

Alternative Low-Cost Marketing Strategies



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The paper attempts to draw attention towards the alternative low-cost marketing practices of local and multinational companies. The paper highlights that firm should look for more engaging marketing strategies rather than spending money on practices which begets very low response from the audience. In particular, it emphasizes on how to overcome the challenges of marketing in a resource constraint environment. The paper specifically suggests that the companies should focus on alternative marketing strategies such as Ambush marketing, Buzz marketing, Guerrilla marketing, Lean advertising, In-store marketing, Experiential marketing, Product placement/Branded entertainment and Lifestyle marketing.

Keywords: Alternative Marketing Strategies, Low-Cost, Communication, Challenges

1. Introduction

Firms believe that business growth can be attributed to the effectiveness of their advertisement which is an important tool to attract new customers, stand out in the competition, create differentiation, and build strong memorable brand. Thus, corporations choose for a high-profile television, radio and newspaper campaign but the ad-skipping features of these traditional sources are diminishing the effectiveness of communication, affecting consumer engagement with brands thereby forcing them to rethink about the model of communication (S. Zyman, 2002). The growing popularity of internet and social media are also posing immense challenges to the traditional medium of communication. Consumers are exposed to huge number of advertisements and promotional text messages which creates inconvenience. Similarly, while watching any informational or entertaining video or reading an article on internet, the idea of having a memorable and pleasurable experience gets disturbed by unfavorable and unwanted advertisements or pop ups. Consumer experiences similar practices in theatres, the unwanted advertisements disturb their pleasure time. Additionally, with the proliferation of advance technology in marketing communication, the ad agencies have started accessing the data of consumer with or without permission. Such practices are not only breach of consumer privacy but also raise questions of how to engage consumer and create memorable brand experience. In order to counter such situations, companies should spend money where consumers' attention and willingness is expected.

The study appears to be relevant in such context to propose low cost marketing strategies. The cost effectiveness of alternative marketing strategies is implicit in the example of some author. Al and Laura Ries claimed in his presentation that Botox had become a \$300 million brand without spending any amount on advertisements (Andrew M. Kaikati and Jack G. Kaikati, 2004). Krispy Kreme also gained popularity and became successful in the U.S, with very little traditional advertising (A. Serwer, 2003). Another example shows how Procter & Gamble's had recently cut almost \$100 million to \$140 million on digital advertising spent due to brand safety concern and ineffective advertisement as mentioned by Finance Chief of the packaged-goods giant, Jon Moeller.

Effective marketing strategy doesn't require costing a fortune, provided firms invest their money wisely. Creating a brand connect and establishing an association with audience perception can do wonder for firms without costing a huge budget

2. Alternative Low-Cost Marketing Strategies

Alternative low-cost marketing strategies are now central to the core strategies of the firm in emerging market to achieve cost efficiency. These strategies play key role in increasing consumer response towards the marketing efforts of the firms and controlling costs such as Ambush marketing can be utilized to capitalize on the popularity of big events or campaigns. Buzz marketing can be used to create curiosity among consumer till the sensation prevails as to what the product is all about. Guerrilla marketing should be used to gain consumer attention by breaking their natural expectation to yield maximum results for the brand. Lean advertising is another way of finding simpler and cost-effective way of communicating brand message to the consumers. In-store advertising influences consumer to purchase the product to the extent of unplanned manner. This strategy carries more focussed attempt to promote brands and offers more benefits to the target group. Experiential marketing creates memorable experience for the consumer by providing first-hand experience in a more innovative and engaging manner. Whereas, entertainment medium such as movies, television shows and programme can be used to place product in the background or by associating it with the natural story of the show to reach out to the maximum viewers in a most cost-effective manner. Marketers can engage consumer with brands during their leisure time by targeting the venues where consumer goes for relaxation and entertainment.

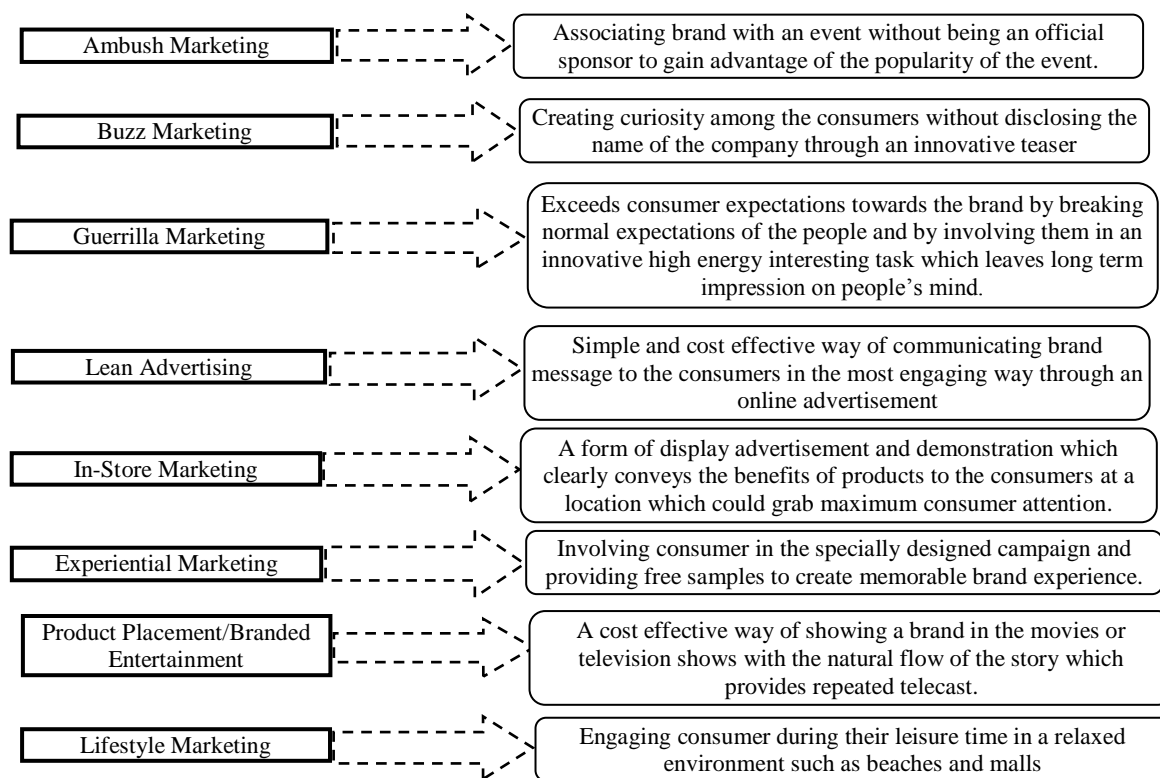


Figure 1 Alternative Low-Cost Marketing Strategies

• Ambush Marketing

The term was initially used in the Olympic Games where the strategy used by non-sponsors of the event to create a confusion in the mind of consumer as to who is official sponsor of the event (David Shani and Dennis M. Sandier, 1998). Graham (1997) claimed that ambush marketing is being cleverly planned and executed by marketers under the legal boundaries and special care is being taken to avoid violation.

Thus, Ambush marketing can be defined as a tactic whereby a company attempts to create a doubt in the mind of consumer as to who is official sponsor of the event or campaign. Ambush Marketing is defined by Shani and Sandier (1989) as "a planned effort by an organization to associate itself indirectly with an event in order to gain some recognition and benefits that are associated with being an official sponsor".

The strategy has been used by many marketers to capitalize on the popularity of the campaign by giving the false impression that they are the sponsor.

Coca cola was the official sponsor of 1996 Cricket world cup held in India. Pepsi ambushed a campaign of tournament with the tagline "nothing official about it" (Neha Kaushik, 2002).

• Buzz Marketing

The buzz marketing is a strategy to create an excitement in the market either through word of mouth or through teasers that helps to develop curiosity among people and viewer to further enquire or wait till the actual message is disclosed by the official sponsor (Walter J. Carl, 2006; Greg Nyilasy, 2006). It is an attempt to break through the clutter and stand out.

Company use various medium to create curiosity among the target group such as via internet, blogs or e-mails, hoarding and peoples' opinion. Experts have identified three stages of Buzz Marketing such as Inoculation, Incubation and Infection.

In the first stage, the idea is generated and introduced in the society. The next stage is incubation, where the suitable conditions are provided whereby early adopters and trendsetters get attracted towards the idea while in the last stage, the idea gets multiplied among the targeted group and it becomes widespread.

AEGON Religare Life Insurance's campaign received award for its debut campaign K.I.L.B. at the Outdoor Advertising Convention (OAC) 2009 held by the OOH Advertising community in Mumbai, India. AEGON Religare used various medium to create sensation among people such as train wraps, bus wraps, bus shelters, airport trolleys and bus backs, other than the regular billboards (Business Standard, January 20, 2013).

The buzz was created by the message "Do you have K.I.L.B?", that was conveyed by an actor wearing a doctor's apron. Everybody was confused whether it was a disease or a sitcom. In one of the Television commercial, the actor was saying to the patient that K.I.L.B doesn't spread by touch. Similarity of the K.I.L.B acronym with other pandemic diseases such as AIDS and SARS, further ignited the curiosity among people. Company ended the campaign by disclosing the full form of acronym as "Kum Insurance Lene Ki Bimari- low insurance availing sickness or Less Insurance Sickness" in regional language of India (Business Standard, January 20, 2013).

- **Guerrilla Marketing**

Guerrilla Marketing is a low cost unconventional form of marketing campaign applied on a grassroots level. The term was put forth by Jay Conrad Levinson in his book 'Guerrilla Advertising' in 1984. This marketing tactic depends on innovative, high energy and highly imaginative element of surprise to yield maximum result (Jay Conrad Levinson, 2005; Ekrem Cetin Bigat, 2012).

It is a common believe that guerrilla marketing leaves more effective impression on target groups compared to traditional media. This is because guerrilla marketing breaks expectations, and in doing so, exceeded the expectations of their target group. Guerrilla marketing catches peoples' attention by breaking an expected pattern of people. This is how it leaves lasting impression on target audience.

Lipton came up with an innovative campaign called "Never Lose Your Cool". They created sensation on Facebook page by declaring that their cargo carrying vending machines went down in the sea and several vending machines are lost. Through this, Peoples' were encouraged to locate vending machines and given a chance to win prizes. Lipton had actually created a floating vending machine for the campaign.

DELITE-O-MATIC campaign was an innovative Guerrilla Marketing initiative launched under the tagline "Human Lab Rats Run for Fantastic Delites" by Fantastic Delites, an Australian snack company. Fantastic delites gave an option to choose themselves as subject to a lab experiment and whoever took part in the campaign had to run on the wheel fast so as to reach on the top of the bar. The winners were awarded the prizes on successful completion of the task (Amit Kumar Khare, 2017). In 2011, Hindustan Unilever Limited launched "Khushyon ki doli-Palanquin of Happiness" campaign and contacted more than 10 million consumers directly in more 28000 villages across five states of India such as West Bengal, Bihar, Maharashtra, Andhra Pradesh and Uttar Pradesh. This campaign helped HUL to create a cost efficient rural brand activation module. In this campaign, four sets of Dolis or Palanquin are moved all around the villages to create curiosity among rural consumer because in old tradition of India, brides were sent in the palanquin to her husband's house after marriage. The palanquins were installed with equipments like LCD TV, a DVD Player and a small generator. The village housewives were the main target. Brands were introduced with the help of wide range of HUL's Products commercial through TVCs & short AV's that are played continuously. The campaign was successful in creating higher preference for the company brands (HUL News & Features, 2012).

- **Lean Advertising**

Lean advertising is a form of making low cost engaging online advertisements. The term is borrowed from the "lean" manufacturing philosophy of Toyota Company. Lean is used to denote anything which focuses on elimination of waste, improvement in quality and reduction in cost. The term "Lean Advertising" was first used by a Harvard professor, Thales Teixeira (2013), which means finding simpler and cost effective ways of communicating company's' message to the target group (Thales S. Teixeira, 2013).

The target group can easily access the online advertisement from any gadget such as mobile phones, tablets and laptops. Online video advertisements are becoming more popular because viewers have freedom to choose online videos and watch it attentively compared to Television commercials. The trend is also supported by the increasing number of online viewership compared to traditional television commercials.

Media measurement and Analytics Company, comScore conducted a survey in U.S. in 2011 and came up with findings that internet users regularly watch online videos and 12% videos viewed were advertisements. Another research agency Vision Critical (2010) reported that 48% viewers visited brand's website after watching its advertisement online whereas 22% made a purchase and 11% shared an advertisement with their friends. The benefits offered by lean advertising can be easily quantified compared to traditional media efforts.

- **In-Store Marketing**

In-Store marketing influences consumers to look at the offerings, pick up the offering and take a trial. The activity seeks the consumer attention by clearly communicating the product attributes with the help of display. It involves point of purchase displays, signage, video screens & television monitors, interactive displays etc. The key of In-Store marketing is the location choice.

A study conducted by Ogilvy Action revealed that majority of the impulse purchase is driven by in-store marketing activities of the shoppers. The research was conducted in the U.S. in February and March 2016 with more than 6,000 shoppers across multiple channels. The research further explored that 29% shoppers made purchases impulsively when they entered the store without any prior plan and of that group 18% made purchases due to in-store demonstrations.

The survey also mentioned that despite having category in mind 39% made impulse purchase, and of those 31% were influenced from the in-store demonstration whereas 28% by price promotion. This clearly evident that majority of respondents were influenced from some or the other form of in store promotion and demonstration.

The Proctor & Gamble had also refined its advertisement statement in 2007 and shifted to in-store marketing because of its impact on consumer purchase decision. The company released a statement that they have been looking at ways of improving the effectiveness of their marketing spending by shifting away from traditional TV towards other media including in-store marketing.

- **Experiential Marketing**

It is a cost-effective way of allowing people to interact with a brand through special events or providing free samples. The purpose of the activity is to engage consumer with the brand and create memorable brand experience. The activity provides hands on experience to the buyer to evaluate products or services.

Hindustan Unilever launched a campaign “Did you wash your hands with Lifebuoy?” in the Maha Kumbh Mela, one of the largest religious gathering in India in 2013. Earlier, company had investigated that diarrhoea kills 1.1 million children annually in developing countries and that can be averted by the simple act of hand washing with soap. Company further investigated that approximately 100 million people attends Maha Kumbh Mela annually to pray together, live together and to eat together. Lifebuoy found it the perfect opportunity to convey their message “Always wash your hands with soap before eating” and chose Indian bread “Roti” a medium to convey this message. The only way to eat Roti is with hands, so Lifebuoy created a heat stamp on Roti with a message ““Did you wash your hands with Lifebuoy?”. The campaign gained huge attention, discussion and coverage across India and proved to be successful in spreading message through experiential marketing.

- **Product Placement/Branded Entertainment**

Brands or products are placed in movies, television shows and some other programme or shown to the viewers to influence their behaviour. It is the low-cost way of promoting the brand because even after movie or programme is over, consumer gets exposed to brands through the recorded medium and repeat telecast. Thus, increasing the reach beyond the show time. Such type of marketing is more effective when placed logically or by connecting with the natural flow of the story in a convincing manner.

- **Lifestyle Marketing**

Lifestyle marketing is a type of campaign where companies try to engage people during their leisure time in relaxed environment through associating marketing methods with the hobbies of people and identifying entertainment venues. Such campaigns are launched at the venues where people go for relaxation, excitement, socialization or enjoyment. Many such campaigns were launched by big corporate at beaches and malls to engage people with brands.

3. Conclusion

In this increasingly competitive time, marketers face challenges to get a brand stand out. Furthermore, companies look for better responses from the customers with more engaging experience of their communication strategies. Thus, the paper attempts to propose alternative low-cost marketing strategies to achieve efficiency.

Firms may not find difficulty in creating campaign but pulling customer and engaging them with brand is challenging. Thus, this paper suggests several managerial implications with explicit emphasis on alternative marketing strategies such Ambush, Buzz marketing, Guerrilla marketing, lean advertising, in-store marketing, experiential marketing, product placement/branded entertainment and lifestyle marketing.

These strategies are helpful in creating more exciting experience for the target group and enable the brands to make a transition from awareness to consideration set.

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