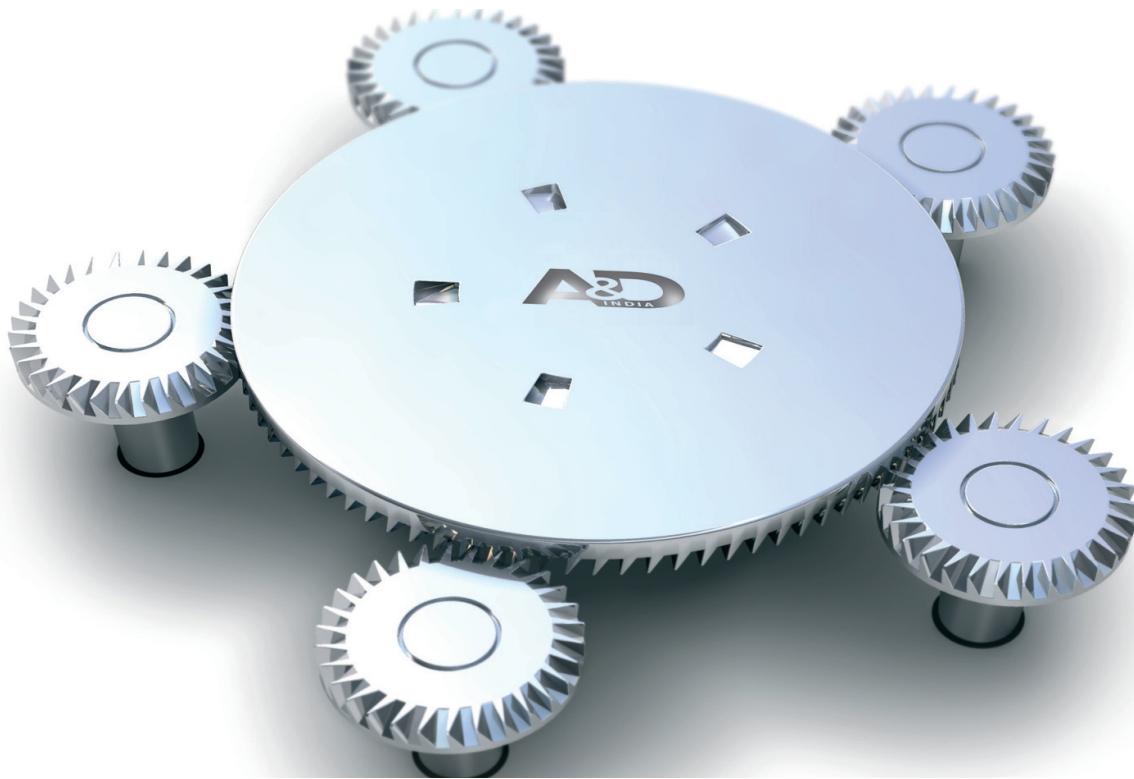


Marketing strategies - A retrospection

In today's age of cut-throat competition, manufacturing companies must create more effective sales and marketing strategies to meet top-line and bottom-line expectations



Global competition, complex company structures, and emerging markets are challenging current business capabilities, while providing opportunities for prepared companies to gain market share. To successfully compete, manufacturing and marketing strategies need to be integrated and focused towards getting the right product at the right time and price to the right places, thus, manufacturing them competitively.

■ Indira Rao

Manufacturing strategy reflects the goal and strategies of business, and enables manufacturing function to contribute to the long-term competitiveness and performance of business. The aim of manufacturing strategy is also to use the production system as a strong source of competitiveness. This competitiveness can ultimately only be defined in terms of marketing objectives. Weaving thoughts around the effectiveness of marketing strategies in automation, industry veterans, Bhupesh Katakhar, Managing Director, Gefran India Pvt Ltd; RK Saraswat, CEO, Hilscher India Pvt Ltd; LR Katrat, Managing Director & CEO, Katlax Enterprises Pvt Ltd;

Shashank M Dangi, Manager - Marketing, Festo Controls Pvt Ltd; Sunil Raibagi Managing Director, Güdel India Pvt Ltd, provide a conceptual framework that links automation to manufacturing strategy and market requirements.

Strategies during downturn

That the downturn story is an old one now is a known fact. However, the learnings that each amassed from it are aplenty. Where some people indulged in cutting costs and reducing labour there were those that went ahead and employed more people and came up with new products.

What we intended to find out was if the downturn affected marketing strategies of companies and if companies should reduce or stop marketing activities when there is recession or growth in demand. To this, Katrat avers, “we took to aggressive marketing strategies by revamping our website, introducing SBUs, increasing our participation in exhibitions both domestic & international and increasing spending on advertising. I don't think companies should reduce or stop marketing activities in a lean or high period. In fact, this is the time to become more aggressive because there are opportunities to experiment and introduce new ideas which otherwise find no place

when things are normal and healthy,” avows Katrat.

Hilscher India invested more in marketing as compared to the previous years. Avers Saraswat, “we spent time in evaluating the effectiveness of the activities taken up in the past, and took corrective actions. I personally feel that if the finances of an organisation permit, one should step up the marketing activities, as this time can be utilised for evaluation and processing of the information collected during the shows or from advertisements. Prospective customers, who might not wish to change from their all-time vendor during ‘busy’ periods, may think of evaluating their ‘options’. This might create new avenues for sales as business picks up again.”

The differentiating aspect

In the past decade, some countries gained the competitive upper hand, and this advantage was achieved through manufacturing. One of the keys to this achievement has been through automation. Since, automation does not involve only selling products but partnerships and deals, how then does the marketing for automation companies differ from other sectors? Katakkar affirms, “automation is not a commodity product which one can advertise and catch the attention of a potential buyer. It is much more to do with what one’s expertise lies in and how a company can offer additional benefits to the buyer or end user. The perfect match of products, services and landed cost would mean success in terms of additional business. But all of this needs to be marketed first to trigger the process of finalisation. Deep study of the latest trends in technology and solutions or products of competitors, economic viability of one’s own products and finally the ease of use must be done. This involves lot of efforts and needs experience and that is how marketing in the automation field is different.”

Elaborating further, Raibagi says, “automation is working together. Today’s manufacturing environment requires flexibility, performance, quality and cost efficiency. To achieve high performance with automated lines one needs great planning and the use of right automation equipment. If observed, the life time of



“Timing, trends and technology are the three most important factors which would decide the final outcome of a marketing strategy”

*Bhupesh Katakkar, Managing Director,
Gefran India Pvt Ltd*



“Our experience is the best with exhibitions, as it allows personal interactions with buyers and sellers”

R K Saraswat, CEO, Hilscher India Pvt Ltd



“Lean or high period is the time to become aggressive as it presents opportunities to experiment with”

*L R Katrat, Managing Director & CEO,
Katlax Enterprises Pvt Ltd*

product models has decreased and due to competition, OEMs have to introduce more range of models in a short span of time. This means flexibility is required in lines. Day-by-day labour costs are going up, material costs are rising and there is a huge pressure on margin. We need to know all the problems and need not convince but prove that automation will solve all needs. Personally, I think apart from advertising and participating in exhibitions we need to go on to social media such as Facebook, Twitter, LinkedIn to share and connect with the audience.”

Emergence of online media

This brings us to the very interesting concept of online marketing. Internationally the online media has made quite a number of heads turn but “it is yet to come of age in India,” opines Saraswat. He further adds, “in the first place, buyers need to understand the product they need to buy online. If there is a lot of discussion/customisation involved before purchase, the online system doesn’t work, which is the case in automation products. There is no ready-to-use product in a system. It needs to be integrated and hosts of other

customisations need to be done before it is ready to perform as a part of the system. In our situation, online media has no place as of now.” Katrat too shares a similar opinion while Katakkar feels that the online media is not yet an effective tool even though media has evolved considerably. “Decision makers never search or hunt for such a tool neither do they have the time to do so. Tools like Blackberry, PDA etc, are heavily used, but in a country like India, where we still starve to get wireless high speed internet like 3G, it becomes quite ineffective. The day we will have networks like 3G and beyond, indeed we will definitely see the difference,” he orates.

Dangi and Raibagi however are enthusiastic about the concept of online marketing. Festo in Germany has had an online shop for many years and in India they have just started with this initiative. Dangi professes, “with the emergence in the online media there will not be significant changes in our marketing policies. Instead it will be offered as an added value.” Giving an optimistic view, Raibagi opines, “online media is an effective tool in my opinion. We do some online advertising in popular blogs and get listed in social directories. According to me, the social media too is >

a great tool and will bring us closer to our users. We intend to work on this aspect more in the near future.”

Rating right

There is worldwide growth in the importance of automation in establishing the competitive advantage of manufacturing companies. A corresponding increase will also occur in the importance of adopting a deliberate and coherent marketing strategy to sustain that advantage. With varied mediums of advertising such as print, exhibitions, emailers, online, etc, companies have their own devices to rate which media suits them the best. Katrat agrees, “we do have a system based on inputs from our marketing team and conduct analysis to choose and focus on the appropriate engine of advertisement. The various options mentioned are implemented knowing whom we are addressing our products to. All the options have their role and effectiveness, e.g. web marketing has long term impact on international prospects because it is the one thing that constantly passes on the message to prospective customers. Exhibitions are an excellent opportunity for existing customers and the ones to come as they become aware of the company’s products and strengths, which many a times does not get conveyed by advertisements. Then there are film presentations, catalogues and brochures. Each medium plays its own role.”

Rating print as an effective medium, Dangi says, “magazines have a longer shelf life and a customer can browse and read as and when he finds time, even while travelling to and from his workplace. Exhibitions, however, in my opinion are one of the best mediums. New customers can be captured, while existing ones get to see new technology and innovative products. It helps in networking too. Conducting our own user conferences, too, is one of the most effective ways of reaching customers. They are with you for whatever time and there’s no other disturbance! However, one can do it with existing customers and cannot capture new ones.”

Like Dangi, Saraswat too rates exhibitions as the best medium. “We have tried all the options and our experience is the best with exhibitions, as it allows personal interactions when both the parties



“Every attempt was made to save costs in any manner that was practical and feasible, without letting our efficiency down during downturn”

*Shashank M Dangi, Manager - Marketing,
Festo Controls Pvt Ltd*



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*Sunil Raibagi, Managing Director,
Güdel India Pvt Ltd*

- seller and buyer are at ease to talk about the application and products. Second is the print media. We have received responses from the advertisements given in the magazines, though not in the volume as expected, but decent amount of enquiry was generated. Online marketing and e-mailers didn’t work out at all for us. If cost considerations are high on the priority, I would go for one exhibition and quarter ad campaign and seminars, in the sequence as mentioned.”

Effective strategies

Current manufacturing strengths and weaknesses are critical factors in the determination of the most effective bases on which a company should attempt to compete in the marketplace. As such, it is essential that efforts to build on strengths and minimise weaknesses are driven by and integrated with the organisation’s overall competitive strategy. We tried to find out what would be the strategies next for today’s companies. Katakhar avows, “Marketing is a humongous task and it needs to be addressed seriously. After years of research by companies to find out what the correct/effective strategy for a particular company should be there is no guarantee that the company would get 100 per cent success. Timing, trends and technology are the three most important factors which would decide the final outcome. According to market

trends if one offers correct technology at the correct time or little ahead of time success is assured.”

Katrat too finds it a tad difficult to pin point strategies. He says, “It is too difficult to answer not only with respect to an automation company but for any business. Everyone implements strategies which are considered to be right. When it works, it is right and when it does not it is considered to be a failure. When one achieves the target/goal despite adverse conditions and comes out with flying colours it is strategy and the rest is all intelligent argument.”

Dangi points out three essential ingredients to effective marketing and they are personal selling, a good mix of exhibitions/advertising in technical magazines/e-news letters/customer contact through presentations and networking. Suggesting a few more strategies, Raibagi concludes, “a marketing person’s job is to make the sellers and buyers job easier. According to me, improving a company’s brand image is a continuous process and the strategy is to do all that one can, effectively in the allocated budget. I would say promote product / services; people behind it and the company name so that people will know and can buy what they need. In the end, people buy from people and marketing creates the platform for this buying and selling.” ■

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