

iFEEL | **PGDM**
INSTITUTE FOR FUTURE EDUCATION
ENTREPRENEURSHIP AND LEADERSHIP | **B-School**
Lonavala, Pune

CASE STUDIES

— Academic Year 2024–25 —

A Collection of Contemporary Management Case Studies
for Post Graduate Diploma in Management (PGDM)



Developed by Faculty of iFEEL

For Classroom Discussion and Internal Academic Use



Institute for Future Education, Entrepreneurship & Leadership

CASE STUDIES

Academic Year 2024–25

A Collection of Contemporary Management Case Studies
for Post Graduate Diploma in Management (PGDM)

Developed by Faculty of iFEEL

For Classroom Discussion and Internal Academic Use

© iFEEL 2024–25. All rights reserved.

Publication Details & Disclaimer

Title: Case Studies – Academic Year 2024–25

Institution: iFEEL (Institute for Future Education, Entrepreneurship & Leadership)

Programme: Post Graduate Diploma in Management (PGDM)

Edition: AY 2024–25

Developed by: Faculty of iFEEL

Copyright © iFEEL 2024–25. All rights reserved.

Disclaimer

These case studies are prepared solely for classroom discussion and academic learning. They are not intended to serve as endorsements, sources of primary data, or illustrations of effective or ineffective management. Company names, data, and situations are drawn from publicly available information, published research, and secondary sources. Where appropriate, names and figures may be illustrative. Students and faculty are advised to treat the material as a basis for analysis and debate, not as definitive factual records. iFEEL and the authors accept no liability for decisions taken on the basis of these cases.

Reproduction of this booklet, in whole or in part, for commercial purposes is prohibited without prior written permission from iFEEL. Internal academic use within the institute is permitted.

Table of Contents

Sr. No	Title	Page No.
1	Platform Based Business Models and Network Effects in Online Food Delivery: Evidence from Swiggy	2
2	Customer Experience Management and Service Differentiation in Telecom Markets: Bharti Airtel Case	8
3	Pricing Strategy and Distribution Network Effectiveness in the Decorative Paint Industry: Asian Paints Study	14
4	Luxury Brand Positioning and Consumer Experience Design in India: A BMW Market Study	19
5	Rural Market Expansion and Inclusive Branding Practices in Indian FMCG: Patanjali Perspective	24
6	Consumer Insight-Driven Marketing and Brand Equity Creation in FMCG Markets: P&G India	29
7	Content Localization and Audience Engagement Strategies in the Indian Media Industry: A Sony Entertainment Analysis	35
9	Product Differentiation and Market Leadership in Consumer Appliances: LG Electronics India	40
10	Brand Trust and Product Innovation in the Indian Bakery Industry: Evidence from Britannia Industries	45
11	Competitive Strategy and Customer Retention in the Indian Telecom Sector: Jio Platforms Perspective	50
12	Customer Trust and Digital Service Quality in Indian Private Banking: A Case Study of HDFC Bank	55
13	Sustainable Mobility Innovation and Market Acceptance in Urban India: Evidence from Ola Electric	60
14	Brand Loyalty Formation and Premium Positioning Strategies in India: The Apple Case	65
15	Cultural Adaptation and Consumer Engagement in Indian Café Markets: An Analysis of Starbucks	70

16	Market Penetration Strategies for Digital Payment Platforms in India: Insights from Paytm	75
17	Angel for Investors: A Case Study on Success Story of Angel One Investing	80
18	Digital-First Banking Models and Financial Inclusion in Emerging Economies: IDFC First Bank Case	85
19	Groww as an Online Investment Platform: A Case study of Growth and Expansion	91
20	About the Contributors	97

Preamble

At iFEEL, the teaching–learning philosophy goes beyond conventional classroom instruction by emphasizing the application of conceptual knowledge to real-world business situations. Case studies therefore form an integral component of the teaching pedagogy, enabling students to connect theoretical concepts with contemporary organizational challenges and develop analytical, critical-thinking, decision-making, and problem-solving capabilities.

The cases developed at iFEEL draw upon contemporary organizations, industries, business challenges, and emerging managerial practices, exposing students to situations involving strategic choices, competing priorities, ethical considerations, technological disruption, and organizational change. Through case-based learning, students actively engage in analysing business situations, identifying core issues, evaluating alternatives, applying relevant management concepts and frameworks, and developing evidence-based solutions. Classroom discussions, group analysis, presentations, debates, and faculty-led reflections further strengthen the learning experience. The cases cover diverse contemporary themes including talent management and retention, employer branding, workforce engagement, digital transformation, artificial intelligence, digital learning, knowledge management, innovation, leadership development, and human–AI collaboration. These themes help students understand how management concepts are applied in real organizational contexts and how business decisions are influenced by technological, economic, social, ethical, and competitive considerations.

Each case is designed to stimulate inquiry rather than provide predetermined answers. Core issues and research questions guide students towards structured investigation while encouraging independent perspectives and alternative solutions. This approach develops their ability to interpret business information, question assumptions, collaborate, communicate recommendations, and justify managerial decisions. The case methodology reinforces iFEEL's emphasis on experiential and application-oriented management education by creating a bridge between theory and practice, classroom learning and industry realities, and knowledge acquisition and managerial action. It also contributes to developing the attributes expected of future managers and entrepreneurs, including analytical thinking, ethical judgment, creativity, collaboration, communication, adaptability, digital acumen, and lifelong learning.

Platform Based Business Models and Network Effects in Online Food Delivery: Evidence from Swiggy

Prof. Rahul Altekar Assistant Professor & Prof. Jagdeesh Padaki Assistant Professor

In the past decade, Indian eating habits have undergone a complete transformation. Back then, consumers would have a drawer stocked with local restaurant paper menus, and you would have to call them and hope that one of their delivery guys was free. Now, everyone simply has to open an app. Urban Indians, who have been at the centre of the urban food revolution, are interacting with the restaurants through platforms like Swiggy, Zomato, and some now-invisible competitors, who were able to transform how they interact with restaurants, delivering meals faster, more reliably and with greater options than previous generations could have ever envisioned. Swiggy began in 2014 and essentially, they created this entire industry from scratch. Sriharsha Majety, Nandan Reddy and Rahul Jamini began small in Koramangala, Bangalore. There was much doubt in 1999 that Indians would pay for delivery. But Swiggy has put them to shame as by 2022-23, Swiggy was a household name in over 500 cities, with more than 150,000 restaurant partnerships, and one of the largest networks of delivery partners in the country (Swiggy, 2023). They expanded to become a huge organization, and their success is an almost textbook example of a platform business model. They don't cook food and they don't own the motorcycles. It is only that they have the technology that brings people together. This leaves them completely dependent on matching algorithms in their day-to-day operations.

The Rise of Online Food Delivery in India

For the first couple of years since Swiggy's inception, most of the business has been going on via phone calls and restaurant employees who deliver food. The turning point seems to have been in 2018-2019 when smartphones reached the point where ordering first on a mobile-device became viable at scale. Ordering food online was something which was previously only available to the urban elite, but with the entry of Reliance Jio in the market in 2016, cheap mobile data made it accessible to a much wider population. As of 2022, the online food delivery market in India was valued at approximately \$7.5 billion, and is projected to reach nearly \$20 billion by 2028 (Statista, 2023). Those numbers might not be as significant as what they signify: a consumer habit forever changed.

Not to mention the dramatic way COVID-19 hastened all this. During lockdowns, restaurants were forced to accept third party delivery apps or risk not being able to serve food. Restaurants that had stuck with mixed feelings about third-party delivery apps due to commission fees had no choice. A huge surge in the number of new restaurants joined to Swiggy was observed between March and June 2020, which amounted to years of growth in a few months. It's a sad truth but the pandemic did far more for the platform's restaurant supply than any sales team could have done (Mudgal & Rana, 2023). In any case, the takeaway is that online food delivery by 2021 was now a normal way of life for a significant portion of the urban population in India.

The Mechanics of the Three Sided Platform

The platform business models are interesting in that they don't create a traditional product. It really is a company that creates value by enabling exchanges among different groups. For Swiggy there's three main groups. Those who desire to consume. The restaurants who desire to sell their food. And the delivery partners who want to earn wages, Swiggy is caught in the middle and makes a dent. This is textbook platform theory indeed. Parker, Van Alstyne and Choudary (2016) define such structures as facilitating "value-creating interactions between external producers and consumers," something that Swiggy is doing, albeit with a lot of messier contexts than any textbook would describe. However, what is not highlighted often in the

popular press is what makes Swiggy's model so interesting and something that has not been done before by the aggregator model. There were platforms such as JustEat or early-stage Zomato, which were basically markets. They did only list the restaurants, and orders were to be taken there by the restaurants. Swiggy made a bet of its own and it set up its own delivery network, thus assuming the responsibility and complexity of a logistics company. The number of delivery partners in hundreds of cities required much higher capital, and the management of them was quite tough. However, the advantage was that control over speed and quality was gained which proved to be extremely important to the consumers. Delivers will drop a restaurant with good food, as much as a bad restaurant will. It has consistently developed its business model by adding special features, such as Swiggy Access, Swiggi Pop and Swiggi Schedule (Prashar et al., 2022). The company had a wager that logistics would be a source of competitive advantage and not a cost centre.

Swiggy's commission fee to the restaurant ranges from 18% to 25% of the order value. The arrangement is consistent with Eisenmann, Parker and Van Alstyne (2006) who explain the characteristics of two-sided markets in which one party is typically treated as a loser while the other is treated as a winner. For Swiggy, the bulk of platform monetisation comes from restaurants – and the consumer's experience is made relatively effortless, even if they don't realize that the restaurant takes a cut on top of their menu. It's a pretty nice paper model but running it is total chaos. This platform must have to be balanced for all three parties. If they charge consumers too much, they delete the app; if they pinch restaurants on their profits, they leave; and if they don't pay drivers enough, they strike. This influences all decision making done by the company. They need to constantly update their prices and offerings to maintain the platform's operation.

Network Effects and the Growth Engine

Swiggy is all about network effects. That is the notion that there is a benefit to the platform for one group of users that increases with the addition of more participants of another group. It's the greatest growth power. The theoretical foundation was set by Katz and Shapiro (1985), and other studies have demonstrated that these impacts are especially pronounced in platform markets where a growth on one side of the market is accompanied by growth on the other. It's easy to grasp, although the dynamics are frequently not easy. Local indirect network effects are also evident in the food delivery market, which can be explained as restaurants' awareness of the platform being used by other local restaurants, as well as local restaurants' awareness of other local restaurants from which they learn about the platform, says Lee (2022).

Consider the point of view of the consumer. If there's a lot of restaurants on Swiggy users are more likely to use it. As more customers are making orders, restaurants realize they're losing out on sales, and they scramble to catch up on the website. There is the delivery partners as well. The more orders that occur in a certain area, the more earning potential they have, and the more drivers will log in. This results in a virtuous circle of growth, that is, growth feeds upon growth. Swiggy was aware of this and gave millions of dollars to all three sides to get these cross side network effects going.

They offered huge discounts to drivers, no commissions to restaurants starting out and would give massive payout bonuses to users. After the network effect was established, it was very difficult for new competitors to be able to enter the market. The only other restaurant chain that could compete with Zomato was their close competitor. Basically, the network effects of these two guaranteed that they were able to monopolize the whole Indian market.

The Multi Homing Problem

Multi homing, one of the major challenges to Swiggy's network effect, is the phenomenon. This occurs when the users are using more than one platform at the same time. This is something consumers do all the time. They have Swiggy as well as Zomato on their phones. If user decides to get a pizza, they open both apps, add the same pizza to the cart and compare the discounts they get. Restaurants do the same, they have a Swiggy tablet on the counter with a Zomato tablet. The delivery partners too live multi home. While they are wearing a Swiggy shirt, they have the Zomato app on too—either because they got an order first or because they had to get it installed before they could go to Swiggy.

Since everybody multi homes, there really isn't any loyalty in the platforms. This is because Swiggy has to continue marketing and discounting if it has to keep its customers using its app as opposed to the other one. But if they discontinue the discounts the consumers will simply move elsewhere. This is extremely difficult to make it profitable. It's a discount war they're in.

Technology and Algorithm Matching

The matching algorithm is the secret behind the platform that makes everything work. The system will need to locate the best possible driver when an order is placed. It determines the time required to prepare food in the restaurant, the distance from the driver to the restaurant and the time until the destination is reached. In all of this, the time taken is just milliseconds. Swiggy had been heavily working on the machine learning to accurately predict food preparation timings. It takes 10 minutes to pack a biryani, and 25 minutes to make a new tandoori roti. When the driver arrives early - they simply stand around doing nothing. If they don't get there in time before the food cools down. This algorithm is important as it directly affects the efficiency of the network; it must be perfected. A better network translates to more deliveries that can be done in an hour, and thus more money that Swiggy can earn for drivers, without having to raise their base rates. This technological advantage played a major role in helping Swiggy grow at a quicker rate than other established players who could not sustain.

What can be termed as data network effects, Swiggy also has. Each order that is placed contains details of traffic flow, consumer preference and restaurant performance, as well as delivery time. The more this data can be matched the better it will be and the more the experience will be enjoyed, which will attract more users and restaurants, which will create more data. It's a virtuous circle but one that will only take time to create and is hard to emulate by a new competitor, who will not have the same volume of historical data.

Geographic Expansion and Tier 2 Cities

Most people do not realise the importance of the geographic granularity. Food delivery network effects are not national, but local. People trying to order lunch in Coimbatore have little or no value in Swiggy, which has a million users in Mumbai. That's why city-level growth operations have always been the key to the company's investment, not national marketing campaigns, and why the company is always engaged in rebuilding the network from scratch when expanding to a new city.

In the beginning, the platform model was just applicable in big cities such as Mumbai and Bangalore. These urban areas were dense, expensive and were places where there was a strong preference for eating out. However, to validate their worth, Swiggy had to enter into Tier 2 and Tier 3 cities. Mysore, Indore, Bhubaneswar etc. The dynamics in these smaller cities is altogether different. The average order value is significantly less. Instead of a 500-rupee meal people may opt for a 100-rupee snack. Swiggy's commission is also low, due to the lesser order value, further making the unit economics challenging. Traffic is also easier to handle, however, and driver expectations are different, making the cost of delivery a little less. The model of the platform had to be adapted for Swiggy's expansion into these cities. They were required to train

local street food vendors and smaller restaurants that were unable to adapt any digital technology before. The operational challenge was huge to convince a local chaat vendor of an app interface and managing stock. However, after they had set up the network in these smaller towns it became a formidable competitive moat.

Unit Economics and Market Outlook

India was always expected to have a huge market for online food delivery services. The sector was reported as growing at 'crazy rates' prior to 2023. The restaurants pay for the high rank they get on the search results and the homepage, thus bidding for the high position that they have in the advertising system, much like how Zomato does with restaurants and Amazon does with products. This is a kind of revenue that has very high margins as Swiggy doesn't actually have to deliver anything to make a profit on this. Millions and millions of dollars were invested in Swiggy by private equity firms and VC firms. They were able to make it through the cash burn thanks to investments from investors such as Softbank and Prosus.

The returns on the individual order, however, are rather difficult. Let's assume that when a customer orders a burger for 300 rupees. About 200 of that goes to the restaurant. Swiggy takes 20 percent commission on the restaurant's cost (60 rupees) and charges 40 rupees for the delivery fee to the consumer. Thus, Swiggy earns 100 Rs. However, they must pay the delivery driver 60 rupees, cover payment gateway fees and the cost of cloud infrastructure and support. At the end of the transaction there's hardly any profit left. At times they even lose money on an order.

Swiggy extended its business to food delivery too with Instamart. The premise is that groceries will have higher margins and people will buy them more often. This facilitates the absorption of fixed costs of the delivery network.

Current Challenges and Regulatory Pressures

Swiggy has a lot of issues to resolve when trying to justify its huge valuation. The road to profitability is certainly the largest of the lot. They can't go on getting venture capital forever. Real earnings will be demanded by the public markets at some point. There's also an escalating feud with restaurants. Several times the NRAI has raised objections to the high charges that are being levied by food delivery services. Some restaurants feel that Swiggy has the power to impose terms on them and control their customers' data. It has become a vicious cycle as they will not want to lose online orders anymore.

There are also some labor issues (Kathuria et al., 2021). Delivery partners are not workers, they are considered as gig workers. This excludes them from health care insurance and provident fund benefits. Strikers in big cities, including drivers, are seeking improved wages and working conditions. The government is beginning to take note of this and some talk of new restrictions on gig economy platforms. The government may force Swiggy to give benefits to its drivers, and the entire business model may fail.

Summary of Core Issues

All the fundamental problems can be summarised as the viability of the platform approach in a price conscious market. Swiggy has created an awesome product that is adored by everyone. But they constructed it on the backs of the taxpayer. Now they need to determine how to financially compensate the driver, restaurants and customer without losing the customer. They don't have network effects because of their multi homing behavior. What follows is, to be honest, completely up in the air.

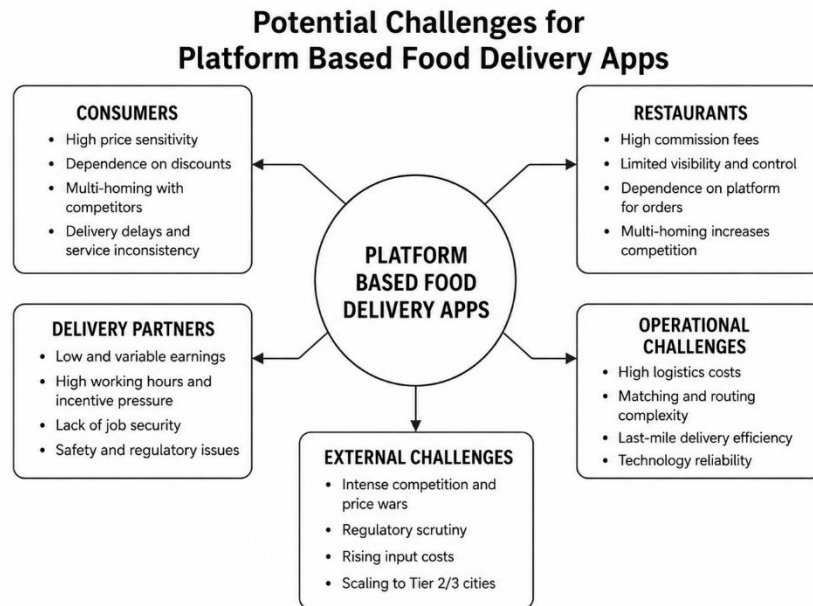


Figure: 1 Potential Challenges for Food Delivery Platforms in India

The impending IPO for the company in 2024 will introduce new scrutiny on its unit economics and will result in hard discussions about what parts of the business are actually scalable. The rapid trade gamble could terminate or it can pay off. The bigger picture—how platform businesses in India will develop as the regulatory spotlight grows on the issue of gig workers, around commission caps, et al—is only somewhat uncertain.

Swiggy revolutionized the local business ecosystem of a whole nation. Even they had their drawbacks of being dependent solely on network effects from VC funding. In the end, the bottom line is that a business must generate more income than it expends. The most difficult part is going from the high growth startup mode to a sustainable public company with profit. With the inclusion of Zomato in the duopoly, the market is a bit stabilized, but the ever-looming threat of new players such as ONDC is always there. ONDC wants to completely unbundled the platform model, where the consumer app would be made available and the delivery logistics would be kept separate. If all goes well, Swiggy's closed network-effects may come to an end. For now, however, they remain the strongest in terms of the urban Indian diet.

Key Questions

1. How do network effects contribute to the growth and market dominance of Swiggy in the Indian online food delivery industry?
2. In what ways does multi-homing behaviour by consumers, restaurants, and delivery partners affect platform loyalty and competition between Swiggy and Zomato?
3. What operational and financial challenges influence the long-term profitability and sustainability of Swiggy's platform business model?
4. How might increasing government regulations related to gig workers, commissions, and digital platforms impact the future growth of Swiggy?

References

- Eisenmann, T., Parker, G., & Van Alstyne, M. W. (2006). Strategies for two-sided markets. *Harvard Business Review*, 84(10), 92–101.
- Kathuria, R., Kedia, M., & Bagchi, K. (2021). *India's platform economy and emerging regulatory challenges* (Working Paper No. 407). Indian Council for Research on International Economic Relations. <https://hdl.handle.net/10419/267927>
- Katz, M. L., & Shapiro, C. (1985). Network externalities, competition, and compatibility. *The American Economic Review*, 75(3), 424–440.
- Lee, G. (2022). Indirect network effect and spillover effect in food delivery platforms. *KDI Journal of Economic Policy*, 44(4), 25–42. <https://doi.org/10.23895/kdijep.2022.44.4.25>
- Mudgal, R., & Rana, P. (2023). Comparison of two most popular food delivery apps in India: A case study of Swiggy and Zomato. *International Journal of Research in Social Sciences*, 13(2), 22–32.
- Parker, G. G., Van Alstyne, M. W., & Choudary, S. P. (2016). *Platform revolution: How networked markets are transforming the economy and how to make them work for you*. W. W. Norton & Company.
- Prashar, K., Bawa, S. S., & Kaur, T. (2022). Case study on working of SWIGGY. *Gyan Management Journal*, 16(1), 25–29. <https://doi.org/10.48165/gmj.2022.16.1.3>
- Statista Research Department. (2023). *Online food delivery market in India - Statistics and facts*. Statista. <https://www.statista.com/topics/6496/online-food-delivery-india/>
- Swiggy. (2023). *Annual report 2022–23*. Bundl Technologies Private Limited.

Customer Experience Management and Service Differentiation in Telecom Markets: Bharti Airtel Case

Dr. Sagar Bhadange Associate Professor & Dr. Saumya Dutta Associate Professor

Introduction

The telecom sector in India is perhaps one of the harshest in the world. There are lots of companies that have attempted to make it here and utterly failed. Anyone who checks the history of it will find that it's a cemetery of huge brands such as Aircel, Telenor and Docomo. They all arrived with the idea that they'd take a bite out of the billions of people in the world, but not the experience of those who would use their products. All they wanted were the figures, and the number of new subscribers. Bharti Airtel has been here from the dawn of the mobile revolution in India, and they have witnessed these all come and go. It's a game of endless price wars and they somehow made it through the day realizing it was a loose one for all of them. Rather than merely compete in providing the cheapest data every day, Airtel chose to change the business model. Customer Experience Management and service differentiation were an important part of their attention. We will examine how they did this and why it turned out to be a good experience for them.

It would be imperative to discuss 2016 before talking about the current situation of Airtel. No one can comment on the Indian telecom market without referring to the arrival of Reliance Jio. They came with voice calls that were 100 percent free and super cheap data rates, which was all Jio had to offer when they entered the scene. Fans and their moms were waiting in line outside stores to obtain a free SIM card. This has been a devastating impact on the incumbent players in the industry. All of a sudden, everyone was losing money. Revenues dropped by a lot and companies were forced into massive consolidation. Vodafone and Idea were forced to merge just to survive and it took years for their network integration and millions of users became frustrated. The market disruption caused by the entry of Reliance Jio with its low prices and free services has led to an unprecedented merger and consolidation of competitors (Banik & Sinha, 2020).

This was a blow to Airtel's profits. But the leadership made a very interesting selection. While all were scrambling to compete with Jio on pricing, penny to penny basis, Airtel chose to let some of the really low paying customers go. They adopted a minimum recharge policy in all directions. This simply compelled the so-called "sitting" Airtel SIM users to either pay up or walk away. It was very bold to do that then. Their on-paper loss of subscribers was millions. The problem is that as things went on, they began to see a slow increase in Average Revenue Per User. They knew they'd rather have fewer people paying for their services each month, than a large number of people using their network without paying anything.

The AGR Crisis and Survival

The second big event that saw Airtel concentrate on premium customers was the AGR crisis. This was a huge dispute between the telecom operators and the government, called Adjusted Gross Revenue. The government claimed that the telecom firms were supposed to pay them a share of their total revenues, not just telecom revenues, but revenues from other sources like rent, asset sales etc. The Supreme Court ruled for the government and overnight, companies such as Airtel & Vodafone Idea became liable to pay billions of dollars. It was a crazy time.

Airtel had to shell out a hefty sum of cash. This huge expense forced them to end playing the discount game. They had to raise the price of the tariffs, and they had to ensure that customers who they had retained were willing to pay them. More would only be asked if they could provide a much-improved service. A business can't require people to pay 20% more for the same bad call drops and long hold times. This regulatory shock simply pushed their evolution into the "premium brand" space in a more customer centric fashion. Indeed, when the two have

been studied comparatively, it has been found that 'Jio' users gained a lot of subscribers by offering freebies but 'Airtel' managed to keep customers with a high level of satisfaction towards their service and brand image in the case of internet speed and brand image (Suthar, Thakur, & Dubey, 2023).

Customer Experience Management

Customer Experience Management is not Customer Service. In short, it is the complete customer experience with a brand. From spotting a TV commercial to purchasing a SIM card in a local shop, to logging onto the Internet, to the convenience of paying bills online. This is a challenge for telecom firms, particularly, due to its sheer size. In fact, it appears that telecom as a whole is one of the worst industries for customer service, overall, anywhere in the world. An average person could spend actually three hours seeking to get a home broadband issue fixed by a neighborhood provider. They are bounced around from department to department all asking for the account number, even though it was already typed into the keypad at the beginning of the call. Nothing is more frustrating than being treated like a number by a business. It makes people feel they need to cancel their contract right away. Analysis of this journey using sophisticated service quality models indicates that customer satisfaction and engagement (i.e., whether or not a customer will continue to use the service) is directly influenced and highly significant by a number of dimensions, such as trust, personalization, and assurance (Choudhury, 2021). Airtel saw this pain point all the way. To offer a premium experience that would justify a premium price they knew that they needed to provide an exceptional experience. This led them to invest heavily in digital infrastructure, aiming to streamline and enhance their daily interactions.

The Airtel Thanks Program and Gamification

The Airtel Thanks program is the bedrock of their operations. Well done for a very clever loyalty and rewards model this was, to encourage people to spend more on the network. In essence they segmented their customers into Silver, Gold and Platinum, depending on the amount of money they spend on a monthly basis. If they have a cheap prepaid plan and they are like a Silver member, they'll probably receive basic services such as perhaps a complimentary caller tune. This kind of focused and quality service offerings and reliable network services creates a positive correlation between customer satisfaction and brand loyalty (Dhruw & Sainy, 2023).

Platinum members get priority network access on the 4G and 5G networks. That is, the more dense the crowd - whether in a stadium or a very populated area - the more important the data is to the user, the more it will be prioritized over the cheaper plan. They also have the privilege of being able to access VIP customer service. When Platinum members call the helpline, they do not have to deal with the irritating auto attendant system, but directly approach a real agent. It's a huge gap in differentiation. It shows the customer that he/she is valued and heard. They have also tied up free Amazon Prime and Netflix subscription with high-tier postpaid customers. This forms a extremely sticky ecosystem. The chances of someone signing up for Netflix on their phone bill will be even lower if they are doing it because of the lower cost of incurring that expense, rather than porting their number in order to get that particular service. They would lose the streaming access and would need to re-configure it.

Digital Transformation and the App Ecosystem

Airtel totally revamped their mobile application. The Airtel Thanks app has now become a single platform for a myriad of things. Users can pay their phone bills, recharge their family's phone numbers, purchase a fastag for car tolls, purchase financial products, such as insurance and stream music. This is because they centralize all these services into one place, and make the user highly dependent on the app. It also significantly decreases the cost by which the customer gets served. In case of any type of billing problems or data balance queries, a user can effortlessly solve the concern and also check the balance by utilizing the app, thus avoiding calling a customer support facility. This is a great help to the company to save expenses on operation. The benefits of good Customer Relationship Management (CRM) systems extend beyond the external customer experience to substantial savings in internal wastage, complaints and stress for front line customer service staff (Awasthi & Bose, 2023).

They also went to work on their brick-and-mortar shops nationwide. The shops were once only small outlets to purchase a SIM card or gripe at a billed amount. These are now created to be contemporary experience centres. The staff has been trained to handle issues rather than make sales and solve them in a timely manner. This is because when a customer accesses the weather forecast through the app, the website or directly in a store, the experience is always the same. The consistency is essentially the crucial element to any sound strategy.

Service Differentiation through Content and Media

In situation where data speeds and network coverage are largely becoming a commodity, how does a company distinguish itself to a consumer. They discovered their answer to be content. Airtel aggressively entered digital entertainment through their digital platform 'Airtel Xstream' and the Wynk Music application. Wynk Music quickly climbed to being one of the most downloaded music streaming apps in India. This concern for digital entertainment aligns with the strategy of targeting youth segment, which is the most targeted, fastest growing and largest segment in the Indian cellular industry (Kalpana et al., 2017). They were providing it free or with a very high rate of use of the standard data plan, thus providing users with a good reason to remain on the network.

The converged entertainment platform of theirs is super interesting and that is Airtel Xstream. It brings together the content from various streaming platforms in a single platform. One login to all OTT apps to access live television channels and movies. They were also responsible for the successful introduction of Xstream set top box for smart TV in homes. This is a great integration of the DTH satellite television industry with the home broadband/mobile business. It's all about getting all the cash in the household. The churn rate for a particular family goes to nearly 0 if a single family has an Airtel fiber broadband connection, an Airtel DTH box on the TV and four Airtel postpaid phones. It's just too cumbersome to do it all with a different provider.

Airtel Business

A lot of the growth in the B2B market is not as flashy as the consumer market it is featured in and the newspapers are filled with, but it's where a lot of the reliable, sustainable growth is found. Nokia is the largest enterprise telecom in India by a long shot, Airtel Business. They offer communication services to large multinational corporations, government bodies and thousands of small businesses. It's a whole new ball game from selling prepaid mobile plans to teens. For enterprise customers, reliability and security of the network, and adherence to strict Service Level Agreements are significant concerns.

In this B2B arena, Airtels worked out a new strategy by offering something more than dumb pipes of bandwidth. They began providing end-to-end technology solutions such as sophisticated cybersecurity, cloud hosting and Internet of Things (IoT) connectivity. For

instance, they enable the smart features of MG Motor cars on the road in India via IoT connectivity. They are not only a pipe for data but a very deep technology partner to these enterprise clients, which results in multi year contracts. This enterprise segment gives a very important financial cushion in the previous decade's brutal price wars in the consumer market.

Network Quality and the 5G Rollout Strategy

The next big area of differentiation is the switch to 5G technology. The two approaches that both Airtel and Jio have taken in implementing 5G coverage, just two such cases which speak volumes about the two different company philosophies. Jio took the approach of Standalone architecture. This means to develop an entirely new network from scratch, separate from the old 4G technology. It has some very low latency and pure 5G capabilities but is very expensive, and takes a long time to deploy everywhere.

Airtel decided on architectural strategy of Non Standalone in their initial deployment. This implies they will be developing new 5G radios atop of current 4G core network infrastructure. The key benefits here are that they would be deployed significantly faster and with much less up-front investment. They said that for the typical use of average users, who are primarily people using YouTube and scrolling through social media apps, NSA is adequate in terms of speed and capacity. It was a wise decision, as they were able to save precious funds and provide a 5G logo on the premium users' phones in a timely fashion. It was a very practical decision, and an excellent fit with the strong emphasis on return on capital employed.

Future Bets: Satellite Internet and Beyond

In the future, Airtel is not only limiting itself to 5G towers. They are taking big risks on connectivity's future. The parent company poured a lot of money into OneWeb, a low earth orbit satellite internet firm. This is aimed at delivering super-fast internet in truly remote regions where it is simply too expensive to erect a normal cell tower or lay fibre cables. Think about the condition of getting a good reception signal in the middle of the Himalayas or thick woods. There's only one way: Satellite.

It demonstrates a differentiation beyond the traditional Telecom world. They can provide enterprise customers with a truly global connection by having a satellite play. Airtel will be able to provide a solution that will be a hybrid between cellular and satellite tracking to the logistics company that cannot be matched by its competitors if it's in a completely dead zone.

Core Issues and Ongoing Challenges

Not everything is ideal of course and it has a lot of big challenges to overcome. The premium positioning and marketing campaigns have not helped Airtel in network congestion, as it faces technical challenges in some high density locations. India is an extremely dense nation and the cost of telecom spectrum is extremely high in the government auction. Many of the complaints are still about dropped calls on indoor use and slow internet speeds. If the company is saying it is going to provide a high-end experience and it's going to ask for a higher premium price, there's no tolerance for network failure. The frustration shows that the essence of the perceived quality of service is the dependability of the company in providing its services without failures and according to the promised time frame (AnithaRajathi & Siva, 2018). When a customer has an important business call and it goes down, there'll be a lot more angrier than a customer on an inexpensive plan for daily data.

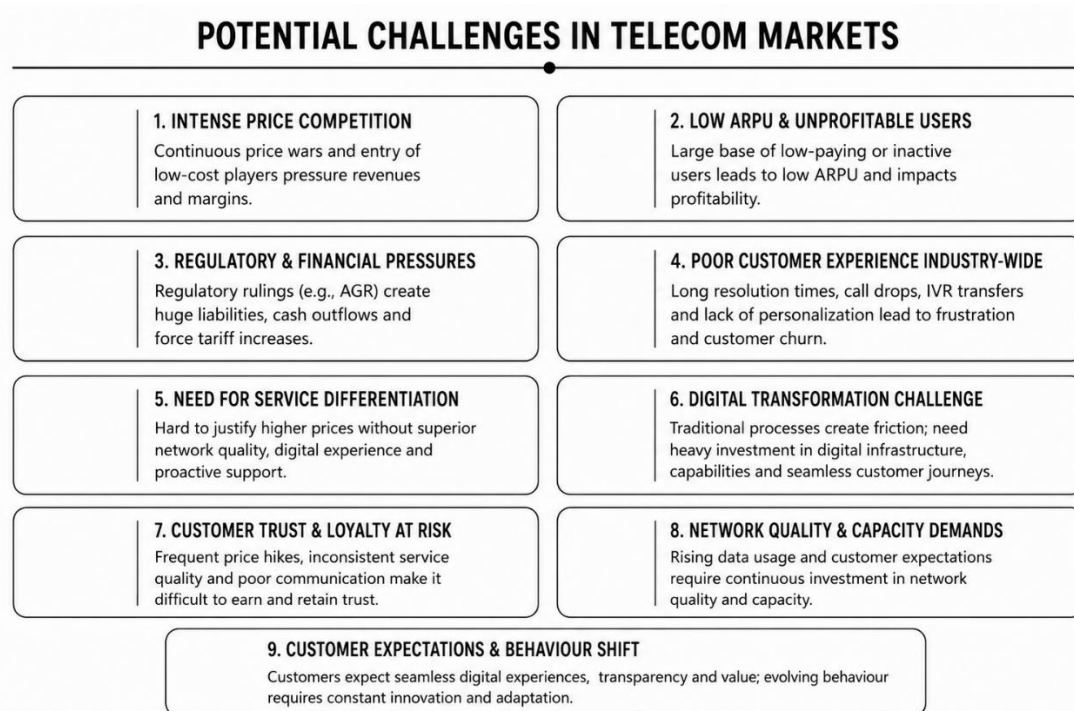


Figure: 1 Potential Challenges in Telecom Markets

The deliberate policy of largely disregarding the very bottom end of the market is also a net loss to competitors in terms of overall market share in the rural sector. It makes perfect sense economically in the short term, to keep margins, but may be a problem in the long run as markets in rural areas grow, and those less than rich consumers being moved up the value chain. However, if a user begins their digital journey by using a competitor network, it may be rather difficult to convince them to switch to a different network when they have more money to expend.

The other is the tremendous volume of customer inquiries to deal with for more than three hundred million active users. With the best app and AI automation there will always be weird edge cases that need human intervention. The management team always needs to tread a fine line between the cost of this human assistance and the income per user. To help overcome these continuous service friction points, research suggests that telecom companies need to focus on their “empathy” factor, in that the customers are feeling understood and valued in their interactions with the telecom service (Prabuvengatesh & Srinivasan, 2016).

Key Questions for Discussion

1. Explain how gamification is successfully used in Airtel Thanks programme to minimize churn rate in a competitive market.
2. What are the risks that Airtel could face from its strategy of targeting higher ARPU customers as it may lose market share in the rural areas of lower income groups?
3. What are the specific benefits the integration of content platforms, such as Wynk Music and Xstream has over traditional telecom players in a pure-play sense?
4. Compare and contrast Airtel's decision of NSA vs. Standalone architecture for 5G. What are the financial and customer experience implications of this decision?
5. What will be the trade-off of the telecoms investing in high cost of network investments and the expectations of the investors for profitability and free cash flow?

References

- Anitha Rajathi, V. M., & Siva, M. (2018). A Study on Service Quality and Customer Satisfaction in Bharti Airtel at Tiruchirappalli Region. *International Journal of Trend in Scientific Research and Development (IJTSRD)*, 2(3), 2150-2153.
- Awasthi, S., & Bose, S. (2023). A Study on Customer Relationship Management Towards Airtel. *IRE Journals*, 6(12), 1162-1167.
- Banik, S., & Sinha, P. (2020). Factors Affecting Customer Retention in Telecom Sector: A systematic review in Indian perspective. *International Journal of Engineering Research and Technology*, 13(9), 2137. <https://doi.org/10.37624/ijert/13.9.2020.2137-2152>
- Choudhury, S. (2021). A sustainable Customer Satisfaction Model based on new dimensions of SERVQUAL & SERVPERF in today's Telecom world: An empirical approach. *CEUR Workshop Proceedings*.
- Dhruw, N., & Sainy, M. (2023). Customer Satisfaction Towards Telecommunication Service Provider: A Study on Bharti Airtel. *IRE Journals*, 6(12), 986-995.
- Kalpana, K., Yusuf, S. K., Jang, I.-H., & Fengli, L. (2017). Study of Customer Satisfaction towards Airtel. *International Journal of Smart Business and Technology*, 5(1), 27-34.
- Prabuvengatesh, T., & Srinivasan, R. (2016). Customer perception measuring service quality provided by Airtel telecom services in Coimbatore. *International Journal of Multidisciplinary Research and Development*, 3(10), 176-181.
- Suthar, B. R., Thakur, S. K., & Dubey, T. (2023). A Comparative Analysis on Customer Preference of Service with Special Reference to Airtel and Jio in Vadodara. *Journal of Emerging Technologies and Innovative Research (JETIR)*, 10(2), d388-d397.

Pricing Strategy and Distribution Network Effectiveness in the Decorative Paint Industry: Asian Paints Study

Prof. Tharageswari Soundarapandian Assistant Professor & Prof. Harsh Shah Assistant Professor

Introduction and Background

In India, people do not simply decorate their homes to escape the weather elements. They colour in for Diwali. They use to paint for marriage and festivals. It's a tremendous status symbol in the society. This market has been ruled by Asian Paints for decades. They began in a garage in those days and now they're a whole monster. Basically, the company realised early on that sales of paint did not rely solely on good colours or appealing advertising. The issue was to get the paint to the shop at the customer's time. There's a lot of companies that make good paint. The number of them that can supply small consignments to a small hardware shop in a small village of India several times a day, are very few. This is the essence of the effectiveness of their distribution system. They went around the wholesale route. Yet, the decorative paint segment is particularly difficult, as customers are less active in the product prior to purchase and less motivated to interact with it during the product lifecycle; top-of-mind brand recall and product availability at point of sale is essential (Kochukalam & Kinslin, 2017a).

This was certainly not a simple task to undertake. At the time everyone was using wholesalers due to the manufacturer's convenience. Manufacturer simply dropped off a ton of them on the distributor and left them to it. However, Asian Paints realised that this presented a problem. The retailer at the end, always had products that were out of stock of the colors people wanted. They chose to go straight to the dealer and thus embarked on a huge logistical nightmare. In the end, however, it was a pretty good strategy. Now, their network is so extensive it covers nearly all the pin codes of the country.

Growth in the Paint Sector

This is the crazy growth sector over the past 20 years. India has a large size of middle class which is expanding at a very rapid rate. People tend to see an increase in their disposable income and feel compelled to make the changes to their lifestyle as soon as possible. One of the first tasks that they do, and one of the most prominent, is to paint the house. The transformation of Unorganized Sector to Organized Sector was a big help to Asian Paints. In the past, inexpensive local distemper was purchased which would fall off after a year. They're in need of emulsion now. As is only natural, this growth is an extension of the Indian paint sector which has enjoyed a steady double-digit expansion in recent years (Mugesh & Thilakam, 2018), the only sector in Indian chemical industry that has been consistently expanding with double-digit growth in the last few years.

This change in a consumer's behaviour was understood by the company at an early stage and they developed products specifically for this upgrading consumer. It wasn't a coincidence that the growth took place. The product was very well designed, marketed and priced. And when tinting machines were introduced, things really began to pick up speed. The Tinting machine eliminated the need for the dealer to carry hundreds of pre-made colored tins. The only items they needed were the base paint and the little bottles of the colors.

This had a significant impact on the stock. Suddenly, the dealers were making more money and on a smaller amount of space. The machine is able to blend the exact colour that the customer wants, in the shop. It seems like a miracle to the buyer and its good old business logic to the dealer. This kind of caused the volume of paint to soar. There was a significant role for urbanisation too. Now that there are more apartments being built, the demand for interior decoration services rose and the company was ripe for this opportunity.

Current State of the Distribution Network

Presently, Asian Paints' distribution network is regarded as one of the finest examples of supply chain management. They directly supply to more than 70,000 dealers. You aren't dealing with any middlemen whatsoever. Absence of wholesalers who profit so much. It is really difficult to be able to duplicate the direct to dealer approach for any new player seeking to get in the marketplace. Traditionally paint companies have been constrained by their reliance on conventional intermediaries to reach consumers and have not been able to establish direct consumer relationships due to the limitations this approach posed (Kochukalam & Kinslin, 2017b). The company has supercomputers and the most sophisticated algorithms that predict demand on an ongoing basis. They are certain what colour of yellow is going to sell in a particular locality in Chennai on the 2nd Tuesday next week.

The depth of information they can have means that they can keep their inventory cycle very short. Normally, the inventory cycle of a fast-moving consumer goods business is around 30 days, whereas Asian Paints operates on a much faster cycle. In the busy urban areas, they restock the dealers as many as 3 or 4 times daily. This is very popular with the dealers. They don't have to get rid of dead stock in godowns which would otherwise be a waste of money. They get just what they want and its delivery is almost instant.

This results in a great deal of loyalty from the retail chain. Dodge will accept a new paint company coming into them with a higher margin but will still decline if the margin is very high. New company cannot assure speedy and reliable deliveries. The dealer is well aware that if the shelf is empty, the customer is lost. No one likes an empty shelf, and Asian Paints ensures that this scenario is true. The software they use directly links the retail billing to the regional distribution centres. To overcome friction and make sure this loyalty is sustained, market analysts agree that paint companies need to be constantly closer to the customer and dealers, with targeted engagement programmes and ultra-reliable service (Ram, 2011).

Pricing Strategy and Market Segmentation

The price of paint is a complicated issue, and it does involve an understanding of the psychology of the consumer. It isn't plain old cost + some margin. Asian Paints has a very sophisticated pricing strategy, including all segments of the population. Tractor Emulsion is on the bottom. This is for the consumers who want to save money. It is priced just slightly higher than basic distemper. The whole point of the tactic is to get the purchaser to give in to a minor upgrade. After they use emulsion, they never use distemper again. Consumer satisfaction, in turn, relies on a number of important factors, such as price, where it is clear that consumer demand and consumer trials in the lower price tiers are substantially higher (Dada, 2021).

Apcolite is in the middle tier, then. This is the absolute bread and butter of the company. It's quite washable and durable for the average middle class family. It's that in-between of being aspirational and attainable. At the upper end it's Royale! Luxury paint for luxury homes. The margins are astounding in Royale and it's heavily marketed, using celebrity endorsements. Moreover, the studies of the perception of the customers have confirmed that price is the most important criteria while choosing a particular brand of paint and this involves the careful calibration of the Maximum Retail Price (MRP) strategy adopted by the companies to balance volume and premium (Patel, Kumar, & Kumar, 2021).

Asian Paints cover all those price points, so that a customer will never switch to another brand just because of its price. Additionally, they strategically price to manage the dealer network. Dealers' margins on paint products are not the best in the paint business. Competitors frequently make dealer margins which are much higher to attempt to break the monopoly. But the dealers are not budging from Asian Paints as the sales are just too high. If you can get high volume with a slightly lower margin, then it's better than a low volume and a high margin. It ensures uninterrupted flow of cash on a day-to-day basis.

Market Outlook and Competitive Strategies

The future is looking bright but complicated is the way it is right now. It's about to get a lot more interesting with the paint market. Big advertising campaigns and expansion plans by very large industrial groups are coming into the market. They're going to throw a wrench in the current pricing system and attempt to lure the top deals. Asian Paints need to take action in response to this threat. However, they have a huge advantage in terms of several decades. In order to overcome these new competitive scenarios, manufacturers should be constantly scrutinizing the specific factors that are driving brand preference among end consumers, as well as other important market influencers such as retailers, professional painters and engineers (Suganya, Rajamani & Perumal, 2025).

At the present moment, they appear to be much more interested in becoming a full home decorating company than just a paint company. They shop a range of kitchen, bathroom fittings, lighting and wallpapers. They want to have control of the total space of the home. It's a very clever trick as it makes the ticket value per customer extremely high. The objective is to use the well-established and efficient dealer network to sell these new lifestyle products.

If a dealer has already been purchasing thousands of liters of paint from them, then he should buy waterproofing compounds and adhesives also. It's an extension of the business. In addition they're investing in a painting Company. They supply professional painters to the customer, and thus, they eliminate the issue with finding reliable employees. Completely locked into the brand ecosystem is this service model.

Investment and Cost Optimization

The company has a significant investment in technology and infrastructure to maintain this vast network. In those days, when people weren't using tech, they were one of the first companies in India to purchase a mainframe computer. These days they make use of sophisticated computer expertise with artificial intelligence and machine learning and they fine-tune their delivery vans' routes throughout the nation. This will save a considerable amount of fuel and delivery time.

The company has to be careful about cost optimization, as raw material prices, such as the prices of crude oil derivatives and titanium dioxide, are extremely volatile. If the price of crude oil rises they are not able to immediately increase the price of the product without affecting demand. They need to take some in to preserve their market share. Asian Paints has excellent valuation and financial fair value, which is intricately connected to the company's capacity to optimize such logistical costs, and maintain margins against raw material shocks, the Equity research highlights. (HDFC Securities, 2020)

That's where their supply chain efficiencies come into play. Their approach to reducing costs on the logistics and warehousing side is to squeeze costs out of that side to compensate for the higher raw material costs. In addition, they support sustainable manufacturing methods. The use of less water and energy at their immense factories not only cuts down overheads, but also adheres to environmental laws. The automation of warehouses where robots pick and pack the paint tins has minimised human error, and shortened the dispatch time.

Summary of Core Issues

The decorative paint industry is facing some looming challenges in the near future. The prices of raw materials are extremely unstable at this time. Many of the key materials that are utilized come from abroad. This makes domestic companies very sensitive to currency fluctuations, global supply chain disturbances etc. The other one is dealer space – which is growing. Indian cities are witnessing an exceptionally high rise in the prices of retail real estate. Dealers are not financially able or equipped to have large stores to hold inventory. These are companies they absolutely need to have just in time delivery.

POTENTIAL CHALLENGES IN THE DECORATIVE PAINT INDUSTRY (ASIAN PAINTS CONTEXT)

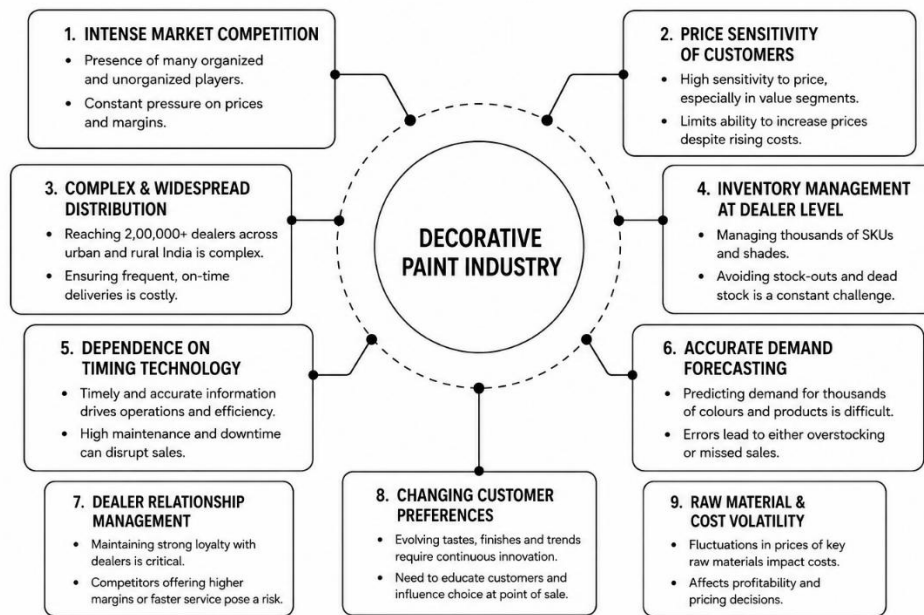


Figure: 1 Potential Challenges in Paint Industry

The main concerns are how the company will preserve the margins it has known over the years and how new players begin a price war that is bound to happen. Assume that a new well-financed player can offer 20% discount on premium category paints, how will the consumers respond? Will they move to a different brand which offers a lower price or will they continue to use the brand they've known since childhood? There's also a long-term cost for the tints to be used on long enough to keep the network secure, and that's the tints themselves and the software upgrades they need. Competition is keen. The already established brands such as Berger and Nerolac are doing their best to emulate the direct distribution model, but it will take years and millions of dollars to establish the physical and digital infrastructure.

Key Questions

1. What would be the likely impact of the new corporate giants, with deep pockets, on the pricing levels of the established paint companies in India?
2. What might happen if one competitor can keep a dealer loyal and long in the business by providing much better credit terms and retail margins?
3. What are the realistic implications of externalities, such as crude oil prices, global supply chain disruptions, on the cost optimisation strategies of market leaders?
4. What specific strategies should the company adopt to successfully transition from a pure paint manufacturer to a comprehensive home décor and lifestyle brand without diluting its core identity?

References

- Dada, P. (2021). Analyzing the Marketing Strategies of Indian Paint Products. *Arabian Journal of Business and Management Review*, 11(5).
- HDFC Securities. (2020). *Initiating Coverage: Asian Paints Ltd.* Retail Research Report.
- Kochukalam, C., & Kinslin, D. (2017a). A Study among Decorative Paint Customers on Factors Influencing Preference of Decorative Paint Brands. *International Journal of Applied Business and Economic Research*, 15(18), Part II.
- Kochukalam, C., & Kinslin, D. (2017b). A Study on the Factors for Intermediary Dependence Among Decorative Paint Customers Exploring the Impact Significance. *International Journal of Applied Business and Economic Research*, 15(18), Part II.
- Mugesh, M., & Thilakam, C. (2018). Marketing Strategies of Indian Paint Industry - A Study. *Journal of Emerging Technologies and Innovative Research (JETIR)*, 5(11), 43-47.
- Patel, P., Kumar, N., & Kumar, V. (2021). A Study on Customer Perception Towards Asian Paints Products in Vadodara. *International Journal of Creative Research Thoughts (IJCRT)*, 9(3), 5239-5242.
- Ram, R. M. (2011). A Study of Competitiveness in Indian Paint Industry. *Dharana - Bhavan's International Journal of Business*, 5(2), 130-142.
- Suganya, S., Rajamani, K., & Perumal, V. (2025). Decoding Influencer Impact on Paint Brand Preferences - Insights from Virudhunagar's Competitive Market. *International Journal of Management Studies*, 11(1), 2038-2042.

Luxury Brand Positioning and Consumer Experience Design in India: A BMW Market Study

Dr. Saumya Dutta Associate Professor & Prof. Harsh Shah Assistant Professor

Introduction to a Misunderstood Market

The Indian luxury car market has been a strange one, always has been and probably always will be. It was only the old money families who used to drive in imported Mercedes Benz cars which took 6 months to get customs clearance for decades. The economy opened up and all of a sudden there is a lot of new money. Among the real estate developers, tech entrepreneurs and industrial heirs were all competing for the luxury pie. Indeed, the Indian luxury market is one of the world's most dynamic and one of the youngest luxury retail markets expected to be in the top ten sectors by 2030 (Dudia & Mathur, 2022). BMW looked to this market with the understanding that they could simply copy paste the European approach. The best driving machine ever, they claimed. Sadly, Indian billionaires don't drive. They are seated in the rear seats. This being such a simple fact, it made an enormous impact on the way in which BMW was required to position itself over the next 20 years. If you are taking a closer look at the Indian luxury market, you will find that much of the conventional marketing textbooks come up short. European markets know that the feedback of the road is important to the driver, and are attracted to the sports sedan's responsiveness. As far as steering feedback is concerned, the Indian consumer is not concerned. They would like to know whether the suspension will hold up during a huge pothole in Mumbai as they're attempting to sip a cup of coffee in the back seat. The Bavarian carmaker took a while to come to terms with this realization. The BMW Group, with its history since 1916, has always been challenged with complexity of internal and external technological issues in various markets around the world and has always developed strategies to overcome such challenges (Kastrati & Kastrati, 2020).

The Chauffeur Economy

In fact, the whole idea of luxury cars in the subcontinent is dependent on the chauffeur. Indian tier one cities are not a place for leisurely driving; it's more of an endurance sport. The roads are a sea of vehicles; the lanes are more of a suggestion and the noise on the roads is overwhelming. So, the real luxury is that you don't have to face this mundane truth. At first, BMW cars were driver-centred and had very firm suspensions for use on the Autobahn. Rides were perfect, but the majority of owners of the cars did not like them. The owners were having a whale of a time in the back seat, with their drivers enjoying the show in the front.

After a number of years of weak sales, the corporate felt that it was not enough to have the salesman's customer driving their cars, but they had to have the right customer doing it. They needed to completely change the product line. Everything changed and the interest was now solely directed toward rear seat entertainment, legroom and the tuning of the soft suspension. This was what led to the development of long wheel base models. So they took an experience that was a driver focused and had to reframe it to be a passenger focused experience whilst retaining the core brand identity. This is an obviously very tricky tightrope to walk. The wider Indian automotive industry study validates that although people can afford to buy more with disposable income, it is their specific needs such as comfort, perceived quality of the vehicle that ultimately influence their decision (Shende, 2014). But the competition had even been underway. Of course, Mercedes Benz is nothing more than a sofa on wheels, so they had a built-in advantage when it came to comfort. BMW needed to come up with a way to be sporty in its design and luxurious in its execution.

Old Money vs New Wealth

In India, there is an interesting dynamic in showing off wealth. Old money people in places such as Lutyens' Delhi or Old money in South Mumbai like to invest in simple luxury. They purchase a dark blue sedan, tint the windows and quietly do their business. New wealth is money that's different. They are looking for the loudest color, the largest of a grille and the most aggressive styling they can get. This upswing in luxury buying is backed by the rapidly expanding base of the

High Net-worth Individuals (HNIs), and billionaires who use specific purchase processes that rely on the sociological and psychological factors (Abraham, 2021). BMW was serving a lot of the "new money" crowd. The cars' brash design resonated with youthful businessmen who sought to make their presence felt in society.

There had to be a split in the consumer experience because of this. The one who wants a simple deal vs the one who wants a grand unveiling ceremony with confetti and a photoshoot, dealerships had to work out some ways to treat both these people. These are picked up by the sales team with great speed. For a customer who enters the shop in a Linen suit that is tailored to the individual they receive espresso and quiet conversation. Wearing Balenciaga sneakers and a giant watch, they can be said to get the full theatrical effect. These purchase intentions are influenced by the country of origin and luxury perception of German products also in the case of developing economies (Sari & Kusuma, 2021).

The Retail Experience Tangent

While talking about dealerships, there is one showroom in Okhla industrial area of New Delhi which embodies this consumer experience design. The place is crazy. You will have to pass through roads that are dotted with trucks and stray dogs and then find yourself in this immaculate glass palace. It's a stark contrast and it is deliberate, intentional. The interior is slightly perfumed with expensive cedar and the air temperature is precisely 22° C. They imported special Italian marble for the cars' floors, just so that they look good under the custom lighting rigs. It is not ordinary machine coffee but a special single origin roast from Chikmagalur and prepared by a barista who makes coffee all day long for the rich and starts with a car-looking gaze. The whole thing exudes a more boutique hotel lobby feel like a dealership. This is a very special case, because, at this price level, the product itself is a commodity, at least in the customer's mind. You'll be able to reach your destination comfortably in an Audi, Mercedes or BMW. These 'soft' qualities and 'soft' prestige factors are sought out by affluent consumers no less than their high engineering quality (Shrivastava, 2018). What really sets the brand apart is how you feel before you ever pay the check.

Product Localization and The Long Wheelbase Obsession

The product range in India is quite different in comparison to that in Europe. The long wheelbase is the most important, as stated above. BMW began to begin selling the Gran Limousine trim of common sedans particularly in markets such as India and China. These cars are being stretched in the middle only for the sole purpose of providing the back seat passenger with extra leg room, by a few inches. The perfect 50/50 weight distribution that BMW engineers want seems to be completely destroyed, but the sales figures show it was a good call. When it comes to going to a race track, no one in Delhi is heading to the races in their fancy sedan.

They also needed to make some adjustments to the ground clearance. Any speed bump in Bangalore would make the bellies of the standard European spec cars do some scraping. So there is a small increase in the Indian variants riding. Air conditioning is enhanced for a hot and humid summer temperature of 40°C. The horns are improved since their usage is approximately ten times larger in comparison to Germany. These all-small changes, which make a localized product and which withstand harsh environment.

Financial Services and Status Signalling

A major component of luxury brand positioning is to make the unattainable somewhat attainable to the aspiring upper middle class. BMW Financial Services had a huge contribution to the growth of the market. Ten years ago, it was a cash intensive deal to purchase a luxury vehicle. Structured leasing and balloon payment loans are available these days, and corporate executives can drive a car they might never have been able to afford if they didn't have these types of financing. This has reduced somewhat the cachet of the brand but the growth of volume is enormous. Marketing luxury brands demands special communication and pricing strategies which have to cater to the dreams and aspirations of target consumers that have a high level of prestige (Mandal, 2018).

There is a psychological component that is involved in this financing. Whether rich or poor, the Indian consumers are fond of getting a bargain. These buyers almost go to the extent of negotiating the interest rate on a luxury car loan. The products are financial which allow the buyer to think he won the negotiation with the company still having a very good profit margin. It's a fine balance between what's possible and what's not possible.

The Marketing Approach

Creating a luxury brand is a challenge in India because of the specific tone required in marketing luxury. Talking about zero to sixty times is not possible. Success, arrival and status are focal points of the marketing campaigns. They sponsor high end Golf tournaments and Art exhibitions. The message is straight to the point. You've done a great job, you've accomplished your goals, now it's time to celebrate yourself and your success by letting others know! Moreover, initial research on Indian automobile brand equity showed that indirect marketing mix elements such as peer recommendation and COO are also important factors influencing the perception of brands over and above the traditional marketing mix elements (Chattopadhyay, Shivani & Krishnan, 2009).

However, there is a fine balance to make in order not to come across as too prideful. In a nation where there is a tremendous inequity of wealth, it is sometimes possible to draw the attention of the taxman or of the general public with ostentation of wealth. The marketing attempts to balance out the aspiration and acceptable indulgence. Images usually do not include the vehicle on a busy road or sidewalk, but in more private settings, like a gated community.

Competition and the Road Ahead

It's a matchup for the ages against Mercedes Benz & Audi. Audi were early to the market with the LED daytime running lights, making them a status symbol. The prestige factor was always a part of Mercedes. BMW had to work hard to get even one per cent of the market. They did this by providing service packages that were high pressure. To first-time luxury home buyers, the concerns of high maintenance costs were a major obstacle. With the five-year package of maintenance included in the price, the tension out of BMW was gone. A wonderful feat and something they were forced to emulate.

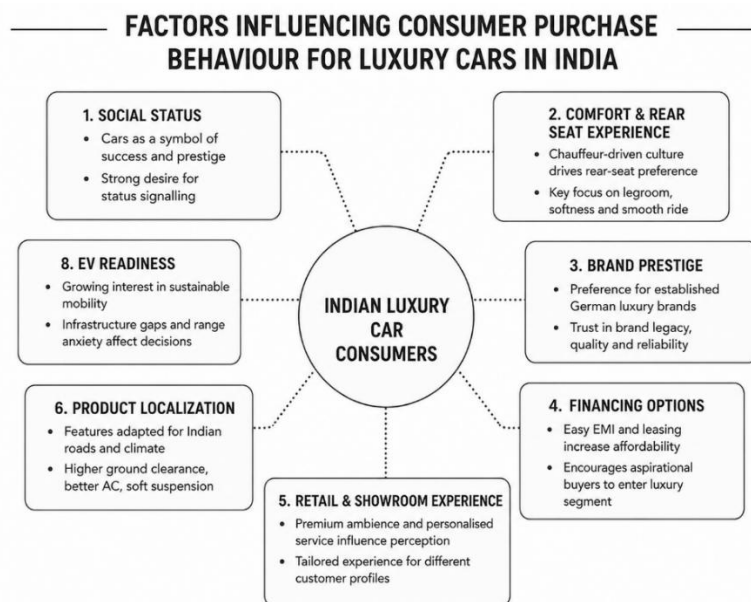


Figure 1: Factors Influencing Luxury Car Purchase Behaviour in India

It's a future that the electric transition will shake up. Indian infrastructure is yet in its infancy. The fear of running out of gas is very real when stuck in a 3-hour traffic jam. BMW has rolled out a number of electric models but uptake has been slow. The early adopters are purchasing them as second / third vehicles for urban driving purposes only. As per recent case studies on BMW's Vision program as well as the 'i' sub-brand, conceptual innovations such as the Vision DEE play a crucial role in modernizing the brand's image for the electric era (Chauhan, 2023).

The story of BMW in India is a case in point as to why international strategies fail in a hyper local market. They've had to shelve decades of driver-focused marketing and cater to a population that is used to dictating to drivers via email. The experience of the dealerships, the product tweaks in their specific areas and the business model changes through firewalls eventually made sense. The times were changing and BMW had to change too. They found out that luxury is not universal, but a dialect which varies from border to border.

Questions for Discussion

1. How has BMW been positioning itself in the luxury car segment in India?
2. How does one's culture and society shape the buying behavior of luxury cars in India?
3. What role does product localization and dealership experience play in BMW's competitive edge in the luxury car segment in India?
4. What are the obstacles and opportunities that BMW may encounter in the shift to electric luxury cars in India?

References

- Chattopadhyay, T., Shivani, S., & Krishnan, M. (2009). Determinants of brand equity - A blue print for building strong brand: A study of automobile segment in India. *African Journal of Marketing Management*, 1(4), 109-121.
- Chauhan, R. (2023). The Impact of BMW's Vision Program on Branding Strategy: A Case Study Analysis. *Journal of Emerging Technologies and Innovative Research (JETIR)*, 10(4).
- Dudia, A., & Mathur, A. (2022). A Study of Luxury Goods Market for Experiential Marketing. *Indian Journal of Business Administration (IJBA)*, 15(1), 91-109.
- Kastrati, H., & Kastrati, T. (2020). Strategic Analysis of BMW Group. *Academic Journal of Business, Administration, Law and Social Sciences*, 6(1), 88-95.
- Mandal, P. C. (2018). Marketing luxury brands: Strategies and initiatives. *International Journal of Applied Research*, 4(3), 377-383.
- S, A. (2021). Sociological & Psychological Factors Affecting the Purchase of Luxury Cars. *Turkish Online Journal of Qualitative Inquiry*, 12(6), 1357–1365.
- Sari, D., & Kusuma, B. (2014). Does Luxury Brand Perception Matter in Purchase Intention? A Comparison Between a Japanese Brand and a German Brand. *ASEAN Marketing Journal*, 6(1). <https://doi.org/10.21002/amj.v6i1.3654>
- Shende, V. (2014). Analysis of Research in Consumer Behavior of Automobile Passenger Car Customer. *International Journal of Scientific and Research Publications*, 4(2).
- Shrivastava, A. (2018). A Study on Consumer Behavior Towards Luxury Car Brands in Chhattisgarh. *International Journal of Management, IT & Engineering*, 8(9).

Rural Market Expansion and Inclusive Branding Practices in Indian FMCG: Patanjali Perspective

Dr. Sagar Bhadange Associate Professor & Prof. Tharageswari Soundarapandian Assistant Professor

Introduction and the Swadeshi Wave

Indian consumer goods market is essentially one of the most cutthroat markets for any business. The large companies are multinational and have been around for years. But they invested millions in the development of their supply chains and marketing strategies. Then Patanjali Ayurved Limited came and changed it all. Patanjali was started back in 2006 by Baba Ramdev and Acharya Balkrishna. They didn't have the big money budgets of their rivals. However, they had another option that was just as effective. They enjoyed a large following of devoted supporters and an ideology that was appealing to the people. This sudden blow was felt in various markets and sectors, and Patanjali in a span of less than a decade also saw a huge surge in its revenue, which directly threatened the established giant multinational companies (Mehrotra, Salunkhe, & Chakraborty, 2017).

As Patanjali products are present in every corner of the village, Patanjali is walking all over. This is because they were connected with the Swadeshi movement that essentially encourages the use of the Swadeshi products over foreign products. For all the common folk, it was a powerful message. When they were flying on a plane to buy toothpaste, or shampoo, they felt that they were supporting their own country. The purchase of soap was not the only thing involved. This was a matter of personal choice. Patanjali provided a painless alternative to chemical laden things, one that consumers were tired of but knew and had been waiting for. And they did all this without spending alot on traditional advertising in the early days. One of the most important elements of this success was a high degree of optimization and uniformity in the branding of the entire product line, which allowed to bring it under one 'Patanjali' brand name, thus making it much easier and cheaper to sell at the retail level. (Bora, Adhikary, Sarkar, & Parchure, 2020).

The Rural Marketing Scene

Indian rural areas are huge and complex. Many of the Fast Moving Consumer Goods (FMCG) companies had long ignored the villages. They would simply sell lesser quantities of their urban products and call it a great day. Patanjali looked at it from a different perspective. They were aware of the fact that the rural consumers have less disposable income. But they also understand that too these shoppers are seeking quality and cultural relevance. However, since over 70% of the national population is living in non-urban clusters, it is important for brands to move beyond the traditional urban strategy and adopt highly innovative local rural strategies (Sahu, 2017).

The multinationals could have paid more attention and noticed what was happening in rural areas. The residents are improving their roads and net access in these areas. Increasingly aware of various brands. Patanjali took advantage of this. They built small shops, called Chikitsalaya and Arogya Kendra, right in the centre of these communities. They were health centres into which people could get free consultations from ayurvedic doctors. This created a lot of trust. Buying into rural markets can't be done easily, it takes constant effort. Patanjali made that effort by going to their customers. It was an intentional journey that helped the company realize that there was a huge market opportunity and it made a successful transition from a niche medicinal company to a diversified and mass-market consumer goods giant (Jha, 2016).

Pricing Strategy and Penetration

If you have price sensitive buyers you know price is the most important factor. Patanjali opted to sell their products at about 20-30 percent lower rates than their competitors. Their overhead was so low that they were able to do that. They didn't pay to have big actors or actresses endorse and their packaging was very low-budget. The labels at times appeared to be hastily executed. But the consumers were not so interested in fancy packings provided that the product in the packing was good and cheap. It directly helps in Patanjali's main structural base of improving the quality of life while keeping the criteria of fair pricing and chemical-free manufacturing purity (Shinde & Gharat, 2016).

This pricing policy had a great impact on the market. Established brands such as Hindustan Unilever and Colgate needed to review their whole pricing strategies. It was a price war imposed on Patanjali by them. The rural consumers were the main beneficiaries of this. They could now avail themselves to premium products which felt natural, for a fraction of the price. Dant Kanti was their flagship product. It actually revolutionized the Indian attitude towards toothpaste. Prior to the Dant Kanti people, the people just purchased any white paste that Colgate was selling. Now they want to use clove and neem in toothpaste. Even the flavour of Dant Kanti is rather strong and earthy. It is not sweet mint flavoured. It is medicinal tasting, which for a rural consumer means that it's actually working. A family that changes to Patanjali toothpaste typically don't go back to their previous brand. They take it in their stride. This is a very sticky product system. Comparative regional market analysis indicates that Patanjali disrupted the incumbent monopolies, however, the response of incumbent companies such as Dabur was through re-strategizing their lines under a "science based Ayurveda" validation, which resulted in rural consumers perceiving the two brands with almost the same level of final satisfaction (Verma & Kumari, 2024).

The Distribution Network Challenge

Moving products to the small villages is like a nightmare. The country of India has very varied topography and inadequate infrastructure in numerous places. A vast network of wholesalers and distributors is usually used by most companies. This will add an overlay at each and every step. To cut through some of this, Patanjali has set up mega food parks, and is going direct to farmers. They purchased raw material directly from the farmer which not only enabled them to sell the farmer better prices, but also helped Patanjali to keep their cost down. This was largely based on a "branded house" concept that relied on a large-scale "carpet bombing" approach whereby a host of retailers were targeted at the same time, with the promotional budget kept low (Shukla & Sanghvi, 2017).

Now talking about herbs, Aloe Vera farm has become a big affair in the state of Rajasthan due to Patanjali. The company had assured farmers that they would buy all the aloe vera they produced, prompting the change from their normal crop. Farmers who have been cultivating regular crops were compelled to grow nothing but aloe vera since the company had ensured them that they would be able to sell their entire harvest. What an interesting transformation this one brand can bring to the agricultural scene of one state. That's another tale, however. The bottom line is that sourcing locally put them in charge of the story.

But not all the time was the distribution perfect. Patanjali increased its pace to the extent that they were unable to keep up with the demand. Due to the location of the rural markets and the poor quality of the roads in the monsoon season (every year), it is difficult for Patanjali to get the trucks to the shops in time. It would cause the shopkeepers to gripe about lack of goods. The walk-in would request a certain kind of honey and the stand would have none. The risk of going too fast and with the back-end set up incomplete. However, the loyalty towards the brand was so deep that one would simply purchase another Patanjali product or wait for the product

to become available. That is infrequently found in other brands. The soap is used by consumers on a daily basis and they are willing to wait for fresh soap.

Inclusive Branding and Emotional Connection

Patanjali's marketing of itself is all unique. They employ inclusive branding practices, which make all feel part of a greater family. Baba Ramdev is always in saffron robes and always addressing directly the camera in Hindi. He doesn't talk 'big business' speak. He talks about health, family and the nation. This resonates with rural consumers who may feel left out of the advertising message, especially when it's presented as a model, with a sophisticated voice and delivered in English.

It's based on the tradition of Ayurveda, a traditional system of Indian medicine, throughout the whole brand. The use of these herbs, natural remedies have been a part of rural people's life. Hence when Patanjali add aloe vera or neem in their products, the consumers are already aware of its properties. The company won't have to invest millions educating the market. What is known is right here. This is just the very best of emotional branding. Conveys to the consumer an attitude of being understood and respected. The company has it's headquarters in Haridwar which is a holy city. This geographic association is also an added dimension of spiritual purity to the brand. These attributes forms a structural intellectual and affective customer experience with the brand, which makes it a much stronger construct that drives customer loyalty and satisfaction than it does when the brand only possesses brand personality attributes (Sreejith & Suresh, 2017).

Technological Integration and E Commerce

Although Patanjali is heavily dependent on values of tradition, they are not neglecting technology. They knew how much the internet was becoming popular in the countryside with low-cost data on mobile. They began to sell their products on the top e-commerce sites, and later created their own app. That enabled them to access younger people, who spend the majority of their time on their smartphones.

Sometimes it's somewhat strange to take ayurveda online. This old science is being sold at a discount and via digital wallets. It juxtaposes an interesting contrast. Other older consumers want to visit the physical shop, as they want to speak with the doctor. The younger generation only wants to have the face wash delivered to their doorstep. Patanjali is attempting to cater to both groups. They are constructing huge warehouses to enhance their online delivery times. A lot of investment is needed to do this. Failure to modernize their supply chain will mean that they'll lose out on market share to newer and newer brands that are online-first. Parameters like quality, freshness, brand image and packaging have the highest statistical influence on the actual buying behavior of the younger generation (Singh, Mathur, & Subha, 2021).

Core Issues and Regulatory Pressures

It doesn't go so easy for Patanjali. They are in the midst of several serious challenges which may slow their growth. The first is quality control is a huge pain. With hundreds of various products being produced on this scale, things are sure to go wrong. They have had several occasions on which their products have failed laboratory tests. The regulators have given warnings and fines. Poor reviews about the quality of their product are not something that a company based on trust and purity is willing to take. A more problem is the competition. The multinational corporations are roused. They are introducing their own naturally/ayurvedic product lines. They are better resourced and have more extensive distribution channels. They are fiercely combating the government. Not only that, but they must also find themselves having to contend with the controversial Baba Ramdev. He often attracts a segment of the

consumer base by his political statements. A brand should not be based on a single personality for an ever-lasting period. They must get the brand name into the corporate DNA, beyond the founder. Last but not least, margins. Price of raw materials, such as herbs and packaging are increasing. Patanjali will not be able to maintain their prices artificially low for long. This will have to come to an end at some point, and they will be forced to increase the price. How that is received by a price sensitive rural consumer, is yet to be seen. Also, internal operational issues, like the absence of structured product innovation, less aggressive media coverage, and problems in smoothly incorporating sweeping regulatory overhauls like the GST, have always been the factors that have slowed down the brand's quick expansion time frame (Sharma, 2016).



Figure 1. Potential Challenges for Patanjali in Rural Markets

The main problems are essentially related to sustainability. Survival of a company built on one basis – ideology and price – in different market conditions. Suppose that a large world competitor decreases their prices of herbal toothpaste. Won't the rural consumer remain loyal to Patanjali or will he go in for something better? No, of course there's the regulatory aspect. The government is taking more stringent action over the claims a brand can make on its packaging. By scaling back the health benefits Patanjali could be losing out on some of the special allure. These are issues that the Management need to determine soon. They can't continue to ride the Swadeshi wave forever.

Key Questions for Discussion

1. How does Patanjali use cultural resonance and inclusive branding to capture the rural fast moving consumer goods market.
2. What are the logistical risks associated with Patanjali direct sourcing model in geographically isolated areas.
3. In what ways might the reliance on a single charismatic founder positively or negatively affect long term brand equity.
4. How can multinational companies successfully counter the low cost Swadeshi narrative built by Patanjali in tier 3 cities and villages.
5. What impact will increasing regulatory scrutiny on Ayurvedic product claims have on consumer trust and purchasing habits.

References

- Bora, B., Adhikary, A., Sarkar, S. D., & Parchure, N. (2020). 'Swadeshi Mantra' as trend-changer in FMCG retail - A case review of Patanjali Ayurved. *AIP Conference Proceedings*, 2273(1).
- Jha, M. (2016). A voyage from niche to mass marketing: A case study of Patanjali Ayurveda. *International Journal of Advanced Education and Research*, 1(7).
- Mayank Pratap Singh, Mathur, M., & K. Subha. (2021). Customer Buying Behavior Towards Patanjali Products. *Journal of Emerging Technologies and Innovative Research*, 8(7).
- Mehrotra, S., Salunkhe, U., & Chakraborty, I. (2017). Patanjali: an Indian FMCG on growth path. *Emerald Emerging Markets Case Studies*, 7(2), 1–35. <https://doi.org/10.1108/eemcs-07-2016-0159>
- Sahu, M. (2017). Marketing Strategies of Patanjali Ayurved (FMCG) in Present Market Scenario. *International Journal of Management, IT & Engineering*, 7(6), 179-188.
- Sharma, M. (2016). A Study of Marketing Strategies Opted by Patanjali Ayurveda Limited. *Academic International Journal of Research Analysis (AIJRA)*, 2(4), 83.1-83.8.
- Shinde, D. T., & Gharat, S. J. (2016). Product Positioning of Patanjali Ayurved Ltd. *Pune Research Discovery*, 1(3), 1-6.
- Shukla, T., & Sanghvi, R. (2017). India's Fastest Growing FMCG Company: An Insight into Patanjali's Marketing Strategies. *Proceedings of the 2nd International Conference on Evidence Based Management (ICEBM)*, 105-110.
- Sreejith, R., & Suresh, K. (2017). The Patanjali Marketing Sutra - An Exploratory Analysis of Brand Experience, Personality, Satisfaction, and Loyalty in the FMCG Space. *Indian Journal of Marketing*, 47(9), 36. <https://doi.org/10.17010/ijom/2017/v47/i9/118092>
- Verma, B. L., & Kumari, V. (2024). Rural Marketing Strategies of Health Care Products: A Comparative Analysis of Patanjali and Dabur. *International Journal for Research Trends and Innovation (IJRTI)*, 9(2), 310-318.

Consumer Insight-Driven Marketing and Brand Equity Creation in FMCG Markets: P&G India

Dr. Saumya Dutta Associate Professor & Prof. Harsh Shah Assistant Professor

Introduction

By any measure, the fast-moving consumer goods (FMCG) market is one of the most cutthroat markets in today's business world. The margins have become slim, the shelves are crowded and the Indian consumer is becoming a lot craftier in respect to what she wants. Procter and Gamble India, however, is a rather unique case in all this. It's a global giant and, on the other hand, it has decades of experience in brand building and a research arm that most companies can only envy. On the other hand, it is fighting in a market where a local brand from the Kirana store can still out price you and out “familiar” it. It's really difficult to find a balance. The delicate balance between being cost efficient, product differentiation, and constant innovation specifically designed to the core needs of the developing market is crucial to P&G's success (Chowdhary & Anand, 2020).

P&G came to India in the year 1964, but its growth took a spurt after the liberalisation decade. By early 2000s the likes of Ariel, Tide, Whisper, Pampers and Gillette were household names in urban India and the company even began to invest in understanding the rural consumers and their needs. The challenge then and now was not only in the production of good products. It was making those products relevant to people, that they instilled enough trust and meaning for people that justified a higher price in a market where being economical isn't a choice, it's a necessity for a large percentage of the population.

Brand Equity in the Indian FMCG Context

Brand equity is different in fast moving consumer goods than it is in other product categories such as luxury goods and technology. Purchases occur regularly, at low involvement and are mostly habitual. Individuals don't think much about which detergent to purchase. They pick the one that they used before or the one that they are most comfortable with on the shelf. It is not merely about the considered evaluation that leads to building equity in a brand, but rather the mental availability, that is, how easily a brand could be recalled during the buying situation. In India, branded products too have social significance that goes beyond their utility, because the overwhelming majority of the population have traditionally focused their aspirations on a limited number of 'visible' brands. The findings of the studies exclusively on Indian FMCG sector have been consistently positive and statistically significant for the relationship between brand equity dimensions such as perceived quality and brand associations with operational performance. Companies that invested in these dimensions during the course of time, had better revenue and margin results than those that focused mainly on cost or distribution (Mohan and Sequeira, 2016). To P&G India, that's a pretty clear reason to justify the premium price, compared to a local detergent, for Ariel: it's the monetary reflection of built-up equity, and not merely a quality difference.

In addition, the Indian context introduces a further dimension on the global brand management frameworks that are less able to consider. It is often presumed that the market is homogeneous and that there is a good formal/informal market separation, which is not the case in the majority of markets in the West. These assumptions cannot be taken for granted in India and companies with a template approach to success are likely to fail to meet expectations (Sheth, 2011). In reality, the trend that P&G India had been moving towards a more locally relevant brand communication was a process of working out the lesson in a vast array of consumer contexts.

Consumer Research as the Foundation

P&G's understanding programs for consumers in India are likely one of the lesser talked about aspects of the company's competitive advantage. This company uses a combination of ethnographic home visits, shop-along studies, focus groups and in-depth interviews on a rotating basis in various geographies. Importantly, the outputs of these programmes do not only provide information about advertising. They determine product formulation, pack size, pricing structure and distribution. It is more of a constant cycle of feedback from the company to the people it is selling to, rather than traditional market research. Women in lower-income households developed this problem with the regular Tide after using it for a long period: it was too harsh on their skin when they were washing their hands in laundry. This could not have been discovered on a survey. Developed from researchers seated at house and observing the actual laundry process. The company modified their formulation.

The sachet approach has been referred to as 'pricing innovation', but it is really a response to consumer insights. Rural consumers were never reluctant to purchase premium products, company researchers have constantly discovered. With unpredictable cash flows and constrained budgets, they simply weren't able to receive a high price tag all at once. A reduction in pack sizes did not affect the basic positioning and equity of the brand, with the peruse entry price declining significantly. The insight led to the packaging decision, which led to meaningful penetration gains in segments that were out-of-reach. These strategic packaging decisions which include size, visual design and providing product information have a significant and direct effect on the actual purchasing behavior of Indian consumers as evident from the empirical comparative studies of P&G with the competitors (Jain & Toshniwal, 2018).

Careful management of promotional activity is also a part of this. Experience from brand equity research reveals that excessive use of sales promotions over time negatively affects the associations that the brand holds in the minds of consumers, as in product categories where the brand equity is based on perception of quality (Buil, de Chernatony and Martinez, 2013). While fiercely contesting on distribution and visibility in the retail stores, P&G India has followed a tactical way to price promotions, staying within the brand's guard rails. Because the difference is important, as the short-term volumes purchased at a discount price may have a long-term negative impact upon brand equity.

Brand Architecture and Portfolio Strategy

Whether to have a house of brands or a corporate master brand is one of P&G's most critical strategic decisions, and this is evident in the Indian portfolio. Both Ariel and Tide produce detergent. Pantene and Head and Shoulders are manufacturers of shampoo. They share the same company's portfolio, but serve different consumer groups and are essentially run almost like autonomous units with the P&G name hardly visible to the end consumer.

The upside is that every brand can create very niche branding. Dandruff is the problem of Head and Shoulders. Pantene has the power of nourishment and shine. Olay's brand is about science for the skin, and skin results. The positions are distinct so that a consumer will not be confused when he or she holds all of them. The distinction has sometimes become so indistinct in practice. At times, Ariel and Tide had been battling, as Ariel pushed its way down to take on more price-sensitive premium buyers in the mid segment detergent market. The difficulty of keeping the segments separate in a price-sensitive market where income brackets intersect a lot can be hard to assess from the outside, but it shows how challenging it can be to manage the segments in a way that not only maintains but also keeps them separate. But it is a real cost as well: advertising budgets can't be consolidated, brand management personnel are stretched thin, and one set of brand managers for Ariel and Tide are, in certain respects, competing against one another for the same internal resources.

Advertising Strategy and Localization

P&G India is one of the first multinationals to invest meaningfully in regional language advertising. The understanding that underlies this is that a Tamil consumer who sees a Hindi commercial is not experiencing the same message as a Tamil consumer who sees a commercial in Tamil and a cultural register. In retrospect, this seems a very straightforward idea. Back then, numerous global firms were still running international campaigns dubbed for overseas markets and wondering about the lack of improvement in penetration. A willingness to communicate in the local context, at higher production costs, as P&G did, was a sign of a commitment to developing the brand meaning in the consumer's context, rather than within the context.

It is a strategy that has been most often cited in the Whisper brand story. The product got into an authentic socially taboo category in India. The biggest problem wasn't lack of awareness of the product but the lack of awareness of menstruation in general among young women, and the fact that many of these women were not getting enough information about menstruation, nor did they feel comfortable talking about the subject in a store. The steps taken in the subsequent years in the advertising strategy, most obviously with the 2014 Touch the Pickle campaign, directly countered that silence, rather than advertising a purely utilitarian product. Those that interact with a brand in a meaningful way, and feel a sense of belonging to it, are likely to be much more loyal in the long run than consumers who only interact with the brand in a functional way (Iglesias, Singh and Batista-Foguet, 2011).

Apart from advertising its products, P&G has successfully leveraged Cause-Related Marketing (CRM) initiatives such as the much discussed but researched 'Shiksha' campaign that has created a 'win-win-win' scenario, as it has enhanced the education infrastructure in society, strengthened the work of the non-profit groups and generated a deep, purposeful brand loyalty among the consumers (Anjali & Kumar, 2022). Digital media has thrown a little wrench into the works, however. With the rapid growth of smartphone penetration in India, P&G has poured in significant efforts in digital and social media. Brands can positively influence brand equity elements such as awareness and brand image with the use of social media marketing and the relationship is more clearly established if the content is consistent with the brand's offline identity (Godey et al., 2016). Consistency across tv, digital and in-store is a challenging problem for P&G India, where different agencies are responsible for different channels.

Distribution and Rural Market Development

The basis of all consumer research and brand building depends ultimately on the product being available when and where the consumer wants it. Distribution in India is indeed a real challenge. Roads are not good in many parts, the retail business outside the major cities is mostly characterised by small kirana stores which can only carry the fastest selling SKUs and there is no reliable cold chain throughout the country. These restrictions have posed a challenge for P&G to design its distribution system around instead of forcing a western retail system into a different environment.

It has also involved having to re-negotiate minimums for channel partners, compromise on margins in order to reach a wider geographic area and putting in place distributor and retailer training programmes. The latter is more significant than it sounds. Retailer quality of brand information delivered to the consumer at the point of sale is a major determinant of the quality of brand information which reaches the downstream. Research indicates that there are measurable impacts on brand perception downstream when the quality of information at the point of sale is poor (Ramesh et al., 2019). From that perspective, it is not a sales activity but a part of the brand management process – the ownership of the kirana is genuine.

The strategy has also included rural activation programmes for Whisper and Pampers, where the traditional distribution channel was not able to provide a sufficient level of brand experience. Awareness building and first trial in markets where "product" was almost invisible

was achieved through mobile van activations and in-home demonstrations, and through health camp tie-ups. We are dealing with costly programs to be implemented on a large scale. However, when they're compared to actually the lifetime value of the loyal customer of rural origins within that growing income bracket, and not the per-transaction cost, the economics change.

Brand Resilience

In most aspects, Hindustan Unilever is the leading FMCG company in India and has more extensive distribution, better market penetration in rural areas and in many categories have better historical brand equity. They have been the strength positions that P&G had to maneuver around in when introducing Surf Excel in detergents, Dove and Clinic Plus in hair care, and Lux in soaps. The answer so far has been concentration, not breadth, manufacturing very deep pockets in less number of categories and where the company was prepared to invest heavily in order to have a specific territory for the long term, such as Pampers in diapers, Gillette in male grooming, and Olay in premium skin care. P&G faced difficulties with the diaper segment due to its high prices and lack of development of the segment by the majority of Indian households. The company developed the category, informed new parents about the benefits of dryness on the newborns development and then developed the brand. Many years passed and for a long time the economics didn't seem to add up. This market share was achieved by Pampers by the mid-2010s, and the company did not have to face competition from its rivals in urban and semi-urban India (SDMIMD Case Studies, 2015). What is learnt is that it takes a long time to create brand equity in underdeveloped categories and that the time horizon for investment must be aligned with the time horizon of the category development.



Figure 1. Potential Challenges for FMCG Brand Management in India

The newer threat is that of local Indian brands which are not only cheaper to produce domestically but also have a high measure of modern digital marketing techniques. The competition has been fierce with companies like Marico, Dabur and Emami having taken a strong foot in certain segments for a long time. Recent personal care brand launches by digitally native, well-capitalised, direct to consumer brands have been invading premium space previously dominated by P&G.

Key Questions for Discussion

1. Why, how and how much has P&G India leveraged consumer research to localise its product and communication strategy? How can this be done in a highly diverse market like India?
2. Assess the house of brands model P&G used in India. Why is it that keeping two distinct brands, Ariel and tide, in a market where price sensitivity may make it difficult to distinguish between the brands, is risky?
3. Was building equity using the Whisper brand and social insight that built around cultural taboos. Can this sort of purpose-driven branding win in the long-term, or is it going to look like it's taking advantage of consumers' awareness of corporate motivations?
4. What is the strategy P&G India has to deal with the emerging threat from domestic FMCG brands in the price and digital marketing segment? Is there enough brand equity to cover accumulated?
5. Analyze P&G India's growth strategy of being rural to drive growth and the positioning as a premium brand in urban areas. Is that these two strategies are aligned or is there a contradiction in terms of brand perception and margin management?

References

- Anjali, K., & Kumar, S. R. (2022). "How Cause Related Marketing Can Be a Win-Win-Win Situation? An Analysis of P&G-Shiksha Campaign in Indian Context." *Journal of Positive School Psychology*, 6(4), 10337-10343.
- Buil, I., de Chernatony, L., & Martinez, E. (2013). Examining the role of advertising and sales promotions in brand equity creation. *Journal of Business Research*, 66(1), 115-122.
- Chowdhary, S., & Anand, R. (2020). A content analysis study of P&G's marketing strategy adopted in India. *Global Scientific Journals*, 8(6), 615-632.
- Godey, B., Manthiou, A., Pederzoli, D., Rokka, J., Aiello, G., Donvito, R., & Singh, R. (2016). Social media marketing efforts of luxury brands: Influence on brand equity and consumer behavior. *Journal of Business Research*, 69(12), 5833-5841.
- Iglesias, O., Singh, J. J., & Batista-Foguet, J. M. (2011). The role of brand experience and affective commitment in determining brand loyalty. *Journal of Brand Management*, 18(8), 570-582.
- Jain, B., & Toshniwal, B. (2018). Impact Analysis of Packaging of Cosmetics on Consumer Behaviour: A Comparative Study of HUL and P&G. *Inspira- Journal of Modern Management & Entrepreneurship*, 8(1), 141-148.
- Ramesh, K., Saha, R., Goswami, S., & Sekar, R. (2019). Consumer's response to CSR activities: Mediating role of brand image, and moderating role of information quality. *Journal of Retailing and Consumer Services*, 48, 60-70.
- SDMIMD Case Studies. (2015). Case study on Pampers industry analysis. SDM Research Centre for Management Studies, Mysore.
- Sheth, J. N. (2011). Impact of emerging markets on marketing: Rethinking existing perspectives and practices. *Journal of Marketing*, 75(4), 166-182.

Content Localization and Audience Engagement Strategies in the Indian Media Industry: A Sony Entertainment Analysis

Dr. Shraddha Purandare Professor & Prof. Dhanashri Karki Assistant Professor

Introduction and Background

Indian TV has a special level of intimacy within the home. It is not background noise as TV is often in western contexts. It is watched and talked about, mentioned at breakfast the next day. Familiarity breeds disillusionment in the case of serial characters - when they're turned off viewers are actually affected. It's a cultural connection that makes the Indian media market so particular, and so special for those who know how to understand it. Sony Entertainment Television has been in India since 1995 when satellite television was just beginning to boom the market. The competition with established channels like Star Plus, Zee TV and Doordarshan and their positioning was what set Sony apart, one that it still maintains today, being more urban and aspirational than others. At present, Sony has diversified and functions under the umbrella of a variety of channels such as Sony Entertainment Television, Sony SAB, Sony LIV, Sony MAX and Sony Sports channels which makes it a big player in the media and entertainment industry in India (Sony Pictures Networks India, 2022).

This case is actually interested in the localization issue. What's the secret of bringing a global media brand to life that feels local? In the sense of real programming decisions, the casting, the language strategies, the timing of the programme broadcast, how you work with differences between regions in a country which is incredibly different. One reason Sony's story in India is a good one to study is because they have learned some things they could have done differently, and that's the problem with it.

The Indian Media and Entertainment World

Currently, India's media and entertainment sector accounts for around ₹2.1 trillion of the global industry, which is the biggest and fastest-growing market in the world (FICCI & EY, 2023). The industry is very diverse, and includes the fiercely competitive Hindi television sector, the major regional-language television industries, which include Tamil, Telugu, Malayalam, Kannada, Bengali and Marathi, and each has different audiences, content tastes and advertising industry. The traditional television business models are facing a challenge from digital business models. The advertising industry is investing more in digital media as it offers better targeting and measurement, while threatening TV revenues. Meanwhile, the streaming services have surged in growth. But in India, the long-held expectation of affordable entertainment is a big hurdle to subscription pricing. Because consumers are used to low-cost TV packages, pay-per-service models may be essential to the success of these platforms (Kamboj & Rahman, 2021). Sports broadcasting is still an important part of the business. Cricket is a sport, and a huge cultural phenomenon as well, creating a lot of media value. Its IPL broadcasting rights during the first 10 years of the tournament proved hugely beneficial for Sony, and helped its sports channels become a premier destination for viewers. Despite its IPL exit in 2018, Sony continued to be a strong sports-company with international cricket and other sports properties, highlighting the continued relevance of sports content in terms of audience acquisition and retention.

Content Localization Strategy

Media localization is more than just translation or dubbing. It involves creating content that appeals to and aligns with the cultural, familial and social context of its target audience, even within a same language group in India. In the past, Sony Entertainment Television has tended to program for the lifestyle habits of joint family households, the majority of which exist in most parts of the country. Sony's hits have been crime dramas, reality shows and family dramas.

Kaun Banega Crorepati has proven to be the most successful franchise as the contestants are presented in an Indianized manner, the questions are culturally relevant and a wholesome story line is being told. The show's adaptations have kept it well received by the audience and valued for advertising purposes (Thussu, 2019).

Sony has mixed a more family-oriented mix with more hopeful urban tales, but sometimes the mix has proved more difficult than Zee or Colors' in terms of clobbering a mass market audience. Sony LIV has also made an investment in original Tamil and Telugu programming; the presence of Sony LIV in Malayalam and Bengali programming isn't as strong regionally. With the growing spread of digital, gaining ground in regional-language markets early can be a competitive edge. Language is also used strategically by Sony: "Simple Hindi" that can be understood by all the audiences is maintained while not becoming too urban or too simple. It has also provided good dubbing of foreign materials, which has contributed to good acceptance by the audience.

Digital Transition and Sony LIV

Sony LIV is one of the key strategic moves by Sony in India. It was initially a catch-up television service, but as Netflix, Amazon Prime Video and Disney+ Hotstar became major competitor service providers transformed it into a full-fledged streaming service. The content on Sony LIV will be very different from broadcast, and will appeal to younger, more educated, urban consumers. This has allowed investment into niche and long form storytelling that may not have been the case in traditional primetime slots. The film Scam 1992, based on the life of Harshad Mehta, was one of the most successful streaming originals of the country and its success resonated with the audience's appetite for research-based, high-quality stories. It not only engaged the audience but also helped in strengthening the brand image of Sony LIV and provided publicity to the brand (Bhattacharyya & Mehta, 2022).

It currently operates on a freemium basis, with some ad-supported free content and premium subscriptions for original content and live sports. This is ideal for the Indian market, but for Sony LIV, it is a highly competitive one, when it comes to content library. As such, it is crucial to deliver high quality, original content on a regular basis in order to ensure retention. This is one of the sports streaming differentiators that Sony LIV has found to be a significant factor. The deal with the big cricket events, as well as WWE programming and other sports events, provides strong user interaction and helps Sony keep its dominance in sports broadcasting.

Audience Engagement and Community Building

Gaining audience attention is now more complex in India, in the social media age. Connecting with content has been an emotional bond for viewers, but now platforms like Twitter, YouTube, Reddit and Instagram show all of them how. Social Media trends during broadcast provide a real-time view that's able to broaden the range of a program beyond its typical viewers. Sony has been a consistent user of social media to complement its programming, and has been more active than any other network. The ideas for engaging the audience for flagship programmes, such as Kaun Banega Crorepati, which have celebrity appeal and use emotional narratives are not very complicated. But, for any drama in the mid-tier, the efforts need to be sustained in various forms like cast interaction, community management, and the content behind the scenes, which can be time consuming.

The second screen is even more prevalent with urban Indians who tend to use social media while watching TV. It has been found that views regarding a product are heavily affected by discussions on the internet and peer recommendations (Gupta, Jain & Prasad, 2020). Consequently, Sony's approach to digital is becoming more about leveraging social media interactions to drive more engagement with its audiences and subscriptions to its platforms. Reality shows like the Indian Idol and The Voice India have especially high engagement during

auditioning and voting for the finale. They have been so effective because there are local stories, such as the theme of family sacrifice and small-town success, that Sony has been able to put into their success.

Competitive Pressures and Strategic Challenges

Sony is being challenged strongly from established broadcasters and digital media platforms in the Indian media market. Other players like Disney-owned Star India, Zee Entertainment have a decent distribution and reach and streaming sites like Netflix, Amazon Prime Video have set high expectations of viewers for high-quality content. Sony suffered a huge blow when the Indian Premier League (IPL) was awarded to another broadcaster in 2018. IPL had been successful in boosting the viewership, brand visibility, and advertising revenue on Sony's sporting and entertainment platforms. While Sony has since developed its sports business into its own with the Women's Premier League (WPL) and ICC events, nothing can match the cultural impact and audience size that the IPL provides right now. For general entertainment, Sony will be having problems against sensational and melodramatic programming lines. Its relatively mainstream, high-end positioning can help to build brand loyalty in the long term, but can restrict its reach to some mass market audience segments. The suggested deal between Sony India and Zee Entertainment seemed to be one way to overcome these competitive pressures. A merger of the two companies may have bolstered their market positions with the content libraries and advertising leverage and their resources. Eventually, though, the merger fell through, after an extended regulatory and legal hurdles process, and Sony is still battling the same strategic issues that originally inspired the merger.

Summary of Core Issues

Sony Entertainment India's goals are based on two important changes: moving away from broad TV and dealing with the challenge of localized content for the very diverse Indian populace. In general, Sony's transition into the digital world has been successful and the new division, Sony LIV has found its own niche with the creation of successful original programming. In Hindi programming and sports, however, it is more effective at localizing its efforts than it is in regional-language markets and smaller town streaming audiences.

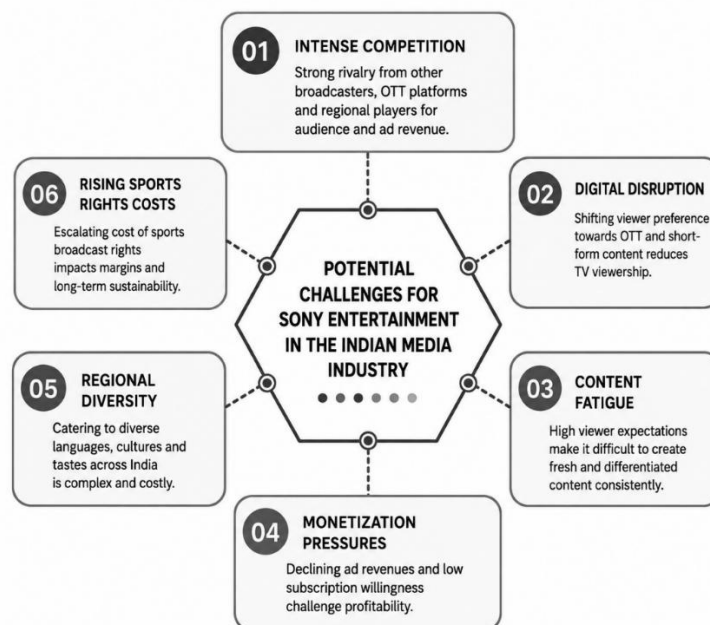


Figure 1. Potential challenges in the Indian Media Industry

When there's more investment in Indian content and new players like Reliance Jio slowly making their way into the media, it's likely to get stiffer. This means success will likely require specialization in this environment and not getting into too many markets. Sony's biggest opportunities are in bolstering its existing strong brand equity in desirable urban genres, sports broadcasting, and select reality formats so that it can establish a clear and distinct brand identity in today's cluttered media environment.

Key Questions

1. Analyse the content localisation strategy of Sony Entertainment India and its major rivals in terms of its pan-India reach and regional market relevance.
2. How will the absence of IPL broadcasts impact Sony's sports content strategy in the long run, and what other sports properties might be able to take the place of IPL?
3. What have been the differentiating parts of Sony LIV's content approach which have enabled them to gain subscribers and retain them – and are they sustainable in markets other than Hindi?
4. What is the best way for Sony to balance its relatively high-end brand positioning with the market it is trying to target - the mass-market Hindi audience with the highest absolute numbers?

References

- Bhattacharyya, S., & Mehta, R. (2022). OTT platforms and the reshaping of Indian content consumption: Audience trends, production economics and the streaming premium. *Journal of Creative Communications*, 17(2), 145-162. <https://doi.org/10.1177/09732586221088902>
- FICCI & EY. (2023). India's media and entertainment sector: Tuning into the next chapter. Federation of Indian Chambers of Commerce and Industry. https://www.ey.com/en_in/media-entertainment
- Gupta, N., Jain, A., & Prasad, V. (2020). Second screen behaviour and social media engagement in Indian television audiences: Patterns, motivations and implications for broadcasters. *Journalism and Mass Communication Quarterly*, 97(4), 1012-1031. <https://doi.org/10.1177/1077699020935712>
- Kamboj, S., & Rahman, Z. (2021). Consumer adoption of streaming services in India: The role of perceived value, content quality and price sensitivity. *International Journal of Information Management*, 58, 102-117. <https://doi.org/10.1016/j.ijinfomgt.2021.102117>
- Sony Pictures Networks India. (2022). Corporate overview and network channels. Sony India Media Kit.
- Thussu, D. K. (2019). Localising the global: Bollywood, Kaun Banega Crorepati and the cultural economy of Indian television formats. *Media, Culture and Society*, 41(3), 363-378. <https://doi.org/10.1177/0163443719831946>
- Venkataramaiah, N., & Rao, P. (2021). Regional language digital content and OTT platform growth in India: Analysing demand, supply and monetisation patterns across South Indian markets. *Vikalpa: The Journal for Decision Makers*, 46(3), 178-193. <https://doi.org/10.1177/02560905211040871>

Product Differentiation and Market Leadership in Consumer Appliances: LG Electronics India

Dr. Sanjay Salunkhe Professor, Dr. Sagar Bhadange Associate Professor

Introduction and Background

One can be sure that an LG logo will be visible in almost every middle-class household in India. The fridge buzzing, perhaps the washing machine and maybe the AC unit in the bedroom. It was not a coincidence that this near-ubiquity existed. In 1997, LG Electronics made its debut in India, when liberalisation was relatively new and the Indian consumers were experiencing the taste of international brands of consumer electronics for the first time. The market was open, but was highly ambiguous. Whirlpool had stumbled. Samsung was getting its first taste of success. And most Indian households didn't know the name of LG at the time, so they had to learn how to compete. The ensuing 20 years was, in fact, one of the lesser-known marketing narratives in the annals of India. It wasn't just a matter of the price, the company succeeded. It has done well as it has embraced a concept that a lot of foreign brands never get to India: this is not a monolithic market. There are hundreds of markets where everyone lives where everyone speaks the same language and the same climate, and where everyone has the same family structure, and where everyone has the same aspiration. The company had to completely rethink its product strategy around those complexities (Jain & Haley, 2009).

LG Electronics India's revenue crossed Rs 15,000 crore in 2023, and it was among the top two brands in various key appliance segments. It has a vast number of employees, produces in-house in Greater Noida and Pune and has a service network that is spread across the metros. Questions considered in this case are addressed to the question of How it got there? What particular differentiations did it use? But do those benefits exist in the long term and can they withstand newer, even more powerful, domestic and Chinese competitors?

The Indian Consumer Appliance Market

Since the late 1990s, the Indian consumer durables and home appliances market has increased significantly. As income grew, the population grew as did the urbanisation and the growth of retail credit, and large home appliances became available to many more people. Items such as washing machines, refrigerators, which were once items of desire for upper middle class people slowly made their way into the life of a larger group than before. Based on the market research conducted around 2019 and 2020, the overall consumer durables market size is estimated at \$10 to \$12 billion annually, with the growth of approximately 10 to 12 percent per year, with Tier 2 and Tier 3 cities being the driving force (Bajaj & Kumar, 2019). Fascinating competition it was. Never and never will be a monopoly market. In the overall market, LG and Samsung share about 30-35 percent of the market, but in some categories such as televisions, LG's market share was sometimes much higher. Whirlpool's strong products are washing machines and refrigerators. Haier and Voltas were doing a great job. But then, there's the home-grown giants too, which are pretty formidable in the air conditioning business, such as Voltas, Daikin and Blue Star. In other words, the market structure is one in which there's fierce competition among players in a category, but there's no single player dominating the market.

What is important to understand is that nobody knows the relationship of the Indian consumer with consumer durables better than the western Europeans or the Americans. This is not a regular changeout program for appliances. They're kept for a long period of time. Which leads to a huge importance of brand trust as a purchase would be expected to last 10 or 15 years, not three years. In most markets, the discussion about service experiences is not as strong as it is in the gas market. The after sales support is highly dependent upon word of mouth. This was something that LG discovered early, and had a lot of impact on their strategy.

LG's Product Differentiation Strategy in India

The process of product differentiation in the Indian market by LG has been divided into two more or less different stages. The first (late 1990s to mid-2000s) was on the relevance issue in the Indian context. The latter (from around 2008) has been the premiumization of technology. The process of thinking was very different in both phases.

The initial efforts to localise were not easy. LG India spent many hours researching what Indians really demanded from their appliances and that often clashed with its international product lines. Outside of cities, power supply was not reliable and Indian refrigerators had to cope with the ups and downs of the voltage levels. Washing machines were required to wash thick cotton clothes which are widely used in Indian homes. Large joint family living rooms, not small European apartments, were the homes in which air conditioners had to be used to cool. These aren't small tweaks. These need to be addressed at basic engineering level (Batra & Kazmi, 2018).

LG also unveiled its 'Golden Eye' feature in TVs, which would automatically change the brightness of the picture depending on the lighting conditions. This was heavily promoted as India specific and caught on. Another product initiative was their 'Health Wave' microwave ovens, which was sold specifically in India with a focus on the home where nutrition and modern cooking were regarded. The question is whether the technologies were as new and fresh as the marketing was making them out to be, but the fact is that LG was always positioning its products as "fit for India. It was a useful stance to occupy in a market where global brands were seen to be uncaring about the local market.

The second phase is more familiar to anyone who has known LG all over the world. OLED televisions, refrigerators with InstaView and smart washing machines. The smart home ecosystem, ThinQ. These are high quality products for the top 10% of consumers able to afford large price premiums in India for the latest technology. This segment is actually quite sizable, even if not all that much of a percentage. Even if the population is just a fraction of a billion, it still translates to a lot of households. For example, in the high-end TV segment, LG's OLED brand is widely accepted by home cinema fans and the high-end segment that is driven by advertising (Verma & Bhatt, 2022).

This two-tier solution appeals to both mass market and premium users but the execution problem is there is a risk of confusing the users with the brands. The cheap basic refrigerator manufacturer for a family in Nagpur should not feel like a different company as compared to Rs 3 lakh OLED TV manufacturer for a rich family in Gurgaon. This has been achieved by maintaining a relatively stable visual identity, but communicating widely and freely using different product names and messaging strategies. A good attempt and will need attention all along the way.

Distribution, Retail Presence and After-Sales Service

When a product is made with a differentiation strategy, it is only successful if the product is available for purchase and the service after sales is reliable. These are the less than glamorous, but very important things. LG has built one of the better distribution channels in this category in India which most analysts would consider to be one of the strongest. LG products are sold in a vast geographic distribution network, ranging from large format stores in metros to smaller cities with independent stores. The company has more than 25,000 touch points with its dealers across India with additional online sales via Amazon, Flipkart and its website. This is hard to simulate quickly and is a good entry-cost barrier for newer brands to break-in. If a Chinese brand is able to come in with a competitive price tag but no real service network, then it will be a failure in the long run because the Indian consumers have been cheated enough by the lack of a service network that they consider it a part of their purchasing decision.

One of the best assets of LG in India is its after sales service. The company is estimated to have approximately 1,500 service centers throughout the country with what it refers to as 'Premium Care' service centers in the larger cities. LG service complaints have good response and resolution times compared to the industry. This is not about skill and competency but a strategic asset. Studies regarding brand loyalty in the context of consumer durables have always revealed that the extent of service experience has the most profound impact on the repurchase behavior, far more than the initial product quality (Gupta & Sharma, 2016).

The question also arises as to how the organised retail expansion is affecting the dynamics. The emergence of big players such as Croma and Reliance Digital in the big electronics showrooms has somewhat dented LG's edge in terms of building a relationship with dealers, as these outlets sell multiple brands with a hard negotiation on margins. The brand has been spending more to merchandise the products in the stores and has been training the sales associate to actively recommend the product which was not achieved so far.

Competitive Positioning and Market Challenges

When measured against any yardstick, LG Electronics India is a market leader in a number of segments. But the competitive environment is becoming more challenging and is making this leadership increasingly difficult to sustain. The three major challenges are from Samsung, domestic Chinese brands and the increasing strength of domestic manufacturers.

For over a year now, Samsung and LG have been operating in a kind of duopoly scenario in the premium price segment of consumer electronics in India. It is a well-known fact that both companies know each other well, and competition between the two is fierce, but rather civilised. They closely monitor each other's new products, price changes and promotional campaigns. It's not Samsung that's been the real threat for LG, it's the disruption from below. But Xiaomi's foray into the big appliance segment, Haier's aggressive expansion and TCL's television push have all made the assumption that consumers in the middle market would flock to either Korean giant seem to be wrong. They were Chinese brands, which could not be matched in price, without sacrificing margins. And they came with an improvement in quality. This stereotype of an 'Indian automatically rejects Chinese appliances' as poorly made and low quality is no longer true for all appliances. For example, Haier refrigerators are quite good with regard to reviews and are also less expensive than the corresponding LG refrigerator. If you are a first-time buyer and have no brand loyalty, then it isn't easy to undermine the value that Haier can offer compared to LG refrigerators.

LG's answer has been to further go premium and to play hardball in the mid-segment price category. It's not an opposite thing, but there is a high level of precision involved. It doesn't make any sense to have the company look cheap, and yet provide competitive entry level prices. Not all of this is going well and some tension is emerging around the way it's being managed. In the tech category, LG has also made huge investments in OLED display technology and AI-powered appliances with its ThinQ brand. These are true differentiators and LG has actual patents and engineering where these things come. ThinQ is a unified smart home approach, where a single app connects and controls various LG devices. However, the penetration of smart home solutions in India is still hindered by connectivity, consumer awareness and, most importantly, the absence of a comprehensive suite of LG home appliances in most Indian households to create an alluring smart home experience (Aggarwal, Goyal & Sharma, 2023).

Sustainability of Market Leadership

It is a matter that needs to be taken up with great seriousness whether LG's dominance in India is going to be sustainable or not. There are a number of structural influences that continue to aid in strength. There is a high level of awareness and most importantly trust with the brand. It takes a long time to establish trust and even longer to duplicate it. New products are having a

hard time gaining credibility in product categories where consumers are buying big, infrequently, and are concerned about ten-year reliability. LG also has a presence in manufacturing in India, which will only further help. The Indian government's Production Linked Incentive (PLI) scheme and the overall push towards 'Make in India' offer an advantage to domestic manufacturers which foreign brands with no manufacturing facilities are not easily able to avail. The quicker it can adapt to demand fluctuations, the lower its exposure to import duties and the more competitively it can charge in categories where duties on finished goods would continue to be high, the better LG is able to do thanks to its Greater Noida and Pune factories. This is a vital asset which was developed over a number of years. But the viability of the technology differentiation approach is not as clear. The technology is in fact LG's own – LG Display co. is the supplier of the panels used by Samsung and other companies. This is true levels of competition. However, in the mid-market segments the technological superiority narrative is more about marketing rather than fundamental technology. It is possible for competitors to match features in a product cycle or two. From a product advantages point of view, the rate of hardware 'commoditisation' in consumer electronics means that no product advantage will last as long as 10 years ago. In the longer term, the brand that can earn the trust of its consumers in Tier 2 and Tier 3 cities stand to gain the most, as the Indian consumer durables market is expected to grow largely in these cities. The distribution and service network is suitable for the implementation of this in LG's present network, however further investment is needed. There's no such thing as Patna, Raipur and Kochi being the same as Mumbai – the company that thinks it is will be incorrect.

Summary of Core Issues

The case of LG Electronics India is an interesting one because it is a foreign brand that really adapted and succeeded. They didn't have a better product as was sometimes claimed and the market rewarded them. It's all about the planning, the distribution system, the reputation of after-sales service, and the desire to invest in India for the long haul and not simply as an opportunity to extract profits. The main difficulties in the future lie in the competitive and structural aspects. Chinese brands are definitely present at the mid-market segment and they are not going down. Premiumization is a strategy that is suitable to a market segment which is still growing, but which still represents only a minority of the total market. The smart home and connected appliances story is good, but too early for the majority of Indian homes. Then the issue of how the India business fits into the rest of the world's strategy of the parent company comes into play. Many of the decisions taken in Seoul with respect to product development and technology investment may not be the best for the Indian market. This is a battle every global company has to fight: between being efficient and being relatable, and how LG navigates the waters will determine the next chapter in its India journey.

Key Questions

1. In what ways has LG's strategy of localisation of its products affected its competitive position vis-à-vis firms that adopted a more standardised global product strategy in India?
2. How and why will Chinese brands of appliances begin to compete with LG's dominance in the mid-market over the next five years and what strategic moves can be made to respond?
3. How much of an "after sales service network" does LG have as a competitive moat and how will shifting retail dynamics and the growth of e-commerce impact that?
4. What should be the focus of LG India's technology differentiation investments for affluent consumers that could be OLED or AI features versus reliability and value enhancement for first time appliance users in Tier 2 & 3?

References

- Aggarwal, A., Goyal, R., & Sharma, P. (2023). Smart home technology adoption in emerging economies: An analysis of consumer readiness and perceived value in urban India. *Journal of Consumer Marketing*, 40(3), 312-325.
- Bajaj, A., & Kumar, S. (2019). Consumer durables sector in India: Growth drivers, competitive dynamics and investment outlook. Kotak Institutional Equities Research Report.
- Batra, R., & Kazmi, S. H. H. (2018). *Consumer Behaviour: Text and Cases* (3rd ed.). Excel Books.
- Gupta, A., & Sharma, R. (2016). Brand loyalty and after-sales service quality in consumer durables: Evidence from Indian markets. *Vikalpa: The Journal for Decision Makers*, 41(4), 298-311. <https://doi.org/10.1177/0256090916676657>
- Jain, S. C., & Haley, G. T. (2009). *Marketing Planning and Strategy* (8th ed.). South-Western Cengage Learning.
- LG Electronics India. (2023). Company Overview and Corporate Profile. LG India Official. <https://www.lg.com/in/about-lg/>
- LG Electronics. (2022). LG Electronics Sustainability Report 2022. LG Electronics Inc. <https://www.lge.com/us/sustainability>
- Verma, H., & Bhatt, N. (2022). Premium television market in India: Brand positioning, consumer perception and competitive dynamics. *Indian Journal of Marketing*, 52(8), 21-35. <https://doi.org/10.17010/ijom/2022/v52/i8/172139>

Brand Trust and Product Innovation in the Indian Bakery Industry: Evidence from Britannia Industries

Dr. Sanjay Salunkhe Professor & Dr. Shraddha Purandare Professor

The Indian Bakery Market

A particular level of trust is given to a handful of packaged food brands that have been around since kids were little in their homes. There are at least four or five companies out there that have earned this and one of them is called Britannia. The pile of yellow Good Day biscuits on a shelf by a cup of tea is not only product placement, it's more of a cultural practice for tens of millions of families. Yet, over the last 10-15 years, Britannia has also been aggressively entering the dairy segment, the premium baked goods category, health-related product lines and even segments which its core customer base of biscuit buyers did not necessarily expect them to venture into. It's really a case of balancing the obligations of respecting that legacy trust and as an opportunity to go somewhere new.

It was projected that the organised bakery market in India is worth approximately Rs 45,000 crore in the early 2020s and biscuit is the largest value share of the bakery market followed by bread, cakes and rusks. The organised segment is growing due to the shift from rural to urban areas, increased snacking preferences, the growing income in tier 2 and tier 3 cities, and the formalisation of the once primarily unorganised local bakery and small manufacturers (Sharma & Kaur, 2021). In this context, Britannia has become as the biggest player in the organised biscuit market, but one which has never allowed itself to be taken for granted for decades now. The one closest competitor is still Parle Products, with Parle-G, the glucose biscuit being the highest volume biscuit brand in the world by units sold. ITC Limited dabbled in biscuits in 2003 with its Sunfeast biscuits, and gained a good foothold in premium and cream variants. The premium segment has been competitive with multinational companies such as Mondelez (Oreo) and the likes of McVitie's, through a series of distribution agreements. The end result is a market that's low end, high end and mid range, all contended and that's just where Britannia has to live.

Brand Trust as a Strategic Asset

Brand trust is defined as when consumers are willing to trust the brand because of its consistency, reliability, and positive interactions (Delgado-Ballester & Munuera-Aleman, 2001). Trust is particularly vital in certain sectors, such as food, which are linked to health, safety, and family well-being. Britannia's three pillars of trust since 1892, its 'good day', 'marie gold' and 'tiger' brands and its communication that focus on the family values rather than on aggressive claims. The company has also not been too aggressive in changing its core product formulas as any slight change in the formula can have an adverse effect on consumer's trust (Joshi & Mookerjee, 2019).

One notable example is Tiger biscuits, which are nutrition-focused and enriched with iron and calcium, and marketed to the consumer in lower income brackets. Tiger also built Britannia's brand as a socially responsible business through their collaboration with the development organisations. While commercial impact was moderate, the brand meant that consumers perceived that Britannia was a trustworthy and caring organisation and this helped to build trust in the brand in addition to its sales efforts.

Product Innovation Strategy and the Premiumisation Push

Premiumisation is the most obvious aspect of Britannia's innovation strategy in the past decade. The company has been steadily launching higher-priced products, with more and more sophisticated formulations, premium packaging, and more specific positioning. Examples range from the Treat Choco range, Good Day Chunkies, Bourbon premium variants, to Treat

Layerz cakes which have taken over the spaces that were traditionally filled with bakery-fresh or imported cakes. The strategy is based on solid business reasoning. In an increasing income market, premium segments have the potential of expanding faster, have higher margins, and can generate a positive perception of the brand. It has been suggested that premiumisation can be beneficial for established FMCG brands and can help to build brand equity if the premium product is genuinely differentiated, and offers a better quality (Kumar & Rajan, 2020). But when a product seems to be an upscale version of an existing offering, consumers don't like it. Health and wellness is another key field where innovation has taken place. Britannia's NutriChoice brand leveraged on increasing health awareness among the urban population around key pillars - whole grains and fibre and reduced sugar. NutriChoice crackers and digestive biscuits have become a commercial success. Innovation for health, however, is not easy. Nutrition claims are, generally speaking, under the microscope of the regulators and consumers are less receptive to marketing messages. Exaggerated health claims have been shown to harm trust more than a lack of claims do, as they are seen as misleading (Shankar et al., 2018). Britannia has generally refrained from rhetoric and highlighted the real components of its products like oats and ragi but the balance between genuine health upgrading and the marketing of health claims is still a constant challenge.

Distribution, Modern Trade and the Ecommerce Shift

The distribution network in India over the years has been established through a large network of small retailers, wholesalers and kirana stores and that was the strength of Britannia. The investment needed to be in field operations and last-mile logistics, providing this network with a competitive edge which was hard for others to match. But the development of organised grocery stores and ecommerce distribution has changed the distribution landscape. Today, retail space is used more efficiently, the retailers have more leverage and the brands have to put a lot of effort into trade promotions. To keep being visible and on the shelves, Britannia has adapted itself by capitalizing on its wide range of product offerings and a strong demand among consumers.

The rise of ecommerce is even more prominent. Online distribution eliminates traditional distribution hurdles, allowing new brands to gain national reach without a wide-ranging physical network. In this context, brand is one of the keys to discovery, as are ratings and digital visibility. Despite the challenges, the strong brand equity that Britannia enjoys has proved to be a boon, and the brand has now adapted well, learning to leverage digital marketing, ecommerce packaging and channel specific pricing.

Quick-commerce apps like Blinkit, Zepto and Swiggy Instamart are making quick commerce more complicated. Though Britannia is able to serve their customers with their products, the logistics of having many dark stores in urban areas is completely different from that of using the traditional logistics system of distributors.

Competitive Dynamics and the ITC Challenge

Since its entry in the market with Sunfeast in 2003, ITC has been one of the biggest competitors in the Britannia market. ITC has not been based on competition and price or distribution as prime factors but has been on product innovation and quality, with its premium products like Sunfeast Dark Fantasy. The success of the brand proved that new players can compete and earn consumer loyalty in a market segment usually dominated by the legacy brands, reinforcing the need to maintain the brand's reputation and trust among consumers by product performance. At the 'value end' of the market, Parle pose a different challenge. Parle-G is a leader in the lower segment while Tiger and Marie Gold brands of Britannia are fighting it out for the more expensive segment of consumers. Britannia has been holding its ground, but a price hike due to inflation can help Parle aim to lure price sensitive customers to Parle.

One of the other continuous problems is the fluctuation in input costs such as flour, sugar, vegetable oil and packaging material. Britannia responds to these pressures by forward purchasing, product choice and reformulation and by making occasional price changes. The fact that it could pass on moderate price increases without major loss in volumes indicated the robustness of customer loyalty for Britannia products, as compared to lesser-known products where consumers are less inclined to cover higher prices (Venkatesh & Mehta, 2022).

Core Issues and Challenges

Britannia has a number of structural issues to contend with. The first is that of the boundary of categories. The company has always been a biscuit business with some adjacencies in bread, cakes and dairy. However, as consumer attitudes and behaviours towards snacks evolve and migrate towards newer categories, the snack bar, protein bar, millet snack and trail mix variants, which do not fit into the traditional bakery category are at a crossroads for Britannia, as the company has to decide how to either broaden the scope of the category or lose out on consumer trust in the market where the company operates. The dairy business which Britannia has been developing for 20 years is still a work in process. The company has distribution capability and brand recognition to roll out dairy, and the economics of the dairy product are very different from the bakery product. While Amul may be a very strong brand in dairy, the competition and perishability of the segment have been a problem for Britannia in building a similar return profile in dairy as it has done in biscuits.



Figure 1. Potential challenges in the Indian Bakery Industry

In current competitive market, the major strategic pressures Britannia faces are represented in figure 1, which includes cost structure volatility, channel fragmentation, premium & value competitive encroachment and maintaining the pace of innovation while keeping the core brand trust intact.

The talent question is also true. Food Science, Consumer Insight and commercial judgment are a specific combination that is required for innovation-led consumer goods companies. Some of this has been developed over time, but it is highly competitive in India as well as packs are offered by the multinational FMCG companies and well-funded food startups. Developing a culture that can sustain innovation on an ongoing basis, not just in spurts is a real organizational challenge and is much more than just a matter of formulating a strategy.

Questions for Discussion

1. For decades, Britannia has used the same formulations in its core products, such as Good Day and Marie Gold. Under what conditions, if any, would it make sense to reformulate an established product that consumers rely on for wellbeing and how should these changes be explained to the consumers?
2. Assess the NutriChoice health positioning strategy. Given its portfolio, how believable is the health claim in the first place and what are the reputational risks if regulatory and/or consumer scrutiny continues to ramp up?
3. What would be the optimum strategy for Britannia to balance its investments between retaining its mass market share and expanding its premium share compared to ITC's Sunfeast? Do these goals conflict with each other or is it possible to achieve them together?
4. Critically evaluate the strategic benefits of quick commerce to Britannia. Which particular skills are required to be able to compete in this channel and what are the right parts of the portfolio to grow with that channel?
5. The case implies that there is a strong emotional/sensory/remembrance aspect of brand trust in food categories. What does this mean for the ability of Britannia to expand its brand into other product segments such as a protein bar or millet-based products, which are very different from the more traditional products it sells?

References

- Delgado-Ballester, E., & Munuera-Aleman, J. L. (2001). Brand trust in the context of consumer loyalty. *European Journal of Marketing*, 35(11/12), 1238-1258.
- Joshi, A., & Mookerjee, A. (2019). Consumer response to reformulation in packaged food: Evidence from the Indian biscuit market. *Journal of Consumer Affairs*, 53(4), 1612-1638.
- Kumar, V., & Rajan, B. (2020). Profitable growth through premiumisation: Evidence from emerging market FMCG firms. *International Journal of Research in Marketing*, 37(2), 362-381.
- Shankar, A., Cherrier, H., & Canniford, R. (2018). Consumer empowerment: A Foucauldian interpretation of health claims in packaged food. *European Journal of Marketing*, 52(9/10), 1901-1919.
- Sharma, P., & Kaur, R. (2021). Growth dynamics of India's organised bakery segment: Structure, competition and consumer trends. *Indian Journal of Marketing*, 51(6), 22-36.
- Venkatesh, S., & Mehta, R. (2022). Price elasticity and brand equity in the Indian biscuit category: A longitudinal study. *Vikalpa: The Journal for Decision Makers*, 47(1), 18-31.
- Morgan, R. M., & Hunt, S. D. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing*, 58(3), 20-38.

Competitive Strategy and Customer Retention in the Indian Telecom Sector: Jio Platforms Perspective

Prof. Vinod Sharma Professor of Practice & Prof. Ankit Bajaj Assistant Professor

The Indian Telecom Landscape Before Jio

In the history of any industry, there are times when you can clearly state that it was one thing before and another after. One of those times will be the launch of Reliance Jio in September 2016. The Indian telecom industry, prior to Jio, was an oligopoly of established players with incumbents like Airtel, Vodafone and Idea having invested the last two decades in developing their network, securing their subscriber base and managing their spectrum in a market that has seen a drop in pricing, but still provided them with decent margins. But all this fell apart within a few months of Jio. The price of data in India dropped by more than 90% in one year since the launch. Even two of the big carriers merged together due to necessity. And there were a few that had to get out of the business. In August 2016, Jio had no subscribers, but had more than 100 million by December 2016.

To understand what Jio achieved, it's important to spend some time understanding what the market was like prior to Jio. Before Jio's launch, India had about one billion mobile subscribers and the country's telecom market was the second largest in the world in terms of volume. But data penetration was not very high in non-metropolitan areas and mobile internet was still too costly for many consumers to use smartphones for more than voice and text. It was a market that was easy to dominate as all major players were established. Bharti Airtel topped revenue and brand perception, while Vodafone had strong brand presence in metros and corporate category, Idea Cellular had a strong foothold in some large states. The scene was highly fragmented with BSNL and several smaller players. Competition was based on quality of service and coverage, rather than price as the latter was relatively stable.

The incumbents were not likely to want to change this arrangement. There was no data market yet and a significant price war would have hurt all in the industry. Jio, however, with a different approach to a digital ecosystem and different incentives because of the backing of Reliance industries and a strategy not based on the traditional telecom model, entered the market with different incentives.

Jio's Entry Strategy and Competitive Disruption

Jio's disruption was just not due to cheaper data but three reinforcing strategies. It was priced free in the beginning and offered as a free service for about six months after it was launched. This prompted the players to either reduce margins or increase rates and risk losing subscribers. Jio also developed a completely 4G LTE network, which allowed them to serve the data traffic more efficiently than the incumbent with 2G and 3G networks. The technology gap in emerging telecom markets can also provide competitive edge that is difficult for incumbents to outperform, as it allows new players to burn cash in the transition phase (Pereira and Malik 2015).

Meanwhile, Jio looked to become a digital platform (not a traditional telecom service) and not go under the Apple umbrella. JioTV, JioCinema and JioSaavn were launched with connectivity. Ecosystem benefits emerge when support services are "complementary" and their value is augmented as they gain more integration (Jacobides, Cennamo and Gawer, 2018). This was effective which increased the number of consumers switching from incumbent carriers (Jasrotia et al., 2019).

Customer Acquisition Versus Customer Retention

Getting to 100 million subscribers in 3 months was quite an accomplishment, but it wasn't a sure success. Most Jio users were dual SIM users who retained their existing carrier for voice calls and data from Jio. With the ability to keep their numbers under the idea of portability, and the relatively non-carrier locked handsets, switching costs were not significant.

This put a definite retention problem in the way. Low prices are a key factor in attracting customers, and when they find a better deal, they are more likely to switch to it; when customers feel that it is too expensive, inconvenient, or that the service is not up to their standards, they are more likely to leave the company (Keaveney, 1995). With Jio getting into the business of charging for its services, and other firms cutting down prices, it was becoming important to retain subscribers.

Jio's response was by further investments in the network quality. By 2019, it had been able to compete with the Airtel coverage in many urban and semi-urban markets and had extended its network into the rural markets which were not served by Airtel. This was because network reliability is important enough to retain customers, as a satisfactory level of customer satisfaction is not enough to maintain customer loyalty if they can get them elsewhere (Rust and Zahorik, 1993). Corporate image, switching costs, satisfaction and brand experience are among the factors which affect the long term loyalty (Pant, 2022).

The Consolidation Phase and Market Structure

By 2018, the Indian telecom market had reduced from over a dozen carriers to three—the merged Vodafone-Idea company (which now trades under the company name Vi), Airtel and Jio. The status of BSNL stayed unchanged and still proved to be a commercial loser. The change was very swift and it was a successful establishment of a close oligopoly. The disruption had a significant impact on the incumbent firms, which resulted in major changes in the structure, such as the merger of Vodafone with Idea and the Airtel's buy of Telenor India (Satyanarayana et al., 2017). This merger altered the logic of retaining customers. There were very few direct competitors and the number of subscribers for each carrier grew larger and the losses in each became more apparent. With margins in the industry already thin it was no longer possible to compete on price. This competition forced the reorientation of the competition to quality of network, plan design and content differentiation.

The value of the customer is a function of the relationship between churn, margins and acquisition cost in subscription-based markets. The effects of the improvements in retention are cumulative in the long term, and can produce big long-term profitability even if the improvement, in itself, is modest (Gupta, Lehmann and Stuart, 2004). Acquiring customers was still costly in the post consolidation telecom market, and churn was still a concern, so the ongoing investment in the Jio ecosystem was a sensible idea if it could help to improve churn levels.

Platform Strategy and Switching Costs

Jio's platform business model is about building an ecosystem that adds value to its users as they embrace more services. Network effects are another source of competitive advantage for platform businesses as they reinforce the platform's ecosystem by providing users with more value from interacting with different user groups (Parker et al., 2016). This involves consumers, content providers, app developers, merchants and businesses leveraging digital services for Jio. The more services provided, the higher the switching costs. A user using Jio for internet connectivity and not watching movies, TV shows or listening to music on JioCinema, JioSaavn, and JioMoney is less likely to switch as compared to someone who uses Jio for internet connectivity and also watches movies, TV shows, and listens to music on JioCinema, JioSaavn,

and JioMoney. These "switching costs" are convenience and integration, not contractually-bounded.

While Jio's platform is likely to have a lot of users, the Indian consumer base is likely to be using several competing services at the same time. Additionally, a JioCinema subscriber can also sign up for Netflix or make payments through PhonePe. This means that the “stickiness of the ecosystem” that Chinese super-apps have created has not yet got a grip on Indian markets.

Customer Retention in a Post-Disruption Market

Once the initial chaos had subsided, it was all about the network quality and plan design for Jio to retain. Airtel heavily invested in premium positioning and truly had a quality edge in some urban markets until 2022 and 2023, where premium positioning and high paying consumers for reliability were the attractions.

Customer service is a series of interactions and the overall experience that you have with your customers is what matters for retention. Network performance is not the most important aspect of digital tools and billing systems; the quality of these tools and billing systems can also be equally important (Lemon and Verhoef, 2016). The app tasked to handle most of the self-service functions, ‘MyJio’ has been well-rated till now, indicating that this part has been taken care of well by Jio.

Another retention tool is the plan design. There are no uniform or standard set of Indian telecom plans with their validity, data limits, bundled services etc. In parallel, the poor network performance and weak signal strength coupled with inadequate complaint handling are still the top reason for mobile number portability (Singh & Satsangi, 2022). In complex plans, customers will also have a more difficult time comparing prices, which will make it harder to switch customers.

Rural Expansion and Lower-Tier Market Dynamics

Among the lesser talked about part of Jio's competitive move is its over-allocating to the rural connectivity. Before Jio, the economics of rural telecom was not apparent given that the average revenue per user in the rural was lower, infrastructure cost per subscriber was higher and Digital consumption in rural areas was less developed. While it is true that low-income markets in developing economies are huge commercial opportunities, they also demand for the first time new approaches to business, specifically in the area of unit economics and distribution and the conventional belief that they are not commercially viable is often mistaken (Prahalad, 2010). This was an application of logic that Jio would adopt with its strategy of selling subsidised 4G feature phones at a nominal up-front price, namely the JioPhone.

Through making the device affordable, Jio created the first opportunity for millions of rural and semi-urban households to be online for the first time and they had high effective switching costs as the only affordable 4G device they owned was built around the Jio ecosystem. This rural expansion also enabled Jio to gain a competitive edge from Airtel and Vi in terms of coverage, as Jio was the only carrier that would provide good 4G coverage at a similar price point at all.

The 5G Transition and Future Competitive Dynamics

As of late 2022, India had started its 5G rollout and Jio and Airtel had already been granted spectrum and deployed 5G. A strategic question for retention is how to make the leap to 5G. While the 5G transition would be a transformational one – moving any user from virtually no mobile internet to fast mobile internet – the incremental value for a typical Indian user is less than obvious. Much faster speeds are useful for some applications, such as enterprise and industrial applications, and most consumer applications don't need speeds up to 5G.

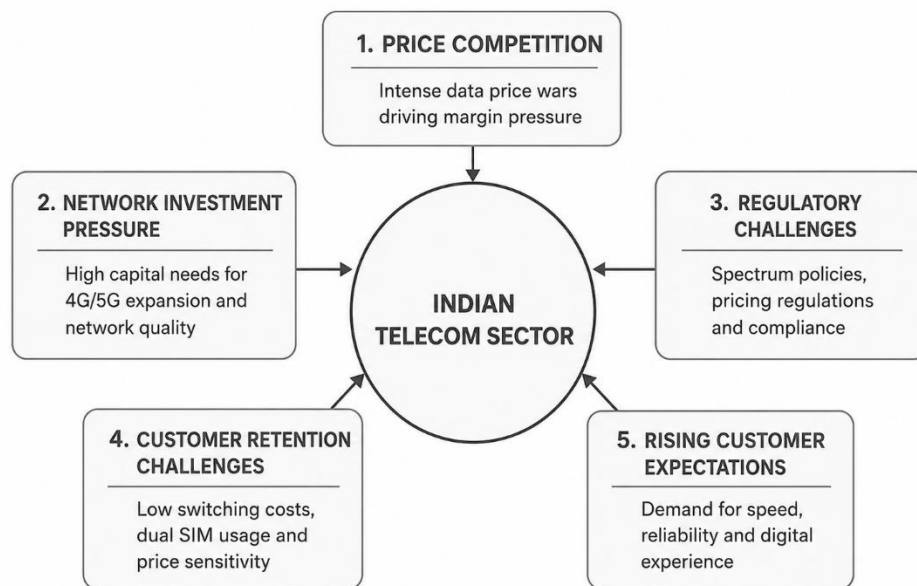


Figure 1. Challenges in Telecom Industry

This places the 5G investment strategy more on enterprise targets that have stringent connectivity needs and/or platform services that rely on low latency rather than on consumer marketing based on download speeds. Sustainable competitive advantage in platform and technology industries is more about sensing market changes, seizing new opportunities and reconfiguring resources (Teece, 2010) rather than being about a single moment in time. This is a fairly typical example of continuous reconfiguration as Jio has evolved from an access provider to a content platform to an enterprise service, and so on.

Conclusion

The Jio case brings up a larger question: how much is too much in terms of disruption going to be used as a competitive weapon in the long-term? It is easy to gain customers at a low price with a lot of money, but hard to sell them the same price. The difficulty now is to make it so much a part of their lives that people would not want to change. That's the key aspect, because Jio's future is not just about telecom pricing as it's also about how its ecosystem can be a useful component of consumers' experience on accessing content, commerce and digital services. It is uncertain as to the result. In 2023, Jio had many of the requisite pieces but a key question is how much of scale can be translated into engagement and profitability.

Key Questions

1. Compare the way Jio entered the market with the classic disruptive strategies in market disruption, and how the platform-ecosystem model does it differ from a traditional low-cost entrant?
2. Indian telecom customers have relatively low switching costs because of number portability. What has Jio done to ensure that customers stick to their service other than offering a low price, and how have these worked out?
3. How much of a stable competitive balance is the consolidation of Indian telecom into a three-player market and what factors could bring about the beginning of price competition again?
4. What should be the appropriate balancing of cost-benefit of Jio's market dominance with concentration in connectivity versus digital content market?

References

- Gupta, S., Lehmann, D. R., & Stuart, J. A. (2004). Valuing customers. *Journal of Marketing Research*, 41(1), 7-18. <https://doi.org/10.1509/jmkr.41.1.7.25084>
- Jacobides, M. G., Cennamo, C., & Gawer, A. (2018). Towards a theory of ecosystems. *Strategic Management Journal*, 39(8), 2255-2276. <https://doi.org/10.1002/smj.2904>
- Jasrotia, S. S., Sharma, R. L., & Mishra, H. G. (2019). Disruptions in Indian Telecom Sector: A Qualitative Study on Reliance Jio. *Indore Management Journal*, 11(1), 37-45.
- Keaveney, S. M. (1995). Customer switching behavior in service industries: An exploratory study. *Journal of Marketing*, 59(2), 71-82. <https://doi.org/10.2307/1252074>
- Lemon, K. N., & Verhoef, P. C. (2016). Understanding customer experience throughout the customer journey. *Journal of Marketing*, 80(6), 69-96. <https://doi.org/10.1509/jm.15.0420>
- Pant, A. (2022). Determinants of Customer Loyalty: A Study on the Factors Affecting Reliance Jio. *IJFANS International Journal of Food and Nutritional Sciences*, 11(10), 27-33.
- Parker, G. G., Van Alstyne, M. W., & Choudary, S. P. (2016). Platform revolution: How networked markets are transforming the economy and how to make them work for you. W. W. Norton & Company.
- Pereira, V., & Malik, A. (2015). Investigating cultural aspects in Indian management and organisations. *Culture and Organisation*, 21(5), 329-335. <https://doi.org/10.1080/14759551.2015.1082265>
- Prahalad, C. K. (2010). The fortune at the bottom of the pyramid: Eradicating poverty through profits (revised and updated 5th anniversary ed.). Pearson FT Press.
- Rust, R. T., & Zahorik, A. J. (1993). Customer satisfaction, customer retention, and market share. *Journal of Retailing*, 69(2), 193-215. [https://doi.org/10.1016/0022-4359\(93\)90003-2](https://doi.org/10.1016/0022-4359(93)90003-2)
- Satyanarayana, D., Rao, K. S., & Naidu, S. K. (2017). The impact of Reliance Jio on Indian mobile industry- A case study on mergers and acquisitions of idea Vodafone and Airtel – Telenor. *International Journal of Applied Research*, 3(3), 209-212.
- Singh, T., & Satsangi, A. K. (2022). Customer Retention Strategies in Private Indian Telecom Sector: A Comparative Study of Reliance Jio and Bharti Airtel. *International Journal of Early Childhood Special Education*, 14(2), 9670-9681.
- Teece, D. J. (2010). Business models, business strategy and innovation. *Long Range Planning*, 43(2-3), 172-194. <https://doi.org/10.1016/j.lrp.2009.07.003>

Customer Trust and Digital Service Quality in Indian Private Banking: A Case Study of HDFC Bank

Prof. Balkrishna Namdeo Salunkhe Assistant Professor & Prof. Jagdeesh Padaki Assistant Professor

Introduction

For the success of HDFC Bank, customer trust and digital service quality are pivotal as HDFC bank is largest private bank of India. The ability of bank to merge digital convenience with robust cybersecurity determining loyalty of its customers. However, there are some technical glitches and digital exclusions that need strategic mitigation for sustaining high level of satisfaction. Digital banking service quality of HDFC Bank makes significant influence on satisfaction and retention of customers. Users highly value the convenience of digital banking and swift transactions, lot of challenges are being faced by the bank with navigation of app, cybersecurity concerns and digital exclusion majorly in semi-urban areas. There is main five dimensions of service quality like responsiveness, reliability, assurance, empathy, tangibility are known to be important for customer trust. Digital banking service quality of HDFC bank is highly convenient and powerful giving benefits to customers and make user-friendly and virtual access faster and convenient (Priya & Subbulakshmi, 2021). In India, digital banking services have become highly popular, but its service quality and core banking application are still in the developing stage, based on the legacy technology by using monolithic architectures. HDFC banks closes to around 750 million of transactions every month, however, the rate of UPI transaction varies throughout the day. To scale out horizontally, Dapr metrics along with KEDA was leveraged on the incoming HTTP traffic that permits the number of replicas of Governor for scaling up and down without any challenge. With governor running in production, number of UPI transactions has declines substantially. As an outcome, this has provided a smooth user experience establishing a deep customer trust towards the bank. Swift adoption of digital banking service and rising FinTech has meant that banks must match with the rising expectations of customer to build the trust. It is necessary to avoid service disruptions because even the smallest downtime would erode the customer trust and decline the usage (Cloud native computing foundation, 2023).

Dimensions of Digital Service Quality

Several key areas defining the success of HDFC bank in digital banking are given below:

- **Platforms** – Complete ecosystems such as UPI, Net banking and digital lending portal.
- **Security & Reliability** – robust encoding and secured process of authentication develops high confidence among customers in online transactions
- **Scalability** – technological backbone of bank is upgraded constantly, which is supported by facilities such as Tech & Digital Factory for improving artificial intelligence and capabilities of cybersecurity
- **Convenience & Speed** – mostly digitally literate and customers from urban regions are found to be satisfied with efficiency, ease and time saved by using mobile banking services.
- **Technical & Usability Glitches** – for a portion of user base, mainly in rural and semi-urban regions, complicated app navigation and occasional technical glitch stays the point of friction.

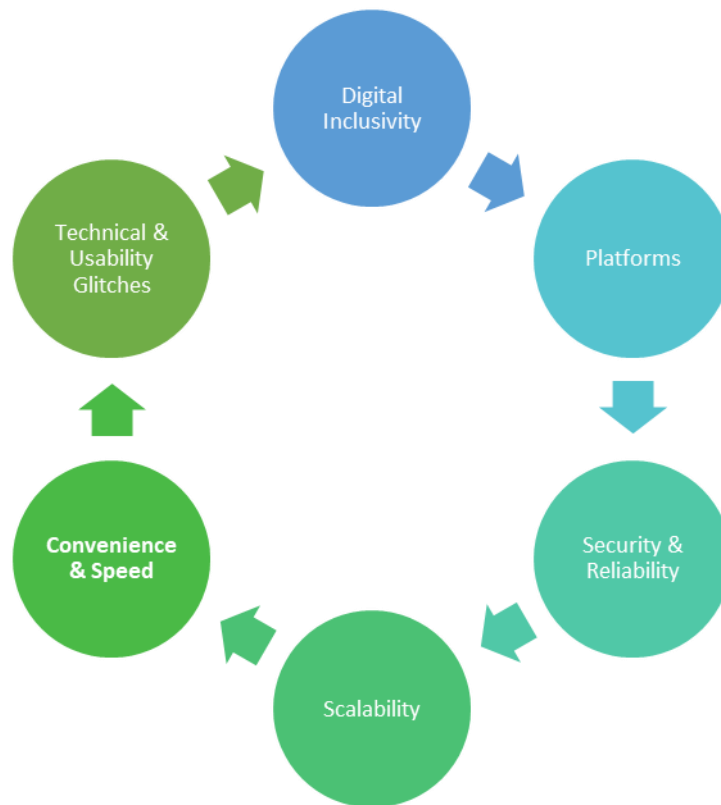


Figure 1 Dimensions of Digital Service Quality

Digital Inclusivity – digital exclusion is mitigated by the bank for older adults and users who are less-tech literate by providing them digitally assisted banking at branches and targeted campaigns for digital literacy.

Figure 1 shows the dimensions of digital service quality at glance:

The framework of sustainable finance has been approved by the board. HDFC bank is well-positioned for number of opportunities arising from structural financial service growth in India and staying major player on domestic banking landscape in future (Aberdeen). The Indian banking sector is threatened by this digital era that have made traditional banking to move towards more technological products. The FinTech companies are found to be aggressive in their approach to bring new solutions disrupting financial space. HDFC bank has been quick to leverage any changes required for their customers and in turn attain competitive benefits. The bank has partnered with FinTech companies in many ways for development of innovative products over the years (Bose & Paul, 2019).

Customer Trust and Cybersecurity

With the growing volume of digital transaction, data privacy and security of transactions make direct impact on customer trust.

- **Measures of security** – cyber threats and risks of data privacy is combated by HDFC through advanced system of authentication, encryption of data and monitoring real-time fraud.
- **Constant Innovation** – in order to stay ahead of cyber security and advancement of Artificial Intelligence, HDFC is constantly recruiting top talents in technical field for getting strengthened on digital security infrastructure.

In India, digital banking services plays a vital role as customers are looking beyond the traditional method of banking. After launching their own version of e-commerce festive sale,

HDFC bank has moved beyond services of traditional banking for becoming digital platform offering a range of services. Latest one is the suite of white-label apps called as “myApps”. Banks has created these apps for companies and has customised these apps on the basis of requirement of every company. However, it is claimed by the bank that all user data would be hosted on server of the institution, which the bank would facilitate ensuring the complete security and privacy of data (Ranipeta, 2020). HDFC Bank being the largest private sector lender of India is working to develop a more inclusive workplace, improves customer service and strengthen digital infrastructure. In order to achieve such goal, bank has applied a managerial behavior framework based on the principle of nurture, collaboration and care. The initiative of “nurture, care, collaborate” covering 12 thousand managers in financial year 2022 was extended to senior leadership and more than 6 thousand new managers in financial year 2023 (Ghosh, 2023). Within the particular framework of digital banking, the significance of service quality is highly critical serving to considerably impacting various facets of customer trust and satisfaction because the level of trust customer place in the service, and likelihood of ongoing use of said services (Arora & Banerji, 2024)

Technological Initiatives of the Bank

For sustaining the edge in digital service quality, HDFC bank has been constantly scaling up their technological infrastructure. Digital footprint has been expanded by the bank by opening advanced facilities such as “Tech & Digital Factory” which is dedicated to AI, innovation of digital banking and incubation of cybersecurity.

Emergent Challenges & Points of Friction

Despite the leading market position, many operational and systematic challenges test the customer trust occasionally:

- i. The Digital Divide – speedy digitalization and transitions of apps can exclude older demographics and rural and semi-urban customers who are still preferring face-to-face and assisted brand communication.
- ii. Scalability After Merger – the pains of growing pains after merger might sometime led to longer waiting time at physical branch and occasional delays in resolution of complicated complaints.
- iii. Expectation for Personalization – with the modernization of banking industry, customers expect personalized, bespoke advisory services instead of just standard and transactional lending.

Digital service quality must be used as a strategic tool for competitive advantage. With the rising level of globalization in Indian banking sector, adoption of universal banks, the competition in banking sector has intensified. Anywhere and anytime banking has become a reality recognition of service quality which is now acting as a competitive weapon. It is shown by the analysis that customers have rated the bank in between good and very good based on all five dimensions of service quality. For staying competitive, banks must enhance their service quality mainly in identified areas like empathy and tangibility as these are the majorly responsible factors for trust and satisfaction of customers with regards to the services that are being provided by the bank. The banks to satisfy their customers need to be more responsive and train their staff to show more empathy towards customers. The overall service quality that was obtained shows that, although customers are satisfied with the services of bank, but still more attention needs to be paid for improving service quality and to retain the existing customers as well as for attracting new customers (Prasad & Prasad, 2017).

Strategies for improving Customer Trust

HDFC Bank can employ and can refine several targeted initiatives for maintaining the edge and loyalty, below are some:

- i. Bridging the Digital Exclusion – they must provide the assisted digital banking models inside the branches and host campaigns for financial literacy for seamless adoption by underserved people.
- ii. Personalization driven by Artificial Intelligence – by using AI for better understanding of customer financial behavior and proactively offering personalized financial advice
- iii. Constant Feedback Loops – regular tracking of NPS (Net Promoter Score) and streamline the escalation of grievances ensuring quick resolution.

Trust is important for develop long-term relation. Strong client relations are the foundation of loyalty and trust. HDFC Bank attempts to understand the requirements of individual customer, create personalized financial products and services. Such personalization develops trust as it is important for long-term retention of customers. Trust is generally associated with repeat referrals and business that further fuel the growth of the bank (Pardeshi & Suryawanshi, 2024). Significant opportunities are being offered by the internet to banking institutes, like online banking services have become a strategic necessity for majority of banks. Using internet has become crucial channel of distribution for banking services because of considerable growth in customers who prefer internet banking. Such growth is fuelled by rising computer literacy, widely available computers, and declined cost of computers as well as the internet connection. It is found that the internet banking services that are being provided by the banks is satisfactory. But Indian banks could bring more measure of security for improving the trust and satisfaction level among customers with regards to the internet banking services. Banks must also provide proper guidance to customers with regards to the internet banking services, its benefits and significance in present life that would promote internet banking. This modern world is enjoying the benefits of internet banking and it depends on their perception and level of satisfaction with regards to the internet banking services that are being provided by the bank (Rajanarayanan, 2024).

Core Issues in the Case:

The rapid growth of digital banking has transformed the way customers interact with banks, but it has also increased concerns regarding the security, privacy, and protection of financial information. Technical issues such as transaction failures, application downtime, system errors, and slow response times can negatively affect the overall banking experience and reduce customer confidence in digital platforms. Therefore, ensuring the reliability and efficiency of digital banking services is essential for maintaining customer trust.

Key Questions

1. How does digital service quality influence customer trust in HDFC Bank's digital banking services?
2. Which dimensions of digital service quality (reliability, security, responsiveness, and ease of use) have the greatest impact on customer trust?
3. What is the relationship between customer trust and customer satisfaction in HDFC Bank's digital banking platforms?
4. How does customer trust affect customer loyalty and continued usage of HDFC Bank's digital banking services?

Reference

- Priya, J. & Subbulakshmi, S. (2021). Customers' Perception Towards E-Banking Services Offered by HDFC Bank in Chennai City, *International Journal of Multidisciplinary Research in Arts, Science & Commerce*, 1(2), 12-19.
- Cloud native computing foundation (2023). Retrieved from - [HDFC Bank | CNCF](#).
- Aberdeen. Aberdeen Investment trusts, retrieved from - <https://www.aberdeeninvestments.com/en-gb/anii/about-us/investment-case-studies/hdfc-bank>.
- Bose, I. & Paul, S. (2019). HDFC Bank: A Tryst With Fintech For Digital Transformation, *IVEY Publishing*, retrieved from - [Case Study: Hdfc Bank: A Tryst With Fintech For Digital Transformation \(English version\) | Ivey Publishing](#).
- Ranipeta, S.S. (2020). How HDFC Bank is moving beyond traditional banking through value-added digital services, The NEWS Minute, retrieved from - <https://www.thenewsminute.com/money/how-hdfc-bank-moving-beyond-traditional-banking-through-value-added-digital-services-115930>.
- Ghosh, S. (2023). HDFC Bank's focus is on service, inclusion, digital, Mint, retrieved from - <https://www.livemint.com/companies/people/hdfc-bank-s-focus-is-on-service-inclusion-digital-11689789623581.html>.
- Arora, P., & Banerji, R. (2024). The impact of digital banking service quality on customer loyalty: An interplay between customer experience and customer satisfaction, *Asian Economic and Financial Review*, 14(9), 712–733.
- Prasad, E.H. & Prasad, G.V.B. (2017). Service Quality and Customers' Satisfaction in HDFC Bank (A Study of Selected Private Rural Banks in Karimnagar District of Telangana State), *Pacific Business Review International*, 9(11), 55-66.
- Pardeshi, L.P. & Suryawanshi, P. (2024). Study on Client Relation and Financial Solution in HDFC Bank, *International Journal of Research Publication and Reviews*, 5(11), 5160-5169.
- Rajanarayanan, S. (2024). Study On Customer Satisfaction Towards Internet Banking Services in HDFC Bank, *Library Progress International*, 44(3), 16294-16304.

Sustainable Mobility Innovation and Market Acceptance in Urban India: Evidence from Ola Electric

Prof. Vinod Sharma Professor of Practice & Prof. Ankit Bajaj Assistant Professor

Introduction:

The trajectory of Ola Electric's market in urban India highlights a wider transition from initial hyper-growth to customer-driven operational demand. The focus of the company on sustainable mobility innovation such as manufacturing of vertically integrated cell and AI-powered management of vehicle, it has driven strong recovery and expanded in urban electric mobility market. Ola, is a synonym for electric scooter and can-sharing aggregator. Ola, started as a ride-sharing aggregator to a top electric scooter selling with a broader goal is now of the main contributor to the AI revolution in India. The world has welcomed sustainable transportation solution, Ola, which is India's ride-hailing company has appeared as a front-runner in the electric vehicle revolution. Ola venturing into electric scooter business showed a forward-thinking approach to sustainable mobility. Disruptive strategy of Ola and their record-breaking launch have reshaped the landscape of Indian EV undoubtedly paving the way for a greener future. The future of mobility is being reshaped by Ola with its investment in smart mobility solutions, like data-driven management of traffic and autonomous vehicles. Multi-modal vision of Ola, integrating public transport and bike-sharing, promises a seamless as well as sustainable transportation experience for everyone (Nikhil Kumar, 2024).

Key Innovation & Pillars of Sustainability

- i. **Vertical Integration** – manufacturers of Ola own Bharat Cells at its Gigafactory, that have declined their dependence on imported supply chain.
- ii. **Gen 3 Portfolio & Artificial Intelligence Capabilities** – latest vehicle lines of the company integrate technologies like MoveOS operating system, smart-range insights and advanced regenerative braking.
- iii. **Expansion of Charging Network** – wide rollout of local “Hypercharger” grids targeting urban range with the goal to make green commuting possible without any frictions.

EVs (Electric vehicles) have appeared at the forefront of driving the shift in mobility which is way from traditional ICE (internal combustion engine) to a sustainable option. The rate of adoption of EV in India is quite low of about 2% mainly because of high prices differential from traditional engine and absence of proper EV infrastructure. Some steps taken by Indian Government, OEMs as well as other stakeholder have revived investors and confidence of customers. Strategic investment is made by Ola Electric in Israeli battery technology company, “StoreDot”. Rising transactions in EV space shows increasing interest of customers and investors both (Maitra et al. 2022). In the active landscape of transportation revolution of India, one company, Ola Electric that appeared as a beacon of innovation and have lightened the road for controversy. It pictures a vibrant startup that busted onto the scene more like a new dawn that broke over the horizon, it promised a cleaner, greener transportation. High hopes and ambitious proclamations were marked in the early days of Ola Electric that have positioned them as a game-changer in the EV Space. Strides have been made by Ola Electric that have revolutionised mobility with its sleek and stylish scooters, the company has been found themselves in cross-hairs of scepticism, mainly because of their ambitious claims that they made regarding vision and capabilities. The Ola S1 scooter was unveiled in a grand way with a flurry of attention of media and enthusiasm of customers. The launch painted a picture of transformative picture, promising a cutting-edge technology, impressive range and an exhilarating riding (Greenvissage, 2024).

Market Acceptance & Challenges faced by the Company

- **Early Dominance & Headwinds** – the urban EV space by initially dominated by Ola Electric, increasing complaints regarding after-sale service and rising competition have caused substantial dips in the sales in early years.
- **Strategic Recovery** – the company must rebound strongly by revamping of service networks and by launching the Direct-to-Consumer (D2C) centres of experience. Consistent rise in the volume was logged by the brand.
- **Growth in Tier-2 & Tier-3** – expansion beyond major metro cities, urban and semi-urban regions are accounting for significant portion of new demand, signaling sustainable mainstream acceptance.

Largest mobility platform of India, Ola Electric, which is one of the top ride-hailing company all over the globe have leveraged its robust foundation in urban mobility for sustainable transportation. The journey of Ola Electric has been explored by StartupTalky; study was conducted in this article about the inception of the company to how they became main player in India's EV revolution and rising innovation with the development of Future Factory that made it the most sustainable and largest two-wheeler manufacturing facility in the world. Ambitious goals are been setup by India for boosting the share of EVs by 2030 with a target of 30% for private cars, 70% for commercial vehicles, 40% for buses and a huge 80% for three and two wheelers translating it into a strong objective to have 80 million electric vehicles on the roads by the end of the decade, driven by the push for comprehensive domestic production under the initiative of "Make in India" (Pimenta & Bajj, 2024). In order to solve environmental sustainability issues, mobility and energy security issue it is essential to have Electric Vehicles as they help in the reduction of greenhouse gas emission, improves quality of air, and promote economic development as it creates jobs and develop new innovations. Despite of so many advantages of Electric Vehicles, there are still many difficulties that persist like anxiety, limited infrastructure for charging purpose and high starting prices. However, constant breakthroughs in the innovation of battery, development of charging infrastructure, and supporting government regulations have reduced such obstacles and increased adoption of EVs (Majid, Kumar & Ahmed, 2024).

Ola expected to sell electric scooters with online platform, it had enabled customers to book a test-drive through their smartphones or computers, arranging for an Ola salesman to bring scooter to customer's doorstep. The company arranged physical experience at any selected location. Huge response was witnessed by Ola Electric for their new and expanded portfolio of S1 scooter with more than 75 thousand bookings received within 2 weeks of the launch of the scooter. To ramp up the production and to meet the demand of the market, the Ola FutureFactory is operational in all the three shifts. Ola has revolutionized urban mobility as it is the largest mobility platform in India and known to be the largest ride-hailing company in the world. It had made it available on-demand for more than a billion of people across 3 continents. Ola Electric has moved the world towards sustainable mobility through its ride-hailing platform through advanced manufacturing of electric vehicles at its FutureFactory, which is the world's largest, advanced and sustainable two-wheeler factory all over the globe (Anjali, 2023).

The customer base of Ola spans Gen Z commuters in urban regions, aspirational middle-class customers in Tier 2 and 3 cities, and fleet operators who seek low operating cost, every segment which is driven by affordability, range anxiety solutions and software features simplifying the ownership. Mapping of such segments assist Ola tailor products tiers from entry level S1 X to models that are higher performing while refining the services that are software driven such as subscription plans and remote diagnostics. Wide geographical networks of Ola making

contribution towards dominance of the market. Ola operates in around 160 cities; it provides transportation services to huge population. Such high reach of the company gives the company benefits over their competitors; it allows them to cater the needs of the transportation of diversified regions.

Impact on the industry & Future Outlook

Shifting towards EVs make influence on different sectors like delivery of food and services like same day courier that prioritizes the lower cost of operation in EV sector. By developing domestic battery technology constantly and localized product options, Ola has attempted to stabilize the position in the market while advancing green transport across urban regions of India. A prominent player in the EV market, Ola electric has attracted substantial investment from a diverse range of investors, it reflected a robust confidence in their vision as well as growth potential. Funds were raised by the company successfully through multiple rounds of investment, drawing interest from domestic as well as international investors. SoftBank, a major Japanese conglomerate is one of the key investors in Ola Electric, they are known for their substantial investments in technology and mobility startups playing a pivotal role that fuels expansion of Ola Electric. Tiger Global Management is other notable investor, it is an American investment company focusing on technology-driven companies, and Matrix Partners India that supported Ola Electric in early stages (Kodwani, 2024). A rich motive of research and development (R&D) and technological expertise was brought by Ola Electric on the landscape of Electric Vehicles. The focus of the company is extended beyond simply engineering of electric vehicles as they are committed to develop high-quality, accessible electric vehicles with the potential to reshape the cities. From cell technology to designing and manufacturing of vehicle, innovation of Ola Electric is actively developing the core technologies driving the transition towards a cleaner and sustainable future. The dream of city transformation of Ola Electric where mobility is defined by green energy is complemented by the commitment of the company to build a strong infrastructure of charging, development of efficient and reliable battery and developing user-friendly software platforms (Bhavik, 2024). Various policies and incentives have been introduced by Indian government for the promotion of electric mobility; there is a requirement for more comprehensive regulatory support for accelerating the adoption of Electric two-wheelers. By understanding the elements that make influence on the adoption of EVs is important for manufacturers, stakeholder and policymakers for the development of effective strategies encouraging the widespread adoption. With the investigation of economic, infrastructural, technological and personal obstacles towards the adoption, the aim of the study is providing insights informing targeted intervention as well as policies for accelerating the adoption of Electric two-wheelers. Thus, promoting sustainable mobility and mitigation of environmental impacts. For the promotion of wider adoption, targeted educational campaigns and incentives would help in addressing misconceptions and gaps in infrastructure. Income specific strategies must also be considered by policymakers for encouraging sustainable transportation choices (Pratyush & Kishore, 2024). Electric vehicle's performance and environmental advantages must be emphasized by the companies in their marketing efforts for increasing the intentions of customers to purchase. Strategies for mitigation of PPR must be developed by the companies and they must reduce the financial burden for the adoption of EVs. Marketing campaigns must be organized for informing customers with regards to environmental advantages of electric vehicles along with more educational programs. They must use statements emphasising environmental benefits in their advertising that would make contribution for the creation of environmental awareness among customers. It would make positive influence on the intentions of customers for using EVs by increasing their consciousness towards environment (Yildiz et al. 2024).

Core Issues in the Case:

Consumers often face concerns regarding battery performance, charging infrastructure availability, vehicle range, and long-term maintenance costs. Limited public awareness and misconceptions about electric vehicles can also hinder acceptance. Additionally, government policies, subsidies, and the affordability of electric scooters significantly influence purchasing decisions. Understanding these issues is essential for evaluating how companies like Ola Electric are driving sustainable transportation and encouraging the transition from conventional fuel-based vehicles to electric mobility in Indian cities.

Key Question

1. How do sustainable mobility innovations introduced by Ola Electric influence consumer acceptance of electric vehicles in urban India?
2. What factors affect consumers' purchase intentions and adoption of Ola Electric vehicles in urban areas?
3. How does the availability of charging infrastructure impact the market acceptance of electric scooters among urban consumers?
4. What role do government incentives and environmental awareness play in promoting the adoption of Ola Electric vehicles?

References

- Anjali (2023). Ola registers over 400% Y-o-Y growth in August; dominates the EV market with consistent leadership for a year, *electricvehicles.in*. Retrieved from - [Ola registers over 400% Y-o-Y growth in August; dominates the EV market with consistent leadership for a year - India's best electric vehicles news portal](#).
- Bhavik (2024). Ola Electric's Role in Shaping Tomorrow's Cities, EV INDIA, Retrieved from - [Ola Electric: Shaping Tomorrow's Cities | EVINDIA](#).
- Greenvissage (2024). Retrieved from - [Ola Electric – Riding the thin line between ambition and reality! – Greenvissage](#).
- Kodwani, R. (2024). A Detailed Analysis of Ola Electric India's One of the Most Successful Unicorn in 2024: Past, Present & Future, Inventiva, Retrieved from - [A Detailed Analysis Of Ola Electric India's One Of The Most Successful Unicorn In 2024: Past, Present & Future - Inventiva](#).
- Maitra, B.C., Schlosser, A., Sempf, F., Doerr, M., Chaudhari, P., Shah, R., Tibrewal, C. & Maheshwari, R. (2022). Unlocking India's Electric Mobility Potential, Arthur Little report, retrieved from - [Unlocking India's electric mobility potential](#).
- Majid, M.A., Kumar, C.R. & Ahmed, A. (2024). Advances in electric vehicles for a self-reliant energy ecosystem and powering a sustainable future in India, *Advances in electric vehicles for a self-reliant energy ecosystem and powering a sustainable future in India*, *e-Prime - Advances in Electrical Engineering, Electronics and Energy*, 10, 1-41.
- N. Kumar (2024). Explore the Journey of Ola's Success Story, History and Achievements, OTO, retrieved from - [A Journey of Ola's Success Story, History and Achievements](#).
- Pimenta, S. & Bajj, A. (2024). Ola Electric: Revolutionizing Mobility with Clean Energy Solutions, Startup Talky, Retrieved from - [Ola Electric: Revolutionizing Mobility with Clean Energy Solutions | Founders | Growth | Challenges](#).
- Pratyush & Kishore, K. (2024). A Study on the Factors Influencing Adoption of Electric Two-Wheelers in Tier-1 Cities, *International Journal of Novel Research and Development*, 9(3), 462-470.
- Yildiz, B., Cigdem, S., Meidute, L. (2024). Sustainable Mobility and Electric Vehicle Adoption: A Study on the Impact of Perceived Benefits and Risks, 39(2), <https://doi.org/10.3846/transport.2024.22413>, 129-145.

Brand Loyalty Formation and Premium Positioning Strategies in India: The Apple Case

Prof. Tharageswari Soundarapandian Assistant Professor & Prof. Balkrishna Namdeo Salunkhe Assistant Professor

Introduction:

In India, strategy of Apple balances premium positioning with affordability by using the “halo effect”, financing schemes, and local manufacturing of flagship retailing for capturing aspirational purchasers. Such ecosystem approach develops long-term brand loyalty by associating with software, hardware and services into a unified and high-status lifestyle. The Apple brand of electronic products, for customers is not just a mobile phone but also a rare electronic assistant for them. Apple Pay, Apple Ios along with some other unique designs and high-quality products make customers develop strong brand loyalty with Apple. In the marketing strategy of Apple, social identity is important for enhancing the status of the brand and strengthening the brand image through psychology of people. A big part of success of Apple is the design, features of their product, and advertising, brand image as well as customer experience. It is also analysed how ecosystem of Apple has assisted to in the creation of brand differentiation, with Apple Pay, iOS, and commitment towards quality products and unique designs develops strong brand loyalty as well as identity in the minds of customers (Zou, 2023). Apple as a brand with highest level of loyalty of customer and this has put them on dominant position, which they are enjoying today. Business organization who seeks their customers to buy their products more than once, knowing how to foster loyalty is highly essential skill. Furthermore, if any company is struggling to distinguish their product in a similar industry, development of customer loyalty and brand equity is the best way of building sustainable competitive benefits. Extraordinary brand loyalty of Apple is not just regarding the appeal of their smooth devices, it is an outcome of a multi-faceted strategies tapping into cognitive biases, techniques of forming habits, social influence and identity signaling (Masias, 2024).

Core Drivers of Brand Loyalty

The Aspiring "Apple Ecosystem" – exceptional retention is created by Apple through ecosystem lock-in. Features such as universal clipboard, AirDrop and seamless cloud syncing creating high cost of switching. Owning an iPhone in India along with the AirPods or a Mac works as a strong status symbol, it develops a deep emotional as well as social bond with the brand.

Initiatives of Hyper-Localized Affordability – Apple is historically seen as a luxury brand in a highly price-sensitive market, it has penetrated in the Indian middle-class life as it offers lucrative trade-in deals, local banking tie-ups and No-Cost EMIs.

"Make in India" Connection – by shifting a substantial portion of global manufacturing footprints to India, supply chain has been localized by Apple, it has enabled better pricing stability and building goodwill of customers through support for domestic economy.

Direct-to-Consumer (D2C) Experience – opening flagship retail locations of Apple like “Apple BKC in Mumbai and Apple Saket in Delhi” have brought the globally renowned “Genius Bar” and premium customer service to the nation. Demonstrating personally and expert support drive unmatched customer satisfaction.

Creative and Cultural Marketing – campaigns like “Shot on iPhone” involve Indian community in a direct way, it had turned everyday users into an active brand advocate. Moreover, targeted promotions during festivals, deeply resonate with the mindset of Indian customers.

Based on innovation, creativity and non-conformity, Apple has a strong brand personality. Successful strategies of marketing differentiating between the individuals and social dimensions of customers. If the purpose is increasing brand loyalty, the strategy must be building relationship between customer and brand based on the individuality. The levels of brand loyalty are impacted by consumer identification, and it is also a consequence of customer satisfaction and perceived brand advantages. With the integration of brand into customer self-identity, the company has developed the urge to acquire Apple products for immediate satisfaction and gratification leading to impulsive buying of products (**Demar, Lins & Aquino, 2022**). Apple is at the top in the chart of brand loyalty, and in the year 2021, it has also reached at an all-time brand loyalty score of 92%. Customers purchasing the products of Apple brand and tend to keep purchasing other Apple products due to many reasons. In order to firmly position itself as high-level and aspirational product, image is the main driver for Apple. But another most important factor in the success of developing brand loyalty is focusing on excellent customer service. The index of customer satisfaction has been topped by the company continually, it had scored in 80s year on year with their strong repair programs and in-store excellence (**Qualtrics, 2022**). Retail stores of Apple are main touchpoints, it offers customized help, demos of products and unique experience of shopping. Employees usually wear signature blue T-shirt of Apple inside their stores for providing professional services and for supporting customers. The attitude and image of employees are also important part of brand identity, and their friendliness and professionalism help in building brand loyalty. It is noticed that 92% of iPhone users are planning to stick to Apple while making next purchase, in 2021, brand loyalty hits an all-time high of 90.2%. Repeat buying rate among existing owners of iPhone is recorded at 70%, it had made customer loyalty of Apple is studied in global business. 6 main drivers are identified including customer-centric support, exceptional quality of products, integration of seamless ecosystem where 73% owners of Apple Watch to stay committed, persistent innovation, a top-ranked reputation of brand, and emotional connection of customers with Apple product experience. Unmatched customer loyalty of Apple customer is a testament to ability of brand to deliver exception products, strong emotional connection and customer experience consistently. By making investment in innovation, quality and customer-centricity, a devoted fan-base is cultivated by Apple, which is growing year-by-year (**Mathur, 2023**). Premium positioning strategy of Apple is dependent on value-based pricing, seamless integration of ecosystem, and minimalist lifestyle branding. Instead of competing on technical specs and price, Apple is selling identity, exclusivity and unified experience of users. The efficacy of segmentation, targeting and positioning strategy of Apple is a substantial element making contribution towards global success. It shows nuanced understanding of customer base leveraging that knowledge of delivering best products resonating deeply with users. Brand positioning of Apple is a masterclass in marketing strategy playing a vital role in the success of company (**Ian, 2023**). The company has positioned itself as a luxury brand of technology rather than a standard electronics manufacturer. The marketing strategy of Apple make emphasis on premium perception through design, brand storytelling and pricing. Customers relate the brand with creativity, quality and innovation. Rather than competing on price, unique products experience is delivered by Apple justifying higher costs. Confusion is reduced with the help of limited product portfolio and by focusing on demand, it helps customer in understanding differences and advantages quickly. Over the time, the marketing strategy of Apple has developed strong brand loyalty, maintaining high-profit margins, creating a premium identity for protection against low-cost competitors worldwide.

The Core Pillars of Premium Positioning Strategy of Apple in India

- **Status & Premium Positioning** – Apple refused dilution of their brand with budget models, using price-skimming and psychological pricing. Such strategy cultivates an “I want it” mentality, that made iPhone a desired mark of success.
- **Accessibility Through Finance** – recognizing that massive upfront cost are common obstacles for Indian customers, Apple has pushed financing-led affordability. Through zero-cost EMIs, aggrieve partnership with banks, trade-in programs, the brand lowering the entry barriers without making compromise on its premium brand image.
- **Localized Manufacturing** – supply chain has been significantly expanded by Apple along with assembly footprint in India, they produced nearly half of their iPhone over there. It has reduced import duties providing direct support price and optimized and accelerate regional growth.

The journey of Apple in India is not just a story of rapid scale, but of strategic perseverance. Apple has turned India into a high-growth consumer market by remaining true to their premium DNA and gradually adapting pricing, manufacturing and retail. In India, the success of the brand highlights a strong lesson: in emergent market, aspiration and trust can be considered as potent as affordability. Brand positioning of Apple is creating an emotional relation with their customers with exceptional experiences is a best approach, mainly in this competitive environment. In the same way, positioning approach is used by Apple based on the competition. As competition is very high in technology sector, it is ensured by the Apple to invest constantly in R&D, introducing innovative products and features. Segmentation, targeting and positioning of Apple shows the core of their marketing efforts. Segmentation, targeting and positioning are required as no company can be all. Positioning is about selecting marketing mix which is best suitable for target customer segment. It is the final process where business organization tries to relate with their products and services with the desires and requirements of selected customer segment. Customer segment is targeted by Apple by personalization of products and services as well as overall business approach for appealing the customer segment to maximum level (**Dudovskiy, 2023**). Main pillars of the approach of Apple include the positioning of their products, strategy of pricing and inventive methods in which they get engaged with their customers. Understanding the marketing blueprints of Apple provides valuable insights into the development of a strong and durable brand in present competitive market environment. The 3Cs framework of marketing highlights how Apple is leveraging their strength as a company for meeting the demands of their customers while positioning themselves effectively against their competitors. The focus of Apple is on innovation, integration of ecosystem and brand equity that allows them to maintain a competitive edge and adapting to the changing dynamics of the market. To have a good understanding of customers and to evolving constantly to meet their expectations, Apple sustains the leadership in the market and keep setting the standards of the industry in design and technology (**Hivelr Business Review, 2024**). An attempt was made by Apple to increase their demand in the market for their products through differentiation entailing their products to be unique and attractive for the customers. The products of the company have always been designed to be ahead of its competitors. Despite of the high competition in the market, Apple has been successful in creating the demand for their products. As an outcome, Apple has power over prices through differentiation of products, innovative advertising, hype around launch of new products and brand loyalty. By concentrating on customers and ready to pay more and maintain a premium prices at the cost of unit volume, Apple sets up an artificial barrier for the entry for its competitors. Apple sell their products and also resell third-party products in major markets. It is selling to customers directly and also to small and mid-sized businesses by retail as well as online stores. Variety of indirect channels of distribution are used by the company like wholesalers, retailers, third-part cellular network carriers and value-added resellers (**Nielson, 2020**). With regards to the marketing, Apply is one

of the most powerful brands in the world. Despite of their premium pricing, the launch of every new product attracts huge attention, loyal customers and long queues who are willing to wait is a proof of a brand loyalty competing on value instead of price. The behind this success is brand positioning of Apple, clear market targeting and focused customer segmentation. Apple targets specific audience who value innovation, design, status and simplicity, instead of appealing to everyone, it permits them to maintain premium image and customer loyalty. The marketing campaigns of Apple are designed masterfully for evoking emotions of customers, inspiring creativity and for showing the capability of their products. Brand messages are driven across the world with huge advertising, involving social media updates and promising events like launch of their products. The company has partnered with many star celebrities, influencers and artists for maximization of exposure as well as for positive brand positioning. They put their products in a niche market as premium products, representing lifestyle accessories instead like a gadget. They create demand through marketing communication and use exclusivity, scarcity and friction between the supply and demand of the product. This strategy develops strong brand loyalty for products launched by Apple, whereby desired products become symbol of status, marking success in customer's eyes (Jain, 2024).

Core Issues in the Case:

Despite its premium pricing, Apple has successfully positioned itself as a luxury technology brand, attracting aspirational consumers. However, increasing competition from premium Android smartphone brands, price sensitivity among Indian consumers, and changing consumer preferences pose challenges to sustaining its premium market position. Additionally, expanding retail presence, financing options, localized marketing strategies, and after-sales service play a crucial role in strengthening customer loyalty and enhancing Apple's long-term growth in the Indian market.

Key Question

1. How does Apple's premium brand positioning influence brand loyalty among Indian consumers?
2. What factors significantly contribute to the formation of customer loyalty toward Apple products in the Indian market?
3. How do product quality, innovation, and customer experience affect consumers' purchase intentions and repeat buying behavior for Apple products in India?
4. What challenges and opportunities does Apple face in sustaining its premium positioning and brand loyalty amid increasing competition in the Indian smartphone market?

References

- Demar, C., Lins, S. & Aquino, S.D. (2022). Apple ID: Building a Model of Consumer Brand Identification, *BIMTECH Business Perspectives*, 1-20.
- Dudovskiy, J. (2023). Apple Segmentation, Targeting and Positioning, Business Research Methodology, retrieved from - [Apple Segmentation, Targeting and Positioning - Research-Methodology](#).
- Hivelr Business Review (2024). Apple: Marketing Strategy, retrieved from - [Apple: Marketing Strategy - Hivelr](#).
- Ian (2023). The Importance of Apple's Brand Positioning, Marketing Strategy, retrieved from - [The Importance of Apple's Brand Positioning](#).
- Jain, G. (2024). Apple Marketing Strategy: 8 Essential Principles to Understand, MageComp, retrieved from - [Apple Marketing Strategy: 8 Essential Principles to Understand](#).
- Masias, S. (2024). iFaithful: Exploring the Phenomenon Behind Apple's Brand Loyalty, Medium, retrieved from - [iFaithful: Exploring the Phenomenon Behind Apple's Brand Loyalty | by Sheyla Masias | Cognitive NeuroEconomics @ UCSD | Medium](#).
- Mathur, N. (2023). The Extraordinary Power of Apple's Customer Loyalty, nector.io, retrieved from - [The Secrets Behind Apple's Unmatched Customer Loyalty](#).
- Nielson, S. (2020). Apple's Premium Pricing Strategy, Product Differentiation, Market Realist, retrieved from - [Apple has a unique pricing strategy to differentiate their products](#).
- Qualtrics (2022). Brand loyalty: What it is and how to build it, retrieved from - [Brand Loyalty: What It Is and How to Build It - Qualtrics](#).
- Zou, Y. (2023). Apple's Brand Marketing Strategy: A Case Study on Brand Image and Customer Engagement,

Cultural Adaptation and Consumer Engagement in Indian Café Markets: An Analysis of Starbucks

Prof. Rahul Altekar Assistant Professor & Prof. CA Ankit Bajaj – Assistant Professor

Introduction:

Starbucks navigated in the café market of India successfully by moving from a globalized global template to a deeply localised strategy “glocalization.” Starbucks partnered with Tata and prepared personalized menu for local people, and redesigned spaces into culturally resonate community hubs, from being an outsider, the brand has transformed themselves into a cultural staple. Based in United States of America, Starbucks is a coffee retail chain, they have expanded their global footprint by increasing their presence in the markets of India. With the low consumption of coffee in India, it has proved to be a little different market, the consumption is so low of just 82 grams per capita compared to 4 kilograms per capital in United States of America. Researches indicates that majority of people go to cafes for socialization and to develop a strong personal as well as business relations, and not just to drink a coffee. Recognising this trend, Starbucks customized the ambience of their store and customized the product offerings as well (Mahobia & Jain, 2015). Festivals like Diwali and Holi are leveraged in the marketing of Starbucks India. The spotlight of the campaign is group-oriented celebrations, motivating family and friends to experience Starbucks together. It reflects the collective nature of Indian society and improves customer engagement through sharing of joy. Marketing strategies are effectively aligned by Starbucks India with Hofstede's cultural dimensions, it ensures deep quality with local market. Marketing strategies are tailored by Starbucks India, make emphasis on collectivism through community-focused campaigns and high-power distance with establishment of a premium still inclusive brand image. Such cultural alignment does not just improve customer connection but also strengthens identity of the brand in Indian market. Platforms like Facebook and Instagram are used by Starbucks India for involving with the audience through visually attractive content and cultural narratives. Campaigns showcasing traditional flavors and festive themes are highlighting the involvement of brand in local culture, strengthening their relevance and presence (Tuananh, 2024). Ownership advantage is enjoyed by Starbucks. Such advantages united with advantage of location of a fast-growing economy with rising number of middle-class induced Starbucks to enter into Indian market. Starbucks allied with the local firm Tata Beverages as they owe to the unknown institutional framework as well as high cultural distance. It is shown that in a given case a partnering with close business relations with a partner is important for accessing local resources and knowledge for dealing with unknown institutional environment in targeted region. The businesses are mainly developed by importing the models of business and adapting such models that would suit local conditions. Similar approach is used by Starbucks for running their business all over the world (Fischer & Roy, 2019). Global growth of Starbucks was not just leveraging their iconic brand and premium coffee. It is recognized by the company that true success needs to get adapted to local culture, turning their stores into cultural hubs resonating each and every market. When entering Indian market, it was not just enough to introduce coffee, but tea drinker also needs to be considered. For the development of chai tea lattes, the company worked closely with local teams that balanced authentic flavors with global Starbucks experience. The ability of Starbucks to get adjusted to the local taste, smart alliance, and creative techniques of marketing that does not depend on traditional advertising are important factors for the success of the company in India. By focusing on development of a distinctive brand experience and using technologies, the company has been able to grow their customer base and have established strong national presence. Expansion of Starbucks and their appeal in India have been aided greatly by word-of-mouth advertising. A string brand presence

has been established by Starbucks without resorting to traditional methods of advertising by means of early curiosity, efficient interaction on social media, innovative offerings of menu, experiential marketing, community engagement and loyalty programs (Gairola, 2024).

In order to resonate unique culture of India and economic environment, the market strategies were designed meticulously. This involves adaptation of products to local tastes, employing premium price model for reflecting high quality of offerings by Starbucks, selection of high-traffic outlet locations, and implementation of targeted promotions tactics. A comprehensive contingency plan is required to address potential challenges. With the alignment of products and branding with the preferences of Indian customers, Starbucks is set to develop a strong presence of market. This venture would not just drive growth of Starbucks but also match with and improve the evolving taste of Indian customers, and creating a win-win scenario leveraging global expertise and local insight both (Siddhartha, 2024). As Starbucks India is celebrating their journey across cities, the success of the brand is featured to a mix of local adaptation and inventive retail strategies. A significant growth has been seen by the coffee market in India in recent years. According to the reports of this industry, the market is anticipated to grow at a CAGR of 12% over the next 5 years. This growth is driven by rising urbanisation, increasing disposable income and rising culture of café in India among youth. The journey of Starbucks India is a testament to the power of local innovation and adaptation. By understanding the pattern of competition, embracing local flavor and investing in people, Starbucks has transformed into a modern and innovative hybrid retailer successfully. With the growing market of coffee in India, Starbucks is dignified to lead the way, it offers a unique mix of global standards as well as local flavors. With innovative strategies and local adaptation, Starbucks is well-positioned to capitalize on their growth. Introducing smaller size of cup and local flavors has helped the brand penetrating deeper into Indian market. Moreover, the focus of the company is to create a constant customer experience across locations that have strengthened brand loyalty (Ghosh, 2024).

Core Strategies of Consumer Engagement

- a) **The "Third Place" Ambience** – in crowded cities of India, a premium, and air-conditioned haven is offered by Starbucks functioning as a default space for corporate meetings, dates, work-sessions and provides Wi-Fi and good seating arrangements.
- b) **Hyper-Localization** – appealing to local palate and combating the perception of high-entry obstacles, smaller and affordable “Picco” cup size was introduced by Starbucks. The menu includes Indian tastes like Filter coffee, Masala chai, Elaichi chai etc. along with an extensive vegetarian menu of food.
- c) **Targeting Youth audience** – around 60% of customers base of Starbucks in India is between 18 to 35 years of age. Starbucks is highly involved with Millennials and Gen Z through design and personalized beverages, aesthetics and Instagrammable stores.
- d) **Community and Cause Engagement** – Starbucks have integrated themselves into local social and economic fabrics by partnering with regional farmers of coffee, they promote ethical sourcing, and launched community-focused initiatives building long-term brand loyalty.

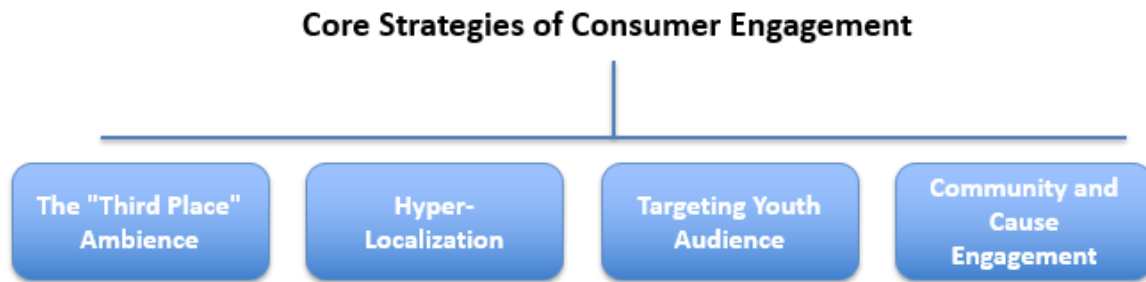


Figure 1 shows the core strategies of consumer engagement:

Starbucks has appeared as a leader in this competitive landscape of coffee industry by providing good-quality beverages but also cultivated strong relations with their customers. Regarding consumer engagement strategies, Reward program of Starbucks is a cornerstone of the consumer engagement strategy of Starbucks. By offering reward points to customers on every purchase, repeat business is incentivized by Starbucks encouraging customer loyalty. Success of Starbucks in developing strong relation with their customers starts from their commitment towards personalisation of experience, rewards for loyalty, social media engagement and community involvement. With the adoption of similar strategies and leveraging relevant SaaS tools, the approach of Starbucks can be emulated by businesses for consumer engagement and cultivating strong connections with their customers (Subscribed.fyi, 2024).

Market Dynamics and Challenges faced by Starbucks

- i. **Value Perception** – in competitive, highly localized landscape of café market, high prices remain a challenge for the company. Majority of customers look at Starbucks as a premium choice instead as an everyday commodity.
- ii. **The Market Competition** – increasing number of local and affordable chains of café forced Starbucks to constantly innovate cost-efficient and regional offerings for their customers.
- iii. **Expansion in Tier II and Tier III cities** – in order to sustain growth, strategies of customer engagement have turned towards small and localized format of stores outside major metros, it captures youths where the culture of café is expanding rapidly.

Figure 2 shows Market Dynamics and Challenges faced by Starbucks



Figure 2 Market Dynamics and Challenges faced by Starbucks

In India, the success of Starbucks can be attributed to a blend of factors like strategy of localization with incorporation of Indian flavors, offering vegetarian options and partnering with local suppliers, they concentrated on creation a unique customer experience and emphasised on products and services with high-quality. By personalization their menu and design of store for catering to taste and preferences of Indian palate, Starbucks has been able to distinguish themselves from local competitors and establishment of strong brand presence in India and appealing to the diverse base of customer. Moreover, digital marketing and social media platform is leveraged by Starbucks to get engaged with their customers and for creating personalized experience (Singh et al. 2023). A strategy of customer engagement refers to the planned approach that business uses to communicate with customers in a more sustainable and meaningful manner with the purpose to develop loyalty of customers, it enhances satisfaction of customers and drive the growth of the business. Customer engagement strategy of Starbucks has assisted in building a strong brand, base of loyal customers and driving the growth of business, showing the advantages of well-executed strategy of customer engagement. The main purpose of customer engagement strategies is development and maintain strong relations with their customers through customer's journey, the strategy provides them with value and create a sense of emotional connection with the brand. At the end, it results in higher rate of customer retention, more supporters of brand and increased revenue for the company. Being a global leader in the coffee industry, Starbucks has constantly adapted to an ever-evolving landscape of market. However, the maintain loyalty and customer engagement is such competitive environment there are several challenges faced by the company. The ability of Starbucks of identifying and adapting to such challenges through strategic inventions and integration of technologies are important key to maintain leadership in competitive coffee industry. By evolving in customer engagement strategies constantly, Starbucks managed to stay relevant as well as appealing to their global customer base (Nguyen, 2024). Customer loyalty is paramount in today's competitive coffee industry. Starbucks has mastered the art of customer retention with their innovative and successful reward programs. This study investigated the inner workings of loyalty programs; it has explored how Starbucks have revolutionized the experience of drinking a coffee and setting a new standard for customer engagement in food and beverage industry. A shining example of Starbucks Reward program shows how well-executed loyalty initiative can drive customer engagement, increase sales volume, and develop brand loyalty. With the combination of technology, personalization and a deeper understanding of customer behavior, a reward program was created by Starbucks for their customers to create long-lasting emotional relations with the brand (Mathur, 2024).

Core Issues in the Case:

Understanding local tastes, food habits, and social café culture is essential for attracting Indian consumers. The company must also enhance consumer engagement through personalized experiences, digital platforms, and loyalty programs to build long-term customer relationships. Additionally, competition from domestic café chains, pricing concerns, and the need for culturally relevant marketing strategies influence Starbucks' growth and acceptance in the Indian café market.

Key Questions

1. How does Starbucks adapt its products, services, and store environment to suit Indian cultural preferences and consumer behavior?
2. What is the impact of cultural adaptation on consumer satisfaction and brand loyalty among Starbucks customers in India?
3. How do consumer engagement strategies, such as digital platforms and loyalty programs, influence customer retention and purchase intentions?

References

- Mahobia, H. & Jain, T.K. (2015). Starbucks: Adapting in the Indian Market, *Indian Journal of Marketing*, 45(8), 37-47.
- Tuananh, T. (2024). Starbucks India's Cultural Adaptation Using Hofstede's Model, Prezi, retrieved from - [Starbucks India's Cultural Adaptation Using Hofstede's Model by tuananh tuananh on Prezi](#).
- Fischer, D. & Roy, K. (2019). Market Entry in India: The Curious Case of Starbucks, *Rutgers Business Review*, 4(2), 124-139.
- Gairola, S. (2024). Crafting a Coffee Empire: Starbucks' Rise in the Indian Market Case Study of Starbucks Phenomenon in India, *International Journal of Innovative Research in Technology*, 11(3), 127-133.
- Siddhartha, S. (2024). Starbucks Market Entry Plan to India, *International Journal of Innovative Science and Research Technology*, 9(8), 2148-2156.
- Ghosh, A. (2024). How Starbucks India is Brewing Success with Local Flavors and Innovation, IndianRetailer.com, retrieved from - [How Starbucks India is Brewing Success with Local Flavors and Innovation - Indian Retailer](#).
- Subscribed.fyi (2024). Starbucks Consumer Engagement: Building Strong Relationships, retrieved from - [Starbucks Consumer Engagement: Building Strong Relationships - Subscribed.FYI - 2026](#).
- Singh, K.J., Shahid, M.D.N., Birje, A.K. & Sahni, S. (2023). A Study on Unveiling the Secret to the Success of Starbucks in India, *International Journal of Scientific Research in Engineering and Management*, 7(4), 1-7.
- Nguyen, D.A. (2024). The Gamification Masterstroke: How Starbucks Redefined Customer Engagement, SmartDev, retrieved from - [Starbucks Gamification: Mastering Customer Engagement | SmartDev](#).
- Mathur, N. (2024). Elevating Customer Loyalty: The Starbucks Rewards Program Unveiled, nector.io, retrieved from - [Starbucks Loyalty Program: Boosting Customer Engagement](#).

Market Penetration Strategies for Digital Payment Platforms in India: Insights from Paytm

Dr. Sanjay Salunkhe Professor & Dr. Shraddha Purandare Professor

Introduction:

Market penetration of Paytm in India was dependent on strategies led by ecosystem and also aggressiveness resolving the two-sided marketplace. A massive network of acceptance by merchant was also built simultaneously along with active user base of customers by using ground-level distribution network, broad financial services and freemium hardware. With the evolving landscape of Indian Fintech, Paytm being a strong digital payment player were shifting their focus from just customer acquisition to strict regulatory compliance as well as profitable subscription model. Being a prominent player in Indian fintech industry, Paytm highlighted their evolution, challenges and regulatory landscape. Paytm was founded in 2010 and have influenced the digital payment ecosystem of India, it offered a wide range of services and reaped widespread adoption. Major milestones include the launch in 2017 of Paytm Payments Bank that additionally strengthened their position in financial services. However, regulatory inspection, which was represented by actions from the RBI, presented substantial complication making impact on its market share and confidence of investors (Kaur, Chopra & Chopra, 2024). Paytm is a swiftly-growing business organization making string presence in the banking and service sector of India. It has evolved from a small business start-up becoming a big business corporation in short time period that highlights the strength of capitalist system of India and the adept use of innovation. Exceptional success has been achieved by Paytm, it has received awards from all over the world for their work in the field of digital payment and for being the developer of e-commerce (Puneeth & Nethravathi, 2021). The initial success of the company was driven by their QR code-payment system enabling users to make transactions without the need of physical cash and card. With the growth of the company, they expanded their services to include online payments permitting their users to make transactions on e-commerce platform and online market. A significant boost was received by the company in 2016 with the acquisition of Free charge, a leading platform for mobile recharge that further expanded their reach and user base. Paytm also diversified their revenue stream with the introduction of new services like Paytm Mall, an e-commerce platform and Paytm Payments Bank, which was a digital banking service. Payment ecosystem of Paytm has evolved including features like UPI-based transactions that enabled users to make payments directly from their bank accounts (Sharma, Behera & Dua, 2024).

Key Market Penetration Insights from Paytm

1. The Power of Habit-Building Marketing – instead of just selling a service, a shift in the lifestyle was engineered by Paytm. The executed the campaign of "Aadat Se Azadi" (Freedom from Habit), addressing the friction and insecurity to carry the cash. Such message, along with the catchy tagline of "Paytm Karo" made the brand identical with digital transaction in India.

2. Ecosystem Lock-In – mobile wallet and integrating UPI as a gateway to a broader financial service. Once the platform is adopted by users for simple mobile recharge and transfer money online, they cross-sold into services like:

- **Paytm Payments Bank** - convenient savings accounts and digital banking.
- **Paytm Money** - accessing mutual funds, stocks, and wealth management.
- **Loans and Credit** – availability of small-ticket loans through the app directly.

3. Hyper-Aggressive Acquisition of Merchants – the keystone of B2B penetration of Paytm was deploying inter-operable QR codes to more than 20 million merchants all over India. By waiving off transaction fees initially, they penetrated Tier-1 and Tier-2 markets rapidly.

4. Cashback Incentives and Subsidies – Paytm spent money significantly in their early growth phase in acquisition of users with direct cashback. Such monetary incentives have lowered the barrier to entry drastically, tempting customers to opt digital wallet over cash payments. Paytm transitioned by offering high cashback incentives and concentrating on user retention and monetization.

5. High-Visibility Partnerships – to make their name strong as a household name, prime sponsorship was secured by Paytm, it acted as the official partner for the Indian Cricket Team. Aligned deeply in cultural passion provided brand with huge visibility across various demographics.

Presently, Paytm is identical with India's digital payment, it offered everything from just a mobile phone recharge to personal loans just at a click of a button. More than 8 million of monthly transacting users and more than 4 lakhs of merchant partners, Paytm has mastered user acquisition and user retention having a wide scope of diverse services for up-selling and cross-selling. Paytm has gathered more than 280 million users by 2017, and their acceptance spanned even in villages. Such huge adoption has solidified reputation of Paytm as a reliable and trusted platform (GrowthX, 2024). The goal of Paytm is to implant in many financial transactions and can charge a rate where it can. However, it yields low margin revenues. True potential of Paytm would come from finding other methods of monetising their ecosystem through advertising, lending, insurance wealth management, etc. Paytm is set apart by their strength on P2M transactions. Their merchant strategies have found to be really good. Other digital payment vendors like "PhonePay" and "GPay" limited themselves to onboarding of merchants on their platform and pasting of QR codes. Additional device is provided by Paytm for solving problems of customers like Voice Box and POS device making Paytm the default choice for merchants with this device (Mann, 2022).

Marketing Strategy of Paytm

Marketing strategy of Paytm takes a broader approach as it targets urban as well as rural market. Paytm was originally a mobile recharge platform, it evolved into a super app, offered a range of services from payment to financial services, e-commerce and others. Strategy of Paytm is building aggressive cashback offers, discount campaigns and partnership with local merchants. Digital marketing strategies are employed by the platform, it includes visual advertisements and social-media promotions for strengthening brand awareness. UPI LITE is offered by Paytm for fast, and real time transactions along with All-in One payment solutions catering to variety of payment requirements, it includes payment of utility bills as well as mobile recharge. UPI (Unified Payments Interface) is a system integrating multiple bank accounts into a single mobile application. Seamless routing of funds is enabled by UPI, also enables merchant payments, and peer-to-peer transactions that operates 24/7, it has features like scanning of QR codes and single click and for secured transactions with two-factor authentication. With the growth of mobile phone users in the world, the potential market for online market and cashless transactions has risen. Paytm targeted customers using smart phones for cashless transactions schemes. The company has induced Indians successfully to depend on the use of cash regularly in everyday business. Rather, people are preferring to make digital payment system. An initiative was launched called "Aadat Se Azadi or Habit Free", which was achieved by focusing

on problems that are faced by people when they deal with cash. Stress was given on how people feel insured while using cash or while going out with lot of cash (Shahid, 2021).

Paytm has moved from high cash-burning acquisition to a sustainable and profitable growth. Following regulatory changes with regards to payment bank, the company doubled down on their core UPI distribution to merchants as well as B2B tech services. With integration of Artificial Intelligence and streamlining of operations into detection of fraud and onboarding, Paytm maintains huge market share while generating records of net profits. Many marketing techniques were applied by Paytm over the past few years that sometime criticised by critics and regulatory agencies. Still, they left good impressions in the minds of users. The success story of Paytm in Indian market proves as a testament to the power of strategic digital advertising. With the combination of user-centric approach with inventive campaigns, strategic partnership, focusing on security, and localized content, Paytm do not just navigate the challenges but appears as a trailblazer in the sector of digital financial services. Paytm is a leading alternate solution of payment in India. Paytm owned by One97 Communication, earlier started their operations as a prepaid mobile and platform for DTH recharge in India in 2010. Paytm Wallet was launched by the company in 2014, which was used for online and in-store payment. With online banking, credit and debit card, cash can be loaded to the Paytm wallet. In the initial stage, Paytm was used only at online marketplace for bill payments and e-commerce sites, the wallet now is accepted widely at many online apps and merchant sites.

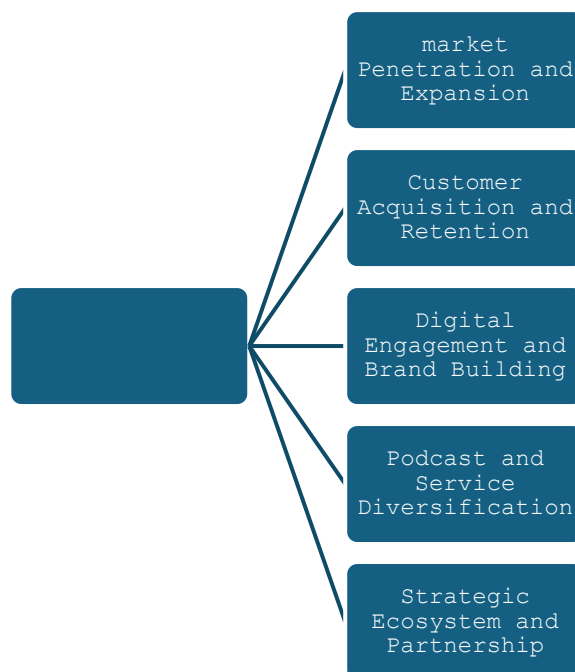


Figure 1 Important Marketing Strategies of Paytm

Paytm is among the leading business organizations in the space of Indian mobile wallet that accounts for 10.5% share of the total e-commerce transaction of the nation as per the Global Data 2022. Paytm is used for everyday transactions along with online payments and it is accepted across all merchant types that ranges from grocery stores and street vendors to big retail brands (Global Data, 2023). While shopping, the two words that comes in the mind of every India post monetization was “Paytm Karo”. A paradigm shift was brought by Paytm in the retail sector by transforming the methodology of payment. In the early stage, online wallet cum e-commerce website was used for making payments for limited things like shopping bills

and mobile and DTH recharge. This portal has expanded their scope over the years, and has brought about anything and everything under the domain of their operations. Paytm was used by users for recharging their metro card, paying bills like water and electricity and for transferring the funds to other bank accounts. Users also use it to book train and flight tickets, for hotel reservation, etc. The latest success story of Paytm is ever expanding by adding e-retail and m-commerce stores, giving options to small vendors to list their products on the website permitting them to expand the base of its customers (Komirisetty & Simha, 2018). Complete online market of India was covered by Paytm. The number of transactions conducted through Paytm gateway is second highest in India. In 2010, Paytm was started as a mobile recharge company and it is now everywhere used by uncountable number of users. They have their own payment bank which was approved by RBI (Dixit, Prakash & Tiwari, 2017).

Core Issues

Key issues include increasing user adoption across urban and rural markets, building customer trust through secure and reliable transactions, and enhancing customer engagement through value-added services and reward programs. The expansion of merchant acceptance, regulatory compliance, and continuous technological innovation are also essential for sustaining market leadership. Furthermore, understanding changing consumer preferences and responding to competition from banks and fintech firms are crucial for achieving long-term market penetration and business growth.

Key Questions

1. How do market penetration strategies adopted by Paytm influence customer adoption and usage of digital payment services in India?
2. What factors affect customer trust and satisfaction in Paytm's digital payment platform?
3. How do promotional offers, merchant partnerships, and value-added services contribute to Paytm's market penetration and customer retention?
4. What challenges and opportunities do Paytm face in expanding its digital payment services in the highly competitive Indian fintech market?

References

- Kaur, A., Chopra, D. & Chopra, S. (2024). Reshaping Digital Payment Scenario in India: A Case Study of Paytm, *Third Concept: An International Journal of Ideas*, 38(4), 85-93.
- Puneeth, B.R. & Nethravathi, P.S. (2021). Paytm's Journey Towards Digital Payment in India – A Case Study, *International Journal of Case Studies in Business, IT, and Education*, 5(2), 125-141.
- Sharma, S., Behera, M.R. & Dua, K. (2024). Evolution of Paytm's Business Model, *SHODH SAGAR - Innovative Research Thoughts*, 10(4), 1-24.
- GrowthX (2024). Paytm Business Model - GrowthX Deep Dive, retrieved from - [Paytm Business Model - GrowthX Deep Dive](#).
- Mann, F. (2022). The Paytm Deep Dive: A summary, Deep Dives and Insights, retrieved from - [The Paytm Deep Dive: A summary - by Fateh Mann](#).
- Bakiyaraj, K., Stephen, A., Prabha, B., Rani, R., Praveen, P. & Rithish, S. (2024). The Revolution of Digital Payments: Marketing Strategies of Google Pay and Paytm, *Library Progress International*, 44(3), 28852-28857.
- Shahid, S. (2021). Marketing Strategies of Paytm [Case Study], Startup Talky, retrieved from - [Marketing Strategies Paytm \[A Case Study\]](#).
- Global Data (2023). Retrieved from - [Paytm Competitive Analysis & Market Insights | GlobalData](#)
- Komirisetty, D. & Simha, B.S. (2018). A Study on Paytm's Growth in India as a Digital Payment Platform, *International Journal of Research and Analytical Reviews*, 5(4), 866-875.
- Dixit, P., Prakash, A. & Tiwari, T. (2017). Heuristic Analysis of "Growth of PayTM", *International Journal of Engineering Research & Technology*, 6(4), 283-291.

Angel for Investors: A Case Study on Success Story of Angel One Investing

Prof. Ankit Bajaj Assistant Professor & Prof. Vinod Sharma Professor of Practice

Introduction:

Formerly known as Angel Broking, today known as Angel One, its success stems from the rapid, and technology-driven transformation. As it pivots from a traditional, branch-based brokerage to a digital-first discounting model capturing a huge segment of Tier 2 and Tier 3 millennial investors. Angel One was found by Dinesh Thakkar in 1996, it disrupted the Stockbroking industry in India by a highly strategic and phased evolution. Angel investing is known as the most trusted platform for deploying private capital into leading venture-packed company in India. Focusing on identification of emerging opportunities and challenges, analyses of investment trends, regional disparities, and the Angel Investor's profile. An important role is played by Angel investors in the ecosystem of startups as it provides early-stage business firms with not only capital, but also industry expertise, mentorship, and valuable network. It is offering the potential for higher returns and satisfaction to support innovation, but also carry substantial risk because of high level of failure rate among new startups. In order to be successful, angel investing need careful due diligence, patience, diversification and long-term perspective. When approached strategically, angel investing can become a strong tool to drive entrepreneurship as well as economic growth and offers investors a meaningful financial as well as personal rewards (Singh, Gupta & Singh, 2025). As online trading is reshaping the landscape of financial market continuously. The role of technical innovation has become dominant that make influence investors satisfaction and develop sustainability. A comprehensive case study is presented examining the complicated relationship between technical innovation, sustainable practices, and satisfaction of investors in context of Angel One who is a prominent player in online broking sector. Angel One has the long-lasting potential of making investors happy. While making risky online investment transaction, investors place a premium to receive friendly services. A small financing cost needs to be paid by the corporation for transactions. The dealers need to automate for reduction of number of possibilities to buy and sell stocks responding to the fluctuations of market (Kumari et al. 2024).

Customers across India with Angel One can navigate capital markets, make investment and trade in equities as well as mutual funds as it uses convenient and cutting-edge tools. Angel One, being a retail broking company has transformed successfully from a traditional way to run the business completely through digital platform and grow the customer base to around 2 crores. Dinesh Thakkar, the founder of Angel One started small office in Mumbai in 1996 was available to just few and was conducted through terminals located in different parts of the nation. This process for retail investors was tedious as it meant to got to stock broking office and signing the papers for transactions. This happens today just at a click of a button because the internet has a democratised stock trading market that pulls in a large number of retail investors. At present, after Groww and Zerodha, Angel One stands at 3rd position, both Groww and Zerodha are digitally native platforms in terms of active clients of NSE (Poojary, 2024). Angel One is the biggest retail broking firm of India in terms of active client on NSE. Angel One being the digital-first company provides a digital platform to investors to make investment in stock market. In order to support investors further in their investment journey, the goal of the company is to improve their strategy of communication by leveraging digital channels for real-time, and customised engagement (Infobip). The success story of Angel One represents a huge fintech transformation, evolved from traditional sub-brokers of Dalal

Street of India's largest and technology driven and listed retail stock-broking platform. Digitalization driven, zero-brokerage and flat-free model, it is scaled from a small offline company to more than 36 trillion in total average daily turnover.

Angel One, being a digital-first firm seeks to upgrade their present system of communication for resolving some main challenges:

- ✓ **Lacking real-time interaction** – customers dropping-off during the process of onboarding might not be followed up in real-time.
- ✓ **Low reachability** – emails and SMS being the traditional channels were not sufficient to reach the high customer based that was growing speedily.
- ✓ **Missing two-way communication** – immediate query resolution was difficult that results in poor experience of customers.



Figure 1 Challenges Faced by Angel One

Angel One being India's dynamic landscape of financial market, has appeared as a challenging player that leverages technology for democratisation of investment for huge number of investors. Outpouring retail participants in equities, the digital-first approach positions Angel One it at the forefront of the financial revolution. Angel One is well-positioned for capitalization retail trading market in India. Angel One growth trajectory was ensured by Customer-first strategy along with the technology driven approach, and strong brand recognition. For millions of Indian retail investors who seek low-cost trading, Angel One becomes a one-stop trading platform, it provides platform for strong research and seamless investment management. Growing retail investors future of Indian capital market has been reshaped by companies like Angel One. However, retail investors must stay cautious of potential regulatory risks and high competition in the market (Kapoor, 2025).

Crucial business segments

Below are the main business segments on which Angel One operates:

- **Broking and Trading of Equities** – low-cost equity, commodities and derivative trading is offered by Angel One focusing on zero brokerage for delivery trades.
- **Distribution of Mutual Fund** – mutual funds and earning commissions from top AMCs are distributed by the company.
- **Wealth Management & Advisory** – company provide tailored services of wealth management along with financial planning for HNI clients.

- **Loans Against Securities** – company offer loans against securities to its customers by pledging equity holdings as collateral.

Several milestones have been added by Angel One in its journey over the decades. Until 2015, Angel One has the network of 180 branches, by 2019 it transformed into a digital-first platform completely as it started offering digital investment solutions. A phenomenal performance has been shown by Angel One as it has expanded their client base to million, double than shown in 2021.

Technology usage for growth by Angel One

Digital offerings across this sector have become highly sophisticated and customers are looking for seamless, customised and involving communication with the brand. By using an integrated technology of marketing enabling customised involvement with customers and building meaningful association leading to the growth of the company, just like leveraging social media platform for reaching to the audience. Looking at the language related challenge for customers, vernacular language system is also promoted. Artificial Intelligence and Machine learning is being used for providing the clients to have better experience. One of the main challenges is attracting young investors while making sure existing customers of the company are not isolated. Stellar performance of the company over the years is the result of leveraging advanced technologies. It has continuously defined their journey of innovation. Better dormancy prediction models have been used by the company. The seamless communication of Artificial Intelligence and Machine Learning has enabled a customised experience of investment. Like deploying AI through data with temporal signals give out tailored suggestions and journey. Forecasting model based on machine learning has been deployed for improving quality. New propensity model needs to be built for improving activation of clients (Karna, 2022).

Angel One as a company shares the concept of demand and supply. Its price always suffers from a rise as well as fall. It is the law of nature that in case a company forecast to post good results, it would get reflected in a corresponding rise in their share price, owing to the purchasing by the informed investors. All the companies, technically have their own psychology of work, theories, and circumstances that help in prediction of improved share price movement. Many enjoyable advantages are being provided by the company to their sub-brokers, which is a complete process. Company's business model shares derivatives, currency trading, life insurance and mutual funds. The word 'investment' has got trust related issues in present world. Investors are being provided support by the company in exchange of brokerage so that they do not suffer from any trust related issues that might appear worldwide. Higher brokerage is equal to higher commission (Dutta, 2021). The financial space of India is highly vibrant and thriving, this industry having grown manifold in the past and have promised rapid transformation. Angel One has an interesting story where an entity rises to a fame by its virtue in innovative solutions as well as services in the domain of financial advisory and stock broking. From an ambiguous starting, it became one of the leading brokerage firms of India, its strategic planning of incorporating customer-centric approach became its success story that have leaped into a cutting-edge technology. Various aspects have been discussed related to Angel One's journey, challenges, success, achievements and vision also what made the business grow was their customer-centric approach. The company believes that customers are the biggest asset for the company, they give high importance to the development of long-term association on the basis of trust as well as transparency. Various education resources and tools are also provided by the company that might help clients in making informed decisions. Webinars, market reports, tutorials and expert insights are also included. The success story of Angel One is an example of how any business grows and can reach to the highpoint by staying to their core competencies, embracing innovations and by keeping their customers satisfied.

Important Business Metrics

The strategy to democratise investments and financial savings are fueled with exponential growth for Angel One:

- **Client Base** – scaling from around 0.5 million of active customers in 2020 to a total client of more than 31 million
- **Market Share** – NSE shares of the company of active client base flowed from 4.9% to more than 20% in few quarters only after digital transformation
- **Efficiency** – shifting towards digital-first model increased the revenue per employee significantly, stabilising the operating profit margin around 30% to 50% mark.

Business of Angel One

Angel One was full broker with many branches up till 2018-2019 that was placing physical orders and such like things. Later they realised that this model is not scaling and have high cost of operations, therefore they decided to transition and become fully digital broker without any physical presence. Figure 2 presents the business era wise.

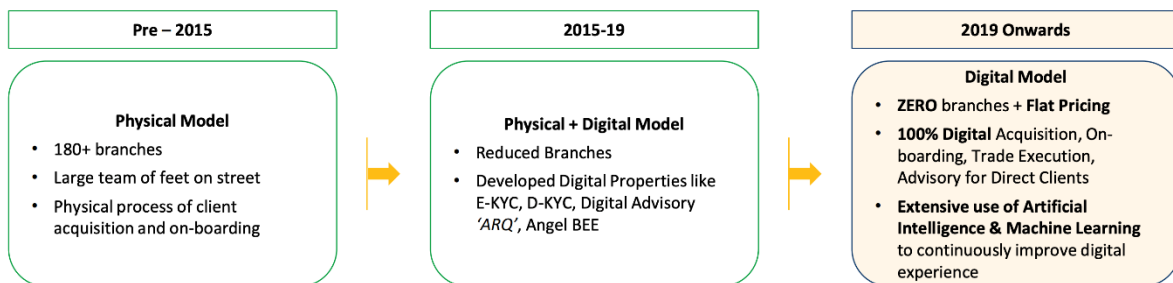


Figure 2 Majority of its revenue is earned from broking by Angel One being a broker.

Core Issues

Angel One successfully transformed itself from a traditional branch-based brokerage into a technology-driven digital investment platform by leveraging AI, machine learning, and customer-centric innovation. Despite achieving rapid growth in its client base and market share, the company faces challenges related to real-time customer engagement, intense competition from fintech rivals, evolving investor expectations, and regulatory uncertainties. Sustaining long-term growth while continuously enhancing digital capabilities and investor satisfaction remains the key strategic issue.

Key Questions

1. How has Angel One's digital transformation contributed to its rapid growth and competitive advantage in the Indian online broking industry?
2. What role do artificial intelligence, machine learning, and customer-centric strategies play in improving investor satisfaction and business performance at Angel One?
3. What are the major challenges faced by Angel One in sustaining customer engagement and competing with digital-first brokerage platforms?
4. What strategic initiatives should Angel One adopt to maintain its market leadership and achieve sustainable growth in the rapidly evolving fintech ecosystem?

References

- Singh, A., Gupta, P. & Singh, T.D. (2025). A Study on Angel Investing in India: Future Opportunities and Challenges, *Commerce Research Review*, 3(1), 60-75.
- Kumari, D.R., Godugu, A., Ganesh, L., Khandekar, A. & Sharma, V. (2024). The Role of Technological Innovation in Online Trading Platforms: A Case Study of ANGEL Broking's Sustainable Practices and Investor Satisfaction, *MATEC Web of Conferences*, 392, <https://doi.org/10.1051/mateconf/202439201042>, 1-9.
- Poojary, T. (2024). Building for digital native investors: The rise of Angel One as an online broking company, *Enterprise Story*, retrieved from - [Building for digital native investors: The rise of Angel One as an online broking company | YourStory](#).
- Infobip. Angel One: Redefining customer experience with a conversational omnichannel strategy, retrieved from- <https://www.infobip.com/customer/angel-one>.
- Karna, P. (2022). Angel Broking Rebrands as Angel One: A Complete Guide to the Company's Transformation, Startup Talky, retrieved from - [Rebranding From Angel Broking to Angel One](#).
- Kapoor, S. (2025). Angel One stock analysis & expert insights in detail, Stock Gro, retrieved from - [Angel One Stock Analysis by Sachin Kapoor, CFA \(SEBI RA\)](#).
- Dutta, P. (2021). Angel Broking—Trading At Simplified Pricing, Startup Talky, retrieved from - [Angel Broking Success Story | Indian Stock Brokerage Firm | Growth Calculator](#).
- Divya (2024). The Untold Success Story of Angel Broking, Business Outreach, retrieved from - [From Zero to Millions: The Untold Success Story of Angel Broking](#).

Digital-First Banking Models and Financial Inclusion in Emerging Economies: IDFC First Bank Case

Prof. Rahul Altekar Assistant Professor Prof. CA Ankit Bajaj – Assistant Professor

Introduction:

Financial Inclusions is all about the process that ensures people and business mainly marginalized and low-income groups to have proper access to secured, affordable and appropriate financial services and products like credit, saving, banking and insurance. It helps in bridging the gap between the formal economy and unbanked section of the society it reduces the poverty actively along with income inequality. Digitalization of financial services have gained popularity after India's demonetization after which major pandemic occurred causing most of the sectors a recession. The model of digital-first banking prioritises mobile and web platforms over physical branches that offer different features such as AI-driven personalization, cloud-native infrastructure and digital onboarding. Instead of just digitising the old methods and process of banking, Digital-first banking models has completely re-engineered the financial value chain for providing seamless and real-time user experience. Digital-first banking models has been leveraged by IDFC FIRST bank that include analytics-led lending, digital infrastructure (UPI/Aadhaar) of India for providing financial services to the unbanked Indian population and bypasses traditional expansion of branches. Integrated with local networks and using 11 steps of digital under-writing, IDFC FIRST bank is offering efficient, and low-cost banking for micro-enterprises as well as low-income groups. A remarkable transformation has been witnessed by the banking industry with the arrival of digital technology where internet banking provides important services in this digital era. As financial institutes are getting adapted to the rising requirements of customers, internet banking has become vital part of modern banking. Efficacy of digital initiatives of IDFC First Bank's has been evaluated, which shows that internet banking has improved accessibility to services, convenience, and increased customer satisfaction with the development of financial inclusion, mainly under banked regions. The main focus of IDFC First Bank is to expand their retail banking segment as that would be the key driver for their growth. The aim of the bank is to increase their customer base as it offers innovative products like saving accounts with high interest rates, personal and home loans and credit cards. Expansion of their presence in under-penetrated market, the main focus would be mainly on semi-urban as well as rural areas. Main element of economic progress and reduction of poverty mainly in developing nation, is financial inclusion meaning that all society members must access to and use financial services. Digital banking has arrived as a potential method of improving financial inclusion as it has removed conventional hindrances like distance, cost and administration and all thanks to the rising digital technology. As an outcome, emerging economies are serving as a test bed towards the digital banking technology with the aim to expand their access towards formal financial services. For benefitting low-income and unbanked population, banks, government, telecom and FinTech companies are working for the development and launching digital banking programs. Microcredit, insurance, digital saving accounts and mobile money transfers are some of the services that are important part of these programs helping people to save money for their future, investing for themselves and managing risk (Baghel & Gupta, 2021). Rapid expansion of digital technology is offering opportunities for providing financial services at a lower cost that eventually boost financial inclusion and profitability and enable large productivity gains across the economy. Digital finance has the potential of providing access to financial services to 1.6 billion of people in emerging nations where more than half of the total are women participants. Digital finance has been defined as a financial service that are delivered through digital infrastructure that include internet and mobile with lower use of cash and traditional

banking branches. Computers, mobile phones and cards that are used over “point-of-sale (POS)” devices are connecting individuals as well as businesses for digitized national payment infrastructure and enables seamless transactions across all parties. Figure 1 shows the Digital First Model of IDFC Bank.

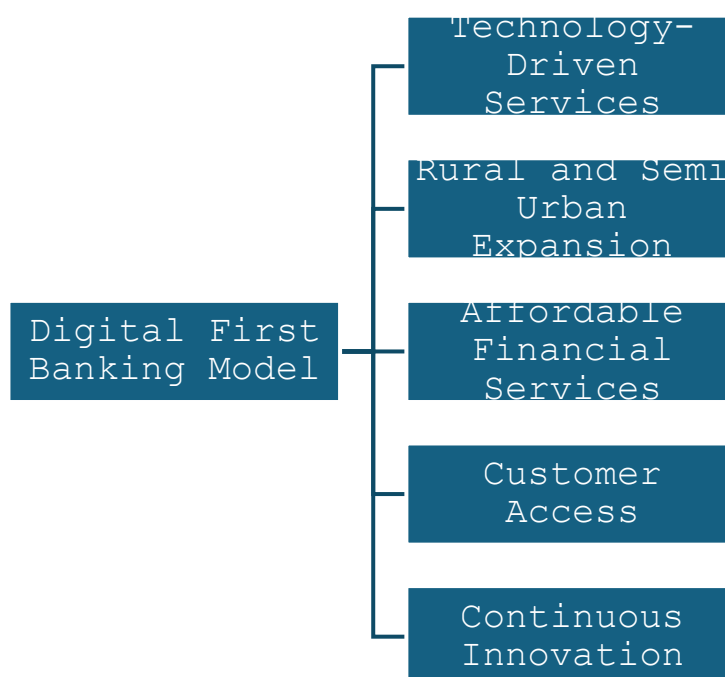


Figure 1 Digital-First Banking Model

Broad-Based Financial Inclusion Enabled by Digital Technologies

Digital technologies and mobile that are spreading all over the globe at a high-speed having a disruptive power have the potential to change the situation completely. In emerging nations, finance is the next frontier. Rather than cash, using a mobile phone is saving significant time and cost of travelling, helps in the reduction of risk and theft, boosting the convenience. Digital technology and digital banking give access to a broader range of financial services that are being delivered digitally like saving account and loans. Mobile phones have become omnipresent as networks increases the coverage as well as quality. Mobile phones with networks have reached to more than 90% of people in emerging nations. As businesses and individuals are making digital payments, they are creating a data trail of their receipts and expenses enabling financial service providers to assess their credit risk. Such information would allow the service providers to underwrite insurance policies and loans for a larger number of borrowers with greater confidence (**Manyika et al, 2016**). Bank’s strategy of IDFC FIRST bank is financial inclusions as it’s central that targets the unbanked and underserved people of India. The combination of digital innovations and physical touchpoints, their focus is on retail deposits, micro-enterprise loans and financial literacy to people for integrating marginalized communities into formal economy.

Main Pillars and Strategies

- **Livelihood Loans and Microfinance** – provides personalized credit to women entrepreneurs, small business enterprise and dairy farmers for driving grassroots economic empowerment.
- **Digital "Mitra" Network** – leveraging local business correspondents and interoperable micro-ATMs for extending banking services in rural areas.
- **Zero Banking Fee** – removing standard fees that include ATM withdrawals and NEFT/RTGS transfers on saving accounts for making banking affordable and transparent for low-income people.
- **ESG & Social Impact** – financing initiatives like rural housing, sustainable agriculture and “Water, Sanitation, and Hygiene” (WASH) loans

Instantaneously, IDFC FIRST Bank make investment in digital platforms. A strong brand, level of service quality, transparency and customer friendly products enabling IDFC FIRST Bank maintaining strong deposit impetus. For strengthening its presence as a retail franchise, investments are made by the banks in expansion of their branches and digital capabilities and widening offering of products and increasing the count of employees. It leads to substantial rise in opex and therefore costs metrics were evaluated and not comparable with peers. Retail deposits have been scaled at a strong 73% CAGR in financial year 2019-2022 with a solid CASA mix of 50%. Bank has invested in digitalization of the system, branches and expansion of products and to be present across all retail products. Ratio of costs are elevated but would moderate as scale benefits would come into effect, and retirement of high-cost borrowing would support NII growth (**Aggarwal, Agarwal & Agarwal 2022**). Seamless customer interface must be provided by “Core Financial Services Solution” (CFSS) in digital offerings and transactions associated to products and services anytime and anywhere enabling integration of functions of NBFCs, providing centralised database and accounting records and have the ability of generating suitable MIS for internal purposes and regulatory reporting. The system of offline digital payment is where transactions does not need internet or telecom connection. Under such framework, such type of payment system can be carried by using channel or instrument like mobile device, cards and wallets. Indian government attempted to ensure digital infrastructure as a main utility for people as it provides unique digital identity, accessing common service centres providing high number of services by demanding seamless integration of services across different departments (**FIDC News, 2022**). Financial inclusion has become a subject of interest for scholars and policy-makers. Academicians are stressing on the importance of financial inclusion highlighting the role of financial institutions like banks in promoting financial inclusion. Therefore, it is imperious to examine the role and bank’s commitment in promotion of financial inclusion mainly banks that came into existence for the promotion of social and economic justice by redistributing wealth in the society. Banks, financial service providers can be categorised based on their banking business model (Nawaz, 2018).

Technological Advantage

- **Cloud Native Stack** - made on an API-led, micro-service architecture, digital banking platform of the bank is integrated easily with partners FinTech that allows fast deployment of financial services in remote regions.
- **AI & Predictive Analytics** – with more than 100 AI and ML models in production, rapid credit risk assessments are performed by the banks on customers with thin-file, turning non-traditional data into viable credit history.

The case of “IDFC First Bank’s Technology-led Banking Services and Digital Media Promotion” is regarding different initiatives that are being launched by IDFC First Bank to be a leader in technology-based banking services in India. This case begins with a short history of this bank. It explains the merger of IDFC Bank and Capital First Ltd. (Capital First). The case also describes use of digital technology by IDFC Bank and launches of financial services. It also explains how banks are using digital media for promotion of their products and services and also promoting brand name of IDFC FIRST bank (ICMR, 2020). Digital banking in India has been redefined by IDFC FIRST Bank by blending advanced technologies with a deep-rooted committed to customer-centricity. Digital strategy of banks is attached with security, accessibility and inclusivity ensuring that digital solutions are empowering, intuitive and easy to use. Whether an individual is managing their personal finance or running a business, they can access both the account in one single mobile application, giving them supreme convenience catering to rural customers and high-net-worth individuals (HNIs). By strategic ecosystem partnership and advancing digital infrastructure, mobile application of IDFC FIRST Bank is empowering their customers with a combined view of their finances, smart transaction filter and personalized insights maintaining a strong competitive benefit in digital-first economy. IDFC FIRST Bank’s innovation goes beyond banking services and have launched IDFC FIRST Academy, which is a digital literacy platform that offers more than 250 learning modules across 35 topics in multiple languages.

This platform is accessible through mobile app; the curriculum was designed for the promotion of financial literacy and inclusion at scale. By its forward-thinking approach. IDFC FIRST Bank constantly sets a new benchmark in digital banking. The main purpose behind majority of FinTech firms is revolutionization and disruption of financial services with the common goal being banking and for that IDFC First Bank is the best example. This new bank has joined with other famous banks like Yes Bank and RBL Bank, IDFC First Bank was eagerly waiting to partner with startups. Just like RBL and Yes bank, IDFC is also considering such strategy and has been the source for many FinTech founders (Singh, 2021). The banking system forms the backbone of the economic system of the country. With the evolving banking sector of India, it has given way from the traditional to the new age system. The new-age banking system of India has provided banking services with improved results in the past few decades. Every sector in today’s era has been upgraded through technology advancement like introduction of digital banking system in India. Advancement of banking technology have brought many solution-like online deposits, digital money transfers, e-bill payments, and usage of mobile wallet. Such technology advancement had reduced delayed transactions and long turnaround times. Incorporation of newer technologies is transformation of Indian banking substantially. Banks are adopting emerging technologies that provides ultimate banking environment to its customers. Operational efficacy, security infrastructure are also enhanced within the process. IDFC FIRST Bank being the new-age bank of India are best example to such transformation in banking industry. With features like “Account Aggregator” and ease of online applications, the mobile banking app of IDFC FIRST bank stays at the forefront of the banking revolution (Team FinFirst, 2022).

Core Issues

IDFC FIRST Bank has adopted a digital-first banking model to expand financial inclusion by delivering affordable, technology-enabled banking services to underserved and unbanked populations. The bank leverages AI, digital infrastructure, and ecosystem partnerships to enhance customer accessibility, improve operational efficiency, and promote financial literacy. However, sustaining digital innovation while ensuring security, customer trust, and inclusive growth across rural and semi-urban markets remains a significant strategic challenge.

Key Questions

1. How has IDFC FIRST Bank's digital-first banking model contributed to promoting financial inclusion in emerging economies?
2. What role do technologies such as AI, cloud-native architecture, and digital payment infrastructure play in enhancing customer experience and operational efficiency at IDFC FIRST Bank?
3. How do IDFC FIRST Bank's financial inclusion initiatives support the banking needs of underserved rural and low-income communities?
4. What strategic measures should IDFC FIRST Bank adopt to sustain digital innovation, strengthen customer trust, and maintain long-term competitive advantage in the evolving banking sector?

References

- Baghel, R. & Gupta, U. (2021). Financial Inclusion Through Digital Banking: Case Studies from Developing Countries, *Ilkogretim Online - Elementary Education Online*, 20(5), 9275-9281.
- Manyika, J., Lund, S., Singer, M., White, O. & Berry, C. (2016). Digital Finance for All: Powering Inclusive Growth in Emerging Economies, *McKinsey & Company*.
- Aggarwal, N., Agarwal, Y. & Agarwal, V. (2022). IDFC First Bank, *Motilal Oswal*.
- FIDC News (2022). The Role of NBFCs as a Catalyst in Economic Growth, 13(4), 1-28.
- Nawaz, T. (2018). Lifting the Lid on Financial Inclusion: Evidence from Emerging Economies, *International Journal of Financial Studies*, 6, 1-8.
- ICMR (2020). IDFC First Bank's Technology-led Banking Services and Digital Media Promotion, retrieved from - [IDFC First Bank's Technology-led Banking Services and Digital Media Promotion](#).
- Singh, A. (2021). IDFC First Bank and a lesson for fintech startups, *the morning context*, retrieved from - [IDFC First Bank and a lesson for fintech startups | The Morning Context](#).
- TeamFinFirst (2022). FinFIRST Blogs, retrieved from - [New Age Banking: Modern Banking Transformation | IDFC FIRST Bank](#).

Groww as an Online Investment Platform: A Case study of Growth and Expansion

Prof. Vinod Sharma Professor of Practice & Prof. Ankit Bajaj Assistant Professor

Introduction:

Founded in 2017 by former Flipkart employees, Groww is a stockbroking and online investment platform. Retail wealth market got disrupted by this platform as it has transformed complicated investing into a seamless and mobile-first experience. It has become India's largest stockbroking platform by commanding around 23.4% of active market share of client on NSE. Investments have become accessible and simple by Groww as it uses "Google Kubernetes Engine" ensuring a reliable investment platforms for clients, making data-backed decisions for growing their business with "BigQuery". With other investment platforms, there are bound to be at peak and non-peak hours during traffic. Regular spikes take place in during early mornings and evenings for Groww when customers are more relaxed. The nature of FinTech industry is highly volatile. Investors, being human and their investment decisions can be quickly influenced by any news. Market cap of Groww broke past ₹1.10 lakh cr. is more than a milestone of FinTech, it is an example about how deeply investing culture of India is evolving. It represents the rise of retail clients, technology driven broking and FinTech driven creation of wealth. Investing has been redefined for millions of Indian by Groww as it had made it simple, accessible and transparent. With the assistance of smart phone things have become easier, things that needed physical forms once, and in-person brokers along with confusing jargon have been quite easy. It has low-cost structure, clean design, and strong concentration on financial education bringing out confident investors.

Overview of the Company

Lalit Keshre, Harsh Jain, Neeraj Singh, and Ishan Bansal – the former Flipkart employees, founded Groww in 2017. They started the app to make it an easy-to-use platform to make investment in mutual funds, but this platform grew into a full online stock broker. Groww have a mobile-first design, it does not charge any commission on equity delivery trades and a clear focus to assist first-time investors that made Groww to stood out in crowded finance market of India. Groww has built a strong base of customer with more than 50 million clients, majorly under 40 years of age. Among them, active investors are 13.23 million and 23.4% share on NSE, which is highest in India. Despite after strong competitors in the market like Upstox and Zerodha, Groww has attained a leading position in investment broking industry that offers access to more than 5 thousand mutual funds through web platforms and mobile applications. One of the main reasons behind the popularity and success of Groww is their simplicity as well as accessibility. Groww as an investment platform was designed mainly for retail investors and millennials that enable them to begin investing with minimal documentation and low capital. Over the time, expansion of Groww into equity trading and advanced products of investment and strengthen their market position further, it helped them to surpass competitors becoming one of the largest investment platforms of India by active clients (**Kathotia**).

A Digital Investment Journey of Groww

It is MobileFirst and web-based platform on which Groww operates, it is designed for easiness, speed as well as transparency. The process of onboarding is fully digital, it allows users to complete KYC, linking bank accounts and start investing within minutes. It started gaining major momentum around 2020 and 2021, this was a period that marked increased adoption of digital system and rising interest in retail investment during the pandemic. Groww's strategic

diversification from mutual funds into stock trading and investments in IPO accelerated user's growth significantly along with revenue expansion. As an outcome, rapid scaling was witnessed by the platform that attracted millions of customers across all over the India.

Main features of the platform include:

- ✓ Simple dashboards for tracking of the portfolio
- ✓ Setup for mutual fund and easy SIP
- ✓ IPO applications on one-click
- ✓ Real-time trading of stock and analytics

With the removal of traditional points of friction, Groww has made investing to be felt more approachable, which is a main reason behind its strong adoption among Gen-Zs and millennials.

Groww - As a Saviors of India

In India, people like to save. As per the data in 2021, gross saving rate of India is 30%, while the household saving rate is 10%. GDP of India stands at \$3 Trillion. The total savings at an estimate of 20% came out to be \$600 billion each year. The preferences of historical investor are investing in fixed assets like real estate and instruments with low yield. Equity market has experienced less than 5% of total investments translating into a massive opportunity (Nilesh et al., 2021).

Investment platform Groww launches Stock Investing

The broader impact of Groww on FinTech ecosystem of India has been significant. With democratised access to the financial market and promotion of digital investments the company has made contribution to the rise in retail participation in creation of wealth. The innovations also motivated better transparency and competition in online brokerage sector. Bidding to invest in capital markets a simple thing to rising number of retail investors, Groww an investment platform based in Bengaluru launched Stocks Investing. Stocks account has been opened by more than 1 lakh investors on invitation and more than 2 million of transactions were done at the launch (Revathy, 2020).

\$251 million was raised by Groww in series E funding to Expand its Business

One of the largest FinTech platforms, Groww raised series E funding of \$251 million on October 2021 at a valuation of \$3 billion. The investment was led by "ICONIQ" Growth along with investors that include "Alkeon, Lone Pine Capital and Steadfast". Existing investors of Groww who were also significant participants in the round were "Sequoia Capital, Ribbit Capital, YC Continuity, Tiger Global, and Propel Venture Partners". Groww being the emerging FinTech platform has plans to make investment to expand their business operations in order to reach to the under-penetrated geographies by solidification of their team, and scaling up the infrastructure. It keeps making substantial investments to improve accessibility of their financial services for Indian people along with educating them on the same.

The Indian Fintech Industry revolutionised by Groww

Zero commission investment is offered by Groww in direct mutual funds and stocks through web platforms, Android apps and iOS. Investors also invest in US Stocks and Gold on the Groww platform apart from only stocks and mutual funds. Concentrating on building customer-focused financial service company, Groww charges lowest brokerage charge for investing in stock. Groww has earned the trust and satisfaction of more than 8 million of users since their

inception. Initially, company did face some challenges related to dealing with the hard-earned money of people and had to come out with safe as well as secured product (**Kari, 2020**).

With the rising FinTech innovation, investing has got democratised with the applications like “robo-advisors, micro-investing apps, and algorithmic trading platforms”. It had lowered the barriers to entry and automating management of portfolio. Advanced technologies are leveraged by these apps such as machine learning, artificial intelligence and big data analytics offering personalized investment strategies, optimization of portfolio and real-time trading. Groww and other Indian brokerages like Zerodha reported a rise of more than 50% in retail account openings in the year 2020, which is highly driven by pandemic and the easiness of trading based on apps. Young retail investors who are assembled in the market are highly facilitated by the rising digital platforms that are user-friendly like Upstox, Zerodha and Groww. Prominence of young investors who are under 30 years of age and increase in Demat account show a democratization of financial market of India (**Gurjar et al. 2024**).

CEO of Microsoft, Satya Nadella invested in stock market as well as Groww a mutual fund investment platform, its co-founder Lalit Keshre once said that Groww has one of the world's best CEOs as an advisor and investor. Microsoft CEO Nadella's investment came after the amount of \$251 million raised by Bangalore-based startup at a valuation of \$3 billion. The company had raised \$83 billion in April last year as series D capital, which is led by Tiger Global (**Outlook News Desk, 2024**). As per the study conducted by Groww in 2020, around 76% of population in India would be millennials who would be the most digital-savvy generation. Their perspectives with regards to investment is very different when compared to previous generation. Basically, looking at the present mutual fund space, the average age of investors is around 40 years. But today, the story is changing with the assistance and availability of new age apps. The average age of investors is only 26 years on Groww. With the arrival of technology, the promotion of mutual funds along with other changes in economic landscape of the nation, investments have become highly popular among millennials. Groww provides a user-friendly and intelligent navigable UX and UI. There is definitely one angle of content, but they have put across the information with more clarity and transparency that provides users with simplified information. By incorporation of simple, it has the ability of reducing the learning curve of the app. The content is free of complex financial jargon. A lot of time has been spent to understand millennials and product strikes the correct balance in terms of available content related to the product, its design and flow of investment (**Team YS, 2019**). Groww being a premier platform of investment in mutual funds that functions as a web-based service, it empowers individual to get engaged in stocks and mutual funds. The main purpose of Groww is to simplify the process of investment, providing transparent and user-friendly and technology driven platform to new investors that would ensure easy and convenient experience to their clients. Looking at the profits and revenue of the company, it has managed to earn a revenue of INR 1,294 cr. in FY 2023, which is 3 times higher from corresponding of INR 367 cr. as reported in FY 2022 having a market share of 19.9% that was stabilised over the past 6 years. Easy to use mobile app of Groww is known for its user-friendly dynamics, the apps can be used for catering into the new market. They must design value propositions incorporating new approached towards distribution and customer engagement. There is one way by which it can enter the new market is through forming a joint venture with other company who is planning to enter the same market that would help both of them to take benefit of each other (KHEMA, 2024).

Technology is the heart of everything done at Groww; technology helps in the creation of distinct investor buckets and customize the flow of user accordingly. So, a first-time user,

whose KYC is not verified would have a different experience than others who are a repeat investor or who are tracking their external funds at Groww. Such level of segmentation and unique creation of user's journey is attained by extraordinary models of machine learning used by Groww.

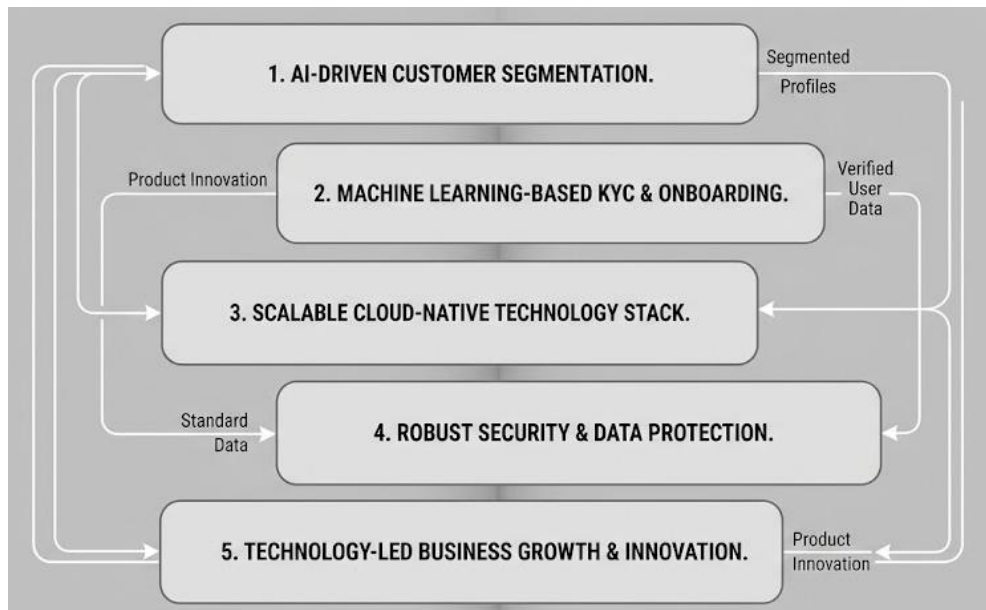


Figure 1 Key Technology Factors of Groww

Image processing and machine learning are employed during the process of KYC for verification of document and onboarding for reduction of any chance of error and for making the process more instant. Presently, the tech stack of Groww includes “React native, Springboot, Springcloud, and a micro-service” based architecture permitting Groww to scale up. Making investment on Groww is fully safe. Stringent checks are in place ensuring data and money both are safe during the complete investment journey. The personal information of users is stored using 256-bit encryption along with regular vulnerability scans are conducted by the company leaving no room for errors. Groww is an intermediary and all transactions are routed through BSE (Udas, 2020). Groww, in 2021, saw their valuation to jump from \$250 million to \$3 Billion + by massive rounds of funding and backing from likes of “Tiger Global, Lone Pine Capital” etc. Since then, the company has expanded their lineup of investment technical products and added more products in 2022-2023. Among all other UPI apps, Groww has ranked 28th in October 23, it has facilitated 5.89 million of transactions that totals to INR 3,354 Crore in value. It has a long way to catch up with “PhonePe, Google Pay, Paytm and CRED” as these are the top four UPI apps in India at present (Subramaniam, 2023). Figure 1 shows the key technology factors of Groww at glance.

Core Issues

Groww has transformed the Indian investment ecosystem by offering a simple, technology-driven, and mobile-first platform that has significantly increased retail participation in financial markets. The company leverages artificial intelligence, machine learning, cloud-native architecture, and robust security to deliver personalized investment experiences and scalable operations. However, sustaining rapid growth amidst intense competition, evolving customer expectations, and the need for continuous technological innovation remains a major strategic challenge.

Key Questions

1. How has Groww's technology-driven and mobile-first business model enabled it to become one of India's leading online investment platforms?
2. What role do artificial intelligence, machine learning, and digital technologies play in enhancing customer experience, operational efficiency, and platform scalability at Groww?
3. What competitive challenges does Groww face in sustaining its leadership position in the rapidly evolving Indian fintech and digital investment industry?
4. What strategic initiatives should Groww adopt to strengthen customer acquisition, expand its product portfolio, and maintain long-term growth in an increasingly competitive market?

References

- Kathotia. Nicodigital, retrieved from - [How Groww Built a 50M-User Investment Platform Through SEO, Content, and Omnichannel Marketing - Case Study.](#)
- Nilesh, Parth, Abhinav, Keshav and Aviral (2021). Can Groww Help Indian Investor Wealth Grow?, retrieved from - [Can Groww Help Indian Investor Wealth Grow?.](#)
- Revathy, L.N. (2020). Investment platform Groww launches Stock Investing, *The Hindu – Business Line*, retrieved from - [Investment platform Groww launches Stock Investing - The HinduBusinessLine.](#)
- Kari, S. (2020). How Groww Is Revolutionizing the Indian Fintech Industry, *Marketing Mind*, retrieved from - [How Groww Is Revolutionizing The Indian Fintech Industry — Marketing Mind.](#)
- Gurjar, S., Bashyal, U., Vishwakarma, K., Shah, P. & Bhatnagar, M. (2024). Exploring the Evolution, Impact and Growth of Investment and Trading Applications, *International Journal of Scientific Research & Engineering Trends*, 10(5), 2116-2123.
- Outlook News Desk (2024). Microsoft CEO Satya Nadella Invests In Investment Platform Groww, retrieved from - [Microsoft CEO Satya Nadella Invests In Investment Platform Groww | Outlook India.](#)
- Team YS (2019). How investment platform Groww is making investing as simple as shopping online for millennials, *YOURSTORY*, retrieved from - [How investment platform Groww is making investing as simple as shopping online for millennials | YourStory.](#)
- Khema, K. (2024). Groww Case Study: Opportunities in Health Insurance Market, *Studocu*, retrieved from - [Groww Case Study: Opportunities in Health Insurance Market \(2023\) - Studocu.](#)
- Udas, R. (2020). Groww: This App Simplifies Investment For Millennials, *Express Computer*, retrieved from - [Groww: This App Simplifies Investment For Millennials - Express Computer.](#)
- Subramaniam, N. (2023). Groww's 'Super App' Year: Going D2C To Win the Fintech Race, *Inc42*, retrieved from - [Groww's 'Super App' Year: Going D2C To Win The Fintech Race.](#)

About the Contributors

The cases in this booklet have been developed by faculty members of iFEEL. Authors (in alphabetical order of first appearance / contribution):

- Prof. Tharageswari Soundarapandian – Associate Professor
- Prof. Balkrishna Namdeo Salunkhe – Assistant Professor
- Prof. Vinod Sharma – Professor of Practice
- Prof. CA Ankit Bajaj – Assistant Professor
- Dr. Sagar Bhadange – Professor
- Dr. Sanjay Salunkhe – Professor
- Dr. Shraddha Purandare – Professor
- Prof. Rahul Altekarkar – Assistant Professor
- Dr. Saumya Dutta – Associate Professor
- Prof. Jagdeesh Padaki – Assistant Professor
- Prof. Dhanashri Karki – Assistant Professor
- Prof. Harsh Shah – Assistant Professor

About US

Established in 2010, iFEEL is a premier management institution dedicated to nurturing future-ready, ethical business leaders, innovators, and entrepreneurs. The institute offers a Post Graduate Diploma in Management (PGDM) designed to provide students with strong academic foundations, practical exposure, industry interaction, leadership development, and entrepreneurial thinking. The PGDM programme offers specializations in Finance, Marketing, Operations, and Human Resources, enabling students to develop specialized knowledge and industry-relevant skills for their chosen career paths.

At the heart of iFEEL's journey is the vision of its Director, Dr. Sanjay Salunkhe, who believes in empowering the next generation of future leaders and changemakers through rigorous, values-driven education. His vision emphasizes continuous innovation and meaningful societal transformation. By instilling strong ethical principles alongside cutting-edge business acumen, iFEEL aims to prepare students not only to succeed in the corporate world but also to actively contribute towards building a better and more sustainable future. Under the leadership of Director, Dr. Sanjay Salunkhe, iFEEL strives to create a highly collaborative ecosystem dedicated to academic excellence, profound impact, and true inclusivity. The institute actively empowers its students, faculty, and industry partners to become agile, purpose-driven leaders who can navigate complex challenges with confidence. Through dynamic learning and holistic development, iFEEL works towards shaping a resilient, future-ready India.

Vision

- To develop and nurture leadership and entrepreneurial excellence by transforming students into visionary leaders and empowering them to achieve entrepreneurial prowess in a rapidly evolving global business landscape.

Mission

- To impart management education of global standards to students and professionals thus making them responsible global citizens.
- To continuously involve ourselves in innovative processes and use best practices of governance.
- To build an intellectual pool of students, faculty and alumni through innovative processes, student and faculty development programs and networking.
- To undertake research and consultancy for the betterment of the industry and the society.

iFEEL
INSTITUTE FOR FUTURE EDUCATION
ENTREPRENEURSHIP AND LEADERSHIP

**PGDM
B-School**
Lonavala, Pune

Nurturing Future Ready Leaders

Publication Details

Title	: Case Studies – Academic Year 2024–25
Institution	: iFEEL (Institute for Future Education, Entrepreneurship & Leadership)
Programme	: Post Graduate Diploma in Management (PGDM)
Edition	: AY 2024–25
Developed by	: Faculty of iFEEL
Copyright	: © iFEEL 2024–25. All rights reserved.

Disclaimer

These case studies are prepared solely for classroom discussion and academic learning. They are not intended to serve as endorsements, sources of primary data, or illustrations of effective or ineffective management. Company names, data, and situations are drawn from publicly available information, published research, and secondary sources. Where appropriate, names and figures may be illustrative. Students and faculty are advised to treat the material as a basis for analysis and debate, not as definitive factual records. iFEEL and the authors accept no liability for decisions taken on the basis of these cases.

Reproduction of this booklet, in whole or in part, for commercial purposes is prohibited without prior written permission from iFEEL. Internal academic use within the institute is permitted.


Experiential
Learning


Innovation &
Entrepreneurship


Industry
Connect


Leadership
Development


Global
Perspective