

A STUDY ON MARKETING STRATEGY OF TITAN WATCHES WITH SPECIAL REFERENCE TO HOSUR

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Abstract—Welfare programs are aimed at promoting the physical, psychological and general wellbeing of the working population Today, a wristwatch is considered as much of a status symbol as a device to tell time. In an age when cell phones and digital pagers display tiny quartz clocks, the mechanical wristwatch has slowly become less of an object of function and more a piece of modern culture. The Indian watch industry began in the year 1961 with the commissioning of the watch division of HMT. The first watch model manufactured by HMT was the Janata model in the year 1962. HMT was the leader in the watch market till the Tata's formed Titan Watches in association with Tamil Nadu Industrial Development Corporation in the year 1987. Titan watch first company to launch quartz watches in India. The Indian watch market is today of 40 million units, out of which 60% is in the unorganized sector in which the maximum number of watches are sold are below Rs.300. Quartz watches form two third of the organized sector and the rest is split between mechanical and digital watches. Even in the organized sector, three fourth of the sales by volume comes from watches that are priced below Rs.1000. Watch is one of the consumer durables whose replacement rate is very high. The replacement rate of watch is 33.8 % (Source: India market demographics report, 1998). This is also due to the fact that the estimated scrap rate of wrist watches is 7.8%, which is applicable after 6 years (Source: India market demographics report, 1998). So, due to high scrap rate, outdated models, and the shift from the mechanical watches to the quartz watches it is causing a very high replacement demand for watches. This along with the low penetration level represents the untapped market potential for watches in India.

INTRODUCTION

The rapid pace of change and intense competitive pressure in today's marketplace demand that brands continuously innovate and reinvent themselves to maintain their relevance and market position. In this context, brand repositioning and other revitalization strategies have become a business imperative for battling brand erosion. The appeal of brand repositioning is further heightened by the rising costs and high risk associated with launching a new brand.

Brand repositioning has received little attention in the marketing literature and has mostly been treated as a variation of brand positioning. Biel, for example, has defined brand positioning as "building (or rebuilding) an image for a brand". The goal of positioning and repositioning strategies relates to the management of consumers' perceptions. However, positioning focuses on the creation of brand associations - consumers' perceptions of the attributes that differentiate the brand from competitive offers – while repositioning also implies managing existing brand associations. The unique challenge of a repositioning Strategy, thus, lies in rejuvenating the brand image to make it relevant in an evolving environment, while honoring the brand equity heritage.

OBJECTIVES OF THE STUDY

- To review the brand positioning strategies of different sub-brands of Titan watches.
- To analyze the brand repositioning strategies of Titan watches.
- To study consumer awareness and perception about the brand repositioning Strategies of Titan watches.
- To recommend suitable measures to be taken by the Titan Company to further Improve its brand perception and loyalty among its customers.

This study would help titan industry to understand the gaps in its communication strategy regarding brand repositioning exercises and the further measures to be taken for effective marketing communications.

SCOPE OF THE STUDY

- To study the level of job satisfaction, working environment, employee compensation and employee retention in manufacturing industries of Hosur.
- The report is based on three main part of HR activities for the scope analysis on employee compensation to Titan industry.
- Training and development practices in the industry, compensation & benefit are given to the employee of the company and about wage and salary administrate of the company.

LIMITATIONS OF THE STUDY

Any research study would be facing certain 111Titations, technical or procedural or otherwise the present study has not been an exception to this rule and had come across certain limitation the following are few of such constrains.

- The study was fined confined only to non-Executives.
- The study has to be completed within a stipulated time period and hence time was a major constraint.
- Reluctance of concerned person to spend enough time for answering the questions was considered to be another major can strait.
- The sample size is restricted date time constrains.
- Due to prejudice, respondents might have given false information which learns to biased conclusion.
- Despite the above limitations every attempt has been made to complete attempt has been made to complete the research work in best possible manner.

RESEARC METHODOLOGY

To fulfil any task, it is necessary to follow a systematic method. Research methodology is the main aspect of research studies. The methodology follow by research is detailed here.

Types of research

The research was of descriptive design; aim to procure a clear, complete and accurate description of the situation.

Data source

Data was taken mostly through primary data. However, company and product profiles were referred too. A structured UN- disguised interview schedule was designed to collect data source. The schedule method was opted since the method would help to concise amount of information.

Interview schedule design

A good care was taken by the researcher to design the schedule. All the objectives were taken into consideration while designing the handout. More of the closed and few ended questions were asked for the survey.

Study-area

The survey was conducted at Titan industry, in Hosur

Period of study

The study was held during the period of one month March to April

Sampling techniques

The sampling techniques was used for the survey was convenience sampling.

Methods of data collection

Primary data

Primary goal is original and collected by the researcher freshly. In this study primary data was collected through questionnaire. A questionnaire is a popular means of collecting primary data.

Secondary data

Secondary data is research data that has previously been gathered and can be accessed by the researchers. The term contrasts with primary data, which is data collected directly from its source.

SWOT ANALYSIS

A. STRENGTH

1. Style

Titan first introduced the „style“ concept in India and projected the watch as a fashion accessory. Now a day’s style is a very much evident factor among the youth. And there is a craze for stylish wristwatch. So, Titan makes the peoples life more glorious by making stylish wristwatch.

2. Models:

As Titan offers the best and the biggest range to customer to choose the watch of their choice with an affordable price.

It offers about 14 different names with about 1000plus different varieties with a watch for literally everyone.

3. Exclusive products:

Today Titan holds the pride for say that its products both within the country and internationally running in battle position. Its EDGE the slimmest watch in the world position.

Other than these there have few more strength like-

Contribution of owned brands and retail. The profit is accounted by being in the retail space which is booming.

Watches are available with popular functions like dates, multifunction and chronographic.

Guarantee/warranty

B. WEAKNESSES

1. Pricing:

The average price of Titan in mid-price segment is very high than the other competitor. Average price for Titan is Rs.1100 while the price for HMT is Rs.550. In the mid-price segment, the company is not performing up to the mark due to the lack of choice of consumers.

2. Market share:

As the average price of Titan wristwatch is far more than the other competitor, Titan has less market share. The market is more demonstrate by middle class people and for them Titan is quite costly. Among 75% market share in mid-segment. Titan market share is between 18-20% which is far lower than HMT and Maxima.

3. Globalized:

As the company is Indian based which leads it to the strength, where as it is the weakness also because the company not sufficiently globalized.

C. OPPORTUNITIES

1. Seasonality:

At the time of festival, like Diwali Titan promotes Nebula, Bandhan because there is demand for the products.

- Gold watches and pairs are the like as a wedding occasion.

-The fast-track brand is promoted in month of June-August when schools and colleges re-open.

2. Gifting concept:

Titan started as a brand which was associated with gifting and relation. The gift concept sells well for people have come to associate Titan with love care and makes emotion run high.

3. Exchanging offer:

The Titan stores offer exchange offer of any old watch, of any make, in any condition functional or otherwise and receive a flat discount of 25% on their purchase of a brand new, stylish and technologically advanced watch from Titan.

D. THREATS

1. Competitor:

As we know that lots of foreign brands are entering in our country with their branded watches. As the removal of quantitative restrictions on import watches leads to threat to titan.

2. Premium segment:

As in premium segment Titan is getting threats from reputed international brand such as Espirit, Swatch and Citizen.

3. Mobile:

Now a day's people can get the time and the other feature in mobile phone. So, the need of wristwatch is in decreasing trend. People can talk and see the time in a cell phone and some people think that there is no need of wristwatch.

4. Marketing Objectives:

Titan industries in watch hold 70% in domestic level and 60% in Share in organized sector market. Companies the marketing objectives is to increase in market share by 5%. Before, implementing the of marketing strategies we must have to focus on certain things, which include the BCG Matrix representation.

A Titan industry has registered an Income of Rs.1,104.85 crore as compared to previous year which was Rs 7, 25.11. In all the income the Titan industry had contributed Rs.3,03.45 crore.

FINDINGS OF THE SURVEY

The findings of the consumer awareness survey are listed below:

72% of the respondents in the age group of 20 – 30 years possess fast track watch. This shows that the positioning strategy of these watches has been good.

- Most of the consumers prefer Titan watches for their attractive designs and good quality. However, there is a misconception about pricing of Titan products among the consumers. They perceive them to be high priced.
- Logos and taglines are rarely noticed by the watch consumers. Hence, any change in them also goes unnoticed.
- Advertisement in mass media such as television, newspapers, and magazines are best means to spread awareness about brand.
- Celebrity endorsement of watches not only increases the visibility of the product but also gives an assurance to the consumers that it is of high quality.
- Titan watches" designs are rated as "good" by 78% of the respondents. This indicates that they are looking forward for more innovative designs to be introduced by the company.
- Only 50% of the respondents have seen the new campaign launched by Titan watches in July 2008. This implies that the reach of the campaign in six months has been to more or less half of the consumers. However, those who have seen the new campaign consider it to be effective in conveying the message it intended to deliver, i.e., to "be more" in lives.
- The after sales service and behavior of sales personnel have been given low ratings compared to other variables mentioned in the questionnaire with respect to Titan's exclusive showrooms.

RECOMENDATIONS

Suggestions given by the respondents to improve brand image.

Varied responses were received for this question. All the responses have been summarized as follows:

- Introduce more trendy and innovative designs o Focus on niche markets such as working men and women
- Spread awareness about availability of watches in lower segments as most of the consumers feel that Titan brand is synonymous with premium watches
- Take steps to change consumer perception that Titan watches are high priced.
- Improve after sales service

CONCLUSION

- To increase its visibility, Titan Company can sponsor events similar to fashion shows in which all latest designs launched are displayed. This would have multiplier effect as the latest designs launched by the company get noticed by different segments of the customers in varied ways.
- Tie up with FM radio channels for reminder advertisements and informing customers about various sales promotion offers from time-to-time.
- Invest more in R&D as customer expectations are changing rapidly. Though Titan has got more product collections, it should focus on introducing more varieties in already existing product collections. In other words, having a limited but more depth in product collections would be more advantageous.
- Introduce exclusive collection for working women which is more contemporary and complements both traditional and western wear.
- Majority of the population in India live in rural areas. So, showrooms should be set up at places nearer to them. Introduce cheaper and rough use watches for this segment.
- After sales service has to be improved. That is, the process of servicing and repairing of watches should be made faster. This can be done by ensuring the spare parts availability and training all sales personnel in Titan showrooms to undertake these tasks.
- Tie up with international watch brands and make them available locally.
- Make use of internet to spread awareness among consumers about the brand.

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