

## **Chapter 1**

### **Where are we? & Why**

**– In the Market**

**– In the Mind**

#### **1. Introduction:**

Memory Plus is an OTC drug to enhance memory and was launched on February 28th 1996 by the Ex-Prime Minister Shri P.V. Narasimha Rao. A “New to the market” product was a huge success in its initial launch in the southern states of India. Following this success the brand was promoted nationally.

The drug is based on a formulation developed by Central Drug Research Institute (CDRI), Lucknow. CDRI after conducting research for 18 long years came out with this near perfect formulation. The formulation is based on “Brahmi” a natural plant native to India. The formulation had been successfully tested over a period of time and has been certified by CDRI/CSIR to be non-toxic, safe with no side-effects before introducing it for commercial purpose.

Since its launch in the market, the product has seen typical variations, where the off-takes from the shelf had zoomed during school/college exam times and had remained dull during other times. This gives an indication that majority of the consumers are students.

The market acceptance being limited to students poses both a challenge as well as an opportunity to tap a large market segment which has been left out.

#### **2. Category Review:**

It is imperative to begin any marketing analysis by taking a view of the external environment and how it is shaping the category to which the product belongs. The product as such belongs primarily to the ayurvedic school, but is being promoted as an alternative to allopathic drugs.

##### **2.1 PEST Analysis:**

###### *2.1A. Political/Legal Environment:*

Memory Plus is based on an ayurvedic formulation and hence it is attached to the ayurvedic school of medicine. Ayurveda like other schools of Homeopathic and Unanni schools are native to India. Ayurveda finds its origin in the ancient texts of Athurveda.

Unlike the allopathic drugs which are strictly monitored by the medical association (the drugs are pre-tested for its safety and efficacy and the tests are required to be proved

beyond doubt before introducing for commercial use), the ayurvedic drugs, on the other hand are not governed by any body. Besides most ayurvedic drugs are OTC drugs. This absence of pre-testing as well as lack of knowledge on these drugs has developed a reluctance on the part of practicing medical practitioners to prescribe the same.

Lack of laws on these subjects has made the matter even worse with roadside vendors pitching their tents at almost all cities and posing to be experts on ayurveda. The same is the case with quacks who display signboards claiming to be doctors. Such a situation is rampant and requires to be checked even before it reaches dangerous proportions.

### *2.1B Demographic/Economic Environment*

There has been a marked shift with people shifting towards urban areas. The earlier concept of joint families is giving way to nuclear families. The number of earning members in a family is also in the increase. This switch and increased earning power has given an opportunity for marketers to find a ready made/easy solution for home made recipes as well as home made remedies.

### *2.1B Social/Cultural Environment:*

Liberalization in India has introduced a all new dimension in the social and cultural environment. Materialism is no more a taboo. At the same time increased competition has brought in a certain amount of professionalism as well as an increased workload as companies restructure to keep themselves lean, mean and hungry. All this changes spells a need for better and higher education levels as well as quick and faster adaptation to the fast changing times. Besides having access to state of the art technology one has to rely all the more on our own memory and be able to react faster and accurately at all times.

### *2.1D Technological/Natural Environment:*

With pollution levels increasing day by day conservatism has become the norm world over. Hence at all industry levels eco-friendliness, recycling etc. are being increasingly adopted. The world over people are searching for solutions in cosmetics and medicine by developing products which are made of natural ingredients. In fact products which are made of natural products are sold at a premium. Such factors spells good for India since its own Ayurvedic and other schools are precisely based on this concept. The recent controversy when two Indians in USA applied for patentship for haldi which was later won over by CSRI speaks of things to come in the future.

Moral of the story is-

Granny be ready to patent your home made churans or it might be stolen by a MNC and turned into a multi million dollar empire.

### 3. Market Analysis:

#### 3.1 PLC

A new-to-the-market product, Memory Plus is just one and half years old in the market and is still in the introduction stage. The early adopters or innovators for the product have been limited to school children. The benefits of the product are to enhance memory, but the product has to be used for a three month course for effectiveness. Unfortunately the customers are not willing to buy this idea or maybe there is a lack in marketing communication. Keeping the innovators/early adopters in view the advertisements has been bland and at best informational in nature.

#### 3.2 Competition

Being a New to the market product, it does not have any competition in this category from the organized sector. In the unorganized sector i.e. from the "Ayurveda" school there are a few variants available. However all such variants are available in liquid form or available in powder form and is limited to local or regional areas. Memory Plus available in the form of capsules and at all pharmaceutical shops has placed itself into the category of other allopathic drugs. These and other schools of medicines like homeopathic and Unnani schools are considered if at all as secondary alternatives in this segment. Recently a new entrant with the brand name "Megamind 2 Plus" has been launched which is in direct competition with Memory Plus but has yet to figure in the market or is limited to availability in the north. As per market information there are other products which are waiting in the wings to take on Memory Plus from the house of Dabur and Baidyanath.

*Growth rate and Market position*-New to the market product with no distinguishable competition

<i>Segmentation</i>	- No clear segmentation
<i>Positioning</i>	- No yet clearly defined.
<i>Product</i>	- An OTC drug for enhancing Memory power.
<i>Place</i>	- A national brand with distribution in all the states.
<i>Promotion</i>	- Promotion has been limited to advertisement through TV, Print media
	Sales promotion- NIL
	Direct Marketing- NIL
	Personnel selling- NIL
	Public Relation- NIL
<i>Price</i>	- Premium priced.

Memory Plus is an OTC drug and does not require doctors prescription.

A preliminary market survey with pharmacist shops at various areas in Chennai and at Bangalore has thrown up many pointers.

- The purchasers are generally middle aged adults while the users are students. A very small percentage are also old people.
- The customers/purchasers perception about the product is not very positive but certainly not negative. This is because of the intangibility of measuring results.
- A certain touch of impulse appeal is found especially when the advertisements are being aired.
- Segmentation: In some of the posh localities like T. Nagar and Alwarpet in Chennai and Brigade Road, Shesadripuram and Malleshwaram in Bangalore, the offtakes from the shelves were considered to be good in comparison with other localities. Hence appeal of the product seems to be among the middle, upper middle class and above.
- Trials are high for this product but diehards or regulars are non-existent. The trials tend to increase whenever advertisements are executed and also during exam times.

### 3.3 Brand Equity Indicators:

Consumer biases toward the brand can be found through the following indicators.

*Brand awareness*-The awareness level is high because of the uniqueness of the product with no competition at sight. However credibility of the product is very much in doubt.

*Distribution*-The product is available nationally and the product is reasonably fast moving. The company provides good margins and incentives to the retailers. The retailers generally keep the product upfront and are satisfied with the product.

*Pricing, Product Quality and Product Innovation*-The product was available in candy form and also in capsule form. While the candy form was available in sachets and priced at 60ps per piece the capsule was priced at Rs 3/- per capsule. The candy form has since been taken off production as it was not very tasty to chew at and offtakes were poor. Secondly it was in direct competition against the capsule form. The capsules were available only in 100's pack which was slow off the shelf. Hence a new pack size of 30's was introduced which has become the standard pack size and is fast moving. The capsules were also hermetically packed in strips of 10 to enhance quality perception. The pack of 30's has become the mainstay of the company. The premium price adds to the credibility of the product.

### 3.4 Brand Equity Description

This deals with the identification and description of consumer thoughts and feelings which results in strong or weak biases.

The brand equity description is carried out through two view points:

How consumers view the brand?

- ↓ The confidence level on the benefits of the product is low as the results are not measurable.
- ↑ Endorsement of V. Anand, Safe, Non-toxic, No side effects are the driving factors.
- Memory/Memory Power is a very personal attribute. Hence, consumers are not very forthcoming to speak on its behalf.
- ↓ The felt need and association with the product is not very strong.
- ↑ The credibility of the product is not doubted.
- ↑ Acts as a strong morale booster in the case of students especially during exam times.

*What has been the Communication strategy?*

The general communication mode selected has been at best informative on the safety aspect and good parentage.

Competitive strategies and tactics:

- An excellent celebrity endorsement in Vishwanathan Anand has been a perfect association and has drawn great mileage for the product.
- Being a new to the market product the uniqueness coupled with a celebrity endorsement has helped in generating a good awareness level.

Where it falls short is in developing preference and generating conviction.

### 3.5 Target Audience:

The acceptance level of the product has been limited to school children which gives an indication that the youth are more predisposed to the product, it then becomes imminent to target an audience who are young and youthful. The 25-34 bracket as denoted below form the largest segment of the market to make it worth a target:

*Table 1.1 Indian population statistics*

Age group	Population in million	(%)
0-11	287.1	31.6
12-14	61.1	6.7
15-19	95.0	10.5
20-24	84.5	9.3
25-34	134.0	14.8
35-44	97.4	10.7
45-54	70.5	7.8
55+	78.9	8.7
Total	908.4	100

*Source: IRS 1995*

### 3.6 Buying System:

The buying decision process is a crucial exercise for marketers and advertisers alike. Knowledge about the buying processes of consumers helps in developing effective advertising strategies.

The buying system consists of 5 stages:

1. Stimulus
2. Consider
3. Choose/Search
4. Buy
5. Experience

Being a new to the market product there has been no market research done on consumer behavior. Following this a market research was conducted by the author at Chennai, Bangalore and Delhi. The awareness level as mentioned has been very high which confirmed an earlier survey done by the agency. The buying system is explained through the market research.

## 4. Market Research:

### 4.1 Objective:

The objective of the research is to get a better understanding of the overall dynamics (attitudinal as well as behavioral) of the target audience. The research should bring forth the following relationships:

- |               |   |   |
|---------------|---|---|
| Target Market | - | Attitude/influencers  |
| Product       | - | Satisfaction/dissatisfaction and desirable attributes for building a positioning platform |
| Price         | - | Hi/Lo for finding out to what extent it would affect for future sustenance.               |
| Promotion     | - | Promotion mix   |

### 4.2 Research Design and Sampling Framework

The research was administered through an undisguised questionnaire. The questionnaire was designed to study the consumer perception to be analyzed and to study attitude, purchase patterns, media habits, customer profile etc.

The earlier framework was designed by considering the following:

- Stratified sampling of the total target audience
- X-Regional samples for better representation of total population and to reduce regional biases
- A sample size of 30 each in all segments to be statistically significant for a normal distribution

The final outcome of the research in satisfying the above conditions has been limited following time constraints, factors beyond the control of the researcher and just plain non-availability of consumers in the regulars and executive class. The final outcome of the sample is as shown below.

Table 1.2 Research sampling framework

		Regulars			Occasionals			Non-users		
		C	B	D*	C	B	D	C	B	D
Students	school/college	2	-	6	10	2	10	22	3	5
Executives	Junior/middle/senior	-	-	-	-	2	-	3	13	14
	Total	8			24			60		
	<b>Grand Total</b>	32						60		

\*C-Chennai, B-Banglore, D-Delhi

At Bangalore the schools and colleges were closed due to law and order problems and hence could not be targeted. Consumers of the executive class segment were not available. Hence convenience sampling was resorted to analysis conducted on the basis of users and non-users. The user segment is limited to students and the non-user segments are students and executives.

## 5. Buying Process Decision Making:

### 5.1 Stimulus/Need Recognition

Need recognition essentially depends on how much discrepancy exists between the actual state (consumers current situation) and the desired state (the situation the consumer wants to be in). When this discrepancy meets or exceeds a certain level or threshold, a need is recognized. In other words, it is a state of desire that initiates a decision process that in turn occurs through the interaction of individual differences and environmental influences. The Engel-Blackwell-Miniard model on decision making process is used to study the buying process.

It now becomes easier to take each of the factors mentioned above and correlate with the questionnaire on the buying process for Memory Plus.

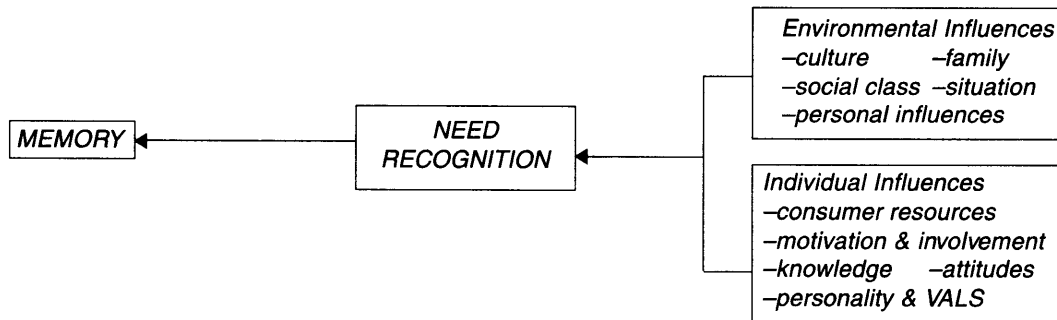


Fig. 1 Engel-Blackwell-Miniard model  
Source: Engell (4)

## 5.1A Environmental Influences

### i. Culture:

Culture refers to values, ideas, artifacts, and other meaningful symbols that help individuals communicate, interpret, and evaluate as members of society. India thrives on its ancient heritage and diverse culture. Ayurveda and ayurvedic medicines are known and respected as a part & parcel of Indian heritage. Hence when an ayurvedic medicine Memory Plus in the form of capsules (a case of old wine in a new bottle) was introduced into the market the top of the mind recall has been very high. This fact is proved by the high awareness level.

### ii. Social Class

Social class is composed of individuals sharing similar values, interests and behavior. They are differentiated by socio-economic status differences, ranging from low to high. The questionnaire does not strongly put forth this difference in SEC to make any meaningful conclusion w.r.t. Memory Plus. However certain observation was noted which might be of interest for further exploration.

During the preliminary survey with pharmacists at Chennai and Bangalore, it was found that offtakes of memory Plus were high at posh areas of Alwarpet and T. Nagar in Chennai, and Malleshwaram, Seshadripuram and Brigade Road in Bangalore. To confirm this further most of the students who had used the product were from the schools which was renowned and generally had students who belonged to well off families.



Table 1.3 Details of Schools

Schools	City	Location	Status	No. of users
V.S. Rao school	Chennai	T. Nagar	posh locale, well established	8
Vivekananda P. Hr. Sec. School	Chennai	Koratur	Outskirts	3
B.E.T. Convent	Bangalore	B.E.M.L. Layout	Outskirts	1
Chiranjeev Bharati	Gurgaon	Palam Vihar	Posh locale	11
D.A.V. Public School	Gurgaon	Sector 14	Posh locale	6
Boston Hr. sec. School*	Chennai	Nandanam	Posh locale	1

\*Boston School was used to do an initial test study of the Questionnaire.

### iii. Personal Influence:

Behavior with whom we closely associate form personal influences often referred to as comparative reference groups. We have selected students and executives as separate groups and with students as users and non-users. Personal influence for the product could be an ideal indicator of what extent it affects in buying behavior. Knowledge of consumers of Memory Plus, who they are, and to what level it has been accepted within their reference groups could be useful indicator.

Table 1.4 Role of decider

Part	Question No	Variable	Category	%
II	1	Purchase Decider	Student Users	
		Self		31.3
		Father		31.3
		Friends		18.8
		Spouse		3.1
		Doctor's advice		12.5
		Relative		9.4

Refer Annexure Analysis Part I

The influence of friends in making a purchase decision is not high. At the sametime the purchase is either self motivated or taken by the father. But there could be co-relations among the two as the students might quote examples from among their close friend circle and influence their parents to buy Memory Plus. This explains the high consumer groups who fall in the friends circle. Another interpretation could also be that the product is not tried out by the parents and this could be the reason that the product imparts more relevance

and meaning to the kids then the parents. In the executives category the product has not been tried out and their awareness level of any person/s taking the drug is dismally low.

Table 1.5 Comparative reference group dynamics

Part	Question No.	Variable	Category	%	Category	Mean Rank	Category	Mean Rank
I	Q 2 in Non-Users & Q4 in Users	<b>Recommendation of Friend/Relative</b>	Students Users	13.32	Students Non-users	2.25	Executives Non-Users	2.8*
Part	Question No.	Variable	Category	%	Category	%	Category	%
II	Q 3 & 4 in Non-Users & 5&6 in Users	<b>No. Of Consumers</b>	Student Users	28.1	Student Non-Users	63.3	Executives Non-Users	83.3
		-Regulars (0)						
		1-3		34.4		20		13.3
		4-6		21.9		13.3		3.3
		7-10		9.4		3.3		0
		>10		6.3		0		0
		<b>Consumer group</b>						
		-Regulars		59.4		43.3		16.7
		<b>FRIENDS</b>						
		PARENTS		3.3		0		0
		OLD PEOPLE		15.6		0		3.3
		NEIGHBORS		3.1		3.3		3.3
		<b>No. Of consumers-Occassionals (0)</b>		21.9		43.3		76.7
		1-3		43.8		43.30		20
		4-6		6.3		6.7		3.3
		7-10		18.8		0		0
		>10		6.3		6.7		0
		<b>Consumer group -Occasionals</b>		<b>56.3</b>		<b>46.7</b>		
		<b>FRIENDS</b>						
		PARENTS		0		0		0
		OLD PEOPLE		0		10		3.3
		NEIGHBORS		21.9		13.3		0

\*Rank 1-6

Refer Annexure Analysis Part I & II

#### iv Family Influences:

Family plays an important part as a primary decision making unit. Does this play a part in decision making for Memory Plus.

*Table 1.6 Family as a decision making unit*

Category	Part	Question No.	Variable	Sample	%
Users	I	5	Elders reassurance	Students	18.8
	II	1	Father	Students	31.3
Non-Users	I	3	Elders reassurance	Students	13.3
				Executives	30

*Refer Annexure Analysis Part I & Part II*

Though the scores do not reflect highly because of the qualifying statements of product attributes mentioned in the question. But it does reflect especially among the young executives who are independent and on their own, trust Memory Plus due to elders reassurance. Among the users the decision to purchase taken by the parent is the highest among the group.

#### v. Situation:

The behavior of individuals change as situations change. A scenario was built up in the questionnaire to reflect what are the behavioral aspects to a situation. Keeping this in view what were the behaviors of each individuals within their own context was examined.

The table below provides details.

The frequency of situations seem to be common among all the sample categories. The behavioral aspect also does not show much change. Rational thinking seems to overpower rest of the aspect of thinking process as far as memory is concerned. Besides the fact that memory problems are existent, it could be that they are dormant in nature the thought might not have occurred to try out a drug to provide a remedy.

### 5.1B Individual Differences

#### i. Consumer Resources:

The consumer resources are generally categorized to time, money and information reception and processing capabilities

Table 1.7 Situational effects

Part	Question No.	Variable	category	%	category	%	category	%
1	11a in Non-users	Frequency of situations-Often	Students Users	18.8	Students Non-users	3.3	Executives non-users	10
	9a in Non-users	Frequency of situations -sometimes		75		76.7		73.3
		Frequency of situation-Never		6.3		20		16.7
	11b in Users	Behavior -Think logically		62.5		76.7		80
	96 in Non-uses	Behavior -Stand on the head		3.1		10		0
		Behavior -Fret & fume		21.9		10		3.3
		Behavior -take it for granted		9.4		3.3		6.7
		Behavior -ask around hurriedly		3.1		0		0
		Behavior-Any other		0		0		0

Refer Annexure Analysis Part I

Table 1.8 Price sensitivity

Part	Question No.	Variable	Category	%	Category	%	Category	%
II	1 in Non-Users & 3 in Users	<b>Price sensitivity</b>	Student Users		Student Non-Users		Executives Non-Users	
		Very Costly		12.5		10		6.7
		Costly		25		43.3		50
		Reasonable		59.4		43.3		43.3
		Low		3.1		0		0
		Cheap		0		3.3		0

Refer Annexure Analysis Part II

Table 1.9 Information processing

Part	Question No.	Variable	Category	Mean	Category	Mean	Category	Mean
I	6 in Non-Users & 8 in Users	<b>Aided Recall -Brahmi</b>	Students Users	Mean of 3.419*	Students Non-Users	Mean of 3.97	Executives	Mean of 3.57
		Aided Recall -CDRI		Mean of 2.71		Mean of 2.433		Mean of 3.03
		Aided Recall-Safe etc.		Mean of 2.935		Mean of 2.933		Mean of 2.3
		Aided Recall -V Anand		Mean of 4.097		Mean of 4.57		Mean of 4.03

\*5-Very prominent 4-Prominent 3-Moderate 2-Slightly 1-Not at all  
Refer Annexure Analysis Part I

The perception of price is not a deterrent for Memory Plus. The product benefits (claims) itself is sufficient for the premium pricing to be pegged at Rs 3/-. But in the information reception and processing area the image of V. Anand has figured very prominently while the rest range between slightly, moderate and prominent. The appearance of V. Anand seems to have overshadowed any product benefit message.

## ii. Knowledge:

Knowledge is defined as information stored in memory and it encompasses a vast array such as the availability and characteristics of products and services; where and when to buy; and how to use products. One main goal of advertising is to provide relevant knowledge and information, which often are needed in decision making.

Table 1.10 Memory cycle

Part	Question No.	Variable	Category	%	Category	%	Category	%
I	12a in Users and 11 in Non-users	<b>Memory Chain-Correct</b>	Student Users	12.5	Student Non-users	16.7	Executives Non-Users	46.7
	-Wrong			87.5		83.3		53.3

Refer Annexure Analysis Part I

As seen in the earlier paragraph that the image of V. Anand has been very high overshadowing the rest of the attributes in the communication message. Such a risk is always associated when celebrities are used as endorsers.

Since memory involves a process of chain of event an exercise was incorporated in the questionnaire to check their knowledge on this aspect. The memory chain comprises of the 5 R's:

### Recognize Register Retain Recall & Respond

As can be seen the respondents fell well short in their attempt to work out the cycle.

Memory Plus lies in the launch stage of its PLC and as is common in the Advertising sphere, educational messages form the core of marketing communication. The new entrant "Megamind 2 Plus" has positioned itself as "improves memory and enhances recall: thus trying to place itself a little further up than Memory as in Memory Plus. Other players are eyeing the market and may work on the other gaps that are present in the memory cycle. The disadvantage that the consumers who are not aware on the technicalities leaves a wide open field to exploit the market.

#### iii. Attitude:

An attitude is simply an overall evaluation of an alternative, ranging from +ve and -ve. Attitudes are built on two dimensions involvement and motivation which are discussed subsequently. Once formed attitudes play a directive role on future choice and are difficult to change. Alternatives as such were found to be non-existent and most of them were secondary in nature. The attitude towards Memory Plus was studied by designing a semantic scale of 7 with some of the benefits generally sought to check the perceived level of benefits sought.

Table 1.11 Benefits

Part	Question No.	Variable	Category	Max. score of 7 -	Category	Max. score of 7	Category	Max. score of 7
I	6 in Users & 4 in non-users	<b>Benefits sought</b> -Concentration	Student Users	Mean 5.06*	Student Non-users	Mean 4.633	Executives	Mean 4.867
		-Learn fast		Mean 4.91		Mean 4.033		Mean 4.933
		-Well organized		Mean 4.906		Mean 4.467		Mean 4.8
		-Beat competition		Mean 4.688		Mean 3.533		Mean 4.167
		-Relaxed and confident		Mean 4.813		Mean 4.5		Mean 4.933

\*Semantic scale 7 (+) to 1 (-)

7-Excellent, 6-Very good, 5-Good, 4-Neutral, 3-Unsatisfactory, 2-Very unsatisfactory, 1-Totally unsatisfactory  
Refer Annexure Analysis Part I

Table 1.12 Trust

Part	Question No.	Variable	Category	%	Category	%	Category	%
I	5 in users	Trust in Ayurvedic Product	Users	37.5	Non-users	43.3	Non-users	66.7
	3 in non-users	Trust in Natural product		37.5	Students	50	Executives	13.3

Refer Annexure Analysis Part I

From the responses on the brand it can be inferred that the users found that the brand could and had delivered fairly good benefits. Amongst the student non-users the brand was perceived to deliver unsatisfactory results to "beating the competition" claim. The executives perceived that the brand could deliver fairly good results. In other words the student user, perceived that Memory Plus could help them to concentrate and thus allow them to learn fast. It would also help themselves to organize themselves well and make them feel relaxed and confident to beat the competition. While the students non-users felt the same except that beating the competition was an overstatement. The executives felt that Memory Plus would certainly improve their concentration and allow them to learn fast by being well organized and help them to be relaxed and confident which might help them beat the competition.

#### iv. Personality and VALS:

Individuals differ in many ways and that affect in decision making and buying behavior, this difference is due to the individuals-personality, values, attitudes and lifestyles (VALS). Unlike motivation and knowledge an individual's personality is more visible. An e.g. [The product or Ad. fits what I believe (value) the way I normally behave (personality) and my situation in life (lifestyle).]

Personality is something which is in-built and directs by providing a consistent response to environment stimuli. It provides for orderly and coherently related experiences and behavior.

VALS is a subject of its own and details of it is beyond the scope of this project. VALS is a device extensively used by the Advertising world in segmentation strategy. VALS is summarized into three categories.

1. Need driven
2. Inner driven
3. Outer driven

Need driven consumers exhibit spending by need rather than preference and are subdivided into-*Survivors and Sustainers*.

Inner driven people's are directed towards their individual needs than towards values oriented to externals. They are further subdivided and classified as

-I-Am-Me, Experimental, Societal conscious and Integrated.

Outer driven people form the backbone of the market place. They exhibit qualities to generally buy with awareness of what other people will attribute to their general consumption of that product. They are further subdivided into

-Belonger, Emulators and Achievers.

The advertisement for Memory Plus has been based on the endorsement of Grandmaster Vishwanathan Anand who can be classified as an achiever.

Let us analyze the Psychographics that Vishwanathan Anand exhibits.

**VALS**-Achievement oriented, Highly successful in his field, A famous sports person, Materialistic, Exhibits leadership qualities, Highly efficient and competent in his field, Comfort loving.

**Demographics**-World class player often globe hopping, good educational qualifications, lives in a city.

**Buying Patterns**-Gives evidence of success, Top of the line.

Chess is a game which thrives on memory power of the individual. Vishwanathan Anand has thus been an excellent choice for endorsement of Memory Plus. Does this association of a personality fits with the consumer psyche. The questionnaire incorporated this aspect and had asked the respondents to rank 6 prominent personalities. All of the personalities chosen are achievers commanding a great deal of respect in their own sphere. Some of them like T.N. Seshan and S.D. Sharma are regulars of Memory Plus.

It is seen from the table below that V. Anand scores among the rest of the stalwarts in all the category and shows greater acceptance among the three samples.

Table 1.13 VALS justification

Part No.	Question	Variable	Self Identity No 1 Choice	Self Identity No 2 Choice	Self Identity No 3 Choice	Self Identity No 4 Choice	Self Identity No 5 Choice	Self Identity No 6 Choice
I	8 in users & 6 in Non-users	<b>Ratan Tata</b>	0	9.4	15.6	31.3	22.6	15.6
		Users						
		Student Non-users	0	3.3	16.7	40	16.7	23.3
		Executives Non-users	10	10	30	23.3	16.7	10
	<b>T.N. Seshan</b>	Users	0	31.3	18.8	18.8	22.6	12.9
		Student Non-users	20	30	13.3	3.3	20	13.3
		Executives Non-users	3.3	23.3	13.3	40	10	10



Part No.	Question	Variable	Self Identity No 1 Choice	Self Identity No 2 Choice	Self Identity No 3 Choice	Self Identity No 4 Choice	Self Identity No 5 Choice	Self Identity No 6 Choice
	<b>BIII Gates</b>	Users	18.8	28.1	15.6	21.9	12.5	0
		Student Non-users	10	36.7	26.7	13.3	6.7	6.7
		Executives Non-users	30	30	23.3	0	3.3	13.3
	<b>K. Birla</b>	Users	0	3.1	28.1	15.6	28.1	21.9
		Student Non-users	0	10	16.7	23.3	40	10
		Executives Non-users	0	13.3	16.7	20	23.3	26.7
	<b>S.D. Sharma</b>	Users	9.4	3.1	12.5	9.4	21.9	40.6
		Student Non-users	3.3	10	6.7	20	13.3	46.7
		Executives Non-users	3.0	6.7	10	13.3	36.7	30
	<b>V. Anand</b>	Users	68.8	21.9	6.3	0	0	3.1
		Student Non-users	66.7	10	20	0	3.3	0
		Executives Non-users	53.3	16.7	6.7	3.3	10	10

Refer Annexure Analysis Part I

#### v. Motivation and Involvement:

Need recognition/Stimulus is the discrepancy of the actual state and the desired state. This felt need is further activated to lead to *drive* (arousal) which in turn leads to *wants* and this leads to *behavior*. The felt need can be classified into 2 categories based on benefits expected through purchase and use. They are

*-Utilitarian needs and Hedonic/Experimental needs.*

When a person is motivated, there can be quite a range of accompanying feelings, emotions and mood. These influences are termed as Affect – +ve or –ve feeling states.

1. +ve affect speeds up information processing and reduces decision time in selecting appropriate products.
2. Activated mood leads to recall of products with +ve association
3. Emotions can serve to activate a static drive.

This talks of appeal which is an important aspect in the field of advertising. As has been said "You have a better chance to win them if you make them feel good."

Generally speaking the need to improve memory exists even though it may have been dormant and largely unrecognized. Marketing Communication is to accomplish how to position the brand in the most favorable light in terms of potential to overcome the problem. Need & Motivation together combine to form Self concept. Self concept is the way one views self. Self concept are four in nature.

*Ideal self*-Self I aspire to be

*Real self*-The way I think the way I am.

*Extended self*-self as incorporated into objects and rate-facts that assume importance

*Self in context*-The way I see myself in different settings.

Self-context work in daily life and reflected in many Advertisements. Some of the types are mentioned below.

*Transcendence*-I contends that "We are what we have" i.e. It is an extended self-concept that encompasses possession. This allows us to transcend our existence on biological beings and to assign unique often sacred meanings to our possession. Possession also plays an important part in relating to our past.

Table 1.14 Utilitarian needs

Part	Question No.	Variable	Category	%	Category	%	Category	%
I	2 in Non-Users & 1 in Users	<b>Reason Sustain</b>	Student Users	12.5	Student Non-users	30	Executives Non-Users	0
		Increase		62.5		53.3		70
		Revive		21.9		13.3		23.3
II	12 in Non-Users & 10 in Non-Users	<b>Memory Problem-mind clutter</b>		37.7		40		56.7
		-disorganized		15.6		16.7		23.3
		-workload		28.1		23.3		26.7
		-tension		28.1		20		13.3
		-fast pace		3.1		3.3		6.7
		-competition		6.3		10		0
I	14 in Users & 12 in Non-users	<b>Problem in self's memory</b>		3.1		10		3.3
		-Notice						
		-Recall		25		46.7		40
		-Respond		12.5		16.7		23.3
		-Retention		37.5		13.3		36.7
		-Register		18.8		13.3		3.3

Refer Annexure Analysis Part I

### Self-Monitoring-

- (a) Concerns for social appropriateness of behavior
- (b) Attention to social comparisons for appropriate self expression
- (c) Ability to modify self presentation and expression according to situation.

### Fantasy-Comparing of real with ideal self

The utilitarian needs or the rational part is addressed in the question which states the Reason why anyone would take Memory Plus. The overwhelming response is that it can increase Memory which suits to the products +ve aspect.

Table 1.15 Advertisement appeal

Part	Question No.	Variable	Category	%	Category	%	Category	%
1	9 in Users & 7 in Non-Users	<b>AD Appeal</b> -informative	Student Users users	25	Student Non-	80	Executives Non-Users	63.3
		-appealing		21.9		6.7		13.3
		-convincing		18.8		13.3		16.7
		-lively		6.3		6.7		3.3
		-amusing		12.5		3.3		3.3
		-phony		6.3		6.7		10
		-silly		0		0		0
		-irritable		6.3		6.7		10

Refer Annexure Analysis Part I

The ad appeal was found to be informative in the case of non-users while it was found to quite appealing for users though not highly.

To check the self-concept on what are the causes for memory problem the response sways more towards clutter in the mind. The responses for the exact problem in the memory chain is in recall and retention.

## 5.2 Consider or Search for Information:

Information search is of two types-Internal and External search.

Internal search is scanning of memory to determine whether enough is known about available options to allow a choice to be made without further information. External search is required when this is not so. External search fall into two categories-Market dominated and Others. Market dominated external search includes advertisements P-O-P's etc. The other is word of mouth (WOM). WOM is by far the most important in a category like Memory Plus because people are seeking for information and WOM is powerful at generating interest and conviction in any phase of the buying process.

Table 1.16 Media and WOM

Part	Question No.	Variable	Category	%	Category	%	Category	%
I	5 in Non-Users & 7 in Users	<b>Media-TV</b>	Student Users	81.3	Student Non-users	93.3	Executives Non-Users	73.3
		-Magazines		25		23.3		23.3
		-Daily		18.8		23.3		23.3
		-Pharmacy		0		10		6.7
II	7 & in Users & 5 in Non-Users	<b>WOM</b>						
		1-2		25		13.3		3.3
		3-5		25		23.3		0
		>5		25		6.7		0
		0		25		56.7		96.7

Refer Annexure Analysis Part I

TV seems to have caused a higher degree of awareness in comparison to the other media. But WOM has been negligible in the case of executives and low in the case of students.

### Search:

Consumer search can be characterized along three dimensions-degree, direction and sequence.

Degree of search is related to involvement. Low involvement purchase (LIP), Medium involvement purchase (MIP) and High involvement purchase (HIP). Based on LIP, MIP and HIP that amount of search differs.

Direction of search relates to which brand consumers consider during decision making and what are the attributes consumers examine during search (internal).

Sequence of search-this relates to the brand search sequence.

Determinants of search are-situational, Product per se, retail shop and the consumer.

Table 1.17 Doctors as an intermediary

Part	Question No.	Variable	Category	%	Category	%	Category	%
I	4 in Users & 2 in Non-Users	Recommendation by doctors	Student Users	9.4	Student Non-Users	66.7	Executives Non-Users	66.7

Refer Annexure Analysis Part I

Even though Memory Plus is an OTC drug the respondents in the non-users category have placed the recommendation of doctors at the top of the list while a miserly portion in

the users had taken the recommendation of doctors. Hence doctors form an important intermediary in the decision making process. Experts opinion was sought during the survey to take a perspective of this important intermediary. A brief of their reactions is given below.

### Dr. Chittaranjan Andrade

Professor and head of the department of Pharmo-Psychology at VIMHANS, Bangalore

When contacted at his chamber at Bangalore, he had some interesting observations to make.

- The ayurvedic drugs are not governed by any medical body.
- There are many drugs which have shown highly positive results when tested by animal models under laboratory conditions but when it comes to applications on humans, it is a different ball game. The human mind is too complex and so far no one has been able to prove it clinically that such a thing as memory enhancement has been possible.
- Clinical trials using placebos as a standard procedure has always given mixed and even conflicting results.
- Memory has a direct correlation with stress and stimulation. When there is high or low stress or when there is very high/low stimulation, the memory fails to function. You need an optimum level of stress and stimulation for memory to function at its best.
- He refused to comment on Memory Plus and said that unless he lays his hands on the paper presented by CDRI it would be unfair for him to make any conclusion. He however reiterated that the paper presented by CDRI has not been published in any respectable medicinal journals.

When the doctoral and post doctoral students were contacted doing their rounds in the hospital, they reiterated that they have not come across the paper presented by CDRI and hence were doubtful of its efficacy. When asked about prescribing the medicine, a couple of them said they had prescribed it when some of the patients asked about it.

### Dr. N. Ramanabashyam

Professor and a highly respected and leading practitioner at Chennai.

Dr. Ramanabashyam had written an article on the efficacy of Memory Plus and his conclusions were that Memory Plus was an effective and safe drug. When contacted he reiterated the claim but added that he had prescribed Memory Plus to elder citizens of the age of 55 + and had found that there were decided improvements among his patient's

Dr. Ramanabashyam later had directed me to interview one of his patients in his clinic. The patient was an old man of the age of 65-70 yr. Since he was resting his wife was contacted and she had to add that after taking Memory Plus her husband was responding well.

Alternatives-Alternatives as could be gathered from the respondents were secondary in nature and a few did mention Megamind 2 Plus. The executives were especially unaware of any other alternatives.

### **5.3 Choose or Information Processing**

Market communications as an external stimuli follows the following pattern.

#### **Awareness Comprehension & Image Attitude Action**

Information processing is what is called purchase evaluation criteria. This is a very important criteria for an advertiser as it gives a clear cut guideline for standards and specification used by consumers i.e. Desired outcomes from purchase and consumption expressed in the form of preferred attributes. In turn as we know, they are shaped and influenced by individual differences and environmental influences.

The awareness level is high but the information processing of the message has not been high. This means the comprehension of the message is not high. This leaves us to study the preferred attributes that consumers seek and is an area which requires to be explored the most. The questionnaire contained a section in-which several attributes were listed out and respondents were asked to rate it on a likehart scale. The responses were than collected and a Factor analysis was conducted. The results are shown in the next section on positioning.

### **5.4 Buy/Purchase**

We have generalized from the preliminary survey about the purchase pattern. But to get a more clear understanding of the buying pattern a couple of questions were incorporated to get a better picture.

The purchases pattern and the consumption pattern can be inferred from the two tables shown below.

Table 1.18 Purchase quantity

Part	Question No.	Variable	Category	%
II	2	<b>Purchase</b>	Student Users	
		>30		12.5
		30		37.5
		10–30		31.3
		<10		18.8

Refer Annexure Analysis Part II

Table 1.19 Purchase Frequency

Part	Question No.	Variable	Category	%
I	1	<b>Purchase Frequency</b>	Student Users	
		Regularly		31.3
		Occasionally		68.8

Refer Annexure Analysis Part I

## 5.5 Experience/Post Evaluation Criteria:

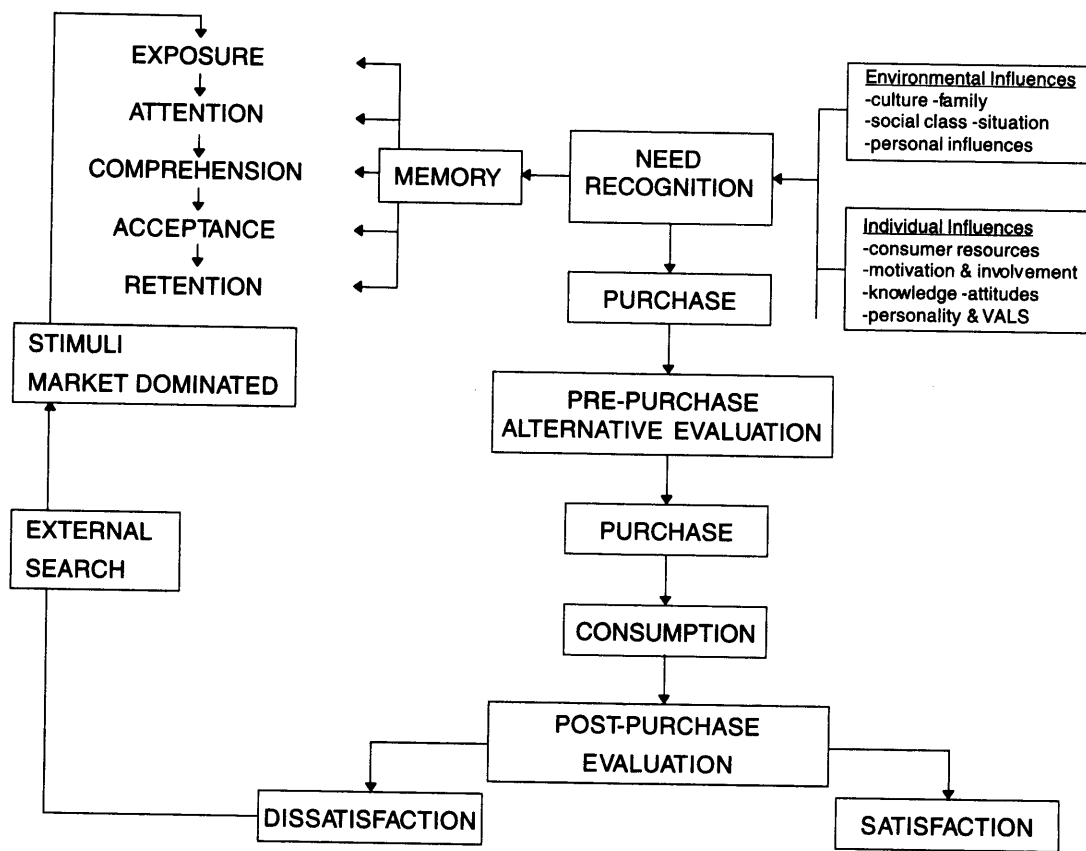
This relates to the satisfaction and dissatisfaction levels after purchase is made and leads to attitude development. The users seemed to be somewhat satisfied. It looks as though they were having very high expectations and the product might not have fully met their expectations.

Table 1.20 Satisfaction level

Part	Question No.	Variable	Category	%
I	3	<b>Satisfaction</b>	Student Users	
		Totally		6.3
		Great extent		15.6
		Somewhat		71.9
		Not at all		6.3

Refer Annexure Analysis Part I

### 5.6 The Buying Process Flowchart



ENGEL-BLACWELL-MINARD Model

Fig 2 ENGEL-BLACKWELL-MINARD Model  
 Source: Engel (4)



## 6. SWOT Analysis:

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> <li>• First in the Market</li> <li>• A unique product</li> <li>• Gels with the outlook of naturalness</li> <li>• Indian audience's Familiarity with Ayurvedic medicine</li> <li>• Excellent product endorser in Grandmaster V. Anand</li> <li>• CDRI / CSIR certification for safety and non-toxicity</li> </ul>	<ul style="list-style-type: none"> <li>• Market acceptance limited to Students</li> <li>• Product efficacy cannot be measured</li> <li>• The Important intermediaries of doctors are still skeptical of the product</li> <li>• Benefit segmentation of Target audience is not done</li> <li>• Communication strategy and effectiveness is lacking</li> <li>• Advertisement execution and quality of the advertisements not upto the mark</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Market penetration of untapped segments of executives, older people etc. can be explored</li> <li>• As a market leader and a first in the market, strengthen your hold through effective communication</li> <li>• Being in a nascent stage, with hardly any competitors exploit the market by introducing variants and filling in all the slots for differentiation.</li> </ul>	<ul style="list-style-type: none"> <li>• Other large houses are eyeing the market and could enter the field, thus eating away on your resources</li> </ul>

## Chapter 2

### Where do we want to be?

- In the Market
- In the Mind

#### 1. Marketing Objective:

Increase sales from the current Rs. 1 Crore + to Rs. 5 Crores in 3 years.

#### 2. Advertising objectives

The 7 (Seven steps) advertising as a force are to lead the customers through.

1. Potential purchasers completely unaware of the product.
2. Prospects aware of the product.
3. Prospects who know what the product offers.
4. Prospects who know the product and have a favorable attitude towards the product
5. Favorable attitudes have developed to point of preference over all other possibilities
6. Prospects who have preference and conviction that the purchase would be a wise buy.
7. Translation of this attitude to purchase

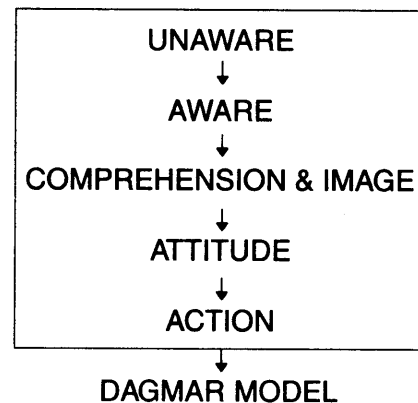


Fig 10.3 DAGMAR Model  
Source: Aaker (1)

### 2.1 SPECIFIC TASK

#### 2.1A Positioning:

The Positioning has to be developed such that the correct image and appeal is communicated.

**2.1B Benchmark:**

The awareness level is high for Memory Plus. The comprehension and Image however needs to be improved to develop favorable attitudes leading to purchase.

**2.1C Target:**

The Target audience considered, are school going kids and executives and senior citizens. The objective is to induce trial among the executives and repeat purchase from the school going kids. With this as the objective, the target of marketing communications is to increase brand comprehension and image from moderate to high.

**2.1D Time period:**

The time period considered is one year in this case.

**2.2 Desired conditions to achieve in the consumer's mind.**

- a. Make the consumer feel with certainty that in these changing and trying times a difference does exist NOW or in the future with respect to his/her memory conditions and thus induce a need-felt.
- b. Increase the association between felt need and Memory Plus as THE most appropriate solution for it.
- c. Increase the credibility of Consumers knowledge towards Memory Plus.
- d. Develop favorable attitudes towards Memory Plus
- e. Increase the breadth of Target Audience.

**2.3 Desired conditions to be achieved in the Consumer's Behavior**

- a. Increase Brand trial purchase among executives.
- b. Increase Volume of repurchases (read-students) {by reducing cognitive dissonance}.
- c. Increase quality and quantity of word-of-mouth communication among consumers.

## Chapter 3

### How do we get there?

- In the Market
- In the Mind

## 1. Strategic options and recommended plan

### 1.1 Marketing background:

While there is a strong potential in the large memory enhancer market there are many alternatives available that compete for the same benefits. The alternatives however fall in the secondary and other categories not linked to memory enhancers For Memory Plus to succeed, they must attract business from the existing consumers as well as other segments of the market.

Table 3.1 Problem analysis chart

PROBLEM ANALYSIS CHART	IS	IS NOT	DISTINCTIVENESS IN IS	CHANGE
WHAT?	Increasing the breadth of the Target audience	Awareness	Students form majority Among the Target audience	Students opt for the product only during exams
WHERE?	Product credibility	Benefits	Tangible results not forthcoming	none
WHEN?	Communication	Wareness /Recall	Excellent celebrity endorsement	none
EXTENT	Developing likings & preferences for the total target audience	Awareness	Confidence about the product is lacking	none

Source: Kepner & Tregoe

To accomplish this marketing communications has to position itself by analyzing the consumer segments

## 12. Positioning:

Positioning generally begins by doing a competitor analysis of competition positions, their rational and emotional appeal followed by analysis of customers before developing the

position. In our case however there were not direct competition in this field (until Megamind 2 Plus arrived). Hence consumer's perception is all that is studied to develop a positioning strategy.

A set of 26 product attributes and customer benefits were chosen and the customer were asked to rate it against an ideal drug. The users were also asked to rate memory plus on the same attributes.

When both students and executives as a total class of non-users were considered and a Factor analysis conducted a diffused image was the result. Hence the categories were divided to users and non-users-executives and non-users-students. The factor analysis with six factors was considered. The factors as well as their contributive attributes are listed in the table below.

Table 3.2 Factor Analysis-Ideal Durg

Refer Annexure Analysis Part III

Ideal Drug	Students Users	Students Non-Users	Executives Non-Users
Memory Enhancer	-Concentration -No side effects -Provide quick results	-Memory Power -No side-effects -Provide quick results	-Memory Power -mental strength -Provide quick results
Ease of Use	-Capsule form - Easy to carry	-Candy	-Candy -easy to carry -Value for money
Common Cure	-Vibrant -Whole family -Multi-cure	-For growing children -Improves concentration	-Natural -Taken anytime -For growing children
Safe	-Trustworthy -Natural ingredients -For growing children	-CDRI -Natural ingredients	-Doctors recommendation
Protection/ Shield	-A Manufacture I trust	-Provide mental strength	-Reduce stress
Non-Habit	-Reduce stress -Non-Habit	-Non-Habit	-Non-Habit

Refer Annexure Analysis Part III

In the case of Memory Plus all the factors could not be clubbed together in the same format as in the case of the ideal drug. Hence the factors have been considered separately and the attributes are listed in the table below.

*Table 3.3 Factors analysis - Memory Plus*

Memory Plus Factor	
Product benefit	-Mental stress -Real benefits -Vibrant
Product identity	-CDRI -Capsule form -Memory power
Safe	-Natural -Trustworthy -Child friendly
Recommendation	-Doctor's recommendation -Friends / Relatives recommendation
Protection/Shield	-No side-effects -Recommendation of pharmacists
Common cure	-Safe -Non-habit -Appropriate for whole family

*Refer Annexure Analysis Part III*

A Comparison of ideal drug and Memory Plus can help us in developing a positioning platform.

The benefits sought along which to position the brand are -

1. Memory enhancing capability
2. Ease of use
3. Common cure
4. Safe
5. Protective / Shield
6. Non-Habit forming

The benefits sought among the broad factors of each group can give us an indicator, of where to stress, in order to provide a meaningful and well represented communication message.

In the factor which represents *memory enhancement* we find that the ideal drug should have memory enhancing capabilities for students non-users and executives. But the users are looking for a drug which will improve their concentration. Compared to this the perception of Memory Plus is that it has been able to reduce mental stress, provide real benefits and has made the consumers feel vibrant.

In the factor representing *ease of use*, the candy form is more preferred by the non-users while the users are happy with the capsule form. The executives at the sametime are seeking value for money. The perception of Memory Plus as an ease of use is missing and is perhaps perceived to be a serious affair.

The factor representing *common cure* is meant as a medicine (OTC) which is generally kept at homes for providing cures to minor ailments like fever, cold etc. The ideal drug should be good for growing children or the whole family as in the case of users. The users also seem to seek vibrancy and mutli-cure aspects while the non-users students feel it should be helpful in improving concentration. The executives on the other hand are looking for a natural product which can be taken at anytime. The perception of Memory Plus is that it is safe, non-habit forming and appropriate for the whole family.

The *safe* factor shows greater variation with the different cases showing different requirements except for the natural ingredients which the students prefer. In case of memory Plus the safe factor shows perception on trustworthy, naturalness and good for growing children.

The *protection/shield* factor represents a psychological benefit sought by the representatives. Reducing stress is seen as an important benefit sought by the non-users while the users seem to be contended that a quality product from a good company is important. Here the manufacturer I trust may be interpreted as an alter-ego of V. Anand.

The sixth factor which is *non-habit* forming. This factor seems to glow brightly and has great unanimity among the three groups.

The six factors can be grouped into two different tests, satisfying the two different needs of product category benefits and Security needs.

Table 3.4 Need segmentation

Category Benefits	Security needs
Memory enhancing capabilities	Safe
Protection / Shield	non-Habit
Ease of use	Common cure

These are two sets which need to be authenticated and proved to make a claim. Hence the positioning suggested is:

P R O V E N



Proven to provide both the category as well security benefits. One most common gospel truth with positioning is - Don't try to be something you are not. Essentially as the factors have been derived from an ideal drug of all the three segments there could be a distortion. Now let us look at each of the factors in relation to the positioning statement. The drug has been proved to provide memory enhancing capability, is an OTC drug which takes care of the ease of use part. Next let us look at the security part. The drug has been certified as safe by CDRI and works on the principle of reducing stress level and increasing stimulation which takes care of the protection/shield part. The last point of Non-Habit has to be emphasized as the drug is a three months course but at the core is any ayurvedic product.

## 2. Target Audience action objective Sheets:

Where are the sales or usage to come from?

The sales is expected to come from existing as well as non-customers in the memory enhancer market. While the emphasis is to rope in non-customers, it is also important to maintain the primary group of users.

Does the Marketing objective involves initiating trial or continuous usage?

The marketing objective is to initiate trial among the executives and other segments. At the same time to induce continuous usage among the prospects who have tried the product.

*Where does the trade fit in?*

The trade has an important part to play. Currently the retailers are motivated in the sense that they get a handsome 20% margin. During the preliminary survey conducted with pharmacists, it was found that there were no P-O-P's given and the pharmacists did feel that it could help trade. Another pointer that they provided was that the box was cluttered with too many messages and they felt that it could be reduced. It was also seen that the product was kept upfront on the bridge or in the display shelves giving high noticability.

P-O-P's in the form of posters or hangings many not serve the purpose as there are too many products and with too many companies already supplying their own promotional materials the P-O-P's loose their meaning. A permanent solution is what is required to take on this aspect.



### 3. Key Communication strategy worksheet:

The need for memory enhancement is there in the market, in the segments, in the self though it might be dormant or as the respondents overwhelmingly said a "Sometime" affair. The target segment is also high in its awareness level therefore the primary communication objective is brand attitude and brand purchase intention.

#### 3.1 Brand Attitude:

Brand attitude as mentioned can be measured on two dimensions, involvement and motivation. We had earlier inferred that the overall attitude has been good and that the brand showed qualities of HIP. With this inference as a tool we can develop a marketing communication strategy for brand attitude using the Rossiter-Percy grid.

Rossiter and Percy have considered the following motives as their basis for formulating the grid. They have classified motives into two parts - Negative Motives and Positive Motives.

Table 3.5 Motives

Negative Motives	Description
Problem Removal	Looking for product or service to solve a problem
Problem Avoidance	Looking for product or service to avoid a future problem
Incomplete Satisfaction	Looking for a product or service that is better than what is currently used
Mixed Approach-Avoidance	Looking for product or services that resolves a combination of likes and dislikes in what is currently used
Normal Depletion	Looking to maintain inventory of product usage of service
Positive Motives	
Sensory gratification	Looking to enjoy product or service
Intellectual gratification	Looking to explore or master a new product or service
Social approval	Looking for personal recognition by using an product or service

Source: Percy. L (7)

#### 3.2 Rossiter-Percy Grid:

The grid is a combination of the two dimensions of involvement and the motives as generated by them. The fundamental criteria affecting selecting a product or service choice are the amount of perceived risk in the outcome of the decision and whether the need to be satisfied by the choice is positively or negatively motivated.

Figure 4. Rossiter - Percy grid

		Type of Motivation	
		Informational	Transformational
Types of decision	Low involvement		
	High Involvement	✓	

Each of the four grids reflect different strategic directions. In the grid the labels informational and transformational are related to describe strategies related to motivation.

Generally to satisfy a negative motive, someone is searching for information about a brand in order to reduce or eliminate a problem, hence it calls for informational communication strategies. On the other hand when positive motives are involved, someone is generally trying to transform themselves, so strategies dealing with positive motives are referred to as transformational.

Depending upon where the brand purchase or usage decision lies within the grid, marketing communication tactics will differ significantly. When a decision implies no risk, you do not really need to convince the target audience. All you need to do is titillate the audience or what is called "Curious disbelief". With high involvement decisions you will need to convince. This means a more permanent media should be considered.

We have inferred that Memory Plus is a HIP based on the response that the non-users are more inclined to try out the drug on doctor's recommendation. Alternatively we see that Memory Plus is an OTC drug and demands low involvement which makes the brand altitude interesting. Adding to this the respondents considered alternatives which were secondary in nature hence making the building of communication strategy all the more difficult. Another difficulty is that it is often not easy to measure the results of using these products, especially in the short term, hence it would be more likely that people need to be convinced of their choice, overcoming the perceived risk attached in possibly wasting their effort and money on a supplement that does not perform. As a result it is safer to assume that this will be an HIP. The motivation on the other hand is clearly negative (problem solution) calling for an informational strategy.

What we want to do as a result of IMC is to convince the target audience of the efficacy and superiority over alternatives, leading to trial and continued usage.

#### 4. Behavior Sequence Model:

Behavior sequence model utilizes the findings of the buying process. Need for a particular memory enhancer has to be aroused, the potential user will then "check it out" and if they

are convinced of its potential, will purchase it. Here we are incorporating decision roles involved for each of the stages in the buying process. Need arousal is most likely to come from individual adults, Family members, or friends after they have noticed the advertisement in a newspaper or magazine, advertising, or word of mouth. This stage will lead to the information search and evaluation stage, gathering information from various sources where friends, family or some other adult play the role of influencer. In this stage pharmacists or the pharmacy itself could also play an important role of influencer. Once this information has been evaluated, the potential individual adult user will form an intention to try, playing a role of a decider. This same individual may be the purchaser and user or will be the purchaser and the individuals family members will assume the role of users.

Table 3.6 Behavior sequence model

Decision Stage				
Consideration at each stage	Need Arousal	Information search & evaluation	Purchase	Usage
Decision roles involved	School children, Executives, Family members, older people, Friends as initiators	-School children, Executives, family members, friends as influencers -School children, Executives, family members, older people as deciders	School children, Executives, family members, older people as purchasers	School children, Executives, older people as users
Where stages is likely to occur	In-Home W-O.M	-In-home -Pharmacy	Pharmacy	-In-home
Timing of stage	-Upon felt need -Before examtimes for school going children	-Weeks following felt need*	-After convinced of benefit	Daily twice for three months
How it is likely to occur	See or hear about product category or brand	-Seek information from others -Visit pharmacy -Look up information	-Visit pharmacy stores	Taking supplements on daily basis

Source: Percy. L (7)

## 5. IMC Task grid:

The BSM provides an overview of how people are likely to go about making a decision to purchase and use a memory enhancer, and the people and factors that will be involved in that decision. Thus we are able to "see" where marketing communications might be effectively used. A closer look at the BSM tells us that a single message using one primary

type of marketing communications will not be sufficient to effectively market Memory Plus. This means an IMC has to be planned.

The IMC task grid gives an answer to this. The IMC task grid looks at each stage in the consumer's likely decision process and develops appropriate communication objectives that relate them to the appropriate segments of the target audience and their behavior. This is then listed and appropriate advertising, direct response and other options allotted to each segment to effectively accomplish the tasks.

Table 3.7 IMC task grid

Decision Stage	Communication task	Target Audience	Where & When	IMC options
Need Arousal	-Generate interest in Memory problems -Generate interest in safe ayurvedic cure -Stimulate the link between Memory problems and memory Plus -Develop positive attitude for Memory Plus	-Family members -School children, Executives -Older people	-In home  -At office -At school -At pharmacy shops	TV,  print media,  P-O-P's
Information search and Evaluation	-Provide enough information to convince target -Gain positive intentions to try brand	-Family members -School children, Executives, -Older adults	-In home -At pharmacy shops	-Print medium (Response) coupons) -P-O-P -Public Relation
Purchase	-Act on positive brand intention	-Family members -School children, Executives, -Older adults	-Pharmacy shops	-Advertising -P-O-P -Promotions
Usage and reinforcement	-Reinforce decision and brand usage	-School children, Executives, -Older adults	In home	-Advertising

Source: Percy. L (7)

The communication task associated with need arousal reflect the brand awareness and brand attitude communication objectives. The first task is to stimulate interest in memory problems. Here we can safely assume that the target audience is aware of ayurvedic medicines. This then leaves us with the task of linking safe ayurvedic cures for memory problems with Memory Plus. The target being mainly young adults it is advisable to have a visual impact to increase retention. TV advertising is the best and fastest way to satisfy these objectives, while print advertising will reinforce them. At the same time trade advertising, will be required to raise the salience of the product with the trade.

At the information search and evaluation stage the task is to provide enough information to convince the target audience that this product is worth trying, seeding a positive brand attitude and to occasion a purchases intention. This is the stage where marketing communication must fully effect the brand attitude and brand purchase intention communication objectives. We will have to reach the target audience for information search and evaluation. Print media using response coupons and P-O-P's with more details can be used to provide details necessary to help convince potential consumers on the product's effectiveness. This is essential to change the attitudinal problems relating to seeking of doctor's advice. The response coupons can also help to develop a database and also provide answers to the interested target audience. It would also help to further refine the marketing communications from the type of queries asked by these potential consumers. Public relation is another area which needs to strengthen the product. PR can help in building in-roads to change the perception of efficacy of the product and provide required support.

The purchase stage occur only at the pharmacists. P-O-P displays hence assumes an important job in triggering brand recognition and remind the potential user of his of her intention to try to product. Advertising plays a critical role in this stage. The packaging here assumes a lot of importance and so also the P-O-P displays providing credibility and information at site of purchase. Here special promotions scheme's can be offered to target the school going kids. The promotion shall have the effect of increased trial especially during examtimes.

With usage, continued advertising and selective promotion should be administered to reinforce the user's brand decisions.

#### **6. Primary Creative Brief:**

The primary creative brief lays out the creative guidelines for the IMC program. It is clear that a message -oriented campaign will be required. The overall task of the communication program is to build positive brand attitude. To overcome the consumer barrier of the product's safeness etc. The "Proven" positioning should help in overcoming this barrier. The mediums of communication should be extended to TV, Print in the form of response coupons, promotions and P-O-P's. In all the forms consistency should be incorporated. The consistent look and feel to the execution is one of the most critical areas in an IMC. A unique feel or look to everything that is done so that the target audience recognizes our marketing communication with the proven positioning.

*Table 3.8 Primary creative brief*

#### **Product-Memory Plus**

##### **Key Market Observations:**

The product has seen typical variations, where the off-takes from the shelf had zoomed during school/college exam times and had remained dull during other times



Television	✓		✓	✓
Print Media:				
-Weeklies	✓	✓	✓	✓
-Monthlies	✓	✓	✓	✓
-Dailies	✓	✓	✓	✓
Promotions			✓	
Public Relations	✓	✓		
P-O-P	✓	✓	✓	

Source: Percy. L (7)

TV broadcasting is to be used continuously to maintain brand salience and interest in the products. The two segments are required to be targeted separately except that the product benefits/ attributes for each segments (from factor analysis) are to be given the prominence. The product attributes are to be projected under the "Proven" platform. TV advertising is the best way to address awareness, but not as effective on its own in providing details usually required to convince consumers of a high involvement decision. This is where Print media with / without response coupons are included to provide an opportunity for learning and stimulate interest in trials. While the executive segment are to be allured into trials, all the print media options for all stages are to be targeted to build salience which would result in steady offtakes unlike the school children where seasonal options can be adopted.

Table 3.10 IMC media allocation

Communication Tasks for School children				
IMC Communication Options	-Generate interest in Memory problems -Generate interest in safe ayurvedic cure -Stimulate the link between Memory problems and Memory Plus -Develop positive attitude for Memory Plus	-Provide enough information to convince target -Gain positive intentions to try brand	-Act on positive brand intention	-Refineries decision and brand usage
Television	✓		✓	✓
Print Media:				

-Weeklies		✓	✓	✓
-Monthlies		✓	✓	✓
-Dailies		✓	✓	✓
Promotions			✓	✓
Public Relations		✓	✓	
P-O-P			✓	

Promotions is required especially during examtimes to increase trials for school childrens while promotions are to be adopted for executives during the other seasons. The promotions should be used to educate the target audience and induce them to opt for the full course of three months as is required for effectiveness.

PR is essential to gain advantage of the product's certification by CDRI and CSIR. It would also help in bringing attitudinal changes with the target audience.

P-O-P's are essential. The best form to gain advantages is by providing a shelf hanger cum display for storing the product carrying the "Proven" positioning statement along with all the related statements. This type serves the dual purpose of gaining attention as well provide the necessary information unlike the short-lived P-O-P's

In all the media, there should be consistency offered in the form of the "Proven" positioning statement. The selected media should reinforce each other and be scheduled to maximize their strengths against the appropriate communications tasks.



**Conclusion:**

The IMC for Memory Plus suggested is a sequence of activities planned through a set of worksheets. By working in a planned way it has suggested the use of PR, Response coupons in daily publications, P-O-P's as an equally major set of communication activities which were not considered or maybe not given its full due. In all the communication there should be a continuity in the form of the "proven" positioning statement. There should be congruity in all the IMC activities without which the consumer may not be able to develop positive attitudes.

The endorsement of V. Anand is a strong factor to cash in on. But considering his VALS the communication platform should be executed in similar lines to vibe well with the audience. At the sametime the message should not get lost. The TV commercials should be designed for atleast 20-30 seconds as the message requires to provide information.

PR activities, P-O-P's and package redesign has to be considered.

## Limitations

- The consumer behavior has not been statistically analyzed for significance.  
The sampling resorted was convenience sampling instead of the stratified sampling as earlier planned. Consumers in both segments were not available hypothesis formulation hence not adhered. The emphasis was to develop a positioning statement which was done by using factor analysis. The differences in the three different samples are not very high hence statistical analysis of the parts I, II and IV were not done.
- Pricing and distribution strategies have not been analyzed.  
The distribution networking details was withheld by the agency and pricing was not in their agenda.
- The marketing set-up and the marketing and business objective has not been dealt with as the information was withheld.
- Media plan has not been drawn out as the budget allocation is yet to be formulated. The agency was yet to negotiate the yearly budget with the clients and the agency withheld details on the current and previous years budgets.
- Final creative brief and execution is not suggested as it is to be developed by the agency. The study has been limited to that of an account executive of the agency as the findings and recommendations would be given to the creative department for developing prototypes.

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## Questions to Answer

1. **Comment on the form and structure of the report.**
2. **Improve the report with respect to its presentation and layout.**
3. **Correct the language and other errors wherever necessary.**

## Summary

- This chapter discusses the report as a distinct form of written communication involving investigation, analysis, and presentation to give its receiver the required information. Various methods of enquiry, data collection and analysis of information collected are discussed in detail. The chapter identifies essential elements of reports and their normal or alternative sequence in different types of short informal reports and long formal reports. How to write each part of a full report is discussed and illustrated. The need to plan and organize information by outlining before we write a report is emphasised. The methods of documentation and the use of tables, charts, and other graphic presentations are explained with examples. Finally, samples of short and full reports are given to help you produce properly structured and effectively written reports.

## Review Questions

1. Mention the points you would like to keep before you if someone asked you to write a report and not an essay.
2. State the purpose and place (sequence) of the following elements in a report —
  - Summary
  - Introduction
  - Appendices
  - Table of Contents
  - Recommendations
3. How are reports read by business executives?
4. Give the basic parts of a short formal management report and their preferred sequence.
5. Prepare a title page of a report to be written by you as a management graduate at BITS, Pilani, on Communication needs of business management executives. The assignment is to be submitted to Dean of Instructions Division, BITS, Pilani.
6. Discuss the points covered by the Introduction of a report.
7. Discuss the significance of use of graphics and diagrammatic representations in a report. Illustrate your answer with some examples.
8. Identify the elements of a short formal report.
9. Write a formal report as a Marketing manager to your company's Vice President Marketing on the reasons you have investigated for the sudden fall in demand for your product. You can assume the place, company and the product.

# Chapter

# 7

## *Oral Communication*

### LEARNING OBJECTIVES

- Learn the nature of spoken communication.
- Know the primacy of oral communication in business transactions and personal interactions.
- Understand when to choose oral communication as against written communication.
- Know various barriers to oral communication.
- Learn key skills of oral communication.
- Know how to use skills of conversation control at meetings, oral presentation, negotiation to influence, motivate the listener (audience) by your ideas.

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*Mend your speech a little,  
Lest it may mar your fortune.*

**-Shakespeare**

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*The ability to speak/ articulate single words and later on speak groups of words in meaningful sequence comes to us in due course of our growth as a child.*

## ORAL COMMUNICATION SKILLS AND EFFECTIVENESS PRINCIPLES

### What is Oral Communication?

Oral Communication, also known as verbal communication, is the interchange of verbal messages between sender and receiver. It is more immediate than written communication. It is also more natural and informal.

In human development, speech precedes writing. We first learn to speak, then much later, develop the ability to read and write. The ability to speak/articulate single words and later on speak groups of words in meaningful sequence comes to us in due course of our growth as a child. We develop this ability from listening to verbal sounds (words). As compared to written communication, therefore, our ability to communicate through the spoken word (speech) is an ability naturally developed in us (provided we are not deaf or dumb).

In human interaction, oral communication is used more (perhaps over used at times) than written communication.

The study of human behavior shows that 70 per cent of our waking life is spent communicating. Out of the total time spent in communicating, normally, 45 per cent relates to listening, 30 per cent to speaking, 16 per cent to reading, and 9 per cent to writing. Thus, 75 per cent of our time, we spend in listening and speaking. It is, therefore, necessary that people in business learn to use this time to their best advantage for creating and sustaining good relationship through their ability to listen and speak effectively.

### Need for Learning Oral Communication Skills

In business transactions that involve face-to-face interaction between individuals or groups of individuals, it is not enough to be able to talk, speak, discuss, converse, argue, or negotiate an issue. A manager should be able to converse or discuss persuasively, effectively and convincingly. But to do so he must know the skills of oral communication.

A manager often faces difficulties in attempting to resolve problems of workers and in trying to influence others through dialogue and personal discussions. He needs oral communication skills that include abilities—

*A manager should be able to converse or discuss persuasively, effectively, and convincingly.*

- To help problem solving
- To resolve conflict
- To influence people to work together
- To persuade others to be involved in organisational goals
- To be assertive without being aggressive
- To develop listening skills
- To be an effective negotiator
- To make a proposal

These skills will develop the necessary tact to work effectively for mutual satisfaction in the above situations.

Broadly speaking, one has to know when to talk, and when not to talk but listen; how to talk, that is the tone, pitch and modulation; to be able to interpret the listener's facial expressions, physical gestures and movements, attitude, together with knowledge of his own body talk, (leakage) which consciously or unconsciously flows out to the listener.

It is said that it does not matter what you say, what matters is how you say it. Your way of saying includes your choice of words, and your confidence and sincerity.

*It is said that it does not matter what you say, what matters is how you say it.*

### **O**bjectives of Oral Communication in Business

It is known that a manager's maximum time is devoted to oral communication. He is engaged in one of the following tasks: meetings, discussions, negotiations, seminars, presentations, interviews, peer conversation, subordinate instructions and telephonic conversation. All these business activities, except telephoning, involve **face-to-face** verbal communication. A telephone conversation is a one one-to-one oral communication that requires skillful control of tone, voice, pitch, and precise use of words.

### **C**hoice of Form of Communication

A manager's choice between oral and written communication is guided by considering the suitability of oral or written form for the purpose and nature of the subject of communication. Both written and oral forms have advantages and limitations as given below —

**Table 7.1 Comparative Advantages and Limitations of Oral and Written Communications**

<i>Oral communication</i>	<i>Written communication</i>
<ul style="list-style-type: none"> <li>● More personal and informal</li> <li>● Makes immediate impact</li> <li>● Provides opportunity for interaction and feedback</li> <li>● Helps us to correct ourselves (our messages according to the feedback and non-verbal cues received from the listener)</li> <li>● Better for conveying feelings and emotions</li> </ul>	<ul style="list-style-type: none"> <li>● Better for complex and difficult subjects, facts and opinions</li> <li>● Better for keeping records of messages exchanged</li> <li>● Provides opportunity to refer back</li> <li>● Can be read at receiver's convenience or pleasure</li> <li>● Can be revised before transmitting</li> <li>● Can be circulated</li> </ul>
<p><b>Limitations</b></p> <ul style="list-style-type: none"> <li>● Demands ability to think coherently as you speak</li> <li>● A word once uttered cannot be taken back</li> <li>● Hard to control voice pitch and tone, especially under stress, excitement or anger</li> <li>● Very difficult to be conscious of our body language</li> </ul>	<ul style="list-style-type: none"> <li>● Never know if the message is ever read</li> <li>● Impersonal and remote</li> <li>● Immediate feedback is not available for correction on the spot</li> <li>● Reader is not helped by non-verbal cues that contribute to the total message</li> <li>● Many people do not like reading especially if it is an official or business message</li> <li>● time consuming</li> </ul>

### **Principles of Successful Oral Communication**

Oral Communication is indispensable in any group or business activity. The purpose of effective talking is to be heard and understood by the listener.

Our communication should, first of all, have the rhythm and tone of a living voice. To achieve this quality we should use the language that is free from long winding sentences, clichés, old-fashioned words and phrases. Our language should have the ease of commonly used words, and short and simple sentences. The pitch of our voice should take into consideration the distance between the listener and us. The tone should be marked by the accent of sincerity and confidence. The listener, unlike the reader of a written communication, has the advantage of watching you in the act of



verbalising your ideas and feelings, and is able to note the unconscious body language, which may contradict the intent of your spoken words and is constantly affected by your tone of endearment, hostility, superiority, conceit, sincerity or insincerity.

Therefore, a speaker has to be very careful about his words and the manner of speaking them. In oral communication, the manner of speaking is, at many times, more important than the words, which communicate only 7 per cent of the total message. Albert Mehrabian's research reveals astonishing facts about how exactly different factors contribute to a speaker's total message —

Verbal	—	7%
Tone of voice	—	38%
Visual	—	55%

An effective speaker, therefore, learns to control and use his tone and body language to support the message communicated by words. The tone of voice and visual expressions as contributory factors of a message will be discussed in detail later. Let us first discuss the nature of the spoken word more fully as compared to the printed word.

**The nature of the spoken word** Unlike the printed word (of the written message), the spoken word (in oral communication) is ephemeral (short-lived). The listener cannot turn back to the spoken word as the reader can, in case he misses its meaning while reading it. This is an inherent limitation of speech. To overcome this limitation, the listener has to listen closely and attentively. And the speaker should converse slowly, with proper semantic pauses, to enable the listener receive and register in his mind whatever is heard. There should be a due correlation between the pace of speaking and the rate of listening. Research has established that an individual speaks nearly 125 words a minute, and the brain of the listener processes nearly 4–5 times more rapidly. If the natural gap between the processes of receiving and registering is widened or too narrowly shortened by the speaker's pace of speaking, the act of comprehension will tend to be adversely affected. Hence, an important principle of oral communication is to speak fluently, without long pauses or non-stop rushing through words.

**What is fluency?** Fluency usually means ease as a condition of speaking. But a fluent speaker is one who is heard with ease. The

*Research has established that an individual speaks nearly 125 words a minute, and the brain of the listener processes nearly 4-5 times more rapidly.*

*Listening is activated and helped when the speaker delivers his words as if they are moving in an ordered procession.*

listener does not have to strain his mind to receive, register, and interpret the message heard. Listening is activated and helped when the speaker delivers his words as if they are moving in an ordered procession. Each word is distinctly heard and easily connected with other words to form the verbal structure of the message.

### **C**haracteristics of Effective Oral Communication

According to Francis J Bergin, oral communication is characterised by seven Cs — Candidness, Clarity, Completeness, Conciseness, Concreteness, Correctness, and Courtesy. These act as principles for choosing the form (style) and content (matter) of oral communication. Oral communication should provide a platform for fair and candid exchange of ideas.

In simple terms, the communicator should follow the following:

- Consider the objective.
- Think about the interest level of the receiver.
- Be sincere.
- Use simple language, familiar words.
- Be brief and precise.
- Avoid vagueness and generalities.
- Give full facts.
- Assume nothing.
- Use polite words and tone.
- Cut out insulting message.
- Say something interesting and pleasing to the recipient.
- Allow time to respond.

### **B**arriers to Effective Oral Communication

Managers have to communicate individually with people at different levels — superiors, subordinates, peers, customers and public figures. The oral mode of communication is easy, time saving, and functionally helpful in resolving issues. But oral communication demands great control and communicative competence to be successful.

Oral communication shares with written communication all the barriers already discussed in an earlier chapter.