

Business Development From Start to Scale
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Week - 02
Business Development Strategies
Lecture - 06
Successful Businesses

Hi friends, welcome to the NPTEL course Business Development from Start to Scale. We are in week 2 discussing the theme of Business Development Strategies in this lecture the 6th in the series we will focus on Successful Businesses.

(Refer Slide Time: 00:28)

Fundamental Drivers of Business Success

The diagram illustrates the equation: Product Innovation + Operational Excellence + Customer Fulfillment = Sustainable Business Growth. Below this equation, eight company logos are arranged in a grid, each associated with a specific driver of success:

- Apple: Balanced Mix
- Tata: Product-Mfg Driven
- Amazon: Supply Chain Driven
- L&T: Integrated Skills
- Hyundai: Tech-Ops Driven
- Reliance: Op Excellence Driven
- Disney: Unmatched Experiences
- Microsoft: Leading Edge Position





Business development is as much an art as a science; it is also as much a practice as theory. It is important for us to understand the practical examples of business development to

understand the fundamental drivers of business success. I have a formula which says that sustainable growth of business is derived from product innovation, operational excellence and customer fulfilment acting together.

When you look at successful companies such as Apple, Tata Motors, Amazon, L and T, Hyundai, Reliance Industries, Disney, Microsoft you will find that in various shades this formula has been implemented. Let us look at Apple; it has a balanced mix of product innovation, operational excellence and customer fulfilment that is why Apple has become the kind of iconic brand that it is.

In respect of Tata Motors you will find that it is product and manufacturing driven business of course, it does marketing and at times pretty well, but what characterizes Tata Motors in terms of business success is the product and manufacturing configuration. In respect of supply chain driven organizations Amazon tops the list.

Because, it has universalized supply as well as demand and also ensure that customer fulfilment happens across the universe of its e-commerce site. L and T represents integration of skills which are linked to innovation at the product level, excellence at the manufacturing or execution level and happiness of the customer with the kind of projects it undertakes therefore, L and T has been able to achieve sustainable business growth.

Hyundai is tech ops driven, Reliance Industries is out and out operational, excellence driven whether it is the mega refinery or the mega telecom rollout it is the operational excellence that drives reliance industries top notch performance. Disney is famous for its unmatched experience, Microsoft has a lead leading position in the software industry particularly in the development of software for desktops, laptops as well as cloud related developments.

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The business development overlay can be seen in terms of four factors; one strategic marketing, second firm and customer connect, third the resultant brand equity and the customer loyalty that underpins the brand equity. When all these four combine a company can strategize and execute its business development or per contra.

The business development strategy and execution of a company should aim at having strong strategic marketing, robust firm customer connect, top class brand equity and unshakable customer loyalty. When you look at a few examples of both Indian and global companies you will find that these four factors have impacted business development positively.

Prestige is a kitchen appliance company in India very well-known for its pressure cookers. The home and kitchen connect drove brand loyalty. Starbucks has developed a concept of

beyond home that is a third home between office and home where coffee can be sipped, but conversations can be struck.

Indian brand ethnicity has been reflected in Amul’s consistent brand positioning. Indigo has become the most preferred airlines for its punctuality, reasonable cost profile and cleanness of its service. Hindustan Unilever is known for its extensive reach going up to the every nook and corner of the country and establishing connect to thousands and lakhs of retailers.

Horlicks is trying to do its business in the gummies field by bringing out various products which can be used in a deductible manner as gummies. Owing customers is the underpinning business development philosophy of Chick advanced shampoo. Tanishq has done great things in terms of professionalizing the tradition of jewellery.



(Refer Slide Time: 05:16)

Master Business Developers

Globally, some firms have developed unassailable reputation in their domains based on their business development.

Some Examples of Master Businesses		
Amazon.com	Enterprise Rent-A-Car	Red Bull
Apple	Google	Ritz-Carlton
Bang & Olufsen	Harley-Davidson	Samsung
Best Buy	Honda	Southwest Airlines
BMW	IKEA	Starbucks
Caterpillar	LEGO	Target
Club Med	McDonald's	Tesco
Costco	Nike	Toyota
Disney	Nordstrom	Virgin
eBay	Procter & Gamble	Walmart
Electrolux	Progressive Insurance	Whole Foods

Apart from driving sales and profits, strategic business development helped such firms build sustainable businesses.

There have been master business developers in the global arena some firms have developed unassailable reputation in their domains based on their business development. I have given here 33 examples of master businesses you will be able to instantly connect with most of these businesses Amazon dot com, Apple, Bang and Olufsen.

Best buy; Best Buy is one of the topmost retailers of consumer electronics goods in USA, BMW the famous automotive group, Caterpillar the famous earth moving equipment company, Club Med, Costco, Disney, Ebay, Electrolux. Enterprise rent a car, Google, Harley Davidson, Honda, IKEA, LEGO known very much for its games for children.

McDonald's, Nike, Nordstrom, Procter and Gamble very diversified consumer goods company, Progressive Insurance, Red Bull the energy drink, Ritz Carlton, Samsung of course, the latest sensation in terms of consumer electronics, Southwest Airlines, Starbucks, Target, Tesco; Target and Tesco being top class retailers warehouse retailers in the United States.

Toyota the unmatched company as far as the quality and design is concerned, Virgin, Walmart and whole foods. Apart from driving sales and profits strategic business development helped such firms build sustainable businesses.

(Refer Slide Time: 06:55)

Business Development Strategies and Corporate Success – 1



amazon

Amazon, Universal Market

- A product innovation that universalised supply and demand connectivity
- Supply chain management for seamless and agile stocking and supply
- Localisation of product and service portfolio despite being global
- High-intensity sales and marketing promotion

B&O

Bang & Olufsen, Acoustic Purity

- Distinctive Danish product design and branding for Millennials and GenZ
- Executing strongly in core markets in various regions of the world
- Strategic partnerships in various regions to amplify demand
- Providing digital experiences to customers in sales and aftersales support

BEST BUY

Best Buy, Overcoming Retail Apocalypse

- The most developed omnichannel customer experience with its physical stores, online platform, and in-home service for all electronic and entertainment devices
- Providing the most extensive customer experience with trained 'tech geeks'
- Membership programme for customer loyalty and 'return for repeat' purchases
- 'One Stop Solution' with strong manufacturer visibility and product range support

Let us look at the examples in little more detail. Amazon achieved its success by developing a universal market. A product innovation that universalised supply and demand connectivity. And the supporting factor has been the robust supply chain management; it ensured seamless and agile stocking and supply globally.

It has also done localization of product and service portfolio even though the company is global. High intensity sales and marketing promotion characterize Amazon in whatever jurisdiction it operates. Bang and Olufsen is known for its acoustic purity that is the theme the brand theme.

Distinguishing its Danish product design and branding for Millennials and GenZ. Bang and Olufsen has positioned itself as a very young fresh and new brand although. It has been a long-standing company; it has always executed strongly in its core markets in various regions

of the world. It has also entered into strategic partnerships in various regions to amplify demand.

It has provided digital experiences to customers in sales and after sales support utilizing augmented reality. Best Buy as I said is one of the most striking consumer electronics retailer in the united states, it has always strived to be at the top of the retail chain in terms of electronics goods and it has overcome retail apocalypse that have occurred to various other retailers.

The most developed Omni channel customer experience is provided in its physical stores, it also has an online platform and an in-home service for all electronic and entertainment devices. What is distinguishing Best Buy is that it has on its floors? Most extensive, well-trained teams of tech geeks that is who understand how the products function and are able to relate the product and the consumer very effectively.

It also has membership program for customer loyalty and return for repeat purchases, it is a one stop solution with strong manufacturing visibility and product range support.

(Refer Slide Time: 09:19)


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Business Development Strategies and Corporate Success – 2



BMW, Higher in the High-End

- Perfecting the art of marketing its products higher than similar rivals
- Elite market segmentation strategy focusing on selling BMW, MINI, and Rolls Royce
- Strong brand equity comprising perceived quality, brand loyalty, brand awareness and brand associations
- Transition from product-centric model to customer-centric model, and ICE to EV



Caterpillar, Retaining the Dominance

- Strong brand positioning, demonstrating product strength and dominance
- Moving into infra-developing markets such as Japan, China and India
- Greater reliance on design and manufacture to express the marketing personality
- Ability to sustain market volatility and geographic uncertainties; managing recessionary headwinds from time to time



ClubMed, Pioneer's Preserve

- Niche position of pioneering all-inclusive travel holidays over the last 70 years
- New destinations and reaching out to untouched locations, around the world
- Contrarian investments in resort property in the Covid lockdown and low travel periods
- Ensuring that customers return by providing superior experience



BMW is higher in the high end of automobile market and industry; it has perfected the art of marketing its products higher than similar rivals. It has an elite market segmentation strategy which has focused on selling BMW, MINI and Rolls Royce. It also has strong brand equity comprising perceived quality, brand loyalty, brand awareness and brand associations.

It has also transited from a product centric model to a customer centric model and he is transiting very rapidly from internal combustion engine vehicle range to electric vehicle range and other clean energy options. Caterpillar is a very well known in the earth moving equipment range, it has retained the dominance all through the institutes in infrastructure development across the globe, it has a very strong brand positioning.

Although other competitors are there such as sterix caterpillar retains its overall dominance in the construction equipment. Portfolio, it has demonstrated time and again its product strength

and dominance. It also moved into infra developing markets such as Japan, China and India, it lays great reliance on design and manufacture to express the marketing personality.

Whenever somebody thinks of caterpillar the giant machines that it designs and manufactures immediately come to mind and it has relied on this iconic symbolism for expressing its marketing personality. It has the ability to sustain market volatility and geographic uncertainties; it has managed recessionary headwinds from time to time

ClubMed is a pioneer preserve in a manner of speaking. It has the niche position of pioneering all inclusive travel holidays over the last 70 years. It has consistently added new destinations and reached out to untouched locations around the world. It has also made contrarian investments in resort property even in the tough times of COVID lockdown and the low travel periods. It has ensured that customers return by providing superior experience for the guests and the customers.

(Refer Slide Time: 11:37)

Business Development Strategies and Corporate Success – 3



COSTCO

- Perfecting the supply chain logistics with store and parking space, warehouses and demand planning, adding newer dimensions such as curbside delivery
- Leveraging cost and pricing power to retain and grow mass customer base
- Leveraging technology to bring in young and women customers into the fold
- Entering new high potential geographies such as China

Disney

- A creative executive leadership committed to its inspiring entertainment vision
- Outstanding business organisation: Disney Parks, Experiences and Products, Disney Media and Entertainment Distribution, General Entertainment & Sports Content
- Three core principles: Organisational common purpose, Holistic understanding of customers, and Exceptional service as an investment rather than expense
- Disney Institute to train and develop leaders through feedback and insights

eBay

- Unique Zero Inventory multisided mediatory platform for buyers and sellers
- Digital backbone that optimally matches seller and buyer profiles and needs
- The only platform to offer a product-auction feature to both buyers and sellers in addition to buying products at a fixed price
- Outstanding customer experience in the form of money-back guarantee, Top Rated Seller program, SafeHarbor program and Verified Rights Owner Program.

Costco Wholesale is a perfect model of supply chain logistics with store and parking space, warehouses and demand planning and robust customer loyalty. It is the topmost membership driven wholesale retailer in the world, it has added new dimensions such as curbside delivery in recent times, it has leveraged its cost and pricing power to retain and grow mass customer base.

Contrasted to Walmart which has let us say hundred and 50000 SKUs. Costco has focused on a more modest number of 4000 SKUs, but has driven volumes in those SKUs and the focus on the lower number of SKUs together with the higher volumes meant that it has got the best cost position in negotiating with the suppliers.

It also has leveraged technology to bring in young and women customers into the fold; it also entered new high potential geographies such as China. Disney of course, needs no

introduction; it is a creative executive leadership that drives Disney to ever higher entertainment vision and entertainment execution.

It has got outstanding business organization, Disney Parks, experiences and products, Disney media and entertainment distribution, general entertainment and sports content. Disney as a company is committed to three core principles, organizational common purpose, holistic understanding of the customers and exceptional service as an investment rather than as an expense.

Disney also has an institute to train and develop leaders through feedback and insights. eBay, it has a unique zero inventory multi sided mediatory platform to enable buyers and sellers exchange and buy their products. It has a digital backbone that optimally matches seller and buyer profiles and needs, it has been the only platform to offer a product auction feature to both buyers and sellers in addition to buying product at a fixed price.

Outstanding customer experience in the form of money back guarantee, Top Rated Seller program, Safe Harbor program and Verified Rights Owner Program.

(Refer Slide Time: 14:05)


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Business Development Strategies and Corporate Success – 4



Electrolux

- Innovation focused on food and clothes experiences rather than on just refrigerators or washing machines
- Operational efficiency through digitalization, automation and modularization.
- Focus on metrics such as operating margin, return on net assets and capital turnover for a solid balance sheet that supports reinvestment
- Global leadership through strong brands, common across all the continents



Google

- A patented Search Engine that democratised information and connectivity on the Web, backed by a variety of Drive and Cloud options
- Getting deeper and deeper into consumer lives with Android, YouTube, Maps, Photos, Meet, and other applications
- Free information for consumers with innovative paid digital ads of sponsors
- An organisational ecosystem that enabled the Company push the envelope



Harley-Davidson

- A classic heritage global brand that remains contemporary and futuristic
- Building a passionate community of Harley-Davidson riders to amplify the brand as a ride experience
- A separate division to design and manufacture electric motorcycles
- Prioritised marketing and customer reach in 12 advanced markets across the globe covering US, Europe, China, Japan and ANZ



Electrolux is highly reputed in the white goods industry, it is innovation focused, it is focused on food and clothes experiences rather than on just refrigerator or washing machines. It does not see itself as a manufacturer of these white goods equipment, it is more thinking of itself as a food and cloths experience provider to the customers.

Operational efficiency is achieved through digitalization, automation and modularization. It has focused on metrics such as operating margin, return on net assets and capital turnover for a solid balance sheet that supports reinvestment. Although South Korean companies have come into the white goods industry in a big way Electrolux has been able to stay on its ground because of these factors.

It has strong brands, achieved global leadership and has been extending that global position across all the continents. Again, a name that needs no introduction Google very much part of

our day to day or even minute by minute life for every citizen today. It has patented search engine that democratized information and connectivity on the web and it is backed by a variety of drive and cloud options.

It is getting deeper and deeper into consumer lives with Android, YouTube, Maps, Photos Meet and other applications; it also provides free information for consumers with innovative paid digital ads of sponsors. Where at the same time it has designed such a digital network that what we do and what we think is taken by Google to feed us with more information and earn revenues.

As a result of that through its very unique advertisement program. An organizational ecosystem has been created by Google to enable the members push the envelope on a continuous basis of course, the parent company of Google alphabet is into a number of new horizon industries.

Harley Davidson is a classic heritage global motorcycle brand; it remains contemporary and futuristic even to date. It has been able to build a passionate community of Harley Davidson riders to amplify the brand as a right experience. It has a separate division to design and manufacture electric motorcycles.

It has prioritized marketing and consumer reach in 12 advanced markets across the globe covering US, Europe, China, Japan and ANZ. All of these things indicate that the company is poised to operate at the high end of the market despite the tremendous changes that are occurring in the two wheeler space.

(Refer Slide Time: 16:56)


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Business Development Strategies and Corporate Success – 5



Honda

- Extraordinarily innovative automobile company which was the earliest to globalise
- Autonomous localisation to align innovation to local customer needs, with a global brand that reflected innovation strongly
- The only global Japanese automobile manufacturer manufacturing two-wheelers and four-wheelers, for pan-consumer mobility needs
- Flexible factory architecture to meet a variety of customer needs efficiently



IKEA

- Elegant, minimalist Swedish designs that redefined furniture globally
- Design and manufacture that ensure material conservation and cost-effectiveness
- A franchise model that helped the Company reach many countries globally
- An unconventional business strategy that combined offline and online stores, self-assembly and partner assembly and saw synergy and consumer experience in big format stores and restaurant business



LEGO

LEGO

- The Danish pioneer of interlocking bricks that spelt great education for kids and elders alike
- A classic brand that fused the product and the brand seamlessly
- Lego bricks emphasise consistency, flexibility and adaptability, providing multi-generational customer experiences
- Lego adheres to Responsible Business Principles that reflect sincerity and commitment



Honda again a very innovative automobile company from Japan, it is extraordinarily innovative and was the earliest to globalize amongst the Japanese automobile companies. What it pursued was a strategy of autonomous localization as opposed to highly centralized localization which Toyota attempted.

It has been able to align innovation to local customer needs with a global brand that reflected innovation strongly; when its products entered India, they have been redesigned to meet the Indian operating conditions including the ground clearance and the power torque requirements.

It is also the only global Japanese automobile manufacturer that produces two wheelers and four wheelers for pan consumer mobility needs. No other Japanese automobile manufacturer manufactures two wheelers and four wheelers. It has a flexible factory architecture to meet a

variety of customer needs efficiently, it has also excelled in developing robots for own use as well as icons for a future that is going to unveil in later years.

IKEA is known for its furniture elegance it has minimalist Swedish designs, but redefined furniture globally, it has a design and manufacturing paradigm that ensures material conservation and cost effectiveness. It also has a franchise model that help the company reach many countries globally with lower level of cost commitment.

It has an unconventional business strategy that combined offline and online stores, self assembly and partner assembly and it has derived synergy and consumer experience in big format stores and restaurant business. Many people visit IKEA for the kind of food it offers its restaurants and happen to buy its furniture as well.

Lego is a Danish pioneer of interlocking bricks that spelt great education for kids and elders alike. In every home in the developed world Lego is common place, kids develop their fine motor skills by using a number of Lego play stuff and given the developments in stem.

Lego also has upgraded the game to enter into stem education with its classic brick format games it is a classic brand. therefore, it has fused the product and brand seamlessly. Lego breaks emphasize consistence, quality, flexibility and adaptability and our child safe they provide multi generational customer experiences.

Elders enjoy Lego bricks as much as children and it is one way in which the bonds are strengthened between the parents and the children as they play together with Lego bricks. Lego adheres to responsible business principles that reflect sincerity and commitment.

(Refer Slide Time: 20:00)

Business Development Strategies and Corporate Success – 6



McDonald's

- Franchising fast food drove rapid global expansion (35000+ stores in 120 countries)
- Consistency of food and service, cross-selling and 3D (Digital, Delivery and Drive Thru) helped maintain momentum; of late, adaptation to local ethnic tastes
- Flexibility to meet environmental, labour and other concerns
- Maximisation of marketing expenditure to further strengthen the already strong Golden Arches brand



FedEx

- Focus on value added logistics globally, from packaging and transportation to warehousing and delivery, serving both institutional and consumer segments
- Customisation to cater to multiple industrial global logistics needs
- Partnering with new generation businesses such as e-commerce and vaccines
- Extensive digitisation to ensure real-time navigation and tracking of packages globally



Procter & Gamble

- Developing innovative products that make everyday life easier for everyone
- Collaborating with innovators to supplement organic innovations and expand the product portfolio
- Investing in brand promotion, making brands become the second name for the products
- Executing highly visible corporate responsibility and community development programmes



McDonald's is very well known to the millennials and even to the non-millennials. It has succeeded by franchising fast food and it drove rapid global expansion 35000 stores or counting more in 120 countries. It has consistency of food and service cross selling and follows a 3D model which comprises digital, delivery and drive through.

These models helped maintain momentum for the company, it also enabled McDonald's adapt to local ethnic tastes. McDonald's has been having the flexibility to meet environmental, labor and other concerns in developing world, it has maximized marketing expenditure to further strengthen the already strong golden arches brand.

The transportation infrastructure the logistics backbone has been exemplified in the west by companies such as FedEx and UPS. FedEx focus on value added logistics globally from

packaging to warehousing and from manufacturing to delivery through transportation is legendary; it has served both institutional and consumer segments.

Companies such as FedEx and UPS have played a stellar role in distributing the vaccines all over the world during the COVID times. It does customization to cater to multiple industrial global logistic needs. It also partners with new generation businesses such as e commerce and vaccines.

As far as pharmaceutical industry is concerned FedEx and companies such as UPS follow good transportation practices which ensure that the pharmaceuticals are transported with the right conditions across the globe. Extensive digitization has helped FedEx to ensure real time navigation and tracking of packages globally.

Proctor and Gamble is another company that requires no introduction. Consistently it has developed innovative products that make everyday life easier for everyone and you look around your home you will find that there are at least two to three P and G products that help us have a better life from the shaving kits to the laundry detergents for washing machines you got everything in Proctor and Gamble product portfolio.

It collaborates with innovators to supplement organic innovations and expand the product portfolio. It is one of the companies which has invested very strongly in brand promotion, it has made its brands become the second name for the products many brands are probably known more than proctor and gamble as a company.

Executing highly visible corporate responsibility and community development programs, it has viewed itself into the local ethnic backgrounds.

(Refer Slide Time: 23:03)

Business Development Strategies and Corporate Success – 7



Samsung

- Once a low-tier manufacturing brand with cheap consumer perception, product innovation coupled with marketing excellence turned Samsung into a global brand
- Product diversification across the electronics and entertainment range in step with changing consumer profiles
- Globalisation with focus on revamped distribution and enhanced brand promotion
- Benchmarking against the best of best brands such as Sony for global leadership

Southwest Airlines

- A business model is based on extremely efficient operations, low-cost pricing, and innovative logistic solutions
- Customer-friendly flexibility in meeting customer needs (from reservation to cancellation) compared to other airlines
- Dedicated credit card and rewards programme for customer engagement

Starbucks

- Innovated the concept of a third place between home and work where people can relax or work enjoy over a cup of coffee while experiencing the inviting ambience
- "Taught the USA and the world how to drink coffee" is a refrain on Starbucks
- Casual and informal chats with customers to capture overall mood, understand experience with the store and gather valuable feedback.
- The classic experiential format globally positioned Starbucks as a global iconic brand

Then we have Samsung, it has been once a low tier manufacturing brand in South Korea there was a cheap customer perception about the company product innovation not very well known; however, the company changed course in the 80s and 90s and drove up acceleration in its innovation engine and that coupled with marketing excellence turned Samsung into a global brand.

It has diversified its product range amazingly well across the electronics and entertainment range in step with the changing consumer profiles in that process it has overtaken the Japanese giants such as Sony, Toshiba, Sharp and others. It has globalized in a manner of speaking with vengeance with focus on revamped distribution and enhanced brand promotion.

It has benchmarked itself against the best of best brands such as Sony. Global leadership there was a time when Sony had to source its flat panel screens from Samsung. Southwest Airlines has a business model that is based on extremely efficient operations, it has adopted low-cost pricing along with innovative logistics solutions as the bread and butter of its business model.

It had customer friendly flexibility in meeting the varying needs from reservation to cancellation compared to other airlines. Booking of airline tickets is a hassle, cancelling the tickets is even a greater financial hazard by simplifying this process and ensuring economics to the customers, Southwest Airlines has become a very customer friendly or a flyer friendly airlines.

Dedicated credit card and rewards programs for customer engagement has enhanced the brand loyalty even further. Starbucks innovated the concept of a third place between home and work where people can relax or work enjoying over a cup of coffee while experiencing the inviting ambience.

He taught the USA and the world how to drink coffee is refrain on Starbucks, incidentally it is a matter of pride that an Indian CEO is heading Starbucks. Now, it helps casual and informal chats with customers to capture overall mood, understand experience with the store and gather valuable feedback. The classic experiential format globally positioned Starbucks as a global iconic brand.

(Refer Slide Time: 25:46)

Business Development Strategies and Corporate Success – 8



Target

- Pioneered three store formats: discount, small, and hyper under one Target brand
- Has a brand management division that manages its own private label brands besides third party brands
- Established a network of warehouses across the nation to support its thousands of stores
- Consistently ranked as one of the most philanthropic companies in the US



Tesco

- Developed over the decades a model of a store for every need
- The value proposition is to provide customers with the products that they want at a low price, including through a virtual store for time-short commuters
- Pioneering of a new marketing paradigm, in which the process starts with the consumer and his or her needs, as opposed to with the product
- Early use of smartphones for seamless customer connectivity and experience



Toyota

- Ranked as one of the most consistently successful corporations in the world
- In the vanguard of product innovation and manufacturing excellence, including hybrids and clean energy automobile options
- Known for its dedication to customer satisfaction through quality and reliability
- Pioneer of the concept of mobility in Japan, offering the consumers freedom from the hassles of owning and maintaining a car



Then we have Target it has finite three store formats; discount, small and hyper under one singular Target brand. It has a brand management division that manages its own private label brands besides third-party brands. It has established a network of warehouses across the nation to support its thousands of stores. It is consistently ranked as one of the most philanthropic companies in the US.

Tesco is another company in the retail space; it has developed over the decades a model of a store for every need. The value proposition of Tesco is to provide customers with the products they want at a low price including through a virtual store for time short commuters. Pioneering of a new marketing paradigm in which the process starts with the consumer and his or her needs as opposed to with the product.

This is the mantra for every successful business development or strategic marketing, start your marketing paradigm with the consumer rather than with the product, look at the experience rather than the transaction. It has been a pioneer in the early use of Smartphone's for seamless customer connectivity and experience.

Toyota again needs no introduction, it is ranked as one of the most consistently successful corporations in the world, it has been in the vanguard of product innovation and manufacturing excellence including hybrids and clean energy automobile options. Its price has been a trendsetter in terms of its hybrid engine technology, it is known for its dedication to customer satisfaction through quality and reliability.

It is the pioneer of the concept of mobility in Japan offering the consumers freedom from the hassles of warning and maintaining a car. Very rarely a company develops a system that is universally adopted and it very rarely does a company offers its production know how on or manufacturing know how very unselfishly to all the companies in the world.

But this is what Toyota has done. Its Toyota production system is synonymous with the Japanese production system and has been enthusiastically embraced by several companies in the west including General Motors and Ford.

(Refer Slide Time: 28:14)

Business Development Strategies and Corporate Success – 9



Virgin Atlantic




- With a parent brand that had owned a music label and record stores, Virgin Atlantic used marketing and public relations to its advantage
- Richard Branson, the Group's enthusiastic and exuberant chairman's personality became the airline's personality
- Transformed from the initial attention-seeking behaviour to premium service
- Globalised with state-of-the-art aircraft and interiors, and focus on sustainability

Walmart



- Walmart's widely advertised mission statement and slogan: "We save people money so they can live better", and staying true to the stated purpose
- From barcode of the 1980s to AI of today, and with optimised store and warehouse planning Walmart leverages technology for advanced supply chain management
- Scale-driven partnerships with manufacturers for wide consumer choice
- Resilience and efficiency in the face of headwinds for offline physical retail

Whole Foods



- Unique team-based building of organisation that emphasises interdependence and collaboration
- Deploying technology for a data-driven supply chain delivery and customer experience coupled with collaboration with farmers
- A combination of generic and intensive growth strategies for business development
- Focus on the organic or natural characteristics of its products



Virgin Atlantic, it has a parent brand that owned a music label and record stores in the early years; however, Virgin Atlantic took off using marketing and public relations related to the virgin brand to its advantage. Richard Branson, the Group's enthusiastic and exuberant chairman had a personality that became the airlines personality.

But the airlines transformed itself from the initial what one may call attention seeking behavior to premium service. It has globalized with state-of-the-art aircraft and interiors and focused on sustainability. Walmart is the biggest store in the United States, it is a chain of stores in fact and it has extended itself generously into Latin America and various other countries.

Its widely advertised mission statement and slogan is as follows: We save people so that they can live better what else communicates better for a consumer wanting to save money, but at the same time have higher lifestyle and it has to stay true to the stated purpose.

From barcode of the 1890s to the artificial intelligence of today and with optimized store and warehouse planning Walmart leverages technology for advanced supply chain management. It has scale driven partnerships with manufacturers for wide consumer choice, it also offers resilience and efficiency in the face of headwinds for offline physical retail.

Whole foods was taken over by Amazon, why did it take over? Because it has got very strong capabilities in the brick-and-mortar businesses. It has a unique team-based building of the organization that emphasizes interdependence and collaboration. It has deployed technology in a very effective manner for a data driven supply chain delivery and customer experience.

And it has clubbed itself with farmers to be able to get the best possible produce and products for families. It is a combination of generic as well as intensive growth strategies for business development; it has focused more importantly on organic or natural characteristic of its products.

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Successful Large Product Businesses: Indian Examples

Many Indian firms have unique growth records because of consistent development of competencies in design, manufacture and marketing. Business strategy and business development characterise such companies.



 <p>Tata Motors is a diversified yet integrated company, with market leadership in commercial vehicles and among Top 3 in passenger cars and utility vehicles</p>	 <p>Tata Steel is India's largest private sector steel producer known for integrated development and manufacturing with national and global presence</p>
 <p>Asian Paints is the largest Indian paints company with significant international presence – a combination of product range, high capacity and creative marketing</p>	 <p>Dr Reddy's is India's top-ranking pharmaceutical corporation with deep R&D and manufacturing capabilities and extensive marketing forays in Indian and global markets</p>
 <p>Hindustan Unilever is the largest Indian MNC FMCG subsidiary known for the product range, manufacturing and marketing that are always ahead of the curve</p>	 <p>Maruti Suzuki is India's market leader in passenger cars which sustained its lead through Japanese product and manufacturing technologies and integrated sales, service and marketing</p>



So, when you look at these examples you will see several themes which are common in terms of product innovation, operational experience and operational excellence a legacy of customer service over decades and an ability to digitize themselves very successfully.

When you look at large product businesses in India you will find that the Indian companies also access in an exemplary manner. Many Indian firms have unique growth records because of the consistent development of competencies in design, manufacture and marketing. Business strategy and business development characterize such companies

Let us take the example of Tata Motors, it is a very diversified yet integrated company, it has market leadership in commercial vehicles and is among the top three in passenger cars and

utility vehicles. Tata Steel is India's largest private sector steel producer, it is known for integrated development and manufacture with national and global presence.

One of the most famous paint companies in this region of the world is Asian paints; it is the largest Indian paints company with significant international presence which we discussed in one of the earlier lectures. It has a combination of product range, high capacity and creative marketing.

Dr. Reddy's is a leading Indian pharmaceutical company, it is top ranking in terms of its pharmaceutical research as well as FDA standard manufacturing and its deep R and D and manufacturing capabilities as well as global marketing competencies helped Dr. Reddy's achieve a top five global generic status.

Hindustan Unilever is the largest Indian MNC, it is an FMCG company and is a subsidiary of Unilever known for the product range manufacturing and marketing in India that are always ahead of the curve many a times Hindustan Unilever is seen more as an Indian company than as a subsidiary of a multinational company.

Maruti Suzuki is India's market leader in passenger car manufacture and that lead has extended to the utility vehicles as well. It is the Japanese product and manufacturing capability that has translated itself to Maruti Suzuki in a seamless fashion, it also established role models in sales marketing and servicing of new generation automobiles. These six examples are examples of successful large product-based businesses in India.

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Successful Large Service Businesses: Indian Examples

India is home to several service companies which became behemoths by creative and business development.



 <p>HDFC is a large housing finance company which has pioneered housing finance by making its housing finance services accessible to all customers.</p>	 <p>Life Insurance Corporation of India (LIC) is India's largest life insurer in the public sector. Its huge network of branch offices and sales officers and agents brought business to LIC and created huge employment opportunities.</p>
 <p>State Bank of India (SBI) is India's largest public sector bank that has devised people-friendly banking products and services with the largest bank network across the length and breadth of India.</p>	 <p>Apollo Hospitals has been a pioneering healthcare chain of hospitals, clinics and pharmacies in India which won patient acceptance through world-class medical infrastructure.</p>
 <p>Engineers India Limited (EIL) is a public sector engineering & consultancy firm that has been ahead of the curve in terms of engineering complex projects in the oil, gas and energy sectors.</p>	 <p>Naukri.com is India's No. 1 Job Website. It pioneered digital democratisation of employment and career opportunities for the vast multitudes of job seekers.</p>



Let us look at large services businesses in India. India is home to several service companies which became large behemoths by creative and business development. HDFC is a large housing finance company which has pioneered housing finance in India and it made housing finance services accessible to all customers.

HDFC along with its twin HDFC bank dominate the BFSIS space with several of the subsidiaries supplementing the core companies HDFC and HDFC bank and now they are poised to merge and become one of the largest banking corporations and house finance corporations in an integrated manner in the country.

Life Insurance Corporation is India's largest Life Insurance Company in the public sector. Its huge network of branch offices and sales offices and agents is incomparable and it brought business to LIC and created huge employment opportunities. State Bank of India is India's

largest public sector bank. It has devised several people friendly banking products and services; it has the largest bank network across the length and breadth of India.

Through its probation officer scheme, it is very much known for developing talent ground up and invariably the top echelons of state bank of India are always home grown and come from the ranks of the preparation officer leadership bench that joins early in the bank up to their education and passing through the competitive examinations.

Apollo hospitals has been a pioneering healthcare chain of hospitals clinics and pharmacies in India. I talked about Apollo hospitals while demonstrating the business development template in an earlier lecture. It has one patient acceptance through world class medical infrastructure; it has in fact pioneered medical tourism into India.

Engineers India Limited is a public sector engineering consultancy firm, it has been ahead of the curve in terms of engineering complex projects in the oil, gas and energy sector. In the private sector an employment portal was something which was unique in the times employment news was the sole agency to provide employment opportunities for the youth.

But naukri dot com blazed itself into the employment arena by becoming the number 1 job website. It pioneered digital democratization of employment and career opportunities for the vast multitudes of job seekers in India.

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Successful Large Businesses: Indian Examples – 1

Large businesses become what they are by constantly developing new business avenues, through specific initiatives.



 <p>Adani Wilmar is the joint venture between Adani Group and Wilmar of Singapore. Through organic growth, joint ventures and acquisitions, Adani Wilmar has catapulted itself to the top rung of edible oil industry and other FMCG.</p>	 <p>Indian Oil Corporation is the largest central government public sector company in India in the oil refining and marketing company. The company has grown organically with an extensive refining and national oil station network.</p>
 <p>Starting as a joint venture with TIDCO, Titan quickly achieved a pole position in indigenous watch manufacture. Subsequently, it has diversified into branded jewellery through its Tanishq business unit, and into smartwatches, sarees etc.,</p>	 <p>Indian Railway Catering and Tourism is an Indian public sector undertaking that undertakes catering and tourism services for the Indian Railways. It has emerged as a highly successful digital services corporation.</p>
 <p>ITC, which started over a century ago in the cigarettes and tobacco business, is now a highly diversified conglomerate with a strong presence in FMCG, hotels, papers and paperboard, agrifoods and information technology</p>	 <p>GAIL is an Indian public sector corporation with pioneering interests and strengths in natural gas, liquefied hydrocarbon, liquefied petroleum gas transmission, city gas transmission, and more recently renewable energy.</p>



When you look at the businesses they can be seen as large businesses, medium businesses as well as small businesses. Let us look at some successful large businesses in India and try to understand how they shape their business development over time. Large businesses invariably become what they are by constantly developing new business avenues and they take specific initiatives for that.

Adani Wilmar an FMCG company with about 70 percent of its portfolio being focused on edible oils and another 30 percentage on FMCG products such as wheat flour, salt, sugar and various other products. It is a joint venture between Adani Group and Wilmar of Singapore through organic growth joint ventures and acquisitions.

Adani Wilmar has catapulted itself to the top rank of edible oil industry and other FMCG, it has had one of the most successful public issues in recent times. Titan needs no introduction,

it started as a joint venture with TIDCO and Titan quickly achieved a pole position indigenous watch manufacture.

Subsequently it has diversified itself into branded jewellery through its Tanishq business unit and into smart watches, sarees, fashion accessories etcetera. ITC is a conglomerate, but it started its life as imperial tobacco company over a century ago manufacturing cigarettes and developing the tobacco business to support the cigarette manufacture.

But it has moved away from its concentration on the cigarettes and tobacco, it is now a highly diversified conglomerate with a strong presence in FMCG, hotels, papers and paperboard, agrifoods and information technology. Much of the diversification can be owe to its longest serving chairman Y C Deveshwar who felt that business must have a socio-economic purpose.

Indian Oil Corporation is the largest central government public sector company in the oil refining and marketing field. The company has grown organically with an extensive refining and national oil station network, it is also now poised to enter the green energy, green hydrogen businesses in a strong way.


IRCTC is a very unique experiment of Indian railways that has blossomed into a highly valuable digital ticketing service. IRCTC is a public sector undertaking, but it is almost like private sector it undertakes ticketing, catering and tourism services for the Indian railways. It is a highly successful digital service corporation and it has had a glorious listing over last several years.







Gas Authority of India Limited or GAIL for short is an Indian public sector cooperation it has pioneering interests and strengths in natural gas, liquefied hydrocarbon, liquefied petrol gas transmission, city gas transmission and more recently renewable energy. When everybody was focused on oil exploration and drilling GAIL focused on development of gas reserves and gas transportation, today gas is considered a clean option to crude.


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Successful Large Businesses: Indian Examples – 2

Large businesses which combine systematic business development with new business innovation grow consistently.



 <p>Larsen & Toubro is a diversified construction and infrastructure giant that is reputed globally for its construction technologies and infrastructure building. It has formidable iconic facilities, highways, and metro rails to its credit.</p>	 <p>UltraTech is the largest manufacturer of cement in India. It is the only company in the world to have a capacity of over 100 MT in a single country, outside of China. In recent times, it grew aggressively through big ticket acquisitions.</p>
 <p>TTK Prestige is a pioneering manufacturer of kitchen appliances and cookware in India. It is known for its innovative marketing strategy, be it distributing pamphlets from helicopter in the 50s or introducing the exchange schemes.</p>	 <p>Amul is a pioneering cooperative movement of thousands of dairy farmers in India, that made India the world's largest producer of milk and milk products. It has also set new benchmarks in branding and marketing.</p>
 <p>Reliance Jio Infocomm Limited is a subsidiary of Reliance Industries Limited which became a dominant force in the Indian telecommunications space in no time. Jio is now spearheading India's move into 5G and low-cost smart devices.</p>	 <p>Indigo is India's largest airliner. With its focus as a low-cost airliner with well-maintained aircraft, a commitment to clean service and punctual operation, Indigo demonstrated how operational excellence could lead to business excellence.</p>



Few other examples of large businesses in India, they continue to combine systematic business development with new business innovation and therefore, they are able to grow consistently. Larsen and Toubro I referred to the company earlier too is a diversified construction and infrastructure giant that is reputed globally for its construction technologies and infrastructure building.

It has formidable iconic facilities, highways and metro rails to its credit all over India and also in certain overseas locations. TTK Prestige again mentioned earlier is a pioneering manufacturer of kitchen appliances and cookware in India, it is known for its innovative marketing strategy, indigenous development of products.

And it has been pioneered in distributing pamphlets from helicopter in the 50s for catching the consumer attention and it has also introduced several interesting and beneficial exchange

schemes for the consumers. Reliance Jio Infocomm Limited is a subsidiary of Reliance Industries Limited.

It became a dominant force in the Indian telecommunication space in no time. Jio is now spearheading India's move into 5G and low cost smart devices. UltraTech is the largest cement company in India followed closely of course, by Adani cement after its acquisition of ACC and Ambuja cements.

UltraTech is the company that has over 100 metric tons of capacity in a single country outside of China. In recent times it grew aggressively through big ticket acquisitions it belongs to the Adhity Birla Group. Amul which has the tag like taste of India is indeed identified with the Indian psyche very closely.

It is a pioneering cooperative movement of thousands of dairy farmers in India that made India the world's largest producer of milk and milk products. Amul's head group is credited with ushering in India's white revolution; it has also set new benchmarks in branding and marketing.

Indigo is India's largest airliner with its focus as a low-cost airliner with well maintained aircraft with well maintained aircraft a commitment to clean service and punctual operation indigo demonstrated how operational excellence could be the sole driver of business excellence and business development.

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Successful Start-up Businesses: Indian Examples

Start-ups, by definition, lay new business paths by developing creative products and solutions for customers.



Flipkart became the poster boy of the Indian start-up movement by becoming India's homegrown e-commerce platform that attracted a takeover by Walmart eventually.



Nykaa is stated to be India's only consistently profitable digital fashion platform with a woman founder-CEO at the helm. Nykaa recently went through a successful IPO.



BYJU'S
The Learning App

Byju's revolutionised India's online education ecosystem, growing by leaps and bounds during the Covid pandemic times. After acquiring Aakash, a physical coaching network, Byju's is setting up its offline centres too.



zomato

Zomato was initially set up as a restaurant and dining review and rating service. It quickly moved to emerge as the biggest food delivery company in India. Recently it went through a large IPO.



bigbasket

Big Basket, revolutionised grocery delivery in India through its exceptional digital ordering and sourcing and delivery infrastructure. It has now become a Tata Group company.



OLA

Ola, pioneered on mass scale in India, ride handling services on the lines of Uber globally. Ola also moved into certain international markets. Ola also has set up a subsidiary for manufacture of electric two-wheelers.



Successful business development is not confined to only mainstream companies or large companies' start-ups too can have successful business development. Start-ups by definition of course, lay new business paths by developing, creative, products and solutions for customers yet they must follow a particular pathway of business development for them to be successful.

Flipkart became the poster boy of the Indian start-up movement by becoming India's homegrown ecommerce platform and so much so it attracted a takeover by Walmart eventually. Byjus revolutionized online education in India, it has grown by leaps and bounds during the COVID pandemic times although after the opening up of colleges for physical classes.

It has encountered its hiccups it has also encountered such hiccups mainly because of the aggressive acquisitions it has undertaken during the heydays. After acquiring Aakash a

physical coaching network Byjus is setting up its own offline centers to given the changing circumstances.

Big Basket is a leader in grocery delivery it is a digital company which has revolutionized grocery delivery in India through its exceptional, ordering and sourcing as well as delivery infrastructure. It has now become a Tata Group company and it has now two types of grocery service; one we deliver which delivers in 30 minutes and the other which delivers as per the choice with 42 hour span.

Nyka is a fashion company, it is stated to be India's only consistently profitable digital fashion platform, it has a woman founder CEO at the helm. Nyka recently went through a successful IPO. Zomato was initially set up as a restaurant and dining review and rating service again a model which I referred to in the earlier lecture, but it has emerged as the biggest food delivery company in India recently it went through a large IPO.

Ola has pioneered the red handling services on a mass scale in India on the lines of Uber globally. Ola also moved into the manufacture of electric vehicles, it has set up a subsidiary for manufacture of electric two wheelers which it promises would be the largest in the world. It has also taken up its taxi services in certain international markets as well.

Ola now tries to extend its frontier even more audaciously and even more ambitiously; it has announced the plans for manufacturing electric cars and also its own batteries. When you look at these start-ups Nyka, Zomato or companies which have enlisted themselves on the stock exchanges and their performance has not been too good.

Because, they continue to make very marginal profits or outright classes and the investors want a stable business model. So, successful business development for start-ups cannot be confined only to an expansive market presence or extensive market share gains.

Successful business development should be sustainable through appropriate revenue and profit models which assure a measure of internal generation of cash resources along with the funding by the investors.

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The Common Factors

The firms presented earlier are characterised by strengths in business development. They have some common features as presented below. Companies derive their strengths functionally, with a holistic business management.

Technological Innovation	Creative Business Strategy	Unique Business Model
Core Functional Strengths	High Performance Organisation	Customer Connect
Operational Excellence	Financial Standing	Quality Focus



When you look at all the firms, we have some common factors that we can delineate in respect of business development. Companies derive their strengths functionally, but also with a holistic business management. Technological innovation is the prime driver of business success.

But that has to be within the ambit of a creative business strategy and a unique business model. The business strategy and business model have to be unique not only to the industry,

but more importantly to the company's competitive position. The companies must exhibit core functional strengths.

A company need not be 10 over 10 on all the functional parameters, but certainly it must rank high 8 to 10 on all the functional strings and b 10 by 10 in certain core competencies. High performance organization is the landmark of successful business development and all companies will and must score on customer connect if they have to be seen as successful developers of businesses.

Operational excellence goes without saying as the prime driver for meeting volume throughput needs as well as for cost effectiveness of the products. Financial starting is very much important nothing like generating your own cash and putting it for strategic investments.

But ability to raise extra cash through its business model attracting private equity and other investors or retail investors is a perfectly all right strategy. As long as the business model does not depend only on such sources business model must be on a combination of internal generation of cash as well as external resources coming in at appropriate valuations.

And every business development that is successful is based on a quality paradigm that is top notch. Therefore, quality focus cannot be diluted in the pursuit of business these are the common factors that characterize each and every business that has been successful in terms of its business development whether in India or on a global scale.

So, with this we come to the end of this lecture, I hope you have had a good review of several successful businesses in the world as well as in India and in different formats and from different industries conglomerates, large corporations, mega corporations, medium companies, public sector undertakings, private sector undertakings, start-ups all of these things share the common factors that I have enlisted in the previous slide.

And we must keep that in mind as we pursue our program through other lectures in this business development course.

Thank you I hope to see you in the next lecture.