predator and prey in the context of a modern jungle. The theme is one of a chase that ends in willing surrender, brought home in the baseline: Surrender to the new Zen.> The Zen Predator is being aggressively promoted in print. MUL bought the entire advertising space on The Week's first issue of 2004. Additionally, MUL is the first Indian automobile corporate to utilise the internet for a complete branding exercise, using interactive and page domination techniques.> Recently, MUL has turned its marketing focus to corporate TV commercials to promote its entire range of vehicles. The company has rolled out a new corporate TV campaign, featuring the Maruti Puttar. The rationale behind a second TVC featuring the same child model as the M800 campaign is to leverage the brand recall of the earlier commercial, driving home the point that A Maruti Suzuki family is a happy family.> MUL is involved in a wide range of sponsorship activities, placing particular emphasis on motor sports. It was

the founding sponsor of ♦Raid De Himalaya,♦ and in its fifth year continues to be closely involved with it. The company regularly holds car rallies for amateur drivers and aspiring rallyists. MUL now has plans to host golf and polo events. Promotional strategies:\*

- \* Road ShowsThe company plans to stage road shows, to display vehicles in the pavilions during various college festivals and exhibition. This car will appeal to youngsters more.
- \* Television advertisementsAdvertisements to promote and market our product will be shown on leading television channels. Major music and sports channels will promote and they will reach out to the youth will be promoted through Star, ♦Zee, Sony and Doordarshan etc as it has more viewers. RadioRadio is the medium with the widest coverage. Studies have recently shown high levels of exposure to radio broadcasting both within urban and rural areas, whether or not listeners actually own a set. Many people listen to other people's radios or hear them in public places. So radio announcements will be made and advertisements will be announced on the radio about the product features and price, qualities, etc.
- Print AdsDaily advertisements in leading newspapers and magazines will be used to promote the product.
- Leaflets at the initial stage will be distributed at railway stations, malls, college areas and various other locations.
- Workshops and SeminarsWorkshops and seminars will be held in colleges and big corporate to make people aware about the company's past performance and product features, its affordability and usage, vast distribution network.
- Road shows will be conducted where free trials of the car would be given.
- Banners, neon signsHoardings, banners, neon signs displayed at clubs, discs, outside theatres and shops to promote SWIFT.
- Booklets and pamphletsBooklets will

be kept at car showrooms, retail battery outlets, etc for the customer to read. These booklets will provide information about our company; the products offered which suits the customers need accordingly. Advertising Strategies\* Emotional appeal\* Generates association with the audience\*

Advertising strategy SWIFT:> Start advertising 2 weeks before the launch> Advertise on all major media like TV, Magazines, Newspaper, Hoardings, Radio> Sponsor cricket matches> Promotion at malls> Launch around a month before festivals like Diwali and Navratri

Designing of the advertising budget

Stage 1 Even though the car was launched in the last month of 2006 for comparison sales are the unit sales from March 2008 to March 2009. The figure that is got by taking an average of the available figures from December 2008 to March 2009. Total Units from Dec 08 to Mar 09 = 4991 units

Average units for 12 months = 14973

Average on road price for i20 = Rs 575000. Total Revenue = (No. of units) 14973 x (Average cost) 575000 = Rs 860.94 Crores

Assuming 0.2% as the advertising budget for swift from the total revenue it comes down to Rs 1.72 Crores.

Stage 2 Total units from April 09 to Mar 10 = 42128 units

Average on road price for i20 = Rs 575000. Total revenue = (No. of units) 42128 x (Average cost) 575000 = Rs 2422.36 Crores

Assuming 0.4% as the advertising budget for swift models from the total revenue it comes down to Rs. 9.68 Crores.

Stage 3 As the figures are available till the month of May 2010 for comparison purpose an average of the unit sales from April 2010 to March 2011 is taken. Total Units from April 10 to May 10 = 10915

Average units for 12 months = 65490

Average on road price = Rs 575000. Total Revenue = (No. of units) 65490 x (Average cost) 575000 = Rs 3765.67 Crores

Assuming 0.7% as the

advertising budget for swift (the increase in the advertising budget is subjected to the market research findings done by J. D. Power in 2009 which says that for the car purchase, number of people using internet will rise from 26% in 2009 to 34% in 2010 from the total revenue it comes down to Rs. 26.35 Crores.)> Managing the Ad Design

Managing the advertising budget in literal sense means allocating the set advertising budget sensibly to different advertising channels. Here we are managing the advertising budget set for the year 2010 ♦ 2011 which is 26.35 Crores. Advertising Channels with Allocations

1. Newspaper ♦ 40% (Rs. 10.54 Crores)

The reason for allocating 40% of the total advertising budget to newspapers is that it helps in

- \* Brand Building
- \* Product Awareness
- \* Detailed knowledge ♦ company, dealership, product, benefits- if any.
- \* Better brand and product recall.

As it is very necessary to keep reminding the consumers regarding the company and its products throughout the year, newspaper acts as a perfect medium for the same. The allocations for newspaper have to be divided further sensibly taking many external or internal factors into consideration. The factors can comprise seasonal or festival effects on the consumer buying behaviour or it can be some government reforms which might directly or indirectly influence the consumer buying behaviour.

2. Television ♦ 30% (Rs. 7.9 Crores)

The reason for allocating 30% of the total advertising budget to television is because it helps in

- \* Brand Building
- \* Product Awareness
- \* Patent technology awareness
- \* Special Features if any

Audio visual media is always considered to be the most effective advertising channel as it has a better recall level. Similar to newspapers the allocation of the budget should be done sensibly taking various factors into consideration which can range all the way from

festival time to a specific time of the day when the viewership will be maximum in order to get a better recall value. Precautions must be taken while deciding how to utilize the advertising budget on television as it is one of the costliest and impactful means of communication. Also due care must be taken while designing the theme of the advertisement as it might play with consumer emotions or sentiments.

3. Magazines ♦ 15% (Rs. 3.9 Crores)

The reason for allocating 15% of the total advertising budget to magazines is because it helps in\* Brand Building\* Competitive advantage\* Complete technical specifications\* Reasons for making it a good purchase\* Gives a very clear picture of how the product is better than its competitors

Today ♦s consumer prefers to do his homework well before making any purchase. There are a lot of magazines related or non related to auto sector which should be constantly upgraded with the concerned above mentioned product so that the consumer can read or go through the information whenever required. It can be seen as a medium which can be stored and revisited whenever required.

4. Internet & Advertising Innovations - 10% (Rs. 2 Crores for internet & 60 lakhs for Advertisements)

The reason for allocating 10% of the total advertising budget to internet and advertising innovation is because it helps in\* Brand Building\* Brand Recall\* To be considered as an innovator with all together a different advertising campaign

As mentioned earlier according to the J D Powers market research report, the number of internet users is going to increase significantly. As internet now a days has become a integral part of our lives it becomes very necessary as a company to capitalize on this medium and that ♦s the reason why majority of the above mentioned allocations is internet specific. By



advertising innovations, they want to convey a very deep still innovative message. As the initiators of this project we have come up with an innovative advertising strategy which will specifically focus on Brand as well as Product building. The product and the brand can be showcased with the help of a Hydrogen Balloon which will fly over 4 major metro cities in India as a part of brand and product awareness campaign. 5. Hoardings ♦ 5% (Rs. 1.3 Crores) The reason for allocating 5% of the total advertising budget to hoardings is because it helps in\* Brand Building.\* Brand Recall. Hoardings play an important role in building a brand and helping the consumers to recall it better. The sole motive of hoarding campaign is that it helps the consumer to stay in touch with the brand constantly.