

A STUDY ON MARKETING STRATEGIES OF UAE EXCHANGE AT TRICHY

Dr.S.C.Sivasundaram Anushan*

S.N.Chandni**

**Senior Assistant Professor, School of Management, SASTRA University, Thanjavur – 613 401*

***II Year MBA Student, School of Management, SASTRA University, Thanjavur – 613 401*

ABSTRACT

A money changer besides carrying out the primary function of money changing carries out other Financial and Marketing activities. The study focuses on the various functions and services carried out by money exchangers. The paper aims to examine the various marketing strategies adopted by money exchangers. The study was carried out using a Descriptive Research Design, using a sample survey, a Structured Undisguised Questionnaire, collected among 123 customers of Trichy. The sampling technique used was convenience sampling method, at the company office. The data collected was analyzed using Percentage Analysis, Inferential Statistics, and Multiple Regression. The overall opinion about the services of the company was normal. The respondents felt that the money changer was functionally good. With regard to satisfaction towards the products and services, the respondents were neither satisfied nor dissatisfied. They further felt that during the study period the exchange rate fluctuation was stable. The services that were significant in the estimation of overall opinion were instant money transfer, bill paying and credit card services. The significant functions that create functional excellence were taking care of currency requirements during a trip and hedging. The service variables that cause satisfaction were Staff Friendliness and time taken to process the transaction. The Marketing Strategies that cause satisfaction were adoption of Penetration Pricing and allowing discounts.

KEY WORDS: Marketing Strategies

1. INTRODUCTION

A marketing strategy looks at all of the areas of the selling activities and helps each one support the next, making sure all of other departments are aware of what each is doing Marketing strategy creates pathways to a desirable future. Marketing strategy includes all basic, short-term, and long-term activities in the field of marketing that deal with the analysis of the strategic initial situation of a company and the formulation, evaluation and selection of market-oriented strategies

and therefore contribute to the goals of the company and its marketing objectives. A marketing strategy looks at all of the areas of the selling activities and helps each one support the next, making sure all of other departments are aware of what each is doing.

It helps to create products and services with the best chances for making a profit. Marketing strategy starts with marketplace research, taking into consideration the optimal target customer, what other competitor is doing and what trends might be on the horizon. Promotional and marketing strategies can also assist the business in understanding and connecting with clients and customers. If the marketing plan is loosely structured, the company might not have much success at targeting products to the "right" demographics. Having a solid and well-thought-out marketing plan can help to identify gaps in the marketplace and provide feasible solutions for the clients. Marketing strategies are ultimately designed to increase market share for a company and its brands, using a range of marketing tactics to accomplish specific goals for new customer acquisition and increased customer loyalty. It is a process that can allow an organization to concentrate its limited resources on the greatest opportunities to increase sales and achieve a sustainable competitive advantage.

2. LITERATURE REVIEW

Grenley G. E. (1989) Marketing strategy has the fundamental goal of increasing sales and achieving a sustainable competitive advantage. Marketing strategy includes all basic, short-term, and long-term activities in the field of marketing.

Chiu Y. J. (2006) An organization's strategy combines all of its marketing goals into one comprehensive plan. A good marketing strategy should be drawn from market research and focus on the right product mix in order to achieve the maximum profit potential and sustain the business.

Graw Brown A.J, (1982,) Marketing strategy is sorting out who your consumer actually is, and then finding out what their need is it is also the process of uncovering messages that can be heard. *Marketing is the management process responsible for identifying, anticipating and satisfying customer requirements profitably.*

Sweeny (1876) A marketing strategy is a process that can allow an organization to concentrate its limited resources on the greatest opportunities to increase sales and achieve a sustainable competitive advantage.

Calantone (1865.) A marketing strategy can serve as the foundation of a marketing plan. A marketing plan contains a set of specific actions required to successfully implement a marketing strategy.

Dodge L.J (1995) Marketing starts in thoughts about current situation of the company and situational analysis and possible evolution of the markets and the environment, with the goal of detecting opportunities which can establish objectives.

Zarin Negar N (2009) The primary purpose of a marketing strategy is to effectively allocate and coordinate marketing resources and activities to accomplish the firm's objectives within a specific product market.

Cooper R. G. (1985) Marketing strategy includes all basic, short-term, and long-term activities in the field of marketing that deal with the analysis of the strategic initial situation of a company and the formulation, evaluation and selection of market-oriented strategies and therefore contributes to the goals of the company and its marketing objectives.

Eusebio (2007) Marketing strategies are ultimately designed to increase market share for a company and its brands, using a range of marketing tactics to accomplish specific goals for new customer acquisition and increased customer loyalty.

Brodrechtova, Y. (2008) A marketing strategy often integrates an organization's marketing goals, policies, and action sequences into a cohesive whole. Similarly, the various strands of the strategy, which might include advertising, channel marketing, internet marketing, promotion and public relation can be orchestrated.

3. NEED OF THE STUDY

Any organization carrying out even Finance business or HR businesses has to ultimately market them. The marketing uses 4 Ps namely Product, Price, Place and Promotions. One of the very popular Finance business is money exchanging. The success of these money exchanging

company depend on their ability to market them. So it is imperative to study the marketing strategies adopted by the money exchangers. Trichy is having lot of money exchanging companies due to the presence of airports and large amount of export houses. This scenario presents the real need for the study.

4. OBJECTIVE

Objective of the study is to study the marketing strategies adopted by the money exchangers from the customer's viewpoint.

5. SCOPE

The scope of the paper comprises of the following

- It belongs to marketing area in Management;
- The study provides Marketing strategic inputs to money exchanging companies.

6. LIMITATIONS

The limitations are as follows

- Time limitation, i.e; the study results are applicable to the study period only (twenty first of March to twenty first of April, 2016).
- Place limitation i.e; the study results are applicable to the study area only (Trichy city).

7. RESEARCH METHODOLOGY

The study was carried out using a descriptive research design. 123 samples from Trichy were contacted conveniently using a structured undistinguished direct questionnaire. The sampling technique used was convenience sampling method, at the company office. The data collected was analyzed using Percentage Analysis, Inferential Statistics, and Multiple Regression. The research has used a descriptive research design of conclusive nature. The study describes the opinion of customers of money exchangers in Trichy.

8. MARKETING STRATEGIES OF MONEY EXCHANGERS

The marketing strategies adopted by the money exchangers of Trichy are as follows:

Outdoor advertising, broadcast advertising, personal influence, hosting public events, offers, discounts, reasonable exchange rates, promotional schemes, many point of contacts, competitive pricing, going rate pricing, links with banks, positioning, segmenting, adoption of skimming pricing, differentiated products, service differentiation, adoption of penetrating pricing, adopting niche marketing and operating in airports.

8.1. OVERALL SATISFACTION LEVEL TOWARDS MARKETING STRATEGIES

Table 1
Overall Satisfaction level towards marketing strategies

Satisfaction Level	Frequency	Percentage
Highly Satisfied	12	9.8
Satisfied	47	38.2
Neither Satisfied nor Dissatisfied	55	44.7
Dissatisfied	3	2.4
Highly Dissatisfied	6	4.9
Total	123	100.0

(Source: primary data)

55 respondents forming 44.7% said that they were Neither Satisfied nor Dissatisfied regarding the overall satisfaction level of products and services, 47 respondents forming 38.2% said that they were Satisfied regarding the overall satisfaction level of products and services, 12 respondents forming 9.8%, said that were Highly Satisfied regarding the overall satisfaction level of products and services, 6 respondents forming 4.9% inferred that they were Highly Dissatisfied regarding the overall satisfaction level of products and services, 3 respondents forming 2.4% said that they were Dissatisfied regarding the overall satisfaction level of products and services.

8.1. OPINION ABOUT THE ADOPTION OF VARIOUS MARKETING STRATEGIES ADOPTED BY MONEY EXCHANGING COMPANIES

The table below shows the frequency, and descriptive statistics such as mean and standard deviation for the statement describing the marketing strategies adopted by UAE Exchange India

Table 2
Frequency and descriptive statistics of marketing strategies adopted by the company

Marketing Strategies	Statistics	Adopted often	Adopted	Neither Adopted nor not Adopted	Not Adopted	Not Adopted At All	Mean	Std. Deviation
Outdoor Advertising	Frequency	14	79	19	11	0	2.21	0.76
	Percent	11.4	64.2	15.4	8.9	0		
Broad cast Advertising	Frequency	36	42	37	8	0	2.13	0.91
	Percent	29.3	34.1	30.1	6.5	0		
Personal influence	Frequency	16	46	38	23	0	2.55	0.94
	Percent	13	37.4	30.9	18.7	0		

Hosting public events	Frequency	30	43	27	20	3	2.37	1.09
	Percent	7.3	34.1	28.5	25.2	4.9		
Offers	Frequency	0	44	44	25	10	2.36	0.91
	Percent	24.4	35	22	16.3	2.4		
Discounts	Frequency	22	49	37	15	0	2.77	1.10
	Percent	17.9	39.8	30.1	12.2	0		
Reasonable Exchange Rates	Frequency	38	46	31	8	0	2.07	0.90
	Percent	30.9	37.4	25.2	6.5	0		
Promotional schemes	Frequency	21	39	41	22	0	2.52	0.97
	Percent	17.1	31.7	33.3	17.9	0		
Many Point of Contacts	Frequency	21	39	41	22	0	2.49	1.14
	Percent	17.1	31.7	33.3	17.9	0		
Competitive Pricing	Frequency	27	37	27	29	3	2.23	1.07
	Percent	22	30.1	22	23.6	2.4		
Going Rate Pricing	Frequency	14	79	19	11	0	2.66	0.95
	Percent	11.4	64.2	15.4	8.9	0		
Links with Banks	Frequency	36	42	37	8	0	2.49	0.98
	Percent	29.3	34.1	30.1	6.5	0		
Positioning	Frequency	16	46	38	23	0	2.54	1.06
	Percent	13	37.4	30.9	18.7	0		
Segmenting	Frequency	30	43	27	20	3	2.36	0.86
	Percent	7.3	34.1	28.5	25.2	4.9		
Adoption of Skimming Pricing	Frequency	0	44	44	25	10	2.51	1.06
	Percent	24.4	35	22	16.3	2.4		
Differentiated products	Frequency	22	49	37	15	0	2.83	0.83
	Percent	17.9	39.8	30.1	12.2	0		
Service differentiation	Frequency	38	46	31	8	0	2.24	0.92
	Percent	30.9	37.4	25.2	6.5	0		
Adoption of Penetrating pricing	Frequency	21	39	41	22	0	2.80	0.93
	Percent	17.1	31.7	33.3	17.9	0		
Adopting Niche Marketing	Frequency	21	39	41	22	0	2.26	0.89
	Percent	17.1	31.7	33.3	17.9	0		
Operating in Airports	Frequency	27	37	27	29	3	2.95	0.91
	Percent	22	30.1	22	23.6	2.4		

The mean adoption score shows that the highest adoption is observed for ‘Operating in Airports’ with mean of 2.95, followed by ‘Differentiated products’ with mean of 2.83, and followed by ‘Adoption of Penetrating pricing’ with mean of 2.80 and the lowest adoption is observed for ‘Reasonable Exchange Rates’ with mean of 2.07, followed by ‘Broad cast Advertising’ with a mean of 2.13 and followed by ‘Outdoor advertising’ with mean of 2.21.

The highest variation in adoption is observed for ‘Many point of contacts’ with a standard deviation of 1.14, followed by ‘Discounts’ with a standard deviation of 1.10 and followed by ‘Hosting public events’ with a standard deviation of 1.09 and the lowest variation in adoption is observed for ‘Outdoor advertising’ with standard deviation of 0.76, followed by ‘Differentiated Products’ with a standard deviation of 0.83 and followed by ‘Segmenting’ with a standard deviation of 0.86.

8.2. REGRESSION MODEL FOR ESTIMATION OF SATISFACTION TOWARDS ADOPTED BY MONEY EXCHANGING COMPANIES

A model of satisfaction towards marketing strategies of Money exchangers, was constructed from the independent predictors namely, outdoor advertising, broadcast advertising, personal influence, hosting public events, offers, discounts, reasonable exchange rates, promotional schemes, many point of contacts, competitive pricing, going rate pricing, links with banks, positioning, segmenting, adoption of skimming pricing, differentiated products, service differentiation, adoption of penetrating pricing, adopting niche marketing and operating in airports.

Table 2

Model Summary for satisfaction towards marketing strategies of UAE India, Trichy

r²	Source of variation	Sum of Squares	Df	Mean Square	F	Sig.
0.704	Regression	67.928	20	3.396	12.123	.000
	Residual	28.576	102	.280		
	Total	96.504	122			

The model summary above shows that r² which is the power of a modal was 0.704 which shows that the independent variables are able to explain 70.4% of the variance on the estimate or dependent variable and the significance of F being less than 0.05 signify that the model is a good fit.

Table 3
Coefficients for estimation of satisfaction towards marketing strategies of UAE India,
Trichy

Predictors	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.276	.319		.865	.389
Outdoor Advertising	-.507	.117	-.435	-4.345	.000*
Broadcast Advertising	.168	.071	.173	2.352	.021*
Personal Influence	.332	.093	.352	3.589	.001*
Hosting Public Events	.259	.068	.320	3.841	.000*
Offers	.041	.087	.043	.476	.635
Discounts	.003	.069	.003	.037	.970
Reasonable Exchange Rates	-.128	.087	-.131	-1.482	.141
Promotional schemes	.538	.080	.591	6.716	.000*
Many Point of Contacts	.418	.084	.539	4.947	.000*
Competitive Pricing	.196	.061	.235	3.229	.002*
Going Rate Pricing	-.485	.081	-.539	-6.019	.000*
Links with Banks	.253	.096	.280	2.628	.010*
Positioning	-.162	.072	-.195	-2.264	.026*
Segmenting	-.427	.073	-.414	-5.860	.000*
Adoption of Skimming Pricing	.048	.058	.058	.827	.410
Differentiated products	.032	.085	.030	.383	.703
Service differentiation	-.403	.073	-.419	-5.545	.000*
Adoption of Penetrating Pricing	.292	.083	.305	3.519	.001*
Adopting Niche Marketing	.560	.078	.563	7.200	.000*
Operating in Airports	-.146	.071	-.159	-2.047	.043*

(* significant at 5%)

Satisfaction towards marketing strategies of UAE India, Trichy

$$= a + b_1x_1 + b_2x_2 + \dots + b_{20}x_{20}$$

'outdoor advertising', 'broadcast advertising', 'personal influence', 'hosting public events', 'promotional schemes', 'many point of contacts', 'competitive pricing', 'going rate pricing', 'links with banks', 'positioning', 'segmenting', 'service differentiation', 'adoption of penetrating pricing', 'adopting niche marketing' and 'operating in airports', are insignificant while estimating satisfaction towards marketing strategies of Money exchangers, as the significance of t is less than 0.05.

Since the significance of t is more than 0.05 for 'offers', 'discounts', 'reasonable exchange rates', 'adoption of skimming pricing', and 'differentiated products', they are significant in estimating satisfaction towards products and services of Money exchangers.

9. FINDINGS

- The opinion towards the adoption of marketing strategies score was 2.8 that translated to 56% that means the adoption opinion is adopted is estimated with the help of marketing strategies variables.
- Since the significance of t is more than 0.05 for 'offers', 'discounts', 'reasonable exchange rates', 'adoption of skimming pricing', and 'differentiated products', they are significant in estimating satisfaction towards products and services of Money exchangers.

10. CONCLUSION

Nowadays all the companies adopt marketing strategies to attract the customers. A money changer besides carrying out the primary function of money changing carries out other financial business and Marketing activities. The money exchangers have to adopt different marketing strategies such as outdoor advertising, broadcast advertising, promotional activities and hosting public events.

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