

**CHAPTER 6**  
**ANALYSIS BY NEW PRODUCTS**

## CHAPTER 6

### ANALYSIS BY NEW PRODUCTS

#### 6.1 Introduction

The earlier chapter analysed data for marketing strategies followed at an overall level. While this chapter attempts to analyse data for new product positions on marketing strategies and examine whether marketing strategies followed/not followed are generic or different across new products. **It examines the hypothesis that marketing strategy (ies) are generic across new products and that there is no difference between marketing strategies followed/not followed and new products. In other words marketing strategy is generic across new products and independent of new product categories and therefore does not vary across new product categories.** Examined in the succeeding paragraphs therefore are marketing strategies related to targets, product, price, place, promotion, competitive marketing strategies and company growth strategies followed by the firms.

#### 6.2 Targets

Discussions with marketing managers/executives during the preliminary interviews, pilot survey and final survey pointed towards volume/value of business or targets as it was referred to – as the starting point in marketing new products. Examined first among the marketing strategies therefore are target strategies followed by the firms.

**6.2.i** Among the target related marketing strategies followed by group one i.e. by 0 to 20% of the respondents, data indicates that marketing strategy namely **targets fixed at the Head Office in relation to what the competitors are likely to set** is followed by financial services alone and **varies by new products in the order of company deposit and car finance**. As is evident from the data the stated marketing strategy fails to find application among the remaining new products viz. airlines, black & white television, colour television, music system and washing machines. (table 6.1, 6.2). Besides, data analysis indicates a chi-square calculated value of 191.971 for 6 degrees of freedom. This rejects the null hypothesis at 1% level of significance. This leads to the conclusion that marketing strategy under consideration viz. targets fixed at the Head Office level in relation to what the competitors are likely to set is **not generic** and that there is a statistically significant difference between marketing strategy followed/not followed and new products and the strategy followed varies by new products in an order stated above. As is evident from the data, contrary to the popular belief it finds application in case of two

financial services alone from among the seven new products and not in the case of airlines and consumer durables (table 6.3).

New product positions on target strategy viz. targets given to regional/zonal/branch office irrespective of the branch potential **varies by new products in the order of car finance, black & white television and airlines** while the stated marketing strategy fails to find application for the remaining new products namely company deposits, colour television, music system and washing machine (table 6.1, 6.2). Data analysis indicates a chi-square calculated value of 125.586 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. This leads to the conclusion that targets given to regional/zone/branch office irrespective of their potential varies by new products and **is not generic** across new products. Data analysis indicates that there is a statistically significant difference between the given strategy followed/not followed and new products with the strategy under consideration finding application among only three of the seven new products (table 6.3).

New product positions on the strategy viz. targets given equally to each region **vary by new products in the order of black & white television, colour television, music system and company deposit** while the stated marketing strategy fails to find application among three new products namely car finance, airlines and washing machine. Among those that it does consumer durables lead over services in following the given strategy (table 6.1, 6.2). Data analysis yields a chi-square calculated value of 88.412 for 6 degrees of freedom. This rejects the hypothesis of no difference at 1% level of significance. It may be inferred therefore that marketing strategy in relation to targets given equally to each region **is not generic and varies by new products** with consumer durables leading over services. This leads to the conclusion that there is a statistically significant difference between the strategy under consideration followed/not followed and new products and that the stated varies by new products (table 6.3).

In achieving the targets, marketing strategy viz. data-base created through an in-house research study is used. The stated **varies by new products in the order of music system, car finance, colour television, washing machine, company deposit, airlines and black & white television** (table 6.1, 6.2). Besides, data-analysis indicates a chi-square calculated value of 10.336 for 6 degrees of freedom. This rejects the hypothesis of no difference at 1% level of significance. This leads to the conclusion that marketing strategy in relation to use of data-base created through an in-house research study in achieving

targets is not generic and varies by new products in an order stated above (table 6.3).

Marketing strategy viz. using data-base created through a commissioned research study varies by new products in the order of washing machine, colour television, music system, car finance, black & white television, airlines and company deposit. Data thus indicates that consumer durables lead over services in following the marketing strategy under consideration (table 6.1, 6.2). Data analysis indicates a chi-square calculated value of 105.647 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that marketing strategy in relation to use of data-base created through a commissioned research study is not generic and varies across new products with consumer durables leading over services (table 6.1,6.2,6.3)

Data indicates that among the intermediaries/means used to achieve the targets, the two intermediaries namely sub-brokers and agents are used by the two financial services alone in the order of car finance and company deposit while their very nature fail to find the intermediaries an application for the remaining new products viz. airlines and consumer durables. As will be seen later the same will be true of travel agents and dealers and/or distributors for airlines and consumer durables. Similarly as is evident from the data clients references are used by the two financial services in the order of company deposit and car finance while data-base with the company, depositors, branch office, registered office, direct marketing, advertising and references are all used by only one of the seven new products viz. Company deposits. The stated owing to their nature thus fail to find an application for the remaining new products – airlines and consumer durables. While word-of-mouth and acquaintances are used by one of the seven new products namely car finance; travel agents and corporate clients are used as intermediaries by one of the seven new products viz. Airlines. While the above discussion is confined to the use of intermediaries for the two financial services and airlines, intermediaries used by the four consumer durables are discussed hereafter. Data indicates that direct distributors and sub-dealers are used as intermediaries by the four consumer durables in the order of black & white television, colour television, music system and washing machine (table 6.1,6.2,6.3).

- 6.2.ii Target related marketing strategies followed by Group two i.e. by 20 to 40% of the respondents include targets fixed by the Head Office based on expected marketing potential. The stated finds varied application across new products

and varies in the order of company deposit, car finance, colour television, washing machine, music system, black & white television and airlines (table 6.1, 6.2). Data analysis indicates a statistically significant difference between the given strategy followed/not followed and new products with a chi-square calculated value of 59.589 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that the strategy under consideration is **not generic** and varies across new products (table 6.1,6.2,6.3)

The other strategy followed by group two include targets fixed by the Head Office as some fixed percentage increase over that of last year. Data indicates that the stated strategy varies by new products in the order of company deposit, airlines, car finance, music system, colour television, black & white television and washing machine (table 6.1, 6.2). Data analysis indicates a chi-square calculated value of 60.150 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that marketing strategy under consideration namely targets fixed by the Head Office as some fixed percentage increase over that of last year varies by new products with (as is evident from the data – )services leading over consumer durables in following the stated marketing strategy. Data analysis indicates that there is statistically significant difference in the given strategy followed/not followed and new products (table 6.3).

Among the intermediaries/means used to achieve the targets data indicates that brokers are used by two of the seven new products – both financial services in the order of car finance and company deposit (table 6.1,6.2,6.3).

- 6.2.iii Among the target related marketing strategies followed by **Group three** i.e. by 40 to 60% of the respondents, data indicates that in achieving targets, data-base existing with the company is used by new products in the order of black & white television, car finance, music system, colour television, company deposit, washing machine and airlines (table 6.1, 6.2). Data analysis indicates a chi-square calculated value of 63.181 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that marketing strategy under consideration viz. data-base with the company used in achieving targets is **not generic** and varies by new products in an order stated above (table 6.3).

Dealers used as an intermediary in achieving targets varies by new products in the order of black & white television, colour television, music system, washing machine, car finance and company deposit. Data thus indicate

consumer durables leading over financial services in using dealers as intermediaries (table 6.1,6.2,6.3). Similarly, distributors used as intermediaries in marketing new products vary by products in the order of washing machine, colour television, black & white television, music system and company deposit. Consumer durables thus lead in using distributors as intermediaries (table 6.1,6.2,6.3).

- 6.2.iv While none of the target strategies find application in group four, Target related marketing strategies followed by Group five i.e. by 80 to 100% of the respondents include targets fixed by the Head Office based on actual market potential. However before target related marketing strategies followed by group five are discussed, it may be noted that data indicate none of the target related strategies to be followed by Group four i.e. by 60 to 80% of the respondents. Among those that are followed by Group five i.e. by 80 to 100% of the respondents include targets fixed by the Head Office based on actual market potential which varies by new products in the order of washing machine, black & white television, colour television, music system, company deposit, airlines and car finance. Data thus indicate that consumer durables lead over services in following the given marketing strategy (table 6.1, 6.2). Data analysis indicate a chi-square calculated value of 68.083 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that there is a statistically significant difference between the given marketing strategy followed/not followed and new products. The given marketing strategy, data indicates is thus not generic and varies across new products with consumer durables leading over services (table 6.3)

Marketing strategy in relation to targets given to the regional/zonal/branch office depending on their potential finds varied application among new products in the order of washing machine, airlines, colour television, company deposit, music system, car finance and black & white television (table 6.1, 6.2). Statistically significant difference between the given strategy followed/not followed and new products is revealed through data analysis which indicates a chi-square calculated value of 68.349 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that targets given to regional/zonal/branch office depending on their potential is not generic and varies across new products in an order stated above. Data indicates washing machine taking a lead while black & white television emerging last in following the stated (table 6.3).

In achieving the targets, data-base with the intermediaries is used by above 80% of the respondents. Use of data-base with the intermediaries varies by

new products in the order of black & white television, washing machine, colour Television, music system, car finance, company deposit and airlines. As is evident from the data consumer durables lead over services with black & white television taking the lead in following the strategy under consideration (table 6.1, 6.2). Data analysis indicate a statistically significant difference in the given marketing strategy followed/not followed and new products with a chi-square calculated value of 74.157 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that the strategy under consideration varies across new products and is **not generic and consumer durables lead over services** (table 6.3).

### 6.3 Product

While the above discussion examined marketing strategies in relation to targets, this part of the discussion examines marketing strategies related to the first element of marketing-mix i.e. product.

- 6.3.i Marketing strategies in relation to product followed by **Group one** i.e. by 0 to 20% of the respondents include market modification strategy viz. marketing a new product in a new market. The stated strategy finds varied application across new products. As is evident from the data it **varies across new products in the order of car finance, music sytem, black & white television, company deposit, airlines and colour television** (table 6.4, 6.5). Data analysis indicates a chi-square calculated value of 30.829 for 6 degrees of freedom. The hypothesis therefore gets rejected at 1% level of significance and leads to the conclusion that the strategy under consideration **varies across new products and is not generic** (table 6.6).

Product related marketing strategy viz. marketing a new product in a new segment varies across new products. As is evident from the data it finds varied application across the new products in the order of car finance, music system, airlines, black & white television, washing machine, company deposit and colour television. As is evident from the data, car finance tops the new segment strategy while colour television emerges last (table 6.4, 6.5). Data analysis indicate a statistically significant difference between the strategy under consideration followed/not followed and new products. Analysis indicates a chi-square calculated value of 92.160 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that marketing a new product in a new segment strategy varies by new products in the order stated above and is **not generic with car finance**

topping the new segment strategy while colour television emerging last (table 6.6).

Data indicates that a marketing strategy of marketing a new product whose technology is new varies by new product in the order of colour television, music system, black & white television, washing machine, company deposit and airlines. As is evident from the data consumer durables lead over services in following the product related marketing strategy under consideration (table 6.4, 6.5). Data analysis indicates a chi-square calculated value of 26.179 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that there is a statistically significant difference between the strategy under consideration followed/not followed and new products. It may be inferred therefore that marketing a new product whose technology is new varies by new product in the order stated above with consumer durables leading over services (table 6.6).

A new product line strategy varies across new products in the order of car finance, airlines and colour television while it fails to find application for the remaining new products namely company deposits, black & white television, music system and washing machine (table 6.4, 6.5). Data analysis indicates a statistically significant difference between the strategy and new products with a chi-square calculated value of 193.690 for 6 degrees of freedom. This hypothesis is thus rejected at 1% level of significance and leads to the conclusion that the strategy under consideration viz. a new product line strategy varies by new products and is not generic (table 6.6).

An item addition in a product line strategy varies by new products in the order of car finance, airlines, colour television and company deposit whereas the given strategy fails to find application for the remaining new products viz. black & white television, music system, and washing machine (table 6.4, 6.5).

Data analysis indicates a chi-square calculated value of 39.792 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. It may be concluded therefore then that an item addition strategy is not generic and varies by new products with car finance topping while company deposit emerging last (table 6.6).

Data indicates that a product line modification strategy varies across new products in the order of car finance, colour television, company deposit and airlines (table 6.4, 6.5). Data analysis indicates a chi-square calculated value of 16.464 for 6 degrees of freedom. This rejects the hypothesis at less than 1%



level of significance leading to the conclusion that product line modification strategy is not generic and varies across new products (table 6.6).

A line stretching product strategy is observed to vary across new products in the order of car finance, black & white television, washing machine, music system, company deposit, colour television and airlines (table 6.4, 6.5). Data analysis does not indicate a statistically significant difference between the strategy under consideration being followed/not followed and new products. Data analysis reveals chi-square calculated value of 7.339 for 6 degrees of freedom. This does not reject the hypothesis of no difference at 1% level of significance. Data analysis thus indicates that line stretching product strategy is generic across new products (table 6.6).

A complementary product strategy varies in the application it finds among new products. The strategy under consideration varies by new products in the order of car finance, music system, company deposit and colour television (table 6.4, 6.5). Chi-square analysis indicates a calculated value of 6.449 for 6 degrees of freedom. This does not reject the null hypothesis at 1% level of significance. It may be concluded therefore that the strategy under consideration viz. complementary product strategy does not vary across new products and is generic across new products (table 6.6).

Marketing strategies discussed above are followed by 0 to 20% of the respondents which for the purpose of this study have been classified as group one. Thus marketing strategies discussed above are those that are followed by respondents of Group one i.e. by 0 to 20% of the respondents.

- 6.3.ii Product strategies followed by group two i.e. by 20 to 40% of the respondents include new applications of the product which percentage analysis indicates varies by new products in the order of washing machine, music system, colour television, airlines, black & white television, car finance and company deposit (table 6.4, 6.5). Data analysis indicates a chi-square calculated value of 60.574 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that new applications strategy varies across new products with consumer durables leading over services (table 6.6).

A product modification strategy wherein product functions are new varies in the application it finds among new products. New products vary in following the stated strategy in the order of washing machine, music system, black & white television, colour television and airlines. Data indicates therefore that consumer durables lead in following the given strategy (table

6.4, 6.5). Data analysis indicates a chi-square calculated value of 133.413 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance and leads to the conclusion that a function strategy is not generic and varies across new products in an order stated above (table 6.6).

**A restyled product strategy** finds varied application across new products and varies across new products in the order of washing machine, colour television, music system and car finance (table 6.4, 6.5). Data thus indicate consumer durables leading over services in following the strategy under consideration. Data analysis indicate a statistically significant difference between the strategy under consideration being followed/not followed and new products. Analysis indicates a chi-square calculated value of 110.392 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance leading to the conclusion that a restyled product strategy is not generic and varies by new products with consumer durables leading over services in following the stated strategy (table 6.6).

**A repackaged strategy** varies in the application it finds among new products. The strategy under consideration varies by new products in the order of washing machine, colour television, music system, airlines, black & white television and car finance (table 6.4, 6.5). Data analysis indicates a chi-square calculated value of 177.891 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance and leads to the conclusion that a repackaged product strategy is not generic and varies across new products with consumer durables leading (table 6.6).

**A repositioned product strategy** also as is evident from the data finds varied application among new products. The stated strategy varies by new products in the order of washing machine, colour television, music system, airlines, black & white television, company deposit and car finance (table 6.4, 6.5). Chi-square analysis indicates a calculated value of 90.094 for 6 degrees of freedom which rejects the null hypothesis at 1% level of significance leading to the conclusion that a repositioned product strategy is not generic and varies across new products with consumer durables leading over services (table 6.6).

**An extension to product line strategy** as is evident from the data finds varied application across new products the order in which it varies being black & white television, washing machine, colour television, music system, car finance, airlines and company deposit (table 6.4, 6.5). Chi-square analysis indicates a calculated value of 58.143 for 6 degrees of freedom. This rejects

the hypothesis at 1% level of significance. It may be concluded therefore that an extension to the existing product line **strategy is not generic and varies across new products with consumer durables leading over services** in following the stated (table 6.6).

- 6.3.iii Product strategies followed by **Group three** i.e. by 40 to 60% of the respondents include an improved/modified product strategy which as is evident from the data finds varied application across new products. The strategy under consideration varies by new products in the order of washing machine, black & white television, colour television, music system, airlines and company deposit (table 6.4, 6.5). Data analysis indicates a chi-square calculated value of 278.044 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that an improved/modified product strategy **is not generic and varies across new products** with consumer durables leading over services (table 6.6).

New product positions vary on the me-too product strategy in the order of car finance, colour television, music system, company deposit, black & white television, washing machine and airlines (table 6.4, 6.5). Chi-square analysis indicates a calculated value of 93.243 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance and leads to the conclusion that a me-too product strategy varies across new products and is not generic (table 6.6).

- 6.3.iv. Product related marketing strategies followed by **Group four** i.e. by 60 to 80% of the respondents include marketing a new product in the existing market which as the data indicates tops among the product related marketing strategies followed by the firms. Marketing strategy under consideration viz. marketing a new product in the existing market varies in the application it finds across new products in the order of car finance, washing machine, company deposit, black & white television, music system, colour television and airlines (table 6.4, 6.5). Data analysis indicates a chi-square calculated value of 50.218 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that a new product in the existing market strategy **varies across new products with car finance topping the list while airlines emerging last** (table 6.6)

It may be noted that data indicates that none of the product related marketing strategies are followed by respondents of **Group five** i.e. by 80 to 100% of the respondents.

## 6.4 Price

The analysis above examined marketing strategies related to product while the discussion that follows examines marketing strategies related to the second element of marketing-mix i.e. **Price**. Price as an element of marketing-mix becomes significant as it connotes different meanings to different people. For the consumers it may mean quality among other things for instance, to the manufacturer costs, returns and so on. Firms thus seek to fulfill different objectives through the product price such as consumer acceptance of a new product, customer satisfaction, returns, profits, sales and so on. Given the significance of price examined in the succeeding discussion are marketing strategies related to new product price.

6.4.i. Among the price related marketing strategies followed by **Group one** i.e. by 0 to 20% of the respondents include a **peneration strategy** which involves offering a new product initially at a relatively lower price which varies in the application it finds across new products. New products vary in following the stated marketing strategy in the order of airlines, washing machine, black & white television, car finance and music system (table 6.7, 6.8). Data analysis indicates a chi-square calculated value of 32.144 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. This leads to the conclusion that the strategy under consideration varies across new products in an order stated above (table 6.9).

Data indicates that **promote a line rather than a particular product strategy** varies across new products in the order of black & white television, music system, airlines, car finance, washing machine, colour television and company deposit (table 6.7, 6.8). Statistically no significant difference is observed between the strategy under consideration followed/not followed and new products. Data analysis indicates a chi-square calculated value of 3.218 for 6 degrees of freedom. This does not reject the hypothesis at 1% level of significance. It may be concluded therefore that the strategy under consideration namely promote a line rather than a particular product is **generic** across new products (table 6.9).

As is evident from the data maintain a price leadership strategy varies across new products in the order of colour television, washing machine, music system, black & white television, car finance and company deposit. Data thus indicate consumer durables leading over services in following a price leadership strategy. Besides, governed by AITA (All India Travel Association) rules airlines do not follow the stated strategy (table 6.7, 6.8). Chi-square

analysis indicates a calculated value of 58.547 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that maintain price leadership strategy varies across new products with consumer durables leading over services and is not generic (table 6.9).

**Discourage potential new entrants through high price strategy** finds varied application across new products. New products vary in the order of washing machine, colour television, music system, black & white television and company deposit. Marketing strategy under consideration thus finds greater application among consumer durables than it does among services (table 6.7, 6.8). Data analysis indicates a chi-square calculated value of 72.653 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that discourage potential new entrants through high price strategy is not generic and varies by new products with consumer durables leading over services in following the given strategy (table 6.9).

**Discourage potential new entrants through low price strategy** as is evident from the data also varies across new products in the order of washing machine, black & white television, music system, colour television and airlines. Consumer durables thus lead in following the stated while the two financial services namely company deposit and car finance are observed not to follow the strategy stated (table 6.7, 6.8). Data analysis indicate a statistically significant difference between the strategy under consideration followed/not followed and new products. Data analysis indicates a chi-square calculated value of 12.058 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance and leads to the conclusion that low price strategy to discourage potential new entrants is not generic and varies by new products (table 6.9).

**New product priced to improve sales of other weaker products strategy** finds varied application across new products. New products vary in the order of company deposit, car finance, airlines, music system, washing machine, colour television and black & white television. Data thus indicate that services lead over consumer durables in an attempt to improve sales of other weaker products through new products pricing (table 6.7, 6.8). Data analysis indicate a chi-square calculated value of 35.137 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that the strategy under consideration is not generic and varies across new products with the stated finding greater application among services than among consumer durables (table 6.9).

**Discourage price wars strategy** finds varied application across new products. Data indicates new products vary on the given strategy in the order of company deposit, washing machine, colour television, black & white television and airlines while the remaining new products viz. car finance and music system do not find application for the stated implying thereby the restraint exercised in resorting to price wars for car finance and music system by the practising marketers (table 6.7, 6.8). Data analysis indicates a statistically significant difference between the strategy under consideration followed/not followed and new products. Analysis reveals a chi-square calculated value of 11.380 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. It may be concluded therefore that marketing strategy under consideration viz. discourage price wars **varies across new products** (table 6.9).

**A new product priced to beat competition** as a strategy varies in the application it finds across new products. As is evident from the data, new products vary in the order of company deposit, colour television, washing machine, airlines, black & white television, music system and car finance. Data thus indicates that company deposit tops on a new product priced to beat competition strategy (table 6.7, 6.8). Data analysis yield a chi-square calculated value of 26.955 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance and leads to the conclusion that the strategy under consideration is **not generic** and varies across new products (table 6.9).

Pricing strategy of offering a new product priced to offer value for money **varies by new product in the order of** washing machine, colour television, music system, black & white television, car finance, airlines and company deposit. Data thus indicate that **consumer durables lead over services in following the given strategy** (table 6.7, 6.8). Data analysis indicates a statistically significant difference between the given strategy followed/not followed and new products. Data analysis reveal a chi-square calculated value of 32.616 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that the strategy under consideration viz. a new product priced to offer value for money **varies by new products in an order stated above with consumer durables leading over services** (table 6.9).

A marketing strategy wherein a new product is priced such that two or more **products are available for a special price** varies by new products in the order of washing machine, airlines, music system, colour television and car

finance (table 6.7, 6.8). Data analysis indicates a chi-square calculated value of 42.611 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that the stated strategy is **not generic and varies across new products** in an order stated above (table 6.9).

Data indicates that a marketing strategy wherein a **new product is priced based on some fixed percentage of costs** finds varied application across new products. As is evident from the data new products vary in the order of car finance, company deposit, black & white television, airlines, music system, colour television and washing machine. As is evident from the data financial services lead on the given strategy (table 6.7, 6.8). Data analysis indicate a chi-square calculated value of 118.901 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that the strategy under consideration is **not generic and varies across new products with financial services taking the lead** (table 6.9).

Pricing strategy wherein a new product price is **based on consumer perceptions and demand intensity rather than costs** varies in the application it finds across new products. The stated varies in the order of company deposit, airlines, washing machine, colour television, music system and car finance (table 6.7, 6.8). Data analysis indicates a statistically significant difference between the strategy followed/not followed and new products. Data analysis yields a chi-square calculated value of 3.826 for 6 degrees of freedom. This does not reject the hypothesis at 1% level of significance. It may be concluded therefore that the stated strategy is **generic across new products** (table 6.9).

Pricing strategy where in a new product is **priced based on products perceived value** finds varied application across new products. New products vary in following the stated in the order of washing machine, colour television, music system, car finance, airlines and black & white television. Data indicates that consumer durables lead in following the stated strategy. Chi-square analysis indicates a calculated value of 96.371 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that the strategy viz. new product price based on products perceived value **varies by new products in an order stated above with consumer durables taking a lead in following the stated** (table 6.7,6.8,6.9).

**Price based on demand differential strategy** also varies across new products in order of airlines, car finance, company deposit, black & white television, washing machine, music system and colour television. Services lead over

consumer durables in following the stated strategy (table 6.7, 6.8). Data analysis indicates a chi-square calculated value of 66.084 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that the strategy under consideration varies across new products with services leading over consumer durables (table 6.9).

**A different price at different place strategy** varies across new products in the order of airlines, black & white television, colour television, music system, washing machine, car finance and company deposit (table 6.7, 6.8). Data analysis indicates a chi-square calculated value of 48.070 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that a different price at different place strategy is **not generic** (table 6.9).

**A new product priced to maintain market share strategy** varies across new products in an order of airlines, company deposit, washing machine, car finance, music system and colour television while black & white television fails to find application for the stated (table 6.7, 6.8). Data analysis indicates a chi-square calculated value of 11.771 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that a new product priced to maintain market share strategy varies across new products (table 6.9). Discussed so far were pricing strategies followed by group one i.e. by 0 to 20% of the respondents.

- 6.4.ii Pricing strategies followed by Group two i.e. by 20 to 40% of the respondents** include a **rapid skimming strategy** wherein a new product is offered initially at a high price with a view to skim the market. The stated strategy varies across new products in the order of washing machine, music system, colour television, black & white television, company deposit, airlines and car finance (table 6.7, 6.8). Data analysis indicates a chi-square calculated value of 198.969 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that a market skimming strategy is **not generic** and there is a statistically significant difference between the stated strategy followed/not followed and new products with consumer durables taking a lead over services in following the given strategy (table 6.9).

**A new product priced to carve a niche as a strategy** varies by new products in the order of company deposit, Colour Television, car finance, washing machine, music system, black & white television, and airlines. (table 6.7, 6.8) Company Deposit thus leads on a niche strategy. Chi-square analysis indicates a calculated value of 14.345 for 6 degree of freedom which rejects the



hypothesis at 1% level of significance. It may be concluded therefore that niche strategy is not generic and varies across new products in an order stated above (table 6.7).

**A new product priced to maintain competitive parity as marketing strategy varies across new products in an order of company deposit, black & white television, colour television, music system, washing machine, car finance and air lines. Company deposit thus is observed to be leading once again.** However it is interesting to note that company deposit while maintaining competitive parity also strives to carve a niche for itself (table 6.7, 6.8). Data analysis indicates a chi-square calculated value of 62.194 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that competitive parity strategy is not generic and varies across new products with company deposit taking the lead (table 6.9).

**Pricing based on costs the percentage of which is not fixed as a strategy finds varied application across new products.** New products vary in following the stated in the order of washing machine, music system, colour television, black & white television, airlines, car finance and company deposit. Data thus indicate consumer durables leading over services in following the stated (table 6.7, 6.8). Data analysis indicate a chi-square calculated value of 167.990 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. It may be concluded therefore that the strategy under consideration is not generic and varies across new products with consumer durables leading over services in following the stated strategy. Data thus indicate a statistically significant difference between the strategy under consideration followed/not followed and new products (table 6.9).

**A new product priced differently for marginally different product as a strategy finds varied application across new products.** New products vary in following the given strategy in the order of car finance, colour television, airlines, music system, black & white television and washing machine while company deposit fails to find application for the given strategy. As is evident from the data car finance leads in following the strategy under consideration (table 6.7, 6.8). Data analysis indicates a chi-square calculated value of 89.523 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that a different price for marginally different product strategy is not generic and varies by new products (table 6.9).

Data indicates that pricing strategy wherein a new product price is different for different times varies in the application it finds across new products in the order of music system, washing machine, colour television, black & white television, airlines, company deposit and car finance. Data thus indicate that consumer durables lead over services in following the strategy under consideration (table 6.7, 6.8). Data analysis indicates a chi-square calculated value of 111.970 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. It may be concluded therefore that a different price for different times strategy varies across new products and is not generic with consumer durables leading over services in following the stated (table 6.9).

- 6.4.iii Pricing strategies followed by Group three i.e. by 40 to 60% of the respondents include **maximise short-run profits strategy** which varies by new products in the order of black & white television, airlines, car finance, company deposit, colour television, music system and washing machine (table 6.7, 6.8). Data analysis indicates a chi-square calculated value of 27.194 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. This leads to the conclusion that **maximise profits in the short-run strategy** varies across new products and is not generic (table 6.9).

**Maximise market share at the cost of current profits strategy** varies by new products in the order of car finance, washing machine, music system, company deposit, colour television, black & white television and airlines (table 6.7, 6.8). Data analysis indicates a chi-square calculated value of 10.455 for 6 degrees of freedom. This does not reject the hypothesis at 1% level of significance. It may be concluded therefore that **maximise market share at the cost of current profits strategy** does not vary across new products and is generic. Data thus indicates that there is no difference between the strategy under consideration followed/not followed and new products (table 6.9).

**Maintain/Improve corporate image strategy** varies by new products in the order of black & white television, washing machine, colour television, music system, company deposit, airlines and car finance. Data indicates that **consumer durables lead over services** in following the strategy under consideration (table 6.7, 6.8). Data analysis indicates a chi-square calculated value of 17.672 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that **maintain/improve corporate image strategy** is not generic and varies across new products in an order stated above with consumer durables leading over services in following the given strategy (table 6.9).

**Differential price charged to justify the difference in the number of models/options available in the product as a strategy varies by new products in the order of washing machine, music system, colour television, black & white television, car finance, airlines and company deposit.** Data thus indicate consumer durables leading over services in following the strategy under consideration (table 6.7, 6.8). Data analysis indicate a statistically significant difference between the strategy under consideration followed/not followed and new products. This is evident from the data analysis which indicate a chi-square calculated value of 231.082 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. This leads to the conclusion that the given strategy is **not generic and varies by new products with consumer durables leading over services in following the stated (table 6.9).**

- 6.4.iv. Pricing strategies followed by Group four i.e. by 60 to 80% of the respondents include maximise long run profits strategy which varies by new products in the order of washing machines, car finance, company deposit, airlines, colour television, music system and black & white television (table 6.7, 6.8).** Chi-square analysis indicates a calculated value of 109.566 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that long run profit maximisation strategy is not generic and varies by new products in an order stated above (table 6.9).

**Maximise/Increase current sales revenue strategy varies across new products in the order of washing machine, company deposit, car finance, black & white television, airlines, music system and colour television (table 6.7, 6.8).** Data analysis indicates a chi-square calculated value of 20.206 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance and leads to the conclusion that maximisation of current sales revenue strategy varies across new products with washing machine taking the lead (table 6.9).

**Establish or maintain intermediary loyalty strategy finds varied application across new products. New products vary in following the stated in the order of washing machine, black & white television, music system, colour television, company deposit, airlines and car finance.** As is evident from the data consumer durables lead over services in following the strategy under consideration (table 6.7, 6.8). Data analysis indicate a chi-square calculated value of 108.813 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that maintain/establish dealer loyalty strategy is **not generic and varies by new products in an order**

stated above with **consumer durables taking a lead over services** in following the given strategy (table 6.9).

**Market Penetration Strategy** too as the data indicates varies in the application it finds across new products. New products vary on the given strategy in the order of colour television, music system, car finance, washing machine, company deposit, airlines and black & white television (table 6.7, 6.8). Data analysis indicate a statistically significant difference between the stated strategy followed/not followed and new products. Analysis indicate a chi-square calculated value of 21.135 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that market penetration strategy is **not generic** (table 6.9).

- 6.4.v. Pricing strategies followed by **Group five** i.e. by 80 to 100% of the respondents include a **new product priced to achieve a certain rate of return**. The stated strategy varies in the application it finds across new products in the order of black & white television, car finance, washing machine, music system, company deposit, colour television and airlines (table 6.7, 6.8). Data analysis indicate a statistically significant difference between the strategy under consideration followed/not followed and new products. Analysis indicate a chi-square calculated value of 37.153 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that achieving a certain rate of return strategy varies across new products (table 6.9).

A new product priced to **create consumer acceptance strategy** varies in the application it finds across new products in the order of washing machine, music system, car finance, colour television, black & white television, company deposit and airlines (table 6.7, 6.8). Data analysis indicate a chi-square calculated value of 46.482 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that new product priced to create consumer acceptance strategy varies across new product in an order stated above. Data indicate a statistically significant difference between the strategy under consideration followed/not followed and new products (table 6.9).

## **6.5 Place – Activities Undertaken**

**The third element of marketing-mix** i.e. Place as it is commonly referred to or distribution, has a crucial role to play in linking the customers with the new products. Intermediaries used and/or activities undertaken in distributing new

products as means to reaching new products to customers are examined by new products in this part of the discussion.

**6.5.i** Activities undertaken by **Group one** i.e. by 0 to 20% of the respondents include setting and achieving brokers targets. Data indicates that this varies by new products in the order of company deposit, airlines and car finance while the stated fails to find application for the four consumer durables namely black & white television, colour television, music system and washing machine (table 6.10, 6.11). Chi-square analysis was not performed since the data was obtained through open-ended questions. Volume/Value of business was used to distribute new products by the two financial services only while it failed to find application for the airlines and the consumer durables. For the former it varied by new products in the order of company deposit and car finance (table 6.10, 6.11).

Data analysis indicates that agents targets are used by the services alone and the nature of the intermediary fails to find it application for the consumer durables. For the former i.e. for services, agents targets varies by new products in the order of company deposit, airlines and car finance (table 6.10, 6.11).

**Clients and their references** are used to the firms advantage in distributing new products in case of company deposits while it fails to find application in case of the remaining new products viz. car finance, airlines, black & white television, colour television, music system and washing machine (table 6.10, 6.11). Data indicates that sub-brokers are used to facilitate the distribution function for new products viz., for the two financial services in the order of company deposit and car finance while it fails to find application in case of airlines and the four consumer durables (table 6.10, 6.11).

**Local advertising** is used to enhance the distribution of new products specially in the case of services viz. airlines and company deposit as is evident from the data (table 6.10, 6.11).

**Direct Marketing** finds application in case of services in the order of company deposit, car finance and airlines and not so in case of consumer durables (table 6.10, 6.11).

In the same group i.e. **Group one, outdoor display** as is evident from the data finds application in case of services in the order of company deposit and airlines (table 6.10, 6.11).

Similarly as the data indicate **Meets Organised** also find application among the services, the services however vary in the order of company deposit and car finance (table 6.10, 6.11).

**Mailers** on the other hand find its application restricted to car finance.

Sales Targets, Agent Targets, Brochures, GSA (General Service Agents) Targets, Country Targets, New Station, New Sectors are all used towards distributing new products by airlines alone from among the seven new products (table 6.10, 6.11).

Similarly, **agencies** are used as means among the new products by music system alone from among the new products under consideration (table 6.10, 6.11).

6.5.ii Among the means used/activities undertaken towards distribution new products by **group two** i.e. by 20 to 40% of the respondents include distributors targets which as is evident from the data finds application among consumer durables which vareis by new products in the order of washing machine, colour television, music system and black & white television while the stated is not followed by the services (table 6.10, 6.11).

6.5.iii Distribution related activities undertaken/means used in distributing new products by **Group three** i.e. by 40 to 60% of the respondents include setting and achieving regional goals/targets which unlike the means used by Group one that found limited application, as is evident from the data finds application across all seven products under consideration, the order of which however varies with car finance topping followed by airlines, company deposit, black & white television, music system, colour television and washing machine. Data thus indicate services leading over consumer durables in the application of regional targets in distributing new products (table 6.10, 6.11). Similarly dealers targets vary across new products in the order of colour television, music system, washing machine, black & white television and company deposit. Data thus indicate consumer durable leading over services on dealers targets as means used to distributing new products unlike the former where services take a lead over consumer durables (table 6.10, 6.11).

Among the distribution related activities undertaken or means used in reaching new products to the customers by **Group four** i.e. by 60 to 80% of the respondents include **setting and achieving corporate goals or targets** which as is evident from the data finds **not only greater application among the respondents** as compared to means discussed earlier but also finds application across all seven new products under consideration. The order however varies

with black & white television setting the lead followed by washing machine, music system, car finance, colour television, airlines and company deposit. Data thus indicate consumer durables leading over services in setting and achieving corporate goals or targets as means to distributing new products (table 6.10, 6.11). **Branch goals/targets** serve as means to distributing new products for all seven new products under consideration and as data indicate vary in the order of car finance, black & white television, company deposit, music system, , washing machine, airlines and colour television (table 6.10, 6.11). While none of these find application in group five.

## 6.6 Place – Intermediaries Used

The preceeding discussion examined activities undertaken or means (including intermediaries) used towards distributing new products while the present discussion examines specifically the intermediaries used in distributing new products and reaching the same across to the customers. Intermediaries assume significance because apart from the distribution related activities undertaken by the marketing managers, intermediaries paly a significant role in reaching out to the customers with the firms new products.

- 6.6.i Among the intermediaries used by **Group one** i.e. by 0 to 20% of the marketing managers include the non-traditional role of existing clients and their reference which as is evident from the data finds application in case of one of the seven new products namely car finance while the others fail to find application for the stated (table 6.12, 6.13). Followed by the same group is also **Branch Office** as branch networks facilitate the distribution of new products among the customers and finds application among one of the seven new products under consideration namely company deposit (table 6.12, 6.13). Data points out that travel agents serve as the intermediary for one of the services from the seven new products namely airlines while **sub-dealers** find application among consumer durables and vary in the order of black & white television, washing machine, music system and colour television (table 6.12, 6.13).
- 6.6.ii As against the above, intermediaries used by **Group two** i.e. by 20 to 40% of the respondents include **brokers, sub-brokers and agents**, all three of which find application among two financial services from among the seven new products and vary in the order of car finance and company deposit for all the three intermediaries stated above while distribution find application for the consumer durables and vary in the order of washing machine, colour television, black & white television and music system (table 6.12, 6.13).

**6.6.iii** Intermediaries used by **Group three** i.e. by 40 to 60% of the respondents include dealers which as the data indicates vary by new products in the order of colour television, music system, washing machine, black & white television, car finance and company deposit. Consumer durables thus lead over services in using dealers as an intermediary in marketing new products (table 6.12, 6.13).

**6.6.iv** As is evident from the data none of the intermediaries are used by Group four and five i.e. by 60 to 80% and 80 to 100% of the respondents. Besides, since the data was obtained using open-ended questions chi-square analysis was not performed on the data. As such the above discussion is based on percentage analysis.

## **6.7 Promotion**

The discussion above examined the activities undertaken, means used and intermediaries used by firms in distributing new products. The discussion thus essentially examines the distribution of new products or the third element of marketing-mix namely – Place. The succeeding discussion on the other hand examines the fourth element of marketing-mix namely promotion and promotools used by the firms and marketing managers in marketing their new products.

**6.7.i** Promotools used by **Group one** i.e. by 0 to 20% of the respondents include posters which find varied application across new products and vary in the order of company deposit, car finance, black & white television, music system, washing machine and airlines. Data thus indicate that the two financial services lead among the new products in the use of posters as means to promoting new products. In the same group i.e. **Group one** banners used as promotools vary in the application they find across new products in the order of car finance, company deposit, washing machine, black & white television, colour television and music system. Data thus indicate the two financial services leading in the use of banners as promotool. **Glow signs** are used by company deposit alone from among the seven new products while data indicate that **clients and their references** are used by the two financial services in the order of company deposit and car finance in as much as **branch meet** is used to promote new products by the firms specially the two financial services and vary in the order of car finance and company deposit as against **sales camps** which also finds application among the financial services the order of which however varies in the order of company deposit and car finance unlike **trade fairs and exhibitions** that find application among company deposits (table 6.14, 6.15). In the same group i.e. **Group one sales meet** find



application among the services in the order of car finance, company deposit and airlines. Data thus indicate financial services leading on sales meet (table 6.14, 6.15). Annual meet on the other hand find application among the financial services and consumer durables and vary in the order of car finance, company deposit, washing machine, music system and colour television. Data thus indicate financial services taking a lead once again. Point-of purchase displays find application among all seven products and vary in the order of music system, colour television, black & white television, washing machine, company deposit, airlines and car finance. Consumer durables thus lead over services in their use of point-of-purchase displays (table 6.14, 6.15). Logo vary in the application it finds among new products in the order of music system, company deposit and airlines while sub-brokers finds its application restricted to company deposit as against gift schemes that vary in the application it finds across new products in the order of washing machine, airlines, colour television, music system, black & white television and company deposit while improvising service standards as means to promoting new products finds its application restricted to company deposit alone (table 6.14, 6.15). Agents meet varies across new products in the order of car finance, company deposit, and music system. Thus as is evident from the data the two financial services lead in organising agents meet towards promoting new products. Clients list or references are used by the two financial services and vary in the order of company deposit and car finance, while data indicate that free coupons/tickets again find application for services which however vary in the order of airlines and company deposit as against publicity which finds application among the two financial services and one of the consumer durables and vary in the order of company deposit, car finance and colour television. Data thus indicate financial services taking a lead in the use of publicity as a promotool for marketing their new products (table 6.14, 6.15). Data indicate that sales promotion find application more among consumer durables than it does among services and varies across new products in the order of company deposit, black & white television, colour television and washing machine. Data also indicate telemarketing or direct marketing to corporate clients more prominent among services with car finance setting the lead followed by airlines and company deposit while stickers, branch network, custom-made services find their application among only one of the seven new products namely company deposit, whereas hand-outs find application among the two financial services in the order of company deposit and car finance (table 6.14, 6.15). Data indicate that in the same Group i.e. Group one, non-financial intermediary incentives find varied

application across new products in the order of company deposit, airlines, black & white television, and car finance. Customer feedback is also encouraged by one of the financial services namely company deposit as against hand-outs and similar related promotional material as is evident from the data varies by new products in the order of music system, colour television, airlines, car finance, washing machine and company deposit (table 6.14, 6.15). Data also point towards rebates being used as promotools and varying by new products in the order of company deposit and airlines as against premiums, annual reports and outdoor displays finding their application restricted to company deposit alone. Regional meet on the other hand is used to the firms advantage to promote new products by the two financial services and varies in the order of car finance and company deposit, Word -of- mouth works in favour of car finance while contests are followed by colour television, black & white television, airlines, music system and car finance, sales targets predominantly serve as promotional measure for airlines in as much as agents targets do for airlines in addition to washing machine while discounts vary in the application they find across new products in the order of black & white television, music system, airlines, washing machine and colour television. Improving customer service varies by new products in the order of airlines, colour television, washing machine and music system while improving on the response time and maintaining relations with travel agents finds application among airline (table 6.14, 6.15). Special offers followed by the same group i.e. by Group one varies in the application it finds across new products in the order of washing machine, black & white television, colour television, music system and airlines. Data thus indicate consumer durables taking a lead in following the stated (table 6.14, 6.15). In contrast, direct marketing to agents finds application among one of the seven new products under consideration namely airlines. Special offers vary across new products in the order of washing machine, black & white television, colour television, music system and airlines. Data thus indicate consumer durables leading on special offers followed by airlines (table 6.14, 6.15). Retail advertising finds application among consumer durables alone and vary in the order of black & white television, colour television and washing machine. Simillary sales promoters which find application among consumer durables vary in the order of colour television, washing machine, black & white television, and music system. Data indicate that local ads too like sales promoters find application among the four consumer durables and varies in the application it finds among these four new products in the order of black & white television, colour television, washing machine and music

system (table 6.14,6.15). **Dealer support** varies across new products in the order of washing machine, black & white television, colour television and music system while buy-back schemes which finds application among two of the consumer durables as evident from the data varies by new products in the order of black & white television and colour television. **Signboard** finds its application restricted to consumer durables and varies in the order of black & white television, music system and washing machine, **credit** finds its application restricted to black & white television, **Catalogues** finds its application among all four consumer durables and varies in the order of music system, colour television, black & white television and washing machine (table 6.14, 6.15). Data indicate that **Global Ads** find their application restricted to consumer durables and varies in the order of colour television, black & white television and music system. **Demonstrations** as evident from the data also finds its application restricted to consumer durables and varies in the order of washing machine, black & white television, music system and colour television. **Dealer-customer** relations are predominantly followed by consumer durables and vary in the order of music system, black & white television and colour television, **Teasers and Competitive Ads** find application among colour television while **Institutional Selling** varies in the order of colour television and music system, **Event Marketing** finds washing machine taking the lead followed in the second place by colour television and lastly music system. Data indicates that **Sales Canvassing** finds varied application across new products with washing machine taking the lead followed in the second place by colour television. Lastly, followed by the same group i.e. by Group One is **Price Discounts** used by the firms to promote new products which varies by new products in the order of black & white television, washing machine, music system and colour television. Data thus indicate price discounts application restricted to consumer durables (table 6.14, 6.15).

- 6.7.ii** Promotools used by **Group two** i.e. 20 to 40% of the respondents include **Brokers Meet** which-as is evident from the data finds its application restricted to the financial services and varies in the order of car finance and company deposit. **Local Inserts In newspapers** including **Local Ads** find its application restricted to financial services and varies in the order of car finance, company deposit and airlines (table 6.14, 6.15). **Leaflets** are used as means to promoting new products across the seven new products under consideration and varies across new products in the order of music system, colour television, washing machine, car finance, black & white television and

company deposit. Data indicates that **Direct Mailers** finds its application restricted to financial services with car finance taking the lead followed in the second place by company deposit while airlines taking the third spot. **Special Schemes** find washing machine taking the lead followed by black & white television, colour television, music system, airlines and company deposit. **Displays** vary in the application they find across new products in the order of washing machine, music system, colour television, black & white television, airlines and company deposit (table 6.14, 6.15). Data indicate that **Print-Outs** about new products and its features vary by new products in the order of washing machine, airlines, colour television, music system, black & white television and company deposit. **Billboards** as is evident from the data find washing machine taking the lead followed by colour television, music system, black & white television, airlines, company deposit and car finance. **Consumer durables thus lead over services in their use of billboards as promotional tool** (table 6.14, 6.15)

6.7.iii While the earlier discussion examined promotional tools used by groups one and two, examined in the succeeding discussion are promo-tools used by **Group three** i.e. by 40 to 60% of the respondents. These include **Hoardings** which data indicate vary in the order of car finance, washing machine, company deposit, colour television, music system, airlines and black & white television (table 6.14, 6.15).

6.7.iv Promotools adopted by **Group four** i.e. by 60 to 80% of the respondents include **Advertising** which the data indicates vary by new products in the order of washing machine, company deposit, airlines, music system, colour television, car finance and black & white television. It is evident from the data that none of the promotools are followed by above 80% of the respondents i.e. by Group five as such most of the promotools fall within the four groups.

#### 6.8. **Competitive Marketing Strategies : What Are The New Product Positions**

Marketing strategies discussed so far were with reference to targets and marketing-mix or the four P's as known in marketing. Rather than work in isolation these instead are integrated with the competitive marketing strategies of the firm. Examined in the subsequent discussion is whether the competitive marketing strategies followed by the firms are generic or different across new products and in either case what are new product positions on these these strategies. Do they remain the same or vary across new products on a given strategy. These issues are addressed using percentage analysis and chi-square analysis.

6.8.i Among the competitive marketing strategies followed by firms in group one i.e. by 0 to 20% of the respondents include **Promote New Uses for the product strategy** which data indicates varies by new products in the order of airlines, company deposit, colour television, music system, car finance, black-&-white television and washing machine (table 6.16, 6.17). To test whether this difference in new product positions is statistically significant chi-square analysis was performed and data analysis indicates a chi-square calculated value of 38.524 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that promoting new uses for the product strategy is **not generic and varies across new products** with there being a statistically significant difference between the strategy under consideration being followed / not followed and new products (table 6.18).

Data indicates that a **confrontation strategy** is not uniformly followed across new products and varies by new products in the order of black-&-white television, airlines, music system, colour television, car finance, company deposit and washing machine (table 6.16, 6.17). Whether this difference is statistically significant was tested by performing chi-square analysis which indicates a chi-square calculated value of 44.190 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that a confrontation Strategy wherein a firm confronts the challenger in a quick and direct response including those such as promotional war, price war , brand war and the like is **not generic and varies across new products** in an order stated above (table 6.18).

**Efficiency Strategy** wherein a firm constantly makes efforts to keep its new product costs low varies by new products in the order of airlines, company deposit, black-&-white television, music system, washing machine, colour television and car finance. (table 6.16, 6.17). Statistically significant difference between the strategy under consideration followed/ not followed and new products is evident from the data analysis which indicates a chi-square calculated alue of 20.370 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that efficiency strategy is **not generic and varies across new products** (table 6.18).

**Superior service strategy** varies in the application it finds across new products. New product positions on the given strategy vary in the order of company deposit, airlines, colour television, car finance, washing machine, music system and black-&-white television (table 6.16, 6.17). Data analysis indicate a chi-square calculated value of 19.844 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. This leads to the

conclusion that superior service strategy followed / not followed and new products are significantly different and that the strategy under consideration is **not generic and varies across new products** (table 6.18).

Data indicates that **head-on or direct-attack strategy** is not uniformly followed by the new products and varies across new products in the order of airlines, black-&-white television, colour television, company deposit, washing machine and car finance (table 6.16, 6.17). Data analysis reveals a chi-square calculated value of 52.120 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that a head-on or direct-attack strategy **varies by new products** (table 6.18).

A **back-door strategy** as evident from the data varies by new products in the order of colour television, black-&-white television, music system and car finance (table 6.16, 6.17). Chi-square analysis indicates a calculated value of 58.422 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance and leads to the conclusion that the strategy under consideration varies across new products and is **not generic** (table 6.18).

A **guppy strategy** wherein a firm/(s) attack/(s) smaller competitors rather than the market leader finds its application among three of the seven new products under consideration, are three consumer durables and varies in the order of black-&-white television, colour television and music system (table 6.16, 6.17). Chi-square analysis indicates a calculated value of 23.173 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that the stated strategy is **not generic** (table 6.18).

A **cheaper goods strategy** wherein a firm offers an average product at a much lower price varies in the application it finds among the new products. In following the stated the **lead is taken by one of the financial services namely company deposit** followed by the other new products in the order of music system, washing machine, car finance and colour television (table 6.16, 6.17). Data analysis indicates a chi-square calculated value of 6.623 for 6 degrees of freedom. This does not reject the hypothesis at 1% level of significance and leads to the conclusion that a cheaper goods strategy followed / not followed and new product are not significantly different and that the stated strategy is **generic across new products** (table 6.18).

A **cost reduction strategy** which involves that a firm finds ways and reduces costs such as distribution, product, promotion and so on as is evident from the data varies in the application it finds across new products in the order of company deposit, black-&-white television, washing machine, music system,

airlines, colour television and car finance (table 6.16, 6.17). Data analysis indicates a chi-square calculated value of 7.403 for 6 degrees of freedom which does not reject the hypothesis at 1% level of significance. This leads to the conclusion that a cost reduction strategy is generic across new products and does not statistically significantly differ by new products (table 6.18).

**Intensive advertising strategy** varies in the application it finds across new products in the order of washing machine, colour television, music system, airlines, black-&-white television, company deposit and car finance (table 6.16, 6.17). Data analysis indicates a chi-square calculated value of 47.098 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that intensive advertising strategy is **not generic and varies across new products with consumer durables taking the lead in following the stated** (table 6.18).

**Efficiency strategy** is followed by new products in the order of airlines, company deposit, colour television, black-&-white television, black-&-white television, music system and car finance (table 6.16, 6.17). Chi-square analysis indicates a calculated value of 37.449 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that efficiency strategy varies across new products and is **not generic** (table 6.18).

**Customer size strategy** which involves that a firm serves a distinct size of customers only is followed by new products in the order of Company deposits, car finance, colour television, airlines, black-and-white television, washing machine and music system (table 6.16, 6.17). Data analysis indicates a chi-square calculated value of 50.476 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to conclusion that customer-size strategy is **not generic** and varies across new products (table 6.18).

**A geographic strategy** is followed by services alone while it fails to find application among consumer durables. Data indicates that the strategy under consideration varies in case of the former in the order of airlines, car finance and company deposit (table 6.16, 6.17). Chi-square analysis indicates a calculated value of 36.631 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that geographic strategy is **not generic** and varies across new products i.e. the services (table 6.18).

- 6.8.ii Discussed above are competitive marketing strategies followed by the firms in Group one i.e. by 0 to 20% of the respondents while the discussion that follows examines the competitive marketing strategies followed by the firms

in **Group two** i.e. by 20 to 40% of the respondents. These include use more often strategy which varies by new products in the order of car finance, airlines, company deposit, colour television, music system and washing machine (table 6.16, 6.17). Data analysis indicates a chi-square calculated value of 148.633 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that use more strategy finds services taking a lead over consumer durables with the stated strategy **not being generic** (table 6.18).

**A fortification strategy** wherein a firm keeps its prices reasonable and has products in various categories and classes so as to discourage competitor/(s) from getting a foothold in that product class varies across new products in the order of black-&-white television, colour television, music system, washing machine, airlines, company deposit and car finance. Data thus indicate that consumer durables lead over services in following the strategy under consideration (table 6.16, 6.17). Further, chi-square analysis indicates a calculated value of 132.902 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that a fortification strategy followed/not followed and new products are significantly different. The strategy under consideration thus varies across new products and is **not generic** table (6.18).

**A product flanking strategy** varies in the application it finds across new products in the order of black-&-white television , colour television, music system, car finance, company deposit, washing machine and airlines. Data thus indicate consumer durables taking a lead in following the stated (table 6.16, 6.17). Data analysis indicate a chi-square calculated value of 43.241 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that a product flanking strategy is **not generic and varies across new products with consumer durables taking the lead** (table 6.10).

**A product specialisation strategy** varies across new products in the order of washing machine, music system, colour television, car finance, black-&-white television, company deposit and airlines. As is evident from the data consumer durables lead in following the strategy under consideration (table 6.83 6.84). Data analysis indicates a chi-square calculated value of 44.764 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that product specialisation strategy varies across new products and is **not generic** (table 6.18).



**Multibrand strategy** followed by new product varies in the order of car finance, washing machine, music system, colour television, black-&-white television, company deposit and airlines (table 6.16, 6.17). Chi-square analysis indicates a calculated value of 51.986 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that multibrand strategy varies across new products and is **not generic** (table 6.10,6.18).

**A premium product strategy** varies in the application it finds across new products in the order of airlines, company deposit, car finance, washing machine, colour television, music system and black-&-white television (table 6.16, 6.17). Data analysis indicates a statistically significant difference between the strategy under consideration followed/ not followed and new products. This is evident from the chi-square calculated value of 73.637 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. This leads to the conclusion that premium-product strategy is not generic and **varies across new products** with services leading over consumer durables (table 6.18).

**Price discount strategy** followed by new products vary in the order of black-&-white television, music system, colour television, washing machine, airlines, company deposit and car finance (table 6.16, 6.17). Data analysis indicates a chi-square calculated value of 84.317 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that price discount strategy **varies across new products** with consumer durables leading over services in following the stated strategy (table 6.18).

**Product Proliferation strategy** where in a firm offers variations of the product varies in its application across new products in the order of black-&-white television, colour television, car finance, washing machine, music system, airlines and company deposit (table 6.16, 6.17). Chi-square analysis indicates a calculated value of 82.103 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that a product proliferation strategy is **not generic** and varies across new products (table 6.18).

**Improved services strategy** wherein a firm finds ways of serving the customers better or faster than the leader varies by new products in the order of black-&-white television, airlines, colour television, music system, washing machine, company deposit and car finance (table 6.16, 6.17). Data analysis indicates a statistically significant difference between the strategy under

consideration followed/ not followed and new products with a chi-square calculated value of 50.396 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. It may be concluded therefore that an improved services strategy varies across new products and is **not generic**. (table 6.18).

**Specific type strategy** which involves that a firm specialises in and services a specific type of market segment only with its new products, varies by new products in the order of car finance, company deposit, music system, washing machine, airlines, black-&-white television and colour television. Data thus indicate that two financial services taking a lead in following the stated (table 6.16, 6.17). Data analysis indicates a chi-square calculated value of 11.864 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that specific type strategy niche is one among the which strategy is **not generic** (table 6.18).

- 6.8.iii The above discussion dealt with competitive marketing strategies followed by the firms in Group two i.e. by 20 to 40% of the respondents. On the other hand the discussion that follows covers competitive marketing strategies followed by **Group three** i.e. by 40 to 60% of the respondents. These include **brand extension strategy** wherein the firm extends the success of a brand name to other products in the category. Data indicates that this varies by new products in the order of washing machine, music system, car finance, colour television, company deposit, black & white television and airlines (table 6.16, 6.17). Further, data analysis indicates a chi-square calculated value of 116.269 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that brand extension strategy varies across new products and is **not generic** (table 6.18).

**Heavy advertising strategy** which involves that a new product launch is preceded by heavy advertising varies by new products in the order of washing machine, colour television, music system, company deposit, airlines, car finance and black & white television (table 6.16, 6.17). Data analysis indicates a chi-square calculated value of 88.853 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that heavy advertising strategy varies across new products and is **not generic** (table 6.18).

**Aggressive Sales Force Strategy** aimed at gaining shelf-space and retailer co-operation varies by new products in the order of washing machine, colour television, music system, company deposit, airlines, black & white television

and car finance. (table 6.16, 6.17). Chi-square analysis indicates a calculated value of 30.717 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that aggressive sales force strategy is not generic (table 6.18).

**An effective sales promotion strategy** varies by new products in the order of airlines, washing machine, black & white television, company deposit, colour television, music system and car finance (table 6.16, 6.17). Data analysis indicates a chi-square calculated value of 33.955 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. It may be concluded therefore that effective sales promotion strategy is not generic and varies across new products with data analysis indicating a statistically significant difference between the strategy under consideration followed/not followed and new products (table 6.18).

Data indicates that a **prestige/premium goods strategy** varies in the application it finds across new products in the order of washing machine, car finance, airlines, colour television, black & white television, company deposit and music system (table 6.16, 6.17). Data analysis indicates a chi-square calculated value of 20.555 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that prestige/premium goods strategy wherein a firm offers a higher quality product at a higher price is not generic and varies by new products in an order stated above (table 6.18).

As is evident from the data **distribution innovation strategy** wherein a firm seeks new ways of reaching its new product/(s) to the customers varies by new products in the order of car finance, black & white television, washing machine, company deposit, colour television, airlines and music system (table 6.16, 6.17). Data analysis indicates a statistically significant difference between distribution innovation strategy followed/not followed and new products. This is evident from chi-square analysis which indicates a calculated value of 43.340 for 6 degrees. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that distribution innovation strategy is different across new products (table 6.18).

A **target market strategy** data indicate varies by new products in the order of music system, car finance, colour television, black & white television, washing machine, airlines and company deposit (table 6.16, 6.17). Chi-square analysis reveals a calculated value of 48.951 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. This leads to the conclusion

target market strategy varies across new products and is **not generic** (table 6.18).

- 6.8.iv **Competitive marketing strategies followed by firms in Group four** i.e. 60 to 80% of the respondents includes innovation strategy wherein the firm is not satisfied with the existing shape of things and takes an initiative lead over others in improving new product ideas, customer service, distribution, costs etc. The stated strategy varies in the application it finds across new products in the order of washing machine, black & white television, colour television, music system, airlines, company deposit and car finance. **Consumer durables thus lead in following the stated as is evident from the data** (table 6.16, 6.17). Data analysis yields a chi-square calculated value of 47.381 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that an innovation strategy aimed at improving new products, customer services, distribution, costs etc. **varies across new products with consumer durables leading over services** (table 6.18).

**A harrasment strategy** wherein a firm offers special incentives to intermediaries to discourage them from carrying competitors products thereby pushing its own products varies by new products in the order of black & white television, washing machine, music system, colour television, airlines, company deposit and car finance. Data thus indicate consumer durables leading over services in following harassment strategy (table 6.16, 6.17). Chi-square analysis indicates a calculated value of 82.857 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that harassment strategy is **not generic** and varies across new products (table 6.18).

**A quality strategy** wherein a firm offers higher than average new product quality as is evident from the data varies across new products in the order of washing machine, colour television, black & white television, airlines, music system, company deposit and car finance. Consumer durables thus take a lead in following the stated strategy (table 6.16, 6.17). Data analysis indicates a chi-square calculated value of 37.842 for 6 degree of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that quality strategy followed/not followed is significantly different across new products and is **not generic** (table 6.18).

**Extensive/efficient dealership strategy** wherein a firm maintains its own dealers spread across the nation varies across new products in the order of washing machine, black & white television, music system, colour television,

car finance, company deposit and airlines. consumer durables thus to take a lead in following the strategy under consideration (table 6.16, 6.17). Data analysis reveals a chi-square calculated value 147.535 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that extensive dealer strategy varies across new products and is not generic (table 6.18).

**Product innovation strategy** which as the name suggests involves innovations in product quality, design etc. with a view to gaining market share varies in the application it finds across new products in the order of washing machine, black & white television, airlines, colour television, music system, car finance and company deposit. Chi-square analysis indicates a calculated value of 70.245 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that product innovation strategy is significantly different across new products and as data indicates two of the consumer durables namely washing machine and black & white television take the lead in following product innovation strategy (table 6.16, 6.17, 6.18).

**New markets strategy** varies by new products in the order of car finance, washing machine, music system, black & white television, colour television, company deposit and airlines (table 6.16, 6.17). Data analysis indicates a chi-square calculated value of 55.268 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. This leads to the conclusion that new markets strategy wherein a firm looks for opportunities to enter new markets that are opening up varies by new products and the strategy under consideration viz. new markets strategy followed/not followed is significantly different across new products and is not generic (table 6.18).

- 6.8.v While the discussion above examined competitive marketing strategies followed by the firms in Group four i.e. by 60 to 80% of the respondents, examined in this part of the discussion is the competitive marketing strategy followed by firms in **Group five** i.e. followed by 80 to 100% respondents. This includes the **market leader strategy** viz. attract non-users or new users to the new product or the product class or product category. Data indicates that this varies across new products in the order of washing machine, car finance, music system, colour television, black & white television, company deposit and airlines (table 6.16, 6.17). Besides, data analysis indicates a statistically significant difference between the stated strategy followed/not followed and new products. This is evident from chi-square analysis which indicates a calculated value of 64.032 for 6 degrees of freedom.

This rejects the hypothesis at 1% level of significance and leads to the conclusion that **attracting non-users or new user strategy varies across new products in the order stated above and is not generic (table 6.18).**

## 6.9 Company Growth Strategies

Examined above the competitive marketing strategies followed by the firms in marketing their new products. These however do not work in isolation and are integrated with the company growth strategies. Examined therefore in the succeeding paragraphs is whether these company growth strategies are generic or different across new products. These are discussed within the framework of the five groups classified for the present study.

- 6.9.i Company growth strategies followed by Group one i.e. by 0 to 20% of the respondents include **backward integration strategy** wherein a firm seeks greater control over its supplier which data indicates varies by new products in the order of washing machine, colour television, music system, black & white television, airlines, company deposit and car finance (table 6.19, 6.20). Data analysis indicates a chi-square calculated value of 79.858 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to the conclusion that a backward integration strategy varies across new products and is **not generic** with data pointing towards **consumer durables taking a lead** in following the stated (table 6.21).

**Horizontal Integration Strategy** varies across new products in the order of washing machine, black & white television, colour television, music system, airlines, company deposit and car finance. Consumer durables **thus take a lead** in following the stated (table 6.19, 6.20). Data analysis indicates a chi-square calculated value of 69.262 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. It may be concluded therefore that a horizontal integration strategy wherein a firm has a strong growth potential and can increase profitability by seeking greater control over competitors is **not generic and varies across new products with consumer durables leading over services** (table 6.21).

**Horizontal diversification strategy** wherein a firm adds new products that do not necessarily blend with the existing product line varies across new products in the order of car finance, black & white television, company deposit, music system, colour television, airlines and washing machine (table 6.19, 6.20). Chi-square analysis indicates a calculated value of 221.175 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance and leads to

the conclusion that the stated strategy followed/not followed is significantly different across new products (table 6.21).

**Conglomerate diversification strategy** wherein a firm does not foresee additional growth for profit opportunities and needs to overcome this by adding new products that are totally new to company's current technology, products and markets varies across new products in the order of car finance, black & white television, music system, airlines, colour television and company deposit (table 6.19, 6.20). Data analysis indicates a chi-square calculated value of 174.700 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that the stated strategy is not generic and varies across new products (table 6.21).

- 6.9.ii Company growth strategies followed by **Group two** i.e. by 20 to 40% of the respondents include product modification strategy wherein a firm creates different versions/models of the product. The stated varies in the application it finds across new products in the order of black & white television, car finance, colour television, music system, washing machine, company deposit and airlines (table 6.19, 6.20). Data analysis indicate a statistically significant difference between the strategy under consideration followed/not followed and new products. This is evident from data analysis that indicates a chi-square calculated value of 99.315 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. It may be concluded therefore that product modification strategy which involves creating different versions/models of new products varies across new products and is not generic (table 6.21).

**Additional models and sizes of new product** strategy varies across new products in the order of black & white television, colour television, music system, airlines, washing machine, car finance and company deposit. Data thus indicate two of the consumer durables taking a lead in following the stated (table 6.19, 6.20). Data analysis indicates a chi-square calculated value of 86.788 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that developing additional models and sizes as a product modification strategy is not generic and varies across new products in an order stated above (table 6.21).

- 6.9.iii Company growth strategies followed by **Group three** i.e. by 40 to 60% of the respondents include intensive growth strategy which involves motivating current customers to buy more. The stated as a company growth strategy varies across new products in the order of car finance, airlines, company

deposit, washing machine, music system, colour television and black & white television. It may be observed that services lead over consumer durables in following the given strategy (table 6.19, 6.20). Data analysis reveals a chi-square calculated value 108.108 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that **intensive growth strategy of motivating current customers to buy more is not generic and varies by new products with services leading over consumer durables in following the stated strategy (table 6.21).**

**Attracting competitors customers to switch to company product as a Company Growth strategy** varies in the application it finds across new products in the order of music system, black & white television, colour television, washing machine, company deposit, car finance and airlines. Data indicate **consumer durables taking a lead in attracting competitors customers to company products (table 6.19, 6.20).** Data analysis indicates a chi-square calculated value of 107.190 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. This leads to the conclusion that the strategy under consideration is different across new products and **not generic (table 6.21).**

**Intensive growth strategy viz. forward integration strategy** wherein a firm seeks control over intermediaries varies across new products in the order of washing machine, music system, colour television, black & white television, car finance, company deposit and airlines. As is evident from the data **consumer durables lead over services in following the strategy under consideration (table 6.19, 6.20).** Data analysis indicate a statistically significant difference between the strategy followed/not followed and new products. This is evident from the chi-square calculated value of 147.670 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. It may be concluded therefore that seeking greater control over intermediaries i.e. **forward integration strategy is not generic and varies across new products in an order stated above with consumer durables leading over services (table 6.21).**

**Diversification strategy namely concentrated diversification strategy** wherein a firm adds new products that blend with its existing product line varies in the application it finds across new products in the order of washing machine, car finance, colour television, music system, black & white television, company deposit and airlines (table 6.19, 6.20). Chi-square analysis indicates a calculated value of 165.884 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that



**concentrated diversification strategy followed/not followed is significantly different across new products (table 6.21).**

- 6.9.iv.** Company growth strategies followed by **Group four** i.e. bt 60 to 80% of the respondents include market modification strategy involving attracting new market segments, new distribution channels, new advertising media and so on which data analysis indicates varies by new products in the order of black & white television, car finance, music system, washing machine, colour television, airlines and company deposit (table 6.19, 6.20). Chi-square analysis indicates a calculated value of 18.749 for 6 degrees of freedom which rejects the hypothesis at 1% level of significance. It may be concluded therefore attracting new markets, new segments, new distribution networks, new media, as a company growth strategy varies across new products and is not generic (table 6.21).

**Product modification strategy viz. improving or modifying existing features of products varies across new products in the order of washing machine, black & white television, colour television, music system, airlines, company deposit and car finance. Consumer durables thus lead in following the strategy under consideration (table 6.19, 6.20). Data analysis indicates a chi-square calculated value of 126.390 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance leading to the conclusion that product modification strategy viz. feature improvement or modification varies across new products with consumer durables leading over services (table 6.21).**

- 6.9.v** Lastly, company growth strategies followed by firms in **Group five** i.e. by 80 to 100% respondents include **intensive growth** strategy of attracting non-users in the market to the new product. Data indicates that this varies in the application it finds across new products in the order of music system, car finance, colour television, washing machine, black & white television, airlines and company deposit (table 6.19, 6.20). Data analysis indicates a statistically significant difference between the stated strategy followed/not followed and new products. This is evident from chi-square analysis which reveals a calculated value of 79.515 for 6 degrees of freedom. This rejects the hypothesis at 1% level of significance. It may be concluded therefore that **attracting non-users strategy is not generic and varies across new products (table 6.21).**

In **Group five**, data indicates that **market modification strategy namely moving into additional geographic, regional and or zonal markets, varies**

in the application it finds across new products in the order of car finance, music system, washing machine, black & white television, company deposit, airlines and colour television (table 6.19, 6.20). Data analysis indicates a chi-square calculated value of 7.309 for 6 degrees of freedom. This does not reject the hypothesis at 1% level of significance which leads to the conclusion that **market modification strategy involving moving into geographic/regional/zonal markets** as a strategy is significantly not different across new products. It may be concluded therefore that the stated strategy is **generic across new products and does not vary significantly by new products** (table 6.21).

In essence therefore target strategies are centered largely around market conditions, product strategies are centered largely around product modifications, pricing strategies are centered largely around consumer acceptance, value for money, rate of return, distribution activities are centered around corporate and branch goals, Advertising leads in promotion, attracting non-user/ new users is the leading competitive marketing strategy and market modification lead among company growth strategies. Data analysis indicates, largely, varying new products positions on each of these strategies except few cases as discussed in the passages above in the present chapter.