

A SHIFT OF IMC FROM MASSES TO SPECIFIC CLASSES- AN ANALYSIS OF SOCIO ECONOMIC CLASS

Vipul Jain

Associate Professor, Department of Management, SGRRITS, Dehradun, India

Arvind Kumar Jain

Assistant Prof [SG] & Program Head [BBA-AM] CMES, UPES, Dehradun, India

ABSTRACT

India's economic growth has accelerated significantly over the last two decades. Real average household disposable income has roughly doubled since late 80s. With rising incomes, household consumption has increased, and a new Indian middle class has emerged. As the incomes rise, the shape of the country's income pyramid will change dramatically. More than 291 million people will move from desperate poverty to a more sustainable life, adding a number of first-time consumers to the market. While much of this new wealth and consumption will be created in urban areas, rural households will also benefit.

The Need for Targeting Specific Class / Group

Two words that sum up today's consumer market are '**unlimited choice**'. Over the past decade, companies have rushed to capture market share by creating an unending stream of new products to meet the desires of consumers. At the same time, media outlets have proliferated and different concepts have emerged to woo the customers from customization to interactive media advertising. Marketers are faced with the challenge of getting their message heard by consumers who are hard to find and even harder to influence. But the question is how can companies create awareness of their products? One thing is certain: Mass marketing no longer works. Marketers are no longer able to reach a "mass market." Even if they could, there is no longer a "one-product-fits-all" mentality that would appeal to consumers.

Thus marketing concept calls for understanding customers and satisfying their needs better than the competitor. But different customers have different needs, and it is not possible to satisfy all customers by treating them alike. If a firm ignores the differing customer needs, another firm would enter the market with a product that serves a specific group, and the incumbent firms would lose those customers. Thus, marketers have found the need to concentrate on a specific group than mass. But how do you group people and on what basis, is one of the most challenging question for the marketers. Earlier the basis for segmentation was on four major categories which included Geographic, Demographic, Psychographic & Behavioral. However, a common classification that is used by marketers to describe the Indian population is the Socio Economic Classification thus giving rise to an entirely new concept of CLASS MARKETING.

A common classification that is used by marketers to describe the Indian population is the Socio Economic Classification (SEC). SEC is the classification of Indian consumers on the basis of two parameters: 'Occupation and Education' of the chief wage earner (Head) of the households. The SEC classification, created in 1988, was ratified by Market Research Society of India (MRSI), and is used by most media researchers and brand managers to understand the Indian consuming class. SEC is made to understand the purchase behavior and the consumption pattern of the households. This classification is more stable than one based on income alone and being reflective of lifestyle is more relevant to the examination of consumption behavior.

The basic reasons for developing a SEC system were the following

1. Income can discriminate between consumers and non-consumers for certain products, but not for others.
2. Income is not stable over time whereas SEC is, i.e., the cut-offs of high and low income will vary quite rapidly over time.
3. Income is often understated.

The *Urban Sector* is divided into SEC A1, A2, B1, B2, C, D, E1, E2 (Calculated as a function of Educational qualifications of the CWE* and his occupation)

The *Rural Sector* is divided into SEC R1, R2, R3, R4

(Calculated as a function of Educational Qualifications of the CWE* and the type of the household he stays in – Pucca, Semi Pucca or Kaccha)

Table below shows the socioeconomic classification of urban Indian households.

OCCUPATION	EDUCATION						
	Illiterate	< 4 yrs in school	5-9 yrs of school	School certificate	Some college	Graduate	Post graduate
Skilled workers	E2	E1	D	C	C	B2	B2
Unskilled workers	E2	E2	E1	D	D	D	D
Shop owner	D	D	C	B2	B2	A2	A2
Petty trader	E2	D	D	C	C	B2	B2
Employer of							
> 10 persons	B1	B1	A2	A2	A1	A1	A1
< 10 persons	C	B2	B2	B1	A2	A1	A1
None	D	C	B2	B1	A2	A1	A1
Others							
Clerk	D	D	D	C	B2	B1	B1
Supervisor	D	D	C	C	B2	B1	A2
Professional	D	D	D	B2	B1	A2	A1
Senior executive	B1	B1	B1	B1	A2	A1	A1
Junior executive	C	C	C	B2	B1	A2	A2

There are eight levels — from A1 to E2The level wise classification can be known from the following table:

LEVEL	OCCUPATION	EDUCATION
A1	Employer of	
	>10 Persons	College/Graduate/Post Graduate
	<10 Persons	Graduate/Post Graduate
	None	Graduate/Post Graduate
	Professional	Post Graduate
	Senior Executive	Graduate/Post Graduate
A2	Shop Owner	Graduate/Post Graduate
	Employer of	
	>10 Persons	5-9years of school/School Certificate
	<10 Persons	Some College
	None	Some College
	Supervisor	Post Graduate
	Professional	Graduate
Senior Executive	Some College	
	Junior Executive	Graduate/Post Graduate
B1	Employer of	
	>10 Persons	Illiterate/Less than 4 years in school
	<10 Persons	School Certificate
	None	School Certificate
	Clerk	Graduate/Post Graduate
	Supervisor	Graduate
Professional	Some College	
Senior Executive	Illiterate/Less than 4 years in school/ 5-9 years of school/School Certificates	
B2	Junior Executive	Some College
	Skilled worker	Graduate/Post Graduate
	Shop Owner	School Certificate/ Some college
	Petty Trader	Graduate/Post Graduate
	Employer of	
	>10 Persons	Less than 4 years in school/ 5-9 years of school
	None	5-9 years of school
	Clerk	Some College
	Supervisor	Some College
	Professional	School Certificate
Junior Executive	School Certificate	

LEVEL	OCCUPATION	EDUCATION
C	Skilled Workers	School Certificate/ Some college
	Shop Owners	5-9years of school
	Petty Traders	School Certificate/ Some college
	Employer of <10 Persons	Illiterate
	None	Less than 4 years in school
	Clerk	school Certificate
	Supervisor	5-9years of school/school Certificate
	Junior Executive	Illiterate/Less than 4 years in school/ 5-9 years of school
	Skilled Workers	5-9 years of school
	Unskilled workers	School Certificate/ Some college
D	Shop Owners	Illiterate/Less than 4 years in school
	Petty Traders	Less than 4 years in school/ 5-9 years of school
	Employer of None	Illiterate
	Clerk	Illiterate/Less than 4 years in school/ 5-9 years of school
	Supervisor	Illiterate/Less than 4 years in school
	Professional	Illiterate/Less than 4 years in school/ 5-9 years of school
E1	Skilled Workers	Less than 4 years in school
	Unskilled workers	5-9 years of school
E2	Skilled Workers	Illiterate
	Unskilled workers	Illiterate/ Less than 4 years in school
	Petty Traders	Illiterate

Table below shows the socioeconomic classification of Rural Indian household.

Education of chief wage earner	Type of House		
	Pucca	Semi-pucca	Kuchcha
Professional degree	R1	R2	R3
Graduation/ PG	R1	R2	R3
College	R1	R2	R3
SSC/HSC	R2	R3	R3
Class 4-Class 9	R3	R3	R4
Up to class 4	R3	R3	R4
Self-learning	R3	R4	R4
Illiterate	R4	R4	R4

Level	Education	Type of House
R1	Professional Degree/Graduation/PG/College	Pucca
R2	SSC/HSC	Pucca
	Professional Degree/Graduation/PG/College	Semi-pucca
R3	Professional Degree/Graduation/PG/College	Kuchcha
	SSC/HSC	Semi-pucca/kuchcha
	Class 4- Class 9/Up to class 4	Pucca/Semi-pucca
	Self-Learning	Pucca
R4	Class 4- Class 9/Up to class 4	Kuchcha
	Self-Learning	Semi-pucca/kuchcha
	Illiterate	Pucca/Semi-pucca/Kuchcha

“Understanding target and media selection”

Factors to be considered for targeting class customers and selecting media

Identification of the target class is extremely essential before offering both a product /service as well as advertising and selecting media for the same. Thus, understanding the product itself is an important thing. When a marketer markets a product, seldom he markets the one which is for all the

classes, other than basic items like salt. However, though there might be many such products catering to all the classes the ratio is too low to compare its penetration against items that targets classes. So how can marketer decide whom to target? First, the main consideration is affordability of the consumer because only then, the wants are converted into demand. Secondly, what is the consumers' acceptability and if the results show positive response the next question is what advertising media should you use to promote your business?

Media Preference

Until last century, people did not have many options as far as media is concerned. But with the advent of new media and global competition, not many are left behind in attracting people. However, before the selection of any media to advertise, one of the most important things to be taken into consideration is the consumers' preference as far as media selection is concerned. Thus, there might raise questions like:

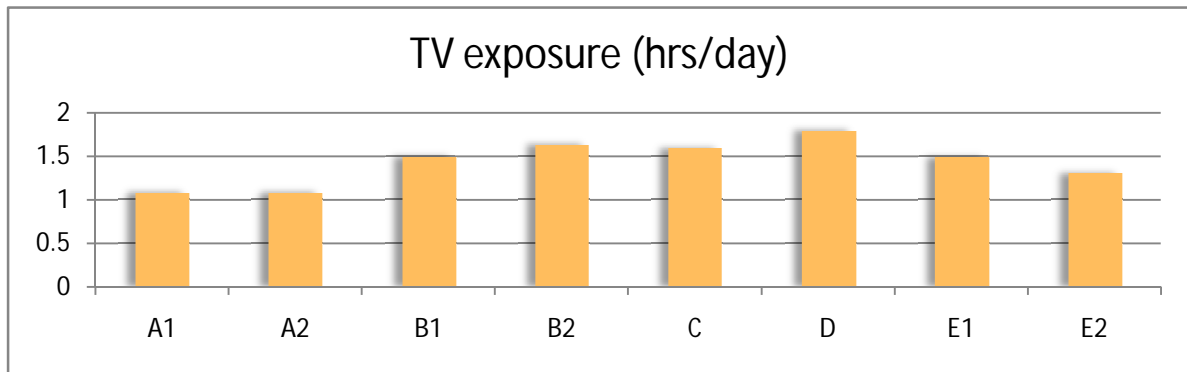
What is consumer preference?

Why is it important for an advertiser to know the preference?

Where should an advertiser advertise for the products or services?

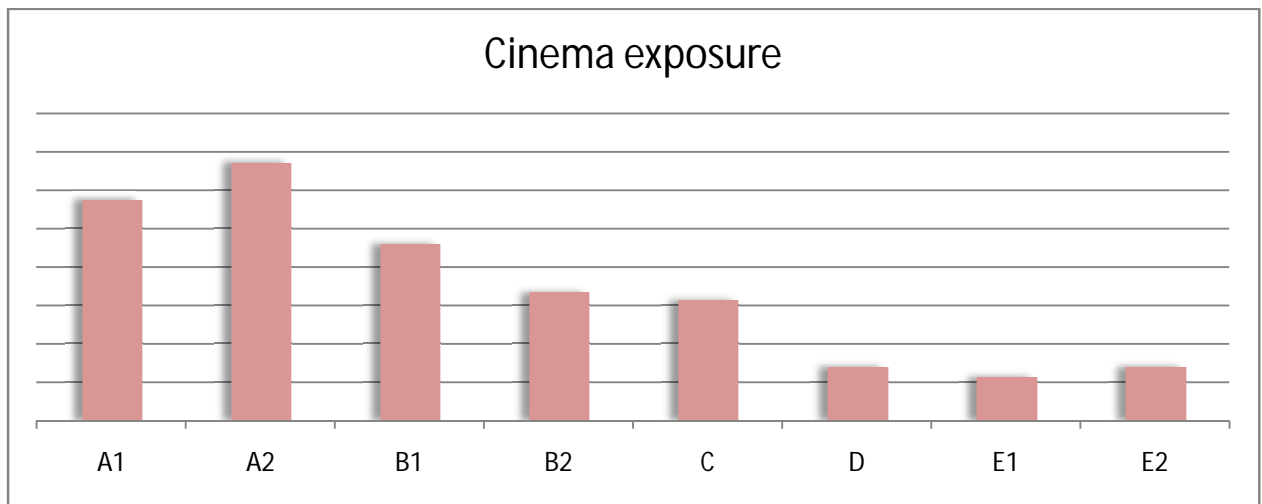
It is an everlasting ongoing process of sticking to one media at some point and switching to other at the other point. Preference for media thus cannot be so easily predicted. But when we talk about class advertising, it can be said that the overall preference for the people belonging to the same class remains same. That is instead of individual choices, class preference show an inclination towards certain media that might help an advertiser to choose the media for advertising in a better manner

TV EXPOSURE



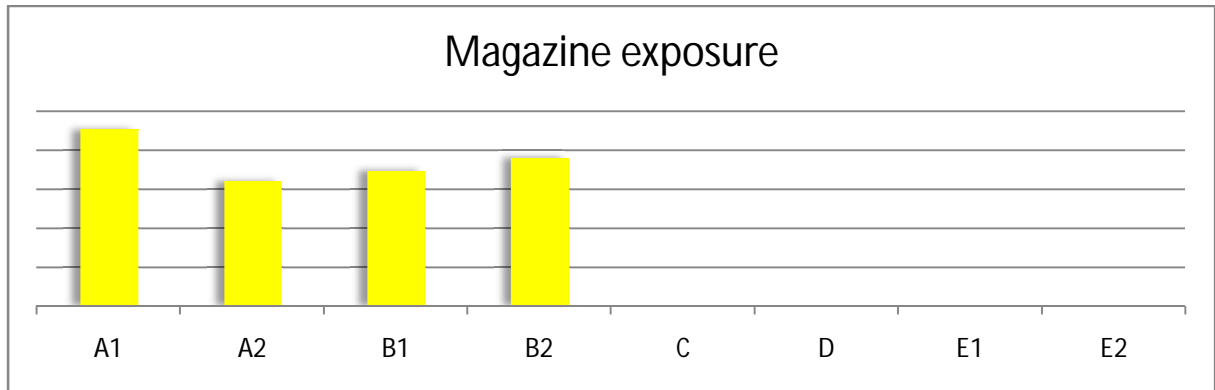
The results show that the classes B1,B2, C, and D have the highest TV exposure amongst all classes.

CINEMA EXPOSURE



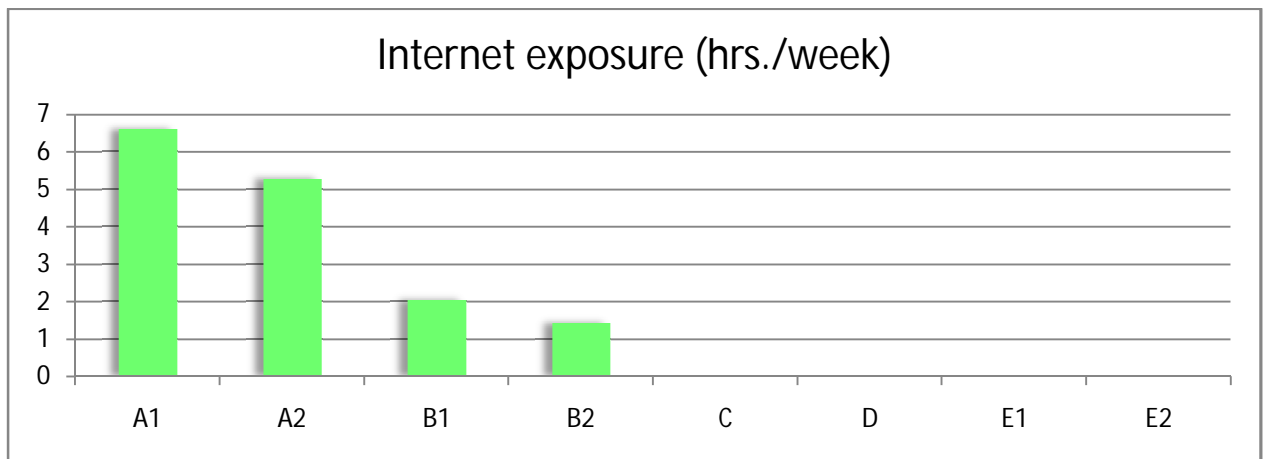
As the results show the classes A1,A2,B1,B2 and C have the highest exposure to cinema. The remaining classes have almost the same exposure and that is very less. For targeting the A1,A2,B1,B2 and C classes advertisement on cinema would prove more effective as their exposure is high.

MAGAZINE EXPOSURE



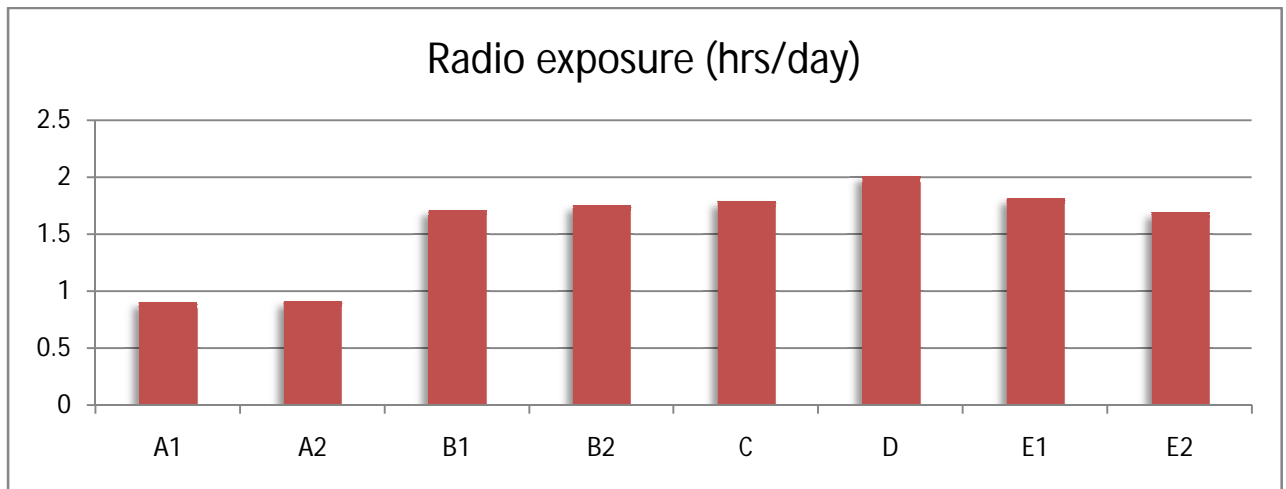
As the results show the classes A1,A2,B1and B2 have the highest expoure to magazines . The exposure for the remaining classes C,D,E1 and E2 is not applicable. For targeting the A1,A2,B1and B2 classes advetisement in magazines would prove more effective as their exposure is high.

INTERNET EXPOSURE



As the results show the classes A1and A2 have the highest expoure to internet. The exposure for the remaining classes C,D,E1 and E2 is not applicable. For targeting the A1and A2 classes advetisement in magazines would prove more effective as their exposure is high.

RADIO EXPOSURE



As the results show the classes A1 and A2 have the lowest exposure to radio. The exposure for the remaining classes B1, B2, C, D, E1 and E2 is very high. For targeting the B1, B2, C, D, E1 and E2 classes advertisement in radio would prove more effective as their exposure is high.

CONCLUSION

The analysis suggests that selecting the right parameters and classes can solve a lot of problems of the firms & they can help the firms to understand the consumers in a better way. The understanding of the preferences of the various classes to different media and their exposure to it can help advertisers target the right audience using the right media. Thus targeting the right audience and choosing a specific media can help advertisers save a lot of money.

REFERENCES

Aaker A. David, Myers G. John, Batra Rajeev, Advertising Management, Prentice Hall, New Delhi, Pages, 45-47.

Agarwal Sangeeta, Marketing Research, Global Business Press, New Delhi, Pages-37-38
Albaum Gerald, Tull S. Donald, Green E. Paul, Research for Marketing Decisions, PHI, New Delhi, Page-46

Bush J. Alan, Hair F. Joseph, Anderson E. Rolph, Professional Sales Management, McGraw Hills, New York, Pages, 155-158.

Copper Donald R, Schindler Pamela S, Business Research Methods, Tata McGraw-Hill New Delhi, Pages, 408-462.

Cummins Julian, Sales Promotion, UBS Publishers, New Delhi, Pages, 137-140.

D□Amico Michael, Zikmund G. William, Marketing, Thomson, New Delhi, Pages, 448-450.

Kammen Van Bok Welmoet, Loeber Stouthamer Magda, data Collection & Management , Sage Publications, New Delhi, Pages, 98-106.

Kent Raymond, Marketing research-Measurement, Method & Applications, International Thomson Business Press, North Yorkshire, Page-139

Kolter Philip, Keller Kevin Lane, marketing management, Pearson, New Delhi, Pages, 234-236.

Kumar Arvind, the Mass Communication, Annual Publications New Delhi, Pages, 281-289.