

# MASALA MARKETING

Masala noun [mar-SAH-lah]: a mix of materials, ingredients or spices

## A "Recipe" for Foreign Brands and Products Entering the Indian Market

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>> India – an exciting, dynamic place which is just screaming to be 'decoded' as brands and products enter the race to touch the hearts of the Indian consumer.

Foreign brands are generally highly aspirational but the times where 'being from abroad' alone served as a selling proposition are long gone. India is no longer an 'emerging' market. The Indian consumer is a very demanding and smart shopper – and a loyal one too. But the proposal (read product or service) has to be customised to the Indian taste. It needs the right ingredients to create a tempting proposition – it always needs an 'Indian Twist' – or some 'Masala'.

People across the country have quite different buying behaviour, different sets of rules and goals when buying products. In order to understand Indian consumer behaviour, one must first recognise how little it has to do with actual buying power. To get the full picture, one needs to gain a deeper understanding of the Indian culture and mindset.

#### And this becomes the first paradox:

As a rule: To generalise anything in India is a very daring idea. The incredible diversities that define India will conspire to contradict every rule and confuse every issue and leave a rule-follower up the proverbial creek without a paddle. That being said, here are some important rules one should adhere to while navigating the challenging Indian market...

Let's start with some of the most important concepts that are crucial to understand some of the dynamics of the Indian market.

#### **FAMILY – THE BASIS FOR DECISION MAKING PROCESSES**

India does not have the same standards and regulations covering false advertisement or safety standards, nor does it have any organised consumer watchdog to punish retailers of faulty items. So, when choosing any purchase, most Indians will refer to their network of friends and relatives for advice. The feeling is that anything that need ever be known is known already by the collective, and relying on

the collective for advice, directions or information reinforces that perception.

Most Indians grow up with large extended families that are all heavily involved in one-another's lives. Each decision will become a family decision which is ratified by an army of aunts, sisters, grandmothers, uncles, brothers and cousins. Many generations will often live together, and this unit gives people a strong support net, which allows them to have confidence that whatever decision they have made wasn't made by them alone.

But the way, family impacts on the purchasing processes drastically changes depending on what region one focuses...

#### **FAMILY IN THE SOUTH...**

The income of the south has changed only very recently, so the values still reflect its agrarian heritage – Tamil Nadu has strong socialist values, while Kerala, every other political season, is a communist state. Now, Bangalore and Chennai are fattening up surfing the IT wave and Dubai is poking holes in the sky fed on Malayalee labour, which is filling Kerala's pockets with Dirhams (currency of Dubai). That amounts to a sudden boost of income flowing into areas which were traditionally agricultural dynasties that earned slowly and spent carefully. Their values still favour family investments and stockpiling their investments in preparation for a 'rainy day' – or more accurately the opposite, a bad monsoon.

In keeping with this, it is common for a whole Southern family to go shopping for one mobile phone, even though only one person will be using it, the quality of such an investment must be ratified by the family that is buying it.

#### **...COMPARED TO FAMILY IN THE NORTH!**

Many Indians here consider themselves highly aristocratic in comparison to their Dravidian neighbours. Wealthy families come from wealthy lineages, and their spendthrift behaviour reflects their relationship to money as a birthright. In Delhi, it is not unusual that girls will go out in hunting parties to buy

whole new wardrobes, entire face-care ranges, an iPhone and perhaps a car. While this kind of spending in the south would largely be seen as the behaviour of a wastrel, in the north it is a necessity to prove to the world that one's family is still a member of the elite ruling class.

A luxury car will be interesting across the country – but the same consumption choices will be made for very different reasons – in the south most families will own a 4WD, but they will use it to transport their entire extended family (because this is a 'value' to be flaunted), while in the north a 4WD would be purchased simply for the flaunt value of the car itself, and never hold more than three people at a time. The flashy superiority and royalty of cruising in a high-up, heavy, expensive car is the appeal for the image conscious northerners – and a full car could contradict status in this case.

Marketers will have to obey and embrace these differences in goals and motivations: family benefit contra flaunt-value, long term investment versus style statement.

This is the basis to start with. When it comes to foreign brands, it gets a little more complicated. But just a little.

#### **THE INHERENT REPUTATION OF FOREIGN BRANDS**

Much like other Asian countries, personal reputation is very important in India. People gauge themselves primarily based on how they are seen by others, and being a hierarchic society, people rely on obvious signs of status. And this relates strongly to the products they buy, the reputation of those products, and in turn the effect those products will have on them (and their family!). If a product is viewed by the community as something aspirational and a proof of earning capacity, it will improve the buyer's status in that community.

Providing the owner with 'J-factor' (Jealousy factor) on the Indian market as a foreign brand remains easy, because being 'foreign made' still adds an immediate level of quality and prestige. But there is more that a brand has to deliver. Foreignness is only valuable as long as everyone else can recognise it, the concept of 'insider brands' is (yet) little appreciated.

A bottle of wine, for example, from a secluded, unknown little winery would be a true sign of the owner's connoisseurship and refined taste – in western culture. In India this concept has little value. People buy into brands because it adds to their own reputation, being a clear sign of the owner's success and status. It would contradict the idea completely if a brand is unknown by the community, no matter how prestigious it is. Moreover, who could give the so much needed advice and reassurance on such a product? This is why many consumers state that although Sony Ericsson might launch better or more interesting phones for them personally than NOKIA, they would still buy a NOKIA phone - again, because it is the

brand with a longer history in the country, its status and prestige is known by everyone and consequently (another important part of the decision making process), has a higher resale value.

In a recent research for Volkswagen, car enthusiasts admitted that the cars' performance and handling came second to the flaunt-value of a car, and their purchase considerations reflected that.

For many years, Volkswagen was only present via an older model of the Beetle, however, Volkswagen is a highly respected brand in India. Mainly because everyone remembers and cherishes this Beetle that's been resisting the Indian road conditions for such a long time (a real proof for superior quality) but also as it stands for superior German engineering and a long tradition.

However, it is inherent in the German culture to remain low key about ones achievements. Germans believe in perfection and demand highest performance from themselves (and also from their brands and products) – but boasting about this is rather looked down upon. 'Be excellent, but don't talk about it' is considered appropriate behaviour in Germany as many a German saying will testify: 'Self praise stinks', 'Modesty is a virtue', 'Pride goes before a fall' and so on. Many German brands reflect this attitude in their communication but this obviously completely contradicts the above described Indian culture where prestige and status must be obvious.

#### **THE NEED TO MAKE SOME 'NOISE'**

Understatement has only little value in India, and is at worst perceived as suspicious. If a brand has something to offer, it should boast about it. Products and brands need to land with a splash and create some waves if aiming for the (needed) public consensus as something worth having. Volkswagen wisely reacted to this need and when launching the Passat in 2007 and the Jetta in 2008 communicated huge billboards all over the country with the punch line: "Germany's Number One car brand now available in India."

#### **AND FINALLY: THROW IN SOME 'MASALA'!**

'Masala' is often used as a term to describe an Indian film style that includes all genres, from action, comedy, romance, and of course, song and dance – all-in-one to appeal to a wide audience: A film for the whole family – or, again, for the wide variety of people and tastes. Generally it is typified by jingly, catchy songs, rich colours, elaborate sets, 'Pow' and 'Paching' sound effects, quotable quotes, ridiculous stunts and invincible heroes – flavours so strong they become an amusing assault on ones' senses.

Nowadays 'Masala' has become a general term that refers to any undefined mixture of elements that make for some extra 'spice' – and in this refers to India itself. While doing research we would frequently hear respondents demanding that a foreign brand “put a little masala in it!”, which didn't mean they wanted a spicier phone – it means that people demand to see some Indian-ness to the product, something that resonated with them as an Indian. Some would demand to see how a brand altered their product to suit India (be it suspension for the potholed roads or a face cream that dealt with heat, pollution and humidity), some wanted to know that there was something Indian at heart about the product, that it was designed or built by Indians, that it used Indian labour or had hired Bollywood stars to promote them (which is maximum 'Masala' if combined with a Bollywood item song), and some were less demanding, simply asking that something reflect their life, even something small, like speaking to them in their language.

But it can be tricky to find the right mixture. And sometimes budgets don't allow for completely new campaigns. When testing TV commercials for the Volkswagen campaign, it became clear, how semiotics and symbolism need to be adjusted to fit for this very particular market – but it can be small changes that make a difference.

Both ads tested generally had the potential to be appealing for the Indian market: One ad was situated in a snow setting, where a man takes the effort to clean the car before it again gets covered by a snow machine. The second ad depicts a valet parking situation.

The snow ad indicated a foreign setting – echoing Bollywood's common 'happily ever after in the Swiss Alps' style endings, the music and slapstick tonality closely mirrored the Indian sense of humour, and a man cuddling his wife and admiring his car had that tone of romance that is so prevalent everywhere in Indian life. However, the ad was not received well at all.

While trying to communicate value, such that a man would brave a bitter winter day to clean his car, the Indian audience were simply confused “Why doesn't he send the boy to do it?” (meaning the servant, not his son). Without a servant, the man in the ad completely lost value, the point of the ad was lost, and when asked what it meant, many respondents were grasping at straws: “At first when I saw it I thought it was an engine oil ad – saying the car can start in the cold”, another guessed “It's saying the car is rough and tough, it can move on ice” These answers told us that while snow was foreign to India, it was too foreign to Indian experience, and therefore took the audience's attention completely off the car and onto the snow and its relation to the car. While it had many of the ingredients that could make for a good mix, the dish was not best served cold.

A much tastier morsel was found in the second ad, in which a Volkswagen Jetta drives up to a fancy, ornate hotel or country club and an incredibly stuffy and pompous doorman reaches out and opens the rear passenger-side door. He stands there waiting, and nothing happens. He bends down to peer into the back of the car and suddenly the owner pops up from the driver seat out the front door. The valet is bemused and stands there gaping at the smug driver, who casually tosses his keys to the valet and saunters off.

The joke of exaggerating the prestige of the Jetta by implying that the car might be mistaken for a chauffer-driven car was lost on the Indian audience: “Yes, this kind of car would definitely be chauffer-driven.” In a country where labour is cheap and reputation is everything, a chauffer is a must. But what that led to was the much more powerful perception that “This car must be really fun to drive if he doesn't even want to let his driver behind the wheel.” Or “If you're paying so much for such a good car, why would you let someone else have all the fun?” This was a common sentiment of auto-enthusiasts and interestingly mirrors some of Volkswagens' core brand values.

The entire setting of the ad, despite being foreign, clearly reflected some Indian truths. Indian families capable of purchasing such cars are wealthy and educated, they frequent chic hotels and fancy restaurants, and they are often members of exclusive country clubs or gymkhanas – all of which would have valet services for their chauffer-driven imported cars.

The right communication was found. And the 'Masala-quotient' that Volkswagen threw in was subtle but effective. By obeying to India's devotion to music and changing the ads tune to a melody that has a strong reference to a legendary, all time classic: “Mera joota hai japani, yeh patloon inglistani, sar pe lal topi rusi, phir bhi dil hai hindustani” – which translates to: “My shoes are Japanese, the pants are from England, the red hat on my head is Russian, but even then, my heart is Indian...”

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