

## A Study on Innovative Marketing Strategies in Retailing Giants Big Bazar & D-Mart

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**Abstract:** As the competition is getting stiffer and stiffer, product innovativeness and product modification becomes the backbone in sustaining and attracting new customers. To do this systematically, market requirements and knowledge of rivals plays a pivotal role. For this study the four major marketing variables such as product, price, promotion, and place are being considered as major parameters of innovativeness which could bring about customer satisfaction, customer loyalty and helps to a great extent in customer acquisition. This study focuses on the enquiry of the magnitude of adoption of innovative marketing strategies by retailing giants Viz., Big Bazaar and D-Mart. With the intention to know the wide range of marketing elements which play important role to get competitive advantage in retail sector and to identify the importance of four marketing strategies namely product, price, place, promotion. This has been explored in the Indian retail context. This study makes an attempt to compare in terms of revenue they generates by adopting innovative means of marketing strategies. The retailers will be done. By this study it is identified that 4 marketing elements namely product, price, place, promotion greatly influence modern marketing and customer satisfaction.

**Keywords:** Marketing Strategies, Product, Price, Place, Promotion, Retailing

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### I. INTRODUCTION

There is a wide range of marketing elements that retailers may consider in obtaining the competitive advantage on the market, such as: selection of adequate merchandise, pricing policy, layout, customer service policy, etc. Newman and Cullen (2002) point out that retailing is a service industry because retailers' essential economic function is to provide their customers with several basic and important services, including accessibility of location, convenience of timing, choice of products, information about the products and convenience of size. Gilbert (2003) notes that retailing can be pure services (for example, insurance or banking) or an amalgam between services and goods based upon their relationship to different types of shops and merchandise offer. Retailers differ on the level of service they offer due to their store format, merchandise stocked, pricing policy, etc. Product is bundle of physical, service, and symbolic attributes designed to satisfy consumer wants and needs so that their problems could be solved. In the most prescribed and expected way. (<http://faculty.piercecollege.edu/rskidmore/Ghost/library/Chapters/CHPT12-04.pdf>). One of the key tasks of marketers is to differentiate their products from competitors and create consumer perceptions that the product is worth purchasing (Peter and Donnelly, 2007). However, it is also important to understand what the product means to the consumer. According to Borden (1964), product is mainly about quality, design, features and brand name. On the other hand one of the most powerful and effective strategic tools in retailing is pricing, for which the options available to retailers range from everyday low price. In India close to 72 percent of the population lives in rural areas and they are the single largest market segment of the Indian market, accounting for substantial portion of sales of fast moving consumer goods (FMCG) and durable companies. But reaching these markets has always been a challenge. Promotion is a vital part of business and is an integral ingredient of the total marketing process

### II. RESEARCH OBJECTIVES

To understand the wide range of marketing elements, which play important role to get competitive advantage in retail sector. To identify the importance of four marketing strategies namely product, price, place, promotion. This has been explored in the Indian retail context.

### **III. RESEARCH METHODOLOGY**

To achieve foresaid objectives the following methodology has been adopted. The information for this report has been collected through the secondary source.

### **IV. SECONDARY SOURCE**

This is already existing data which collected by sources such as internet, text books and various published national and international marketing journals.

### **V. REVIEW OF LITERATURE**

In review of literature enough care has been taken to cover the reviews of all four major marketing variables like Product, Price, Promotion and Place for both the selected samples.

- 1) Hoch et al., 1994: Number of products available at a typical retailer increased significantly over the last two decades.
- 2) Amine and Cadenat, 2003: Retailers now optimize their product lines at a disaggregate level, making more frequent adjustments to the number and prices of brands carried.
- 3) Yin et al, 2012: The retailer explicitly decides on the price for his used goods by adding a proper margin to the buyback price.

### **VI. DATA INTERPRETATION**

- 1) Product in the Marketing Mix of BIGBAZAR: Big Bazaar offers the maximum variety for every category of product. The product is the same in every store in the city but the brand options are more in Big Bazaar and the quantity for each product is not limited to large packs only. The commodities sold by the retail chain includes its "own products" which get a ready distribution network. The own products of Big Bazaar include My World fashion magazine which is not available anywhere else. So costs are very low for such products.
- 2) Price in the Marketing Mix of BIGBAZAR: Price is the critical point in a competitive industry. Big Bazaar works on a low cost model. It considers its discounted price as its USP. There is an average discount of 6-8% on all items in respect to their MRP. Prices of products are low because it is able to secure stock directly from the manufacturer. There are huge synergies in terms of bulk purchasing, transportation and central warehousing. These all factors are very helpful for the retailers to keep low prices Table Styles.
- 3) Place in the Marketing Mix of BIGBAZAR: Place means the location of the business. Big Bazaar has always worked on cheap locations. It targets semi-urban population with its placement. Its strategy is to find a low-cost location and it never goes for hot spots in the city. It relied on promotional activities to make up for unattractive locations. Another strategy used by Big Bazaar to overcome location disadvantage is use of internet. It has launched a merchandise retailing website [www.futurebazaar.com](http://www.futurebazaar.com) which targets high-end customers ready to use credit cards. The promotion of this website is done through advertisement on Google. The website is put as sponsored link.
- 4) Promotion in the Marketing Mix of BIGBAZAR: Big Bazaar has huge promotion budgets. The biggest idea behind all advertisements is to make people do bulk shopping. There are 2 types of promotional strategies of big bazaar. One is the advertisement which promotes the brand and creates awareness towards people. It is not targeted at promoting each store but only creates an image of Big Bazaar as low-cost shopping option. The store has advertised through TV, road shows and also started reality show-typed promotional campaign "The Big Bazaar Challenge." Promotions like "Sabse Sasta Din" (Cheapest Day) are a very successful strategy to get good results. In these products across categories such as furniture, electronics, utensils, apparels and food products at the lowest possible prices, coupled with attractive promotional schemes. Some of the most attractive offers being a 20-litre branded microwave oven with grill for Rs 2,399, jeans and trousers for Rs 199 and HCL laptops for Rs 22,800.  
Buy 2 Get 1 Free types of promotions are very common. Original prices are cut down and new prices are shown, of which customer takes quick notice. There are loyalty schemes which reward regular clients.
- 5) Product in the Marketing Mix of D-Mart: D-Mart is a one-stop outlet that offers a wide range of choice in home and personal products to its customers. It believes in mass commodities and therefore its products are available in different sizes and colours. Apparels are displayed in a systematic manner in accordance with their size options. Retail price, actual discount and offer price are displayed on the tags for the convenience of customers. Area of the outlet is divided in accord with products as every product has a separate section from which a customer can easily make a choice.

Each D-Mart outlet has following products in its portfolio-

- Food items including vegetables, fruits, dairy products, frozen eatables
- Grocery items like flour, rice, dal, sugar, salt
- Apparels for kids, male and females
- Beauty products and personal care including soap, shampoo, cleanser, toner
- Kitchenware including crockery, utensils, plastic containers
- Toys and games for children
- Home appliances like iron, mixer grinder, grill toaster
- Bed and bath linen
- Luggage like trolley bags
- Footwear for everyone including children, men and women
- Daily essentials like biscuits

6) Place in the Marketing Mix of D-Mart : D-Mart has a reach in most of the important cities in India including Ahmedabad, Surat, Rajkot, and Bhuj in Gujarat, Tirupathi in Andhra Pradesh, Hyderabad in Telangana, and Bangalore in Karnataka, Mumbai and Kolhapur in Maharashtra. It is able to provide its products through a network of one hundred and ten stores and has its headquarters base in Mumbai, India. D-Mart has set up its stores at very strategic points to gain maximum advantage from its locations because easy accessibility and proper transportation facilities are very important for the survival of any outlet. Exceptional service is not the vital factor for such outlets. They have reliable and trained employees to help customers in hours of need but the consumers are generally self-sufficient and are likely to pick up items from various shelves themselves in a walking trolley basket and take it to billing counter for payment.

7) Price in the Marketing Mix of D-Mart: D-Mart is a departmental store and believes in levying an economic pricing policy for its products. The company has taken a low-cost approach to target that group which is price sensitive. As mass merchandise is its mantra it has kept prices at reasonable and economic rates so that a customer can easily purchase it. D-Mart has adopted a simple strategy of garnering huge sales through affordable prices and keeping price range within reach of customers is its top priority. It offers a 5% of minimum discount on MRP at any given time on all items except fruits, grocery, vegetables and medicines. D-Mart has also adopted a discount pricing policy and it periodically offers its customers various incentives and lucrative discounts, especially during festival seasons. Customers at such times buy in bulk quantities resulting in a huge volume of sales. This is the reason why such stores are able to earn greater revenues.

8) Promotions in the Marketing Mix of D-Mart: D-Mart is one of the largest multi-brands in India and to maintain its position as one of the best, company has adopted several promotional activities. It offers gift coupons to reward its employees and during certain periods to boost its sales, coupons are also allotted to customers when they meet certain standards of bulk purchase. Discounts are offered during festive seasons, for example, there was a 10% off on prices of Cadbury products during Raksha Bandhan. D-Mart also creates brand awareness and visibility through hoardings. Latest offers and schemes can be easily known through its promotional activities that are published in newspapers.

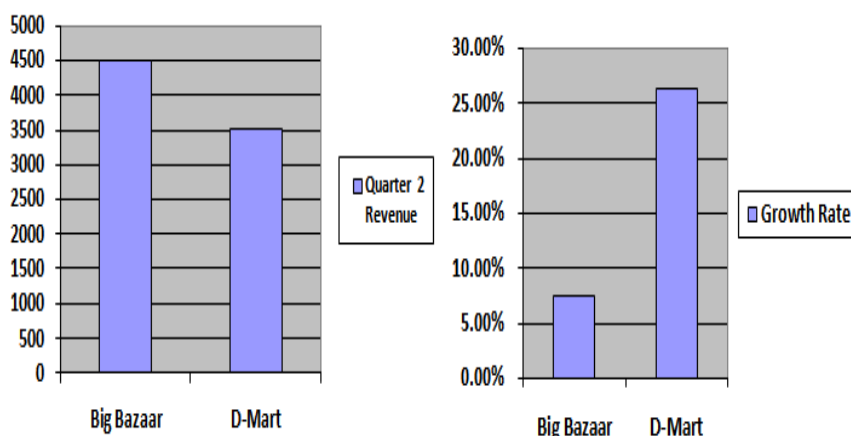
**Table:** Comparative Analysis in terms Innovative Marketing Mix

Innovative marketing strategies		
	BIG BAZAR	D-MART
PRODUCT		Different Range of Products
PLACE	Density Populated Area	Density Populated Area
PRICE	Affordable Price	Affordable Price
PROMOTION	Cheapest Day promotion, Wednesday bazaar, Attractive Offers, Loyalty Schemes, Promotional collaboration with SBI Credit Card	Gift coupons, Rewards to marketing employees, Hoardings, New Offers and Schemes advertisement in news paper, Daily Discount,

**Table 2.** Comparitive analysis in terms of revenue generation Mix.

Year	Revenue Generated in Quarter 2	
	BIG BAZAR	D-MART
<b>Quarter 2 Financial Year 2017-18</b>	4506.3 Crore	3508 Crore
<b>Growth Rate</b>	7.50%	26.30%

Graph-1&2 Revenue Generation and Growth Rate



## VI. CONCLUSION

From this study it can be concluded that innovativeness and modification is very essential especially in sectors like retailing. The major retailers viz Big Bazaar and D-Mart striving hard to increase their market share by adopting innovative means of attracting and luring customers. This study focuses on the innovativeness in marketing strategies by the retailing giants and the tug of war between them, the innovative marketing strategies have been identified with the help of four major marketing variables each retailer is implementing and succeeding to pull the customers towards them, and the outcome of adoption of innovative marketing strategies has been measured in terms of the revenue generated by them. Ref. table1 and 2..

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