



A Study On Marketing Mix In Indian Market

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Abstract

The paper addresses several marketing implications regarding the 4Ps of the marketing mix as they relate to the emerging market of India. The report is based on discussions and briefings on macro-environmental factors and business practices provided by senior management of various local and international businesses, U.S. officials, and faculty members from local and international universities in India. In addition the paper reviews the literature on marketing in India. The findings of this study together with those of previous studies provide relevant information to international marketers for developing appropriate marketing strategies for conducting business in India.

Keywords: Marketing, 4Ps, India.

Introduction

In the last twenty years, the world has become a smaller place and global markets are growing rapidly. New and improved infrastructure and technologies have made it easier for people to travel, buy, and sell anywhere in the world. Since last twenty years, global trade has grown faster than domestic markets, further accelerating the speed of globalization (Gillespie and Hennessey, 2011). The scope of globalization is reflected in technology, research, capital investment, production, marketing, distribution, and communication activities (Cateora et al., 2016). Globalization has also brought about changes in innovation and product development as companies take ideas and lessons from one country and apply them to other countries (Govindarajan and Trimble, 2012).

Cateora et al. (2016) are of the opinion that there are four major events that has shaped the growth of globalization that we experience today and these events will continue in the years to come. First, the fast growth of the World Trade Organization and regional free trade areas such as the North American Free Trade Area and the European Union. Second, the developing nations or emerging markets in Latin America, Asia, and Eastern Europe have opened up their markets based on a free market system. Third, influence of the internet, mobile phones, and other global media on the dissolution of national borders. And fourth, the cooperation among countries to use their resources mindfully to protect the global environment for future generations. Some of the countries like Argentina, Brazil, Mexico, China, South Korea, Poland, Turkey, India, and India are undergoing remarkable changes in their economies and are emerging as substantial markets (Asia Pulse, 2008).

These and other countries have an ever growing market and changing demand for goods and services (Cateora et al., 2016). It is estimated that by 2025 the annual consumption in the emerging markets will total \$30 trillion and contribute more than 70 percent of global GDP growth (Atsmon et al., 2012). And approximately 56 percent of global financial services consumption will come from emerging markets by 2025, up by 18 percent in 2010 (Kotler and Keller, 2016).

For companies wishing to be successful in their business endeavors in international markets it is imperative for their managers to pay attention to the environments of the countries in which they do business because environmental factors such as physical, economic, cultural, political, and legal vary from country to country.

These environmental differences in turn provide the basic requirements for making sound international product, price, place, and promotion strategies. The differences also provide how research methods can be used to understand the different international consumers (Cateora et al., 2016; Gillespie and Hennessey, 2011).

The aim of this study is to address several marketing implications relating to the 4Ps of the Marketing Mix namely product, price, place, and promotion to international managers for conducting business in the emerging market of India. These are based on information on macro-environmental factors and business practices of India obtained from a sample of fifty-four respondents in two major cities of India - Ho Chi Minh and Hanoi (referenced under India Briefings, 2012). Out of the fifty-four respondents, twenty-six senior managers (19 males and 7 females) were employed at eight multinational corporations (7 western and 1 from Far East) in India. Seventeen were senior managers (13 males and 4 females) working in four local India companies. Three were U.S. (United States) officials (2 males and 1 female) from the U.S. Consulate. Four males were faculty members from the two U.S. Universities having branches in India. And four faculty members (3 males and 1 female) were from a local India University. Implications are also drawn from the published articles on India, and from the author's observations, and experiences during a visit to India as a part of the U.S. supported Faculty Development Program of a University. Despite the fact that India is considered an emerging economy, little has been written about the marketing implications of doing business in India for international companies. Although a few articles related to various aspects of marketing in India have appeared in the literature, these articles have not focused on the specific 4Ps of the Marketing Mix. The aim of this paper also is to bridge the gap. The findings of this study together with those of previous studies could provide relevant information to international marketers for developing the 4Ps of the Marketing Mix for the India market and further expand on the stream of research on India.

2. Marketing Literature on India:

Marketing literature on India has grown rapidly over the past few decades, reflecting the country's transition into one of the world's largest consumer markets. India's unique blend of economic growth, cultural diversity, digital transformation, and demographic shifts has produced a rich body of scholarly work, case studies, and practitioner-oriented writing. This literature not only explores consumer behavior and branding strategies but also examines the deeper sociocultural and technological forces shaping the Indian marketplace.

1. Foundational Themes in Indian Marketing Literature

Early marketing texts on India, such as *Marketing in India: Cases & Readings* by S. Neelamegham and subsequent editions of *Marketing Management: Indian Cases*, establish the foundation for understanding marketing strategy within the Indian context. These works emphasize how Indian consumers differ substantially from Western consumers in terms of value perception, motivation, and purchasing behavior. They present case studies from companies like Amul, Asian Paints, Titan, and Hindustan Unilever to illustrate real-world challenges and local innovations.

A major theme in early and contemporary literature is market heterogeneity. India's consumer markets vary widely by geography (rural vs. urban), income segments, cultural practices, and linguistic diversity. As a result, most marketing approaches require localization—sometimes hyperlocalization. Researchers consistently highlight that a “one-size-fits-all” strategy rarely succeeds in India.

2. Consumer Behaviour in the Indian Context

One of the most influential contributions comes from S. Ramesh Kumar, whose book *Consumer Behaviour: The Indian Context* blends consumer psychology with cultural analysis. His work emphasizes symbolic consumption, family influence, and the social nature of Indian decision-making processes. Indian consumers often blend rational and emotional decision-making, and buying behavior is shaped by social conformity, brand trust, and perceived value rather than individualism alone.

Recent research points to a major generational shift. Millennials and Gen Z consumers in India display higher digital engagement, rising aspirational spending, and a more global brand outlook while still valuing cultural identity. This duality is a recurring theme in contemporary literature.

3. Digital Transformation and its Impact

A significant portion of modern Indian marketing literature examines the rapid growth of digital technologies. Studies explore how the proliferation of smartphones, affordable mobile data, and platforms such as Instagram, YouTube, and regional-language apps have transformed the marketing landscape.

Academic papers, including systematic reviews in Indian marketing journals, highlight how digital marketing influences consumer awareness, decision-making, and brand loyalty. Viral marketing, influencer culture, and referral strategies have gained prominence as research topics. The concept of “Bharat vs. India”—contrasting digital-first urban consumers with gradually digitizing rural populations—appears frequently in recent scholarship.

Moreover, digital India has created new forms of segmentation. Brands now target micro-communities based on language, subculture, and even meme preferences. Literature analyzing the success of campaigns from Amul, Zomato, Swiggy, and Tanishq points to the importance of contextual humor, cultural storytelling, and emotional resonance in digital communication.

4. Rural and Semi-Urban Markets

Rural marketing, long a major field of study, remains essential because a large share of India’s population still lives outside metropolitan areas. Classic and modern literature both focus on distribution challenges, affordability-driven product design, and innovative communication methods suited for local contexts. Insights from companies like Hindustan Unilever and ITC demonstrate how deep market understanding, village-level penetration, and low-cost product formats fuel rural brand adoption.

Recent research also notes the increasing aspirations of rural consumers and their rising access to digital platforms, marking a shift from purely need-based consumption to desire-based consumption.

5. Branding, Culture, and Communication

Indian marketing literature gives special importance to culture-driven branding. Arising from India’s linguistic diversity and strong traditions, advertising and brand communication often rely heavily on cultural values, humor, festivals, and regional identity.

Academic work analyzing Amul’s topical ads, for example, demonstrates the power of culturally timed content and language play. Similarly, studies on Bollywood’s influence, celebrity endorsements, and sports (especially cricket) reveal how Indian culture shapes brand affinity.

6. Emerging Themes: Sustainability, EVs, and Changing Consumer Priorities

Recent literature increasingly covers sustainable consumption, electric vehicles, and green marketing. Studies on consumer willingness to adopt eco-friendly products in India observe that environmental consciousness is growing but still influenced by price sensitivity and trust in brands. The rise of environmentally conscious urban consumers has encouraged brands to incorporate sustainability into marketing narratives.

7. Contributions from Industry and Data Sources

Apart from academic work, industry sources such as IMRB's MarketPulse surveys, Kantar reports, and McKinsey studies contribute significantly to understanding evolving market trends. These sources help marketers interpret long-term changes in household consumption, media habits, and brand preferences.

3. Marketing Mix - 4ps of the Marketing Mix:

This section addresses several marketing implications regarding the 4Ps of the Marketing Mix to international managers wishing to do business in India. These suggestions are drawn from discussions and briefing provided by senior management of various local and international businesses, faculty members of local and international universities on macro-environmental factors and business practices, published articles discussed in the earlier section, and also on present author's observations and experiences during a visit to India as a part of a Faculty Development Program of a University. Exhibit-1 provides a list of suggestions and implications as they relate to the discussion that follows in this section.

3.1 Product and Price Considerations: Since the climatic conditions vary between North and South product contents should withstand these varying climatic conditions. For example, Nestle in India uses paraffin in their chocolate products to maintain quality of the product due to extreme variations in temperatures. Most people even in the urban areas in India do not have refrigerators hence physical products in general must contain ingredients to reduce spoilage and maintain product quality. Product should be designed based on how they are used. For example, a car is a status symbol in India; it is not a major mode of transportation for a majority of the population. Few individuals own cars, but most urban families have at least one or two motor bikes which are the major mode of personal transportation. Bicycles and public buses also serve as major modes of transportation for the general population while rickshaws are common in the rural areas. Metric System of measurement standard is used and the electrical current standard is 211 volt. A broker at a lending institution visited indicated that it is important for a company to be the first mover in new product development and be different in offering services to customers based on their needs.

Product designs and packaging have to be small in size because a majority of the India live in small size houses and have limited income. People buy basic necessities in small quantities on a daily basis from small retailers, pop and mom stores, peddlers, and roadside stands. While calculating product pricing macro- environmental indicators must be taken into account so that average India people can afford to buy products. Economic prosperity is mainly observed in the urban areas. Interest rates are high and credit is not readily available. These factors make investments expensive, put pressure on small and medium size businesses and make products expensive for common people. However, it should also be kept in mind that in most Asian countries global brands are able to charge a premium price since they are perceived to reflect quality products. Since India consumers are value conscious shoppers, willing to spend time, and like to negotiate and bargain for the best price a flexible pricing policy is commonly used. It is important to focus on building good brand relationships with consumers. People in India buy most products with cash rather than credit cards. Liberal return policies like that of the U.S. are difficult to implement in India due to the nature of its distribution system. Product warranties, guarantees, and after-sale-services should be considered carefully due to a weak legal system.

Colors such as red and yellow are good to use on packaging and products since red symbolize power and yellow stands for color of the India people. Symbols such as a star is shown in promotion and packaging since it symbolizes unity of the nation, the north and the south after the civil war. Also symbols such as sickle and hammer are included to represent skilled workers, farmers, and the communist regime. Turtles are considered as signs of longevity and are also used in artifacts.

India is the dominant and official language spoken by an estimated 86.7 percent of the population, written in English letters with no "f" and "w" sounds and have an "o" or a "hat" on their alphabets. Six is pronounced as "sic" especially in the rural areas. Linguistic experts suggest that there are approximately 85 other languages spoken in India. Dialectical differences often serve as important symbols of regional identity in social life. Hence care should be taken of these language nuances in

developing brand names, labeling, and in promotional strategies. English is the most favored second language and is taught in schools throughout the country. Most residents are bilingual and know either English, French, Chinese and/or Khmer. Popular global brands appear on packaging in English and in some cases also in the India language. Labeling is in the native language in most cases.

Global brands do face competition coming from domestic manufacturers and substitutes. For example, pharmaceutical companies may face competition from herbal and home-made remedies since the medical system lacks modern equipment and medicine both in rural and urban areas. People grow herbs and use local raw materials to make medicines. In general the laws governing the 4Ps of the Marketing Mix are virtually non-existent hence trade-mark violations, brand counterfeiting, and smuggling of products are not uncommon. It would be a good strategy to work with local and international lawyers to mitigate some of the violations.

It was observed that product safety rules and conditions were not present. For example, people on motor bikes did not wear head helmets and even if they were wearing them they were made of poor quality and did not protect them from head injuries that are very common. It was also observed that product safety and work place conditions at several sites visited particularly at the SOEs were not very safe. For example, the safety conditions in a brick factory were virtually non-existent. One work place did not have proper ventilation and workers were spraying chemicals on products. Workers were seen hanging on ropes while working on the high rise buildings.

They did not have platforms for support or cranes to lift them. An entire coal mining town was covered with black tar and the atmosphere looked hazy due to presence of air pollution. It was not uncommon to find close proximity between people and their livestock such as chicken, ducks in market places. A few non-governmental organizations (NGOs) are making in-roads to improve the lives of India in general.

3.2 Place and Distribution Considerations: Marketing support systems like distribution are not clearly defined since the distribution system is fragmented by small retailers, hawkers, and peddlers. Many urban India desire to be traders or business men. This is reflected in numerous amounts of small stores found in urban areas. Due to physical space constraints and cultural attitudes of people, retailers carry limited and cluttered scrambled merchandise. Hawkers and peddlers are found selling on the streets and some even displaying their products on the ground on sidewalks. It is common to find retail stores below the apartments where some of the retailers' lived. Small eating stalls are popular where food is prepared and served to people who sit on plastic stools and eat. It is interesting to see a whole line of barbers setting up their shops on sidewalks with small mirror resting against the walls, small plastic stools, and tools. Boutiques selling bridal gowns and enclosed markets selling merchandise are also seen. Particular areas in urban cities house competing retail stores. For example, one street has only shoe stores, another has all furniture stores. These stores seem to have little traffic inside them. In most cases, more women than men are seen running the retail stores. Often they are seen sitting on the floor of their shops due to a lack of physical space.

People in India buy small quantities of merchandise and carry them on their motorbikes, the major modes of personal transportation. The shopping times vary depending upon the nature and types of retailers. Most shops remain open till 7: 00 p.m. and remain close for two hours during noon while others are open late till 9 p.m. Hawkers stay on the streets till late night. On an average India people do not move from one place to another very easily (except in case of urban migration). Hence they could patronize the same retail stores and thereby can develop store loyalty and establish personal friendship with owners. In general small retail stores offer convenience, credit, and even home-delivery to their customers. A few malls are found in urban areas indicating that modern retailing is beginning to take place in India.

International marketers can make use of the available five basic modes of transportation. However, India lacks modern freeways, seaports, and airports. Trucks are used as a major mode of transportation on major highways which are congested. The two major rivers, the Mekong River and Red River seem to provide a good means of water transportation. The Ho-chi-Minh city has a good number of sea ports but they are not well connected to roads and they lay idle in some cases. Railroad is also present but at some places it is not completed due to lacking of funding by the government hence caution has to be taken when using this mode of transportation. Since the use of technology even in the urban areas is in

its infancy, some of the components of physical distribution like the computer based inventory management system, order processing and technologies used for material handling could be slow in implementation.

3.3 Promotion: Advertising campaigns in India reflect the Indian cultural norms and economic progress. For example, in magazine advertisements, family members and friends are seen together enjoying popular global brands, high rise modern apartment buildings, hotels, golf courses, gourmet coffee, cars, cameras, holiday resort areas are advertised. Television and Outdoor advertising are popular media in both urban and rural areas and are used effectively with good visual impact. Although television is restricted to a few local channels, which are mostly sports oriented, and in India language, some international channels like CNN, BBC, Africa Business, Animal Channel are broadcast. In general it is good to reach the India population in their own language. However, for urban populations where most youngsters can speak and read English, English is often used. For instance in Ho Minh City, a television commercial for Colgate toothpaste in English showed a young India female advised by a India dentist the benefits of brushing with this brand.

The advertisements of Esso, Turkish Airlines, Colgate, Kia, Rolex watches, Korean Airlines appearing on the CNN channel were in English. Anti-slavery advertisements also were broadcast in English. Advertisements also focus on product quality and building good brand names. The India government controls all broadcast and print media. Therefore it is important to follow advertising regulations and media censorship rules. Internet usage is growing in the urban areas and is subjected to censorship by the government. Although, both international and domestic advertising agencies are not fully developed, it can be beneficial for international marketers to develop good relationships with local advertising agencies.

Sales promotional incentives are offered especially during major holidays. For example that occurs during the India Lunar New Year in late January or early February when people tend to increase their shopping activities. Offering certain sales promotions are not very popular like quantity discounts since people make small purchases. So are coupons and mail-in-rebates since the distribution system is fragmented with small retailers and street peddlers. The use of coupons is also perceived as “losing face” in the India culture. Having face is synonymous with prestige and is very important to the India people.

Regarding personal selling it is important to keep in mind that at the work place and during sales negotiations and meetings the general etiquettes of culture, gestures, dress, and food are observed. One has to be polite, patient, cordial, and on time. For example, at the stock exchange people were cool and calm and there was no shouting or chaos. One must know how to address older and younger people and must not call either of them by their first names. Most youngsters in the urban areas speak and read English hence English is used. While introducing one-self the practice of giving business cards with two hands with a slight bowing of the head, and standing at a distance of three feet should be followed. Educated females work in both domestic and international companies along with their male counterparts. At the work place, one should not make off color jokes, avoid discussing sensitive issues like politics, men should not flirt with women, and both men and women should be dressed professionally. It is important to know who the boss is. Employees have to listen to seniors and managers for final decisions. It is imperative to develop personal long lasting relationships with co-workers and appropriate business personnel.

Since the legal system dealing with management issues in India is weak, nepotism and favoritism is present in personnel hiring and firing practices. Since the education system does not provide good opportunities to develop human skills, management can face difficulties in finding and hiring right people with skill and talents in which case it will have to provide good training and retraining programs for its employees. Some Business schools are offering MBA Executive Programs to develop human capital. Some of the business groups are hiring global consulting firms such as BCG, McKinsey for strategy formulations, and are also adopting strategy management tools.

With regards to Marketing Research, researchers have to keep in mind that they have to take the permission of the country's communist regime to conduct research including which methodology is to be used and what can and cannot be asked while collecting data. Focus groups are used by international

marketers in India. International marketers can explore the possibility of using ethnographic research to gain in-depth understanding of India cultural values and how they live and work. Secondary data on macro indicators are available and are used in research projects.

4. Conclusion:

While interpreting the results of the study, some of its limitations should be recognized. The study sample size is small. Only two major cities of India are considered. The study did not use a structured questionnaire and no hypotheses are developed and tested. It is qualitative in nature and the findings reflect the briefings, discussions, observations, and experiences with the managers of the local and international companies visited, local and international faculty members, and U.S. officials. In the present study, the marketing implications addressed regarding the 4ps of the Marketing Mix (product, price, place, and promotion) imply that marketing and business practices in India are influenced by several macro-environmental factors such as physical, infrastructure, technological, media, economic, demographic, technological, social/cultural, political, and legal factors as shown in Exhibit-1. They also lend support to the findings of the studies on marketing in India.

In essence, international marketers, to be successful in India, must be knowledgeable about the macro-environmental factors of India and its business practices. Such knowledge is useful in the development of appropriate marketing mix strategies for the India market. India market offers both opportunities and challenges to international marketers. India is emerging as a major market with its growing economy, availability of cheap and abundant supply of labor force, and growing middle class. Although, there is a high intervention by government in developmental policies, the government is stable and pragmatic. Its economic liberalization and structural policies have allowed and encouraged foreign companies and investors to invest in the country in order to modernize the country and produce more competition driven export industries.

Efforts are also made by the government to restructure the financial and banking systems and SOEs. Other measures include supporting technology, investment in human capital and natural resources, expanding manufacturing, urbanization, and strengthening international integration. In addition, it has come up with tight flexible monetary and fiscal policies to curb inflation, maintain economic growth, improve standard of living, and improving quality, efficiency, and competitiveness of the economy (CIA-The World Factbook: India, 2015; India Briefings, 2012). All the measures mentioned provide more opportunities than challenges for international companies in a competitive global environment to conduct business in India.

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