

Adoption of Low-Cost Branding and Marketing Strategies for Entrepreneurs

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Abstract

The National Association of Software and Services Companies (NASSCOM) predicts that India will have about 10,000 start-ups by 2020. This is a large figure in terms of the number of entrepreneurs may pose a challenge to the young innovators to flourish in today's cutthroat competition. These young entrepreneurs must target growth not only within India, but also abroad. "Branding" will be an important aspect for these companies to consider as they advance to large, recognized, and trusted companies. There are many approaches for launching and supporting brand campaigns and promotions that start-ups can adopt and that are well known in the market and among the various stakeholders involved (Upadhyay, 2018). Some of the strategies that can be adopted are co-sponsoring an event with relevant partners, trying to reach out to target audience by offering materials like brochures on products and services so that the target audience get an idea of these products and services thereby having an opportunity to provide feedback through different platforms. Under financial constraints, these young and future companies may also adopt low-cost brand opportunities. Promotion channels should be decided in such a way as to reach as many target customers as possible.

Keywords: Branding, Entrepreneurship, Strategies, Marketing

Introduction

India has emerged as the third largest start-up base and such ventures are poised to grow 2.2 times to reach 10,500 by 2020 despite a perception that the ecosystem in the country has slowed down in the last year. India is in the third position just behind US and UK, and nearly 1,400 new start-

ups are expected by end of 2016, up by 8-10% from last year” (Indian Start-up Ecosystem Maturing - 2016 report by NASSCOM-ZINNOV).

A brand is a name, phrase, symbol, shape or a combination of all which presents the goods of a manufacturer or sellers and is used to distinguish it from others’ goods (Kotler and Armstrong, 2008). Branding starts the way the company chooses to use branding as an integral part of their overall marketing strategy. To a certain extent, branding is just another dimension of the marketing strategy. For the consumer, a brand name is a means of identifying the product and distinguishing the brand product from its competitors.

The brand name is the centre around which the entire marketing mix is built up. The brand name can incorporate all marketing efforts together either in consumers' minds or in the marketing program. Branding simplifies the monitoring of the business process. It provides the advertising and promotional support required to make the product recognisable and to create consumer patronage. Brand formation needs to be emphasized so that entrepreneurs get a competitive advantage that develops the long-term impact that an innovative entrepreneurial brand could have. Entrepreneurs implement brand value to ensure their market-adopted innovations and mitigate a competitor's threats. Good brand recognition makes companies more valuable, thus strengthening these entities' position on the market. The brand is an essential marketing tool to create that differentiation.

What is a start-up?

Start-ups seems to be the flavour of the business world since a few years now. The start-up revolution seems to have touched on all the different areas that emerge in the business world from time to time. A start-up can be called a company that is launched to develop an idea or work on business opportunities that have a positive impact in society. An initial step is the development of an idea. The idea must respond to something that is of benefit to consumers. Therefore, it is interesting to explore. The next stage is to get together a team of committed people who share the same vision and mission as the founders. Before business expansion and conversion into a self-sustaining corporation, the founders of any start-up should be equipped with the requisite skills and professional abilities needed to implement their unique idea.

Need for Professional Support

While many successful entrepreneurs are given sole credit for the fruition of their business ventures, there is no such thing as a solo entrepreneur. No one can ever establish a successful company on his own. A committed team is a must for any successful entrepreneurial venture. A team will either make or break the venture. This has seen an increase in the demand for professionals with a growth mindset. Any organization that may not have the resources may also consider developing the skills needed among existing team members.

Objectives

To gather knowledge on the latest branding and marketing strategies for entrepreneurs.

Review of literature

Agnihotri (2014) The concept of low-cost existed long before the evolution of “sachet revolution” in India. The concept has already been put into practice in a number of developed countries. In the US, a low-cost retailer, named Dollar Tree sells every product at the price of 1 dollar.

Nicholas Kachaner et al. (2011) Large multinational companies keep changing their business policies to actually serve or to attain a broad base of customers with low-cost offerings for developing countries.

Mukolwe and Korir (2016) undertook a study on the benefits of using social media for female entrepreneurs. This study was carried out to chalk out hurdles faced by women entrepreneurs while using social media promotions and examine the social media strategy that can be implemented by women entrepreneurs. It was carried out in Kenya. The researcher concluded that those policy makers of the state must provide favourable internet rates and must encourage e-business policies which would ultimately favour the development of SME industry in developing.

Szabo, et.al. (2011) researched the role of entrepreneurial marketing. The purpose of the study was to explain how two sources of knowledge, namely know-how and know-how, affect these innovative techniques and their impact on competitive advantages. It was found in the study that while conventional markets using those traditional market research methods to serge to the environment, entrepreneurial marketers would be build up on experience, immersion and mostly intuition to make good decisions.

Leighton and Bird (2012) carried out a study to reveal the impact of reduced branding on consumers choice, the influence on purchase decisions with reduced brand visibility on packaging, and the effect of increased non-brand information on consumer choices. The study found that reducing brand elements on packaging has a negative impact on consumers' ability to find and choose the brands they are looking for.

Research methodology

The discussion paper is descriptive, exploratory, and theoretical. In the current context of the study, various research articles, press articles, business magazines and reports were reviewed. The ideas expressed herein are inspired by the study of secondary sources of information and materials.

Results and Discussions

1. Role of branding in entrepreneurship

A brand is a very important element of a business, whether it's small or large, wholesale or retail, or any other kind of business. A brand is an effective and efficient strategy that provides a company with the opportunity to gain a competitive advantage in its business. In layman's terms, brand means a promise made for the product to potential customers. Customers expect what is to be gained from purchasing a particular product and distinguish the offers made by the other competitors in the market. A brand makes clear the type of business a company is involved in and the perception it wants to create among its customers. The logo adopted by any brand can be thought of as the foundation stone. The methods of promotional tools such as designing a high

traffic website, the type of packaging and the materials for promotion that are to be integrated - makes communications better for that brand. The marketing of a brand depends upon the type of product, the business it offers to its customized target market, and how the brand could differentiate to an extent that it can be a unique choice.

There are several challenges to running a new company. It is not an easy ride for the start-ups as they have to manage not only the finances but also the marketing aspects for the venture (Nure, 2018). Indian start-ups are very good technologically but lack in the field of user experience. We see that start-ups are overloaded with significant expenditures. Expenses ranging from wages to employees, rental of office expenses, purchase of raw materials to necessary operating costs. It is a fight to manage adequate financial resources to remain afloat (camp bed). They are caught in this dire financial situation and most entrepreneurs end up abandoning investments they consider unnecessary, like marketing and advertising. With around 80 percent of entrepreneurs having no idea how to measure the effectiveness of a marketing strategy, no wonder why marketing expenses are quick to get the axe.

New companies and/or start-ups usually have a hard time finding customers first. After that, the struggle continues to retain these customers, and analyse customer behaviour not only to increase sales, but also to improve products and related services. So, the branding for some goes beyond marketing product offerings. Branding can also assist entrepreneurs in overcoming customer identification issues and attracting potential customers. The strategies used should be low-cost and easy to implement. Many well-known businesses, such as Apple and Flipkart, were unknown at the time of their creation. However, adequate sales forecasts and a focus on the market have enabled these companies to maintain themselves over the long term and become established brands.

In the early stages, entrepreneurs seem to attract investors, good partners and suppliers, employees, and a sufficient number of customers. Promotional activities to showcase products using words or gestures help create a brand. These start-ups progressively attract investors who appreciate the strength of their business model and their products or services. Each brand is shaped according to the growth of the business. Their employees, who are in fact internal customers, were also responsible for positive word-of-mouth in the propagation of corporate goodwill.

2. Role of Marketing in entrepreneurship

In current competitive markets, it appears easy to get lost in the crowd. Typically, the biggest challenge for an entrepreneur is to stay ahead of the competition. Marketing in new, unusual, or aggressive ways is the best way of demonstrating what makes a company unique. The main challenge for an entrepreneur is to compete with larger, better known and more resourceful businesses. The most common characteristics of entrepreneurial marketing are innovation, risk-taking and being pro-active (Entrepreneurial marketing - Marketing Schools, 2020).

Marketing is an area that allows entrepreneurs to differentiate their start-ups from others. Various marketing strategies, traditional and modern help in differentiation. These strategies are guided by fundamental marketing principles within large organizations. Ethical marketing practices can help emerging firms gain market foothold. Marketing plans can only be developed after a comprehensive understanding of the company's business model. The company should carry out an in-depth study on its customers and competitors. A carefully planned self-analysis can help emerging companies develop, support, and develop their markets, thereby meeting their business goals. Marketing decisions will depend on the type of business a start-up initiate.

Some elements based on entrepreneurial marketing include:

- a. Intention of the customer - Successful organization focus on customer's eagerness, fervor, and ardor in planning marketing campaigns. A customer-centric approach is essential for success.
- b. Innovation must continue - Start-ups must always be involved in ongoing innovation to construct or generate new product or service ideas.
- c. Strategically flexible in nature - Any company must be willingly to continue its review and alter its strategies, review actions to be taken, review resource allocations, adhere strictly to its culture and management styles.
- d. Risk to be calculated - Taking advantage of new opportunities means taking new risks. Entrepreneurs should take calculated risks in terms of new opportunities that can solve some problems that could occur in the future.
- e. Be proactive - Startups should proactively address problems and challenges instead of waiting for things to settle themselves.

- f. Hold of optimal resources - Optimal resource use is essential. Given that startups usually do not have the luxury of a large stock of resources, they should not waste the resources they have. They should also explore ways of using the legacy resources and the resources used.

3. Low-Cost Branding and Marketing Strategies

1. **Referrals:** Tend to be a type of word-of-mouth marketing propagated by existing customers. When we buy products or goods, we generally rely on referrals or those which are referred by others for our purchasing decision. We often consult with others before buying any product and the comment given by them on those are highly appreciated. There is a belief that products meet our needs better if these are referred by existing customers. Generally, people buy the products which are highly referred by peers or friends. Belief or trust on personal recommendations by others reveals the goodness of the products, we tend to buy. A referral program might help according to the structure made by the business, which is entirely free. Any offers on discount in their subscriptions in their exchange facilities for referring a new customers based on referrals.
2. **Content Marketing:** A less frequently used low-cost option that an entrepreneur may have. One of the simplest methods is to manage an on-site blog, where a content of information about the products are to be displayed. These techniques should have the ability to reduce inbound traffic, building brand reputation and other multiple strategies, are the content mediums or channels to improve the marketing approach.
3. **Search Engine Optimization:** Business managers often involve in writing articles about content marketing of the various products that are to be sold. Making structural changes might be required when writing good quality marketing content for the target customers. Pay-per click is expensive, targeting customers when there is high traffic. But there could be some niches or platforms for budget constraint start-ups, which are more cost friendly.
4. **Marketing on Social media platforms:** Marketing on social media can be done casually by anyone, as it is largely free. However, a robust social media campaign will involve costs. Successful social media marketing will require significant investment of resources in building and nurturing network of stakeholders.

5. **Forums and groups:** Different public and group forums on social media have their own ways of formulating strong connections. Any event of local area might could be used for the purpose of promoting the business. Forums or group membership costs, though nominal, must be sustained over time.
6. **Impression:** The old proverb “First impression is the Last impression” is an important one for startups. Hence, the initial launch must be planned well. The unique nature of the product and the benefits to the customers should be evident from the advertising campaigns.
7. **Care of existing customers and appropriate feedback:** The least expensive way to get the word out about the brand is to get focused on the existing customer’s experience. It is an irony that many companies do not put customers first. When those existing customers get cared for, they are ready to promote their positive impressions about the company.
8. **Conducting a quick and less expense pilot survey:** It is critical for the organization to create a suitable marketing plan before moving on to tactics. And the foremost stage in developing a marketing plan is to understand who the target customers are and what they want from your company. To understand a customer’s insights, a proper survey to be done by marketing specialists or a research company. If such an approach is financially not feasible, startups can engage existing and prospective customers through online surveys as a cheaper alternative.
9. **Creating Media stories:** A good media essay can attract customers. But getting a media essay is a challenging proposition. An innovative product, unusual customer base or any other gimmick may help to attract the media. Entrepreneurs should realize that the role of the media is very crucial.
10. **Physical marketing:** One of the other forms of doing marketing is to be present in the market physically with such facilities as office premises, billboards, banners, etc.

Conclusion

In most cases, the initial stage of the enterprise is usually the result of a dream or a personal need. Investors say they invest in human resources instead of in an idea. Customers purchase people, not from a company, at least at the start-up phases or stages. Therefore, it is important to develop a personal brand, simultaneously, before building the business brand. This will help start the business and enhance the chances of success. The branding of entrepreneurship, as with scientific theories, needs to be applied. Being a brand entrepreneur requires continuous learning, an art in constant evolution without any easy shortcut.

An entrepreneur these days can't afford to hide behind an impersonal website or could hole up the top space of the desk corner. Social media, such as Facebook, Twitter, and blogs, connect you and your customers 24/7. Each company wants to be a customer's top choice. Building and managing a brand could play an important role in making that happen. The main theme of a brand goes well beyond the company logo or core business values and how the organization interacts with its consumers and suppliers. Brands must be built. The ability to maintain the brand reputation depends a lot on customer experience. Customers and employees can build emotional attachments with certain brands, which allow for core loyalties and even develop a sense of ownership. That kind of thing helps retain customers. However, increases in sales will inevitably raise new challenges. Start-ups will be better off to always plan the brand image so that it can evolve over time.

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