

“A study of repositioning strategy for BSNL brand In Indian telecom market”

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Abstract:

The research paper would through light on how the primarily government corporate BSNL shall have to reposition their brand image of the whole “company and products, services” as whole and a single popular unchallenged and incomparable entity in the minds of Indian telecomm customers to regain their monopoly position in telecomm sector. The research paper speaks that the aspirations and expectations of present young generation has to be met with the quality of the product and services of the company and at the same time have to satisfy their esteem, style, life-style, fashion, and prestige of possession “needs” . At the same time the BSNL shall not ignore the present traditional market base customers and their expectations and requirements to retain the present market share and regain and expand the market base to the present generation needs and international customer’s needs. We have in India major IT, call centers and BT multinational companies which holds a great market share of land phone, cell and internet broad band facilities and this needs to be addressed by the BSNL in meeting international consumers brand and service quality requirements.

Way back in 1980’s HMT shifted its brand building activity from “slow and study, sturdy, strong durable costly manufacturing machine tools and machines” represented in its ads with elephant to “new brand image” with cheetah (animal) to represent “fast , dynamic, flexible, automated, computerized, competitively priced machines” and won the market from its Indian (Coimbatore- Ludhiana) and imported (basically from Japan and Germany) competitors. So such an exercise needed to give a new life to BSNL brand.

The research paper investigates the present brand image perceived by the consumers and expected brand image from the bench marketing of the leading and competing telecomm company’s brand strengths in the Indian telecomm market.

Key words: Brand, brand positioning, market share, brand image, entity

1. Introduction to study :

The study would like to study the present strategic position of BSNL with reference to the global competition from private, collaborated and foreign telecomm brand in Indian market and what would be the suitable re-positioning strategies to retain their customer base and bring growth in the market.

The Indian government telecomm Industry BSNL has to redefine their brand strategies , by new brand image, ne promotional technique, new brand ambassador, new propogandas like road shows, exhibitions, competition sponsorships (like BIG BOSS, Köln banega karodpathi, national and international cricket and tennis events , film fare awards telecasted in the major channels viewed by youth of India) , channel selection, new style news paper ads, ads in film and youth magazines (like debonair/ film fare) besides improving equally the personnel at the front office from old generation personnel to youths and introducing new style uniforms (with vibrant colors-like jet airways) to BSNL marketing and front office personnel and overall out ward outlook and inward spirit of the employees to be more dynamic and stylish and customer oriented in their response to call center enquiries to simple front office billing and other services. These activities hall be addressed , planned and executed in short time in a big bang way to retain the market present BSNL market share and snatch back the market share from competitors.

The research would like study to the strength and weaknesses of the BSNL brand in comparison with the new telecomm entrants - private, collaborated and foreign brands the research wants to investigate the constraints and all the parameters involved in the evolving new brand strategies for BSNL for survival and growth.

2. Literature survey :

2.1 Brand – defined:

A: Any brand is a set of perceptions and images that represent a company, product or service. While many people refer to a brand as a logo, tag line or audio jingle, a brand is actually much larger. A brand is the essence or promise of what will be delivered or experienced. Importantly, brands enable a buyer to easily identify the offerings of a particular company.

Brands are generally developed over time through:

- Advertisements containing consistent messaging
- Recommendations from friends, family members or colleagues
- Interactions with a company and its representatives
- Real-life experiences using a product or service (generally considered the most important element of establishing a brand)

Once developed, brands provide an umbrella under which many different products can be offered--providing a company tremendous economic leverage

and strategic advantage in generating awareness of their offerings in the marketplace.

Source: http://www.persuasivebrands.com/Topics_Brand_Definition.aspx

2.2 Brand – redefined: as marketing strategy:

Brand is the "name, term, design, symbol, or any other feature that identifies one seller's product distinct from those of other sellers" Initially, Branding was adopted to differentiate one person's cattle from another's by means of a distinctive symbol burned into the animal's skin with a hot iron stamp, and was subsequently used in business, marketing and advertising. A modern example of a brand is Coca Cola which belongs to the Coca-Cola Company.

A brand is often the most valuable asset of a Corporation. Brand owners manage their brands carefully to create shareholder value, and brand valuation is an important management technique that ascribes a money value to a brand, and allows marketing investment to be managed (e.g.: prioritized across a portfolio of brands) to maximize shareholder value. Although only acquired brands appear on a company's balance sheet, the notion of putting a value on a brand forces marketing leaders to be focused on long term stewardship of the brand and managing for value. The word "brand" is often used as a metonym, referring to the company that is strongly identified with a brand.

Marque or make are often used to denote a brand of motor vehicle, which may be distinguished from a car model. A concept brand is a brand that is associated with an abstract concept, like breast cancer awareness or environmentalism, rather than a specific product, service, or business. A commodity brand is a brand associated with a commodity.

Source: Wikipedia – brand

2.3 Market positioning – defied:

The **marketing, positioning** is the process by which marketers try to create an image or identity in the minds of their target market for its product, brand, or organization. **Re-positioning** involves changing the identity of a product, relative to the identity of competing products. **De-positioning** involves attempting to change the identity of competing products, relative to the identity of your own product.

The original work on positioning was consumer marketing oriented, and was not as much focused on the question relative to competitive products as on cutting through the ambient "noise" and establishing a moment of real contact with the intended recipient. The growth of high-tech marketing may have had much to do with the shift in definition towards competitive positioning.

2.4 Company – Repositioning:

In volatile markets, it can be necessary - even urgent - to reposition an entire company, rather than just a product line or brand. When Goldman Sachs and Morgan Stanley suddenly shifted from investment to commercial banks, for example, the expectations of investors, employees, clients and regulators all needed to shift, and each company needed to influence how these perceptions changed. Doing so involves repositioning the entire firm.

This is especially true of small and medium-sized firms, many of which often lack strong brands for individual product lines. In a prolonged recession, business approaches that were effective during healthy economies often become ineffective and it becomes necessary to change a firm's positioning.

Repositioning a company involves more than a marketing challenge. It involves making hard decisions about how a market is shifting and how a firm's competitors will react. Often these decisions must be made without the benefit of sufficient information, simply because the definition of "volatility" is that change becomes difficult or impossible to predict. Positioning is however difficult to measure, in the sense that customer perception on a product may not test on quantitative measures.

2.5 Brand repositioning :

In the article “what is brand positioning by Kelly hobkirk states that “Brand positioning is one of the single most important steps any business can take on the road to success. Yet, brand positioning is perhaps the most shunned part of branding that exists, especially for small businesses who understand the value of positioning only after the results of the effort are in. That means their motivation for the work itself is often low because they would rather be tending to the hundreds of other tasks calling for their attention. Positioning can be tough because it can reveal that the golden egg is perhaps a little more on the bronze side. More often, brand positioning is an empowering exercise in clearly defining one’s niche.

Brand positioning brings to light the viability of product or service. It can also show alternate paths, and even reveal new opportunities. Brand Positioning is a difficult task which can rarely be completed by one person alone. Good brand positioning is a question and answer proposition, requiring hours and days of intense research, along with a ton of true objectivity. Combined with brand strategy, positioning is a potent step in brand development. Brand positioning and strategy will provide one with a clear direction and a wide-angle view of the future for your marketing. It will also give the graphic designer exactly what they need to be able to design one’s corporate or brand identity with purpose and meaning. Brand positioning clearly defines the following crucial things, before one invest time, money, hopes, and energy in realizing one’s vision:

Determine originality: some intensive research to discover whether or not other companies are marketing the same product or service.

Establish one's unique position in company's chosen market: If one's product is totally unique, one may have hit a pilot run. If there are other products just like it, one may have to position as being different in one important way, which can capture the attention of audience, and can garner enough sales to justify the effort.

Identify competitors: Everyone has competition. Everyone a strong competitor is a valuable asset. It gives company a peer, a potential equal whom one company can rise above, or set incremental goals against, to capture a market. All great athletes have competitors. Businesses do too.

Determine required budget to compete: one (marketing team) may have the drive and determination, but if a larger competitor has the marketing budget to outgun at every crucial step and are going to need to change one's strategy and company may need to consider a different position in the market.

Brand positioning is often a hard process. At the end of the process, company should have a brand position summary that clearly states market position, and can guide to product development, brand development, and marketing planning.

Source: Article "what is brand positioning by Kelly hob kick from train of thought services on Brand positioning: source: [http:// trainofthought.net/ branding/ what-is-brand-positioning](http://trainofthought.net/branding/what-is-brand-positioning) .

2.6: Brand strategies:

That's the essence of developing a brand strategy – the foundation of company's communication that builds authentic relationships between one's company and company's audience i.e. the customers. It is by defining one's brand strategy that allows utilizing marketing, advertising, public relations and social media to consistently and accurately reinforce one's character and brand image. Without defining the core strategy, all channels of communication can often become a hit and miss expense. Here's 12 brand strategy principles the key to achieve business success.

1. Define one's brand: It starts with company's authenticity, the core purpose, vision, mission, position, values and character. There are many examples of companies acquiring other brands but only to sell them off later because they don't fit within the brand and its architecture.

2. Brand is the business model: Supports and challenge one's business model to maximize the potential within company's brand. These individuals practically built their business right on top of their personal brand; everything they offer is an extension of their brand promise.

3. Consistency, consistency, consistency: Consistency in your message is the key to differentiate. Market Company's position on every reference point for everything that compnay does. For example: President Obama focuses on one message only during his campaign, CHANGE. BMW has always been known as the "*ultimate driving machine.*"

4. Start from the Inside out: Everyone in company can tell what they see, think and feel about their brand. That's the story you should bring to the

customers as well, drive impact beyond just the walls of marketing. For example the company - Zappos empowers employees to strengthen consumer perception on its brand.

5. Connect on the emotional level. : A brand is not a name, logo, website, ad campaigns or PR; those are only the tools not the brand. **A brand is a desirable idea manifested in products, services, people, places and experiences.** Starbucks created a third space experience that's desirable and exclusive so people would want to stay and pay for the overpriced coffee. Sell people something that satisfies not only their physical needs but their emotional needs and their need to identify themselves to one's brand.

6. Empower brand champions: Award those that which customers and consumers are have long standing brand loyalty to help drive the message, facility activities so they can be part of the process. Evaluate one's brand promise. For example - Go and talk to someone that works at the Apple retail store or an iPhone owner and see just how passionate they are about Apple. It's a lifestyle and a culture.

7. Stay relevant and flexible: A well managed brand is always making adjustments. Branding is a process, not a race, not an event so expect to constantly tweak company's message and refresh brand image. Successful brands don't cling to the old ways just because they worked in the past; instead, they try to re-invent themselves by being flexible which frees them to be more savvy and creative. For

8. Align tactics with strategy: Convey the brand message on the most appropriate media platform with specific campaign objectives. Because consumers are bombarded by commercial messages every day, they're also actively blocking out the great majority of them. Invest one's branding efforts on the right platform that communicates to the right channels. Television may be expensive but it has a broader reach, wider demographics and can produce instant impact. On the other hand, social media may seem cheap but it takes time, resources and may not give company the desire outcome.

9. Measure the effectiveness: Focus on the **ROI** (return on investment) is the key to measure the effectiveness of strategies adopted. Often times it is how well organization can be inspired to *execute* the strategies. It could also be reflected in brand valuation or how customers react to company's product and price adjustments. Ultimately it should resonate with sales and that means profitability. But don't just focus increasing sales when company could be getting a profit boost by reducing overheads and expenses as well.

10. Cultivate your community: Community is a powerful and effective platform on which to engage customers and create loyalty towards the brand. In an active community, members feel a need to connect with each other in the context of the brand's consumption. Brand communities allow companies to collaborate with customers in all phases of value creation via crowd sourcing such as product design, pricing strategy, availability, and even how to sell.

11. Keep enemies closer: Even if one's company has the most innovative, highly desirable product, it can expect new competitors with a superior value proposition to enter market down the road. The market is always big enough for new players to improve and deliver *better, faster, cheaper*. Call it hyper competition or innovation economics, competition could be good .It challenges the brand to elevate the strategy and deliver more value. For example the Big

Three (automobile manufacturers General Motors, Ford, and Chrysler) got crushed in the past decade by competitions from Germany and Japanese. Not only do their competitors make a better product, they're more efficient doing it and command a higher brand loyalty.

Essentially it means to not just settle for the choices currently available but to think outside the box without being limited. This concept actually applies to one's brand strategy creation process is **brand strategy thinking**. It's always easier to execute tactics than coming up with a strategy because it implies the possibility of failure .It's much faster to emulate what worked for one's competitor than to come up with something original and creative. Brand strategy thinking is about creating the right experience that involves all the stakeholders to foster a better strategy. Leverage the *ecosystem* that includes one's company's employees, partners and customers to help one articulate brand strategy so they **sync** together.

Outcome of brand strategy implementation: Having a brand strategy will bring clarity and meaning to one's brand so that company can focus on making, creating, and selling things that people actually care about.

Source: Branding strategies: <http://www.designdamage.com/the-12-principles-of-brand-strategy/>

3. Survey organisation- BSNL- Bharat Sanchar Nigam Limited:

The BSNL is an Indian state-owned telecommunications company headquartered in New Delhi, India. It is the largest provider of fixed telephony and fourth largest mobile telephony provider in India, and is also a provider of broadband services. However, in recent years the company's revenue and market share plunged into heavy losses due to intense competition in Indian telecommunications sector. BSNL is India's oldest and largest communication service provider (CSP). It had a customer base of 95 million as of June 2011. It has footprints throughout India except for the metropolitan cities of Mumbai and New Delhi, which are managed by Mahanagar Telephone Nigam (MTNL).

4. The boundaries of study:

The study goes into research through a primary survey in the BSNL and its competitors in telecom sector through a questionnaire survey on the sizeable and suitable sample number of respondents drawn from customers as well as employee base present in Karnataka.

5. The objectives of the research:

As the title of the research speaks out the objective of the present research is to evolve brand repositioning strategy for BSNL by understanding the strengths of its competing brand in the same sector and bench mark the brand building strategy for future implementation and review. The survey study will be conducted in Karnataka's in two major cities – Mysore and Bangalore.

6. Research methodology:

The research would design the null hypothesis with regard to the objectives of the research and the same was be tested under statistical study using, random sapling methods, stratification techniques and suitable statistical tests.

The questionnaires were designed for the purpose of survey addressing the following issues:

I) To BSNL customers:

- a) Why a BSNL customer is using the BSNL service
- b) Whether he is intending to port to other service provider or not
If yes – why and if no why?
- c) What are the reasons for his continued loyalty to BSNL brand

II) To non BSNL customers:

- a) Why are you using present brand
- b) What has made you stick on to this brand
- c) Whether you would like to port to other brands now
If yes – why and if no why?
- d) If BSNL comes up with same plan and service would you like to change to BSNL service - If yes – why and if no why?

III) To BSNL marketing personnel:

- a) Which attributes of BSNL brand is attracting the customers.
- b) Which attributes of BSNL brand is retaining the customers
- c) Why BSNL customers are porting to other service providers
- d) Why Non-BSNL customers are coming to BSNL services.

III) To BSNL's competitors marketing personnel:

- a) Which attributes of your brand is attracting the customers.
- b) Which attributes of your brand is retaining the customers
- c) Why your customers are porting to other service providers
- d) Why other service providers customers are coming to your services.

By the following aspects and survey the research has addressed to find the new models and strategies for brand repositioning BSNL by way of understanding the attributes of BSNL and its competitors Brand image, Brand position, brand of customer care, brand of service delivery, brand quality to retention of customers. The next paragraph summarizes the suggestions, conclusions and new model of repositioning strategy for BSNL evolved by research.

7. Findings , suggestions and conclusions

The research has brought a new model of brand repositioning for BSNL to emerge as leader in the telecomm Indian market .The details are given after the listing of findings and suggestions of the model.

7.1 Findings:

The research has found that – the present brand image and its communication of the BSNL to its Indian market is as follows –

- a) Traditional company.
- b) Slow in its services
- c) Vast distribution network
- d) Friendly front office – but not young personnel.
- e) Works like a government office.
- f) Brand attractiveness – dull (perceived by young respondents) – Our Indian brand (by old respondents)
- g) No uniforms and uniformity of service lacking.
- h) Brand speaks Immediate service may not be available.
- i) The ads filled with traditional music and style and are not appealing to youth.
- j) No specific brand ambassador
- k) Lesser media presence
- l) Lack of propaganda, road shows and road pandals for selling the services to new customers.
- m) No big sponsorship like world cricket/ tennis competition matches / popular media programmes
- n) Lack of sufficient media presence and frequency of ads (tele-media –ads) w.r.t other players.
- o) Not sufficient telemarketing in comparison to other players
- p) Not sufficient direct marketing in comparison to other players

7.2 The suggestions and new brand positioning model:

The BSNL shall have to reposition their brand image of the “company and products, services” as a single popular unchallenged and incomparable entity in the minds of Indian telecomm customers to regain their monopoly position in telecomm sector. The researcher suggest following brand positing strategy to achieve these objectives:

The BSNL has to redefine their brand strategies and change their brand image FROM TRADITIONAL IMAGE TO DYNAMIC, YOUNG AND COMPETITIVE AND LEADERSHIP BRAND, by new brand image, new promotional technique, new propogandas, new media presence and new brand ambassador:

- a) The new brand ambassador should represent and appeal to young and old equally with personalities like equally like Tendulkar, Mahindra Singh Dohni, Katrina kaif, Sharuk khan, Kareena kapok etc.

- b) The BSNL should dynamically and on regular way involve in propaganda activities like vehicle rallies, bike race sponsorships, road shows, big and attractive stalls and presence in all, exhibitions, competition sponsorships (like BIG BOSS, Köln banega karodpathi, national and international cricket and tennis events , film fare awards telecasted in the major channels viewed by youth of India)
- c) A strategy should be evolved in TV channel selection and new additional design to address the market-share not with BSNL. The frequency of ads should be more than its competitors in selected Non-BSNL customers viewed channels- this requires a further market survey to find the channel segment.
- d) New style news paper ads, ads in film and youth magazines (like debonair/ film fare) required to change the brand image is required. Plan ads on the Airbuses, trains and volvo buses (only) to represent an aristocratic new image.
- e) Pole ads near colleges and universities and large ads in Highways.
- f) Sponsor college functions and competitions to bring ownership of brand by the college students and youth of India.
- g) Changing the staff and the front office from aged personnel to youths and introducing new style uniforms (with vibrant colors- like jet airways) to make the front office represent the “new changed brand image”.
- h) Even the BSNL marketing and other personnel should change the overall out ward outlook to represent the “new changed brand image”.
- i) Train the staff, front office personnel and marketing personnel to change the inward spirit to represent the “new changed brand image”.
- j) Training to address to change the attitude of the employees to be more dynamic and stylish and customer oriented to represent the “new changed brand image”.
- k) Train the call center employees to high degree of politeness and youthful dynamism and 24/7 days of presence to represent the “new changed brand image”.
- l) Even the billing offices should be made attractive like its competitors.

7.3 Final conclusions:

The outcome of these brand change and brand building and re-positioning of BSNL will lead to leadership position in the market by understanding which promotional and marketing drama will work in the changed scenario.

The new model states as follows:

- 1) BSNL needs total change from “**traditional image to dynamic , young and competitive and leadership brand**”, by new brand image, new promotional technique, new propagandas , new media presence and new brand ambassador
- 2) New brand image should be supported by diversification of products and services of the BSNL like other telecomm players and even go further in its strategies and plans (adopt principal of “diversify or perish”) as follows:
 - a) Launch “BSNL sky” (similar to Tata sky, reliance TV and sun direct etc..) Offering satellite TV network in India with a Bigbang.

- b) Launch TV channels in each state in each language with private partnership to have professional touch in the delivery of services.
- c) BSNL Educational support service through the mobiles, land lines, TV channels and TV network facility in cooperation NCERT, IIM's and IIT's.
- 3) The ads can use a new punch line like “ BSNL do –India chalo” , “Buy BSNL be Indian” ,”use BSNL Lead India” ., “BSNL use karo India ikon bano”
- 4) Ads should have multiple brand ambassadors (like manipuram gold loan ads) with the celebrities of each languages and states.
- 5) The ads can Take superstar like Rajanikant to appeal to all ages and show that one moves with BSNL network both sides the baren land is converted into green lands and progressive attractive new buildings showing progress and BSNL go together and at the same show lovers “saifad ali khan and Karina Kapoor “speaking through the BSNL mobiles on the lawns of green lands and on the snow covered mountains in the next shots to appeal to young audience.
- 6) BSNL should tie up with SBM /SBI and other major banks for safe and secure mobile banking services monitored and checked by BSNL centers and soft wares for safety of customer's money.
- 7) Launch days can use BSNL balloons with a new symbol and Name like India-mobile and launch kite festival on the launch days.

These activities will have planned meticulously India wide and shall be executed in short time with a Big Bang way to regain, retain the market present BSNL market share and snatch back the market share from competitors and threaten them by distribution advantage, quality advantage and changed brand and brand ambassador advantage in the industry.

The progress of BSNL is the progress of nation as the profits that BSNL makes goes to the direct development of our nation and not to private hands and few affluent families or share holders so it imminently important to make public sectors profitable , efficient, effective and progressive in their operations and market leadership.

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