ABSTRACT
Marketing is the most important operational and functional area of management and marketing strategies are of vital significance in all the areas of marketing management. Success of any company depends on the process of identification of sales influencers and strategy formulation to satisfy them. Good implementation starts with good strategic input as the soup is only as good as the ingredients.

The Indian paints market is estimated at Rs 210 Bn (net sales), having grown at a Compound annual growth rate (CAGR) of 12% over FY07 –FY10. Due to Development of the Realty, Automobile, Infrastructure and Commercial office space sector, Increasing Penetration in the Rural Markets, Increasing level of income and education, it is expected that the Indian Paint Market will continue to grow at around 15% CAGR to reach Rs 340 Bn by FY15. In view of the Market size and growth potential, Indian Paint Industry becomes an important area for research.

Present study tries to find out the role of influencers like Dealers and Painters/Contractors on the Indian decorative Paint trade.

KEYWORDS: Marketing, Strategy, Paint, Dealer, Consumer response, buying behavior.

Objective: To find out the influencers and their impact on Paint trade.

Dimensions: Role of Dealers, Painters, Celebrities.

Colour is a significant part of every Indian family. What else, our great festival of colours holi seconds this. Visit any Indian house, one would find the house painted with cheerful colours. Now a days people have become more choosy and conscious about the way their house should look. Not only the look but also the benefits of the paints are scrutinised before application. Taking this in to advantage, the paint companies have taken this business seriously. They have come up with a range of paints and coatings that are not only attractive but are also corrosion, fungi, water and weather resistant. Apart from being an attractive phenomenon, the paint industry in India and around the globe has evolved considerably.
The paint Industry of India is around 110 years old. Its beginning can be traced to the setting up of a factory by Shalimar paints in Kolkata in 1902. Till the advent of World War II, the Industry consisted of consisted of just a few foreign companies, and some small, indigenous producers. The war led to a temporary stoppage of imports leading to many more local entrepreneurs setting up manufacturing facilities. Nevertheless, foreign companies continued to dominate the industry. Even now, they remain active contestants, though their foreign shareholdings stand reduced, with two of them having become totally Indian.

Post-liberalisation, the Indian paint market has grown by around 1.5 to 2 times real GDP every year. Dominated by the organised sector comprising 65-70 per cent of the total paint market, decorative paints hold a maximum share of 70-75 per cent. However, per capita consumption remains well below international norms, pointing to tremendous future potential. Both interior and exterior paints have improved considerably. Earlier, only cement paints were available for exteriors. Today, exterior acrylic paints and water-resistant and fungus resistant paints have made inroads in the decorative sector.

**TYPES OF PAINTS:**
Decorative paint caters to the housing sector. Premium decorative paints are acrylic emulsions used mostly in the metros. The medium range consists of enamels, popular in smaller cities and towns. Distempers are economy products demanded in the suburban and rural markets. Nearly 20 per cent of all decorative paints sold in India are distempers.

Industrial Paints include powder coatings, high performance coatings and automotive and marine paints. Two-thirds of the industrial paints produced in the country are automotive paints.

**FACTORS FOR THE GROWTH OF INDIAN PAINT INDUSTRY:** Boom in housing sector, increasing urbanisation and a shift from semi-permanent to permanent housing structures have been driving growth in decorative paints segment.

Industrial Growth: An average growth of about 10 per cent in the automobile sector provides 50 per cent of the revenues in the industrial paints segment. Industrial paints account for 30 per cent of the paint industry revenue in India.

Heavy Infrastructure Spending: New projects in roads, ports and industrial segments increases revenues from protective coatings for civil applications and road-marking paints to all parts of the building paints sector, whether interior, exterior, waterproofing or floor coatings.

Increase in manufacturing activities: Over 40 per cent of the industrial sector takes the form of OEM finishes, which is expected to grow steadily as a result of increasing demand for consumer goods in India as well as India’s position now as a leading manufacturing hub for the supply of goods to the south-east Asian and other world markets.

Rise in Commercial construction: Overall growth in IT / ITES sector, organized retail sector, overall economic development has lead to requirement for more office space.

Less Seasonality: About 65 per cent of the demand for decorative paints stems from repainting. Rising aspirational levels, shift in the perception of paints as having a protective value rather than a mere decorative have diminished the impact of seasonality.

Rise in Income: Lifestyle based spending by Indian middle class is helping decorative segment of this industry. Contemporary wood finish formulations are replacing the more traditional lacs and exterior emulsions take over from cement paints.
Greater growth in the premium and mid-range paint categories: Led by a young, affluent, urban consumer; differentiated products such as textured shades etc. are being demanded.

Preference for eco-friendly products like lead free paints, low VOC paints, odourless paints etc has increased. Preference for water based paints versus solvent based paints is also growing. Greater involvement in purchase, touch & feel activity has become important – exclusive retail stores provide customers a personal shopping experience and value added services like colour consultancy etc.

Use of tinting systems to provide a wide variety of shades & excellent colour repeatability is increasing. India has the largest number of tinting systems (30,000+) in the world.

**BRIGHT FUTURE**

All the major players are looking ahead with confidence, with more than a few aces up their sleeve. There’s good news all around. The industry has a potential to grow 200 per cent as per capita paint consumption in India is very low.

The data collected was subjected to statistical analysis and the findings were interpreted in the light of objective and the hypothesis setup for the study. To accept or not to accept the hypothesis, results of the questionnaire have been analysed.

**LITERATURE REVIEW**

Ramaswamy and Namakumari (2002) had analysed the Distribution Strategy of Asian Paints. They have also discussed about Asian paints policy on open door dealer appointment, going rural and approaching direct customers.


Gupta (2005) stated that- Looking at the moves and countermoves of the top two companies, it is observed that Asian Paints dominated the decorative paints segment of the paints industry in India with a market share of 44 per cent. Kansai Nerolac retained its market leadership in the industrial paints segment with a 45 percent market share. Generally, the companies in the Indian paints industry were attempting to create a balance among the two segments so that they did not face the extreme demand fluctuations of either of the two segments.

Kumar and Meenakshi (2006) had discussed about use of Prominent personalities like Amitabh Bacchan and Saif Ali Khan by Various Paint Companies in endorsing their Products.

**Hypothesis developed for Objective:**

H_0: There is no significant impact of influencers (Dealers/ Painters) on Customers of Paint.

H_a: Influencers (Dealers/Painters) play a significant role in changing/influencing the decision making process for Paint buying.
Table: Showing statement wise response (No of Dealers)

<table>
<thead>
<tr>
<th>Sr</th>
<th>Statement</th>
<th>Strongly Agree (5)</th>
<th>Agree (4)</th>
<th>Neutral (3)</th>
<th>Disagree (2)</th>
<th>Strongly Disagree (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>After application it becomes difficult to judge the Brand of paint used.</td>
<td>13</td>
<td>14</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>Paint Consumers also insist too much for Brand like they insist for LG/Samsung for TV or Nokia for Mobile.</td>
<td>2</td>
<td>10</td>
<td>3</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>3</td>
<td>Majority of the consumers consult Painting Contractors before taking Paint purchase decision.</td>
<td>10</td>
<td>14</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>4</td>
<td>Companies not able to afford Celebrity endorsement for their Profitable Brands, go for heavy Painter schemes.</td>
<td>9</td>
<td>10</td>
<td>4</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>Paint being used after 3-4 years’ time, consumers don’t try to understand the technicalities involved in painting system, quality, application process etc.</td>
<td>8</td>
<td>11</td>
<td>5</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>6</td>
<td>Consumers are not aware about the application process/performance of Paint.</td>
<td>5</td>
<td>12</td>
<td>5</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>7</td>
<td>Majority of the consumers engage Painters on recommendation of Dealers.</td>
<td>5</td>
<td>8</td>
<td>3</td>
<td>9</td>
<td>3</td>
</tr>
<tr>
<td>8</td>
<td>Companies give due attention for Painter’s skill enhancement by Organising Painter meets.</td>
<td>9</td>
<td>8</td>
<td>2</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>9</td>
<td>Painters’ Insurance scheme, if offered by companies, should result in creating WOM publicity through them.</td>
<td>7</td>
<td>11</td>
<td>6</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>10</td>
<td>Celebrity endorsement influences the consumers for a particular brand.</td>
<td>7</td>
<td>8</td>
<td>4</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>11</td>
<td>Painter schemes act as a powerful tool for Pushing the product in High demand season like Diwali.</td>
<td>8</td>
<td>9</td>
<td>3</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>12</td>
<td>Painter meets have now become a useful tool to use Painters as influencers in consumer decision making process.</td>
<td>8</td>
<td>14</td>
<td>2</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>13</td>
<td>Companies giving adequate attention for Painters’ safety (free gloves in Putty bags etc), get higher sales.</td>
<td>5</td>
<td>7</td>
<td>8</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>14</td>
<td>Dealer will promote a particular company where Senior management gives him more importance by paying more visits/personal calls etc.</td>
<td>0</td>
<td>11</td>
<td>8</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>15</td>
<td>Painters will recommend that Company which invites them in Painter meets, offers some regular Diary monitoring schemes.</td>
<td>6</td>
<td>10</td>
<td>5</td>
<td>7</td>
<td>0</td>
</tr>
<tr>
<td>16</td>
<td>If consumer asks for assistance in Brand selection, Dealer will recommend a company which gives him more profit.</td>
<td>5</td>
<td>11</td>
<td>7</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>17</td>
<td>In Brand recommendation process Painters sometimes recommend poor quality for the sake of their profit.</td>
<td>8</td>
<td>11</td>
<td>2</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>18</td>
<td>Painters even criticise about quality/performance for that company who do not offer Painter scheme.</td>
<td>6</td>
<td>10</td>
<td>3</td>
<td>5</td>
<td>4</td>
</tr>
</tbody>
</table>

Following formula of t-test is used to investigate the significance of the difference between an **assumed population mean** and a **sample mean**, where population standard deviation is not known but the sample standard deviation is known.\(^1\)

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\(^1\) Kanji Gopal K., (2007), 100 Statistical Tests 3\(^{rd}\) Ed, SAGE Publications, New Delhi. Pp-29
\[ t = \frac{x\bar{} - \mu_o}{s / \sqrt{n}} = 2.53 \]

Here:

- $x\bar{}$ = Sample mean = 3.57
- $\mu_o$ = Assumed population mean = 3.0 (mean of option numerical values 1, 2, 3, 4 & 5)
- $s$ = Standard deviation (Sample) = 1.19
- $n$ = Sample size = 28

Critical table value of $t$ at 27 degrees of freedom ($n$-1 or 28-1) and 0.01 significance level = 2.473

Since observed $t$-value (2.53) is greater than the critical value (2.473), the Null hypothesis is not accepted.

Hence it may be concluded that Influencers (Dealers/ Painters) play a significant role in changing/ influencing the decision making process for Paint buying.

**Conclusion:**
Findings of the survey suggest that:

1. Companies should give proper attention for Painter’s skill enhancement, Painters’ safety training, offering Painter safety gloves and Painter token/incentive schemes in order to get maximum advantage of WOM (Word of Mouth) publicity through them.

2. After application/Decantation no one can judge about the Brand of paint used. Due to this reason consumers don’t insist too much for specific Brand. This situation gives opportunity to dealers/ Painters to recommend a particular brand where they get maximum profit. Hence companies should give more attention to dealer margins through various schemes.

3. Celebrities influence the consumers for a particular brand. Companies use this celebrity endorsement strategy for their Premium Brands and target on high income group consumers to gain more margin through sale of specialized/ high margin products. However, companies who are not able to afford Celebrity endorsement for their brand, should go for heavy Painter schemes.

4. If two companies offer equal profit, dealers tend to promote a particular company where senior management gives him more importance by paying more visits/personal calls etc. Hence senior management should spare time to meet dealers, involve them in decision making process.

in major decision making process etc to gain their confidence which will ultimately result in increase in sale.

Reference: