

A STUDY ON MARKETING STRATEGY IN BIG

BAZZER AT MADURAI

Dr.M. Jeyakumaran¹, N. Priyakumari², M.Uma devi³

¹Professor, Department of Business Administration, Kalasalingam University (India)

²Research Scholar in Department of Business Administration, Kalasalingam University (India)

³Professor of Commerce, Vel Tech Ranga Sanku Arts College, Avadi – Chennai (India)

I. INTRODUCTION TO MARKETING STRATEGY

Marketing strategies serve as the fundamental underpinning of marketing plans designed to fill market needs and reach marketing objectives. Plans and objectives are generally tested for measurable results. Commonly, marketing strategies are developed as multi-year plans, with a tactical plan detailing specific actions to be accomplished in the current year. Time horizons covered by the marketing plan vary by company, by industry, and by nation, however, time horizons are becoming shorter as the speed of change in the environment increases. Marketing strategies are dynamic and interactive. They are partially planned and partially unplanned. See strategy dynamics. Marketing strategy needs to take a long term view, and tools such as customer lifetime value models can be very powerful in helping to simulate the effects of strategy on acquisition, revenue per customer and churn rate.

II. DATA DESCRIPTION FOR MARKETING STRATEGIES

Marketing Mix Analysis of Big Bazaar

A. Product

Big Bazaar offers a wide range of products which range from apparels, food, farm products, furniture, child care, toys, etc of various brands like Levis, Allen Solly, Pepsi, Coca- Cola, HUL, ITC, P&G, LG, Samsung, Nokia, HP etc.

Big Bazaar also promotes a number of in house brands like:

- DJ & C
- Tasty Treat
- Clean Mate
- Sensei
- Care Mate
- Koryo and 44 other brands.

B. Pricing

The pricing objective at Big Bazaar is to get “Maximum Market Share”. Pricing at Big Bazaar is based on the following techniques:

- **Value Pricing (EDLP – Every Day Low pricing):** Big Bazaar promises consumers the lowest available price without coupon clipping, waiting for discount promotions, or comparison shopping.

- **Promotional pricing:** Big Bazaar offers financing at low interest rate. The concept of psychological discounting (Rs. 99, Rs. 49, etc.) is also used to attract customers. Big Bazaar also caters on Special Event Pricing (Close to Diwali, Gudi Padva, and Durga Pooja).
- **Differentiated Pricing:** Differentiated pricing i.e. difference in rate based on peak and non-peak hours or days of shopping is also a pricing technique used in Indian retail, which is aggressively used by Big Bazaar.

III. MARKETING STRATEGIES OF BIG BAZAAR

At the time of the launch of Big Bazaar in Madurai, there was no real precedent in the Indian Market. A western model had to be adapted to suits the needs of the Indian environment. Various local markets were studied to understand the product mix and the prices offered. Savings is to the key to the Indian middle class consumers. The store that would be launched had to offer value to the consumers. Keeping this in mind the concept of Big Bazaar was created.

In India, when a customer needs something for home, a typical thought is to seek it from bazaar where a complete range of products is available to the consumers. As the store offers a large mix of products at a discounted price, the name Big Bazaar was finalized. The idea was to re-create a complete bazaar, with a large product offering and to offer a good depth and width in terms of range.

Price was the basic value proposition at Big Bazaar. The Big Bazaar outlets sold a variety of products at prices which were 5 to 60% lower than the market price. The line **“Is Se Sasta Aur Accha Kahin Nahi”** emphasized this. The key question faced by the management was whether the low margins on the products would allow the company to sustain growth. With the aim of answer in order to allow the company decides on the right locations.

The key learning which came out of this exercise was that for a large store like Big Bazaar, a large catchments area was needed. The management decided to stick to the existing market places within the city as the western model of hypermarkets, where the store was located in large area on the mid of the city would also really work in India. The cost of time spent on travels and the cost of petrol in India would really become a plus point for the customers. Some of the key marketing strategies and promotional activities that are successfully employed by Big Bazaar are:

Discount Selling

Big Bazaar sells all its products at a much cheaper price as compared to the local markets. The range of discounts ranges from 5 to 60%. Although the store sells the products at a cheaper rates it does not compromises with the qualities of the products.

Huge No. of Brands

Big Bazaar maintains a huge number of brands under its dispose which give the customers the liberty of buying the product of their favorite brand. This helps the customers as they don't go looking out for a product of a particular brand.

Large Product Line

Big Bazaar also stocks a large product line of a single brand or multiple brands which give the customers the choice to select the most appropriate product out of many available at the most economical prices.

Frequent Promotional Activities

Frequent promotional programs like “Wednesday- Haftey Ka Sabse Sasta Din”, “Fashion Shows”, “Monthly Bachat”, “Price Challenge”, etc. were conducted in store in which the customers were provided special discounts, offers in addition to the normal discounts and offers of the store. The main purpose of this sort of activities is to generate in the dull days of the week or of the month.

IV. OBJECTIVE OF STUDY

- ❖ To analyze how well marketing strategies attract customers.
- ❖ To understand the marketing strategy of Big Bazaar.
- ❖ To know how they implement their marketing Strategy for their different types of Customer’s satisfaction towards big bazaar in Madurai.

V. LITERATURE SURVEY

Marketing Strategies

Research conducted by **Cuthbertson & Bridson (2006)**

Highlights the specific marketing strategies employed by retailers to increase customer loyalty. The research presents the internet as a potential medium of driving loyalty in the consumers.

- ❖ **Fiorito & Laforge (1984)** on the other hand have conducted a research on smaller retailers and what kind of marketing strategies they have employed to stay competitive in the retail industry. The two types of marketing strategies which are highlighted in the research as being commonly used by small retailers pertain to integrated marketing strategy and differential marketing. The focus of the companies in the retail industry is to effectively market and differentiate themselves while providing the customers with what they demand.
- ❖ A study conducted by **McMaster (1987)**, highlighted the importance of market strategies pertaining to branding which aid the retail business to initiate growth and positioning for itself in the market. Another significant research study which contributes to the knowledge available for the retail industry pertains to the different operations of the retailers in terms of the services they provide to niche markets.
- ❖ “The mission now is ruthless efficiency, eliminating the losers and refocusing budgets on genuinely profitable activities” (**Parsons, 1992**).
- ❖ The limited service offering and marketing strategy for catering to niche markets is analyzed by **Campo & Gijbrecchts (2004)**, who state that supermarkets should adjust their product and service offerings according to the locality in which they are operating. This enables them to customize their service for the customers employ loyalty and community support based marketing strategies. “The study concludes that sales growth has been the marketing strategy demonstrating highest affinity to profit performance.

VI. RESEARCH METHODOLOGY

6.1 Research Design

Research design is the plan, structure to answer whom, when, where and how the subject is under investigation. Here plan is an outline of the research scheme & which the researcher has to work. The structure of the research is a more specific outline and the strategy out, specifying the methods to be used in the connection & analysis of the data.

6.2 Data Collection Method

The main source of information for this study is based on the data collection. Data collected are both primary and secondary in nature.

6.3 Sources of data

A) Sources of Data for Marketing Strategies

There are two types of data we have collected: **1. Primary Data & 2. Secondary Data.**

1. Primary Data was collected from discussion with the Big Bazaar's Human resource Manager and others staff & promoters of big bazaar
2. Secondary Data was collected from Internet and News Paper.

(B) Sources of Data for Consumers Satisfaction

There are two types of data we have collected: **1. Primary Data & 2. Secondary Data.**

1. Primary Data was collected from the feedback of the customers/consumers of Big Bazaar with the help of questionnaire.
2. Secondary Data was collected from Internet.

6.4 Sampling Method

Descriptive field studies require collection of first hand information or data pertaining to the units of study from the field. The units of study may include the area covered under the Tamil Nadu like Madurai big bazaar customers or consumers.

Simple random Sampling is used in this survey.

6.5 Population

The Aggregate of all units pertaining to the study is called Population under the survey population size 500.

6.6 Sample size

Sample size for the study was arrived under the 300 customers in Madurai.

6.7 Sampling Unit:

The Sampling Unit is basic unit containing the elements of the customer. Focus on Madurai Consumers in the age group 18 to 50 years.

6.8 Sampling Extent:

It is the scope of study Sampling Extent is Madurai Big Bazaar.

6.9 Research area

In the present study, researcher has planned to collect the primary data through structured Questionnaire in selected Madurai customer

6.10. Research tool and techniques

Tools used for analysis are:

Chi-square Analysis

VII. CHI SQUARE TEST

ASSOCIATION BETWEEN OVERALL SATISFICATION LEVEL OF CUSTOMER AND MARKETING STRATEGY ABOUT BIG BAZAAR

H0: There is no significant association between the overall Satisfaction level of customer and big bazaar

H1: There is a significant association between overall Satisfaction level of customer and big bazaar

Overall Satisfaction Level	About Big Bazaar			Total
	Neutral	Very Effective	Extremely Effective	
Neutral	1	0	2	3
Satisfied	18	28	85	131
Highly Satisfied	3	39	124	166
Total	22	67	211	300

Table 1. Satisfaction Level * About big Bazaar Cross tabulation

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.844	4	.001
Likelihood Ratio	19.737	4	.001
Linear-by-Linear Association	9.776	1	.002
N of Valid Cases	300		

Table 4.2.2 Chi-Square Tests

Interpretation

From the above table 4.2.2 to analysis information value is (.001) Less than the Standard value (.005) H0 is Rejected, because of in overall satisfaction of the customer based on the Wednesday bazaar. In the every week of the Wednesday to given some offers and discount to their some particular product. There is a significant association between overall Satisfaction level and big bazaar

VIII.FINDINGS & SUGGESTIONS

Retail stores should focus more on store ambience, store space & selling areas.

- The retails formats should have an improve some awareness of the loyalty programs like payback card and T24 program.
- This analysis part shows that customer satisfaction level at 40% of the respondents are quality of Customer service as the factor. While 31% the respondent’s intention to that re-entry store on Seasonal offer and discount. As far as the low price is concerned only 8%of the respondents have quoted it as the reason for choosing this service

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IX. CONCLUSION

Marketing Strategy in big bazaar to increase the footfall of the store during the weekday. Customers are more attracted towards discount schemes & sales. Various product lines also attract customers to choose their retail stores. Entertainment units & kids zone should be provided in retail stores in order to cater more customers. The after sales service of retail stores should be helpful & effective. This after sales service creates loyal customers