MARKETING STRATEGIES OF INDIAN PAINT INDUSTRY- A STUDY

1 Mugesh, 2 Dr.C.Thilakam
1Research Scholar, 2 Dean and Professor of Commerce
1 Department of commerce,
1 Manonmaniam Sundaranar University, Tirunelveli-627012

Abstract: The Indian Paint Industry is only segment of the Indian chemical industry that has been sharing a consistent double digit growth rate in the last five years. The research is conducted to study the concept marketing strategies with respect to paint and paint products. These study is of significance of the, consumer satisfaction, brand images, brand reputation and behavior loyal of the paint products. The findings of the study will provide valuable insights to marketing professionals in the paint product industry by identifying the significant dimensions of image attributes and benefits that affect customer satisfaction and consumer interest to repurchase and recommend the brand to others. This study should help marketing managers gain an insight into the important factors that contribute to the formation of brand loyalty. The present study marketing strategies of Indian paint industry -A Study is based on both the primary and secondary data. It is an exploratory, analytical and descriptive study carried out with a view to bring out the merits and demerits of current marketing strategies followed by the dealers in paint industry market and to suggest suitable measures for strengthening these strategies based on the facts arrived at by the study. The present study ‘Marketing Strategies of Indian Paint Industry-A Study’ is organized in seven chapters. From this study, it is concluded that the usage of paint is growing at a very rapid rate. This is mainly due to advertisement and quality consciousness of consumer. Marketing of paint is enjoying a good reputation and share in the study area.

Index Terms: Marketing Strategies, advertisement, Indian Paint Industry.

I. INTRODUCTION

The Indian Paint Industry is only segment of the Indian chemical industry that has been sharing a consistent double digit growth rate in the last five years. The growth rates recorded over the last few years have been extremely encountered with upward Trend in paint demand and consumption. The large scale sector is dominated by four players, namely Asian Paints, Nerolac Paints, Berger Paint and Dulux India Paints. The small scale sector consists of over 5000 players. This growth has been closely linked with the business and industrial development of modern India. Performance is anchored today in a wide variety of decorative and industrial paints. An ISO 9001 company has come a long way in the highly competitive Indian paints industry and has its own R&D developing, standardizing and ensuring quality assurance of its products. It is global company in a real sense. Indian housing sectors are booming and also increasing urbanization has made easy availability of housing loans. This has been resulted into a shift from semi-permanent to permanent housing structures.

II STATEMENT OF THE PROBLEM

The concept under study is “Marketing strategies of Indian paint industry-A study”. Marketing strategy is composed of several inter related elements. The first and most important is market selection. Marketing strategies also include the formulation of marketing programs and their implementation. All marketing strategies are built on. Segmentation, Targeting and Positioning (STP).

Today, business around the world recognizes that the consumer is the king. Knowing why and how people consume helps manufacturers to improve their existing product and can retain the consumer. The era of liberalization, privatization and globalization has brought changes in society and life style of people. It is very important on the part of the respondent to retain the customer for a very long period as the competition level has been soaring, therefore the supply of quality products of popular brands with reasonable cost and supply in time are considered very important for retaining customers.

The role of the distributor is absolutely critical as they help in ensuring that the product is widely distributed and available for the end consumer. To interpret consumer behavior is very difficult because one does not know what goes on in a person’s mind. Sometimes even the buyer himself does not know the real factors influenced by the social environment in which he lives, thus assessment of the strategies of manufactures and dealers depends upon the perception of the consumer. So it necessary to study on the part of the dealer and the customer, hence the researcher endeavors to study the marketing strategies of paint industry.

As far as paint industry is concerned tremendous changes have taken place in the consumption pattern of the people during the last two decades. An increasing use of paint and demand for them are necessitated by the changing life style of people, so distributor strategies with consumer perception assessment is highly relevant for any study like this pertaining to the realm of marketing of paints.

2.1 IMPORTANCE OF THE STUDY

The research is conducted to study the concept marketing strategies with respect to paint and paint products. These study is of significance of the, consumer satisfaction, brand images, brand reputation and behavior loyal of the paint products.

The findings of the study will provide valuable insights to marketing professionals in the paint product industry by identifying the significant dimensions of image attributes and benefits that affect customer satisfaction and consumer interest to
repurchase and recommend the brand to others. This study should help marketing managers gain an insight into the important factors that contribute to the formation of brand loyalty.

Different classes of people include high, upper middle, middle and lower class. There is a relationship between the purchasing power and classes of people. To create an impact of purchasing paint products but product satisfied the need of different classes of people and the price of the products is affordable to the lower class people or not. For the above focus the study would examine the satisfaction of different classes of people for buying the paint products.

2.2 OBJECTIVES OF THE STUDY
The main objectives of the study include:
1. To know the theoretical background, significance and usage of select paint industry in our day to day life.
2. To identify the major strategies adopted by the dealers of paint industry in Tamil Nadu.
3. To analyze the attitude of dealers on sales promotional activities.
4. To analyze the socio economic profile of the consumer and dealer towards paint products.
5. To study the brand knowledge and brand awareness of consumers about paint industry.
6. To study the perception of the consumers of paint and paint products Tamil Nadu with regard to the products they consume and the services rendered by the dealers.

2.3 HYPOTHESES
The following hypotheses were framed for the study.

H₀₁: There is no significant difference in perception towards paint and paint products among different socio economic profile of consumers.
H₀₂: There is no significant difference in brand knowledge and brand awareness among different socio economic profile of consumers.
H₀₃: There is no significant difference between mean rank for gender group of dealers and type of problem in the distribution of paints.
H₀₄: There is no significant difference between mean rank for area of operation of dealers and type of problem in the distribution of paints.
H₀₅: There is no significant difference between mean rank for gender group of dealers and type of sales promotional measures adopted.
H₀₆: There is no significant difference between mean rank for area of operation of dealers and type of sales promotional measures adopted.
H₀₇: There is no significant relationship between gender group of dealers and level of performance of sales during heavy advertisement period.
H₀₈: There is no significant relationship between area of operation of dealers and level of performance of sales during heavy advertisement period.

2.4 METHODOLOGY ADOPTED
The present study marketing strategies of Indian paint industry – A Study is based on both the primary and secondary data. The primary data relating to the study were collected with the help of the specially prepared questionnaire. The data were collected from significant sample beneficiaries of consumers, dealers of paint industry. Judgment sampling method was used. The secondary data were collected from Journals, Books, Reports, Newspapers and the like to substantiate the study and as supportive evidences in the field of study.

The study is a search into the application of marketing strategies to paint industry in the market of Tamil Nadu. The generally accepted principles and practices of marketing are applied in the study to ascertain the marketing strategies adopted for paint Industry. It is an exploratory, analytical and descriptive study carried out with a view to bring out the merits and demerits of current marketing strategies followed by the dealers in paint industry market and to suggest suitable measures for strengthening these strategies based on the facts arrived at by the study.

2.5 SAMPLING DESIGN
The total dealer population taken from various sources indicates that there are 11,625 dealers in Tamil Nadu and as such considering their huge number, 3 per cent of the dealers (348) are chosen for the study. Tamil Nadu state has 10 city corporation districts and 22 municipal districts. 15 dealers each are taken from 10 city corporations, and out of 15 dealers, 10 belonged to district capitals and 5 dealers from any one taluk headquarters of the same districts. However in the 22 municipal districts 9 dealers each are taken and out of which 5 dealers from the district capitals and 4 from any one taluk headquarters of the same districts. Similarly, 64 painting contractors and 64 paint workers and 576 direct house hold consumers are chosen for the study. Out of 64 painting contractors and 64 paint workers each from 32 district capitals and any one taluk headquarters of the same districts. Out of 576 customers 9 customers each are chosen from 32 district capitals and an equal number of customers are chosen from any one taluk headquarters of the same districts. Accordingly the grand total of the various groups of sample population stood at 1062. Judgment sampling method is chosen for fixing proper sampling frame of the study.

2.6 PILOT STUDY
Before going for data collection, the questionnaire was put for a pilot study from sample respondents of consumers and dealers. The questionnaire was pre-tested with a set of 50 sample respondents. Taking into consideration, the suggestions of the selected sample respondents, necessary modifications and changes were incorporated after a pilot study as suggested by the research supervisor.

2.7 FRAMEWORK OF ANALYSIS
The following statistical tools were applied for the study.

(i) ANOVA
2.8 LIMITATIONS OF THE STUDY

- Industrial paint consumers or users are not under the purview of this study, the researcher does not include industrial users as part of the sample respondents.
- The sample respondents are contacted only once during the period of the study. So their responses may vary the from time to time depending the circumstances and environment. However it may not affect the validity of the findings of the study.
- Since the study is mostly based on opinion survey, simple statistical tools were used in many places. However the study under taken could accomplish its set goals and objectives.

III 3.1 Findings related to Dealers

1. It is found that out of 348 respondents, 91.1 per cent of the respondents are male and the remaining 8.9 per cent of the respondents are female. It implies that majority of the respondents are male.

2. It is identified that 45.7 per cent of the respondents are involved in marketing of paints in district level, 39.4 per cent of the respondents are involved in marketing of paints in taluk level and the remaining 14.9 per cent of the respondents are involved in marketing of paints in block level. It is inferred that most of the respondents are involved in marketing of paints in district level.

3. It is noted that 55.2 per cent of the respondents mentioned that brand loyal customers are more in the area of operation, 27.9 per cent of the respondents said that store loyal customers are more in the area of operation and 16.9 per cent of the respondents said that not loyal customers are more in the area of operation.

4. It is found that 78.2 per cent of the respondents face problem in the distribution of paints and 21.8 per cent of the respondents do not face problem in the distribution of paints.

5. It is observed that 28.2 per cent of the respondents face the problem of delay in supply in the distribution of paints, 22.7 per cent of the respondents face the problem of warehousing/storage in the distribution of paints, 15.5 per cent of the respondents face the transportation problems in the distribution of paints and 11.8 per cent of the respondents face finance problems in the distribution of paints.

6. Gender wise there is no significant difference in type of problem in the distribution of paints namely Transportation problems, Warehousing/Storage, Finance problems and Delay in supply.

7. Area of operation wise there is no significant difference in type of problem in the distribution of paints namely ‘Transportation problems’, ‘Warehousing/Storage’, ‘Finance problems’ and ‘Delay in supply’.

3.2 Findings related to Consumers

1. It is found that among the 576 respondents, 74.3 per cent of the sample respondents are male and the remaining 25.7 per cent of the sample respondents are female. Majority of the sample respondents are male.

2. It is identified that 48.9 per cent of the sample respondents belong to the age group of 41 to 50 years, 24.2 per cent of the sample respondents belong to the age group of 30 to 40 years, 19.6 per cent of the sample respondents belong to the age group of above 50 years and 7.3 per cent of the sample respondents belong to the age group of below 30 years. Majority of the sample respondents belong to the age group of 41 to 50 years.

3. It is observed that among the 576 sample respondents, 85.4 per cent of the sample respondents are married and 14.6 per cent of the sample respondents are unmarried. Majority of the sample respondents are married.

4. It is found that 95.1 per cent of the respondents are literates and the remaining 4.9 per cent of the respondents are illiterates.

5. It is observed that 29.2 per cent of the sample respondents have completed higher secondary, 28.1 per cent of the sample respondents are graduates, 23.3 per cent of the sample respondents have completed secondary qualification, 14.6 per cent of the sample respondents have primary qualification and 4.9 per cent of the sample respondents are illiterates. Most of the sample respondents have studied higher secondary.

6. It is found that 54.2 per cent of the sample respondents are private employed, 27.3 per cent of the sample respondents are government employees, 12.2 per cent of the sample respondents are self employed and 6.3 per cent of the sample respondents are other occupation. Most of the sample respondents are private employed.

7. It is identified that 37.3 per cent of the sample respondents earn monthly income between Rs.20000-30000, 28.6 per cent of the sample respondents earn monthly income between Rs.10000 to 20000, 18.3 per cent of the sample respondents earn monthly income between Rs.30000 to 40000, 8 per cent of the sample respondents earn monthly income of above Rs.40000 and 7.8 per cent of the sample respondents earn monthly income of below Rs.10000. Most of the respondents earn monthly income between Rs.20000-30000.

3.3 Findings of perception towards paint and paint products among different socio economic conditions of consumers

1. It is found that the highly viewed variable regarding the perception towards paint and paint products among the male respondents are ‘Customized Product and Easy to use’ as their mean scores are 4.4730 and 4.0101 respectively.

2. It is understood that the highly viewed variable regarding the perception towards paint and paint products among the female respondents are ‘Customized Product and Easy to use’ as their mean scores are 4.4429 and 4.1143 respectively.

3. It is found that the highly viewed variable regarding the perception towards paint and paint products among the respondents who belong the age group of below 30 years are ‘Customized Product and Easy to use’ as their mean scores are 4.4072 and 4.1198 respectively.
4. The study highlights that the highly viewed variable regarding the perception towards paint and paint products among the respondents who belong to the age group of above 50 years are ‘Customized Product and Easy to use’ as their mean scores are 4.4583 and 4.2025 respectively.

5. It is found that the highly viewed variable regarding the perception towards paint and paint products among the married respondents are ‘Customized Product and Easy to use’ as their mean scores are 4.4633 and 4.1621 respectively.

6. It is understood that the highly viewed variable regarding the perception towards paint and paint products among the unmarried respondents are ‘Customized Product and Easily Available’ as their mean scores are 4.3505 and 4.1036 respectively.

7. The highly viewed variable regarding the perception towards paint and paint products among the respondents who are primary educational qualification are ‘Customized Product and Easy to use’ as their mean scores are 4.4774 and 4.0819 respectively.

8. The highly viewed variable regarding the perception towards paint and paint products among the respondents who are graduates are ‘Customized Product and Quality’ as their mean scores are 4.5517 and 4.3793 respectively.

9. The highly viewed variable regarding the perception towards paint and paint products among the respondents who are self employed are ‘Customized Product and Easy to use’ as their mean scores are 4.4788 and 4.1129 respectively.

10. The highly viewed variable regarding the perception towards paint and paint products among the respondents who belong to the monthly income of below Rs.10000 are ‘Customized Product and Easy to use’ as their mean scores are 4.5714 and 4.2714 respectively.

11. The highly viewed variable regarding the perception towards paint and paint products among the respondents who belong to the monthly income of above Rs.40000 are ‘Easily Available and Customized Product’ as their mean scores are 4.5714 and 4.0885 respectively.

12. The highly viewed variable regarding the perception towards paint and paint products among the respondents who belong to the monthly income of above Rs.10000 are ‘Customized Product and Easily Available’ as their mean scores are 4.5714 and 4.0885 respectively.

13. The highly viewed variable regarding the perception towards paint and paint products among the respondents who belong to the monthly income of above Rs.40000 are ‘Easily Available and Customized Product’ as their mean scores are 4.5714 and 4.0885 respectively.

3.4 Findings of Awareness about Brands of Paint Industry Based on Socio Economic Conditions of Consumers

1. Gender wise there is a significant difference in awareness about the brands of paint industry namely Asian, Nerolac and Berger.

2. Age wise there is a significant difference in awareness about the brands of paint industry namely ‘Asian’ and ‘Nippon’.

3. Marital status wise there is a significant difference in awareness about the brands of paint industry namely Asian, Nerolac and Berger.

4. Literacy level wise there is a significant difference in awareness about the brands of paint industry namely ‘Asian’ and ‘Shalimar’.

5. Occupation wise there is a significant difference in awareness about the brands of paint industry namely ‘Asian’ and ‘Nerolac’.

6. Monthly income wise there is a significant difference in awareness about the brands of paint industry namely ‘Asian’), ‘Nippon’, ‘Shalimar’ and ‘Other paint industries’.

3.4 Findings of Hypothesis Testing Analysis

1. Gender wise there is a significant difference in perception towards paint and paint products are identified in the case of the variables namely ‘Quality, high advertisement, packaging and most popular brand’.

2. Age wise there is a significant difference in perception towards paint and paint products are identified in the case of the variables namely ‘Quality, price/value and wide range of colors with catalogue’.

3. Marital status wise there is a significant difference in perception towards paint and paint products are identified in the case of the variables namely ‘Easily Available and Packaging’.

4. Literacy level wise there is a significant difference in perception towards paint and paint products are identified in the case of the variables namely ‘Customized Product, Quality and Easy to use’.

5. Occupation wise there is a significant difference in perception towards paint and paint products are identified in the case of the variables namely ‘Customized Product, Quality and Easy to use’.

6. Monthly income wise there is a significant difference in perception towards paint and paint products are identified in the case of the variables namely ‘Customized Product, Quality and Easy to use’.

IV SUGGESTIONS

Based upon the study conducted the following are the suggestions:

Since quality is considered as most essential element the quality should be proud and positioned in the minds of consumer. Companies may select reputed retail outlets that can develop the brand.

1) It is recommended that various paint brands should increase their awareness level through increase in advertisement.

2) It is also recommended that paint brands should increase their dealer network in the study area.

3) Various paint brands should focus on influencing Painters and Dealers because in paint industry Painter’s and Dealer are very important to recommend product to customer.

4) Paint brands should conduct meetings and training programme for painters and dealers on regular interval.

5) Advertisement, sales promotion, positive word of mouth from relatives and neighbours are the major influencing factors in purchase of a paint brand. Sales promotion committee should be formed to formulate and implement new market strategies to compete with competitors and to extend the market share.
6) Company sales representatives must maintain relations with construction companies as well as with painting contractors with the help of the dealers.

7) Company should conduct meetings, at least to make the customers to know about the latest development in the paint industry and their products.

8) Companies should even concentrate on Exterior Paints as its market share is very low.

9) Advertisement should be increased to update the image of paints in the changing environment.

10) Company must look after, there is a close relationship between sales representatives and dealers with the customers.

11) Company should maintain the customer records.

12) A television advertisement is an important influencing factor in taking purchase decision. So improve that section.

13) The advertisements should be given through the real users and popularized cine stars then only it will be more effective.

14) The promotion should be done by building the awareness in the minds of the customers. This could include:
   a) Providing incentive and discounts
   b) To foster good advertisement
   c) To give the products at reasonable with good quality, packaging and value for the money invited.
   d) Fostering the continuous improvement bring the latest designs and impacts.
   e) Building the technological aids to foster good applications.
   f) To build good communication with the customers.
   g) Some manufactures put higher amount of maximum retail price on their product by that the consumers are forced to give that price to the retailers. So that the manufactures can fix their MRP according to their selling price.
   h) A company should also conduct social welfare programs to enhance the image of their brands.
   i) Efforts should be taken to standardize the quality of paints by the Government by establishing standards.
   j) Price should be minimized. The price is the important criteria while selecting the particular brand.
   k) The paint companies should launch the innovative to enhance the customer satisfaction.

V CONCLUSION

Paints are the basis to fill colours in the human life. The quality of paints impacts the life to give the beauty and imagination to live a life of better standards. The paints in the market are used in the houses to give the imagination, beauty and creativity to design the life for living with peace and progress. From this study, it is concluded that the usage of paint is growing at a very rapid rate. This is mainly due to advertisement and quality consciousness of consumer. Marketing of paint is enjoying a good reputation and share in the study area. It is well understood from the survey that consumers prefer Asian paints for the reason of quality and reasonable price. Consumer use paints mainly for protecting their building. Most of the respondents feel TV as the best media for advertising the Asian paints. Majority of the respondents have motivated by free coupons type of sales promotions.

REFERENCE

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