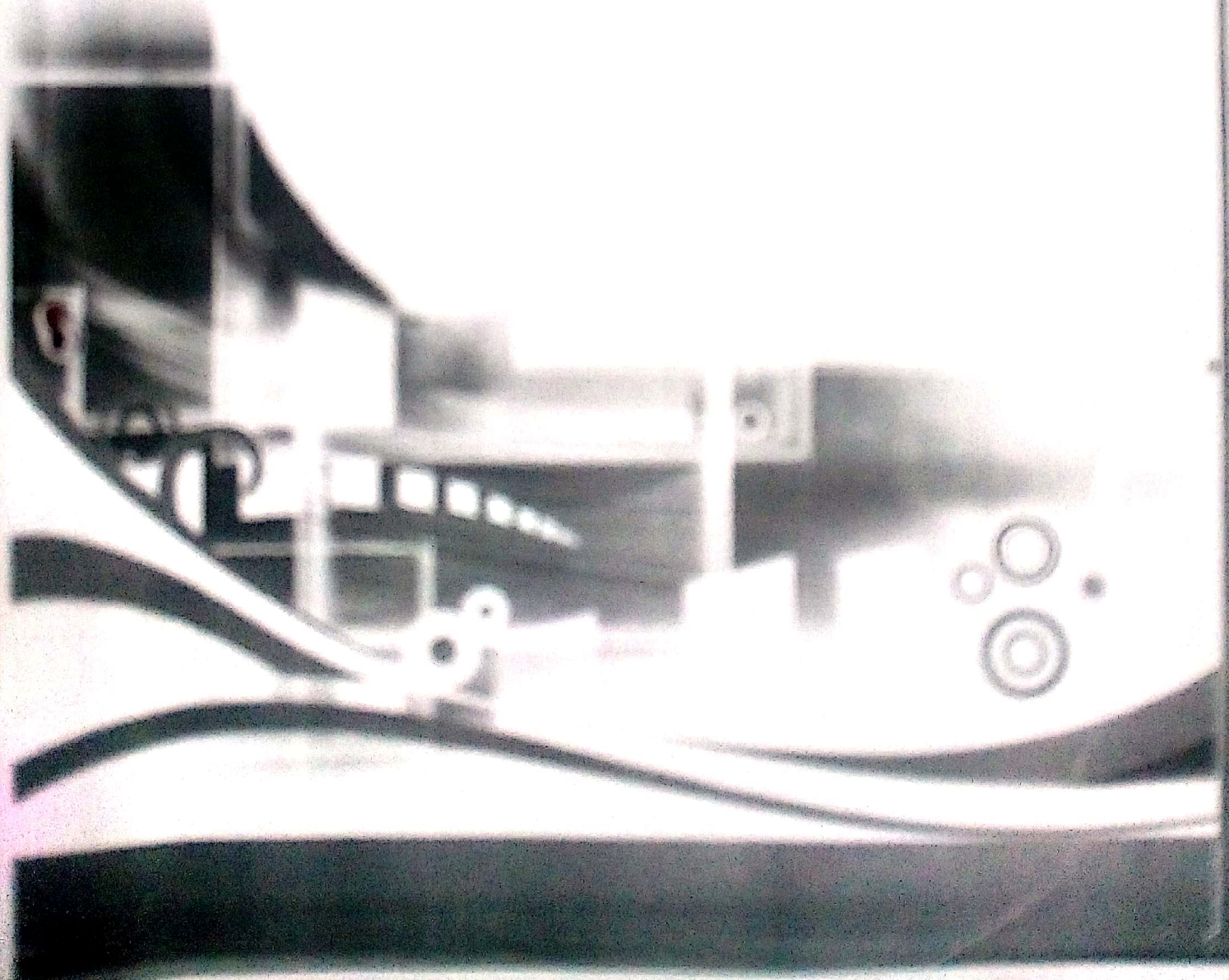


ISSN: 2249 - 7863

IJBMS

Vol. 1, Issue 8 (VII), April 2012

International Journal of
**Business, Management
& Social Sciences**



A STUDY OF THE MARKETING COMMUNICATION MIX IN MULTINATIONALS IN THE ELECTRONIC HOME APPLIANCES INDUSTRY-A CASE STUDY OF WHIRLPOOL, INDIA

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Introduction :

In the Post Liberalized world, power has shifted to the Customer. Communication is no longer a tactical activity. Marketers will have to be customer centric in all their strategies and manage their relationship with their customer, and in fact, make their customer a partner in their progress. In the paper on: "The Study of the Marketing Communication Mix in Multinational Companies in the Electronic Home Appliances Industry, the researcher has delved deeply into the case of Whirlpool, India, and in the product of washing machines, and attempted to see how the company communicates with their customer, how they manage their customers, and what communication mixes they are deploying to get their brand message to reach out to the masses. We also wish to see if the company is integrating their marketing communication or not. A marketing communication plan is suggested at the end of the paper.

Pounsford, in his article: "The Role of the Communicator at the Corporate Centre", talks about the increasingly important and proactive role a communicator has to play in the success of an organization. The communication may relate to Employee communication or to marketing communication of the organization, in both cases the role of the communicator at the corporate center is very crucial. The author interviewed five leading communication Professionals from five Multinational organizations and came up with the following challenges faced by the Communication professional:

- Developing, influencing, facilitation, and change skills
- Gathering intelligence from the business to understand internal audience needs.
- Developing the central messages to support the business strategy and brand
- Managing without power-building the internal networks
- Measuring the impact of communication

Effective communication has a major role to play in today's world, which is "fragmented, cluttered, global, dynamic, and where there is unprecedented competition". In a deregulated marketplace, it is crucial to have a deliberate and comprehensive approach to the design of marketing communications, rather than going for ad hoc measures which are isolated in their effects and do not contribute to the "reinforcing of the core organizational or brand message."

Key Words : Effective Communication, IMC, Communication Mix.

Objectives of Study :

- To understand the complexity of Marketing Communication Mix in Home appliances industry.
- To understand how different Marketing Communication Mix Strategies Integrate.
- To identify the impact of Marketing Communication.
- To recognize the benefits and limitations of Marketing Communication.

Garber and Dotson, in their article on: A method for the selection of appropriate business-to-business integrated marketing communication mixes, have examined the concept of IMC-integrated marketing communications, in great and vivid detail and feel that the crux of the marketing communications' approach should be to coordinate "all the components comprising an organization's marketing communications carefully in order to assure that they all speak collectively in one voice..."

The authors cite five reasons for the need for having integrated communications approaches in today's world:

- The ongoing fragmentation of mass media makes it more difficult to blanket a target audience with a simple set of promotion tools
- Increasing competition has led to micro-marketing, which is also referred to as personal marketing, and mass customization

- The current emphasis on relationship marketing, which refers to establishing a lifelong relationship with one's customers and suppliers, requires a more profoundly crafted type of communication that with a deep understanding of the consumer and his/her needs.
- A search for greater communications productivity is driving efforts at achieving more efficient marketing communication mixes
- The growth of the Internet, which is a new communications medium that both complements and substitutes for traditional media, is forcing marketing managers to revise their promotional mixes.

The authors explain what is meant by IMC mixes: "In order to influence the consumer at every stage in the consumer decision process effectively, the marketer must connate several communications tools in some complementary manner, such a combination is called an IMC mix".

Communications directed at whom? (The crucial role of the Audience in IMC), Don Schultz, the father of IMC, floats a very sensible idea in his article which appeared in Marketing News, October, 2003: "Relax old Marcom notions, consider Audiences", the idea that different marketing communication activities need to be undertaken with various audiences in mind. He says, "start thinking about audiences, not delivery systems"

The author mentions two audience categories:

1. The first consists of one broad group of audiences that directly influence the sales of transactions the organization has with Individuals, as customers, consumers, end users, distributors, or channels. These are the exchange partners of the organization. Marketers must focus on them because they bring in sales and profits and create long-term brand value, among other things.
2. The second audience category is those who may not directly affect the actual exchange of goods and services for money or other valuable items that flow between the buyer and the seller, but they indirectly influence those transactional activities; the important thing is, they do have an impact, e.g., of governments who set regulations, environmental groups that challenge manufacturing or processing methodologies, financial groups, and investors that influence the availability of resources for the firm, the media, which provide 3rd party endorsements for the Company and its products and services or alternatively, challenge what the organization is trying to do and raise questions about how they are trying to do it.

The idea, of course is that different communication activities need to be undertaken with the various audiences and the communications programs must be developed and delivered in different ways to each of the groups.

In a recent article, Schultz (2002), observes that "consumers ... live in a world of simultaneous media usage. They watch television while they surf the Net. They listen to radio while they read the newspaper. They page through a magazine while they download music from the Web. What we really need today is a new approach to media planning, one that recognizes consumers' increasing ability to multitask and ... [to] use a number of media simultaneously." Such an approach would elucidate the role of synergy in multimedia communications. For example, does synergy between television and print advertising exist in consumer markets? If synergy is present, how should brand managers measure it using readily available market data? Furthermore, how does its presence affect managers' decisions about size and allocation of the media budget?

Considering these issues the researcher presents the case of Whirlpool India and through this case discusses the Marketing communication mix that Home appliances giant Whirlpool has adopted and how it affects their market share and mind share in the minds of the consumers in India.

Whirlpool Case Study:

According to a recent news clip in the Economic Times :

Appliances company Whirlpool India has signed film stars Kajol and Ajay Devgan as its brand ambassadors for a period of two years. The company had laid out aggressive plans to launch new products in air-conditioners and microwaves. "We have signed both Kajol and Ajay Devgan but we don't look at them as celebrities alone. They are embodiment of the brand values of Whirlpool," said Arvind Mediratta, V.P., Marketing, Whirlpool.

This is a major shift in advertising strategy for Whirlpool India, which till now was advertising with model Amrita Saluja as 'Whirlpool Mom' in its celebrated ads with punch-line. 'Mummy ka magic chalega kya'. This is the first time we are using a celebrity couple because we felt that Kajol is the perfect example of an achiever, both at home and work." And we also acknowledge the fact that males play a crucial role in the purchase decision of appliances and Ajay is the 'man of substance'.

(The two are) an ideal celebrity couple to take forward the Whirlpool ethos of being partners to homemakers," added Mediratta. Whirlpool had to spend Rs 45-50 crore on advertising and promotions. With Devgan and Kajol, we are looking at new scripts and the first TV ads should be on air by the end of March," Mediratta said. "We will continue our association as FCB Ulka has done wonderful work with our brand and its evident in the fact that our brand recall is higher than our Korean competitors even as they spend 6-8 times more on advertising," said Mediratta.

The company plans to get aggressive in the categories of ACs and Micro Waves. "We will introduce a number of new products within our category range of AC, Micro Wave, Refrigerators and Washing Machines," added Mediratta. Whirlpool positions itself in the minds of the consumers as: "partnership with homemakers..." It completes 15 years of partnership with homemakers in India this year. Last year Whirlpool's turnover in India stood at Rs 1,200 crore. This year the company expects to grow 20-25 per cent.

Background :

Whirlpool is a manufacturer of home appliances. It markets its products primarily in the US, Canada, Mexico, Europe, Africa, and Asia. Its principal products include home laundry appliances, home refrigeration and air conditioning equipment, home cooking appliances, home dishwashers and mixers, and other small household appliances. Whirlpool manufactures a range of major appliances and related products, primarily for home use. It markets these to distributors and retailers across the globe. Major product categories include home laundry appliances, refrigerators and freezers, cooking appliances, dishwashers, air-conditioning equipment, mixers, and other small household appliances. Other products marketed by the company include hermetic compressors and plastic components, primarily for the home appliance and electronics industries. The company separates its businesses into four major geographical units: North America, Europe, Latin America, and Asia. In the US, Whirlpool markets and distributes home appliances under the Whirlpool, Kitchen Aid, Roper, and Estate brand names. While Kitchen Aid portable appliances are sold directly to retailers, the company typically sells products to the builder trade both directly and through distributors. It also sells to Crosley Corporation under the Crosley private label brand, and to Costco Wholesale under the Kirkland Signature brand. In Canada, the company manufactures home appliances under the Inglis, Admiral, Speed Queen, Whirlpool, Roper, and KitchenAid brand names. The company is also the principal supplier of home laundry appliances to Sears, Roebuck and Co. It is additionally the principal supplier to Sears of residential trash compactors and a major supplier to Sears of dishwashers, freestanding ranges, home refrigerators and freezers, and microwave-hood combinations. The company supplies products to Sears for sale under the latter's Kenmore brand name. In Europe, the company markets and distributes its major home appliances under the Whirlpool, Bauknecht, Ignis, Laden, Polar, and other local brand names. Its portable appliances are marketed under the Kitchen Aid brand name. Major operations of the company are performed in Western Europe, Whirlpool and in addition the company has sales subsidiaries in Hungary, Poland, the Czech Republic, Slovakia, Greece, Romania, Bulgaria, Latvia, Estonia, Lithuania, Croatia and Morocco. Apart from this, the company has representative offices in Russia, Ukraine, Yugoslavia, and Slovenia. The company manufactures refrigerators and freezers and markets a range of products under the Whirlpool, KIC, and Ignis brand names in South Africa. The European operations involve the marketing of products under the Whirlpool, Bauknecht, Ignis, Algor, and Fides brand names directly in Asia.

The Asian operations of Whirlpool are grouped into five divisions: mainland China; South Asia (India, Bangladesh, Sri Lanka and Nepal), Oceania (Australia, New Zealand and Pacific Islands), North Asia (Hong Kong, Taiwan, Korea, and Japan), and Southeast Asia (Thailand, Singapore, Malaysia, Indonesia, and the Philippines). The brand names include Whirlpool, KitchenAid, Bauknecht and Ignis. The company's marketing channel includes diverse entities ranging from direct sales to high-volume retailers and chain stores, and full-service distributors to a large network of electronics

Exhibit-1

History

Though Whirlpool traces its origins to 1898, the company was officially founded in 1911 as Upton Machine, to produce electric, motor-driven wringer washers. It saw its first order of washers to Sears Roebuck in 1916. Whirlpool was merged with Nineteen Hundred Washer of Binghamton, New York in 1929. The company's first venture into the global marketplace came in 1936 when Sears International was established, opening markets for Kenmore washers in England, Sweden and the US. At the same time, Nineteen Hundred established a connection with American Steel Export in New York to handle the Whirlpool line through the firm's foreign distributors. Export activity was ceased from 1940 until 1947 because of World War II. However, in 1950 the company was renamed Whirlpool and began to expand. Part of this expansion was generated in 1957 after the US Air Force asked Whirlpool to build a theoretical space kitchen in which astronauts could prepare and eat foods in a zero-gravity condition. In 1962, Whirlpool was awarded a contract to develop feeding and waste management systems for the Gemini project. The life support system developed under this contract formed the basis for future feeding systems. The company built the Benton Harbor research and engineering

center six years later, when its annual revenues reached \$1 billion for the first time. 1970 saw further expansion when the Danville, Kentucky, plant began to produce Whirlpool-invented trash compactors and, later, vacuum cleaners. In the 1980s, the company expanded its portfolio through various acquisitions and partnerships. In 1986 it purchased the KitchenAid division of Hobart, and a majority interest in compressor producer Aspera from Fiat. The following year it formed the TVS Whirlpool joint venture with Sundaram Clayton in India. 1988 saw it form the Vitromatic joint venture with Vitro to produce and market appliances for Mexican and export markets. It also acquired the Roper brand name in North America, and the dishwasher, trash compactor business of Emerson Electric. The 1990s saw the company continue this acquisition strategy, concentrating on expansion abroad. In 1996, Whirlpool Europe acquired the South African manufacturing and distribution business from Gentrade and opened sales subsidiaries in Romania and Bulgaria. Whirlpool also consolidated its Asian operations, moving its headquarters from Singapore to Hong Kong.

In 1998 Whirlpool Corporation commissioned a new global no-frost refrigeration factory near Pune, India and moved the headquarters for its global microwave oven business to Hong Kong. In Europe the company became the exclusive supplier of major home appliances to IKEA. Whirlpool in 2000 launched a new business unit to focus on the company's new air treatment product offering, the Whispure air purifier. In July 2003, the company received a gold and two bronze awards for home appliance design innovation in the 2003 Industrial Design Excellence Awards (IDEA) competition. In July 2003, Whirlpool and Fisher & Paykel Appliances entered into a global strategic alliance. The agreement would initially deal with global sourcing of major home appliances and also co-operation and co-development of product technology. During the following month the company filed a suit against LG Electronics and the South Korean company's US affiliate, LG Electronics USA, for patent infringement. Whirlpool claimed that washer models launched by LG in the US infringed two washing technology patents that were secured by Whirlpool previously in 1993. In November 2003, the company rolled out a series of initiatives to strengthen its global operating platform in North America. All these measures were launched as a part of the comprehensive worldwide effort to optimize resources of the company including supply base, regional manufacturing facilities, product platforms and technology. February 2004 saw Whirlpool file a second suit against LG Electronics for infringing clothes washer patents.

Exhibit-2

Whirlpool Corporation

Major Products and Services

Whirlpool manufactures home appliances and related products. The company's products and services include:

- Automatic dryers
- Automatic washers
- Dishwashers
- Freezers
- Microwave ovens
- Built-in hobs
- Build-in ovens
- Free-standing cookers
- Refrigerators
- Air conditioners
- Disposers
- Hot water dispensers
- Hoods and vents
- Compactors
- Ice makers
- Resource friendly appliances
- Water coolers

Whirlpool Corporation

Publication Date: Aug 2004

www.datamonitor.com

Products And Services Analysis

For the fiscal year ended December 2002, Whirlpool posted net sales of \$11 billion, up 7% from the previous year. Growth in revenues across most of the company's operating regions during the year led to this increase in sales. Increasing demand for the leading Whirlpool brand in the world was the principal factor that had a positive influence on sales. Other factors that influenced rise in sales were the company's brand portfolio, innovation strategies and the

successful performance of its new products across the world. Revenues by Geography Revenue from the North American segment was \$7.3 billion in fiscal 2002, an 11 percent increase over the previous fiscal. Successful new product launches coupled with cost savings from productivity improvements and restructuring were the major reasons for the rise in revenues. Unit sales in North America rose 13.6% and one-third of this increase was due to the inclusion of Whirlpool Mexico in the company's consolidated results from July 2002 onwards. Though the North American industry improved, Whirlpool's market share fell marginally in 2002 from its record levels in 2001. Whirlpool Europe's operations performed well during fiscal 2002. The segment recorded revenues of \$2.2 billion, a 7% increase over fiscal 2001. Increased demand for the company's leading brand 'Whirlpool' in the European market and cost benefits yielded by the company's restructuring initiatives led to the positive performance of the segment. In Europe, unit volumes were up 2% against the previous year figures. Economic factors including the crisis in Argentina and unstable political environment in Brazil and other countries within the region adversely affected consumer spending in Latin America. As a result, revenue from the region declined 15% to \$1.3 billion in 2002. In Latin America, Whirlpool saw unit shipments fall 7.4% against the previous year. Revenue from Asia was \$391 million in fiscal 2002, which was a 5 percent increase over the previous year. Significant improvement made in Asia especially in India and China, the company's largest markets in the region were responsible for the growth in revenue from Asia. Unit sales in Asia rose 11.2% as against 2001.

Whirlpool is the second leading home appliance manufacturer in the world and also enjoys leading positions in most of its regions of operation. The company has a strong distribution network spanning the entire globe and sells its products to almost 170 countries in the world. With the best-selling appliance brand in almost every market in which it operates Whirlpool is the market leader in the domestic US market and also in Canada, Latin America, Central Europe and India. Strong leadership position in the domestic market was made possible through good relationships with retailers like Sears and Lowe's.

SWOT Analysis :

Strengths Weaknesses

Strong market position High degree of competition leads to pricing pressure

Innovations provide key competitive edge Under funded pension plans

Powerful brand line-up Poor performance in the international market

Opportunities Threats

Asian market Dependence on Sears

Restructuring plan Environmental compliance

Acquisitions to bolster regional growth Emerging competition in the premium category

Patent Infringements

Strengths

Strong market position

Innovations provide key competitive edge Product innovations are a key competitive strength of the company. The company has developed this strategy over the past few years. This ability to innovate and align products in line with regional needs plays a crucial role in developing and sustaining growth in regional markets. As a result of this strategy around 35% of the company's revenue comes from the international market. For instance, Whirlpool recently launched the Whirlpool Family Studio, which is marketed as a center of home activity combining a laundry room with a hobby, craft or workroom, enabling people to spend more time together while doing daily laundry tasks. It features several of the company's fabric-care products. The company expects to roll out more such innovations in the future for other product ranges as well. The Whirlpool Polra range combines the convenience of refrigeration along with a function that enables customers to adjust the settings to match their cooking process. Powerful brand line-up The company manufactures and markets a range of products under well-recognized brands such as Whirlpool, KitchenAid and Roper. The company's 'Whirlpool' brand is one of the leading consumer appliance brands in the world. It has a significant presence in almost all parts of the world, including North America, Latin America, Europe, Africa, Asia and Oceania. In some of the regions, it offers products under local brand names, such as Bauknecht and Laden in Europe. Attractive new products such as the Duet washer and dryer helped Whirlpool gain share in premium-price market segments where profit margins are big.

Weaknesses :

High Degree of Competition leads to pricing pressure

The company operates in an industry that is characterized by a high degree of competition. While in North America the company faces competition from nearly 20 manufacturers or marketers of major home appliances, in Europe and Latin America, the figures stand at 35 and 25, respectively. Adding to it are spiraling material costs, declining consumer demand and severe price competition, which lead to intense pricing pressure. For instance, in North America revenues rose by 11% as against a 13.6% increase in unit volumes. Poor performance in the international market (Only 35% of the company's revenues)

Strategies for growth in the Asian Market

Asia is a developing market with enough scope for growth in the future. Though there are nearly 50 manufacturers targeting this segment, most of them cater almost exclusively to regional markets. A pan-Asian strategy can help Whirlpool gain rapid growth in this market. Already, it is a leader in the Indian market in certain segments.

Furthermore, shifting its manufacturing base to low cost destinations such as China and India will ensure higher margins in the future.

Restructuring Plan

The company in December 2000 launched a restructuring plan which, when fully implemented, is expected to reduce ongoing structural costs by more than \$200 million a year. Already, changes brought in by the revamp have enhanced its manufacturing cost position and reduced 7,000 jobs worldwide. Gross margin increased in 2002 compared to the previous fiscal in the European region as a result improvements in productivity and cost savings from the restructuring initiatives in the region.

Acquisitions to bolster regional growth

The company has periodically expanded its product portfolio and market share through strategic acquisitions in key markets. The most recent were Vitromatic S.A. de C.V. in Mexico and Polar in Central Europe. Vitromatic had been a joint venture between Whirlpool and Vitro S.A. since 1987 and the acquisition of this company provides direct access to the rapidly growing Mexican market. In addition Whirlpool Mexico extends the North American production base of the company and thereby opens up opportunities for export to countries in the Caribbean, Central America and northern parts of South America in the future. The Polar acquisition lends the company a bigger brand presence in Central Europe apart from providing a low-cost manufacturing source to serve their growing region. Such strategic acquisitions help the company to strengthen its global market position.

Threats :

Dependence on Sears

The company has a relationship with Sear, Roebuck and Co. that spans over 80 years and has helped boost its growth over the years. However, in future, any setback faced by Sears may have a major impact on Whirlpool, for, as of December 2002, sales through Sears contributed to 21% of the company's net sales.

Environmental Compliance

Increasingly stringent environmental laws may escalate the cost of compliance in the future in a significant manner. Over the past years, this cost has been rising from \$22 million in 2000 to \$23 million in 2001 and \$32.5 million in 2002. However, the company expects environmental capital expenditures and expenses for manufacturing operations in 2003 will be contained to \$26 million. Apart from this, the company must contend with stricter energy and environmental standards to be introduced in the near future by various governments, such as the general phase-out of ozone depleting chemicals (used in refrigeration). These may call for product redesign, which in turn may involve changes in manufacturing techniques and processes.

Emerging competition in the premium category

Whirlpool caters to the premium segment in the home appliance market. Until now the company has been able to charge higher prices and still increase its market share. But with the imminent entry competitors such as Maytag and General Electric into the high-end category, the company faces the threat of increased competition. This may have an adverse impact on Whirlpool's efforts to improve market.

Patent Infringements

Product innovations are used as a key competitive advantage and so they form a crucial asset for the company. Thus, the company is exposed to patent infringements by its competitors, which brings down the value of its R&D investments.

Exhibit-3

Whirlpool Corporation

Top Competitors

The following companies are the major competitors of Whirlpool Corporation:

Maytag Corporation
 Robert Bosch Corporation
 AB Electrolux
 Sampo Corporation
 Whirlpool Corporation

Company View that clarifies the Marketing Communication hold that Whirlpool has in all its markets:

A statement by David R. Whitwam, Chairman and Chief Executive Officer of Whirlpool, says it all. This statement has been taken from the company's 2003 annual report:

"Last year, a record number of consumers turned to the brands of Whirlpool Corporation for unique products and solutions, and in doing so, strengthened the company's position as the world's leading manufacturer and marketer of major home appliances. Whirlpool's growing appeal with consumers worldwide is the result of our simple yet powerful path to growth -listen closely to customers, develop relevant innovation that meets their needs and apply every available resource to build relationships that last a lifetime. Our achievements indicate that Whirlpool is on the right course:

- Consumer demand for all of our brands worldwide helped drive net revenues in 2003 to a record level of \$12.2 billion, an increase of approximately 10.5 percent from 2002.
- Strong consumer interest in the Whirlpool brand once again made it the world's topselling, major appliance brand.
- Full-year earnings of \$5.91 per diluted share were in line with expectations. To deliver these 2003 results, our operations also had to overcome factors contributing \$1.86 per share in unfavorable comparisons to 2002, such as the negative effects of increased U.S. pension costs, currency and reduced tax credits in Brazil.
- Our operations achieved strong levels of total cost productivity, record improvements in net working capital and return on capital, and a solid reduction in total debt from 2002 levels.
- We delivered full-year operating free cash flow of \$302 million, a strong performance for the company that included a voluntary after-tax cash contribution of \$97 million to our U.S. pension fund last year. The contribution effectively lowers the company's pension contribution levels for 2004 and beyond, and flattens pension expenses year to year.
- Our board of directors declared a dividend increase of 26 percent for the first quarter in 2004. The increase reflects the board's confidence in the company's financial position, the ability of our global operations to generate ongoing free cash flow, and the positive
- momentum of Whirlpool's brands and businesses worldwide. Building unmatched levels of customer loyalty In 1999, Whirlpool began implementing worldwide its strategies and plans in pursuit of our vision: Every Home Everywhere with Pride, Passion, and Performance. The quest centered on achieving unmatched levels of customer loyalty to Whirlpool's global brands. Today, customer loyalty creates a clear competitive advantage for the company.

We know that our loyal customers are asking for Whirlpool's brands by name on retail floors, continually repurchasing our products and services, and passionately recommending our brands to others. Loyalty such as this drives revenue growth, margin expansion and increased trade support for our brands. To achieve our customer loyalty goals, we are transforming our global enterprise to continually deliver innovative products, services and solutions within a brand experience valued by our customers. Connecting with customers through brands Despite the global scope and scale of our organization, most customers know Whirlpool through their unique and personal experiences with one or more of the company's leading brands. Our major brands include Whirlpool, the world's No. 1 selling appliance brand;

KitchenAid in North America; Bauknecht in Europe; and Brastemp and Consul in the Latin American market. We remain the major supplier in many product categories for Sears, Roebuck and Co.'s Kenmore brand appliances. Our brands are carefully and continually cultivating loyal customer relationships by first listening closely to their respective customers and then developing solutions that fit unique lifestyles. To this end, our brands apply the resources of our global

operating platform to create differentiated experiences for customers and competitive advantages within each regional market.

Thinking outside the box, inside the home Innovation is central to Whirlpool's loyalty efforts because it delivers unique value to our customers that competitors cannot easily match. Our rapid development and continuous introduction of Whirlpool innovation differentiates the company in the marketplace, improves our top-line revenue growth and drives higher levels of customer loyalty to our brands. Over the brief span of five years, we have built an innovation competency founded on the creativity and diversity of our employees across Whirlpool's global enterprise. Today, Whirlpool is recognized as a leading innovator in the global appliance industry. Increasingly, our unique application of innovation is gaining prominence within business management and professional design circles.

Transforming their approach

In 2003, Whirlpool brands continued to transform and strengthen their relationships with customers by assessing and integrating findings from extensive customer loyalty research involving thousands of consumers. They also expanded the level of employee involvement in the customer loyalty transformation through special training and awareness programs. Thousands participated in programs to help employees better understand the customer and engage in new loyalty efforts. The company also launched Whirlpool University, an on-line tool that provides critical customer loyalty information 15,000 employees through the use of this tool. Transforming Whirlpool's enterprise to achieve unmatched levels of customer loyalty to their brands requires informed and passionate leaders at all levels of the organization. In 2003, nearly 200 top officers and directors participated in workshops designed to align leadership behavior with our transformation effort. This year, the training continues to cascade throughout Whirlpool's organizations. These efforts have not gone unnoticed. Whirlpool's leadership development program was ranked 11th among the "Top 20 Companies for Leaders" recognized by Chief Executive Magazine in a survey of 300 U.S. companies".

Exhibit-4- IMC in Whirlpool Corporation

Reaching Every Home...Everywhere

Since the late 1980s, when Whirlpool Corporation was primarily U.S.-based, the company has steadily expanded its operating footprint and integrated substantial business capabilities across global markets. Unlike other regional competitors looking to find a toehold in other parts of the world, Whirlpool already has in place a network of strategically located manufacturing facilities worldwide. Whirlpool's global enterprise also holds other unique competitive advantages in distribution, technology, procurement and information technology. These capabilities form the backbone of Whirlpool's enviable global operating platform that supports our operations as they carry out customer loyalty initiatives in all of our markets.

Operating responsibly worldwide :

As a company, we hold ourselves accountable for running our businesses and facilities in a manner that is sensitive to the stakeholders we serve and to the communities in which we operate around the world. Last year, for example, Whirlpool pledged that by 2008, the company will reduce its global greenhouse gas emissions by 3 percent from the company's 1998 emissions level, while also increasing our appliance production by nearly 40 percent over the same 10-year period. Whirlpool is the first company in the global appliance industry to make such a commitment. Whirlpool also is committing significant time and resources to help address important social issues worldwide. In addition to the company's direct involvement in contributing to the communities in which we operate, their global operations are at the forefront of initiatives that provide critical support to women and their families. And as the leading corporate supporter of Habitat for Humanity International, Whirlpool helps provide affordable housing to low income families throughout North America. Within the company, we are acting on our belief that to fully understand the unique needs of our customers living in countries and cultures worldwide, Whirlpool must reflect the diversity of those customers we serve. The success of our customer loyalty and innovation efforts depends on our ability to create an inclusive environment within Whirlpool that embraces each individual's unique strengths and allows everyone to contribute to the fullest potential.

Outlook

Whirlpool Corporation enters 2004 with good business momentum and positive economic trends in their key markets worldwide. For the full year, they expect continued improvement in earnings based on the competitive advantages of Whirlpool's unique global platform, the continued positive response by consumers to their innovative products and services, and the relentless drive by their employees to build unmatched levels of customer loyalty for their brands.

Conclusion :

In Marketing when deciding how to properly utilize the marketing communications mix to meet your marketing objectives, it is important to consider the relative strengths and weaknesses of each component of the mix. Further, one must always define one's total budget first (generally defined in the Marketing and/or Business Plan) and then decide upon the best way to leverage the different elements of the mix to maximize the return on one's investment. One will balance the various parts of the mix to not only create an integrated approach to one's marketing communications but you must also devote enough resources for each component to be successful.

From the above case it is quite clear that Advertising in Whirlpool reaches large, geographically dispersed audiences, often with high frequency; low cost per exposure, though overall costs are high; Consumers perceive advertised goods as more legitimate; dramatizes company/brand; builds brand image; and stimulates short-term sales.

Personal Selling in Whirlpool is most effective tool for building buyers' preferences, convictions, and actions; Personal interaction towards customers allows for feedback and adjustments; Relationship-oriented; Buyers are more attentive; Sales force of the Company represents a long-term commitment. It is the most expensive of the promotional tools.

Sales Promotion of Whirlpool targets at the trade or ultimate consumers; it makes use of a variety of formats: premiums, coupons, contests, etc.; Attracts attention, offers strong purchase incentives, dramatizes offers, boosts sagging sales; Stimulates quick response.

Public Relations at Whirlpool is highly credible; very believable; Many forms: news stories, news features, events and sponsorships, etc.; Reaches many prospects missed via other forms of promotion; Dramatizes company or product.

Direct Marketing at Whirlpool is in various forms: Telephone marketing, direct mail, online marketing.

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