

# Analyzing the Marketing Strategies of Indian Paint Products

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## Abstract

The study is primary conducted to study the market behavior and strategies of paint and paint products. It signifies the consumer performances, satisfaction, the brand name/symbol and loyal product behavior. This provides the facts and valuable insights which might help one to completely understand the concept. It satisfies the demand of customer, the possibility of purchase, recommendation to other beings and accurately estimates the factors which would contribute in the establishment of brand loyalty. Consumer satisfaction depends upon different factors including price. The more products are affordable the more demand it would have and vice versa. The search would not contain the industrial uses to be a part of survey. The tastes and preferences of people keeps on changing from time to time which can lead to a little dissatisfactory results.

**Keywords:** Paint industry • Asian paints • Marketing strategies • COVID-19 impact • Promotion • Awareness

## Introduction

Indian paint industry is one of the largest growing industries in India. Its growth rate has been consistently increasing from last 5 years. This research is conducted mainly to get a better understanding over the concepts of marketing strategies in respect to Indian paint products. This includes loyalty, consumer satisfaction, interest in repurchase and many other such factors. This has been a constant hype in the demand and consumption of paint products. The chemical sector (paint industry) in India is mostly dominated by Asian paints, which is leading the charts. The growth is directly proportional to the developments in India. Companies have been working hard to assure quality and standard of its products. The advertisement has taken up a huge responsibility of promoting brands on national television and OTP platforms. Brands have been signing up great personalities to endorse their products. For instance JSW paints have called Mr. Ayushmann Khurrana for the brand endorsement and Ranbir Kapoor has been called for Asian paints endorsement. Lately the texture paints market as well as the water based metallic paint market has increased its demand. The new innovations and advancements have helped the washable water-based paints market to grow and reach heights. There has been a lot of research over the marketing strategies these years; For more than three decades marketing academics and practitioners have been noting that business performance is affected by the direction of the market, but to date a market orientation and therefore a systematic examination of its effect on a company performance has not been found to be

reliable. The study reported developing a robust strategy formulation measure and examines its impact on the profitability of a company [1]. But gradually the word economy has pulled the breaks because of the effects of the pandemic. The growth has somewhere lost its touch and the economist fear the downfall. This led industrialists to mold their marketing strategies. As far as paint industry is concerned, enormous changes have taken place, the consumption pattern of people and their lifestyle has changed, which calls for new strategies.

## Objectives

1. To know the conceptual history and scope of the paint in day to day usage.
2. To identify the marketing strategies adopted by the industrialists.
3. To analyze the behavior of dealers in regards to sale promotion and brand promotion.
4. To study the hypothetical perception of consumer towards consuming paint products.
5. To bring out the awareness in customers.

## Literature Review

1. The research is conducted by taking into consideration the already concluded researches and gaps. The research published on the journal of emerging technologies and innovation research (JETIR)

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has helped in understanding the basic concepts of the marketing strategies and its implications [2].

2. Asian paints have been leading the chat since few years. The Government has allowed it to present 421,296 shares to non-residents. The company has been in this occupation since around 75 years. A journal article on a weekly has mentioned the same its shares, stocks, profit and worth [3].

3. Online site has mentioned about the "changing marketing strategies of paint markers". It has talked about the optimistic approach of the manufacturers. The paint makers have started spending on publicity and advertising their products. It has taken care of changing needs of consumers and customer experience. It has developed better services and technology to attract customer. It includes both organized as well as unorganized sector. The factors influencing the market contain sales, services, branding advertisement, collaborating with influencer and loyalty programs [4].

4. An essay on Asian paints marketing strategy has mentioned the assets and economic performance of Asian paints. It has described how the official site of 'Asian paints' has provided the related information about the product for the customers ease. It is using pictorial posters or charts in the rural areas to promote their products because of the fact that most of the people are uneducated and backward. It has also started the online marketing. It has the real taste in color [5].

5. Few studies analyses, instead of highlighting advertising and price promotion, the relative significance of the integrated marketing mix (advertisement, price promotion, product and place) with respect to the long-term success of mature brands. So companies have no advice on the relative effectiveness of their diverse marketing expenses in the long run. The authors use a multivariate dynamic linear function transmission model to examine this issue on five years of advertising and scanning data in 25 product categories and 70 brands in France. The results show that overall sales elasticity (short-term plus long-term) for the product amounts to 1.37 and distribution 74. In contrast, total advertising and discount elasticities are respectively only .13 and .04. This outcome contrasts with the traditional emphasis in pricing and advertising material. The authors also find that discounting's long-term impacts amount to 1/3 of the extent of short-term effects. The ratio of this tool is reversed by other parts of the mix (where the long term consequences surpass four times the short term effect) [6].

## Research methodology

The researcher has adopted both the primary and secondary data. The official sites of paint industries were studied to get better knowledge. The research has collected the views of people virtually. The secondary data was collected from journals, books, newspapers, research papers and several other platforms to separate the findings. It is an analytical and exploratory study which carries the benefits and backlogs of the current market strategies. The true facts and comprehensive techniques make it a descriptive and conceptual research.

## Discussion

### Changing strategies

Indian painting industry has been seeing consistent expansion; however several of its user sectors are in bad shape. Rs 56,000 crore (Rs 560 billion) More crucially, Indian paint companies will be optimized to look at the industry's future potential in the years to come. Low consumption per capita, rising incomes and changing habits-all promise positively for the industry.

Although the demographical impact of paint companies has almost guaranteed growth in the coming years, they are not inactive; they are becoming innovative-not only in terms of development of new products but also in terms of marketing strategy. Despite the fact that paint manufacturers are among the top advertisers and publicists, the days of a particular percentage of revenue spending ensuring fixed sales are long gone. Marketing tactics have developed to meet the changing requirements of consumers and to strike the appropriate chord at the right moment. Marketing tactics are no longer limited to product portfolio, distribution network, and brand creation; in order to continue success, you must think beyond these conventional strategies.

Paint producers are increasingly focusing on improving the client experience, paying more attention to the service component, and incorporating technology into marketing. Marketing innovation is more prevalent in ornamental painting than in automobile painting since the former involves more commerce. Furthermore, all pan-India paint businesses use the direct distribution strategy and have a presence in all product categories. In the paints industry, direct distribution has shown to be more successful than the wholesaler model.

The Indian paint business is unique in that both organized and unorganized sectors coexist. The organized paint industry accounts for 65 percent of the market share, and it is expected that organized players would be able to grab the remaining market share as a result of recent taxing measures such as GST implemented by the government. Aside from paint manufacturing, the worldwide paint application sector is highly organized, which is not the case in India. Paint businesses in advanced countries complete thorough training of painters on the launch of new products, and this trend is now catching up in India as paint manufacturers recognize the need to improve customer experience. Paint manufacturers have recognized that Indian consumers are influenced by painters, shop owners, and architects while making painting decisions. Manufacturers have begun investing in the skill development of painters in order to capitalize on this trend. Manufacturers have also increased their contact with painters/architects tremendously.

Paint producers have realized that expansion in the distribution network and brand construction can no longer be achieved only by focusing on product portfolios. Therefore, the focus slowly shifts towards creating an extraordinary service experience that reduces painting problems and leads to a shorter repainting cycle. It should be mentioned that repainting accounted for 30% of the overall demand for paint previously up to 70%. For example, AP homes, decorative lifestyle stores with 3D visualization, consulting services and other auxiliary services have been established in Asian Paints. In addition, Berger Paints express paintings and Asian Paints paintings use

automated painting, for example, sanding systems and self-rolling machines to extract dust to ensure that painting experiences are professional, fast and excellent. Some paint producers also employ new concepts like 'one day a room' and 'one day a room' which ultimately affect the frequency of painting their customers' homes. All these actions are primarily aimed at ensuring reduced painting distress, finally leading to printing and increasing the re-paintable frequency.

Most newcomers have sought to destabilize the industry by increasing market margins, just-in-time sales, branding and advertising, involvement with influencers such as architects and interior designers and loyalty programs. None of these techniques appear to work for new players, however, because the experienced players constructed considerable entry obstacles. Most importantly, existing brands also use similar strategies and it will be hard for them to break the barrier if new entrants have some innovative tactics in their sleeve. Despite the general use of the words "market division" and "product differentiation," many misunderstandings have been and continue to be made regarding their significance and use. The use of contemporary and traditional economic theory and product mapping seeks to diminish the confusion. The contrast and importance of these phrases have been described in a journal article on the Marketing Journal [7].

### India's leading brand: Asian paints

Asian paints; The Indian Paint Industry leader has a very strong section in marketing. Asian paint is continuing to rise in springs and bounces to accomplish higher objectives with a market share of over 35 percent. An article about Asian paints was once published in the economic and political weekly in 2000. It showed that the Asian paint was leading the charts. Since then it is the top preferred brands and most trusted company for the consumers [8]. With a big ramp in market share and improved growth in the next three years, the ramp is changing fundamentally with two objectives. Previously, the corporation was an undifferentiated company. But it's now split into three parts each. And there is a separate system, objectives and performance parameter in each section.

#### The marketing goals of companies are as follows:

- Asian paint is widely recognized in the metropolitan area and is now seeking entrance to the rural market with a low-cost product such as Utsav aimed at every consumer of all levels of income.
- Asian paints today have 30 color worlds in different cities of India, in order to enhance its sales in the urban sector, where anybody can have a true colored taste.
- Online marketing has become an integral component of the organization and tries to establish a strong integrated online marketing system.
- The international paintings section in Asia with a specialized marketing staff also aims to increase outside markets rapidly.
- Asian paint is utilizing their official mascot to pursue a unique marketing campaign in rural areas. In the company's opinion, the picture is more dominant than the name.
- Asian paints official website includes a number of products information asked by customer and dealers.

**Volume:** Indian paint is less than 1/2 of the size by volume and less than 1/5 of the US paint industry by volume of China's paint industry. The Indian paint industry is lagging behind the markets of Pakistan and Sri Lanka in terms of per-capita consumption.

**We can classify Asian paints as competitors for gross sales:** Nerolac paints, Berger Paints and ICI Paints.

They are considered as trailing companies in industry. But with considerable growth in the sector, competitors can touch on Asian paints or perhaps overtake them, because the three major competitors have different tactics. Initially, they have to think about a shared plan - increasing the market share.

The Indian paint industry's market size is value-added and highly fragmented at Rs.170 billion. The usage per capita of paints in India is 0.5 kg a year compared with 1.6 kg in China and 22 kg in industrialized economies. India only holds 0.6 percent of its share in the globe of paint.

The unorganized industry controls around 35% of the paint market and accounts for the rest of the organized sector. There are around 2,000 units in the unorganized group that have small and medium-sized paint factories. Asian Paints is one of the most organized players, with 35% market share, Kansai Nerolac (20% market share), Berger Paints (19% market share) and ICI (12% market share). It handles almost 75% of the decorative paints in India.

It concentrates more on consumer's choice. The largest Indian painting firm, Asian Paints Limited, is well known for professional development and fast growing. All Asian Painting activities are centered on customers. All his big endeavors are guided by a basic yet unsurpassable notion of 'go where the customer is.' In the corporate sector the company has an exceptional reputation for professionalism, rapid expansion and customer centering. It has a professional behavior with the customers and its employees. It has enabled online ordering system. It has created a direct consumer connection and standardization of sales deliveries of Asian paints

### Awareness of different products among the buyers

Gender-based awareness of paint industry brands, especially Asian, Nerolac, and Berger, differs significantly. The awareness of paint industry labels, notably "Asian" and "Nippon," is a major variation in age. The awareness of the painting industry brands, Asia, Nerolac and Berger, differs significantly. Wisely literacy, the consciousness of paint brands 'Asian' and 'Shalimar' differs substantially. In a professional way, awareness of the painting industry trademarks "Asian" and "Nerolac" differ considerably. There is a considerable variance in awareness of the painting industry brands 'Asian' on a monthly basis, 'Nippon', 'Shalimar' and Other Industries of Painting.

In the case of variables like 'quality, high advertising, packaging and the most popular brand' there is a considerable variation in perception for paint and paint goods. In the case of paint and paint goods, there is an important variation in perception.

- The variables 'Quality, price/value and vast selection of catalogue colours.'

- Marital status wise the opinion of paint and paint goods is very different.
- The case of 'Easily Available and Packaging' variables.
- In the case of the factors, namely 'Customized product, quality and ease of use,' the literacy level is significantly different in terms of perception towards paint and painting products.
- In the case of the variables 'customized product, quality and easy to use' there is a considerable variation of perception for paint and paint goods.
- In the event of the variables 'Customized product, quality and ease of use,' there is a considerable variance of perception for paint products on a monthly basis.

### COVID-19 impact on paint industry

COVID-19 has been the global painting and covering industry's biggest disruptive factor in recent years. The nose-dive demand has been unparalleled in the Indian painting and lacquer business over the past four months. Though most production units have been delayed, the increasing numbers of instances and the decreasing demand have generated concern among the top makers of paint and coating. One of the poorest performances in recent years has been recorded by the Indian paint and coatings industries, which were predicted to reach \$8 billion in 2019-20, which was barely over by March 31 2020. The financial results recently revealed for the period January-March 2020 from the leading Indian coatings companies have projected a dismal future.

The industry prospects for this year would not be excellent for the current year, according to 'Kamdhenu' Paints Director 'Saurabh Agarwal': "During the country's full production and supply chain of indigenous paint and coating, the outbreak and lock-down scenarios has produced major disturbances," he said. 'The painting business has a huge scarcity of competent and unable workers who have been forced from their homelands by a major section of the population.'

Almost all other trade and industrial activity were shut down during this period, with the exception of vital services. The production was suspended for over 30 days by all paint producers in the country. Some manufacturing units subsequently restarted their partial output in phases. To yet, however, capacity utilization has remained low in the Indian paint and coatings business.

- Asia Paints, India's largest manufacturer of paints and coatings, reported a 2.1% decline in net profits in the quarters ended March 2020 to INR 4,619 million (USD 61.58 million). Net sales decrease by 7.1% to 46,360 million INR (618 million dollars) over the same time.

- The second largest painting firm in India, Berger Paints, reported a decrease of about 6.5% to INR 1,032 million (USD 13.76 million) in their consolidated net profit for the fourth quarter ended on 31 March. The entire turnover for the period decreased to INR 13,548 million by eight per cent (\$180, 64 million).

### Conclusion

Painting is the basis for colors to enrich people's lives. The quality of the paintings affects life to give elegance and the idea for a better level of living. The paints on the market are in the dwellings used to

give the fantasy, magnificence and innovation to live peacefully. From this research, it is known that the use of paint has been determined to grow at a very quick rate. The key reason for this is publicity and brand recognition. Paints marketing have a wonderful reputation and participation in the field of research. The poll shows that consumers choose Asian paint for the sake of quality and fair value for money. Consumers use paints mostly for building protection. Most customers consider that television is the greatest platform for paint advertisement. Most buyers were inspired by free promotional activities of their variety. For makers of paints and coatings, the prolonged COVID-19 crisis has made it extremely difficult. The number of cases of COVID-19 was around 1.24 million on 22 July in India. The scenario of India is currently ranked as third worldwide in the number of cases. The ambiguity over the growth of COVID-19 in India has made companies and customers worried and apprehensive. There appears to be little consumption capacity or appetite-and in the absence of demand, the manufacture of paint is not encouraged to ramp up to pre-COVID-19 levels.

### Recommendations

The following ideas are based on the study:

As quality is the most important factor, it ought to be quality proud and placed in the consumer's consciousness.

Companies can select reputable brand-developing retail shops.

1. Different paint brands should be advised to raise their awareness by increasing advertising.
2. It is also advisable to extend the distribution network of the paint brands in the field of study.
3. A variety of paint brands should focus on influencing painters and dealers, as painters and dealers are in the painting sector recommend product to customers very crucial.
4. Paint brands should regularly hold painters and dealers meetings and training programmes.
5. The key influencing variables when buying a paint brand are advertising, sales promotion, positive word of mouth from family members and neighbors. To create and implement a new market, the sales promotion committee should be formed competition strategies and market share enhancement.

6. Sales agents of the company must maintain with the help of the dealers relationships with building businesses and with painting contractors.

7. Company should conduct business meetings, at least in order to inform customers on recent paint development industry and products thereof.

8. Companies should also focus on external paints, because they have relatively small market shares.

9. In order to update the paint image within the changing environment, advertising should be increased.

10. Company must take care; sales reps and dealers must have a close relationship with clients.

11. The business should keep records of the customers.

12. A major influence factor in purchase decisions is TV advertising. This section can be improved.

13. The ads should only be made more effective by real users and popularized cinema stars.

14. The promotion should be carried out via raising customer awareness. This can include:

- Incentives and discounts are provided
- To promote good publicity
- To deliver good quality, packaging and value to the requested money to the products.
- The latest designs and impacts are supported by constant improvements.
- Construct technological support for the promotion of good applications.
- Building strong customer communication.
- Some manufacturers are forced to increase the maximum selling price of their goods just offer the retailers that price. In order for manufacturers to fix their MRP at their sales price.
- A corporation should also implement social protection activities to improve the image of its brands.
- Efforts should be made to standardize government paint quality by setting standards.

- The cost should be kept as low as possible. The price is the key criteria when the brand is chosen.

- To improve client happiness, the painter companies should introduce the innovative.

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