

## **Customer and Channel Perception of Brand “WeP”**

**Varun Kumar**

(PGDM No.: 12175)

Student, SDMIMD, Mysore

varun12175@sdmimd.ac.in

**Mohan Monteiro N J**

Professor-Marketing, SDMIMD, Mysore

monteiro@sdmimd.ac.in

## **Comments by the Faculty**

WeP Solutions Ltd is one of India's largest employee-owned companies. Starting primarily with Dot Matrix Printers, it has is now diversified into emerging and growing segments including Line matrix Printers, Power Solutions, Retail Solutions and After Market products.

The company is currently being restructured and hence, understanding of what the customers and channel partners perceive about the brand becomes important as Brand is the most valuable asset for any organization. This research was conducted to understand where WeP as a brand stands when compared to its competitors Epson, TVSe and Lipi.

The data was collected using in - depth interviews with the customers and channel members based on a structured questionnaire. The study covered the South India states Karnataka, Kerala, Tamil Nadu and Andhra Pradesh.

The findings and suggestions of the research provide valuable insights into the ranking of various brands in the printer market on product and service attributes. The study also highlights the factors that can help WeP Solutions Ltd to overcome the current situation and provide better customer and channel member engagement in the future. The suggestions include rejuvenation of brand essence, better after sales service management, effective channel management by using Channel Stewardship model and better online and social media presence in order to increase brand recall.

**Mohan Monteiro N J**

## Customer and Channel perception of Brand “WeP”

### Abstract

In any industry, Business research is an important managerial tool that aids in taking an informed decision. An understanding of the customers’ and channel partners’ perception of the brand vis-à-vis its competitors is of paramount importance to any business. In Business to Business marketing situation, this exercise becomes all the more important as the number of customers is few and the value they add to the business is more.

The paper examines the brand perception of WeP in the printer market. The impression in the consumers’ mind of a brand’s total personality (real and imaginary qualities and shortcomings) is the brand perception. Brand perception is developed over time through advertising campaigns with a consistent theme, and is authenticated through the consumers’ direct experience.

This exercise communicates to the organisation the essence of product, service and channel policies that needs to be adopted to better serve the customers and channel partners.

**Keywords:** Brand perception, Brand essence, Channel Stewardship Model, Storefront, E-Marketplace, Volume Channel, Search Engine Optimization, Social Customer Relationship Management (SCRM).

### Introduction

Brand is the “name, term, design, symbol, or any other feature that identifies one seller’s product distinct from those of other sellers”. (Davron, 2007)

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 to maximize shareholder value. (Kapferer, 2008)

### Introduction to the Printer Industry in India

The Indian printer market is currently witnessing a steady growth of about 14 to 15% for laser printers. The overall printer and copier market is growing at about 7 to 8% every year, wherein the demand for printers such as inkjet, line matrix and laser printers are experiencing a significant demand especially amongst MSMEs (Nag, 2013) Printer shipment in India is growing at 6.9% yearly. Prime reasons driving the market includes the presence of active industry verticals and the growth in content creation in India.

The combined serial inkjet and page printer, copier and multifunction product (MFP) market in India totalled 676,263 units in the October-December quarter of 2012 representing a 5.4 per cent increase from the year-ago period.

“HP remained the market leader in the Indian printer, copier and MFP market as its market share totalled 54 per cent, followed by Canon with 21 per cent share,” Gartner said in a press release. Samsung accounted for 8 per cent, while Epson accounted for 6 per cent of the market in the fourth quarter of 2012, it added. (Business Standard, 2013)

## **Scope of the study**

The study is limited to understanding how the customers and channel partners of WeP perceive the brand “WeP”. This paper explains the critical areas of improvement where WeP needs to focus all of their efforts in better serving its customers by providing better products, service and customer engagement in the future.

## **Objectives of the study**

The main objective of the research is to understand WeP’s Brand Perception of products, service and customer engagement.

The following are the sub – objectives of the study:

- To understand where WeP as a brand stands when compared to its competitors EPSON, TVSe and Lipi
- To understand how the customers rate the offerings of WeP with respect to its competitors
- To understand how channel partners rate the offerings of WeP with respect to its competitors
- To understand how do channel partners rate the channel policies of WeP when compared to its competitors

## **Methodology**

The technique used for sampling was convenient sampling after dividing the geographic area into certain clusters. For the purpose of the study, data was collected from the following sources:

### **1. Pilot Survey: Two Pilot Surveys Were Done**

- i. For the product managers at WeP Solutions Limited, Bangalore and based on the perceived importance for the end customers, 10 product attributes and 10 service attributes were selected from a list of 15 attributes each.
- ii. For the channel manager and account managers at WeP Solutions Limited, Bangalore and based on the perceived importance for the channel partners, 12 partner attributes were identified from a list of 18 attributes.

### **2. Sources of Secondary Data:**

The following details were examined from literature available online and other publications: printer market in India, market size, major players in the market, and customer engagement programs by major players, their product offerings and their service offerings.

### **3. Sources of Primary Data:**

Survey was carried out for 87 end customers and 112 channel partners across Karnataka, Kerala, Andhra Pradesh and Tamil Nadu. Face to Face Interviews were conducted for 47 end customers and 66 channel partners in Bangalore and Mysore. Telephonic interviews were conducted for 2 end customers and 46 channel partners in Hyderabad, Secunderabad,

Vishakapatnam, Cochin, Malappuram, Kottayam, Kannur, Chennai, Coimbatore, Madurai and Hosur. Online questionnaires, after telephonic conversation, were sent to 55 end customers but only 38 responded.

### **Sampling Technique**

The sample consisted of a mix of respondents from low value to high value customers of WeP Solutions Limited covering urban and semi - urban areas of South India. For the study, 150 end customers were contacted of which 87 end customers responded. The customers were covered from Bangalore, Nanjangud, Hyderabad, Secunderabad, Cochin, Kannur, Kottayam, Chennai, Coimbatore and Hosur.

150 channel partners were contacted of which 112 channel partners responded. The Channel partners were covered from Bangalore, Mysore, Hyderabad, Secunderabad, Vishakhapatnam, Chennai, Coimbatore, Madurai, Cochin, Kannur and Kottayam.

The sample consisted of customers of WeP from Banks, Government Offices, Corporates, SMEs, Manufacturing companies and Retail stores and elite, T1 and T2/resellers of WeP across South India. The technique used for sampling was convenient sampling after dividing the geographic area into certain clusters according to the type of business (Banking cluster, IT cluster, manufacturing cluster, etc.) and the type of channel partner (Elite, Tier 1 and Tier 2/Reseller).

### **Analysis and interpretation**

#### ***a) End Customer Survey***

The end customers ranked the importance of the shortlisted attributes of product and service attributes and ranked the brands on those attributes. The following results were obtained after simple weighted score calculation.

#### **Ranking of Brand on Product Attributes**

**Table 1:  
Position of Brands on Product Attributes**

ATTRIBUTES	RANKING OF BRANDS			
	WEP	TVSE	EPSON	LIPI
Price	1	2	3	4
Performance	2	1	1	3
Ease of availability of products	3	1	2	4
Ease of use	1	2	4	3
Aesthetics and size	1	1	1	1
Durability	3	2	1	1
Cost of consumables	2	1	2	1

Ease of availability of consumables	3	1	1	2
Quality of print	1	2	3	4
Product visibility in the market	2	1	1	3
<b>AVERAGE SCORE</b>	<b>1.90</b>	<b>1.40</b>	<b>1.90</b>	<b>2.60</b>
<b>RANKING</b>	<b>SECOND</b>	<b>FIRST</b>	<b>SECOND</b>	<b>THIRD</b>

From the above weighted score calculation, it is clear that TVSE tops followed by WeP and Epson sharing the second spot and then Lipi Data Systems at the last spot on product attributes.

### Ranking of Brands on Service Attributes

**Table 2:  
Position of Brands on Service Attributes**

ATTRIBUTES	RANKING OF BRANDS			
	WEP	TVSE	EPSON	LIPI
Call Centre Operator is easy to access	3	1	2	4
Resolution time of your query is minimum	3	1	2	4
Consumables are easily available	3	1	1	2
Technical Personnel is knowledgeable and Customer responsive	1	1	1	1
The ASP/OEM provides the service at the time they promise to do so	4	1	2	3
The products are delivered on time that was promised	3	1	1	2
Installation service and support is provided promptly	2	1	1	1
Training and Do's & Don'ts is provided during installation	1	1	1	1
Warranty claims are addressed promptly by the vendor	1	1	1	1
Warranty and AMC is provided to suit my requirements	2	1	1	1
<b>AVERAGE SCORE</b>	<b>2.30</b>	<b>1.00</b>	<b>1.30</b>	<b>2.00</b>
<b>RANKING</b>	<b>FOURTH</b>	<b>FIRST</b>	<b>SECOND</b>	<b>THIRD</b>

From the above table it is clear that TVSE tops followed by Epson, then by Lipi Data Systems at the third spot and then followed by WeP at number four on service attributes.

**b) Channel Partner Survey**

The channel partners ranked the brands on product and partner attributes and the following result was obtained based on simple weighted score calculation.

**Ranking of Brands on Product Attributes**

**Table 3:  
Position of Brands on Product Attributes by Channel Partners**

ATTRIBUTES	WEP's POSITION	TVSE's POSITION	EPSON's POSITION	LIPi's POSITION
Price	1	2	3	4
Performance	2	1	2	3
Ease of availability of products	3	1	2	4
Ease of use	2	1	3	4
Aesthetics and size	3	1	2	4
Durability	3	1	2	4
Cost of consumables	3	1	2	4
Ease of availability of consumables	3	1	2	4
Quality of print	1	2	3	4
Product visibility in the market	2	1	1	3
<b>Average Score</b>	<b>2.3</b>	<b>1.2</b>	<b>2.2</b>	<b>3.8</b>
<b>Rank</b>	<b>THIRD</b>	<b>FIRST</b>	<b>SECOND</b>	<b>FOURTH</b>

From the above table it is clear that TVSE ranks number one, Epson ranks at number two and WeP ranks third followed by Lipi at number four on product attributes.

### Ranking of Brands on Channel Partner Service Attributes

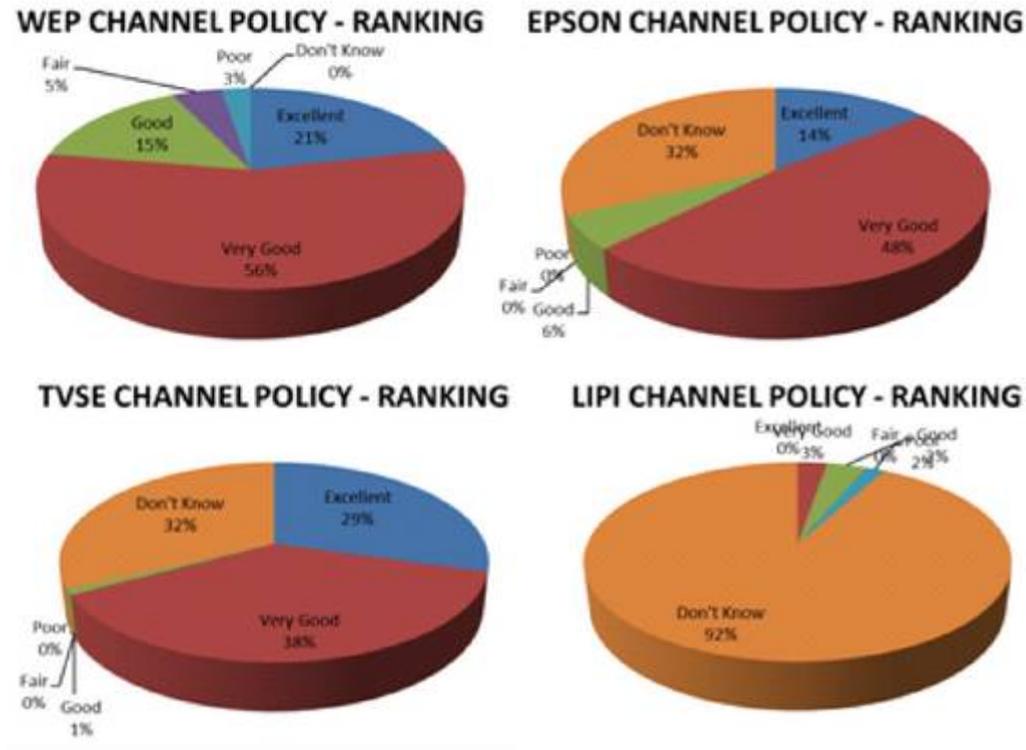
**Table 4:  
Position of Brands on Channel Partner Service Attributes**

ATTRIBUTES	WEP's POSITION	TVSE's POSITION	EPSON's POSITION	LIPi's POSITION
Delivery Time	3	2	1	4
Delivery Process	3	2	1	4
Value for Money	2	1	2	3
Product Availability	2	1	1	3
Discounts	1	2	3	4
Payouts	1	1	2	3
Installation Service	2	1	1	3
Communication	1	2	2	3
Margins offered	1	1	1	2
Distribution Network effectiveness	3	2	1	4
Offers/Promotions	1	2	1	3
Loyalty/ Rewards/ Gifts	1	1	2	3
<b>Average Score</b>	<b>1.75</b>	<b>1.5</b>	<b>1.5</b>	<b>3.25</b>
<b>Rank</b>	<b>SECOND</b>	<b>FIRST</b>	<b>FIRST</b>	<b>THIRD</b>

From the above table it is evident that TVSE and Epson rank first followed by WeP at number two and then by Lipi at number three on channel partner service attributes.

## Ranking of Brands on Channel Policies

The channel partners ranked the brands on their channel policies.



**Figure 1: Ranking of Brands on Channel Policies**

About 78% of the sample of the channel partners said that the channel policies of WeP were either “Excellent” or “Very Good”.

## Major Findings

### a) Major Findings from End Customer Survey

- The quality of print, durability and performance were the most important product attributes followed by ease of use and price.
- TVSE tops on product offerings followed by WeP at number two and Epson and Lipi at number three and four respectively.
- Call centre operator should be easy to access, warranty and AMC should be designed to suit the needs of the customer and resolution time of a query should be minimum were the most important service attributes.

- TVSE again tops the service offerings followed by Epson at number two and Lipi and WeP at number three and four respectively.
- The customers were satisfied with the quality of print, ease of use and price of the products offered by WeP. However, they were not satisfied with the services offered by WeP - delivery time of the products, maintenance under AMC and proper communication from the company after selling the products.
- The study also reveals that Customer reach and awareness about the products offered by the company is poor. It needs improvement. End customers were not satisfied with the after sales service.

### ***b) Major Findings from Channel Partner Survey***

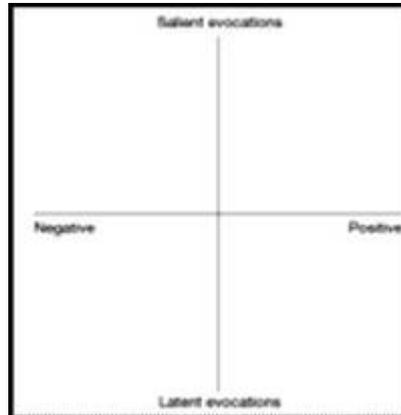
- WeP fared well on Quality of print, performance and price and needs improvement on product visibility in the market, ease of product availability and ease of availability of consumables on product offerings.
- TVSE was ranked at number one followed by Epson at number two and then WeP and Lipi at number three and four on product offerings.
- WeP also fared well on Value for Money, Margins offered and Installation service and needs improvement on Distribution Network effectiveness, Offers/Promotions and Loyalty/Gifts/Rewards on partner offerings.
- TVSE and Epson were ranked at number one followed by WeP at number two and then Lipi at number three on partner offerings.
- The Channel partners were satisfied with the margins offered, payouts and installation service. However, they were not satisfied with the delivery time, delivery process, communication from the company or the elite partners, distribution network effectiveness and product availability.

### **Suggestions**

The following suggestions were given based on the findings of the research.

#### **1. Rejuvenating WeP Brand Essence**

WeP needs to make its presence felt in the printer market. To do that effectively, they need to list their positive brand evocations. All brands have few positive salient evocations, or these evocations are generic and lack differentiation. The real potential usually lies in the latent associations. It will be the role of marketing team to choose the right set from among these buried positive associations. Then the brand will have to embody them in new products or services and channels aimed at the new target. The following matrix can be used to list the evocations and then used to zero in on the best positive salient or positive latent evocation. (Kapferer, 2008)



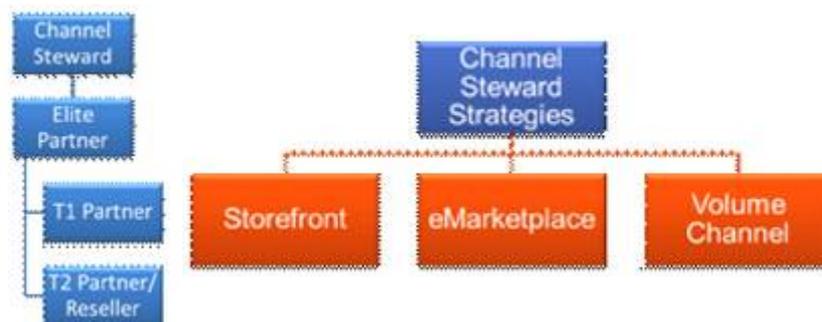
**Figure 2: Matrix for Defining Brand Essence**

**2. Improve after sales service**

The mostly obvious difference between manufacturing supply chain and after-sales supply chain is that business cannot produce services in advance of demand/consumption. That is to say, the after-sales service supply chain is the pure demand chain. Resource deployment and where to deploy them also become complex for spares. The lack of proper spares forecasting leads to customer dissatisfaction. The company should take extra care while planning the production of their spares and ensure that they are made available to the authorised service provider in minimum lead time.

**3. Effective Channel Management**

Channel Management requires something more dynamic than that adopted by the company. The model suggested below is more dynamic to the needs of the customer than the one followed at WeP. It is called the “Channel Stewardship Model” by Infosys Consulting. (Dey, 2007). This suggestion incorporates technology to better enable the downstream channel members to track their shipments and constantly communicate with the upstream channel members. This also avoids channel conflicts and better engages all the channel members.



**Figure 3: Channel Stewardship Model and its Integration with Existing Channel Structure<sup>1</sup>**

<sup>1</sup> Tier 1 (T1) and Tier 2 (T2) Partners

A Channel Steward is a dominant company in the high tech value chain that takes a proactive role in go-to-market strategy and execution. The Channel Steward extends its intra-enterprise framework (processes, systems, information and organisation) to channel partners to make it easy for them as well as the customers to do business with them, thereby increasing brand equity, market share and revenue.

## **Strategic options for multichannel management for a channel steward**

### ***1) Storefront or E-Business Approach – For Large Businesses***

In this alternative, the companies create a dedicated, personalized portal for the customers and channel partners enabling them with self - service tools to place orders by browsing through product and service offerings, track shipments, and receive and pay invoices.

### ***2) E- Marketplace Approach – For Small and Medium Businesses***

Companies can use an E-marketplace approach to bring all the channel partners together on to a single platform for order fulfilment by pre-defining set of configured products/platforms.

### ***3) Volume Channel Approach – For Lower End Products***

Typically, a regional distributor is set up for the product distribution along with a self – service portal for VARs (Value Added Resellers) to get product information. Orders placed on the portal are routed to the distributors for fulfilment.

## ***4. Better Online Presence***

This suggestion is given in order to keep the customers up-to-date with the new product offerings of WeP. It also serves as a platform to keep the employees and the new talents/aspirants engaged.

### ***1) Search Engine Optimization***

As an Internet marketing strategy, SEO considers how search engines work, what people search for, the actual search terms or keywords typed into search engines and which search engines are preferred by their targeted audience. Optimizing a website may involve editing its content, HTML and associated coding to both increase its relevance to specific keywords and to remove barriers to the indexing activities of search engines.

#### **Benefits of SEO:**

- Increase in Relevant Web Traffic
- High Returns
- Broadened Market
- Cost-Effective
- Brand Visibility
- Long Term Benefit

## **2) Google Adwords**

Google AdWords is Google's main advertising product and main source of revenue. AdWords offers pay-per-click, that is, cost-per-click (CPC) advertising, cost-per-thousand-impressions or cost-per-mille (CPM) advertising, and site-targeted advertising for text, banner, and rich-media ads. The AdWords program includes local, national, and international distribution. Google's text advertisements are short, consisting of one headline of 25 characters and two additional text lines of 35 characters each.

### **Benefits of Google Adwords:**

- No minimum buy
- Easy and fast creation
- Almost immediate implementation
- Pay only for clicks
- Bid for placement
- Set maximum cost per day
- Stop or pause campaign at any time

## **3) Brand Reputation Management by Social Customer Relationship Management (SCRM)**

Social CRM is a philosophy and a business strategy, supported by a technology platform, business rules, workflow, processes and social characteristics, designed to engage the customer in a collaborative conversation in order to provide mutually beneficial value in a trusted and transparent business environment. It is the company's response to the customer's ownership of the conversation.

A good Social CRM system allows businesses to:

- Create a central database of customers and contacts
- Store conversations, notes and emails for reference
- Build relationships with emails, newsletters, targeted marketing and more
- Streamline social media efforts by integrating with social media networks

## **4) Better LinkedIn Presence**

### **Benefits of LinkedIn Presence for Companies**

- Attract New Talent
- Connect With Top Prospects
- Establish Credibility
- Expand Marketing

## **5) Better Facebook Presence**

### **Benefits of Facebook Company Page: (Harbinger, 2010)**

- Low cost marketing strategy
- Allows you to share information about your business
- Allows users to be interactive
- Communicate with present and prospect customers
- Provides customer support
- Instant traffic to your website

### **Conclusion**

In today's globalized world, to lead the market, it is not sufficient to strategize what you are doing but to constantly watch out and analyse what your competitors are doing. Another important aspect of business is to understand what the customers really want and the satisfaction level and motivation of the channel partners.

It is important to reinvent and rejuvenate the brand by following certain steps mentioned earlier. Improvement in the after sales service is a must in a B2B scenario.

In today's technology friendly era, it becomes imperative for businesses to be present on the social media and internet. The suggestions and recommendations given for better online presence is a low cost way of marketing the products and services and establishing a powerful brand that is recalled by many end users and channel partners.

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