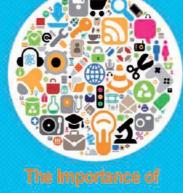


# PANACHE

Your Monthly Dose of Marketing











# THE IMPORTANCE OF MARKETING YOUR STARTUP

-Swati Geriani, PGP1

"If I look at the landscape I see in the future of young start-ups what I saw in the US in the '70s and '80s, a disruptive environment and an ability of these start-ups to think out of the box" quotes Tata. There is a real resurgence of entrepreneurial spirit and start up activity with 800+ start-ups being set up annually. Oodles of ideas oozing out from the young minds has changed the face of Indian market. It is believed that by 2020 there would be an enormous figure of 11,500 start-ups employing over 250K people. But a hard and a bleak truth is



that nine out of ten start-ups fail. The reasons for the same are many- market fail, ran out of cash, poor product, poor marketing etc. Market fail can further be either the market doesn't need the product or the market doesn't understand the product, or the market doesn't know of the product. It is surprising to know that 15% of start-ups have failed just because of inefficient analysis of potential size of the market, the extent of the competition as well as consumer preferences and tastes. Instead of assessing the risks and opportunities objectively, startups rely on guesswork, giving more credit to their vision of what the future may hold rather than examining real facts. This is in a way understandable as the products are never-before-seen products to the market but this is also why it is imperative to manage the process of coming to the market efficiently and differently.

All things said and done what if people don't even get to know that you have a killer product to offer. While it is true that nothing can beat a great product, entrepreneurs tend to ignore the power of marketing. It is said that you should write the first line of content the same day you write your first line of code! Having said that, you won't win by shouting louder, placing bigger ads, sending 5 notifications a day or buying a bigger booth at the trade show. In fact, marketing is not just about finding ways to tell millions of people about your product or service, it is also about a two-way communication and a feedback mechanism.

So now the concern is how to leverage the right marketing tools & strategies that receive disproportionate & long term return on your marketing investments. There are various bullet points which can help in strengthening the strategy while the anchor still remains in making consumers realise how your product is meeting their needs, solving their problems or to simply put forth how is it making their lives a little better!

## THE INDIAN STARTUP MARKETING SCENE

-K E K Sashank, PGP1

#### Successful marketing campaigns by Indian startups

India is currently in the midst of a startup boom, with billions of dollars being invested in the quest for the next big idea. Startups are attracting top talent, with individuals highly motivated to be part of the next big thing. A byproduct of the rise of the startup culture has been a number of innovative marketing campaigns, to stand out amongst an increasing number of companies vying for the customers' attention and wallet share.

When one talks about "innovative marketing by startups", the first thing that comes to mind is Housing.com's headline grabbing "#Lookup" campaign. With over 120 crores invested in print, outdoor and digital media, the campaign was of an unprecedented scale. What set the campaign apart was its simplicity, using simple messages and pictures

over celebrities to cement the brand in the minds of the people over a period of 8 weeks. While some praised the campaign for its boldness, others criticized it for its extravagance, but love it or hate it, this is a campaign which isn't going to be forgotten in a hurry.

Another creative marketing campaign early this year was Zo Room's ambushing the launch of rival OYO Rooms application. Zo rooms placed a large billboard outside the hotel in which the Oyo app launch was to take place, as well as its marketers inside the hotel and an alternate event planned in the same venue. The initiative was well appreciated on social media, giving Zo rooms a lot of visibility thanks to a cheeky and well thought out campaign. Both companies continued sparring on Twitter, increasing the visibility of both brands.

UBER's marketing campaign also caught the attention of the media. Instead of investing crores in traditional marketing, UBER focused on steep discounts for downloading and recommending the application to friends, leading to its rapid adoption among the tech savvy youth. Uber also tied up with several companies such as Paytm, Zomato and BookmyShow to leverage their existing customer base to boost its adoption through integrated services.

With the number and variety of startups increasing on a daily basis, one can expect upcoming marketing campaigns to exceed their predecessors in creativity, leading to an interesting phase for marketing in India. "E-com-

merce spending on advertising has gone up dramatically compared with what they were in 2013. These companies are currently flush with capital and are spending aggressively. We will continue to see the trend in 2015," said Mallikarjun Das, chief executive at







Starcom MediaVest Group, a media buyer. "However, I am not too sure if this is optimized spending."

To conclude, startups have shown no less interest in advertising even in the constraint bound environment they operate in. One has to wait and watch what advantages these big pocket ad campaigns will fetch these initial startups and how the upcoming startups would take inspiration from these campaigns.



-Srikkanth Sridhar, PGP1

Two things must be engraved in the minds of entrepreneurs. One, there is no way a great product alone would succeed. Two, is that there is no way great marketing can make an awful product successful. After several sleepless nights spend coding or coming up with innovative ideas to make your product cutting edge won't assure that customers buy your product, because they simply don't know about it.

Marketing for a startup varies from traditional marketing because

- The product or service offered by a startup is unproven, however innovative or over-the-moon or awe inspiring.
- Marketing skill probably isn't bread and butter for entrepreneurs, especially tech entrepreneurs, who have devoted a lot of time into product design
  - Budget constraints a very obvious factor



#### **Viral marketing & Growth hacking**

Mahesh Murthy, investor and venture capitalist, while speaking at our campus said, "Marketing is only for companies with sucky products". While this view might be a little extreme, the core idea that startups shouldn't get bogged down by excessive marketing, should be looked in to. Startups would benefit more from embedding or integrating marketing into their product during the initial years, a technique called viral marketing. Here, (assuming that users can be retained) the existing users would spread word about the product and thus cause more people to use the product. Several startups have employed growth hacking, which is a "lean" technique used by startups to creatively market their product. Paypal and Hotmail were amongst the first startups to effectively employ growth hacking for marketing. Paypal credited \$10 into a customer's account for every customer he/she refers, and thereby grew their user base to close to 10 million accounts. A similar promotion scheme was followed by Ola, Taxi for sure and Uber cabs in India. Dropbox also followed a slightly similar strategy by providing additional storage space to users who referred others to join Dropbox. Hotmail on the other hand, did not give any incentives but included an e-mail signa ture "sent with Hotmail/get your free mail with Hotmail" in all mails sent by users of Hotmail.

Growth hacking has become key for startups and they must leverage their creativity and apply these techniques to drive growth in the early stages of their business (while spending minimum amount of money, of course!).

#### Content marketing

Content is the heart and soul of any marketing campaign or initiative.

However content writers often go overboard with flowery writing (or globe!)

and neglect the actual core message. David Oglivy once said "The temptation to entertain instead of selling is contagious".

Unless you are Apple, Google or Microsoft, no one is likely to attend press releases of startups and so developing useful and informative articles can go a long way to promote their business prospects. When pressurized for content, companies are likely to develop low-quality quantity content, which may not be original. To avoid several companies nowadays do not bother with in-house content writing, and simply outsource it to an agency or a freelancer or even fresh college graduates.

These are some of the essentials in laying a strong foundation for marketing a startup. Of course, the other important steps that follow are social media marketing, search engine optimization (SEO), feedback, Google AdWords and so on.

## NON-PROFIT START-UP MARKETING

-Paldeep & Bhuwandeep, PGP1

ORPHAN CHILDREN REACH OUT FOR HELP



In an age plagued by giant corporations with huge marketing budget, how does a non-profit even attain visibility? In a seemingly impossible environment however there is a ray of hope for the underdogs as well. As with all start-ups, manpower is less, as are resources. So how do you cope with that and still make a mark? And do you need to make a mark? The root of the problem is that non- profits think that they don't need to. On the contrary, marketing should be conceived as significant to their success by all non-profit organizations and they should realize that, at most fundamental level,

practically for everything they do, especially with regards to their main goals, it's very important to influence the behaviour of others.

Non-profits should focus on building their brands and market their vision, credibility, value and impact of their work. While marketing their brand they should also be accountable to their beneficiaries and stakeholders. One possible way to develop a good business plan for non-profits is floating a case in management colleges at a relatively low cost.

Faced with dearth of resources, organizations have to get creative and work hard to market themselves. Social media is one way new non-profits can take control of their brand and gain exposure. Even if it does not have its own website, new organizations can quickly set up a Facebook page or Twitter account to start connecting with people. Another way is peer-to-peer fundraising. When someone makes a fundraising page for their favorite non-profit, they ask friends and family to donate. The organization doesn't just get much-needed funds, it also gains exposure to new audiences and supporters.

Strategic marketing has three main pillars – problem analysis, strategizing the organization action, and finally its execution. Analyzing starts with introspection and then studying the external environment. The analysis of the organization should include its mission, aims and goals, the culture of the organization and its strengths and weaknesses. The analysis of the external environment should focus on the groups that the organization will serve, the competition and the macro-environment. Based on those analyses, the organization should create a plan of marketing actions and execution.

With regards of non-profit organization work, the marketing social mapping is an innovative approach. The external environment will tell what is wanted and what is permissible. The external market shows the marketer what is possible. The Social Map also provides information for the audiences that a non-profit organization should market. Audience may be investing audience, intermediate audience (donors and bene-

fi ciar

ies) or consumer audience. Each movement in the social map is defined by the range i.e. how many people will know your actions and the direction in which you want to go.

Based on the data and knowledge available, one needs to build an insight into the work one is willing to perform. Thus we see how important marketing is for NGO in today's world with regards to establishing the brand, positioning itself and targeting its audience. At the heart of it though NGO should focus on its execution because that is the ultimate differentiator. As Tom Fishburne once famously said- "The best marketing doesn't feel like marketing."



MaSh is a student run club with focus on marketing & related disciplines. MaSh conducts several events on campus throughout the year. Starting with the inter-section PGP1 event - MaShterix, which is managed and conducted by the PGP1s for the PGP1s.

MaSh also conducted many events at Eximius-The entrepreneurship festival of IIM Bangalore.

MaSh hosted a variety of marketing events at Vista, the Annual Business Festival of IIM Bangalore conducted by Forum for Industrial Interaction (FII). The events received huge participation from top Business Schools across the country. The events were conceptualized and designed in a way to test the participants' knowledge and skills across various facets of marketing.

Apart from these, we also organize workshops and panel discussions inviting industry experts and alumni.

MaSh also conducts mock marketing interviews for PGP1s for helping them prepare for the summer placements and publishes comprehensive summer and final placement preparation guides.

