

Marketing Strategies of Global Branding In Indian Service Markets

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I. Introduction

India is among the largest markets of the world in terms of sheer size along with China which together account for 37 per cent of the overall world population. A number of well-known global brands have derived much of their sales and profits from nondomestic markets for years. Having the huge potential, India is one of the most promising and progressively growing economies in the world. Followed by China, it has a large consumer base backed by the huge populations having a considerable amount of spending power. The successes of these brands have provided encouragement to many firms to market their brands internationally. A number of other forces have also contributed to the growing interest in global marketing are perception of slow growth and increased competition in domestic markets, belief in enhanced overseas growth and profit opportunities, desire to reduce costs from economies of scale, Needs to diversify risk and Recognition of global mobility of customers.

Today companies going global, continuously innovate their strategies for worldwide success. Global Marketing needs clear vision regarding the 4P's i.e., Product modification, Pricing issues, Promotion mix strategies to adhere to the cultural sentiments, language and lifestyle patterns of foreign consumers and right distribution channel to penetrate deeper. Other challenges include suitable Packaging and building Brand for acceptance in the foreign market. All these require Marketing Research followed by segmenting, targeting and positioning of the markets. The debate on Standardization vs. Customization exists. It is argued that premium brands and experiential brands opt for standardization, while FMCG brands and others need a customized approach in diverse markets.

Despite huge potential, a number of MNCs have not been able to reach the levels of success that they have either enjoyed in their home markets or the markets world over. These global brands upon their entry in the Indian markets used the most successful of their companies' strategies the world over, but these strategies failed in the Indian market because of which these MNC's sometimes incur huge losses. According to Choudhary et al.(2012), the MNCs can try and use a three steps approach to succeed in the Indian market – (a) organize its business structure for Indian market; (b) customize their offerings for Indian markets; and (c) form partnerships with Indian companies. In this paper, the cases of such selected Global brands are discussed who initially could not understand the dynamics of Indian market and needs of consumers and suffered huge losses. They repositioned their brands only when adapted to the local market needs and became successful.

II. The Power Of Branding

Branding has been around for centuries as a means to distinguish the goods of one producer from those of another. In fact, the word brands is derived from the Old Norse word brand, which means —to burn, as brands were and still are the means by which owners of livestock mark their animals to identify them.

The brand strength depends on the perception of customers. Satisfied and loyal customers indicate positive perceptions of brand. Branding is more powerful than it is normally received and those companies which realized this have capitalized by building a strong Global Brand. A strong brand reassures the customer; it gives confidence in terms of the quality and satisfaction that can be anticipated from buying it. From all of this comes the possibility of long-term profits. Many brands are household names today, but the concept of brand management has moved beyond the household goods categories. Brand is the biggest asset of any company. Google is a strong global brand with high brand value and established brand image. A global brand should provide relevant meaning and experience to people across multiple societies. A global brand is the worldwide use of a name, term, sign, symbol (visual and/or auditory), design, or combination thereof intended to identify goods or services of one seller and to differentiate them from those of competitors. Even when a company has promoted its global brand name worldwide, it is difficult to standardize its brand associations in all countries. All leading global brands have one thing in common, i.e., they share a set of dimensions which others need to understand, master and manage. Physical and psychological attributes of the brand must be well defined.

- How well does the product perform?
- How efficient is the integrated marketing communication strategy in creating the right brand appeal to the foreign consumers?
- How competitive is its price may require some adaptation to local market conditions and culture?

There are four functions of the mind-thinking, sensation, feeling and intuition. The psychological attributes deals with these four aspects in a consumer. A clear communication of the Brand meaning and value forms the right Brand Image in the consumer's mind. Harley Davidson is a brand with the Image of ruggedness, tough and masculine personality. The trend today is toward a "borderless world". Global branding strategies consist of using the same brand name or logo worldwide. Companies want to leverage the creation of such brand names across many markets, because the launching of new brands requires a considerable marketing investment. Global branding strategies tend to be advisable if the target customers travel across country borders and will be exposed to products elsewhere. Global branding strategies also become important if target customers are exposed to advertising worldwide.

III. Objectives Of The Study

- ❖ To identify the Brand and Indian Service Marketing strategies for global branding.
- ❖ To identify the challenges in global marketing in India.
- ❖ To find out the advantages and disadvantages of global brand in India.

The Brand Environment : More factors influence a brand than the business strategy and the subsequent Efforts of the organization and its affiliates to bring about the brand, as described in the previous paragraph. A brand operates in an environment consisting of, on the one hand, the elements of the strategic planning cycle, and on the other hand, organizational conventions, competitive forces, market structures, cultural factors, consumer motivation and media attention: the lenses and filters through which consumers perceive and experience the brand.

Perception of consumers: Perception of consumers about a product's quality/performance is more important than the actual. It matters little whether the brand really is the best in a product category, what matters most is whether the consumers perceive the brand to be the best or not. Intel, Nike and Tiffany are some global brands which enjoy the benefit of strong, favourable consumer perception. When entering a foreign market with our Brand, the culture, language and mindset of people in that country must be studied first and then appropriate Brand communication efforts must be taken. Let us see the experiences of a global brand in Chinese market.

IV. Marketing Strategies Of Global Brands In Indian Service Markets

With increasing globalization and international trade, a number of international brands are entering into India which is one of the fastest growing and highly competitive markets in the world. Though, most of the global firms failed to understand the needs of Indian consumers as well as the market characteristics but there are a few of them who have been successful in positioning their brands into the Indian market because they attempt to understand well the needs of target group before introducing a brand into the market. Even some of the most successful brands in today's time had committed several blunders or mistake while initially entering into Indian market. For instance, United health, Aetna, Mckinsey and China Vanke are among such global brands that initially introduced standard products by following standardized global strategies but later realized their mistakes and thus modified their product or services according to the needs of Indian consumers' and became successful.

In today's scenario, for any Global brand to succeed in Indian markets, the companies need to shift their focus from forming global strategies for the overall market, to the strategies that adapt to the local market conditions in the India. The Global firms operating in India must try to be as local as they can be by converting themselves into Global brands i.e. being global at heart. The companies can achieve these objective, either by using local manufacturing, producing Indianite variants of their products to take care of local consumers tastes, to use local celebrities as brand ambassadors, and tackle the issue of price sensitivity of the Indian consumers by launching value for money products which are affordable for the masses and forming long-term relationships with intermediaries in the market and in still in them a sense of confidence that they are your brand's partners in your journey towards success and they too will benefit if you as a company will succeed and if your brands succeed in Indian market.

V. Six Challenges In Global Branding

Strong brands requires a clear strategic approach to handle the six efforts (6Es) involved in creating strong brand.

Economic Assistance: The main challenge faced by the brand leaders is to focus on the short term returns. Brand is a long-term asset, introduction of price; discount or freebie promotion for initial acceptance of the product may lead to brand dilution and failure in the long run.

Effect of Approving: There must be consistency in quality/performance, if not betterment so as to sustain the growing complexity of International market in terms of Consumer's changing tastes and multiplying competition. The company must continuously innovate and maintain good customer relations though their consumer touches points, so as to create brand loyalty among existing users.

Emotional Appeal: Emotional appeal is essential to communicate the Brand message. Consider the number of media options available to consumers-200 or more television channels, Internet, Newspaper, magazines.

Effective Culture: Culture refers to how people in a society interact, what they believe. How they make decisions and what meanings they attach to certain representations. Cultures are not static, but develop through intergenerational and interpersonal learning and experience.

Economic, Legal and Political conditions: Condition implies the Economic, Legal and Political conditions prevailing in a foreign market. Law related to Advertising content, product specifications, distribution options, etc vary from one country to another. The Economic condition in UK made LG play down its tagline Life is good in Advertisements due to recent credit crunch.

Efficient distribution channel: Formation of distribution channel alliances in a foreign market. A distribution channel decision is vital and rigid, that it expensive to change, once decision is made.

VI. What Makes A Strong Global Brand?

To create a strong a global brand and maximize brand equity, marketing manager must do the following-

- ❖ Understand brand meaning and market appropriate product in an appropriate manner
- ❖ Properly position the brand
- ❖ Provide superior delivery of desired benefit
- ❖ Employee a full range of complementary brand element and supporting marketing activities
- ❖ Embrace integrated marketing communications and communicate with a consistent voice
- ❖ Measure consumer perception of value and develop a pricing strategy accordingly
- ❖ Establish credibility and appropriate brand personality and imagery
- ❖ Maintain innovation and relevance for the brand
- ❖ Strategically design and implement a brand hierarchy and brand portfolio
- ❖ Implement a brand equity management system to ensure that marketing actions properly reflect the brand equity concept

VII. Strategies To Overcome Challenges:

It was beautifully illustrated in an article titled "Made In India, Only For India" recently published in 'The Strategist' stated that "Now for most of the successful MNCs operating in India, exclusively for India has become an integral part of their overall product development strategy". It is attempt to highlight that MNCs must introduce the products or services matching to the needs of Indian markets in order to be successful. GE Healthcare launched an Electrocardiogram (ECG) machine especially to be used by rural markets where the clinics do not have much space to operate those complex ECG machines which also runs on battery to overcome the electricity problem caused by the frequent power-cuts in Indian rural markets. The MNCs' and their brands that are successful in Indian markets are switching to this strategy of presenting themselves as a local company so that people can identify themselves with these firms as their own and this is the reason that why most of the global firms are now focusing on local promotions, local products, pricing strategies as per local requirements and local distribution for Indian markets instead of using their global marketing communications mix to attract the Indian consumers to their brands. The growth for these brands in Indian markets has been increasing throughout depending on how they are tapping the markets by offering more and more regional flavours and tastes which are pushing these brands forward.

VIII. Conclusion

As Indian companies seek to be major players in global markets, one of the key challenges they face is **building global brands**. Building brands is important as wages rise with economic development, competing on cost alone may not be sustainable. While brands may not necessarily translate into premium prices, they help companies gain higher market share in a crowded market place as they convey an assurance of quality and reliability. The brand strength depends on the perception of customers. Satisfied and loyal customers indicate positive perceptions of brand. In time when competition is getting powerful, it is imperative for the firm to seriously evaluate factors that are not only important in creating strong brand equity but also assist them in achieving customer satisfaction and loyalty. Branding is a major issue in product strategy.

Branding is expensive and time-consuming, and can make or break a product. The most valuable brands have a brand equity that is considered an important company asset. The best brand name suggest something about the product's benefits; suggest products qualities; are easy to pronounce, recognize, and remember; are distinctive; and do not carry negative meanings or connotations in other countries or languages. The marketing implementation may make or break a brand and is most vital as consumers actually experience the brand through advertising, promotions, purchase and after-sales service. Global marketers need to make a sustainable brand strategy which lists the character traits intended for the brand.

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