

Add family names
Add date

INTERNATIONAL MARKETING

THE ANALYSIS OF INDIA

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Introduction

Our product is drip coffee called Mamba from Mandheling coffee mixed with Brazilian coffee. The development of the Indian economy and the rise of the middle class, coffee is gaining popularity among Indians. Compared to the strongly ubiquitous of black tea, coffee has a more commercial appeal. "Drinking coffee" in India is regarded as a fashionable and high-end behavior, satisfying the curiosity and pursuit of Western pop culture among young people.

Interesting start
What is the source
of your
information?

Objectives

1. Analyze the culture of the ~~target country~~.
2. Analyze the economy of the ~~target country~~.
3. Learn about the daily life of Indians.

India

A Week in the Life of Target Customer

For many Indians, the week starts with Monday being a working day, and most people have a five-day workweek with Saturday and Sunday as the weekend. Throughout the week, people in India engage in various activities, depending on their work schedules and personal interests.

Religious practices and celebrations are an essential part of Indian culture, and many people spend time visiting temples, mosques, churches, or other places of worship during the week. Family and social events, such as weddings, birthdays, and festivals, also play an important role in Indian life and often involve traditional ceremonies, feasting, and socializing.

Overall, a week in the life of an Indian is likely to involve a mix of work, family and social engagements, religious observances, and leisure activities.

Ok - so how does
your product
feature in their
every day lives?
What are they
eating and
drinking?

Cultural analysis

Geographic

- Location¹

Having a coastline of over 7,000 km (4,300 miles), most of India lies on a peninsula in southern Asia that protrudes into the Indian Ocean. India is bounded in the southwest by the Arabian Sea and in the southeast by the Bay of Bengal.

- Climate²

India's climate can be classified as a hot tropical country, and it was divided into three seasons:

- a. winter (December to February)
- b. summer (March to May)
- c. monsoon (rainy) season (June to November) ✓

Social institutions

- Role of the family³

The family is an important institution that plays a central role in the lives of most Indians. As a collectivistic society, Indians often emphasize loyalty and interdependence. People tend to act in the best interest of their family's reputation, as the act of an individual may impact the perception of the entire family by their community.

- Education levels⁴

The Indian education sector holds a prominent position globally. India is home to the world's largest network of higher learning institutions with promising growth opportunities. The total worth of the education sector was estimated at a value of over 117 billion U.S. dollars, and this is expected to grow up to 225 billion U.S. dollars by

¹2007, Geography of India, Retrieved from: <https://reurl.cc/KM5NQg>

² Weather Online, retrieved from: <https://reurl.cc/OVg9EX>

³Cultural Atlas,2018, Indian culture. Retrieved from: <https://reurl.cc/9Vq21V>

⁴ Statista, 2023, education in India. Retrieved from: <https://reurl.cc/WDgIgd>

2025 with the ed-tech market estimated to hit approximately 30 billion U.S. dollars by 2031.

Political system⁵

- **Stability of government**

For that indicator, we provide data for India from 1996 to 2021. The average value for India during that period was -1.08 points with a minimum of -1.51 points in 2003 and a maximum of -0.62 points in 2021. The latest value from 2021 is -0.62 points. For comparison, the world average in 2021 based on 194 countries is -0.07 points. ✓

Religion⁶

- **Dominant religion**

The 2011 Indian census indicated that 79.8% of Indians identified as Hindu, 14.2% identified as Muslim and 2.3% identified as Christian. A further 1.7% of the population identified as Sikh, 0.7% identified as Buddhist and 0.37% identified as Jain. Due to the massive population size of India, religious minorities still represent a significant number of people.

- **Role of religion in daily life**

Hinduism continues to thrive in modern-day India. The religion affects everyday life and social interactions among people through the many Hindu-inspired festivities, artistic works and temples. There is also a continuing revival of the classical 'epic' narratives of the Ramayana (Rama's Journey) and the Mahabharata (The Great Epic of the Bharata Dynasty) through the medium of film and television.

Living conditions⁷

- **Diet and nutrition**

⁵ The global economy, 2021, India: political stability. Retrieved from: <https://reurl.cc/2WepOr>

⁶ Pew research center, 2021, Indian religion. Retrieved from: <https://reurl.cc/n72eL8>

⁷ Rainforest cruises, 2022, India food. Retrieved from: <https://reurl.cc/ml2EOM>

They generally consume a wide variety of vegetables and fruit, such as spinach, aubergine and mango. They also consume a variety of spices and herbs, such as ginger and coriander. In contrast, they consume low volume of saturated fat food.

- **Typical meals**

The main differences are largely divided into South Indian and North Indian cuisine. A lot of the northern regions of India are vegetarian, and therefore many of the most inspiring vegetable dishes originate from the northern states.

Language⁸

- **Spoken & written languages**

Officially, the Indian constitution recognizes 22 ^{yes} official languages. The most spoken Indian dialect, which also happens to be the oldest surviving language in the world, is Hindi, the official language of the Indian central government, alongside English. However, individual states can adopt their official languages from the 22 languages of India, if it is one spoken within the region.

Economic analysis

Population⁹

- **Total**

Over 1.4 billion (almost 18% around the world) in 2023, and it ranks second in the world after China.

The population growth rate has been declining in recent years, but the country still faces significant population-related challenges, such as poverty, unemployment, resource depletion, and environmental degradation.

- **Age & sex distribution**

At the beginning of 2023, India had the following age distribution:

⁸ Livexp, 2022, Languages spoken in India. Retrieved from: <https://reurl.cc/b7g0Vr>

⁹ Country meters, 2023, India population. Retrieved from: <https://reurl.cc/vk2Vnj>

0-14 years: 29.7%; 15-64 years: 64.9%; 65 years and above: 5.5%.
The total dependency ratio is relatively high (0.514) due to the large population of children and elderly people who are not part of the workforce.

It can lead to a strain on the economy, as resources are diverted towards supporting children and elderly rather than towards investment and development. And it also put pressure on the healthcare system and welfare programs.

In addition, the sex ratio in India equals to 1.07 (approximately 739,000,000 men to 692,000,000 women)

This indicates that there are fewer females than males in the population, which is a concern and reflects the country's patriarchal culture and gender bias. The imbalance has led to several social and economic issues such as female infanticide, discrimination against girls in education, and gender-based violence.

Economic statistics

- Gross national product¹⁰

Gross national product in India was approximately 3,000 billion USD in 2021, and its growth rate is 8.42% compared to 2020.

- Income per capita¹¹ & family income¹²

Low or high?

Adjusted net national income per capita in India equals to 1,663 USD in 2020, and average family income per month is about 300 USD.

- Distribution of wealth¹³

The distribution of wealth in India is highly uneven, with a significant proportion of the population living in poverty. According to a report by Oxfam, the top 1% of the Indian population holds 40.5% of the country's wealth, while the bottom 50% of the population holds just around 3% of the wealth.

¹⁰CEIC DATA, India gross national product. Retrieved from: <https://reurl.cc/EGyEzm>

¹¹World bank, 2020, adjusted net national income per capita. Retrieved from: <https://reurl.cc/ml2E91>

¹²India.com, average income of Indian family is Rs 23,000 per month: survey. Retrieved from: <https://reurl.cc/KM5Nky>

¹³Oxfam, 2023, survival of the richest: the India story. Retrieved from: <https://reurl.cc/rL2Max>

Dominant economic activity^{14 15}

- **Agriculture**
Agriculture is one of the dominant economic activities in India, employing over 50% of the workforce and accounts for 17% in GDP.
- **Industry**
Industry contributes 26% in GDP, and the major activities include chemicals, pharmaceuticals, gems, common minerals, and so on.
- **Services**
The service sector is the largest contributor to India's GDP, accounting for around 57%, business and IT is the main industry.

Transportation¹⁶

Transport infrastructure in India is better developed in the southern and southwestern parts of the country.

- **Roads**
the dominant mode of transportation, carrying almost 85 percent of the country's passenger traffic and more than 60 percent of its freight.
- **Rural Roads**
A Lifeline for Villages in India: Connecting Hinterland to Social Services and markets.
Quality of the infrastructure, though is very poor
- **Railways**
Railway system in India is the fourth largest railway network in the world. It carried some 22.1 million passengers and 3.88 million tons of freight a day in 2020.
Not more?
- **Ports**
Shipment plays a significant role in improving foreign trade. India's seaborne foreign trade shares 95% by volume and 67% by value. However, Inland water transportation also remains largely

¹⁴ Investopedia, 2022, the fundamentals of how India makes its money. Retrieved from: <https://reurl.cc/rL2p0E>

¹⁵ InvestIndia, 2019, Indian economy: an overview. Retrieved from: <https://reurl.cc/kl2m9q>

¹⁶ India Transportation. Retrieve from: <https://reurl.cc/eXg13x>

undeveloped despite India's 14,000 kilometers of navigable rivers and canals.

- **Aviation**

India has 128 airports, including 15 international airports. The dramatic increase in air traffic for both passengers and cargo in recent years has placed a heavy strain on the country's major airports.

Communication and Internet

- **Traditional Forms of Communication**

Landline phone still in use in some homes and businesses, particularly for making local calls. Letters and postcards become less common but exist in rural area.

- **Internet-enabled devices**

Internet penetration rate reached 43% in 2020¹⁷ (compare to Taiwan's 84%)¹⁸. Smart phones, laptop, tablets, and so on become increasingly used currently due to Covid-19. The average price of a smartphone is now around \$269. India is remarkably price sensitive: 80% of the devices sold here cost less than \$244, so internet growth has stalled in India.¹⁹

Distribution channels

- **Size and type of retail outlets**

Retail is one of India's fastest-growing business sectors. According to Forrester Research, India's retail sector was valued at \$883 billion in 2020 and is expected to grow to \$1.3 trillion by 2024. There are approximately 12 million retail distribution outlets in the country, the majority of which are unorganized family-owned entities.

India's e-commerce revenue is expected to rise from \$46.2 billion in 2020 to \$136.47 billion by 2026. India is expected to become the world's fastest-growing e-commerce market, supported by strong investment in technology and infrastructure, as well as a rapidly

¹⁷Individuals using the Internet (% of population)–India. Retrieve from: <https://reurl.cc/2Wepr>

¹⁸Overview of Internet Usage. Retrieved from: <https://reurl.cc/EGyEnm>

¹⁹Why internet growth has stalled in India. Retrieve from: <https://reurl.cc/Rvgx0g>

growing number of internet users. Most Indian manufacturers use a three-tier selling and distribution structure²⁰ involving distributors, wholesalers, and retailers.²¹

There is a kind of small-scaled grocery store, called Kirana, store widely established everywhere. It is like the convenience store in Japan or Taiwan, but it is not chained, and usually founded and managed by only two or three family members. Unlike small stores in other countries, these shops in India are irreplaceable. Despite the expansion of organized retail such as large chain stores and supermarkets, Kirana still account for over 90% of India's grocery retail industry. During the pandemic lockdowns, they were responsible for supplying over 90% of essential goods in India. It is not an exaggeration to say that Kirana is the lifeline of India's retail market. Initially, Kirana stores were established to provide convenience for local agricultural trade. Later, they gradually began to sell essential goods and expanded their services to neighboring town. Currently, it started introducing the services for digital transactions.²²

- **Dominant payment methods**

Cash is still king in India with currency under circulation touching an all-time high of Rs 3,09,827 crore on March 4, 2022. According to a 2019 report by the RBI²³, cash accounts for nearly 50% of all transactions in India, adding that the number went further north up to 70% for transactions below Rs 500.

UPI (Unified Payments Interface) is their common digital payment method. During 2021-22, UPI accounted for 52 percent of the total financial digital transactions. It suggested rapid adoption of this technology and that it was launched just six years back. However, during 2018-19, UPI accounted only for about 17 percent of the country's total digital transactions.²⁴

- **Relevance of middlemen**

²⁰ The three-tier structure includes importers or producers; distributors; and retailers. The basic structure of the system is that producers can sell their products only to wholesale distributors who then sell to retailers, and only retailers may sell to consumers. Generally, the three-tier system is intended to prevent "disorderly marketing conditions."

²¹ India - Country Commercial Guide. Retrieve from: <https://reurl.cc/jl2Lgp>

²² 印度 “野生便利店” Retrieved from: <https://reurl.cc/1eEy5Q>

²³ RBI, Reserve Bank of India. Retrieved from: <https://reurl.cc/qk2Q1y>

²⁴ Economic Survey 2023: UPI accounted for 52% of India's total digital transactions in FY22. Retrieved from: <https://reurl.cc/Rvgxjx>

Depending on the nature of the industry, more than one agent, representative, or distributor may be needed given the diversity of the Indian marketplace. Various regions and states within India can differ markedly in terms of demographics, purchasing power, education level, culture, and consumer behavior. India is a large country as well, and logistics of moving goods across the country can be challenging, so the middlemen play a vital role for foreign business or products.²⁵

Summary

- Summary of cultural analysis

In India, the family is almost the most important group. People tend to pay more attention on obeying family rules and maintaining a good reputation of their families. Thus, families play the fundamental roles in Indian society. Also, they are extremely religious. All in all, India is a conservative and religious country. When selling our products in India, we may emphasize on their entire family unit and pay more attention on their religion culture or religious taboo. ✓

- Summary of economic analysis

India has lots of people, so it is a large potential market. As we enter Indian market successfully, our product has more chances to get exposure to those potential consumers. Especially people in the service take who works in offices for example, they generally stay in to complete their job, and they can make the coffee more

Do not guess
How are they
living?
Day in the life. . .

The small-scaled retail stores are widely scattered in India. If we can take advantage of the distribution of Kirana, customers are more likely to know the existence of our product.

- How might the customer make your product part of their lives?

We prefer offering drip coffee in offices and workplaces. It not only encourages people to try drip coffee and incorporate into their daily routine but provides them a way to refresh and relax.

Is that how they
consume coffee?

²⁵India - Country Commercial Guide. Retrieved from: <https://reurl.cc/jl2Lgp>

NCUE, - FEEDBACK, CLASS PRESENTATIONS

THE GROUP YOU ARE ASSESSING:		Save your file. Use this format: group being assessed your group.doc So an example would be TIV Voltes5.doc – where TIV is the group being assessed and Voltes5 is your group.	
MARU MARU			
YOUR GROUP NAME:			
INSTRUCTOR			
A	B	C	D
Are ideas presented connected with the aim of the presentation?	Are the ideas presented clearly supported with evidence and logical argument?	Is it easy to follow & to understand? (Are the slides clear and easy to follow e.g. use of new pictures, words, graphs)	Overall impression (is it a group presentation etc.?)
40%	30%	20%	10%

5%	5%	5%	5%
<p>Comments (space will expand as you type)</p> <p>Sound start</p> <p>Our presentation is in four parts . . .</p> <p>Animate the points</p> <p>Next I will talk about . . . Good</p> <p>This figure shows</p> <p>Make figures bigger!</p> <p>three primary branches in . . .</p> <p>3 thousand billion = 3,000,000,000,000 - 3 trillion</p> <p>Next, ... Good</p> <p>Report</p> <p>You have much detail in your report. This covers much critical detail about India (e.g., for many low-incomes) and rich detail on the culture (family, religion, education). However, you need to think, particularly, about food/drink consumption. What are this group of people drinking? When do they drink? Why do they drink? Do not just take assumptions from the home market (here) and transfer them to that market -- this ethnocentric approach is why product launches fail (e.g., coffee is seen as way to wake up here and get energy -- but think about your opening few sentences -- where does that mention energy, waking up, working?)</p>			

NCUE, - FEEDBACK, CLASS PRESENTATIONS

85% (group grade)

Grade (%) 20%