



# SONA e-MAG

"Essence of Management"



A SPECIAL ISSUE ON  
**MARKETING**

# SONA e-Mag

(An e-magazine of Sona School of Management)

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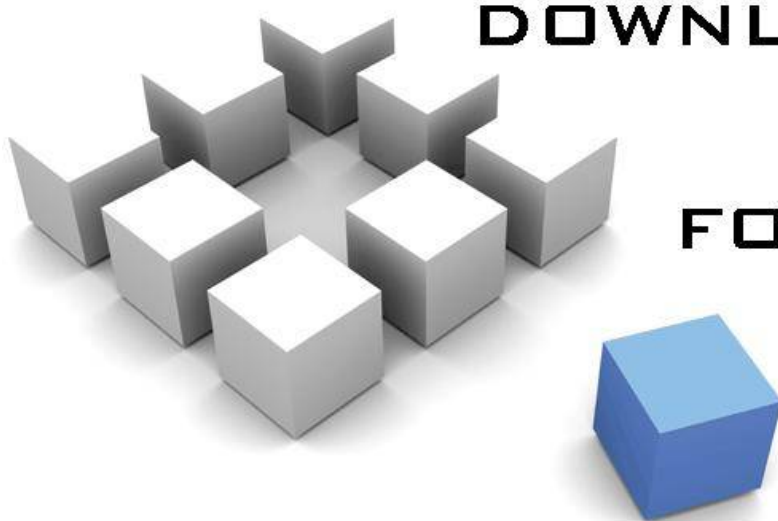
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## **BRAND COMMUNITIES- Building lasting relationships**

Brand community is a group of consumers of a particular brand who come together to share and promote their love towards that brand. Such brand communities have a strong presence in western countries but have still not made a significant start in India.

Building and sustaining a brand community is not an easy task but now marketers have slowly understood its importance. Brand communities make the job of the marketers easy as they provide a treasure chest of information so that they can easily focus on them, understand their needs & launch new products to them. Brand community represents the level of involvement of consumers with brand & has different levels such as brand user, brand loyalist, brand advocate and brand evangelists.

The challenge for the marketers is to increase the level of involvement of consumers to highest level of active engagement.

Building communities is all about relationships where consumer is at the center. Indian marketers have yet not been able to establish such a connection or strong emotional bond with consumers. Time has come for Indian marketers to wake up and start building brand communities.

## **Golden Time for Real Estate Firms**

Nowadays, opportunity for people to invest in real estate is high. The real estate firms can enhance their business in developed countries also. The firms will be successful if they have 30/70 as debt/equity ratio. A full service real estate firm will have land trading, property development, property management and a real estate fund. Good companies buy land not only to develop, but to trade along with business model, having a property fund is always great idea. So, the firms have to take care of the above mentioned two things. One is Capital structure and other one is business model. At the same time, the regulatory changes are required and the legal system needs to protect developer and consumer. It requires a strong public and private partnership including the Government, developers and consumers. Though Real estate business doesn't have constant market, there is a great scope for this business



### Advertising in Politics

In the Lok Sabha elections which were conducted recently the politicians of the country showcased that marketing is not restricted to just selling or promoting products. The politicians adopted positive marketing strategies to reach out to the general public. This was mainly focused on creating a positive image of the party in their minds. They also undertook of negative marketing strategies which was undertaken to de-promote the opposition party. But the parties involved in negative marketing were very cautious as negative marketing carries with it the risk of back firing.

The politicians also made use of unconventional marketing medias such as internet, sms etc. to reach out to the youth of the country. In this election the marketing consultants were also roped in to bring in a systematic approach in the way the political parties approached their political campaign. Hence as the time progresses the marketing field has spread its wings and have entered into various new areas.

### Spencer's overhauling retail business

In the year 2006 RPG group's SPENCER retail, re-launched a new avatar with five different format namely I) Daily II) Express III) Fresh IV) Super & V) Hyper with an aim to become industry leader. It went with an idea of expansion of 48 stores in 10 cities to 350 in 50 cities. Though the two strategy seemed to be working initially, a survey by CLSA Asia pacific market stated that the various cost (Administration cost, staff cost, rental cost) push the business into loss.

With a view to gain Profit Spencer plans to implement four strategies.

- The first strategy is to fire 1000 people and to stick to the two formats (hyper and super).
- The second one is the idea of opening 50 licensed life style stores.
- Hire of the meat and fish department is the content of the third strategy
- The final one is to aim at strengthening their supply chain.

***"IT'S NOT WHETHER YOU GET KNOCKED DOWN...***

***IT'S WHETHER YOU GET BACK UP"***

The true test of successful people is not measured by their ultimate outcome but more by how many times they picked themselves up, dusted themselves off and got back on track.

It's all about the falls and the issues we face. While something may workout easier than others, it still comes down pushing through barriers. If you stumble along your journey, don't dwell on the fall. Focus on getting back to where you were and learn from your mistakes.

**Remember:** success is all about the journey.

## Story of the month

An elderly couple retired to the countryside - to a small isolated cottage overlooking some rugged and rocky heath land.

One early morning the woman saw from her window a young man dressed in working clothes walking on the heath, about a hundred yards away. He was carrying a spade and a small case, and he disappeared from view behind a copse of trees.

The woman thought no more about it but around the same time the next day she saw the man again, carrying his spade and a small case, and again he disappeared behind the copse.

The woman mentioned this to her husband, who said he was probably a farmer or gamekeeper setting traps, or performing some other country practice that would be perfectly normal, and so not to worry.

However after several more sightings of the young man with the spade over the next two weeks the woman persuaded her husband to take a stroll - early, before the man tended to arrive - to the copse of trees to investigate what he was doing.

There they found a surprisingly long and deep trench, rough and uneven at one end, becoming much neater and tidier towards the other end.

"How strange," the old lady said, "Why dig a trench here - and in such difficult rocky ground?" and her husband agreed.

Just then the young man appeared - earlier than his usual time.

"You're early," said the old woman, making light of their obvious curiosity, "We wondered what you were doing - and we also wondered what was in the case."

"I'm digging a trench," said the man, who continued, realizing a bigger explanation was appropriate, "I'm actually learning how to dig a good trench, because the job I'm being interviewed for later today says that experience is essential - so I'm getting the experience. And the case - it's got my lunch in it."

He got the job.

**Moral:** The story reveals initiative, self-development, making things happen, career advancement, how to get a job requiring experience when you have none.

## Advertising of services

Services sector has seen a phenomenal growth in recent years. It contributes to more than 60% of the country's GDP. This remarkable growth has attracted numerous players into the field. In order to compete, survive and grow service providers rely on advertising, which is a mass communication tool. However advertising services is not as easy as it is for products, because of its intangibility, inseparability, heterogeneity and perishes ability characteristics.

So here are the few tips to make advertisements effective:-

- High light on positive traits & advantages of the service
- Commit what can be delivered and no tall claims
- Provide testimony of past customers
- Avoid giving information about competitors
- Focus on standardization and quality of services
- Celebrity endorsement
- Finally exhibit a personal touch

Advertisements made with these aspects will work wonders in favor of service providers by attracting more customers and affecting their buying decisions.



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**“ESSENCE OF MANAGEMENT”**

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## Consumer Generated Advertisements

Consumer generated advertisement (CGA) is the latest strategy where consumers are purposely involved to create ad campaigns for their favorite brands. CGA which started only 4-5 years back has grown at tremendous speed. This is attributed to the rise of 'cohorti'- the new generation of consumers who are creative and intelligent. Many companies such as Nike, Nokia and Pepsi have benefitted immensely from CGA; which costs one-third to one-quarter as much as professional TV and internet advertising does. In order to reap the benefits of CGA, companies must come forward to acknowledge the creativity of cohorti through rewards and recognition. To ensure that the CGA campaign works well, the company must create a measurement framework for program planning, tracking, adjusting and evaluating. Indian companies, though new to this concept should consider experimenting with CGA, since India has the youngest population in the world, with one of the most creative youngsters.



**MONEY HAS GOT ITS OWN VALUE!**

*Everybody in this world has many roles to play,  
Every relationship in this world has many words to say;  
No one cares; no one dares to build new relation,  
All they have is a huge tension and frustration;  
Parties, meetings go all along,  
But it takes life no long;  
Empty smile and rusty expression,  
No one has the original impression;  
Family, relations has no role to play,  
All those things are bonds to pay;  
Where are love, care and affection?  
All those things are taken by inflation;  
"Money" is the thing which brings creation.  
Rupees, dollars like names are few,  
Everyone in the world take those rescues;  
All we need is huge money,  
For that we take any sort of agony;  
I don't know why people get inspired,  
That's why money valued more than it required;  
Few pieces of papers rules the world,  
This thing remains the truth untold...*

**-DILIP NAIR-**

## TOP 10 VIP'S AND THEIR VALUE-NUCLEUS

VIP INDIVIDUALS	VIP ORGANIZATIONS	VALUE-NUCLEUS
Asim Premji	WIPRO	Respect for human values & serving customers with integrity
Sam Walton	WAL-MART	The customer before everything else and affordability by all
James Gamble & William Procter	P&G	Product quality and fair business practices
William Hewlett & David Packard	HP	Respect for the individual and the use of technology for human welfare
Masaru Ibuka & Akio Monita	SONY	Superior quality and constant innovation
George Merck	MERCK	To preserve and improve human life
Walt Disney	WALT DISNEY	To make people happy and provide wholesome family entertainment
Robert Woodruff	COCA COLA	Give customers the best there is. "Place coca cola within arms reach of desire"
Vergheese Kurein	AMUL INDIA	Quality, value for money, availability and service. To use the cooperative movement as an instrument of socio-economic transformation
General Electric (GE)	Jack Welsh	A borderless organizational culture and to be the best in any market segment

(My Sincere and heartfelt gratitude to our SONA e-Mag team members who helped in bringing out this October issue of SONA e-Mag) - The Editor, SONA e-Mag