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AWARENESS ON NICHE MARKETING AMONG PEOPLE IN CHENNAI REGION

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Abstract

This study focus on niche marketing which is a growing segment in the field of marketing. Numerous businesses all around the world have used niche marketing to great effect. Despite the subject's growing popularity and attention, there doesn't seem to be any research on it. Despite the fact that a number of publications have been published in this field, they are mostly from the perspective of practitioners. In some marketing textbooks, under the broad headings of "segmentation" or "positioning," research articles appear to be restricted to certain generic definitions and succinct explanations. This study analyses the level of awareness among people about niche marketing in the region of Chennai. Following this investigation, a quantitative research methodology is applied. Both primary and secondary data were used in this investigation. Primary data were gathered via structured questionnaires that were sent to respondents prior to in-depth interviews. The data was statistically analysed using SPSS.

Keywords: *Niche Marketing Strategy, market share, uniqueness, knowledge, customers.*

Introduction

The definition of niche marketing is directing all marketing efforts on a certain, well-defined demographic segment. The concept of a "niche" does not actually exist; rather, it is produced by clever marketing strategies and determining what the target audience

wants .A marketing strategy used to target a particular, distinctive market sector is called niche marketing. When a corporation recognizes what the consumer needs and then tries to provide a better solution to a problem that was not previously offered by other companies, it

may discover what the customer wants, which is frequently how niche markets are developed. A niche market comprises a particular target demographic and a specialized offering, not necessarily a tiny market. By doing this, the business gains market dominance and makes it possible for other businesses to enter that specific market. For instance, there are many movie theatres in India, but only a small number of them provide reclining chairs. Not everyone wants to see a movie for five to six times the regular ticket price. As a result, the target market is significantly different, and the hall is only open where the corporation believes it can reach the target market, particularly in upscale neighborhood. The benefits of specialty marketing are numerous. One advantage of a niche market is that there is little to no competition in that industry. The business essentially controls the market and has a monopoly on prices. Another advantage is the firm's solid customer relationships. Because the company serves a limited market, this strengthens the bond between the brand and the company, which is essential for retaining consumers. Niche firms sometimes have substantial profit margins. Customers are willing to spend a little bit more since they can only obtain that service from that business or under its brand.

We gain from cost savings and increased productivity when your business offers particular goods and services as opposed to a broad range of options. Additionally, you'll get a competitive advantage over opponents that are generalist's .Businesses that choose to target a certain niche market draw in more

clients to their goods and services. Let's examine a few advantages of working in a specialized market. In its most basic form, niche marketing refers to a certain segment of the target market's demographics. For instance, there may be many sectors related to the same market for shoes. Shoes for parties, the office, ladies, men, or casual wear are a few examples of footwear. These are all examples of niche markets, and each market is defined and segmented to cater to the unique demands and tastes of its customers.

Niche Marketing Strategy

In a niche market strategy, there are a lot of prospective customers who are diverse, geographically dispersed, and have different income levels, social statuses, and educational backgrounds. Naturally, many businesses create goods or services that appeal to a broad market or are meant to win over a huge number of customers; this type of activity is known as mass marketing. Many believe that targeting the mass market in any product category is advantageous since the market is so large and that obtaining three to five percent of the market would be adequate to operate the firm economically. However, given the scale of the market, there may be several competitors, each with unique strengths and shortcomings, making it difficult to compare them. Specialized marketing plan Producers frequently have to make significant decisions regarding the future course of their business activity in response to market, business, or personal events. Companies must always come up with fresh, original strategies to draw in and keep consumers because of the ever evolving requirements of their clients and

the fierce competition they face. In the era of diversity, marketing requires "changing company structures as large corporations continue to become niche marketers in order to compete with smaller niche players who are experts in their markets."

Scope of the Study

Niche marketing is a developing segment and new segment in marketing. This new segment gives a lot of scope for research and market analysis and it gives a scope to have consumer awareness.

Objective of the Study

1. To examine the awareness among people about niche marketing in Chennai region.
2. To examine whether which gender shows most preference towards niche marketing.

Methodology

This study uses both primary and secondary data for the purpose of research. The data was collected through questionnaire and respondents were send link with few questions and it was a simple random sampling and a data among 75 samples were collected. The collected data is analyzed and interpreted with SPSS package for findings and interpretation .This study used STPSS package for the data analysis and they bused various tools like T-test, descriptive, frequencies, pie charts etc for the respondents. The data was collected from journals, articles, newspapers, company's reports and profit and loss statement, internet, books etc.

Limitation of the Study

This study is limited to the people of Chennai region and due to time and cost the data was collected only from few

respondents and this result cannot be universally implied. The consumer perception may change in accordance with time.

Review of Literature

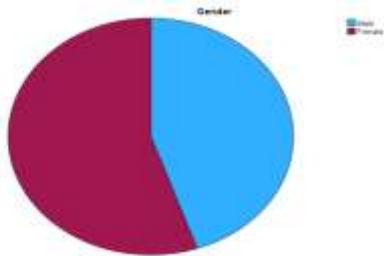
Toften, K., & Hammervoll, T. (2007) The authors go on to say that one way to conceive of niche marketing is to divide typical markets into smaller segments before developing unique marketing strategies for each of these niches. According to the literature, niche marketing is generally a defensive tactic that works best when a company can put in place a strategic plan to lessen market rivalry. A company's segmentation, targeting, and positioning decisions (STP process) at the level of the Strategic Business Unit determine its marketing strategy.

Parrish, E. D., Cassill, N. L., & Oxenham, W. (2006b). The authors by segmenting and targeting the market, businesses may identify their niche and improve their design, pricing, and communication to appeal to their target audience. They can also better imitate their competitors' marketing strategies. Businesses that target certain demographic groups or subgroups with their products will stand out and be more skillful because they have a better understanding of the needs and preferences of their target market. Focus marketing, target marketing, focused marketing, and regional marketing are all terms used to describe niche marketing.

Fazal Akbar , Abdul Omar, Fazli Wadood (2017) The foundation of this essay is the idea that it's critical to comprehend what niche marketing is, what

its components are, and what makes a successful niche marketing plan. Segmentation and positioning are key components of a successful niche marketing strategy. The primary goals of niche marketing are profitability, adherence to the marketing idea, relationship marketing techniques, and reputation development for the business based on long-term mutual benefit with its clients. In order to compete effectively in marketplaces controlled by much larger organizations, small businesses must adopt these concepts and turn become guerrilla marketers.

Dr. Shweta Choudhary (2014) The submarket where certain items are offered is referred to as a niche market. More specifically, niche marketing refers to a small market area where goods with unique selling points thrive. Sports networks that target a certain group of sports fans include ESPN, Star Sports, Fox Sports, and Star Cricket. The core idea behind niche marketing is "Big fish in small ponds." The marketer can provide services in a more specialized way and establish a monopoly by focusing on a particular market. Umesh and Krupa Rao (2018) Niche marketing may be used in a variety of contexts, including a range



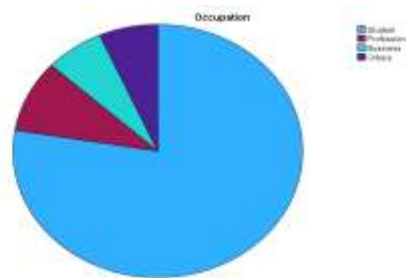
of sectors, businesses of varying sizes, local and foreign markets, and new and established markets. Additionally, it appears that the utilisation of specialization, relationship marketing, establishing internal dynamic opacities, and erecting protective barriers are necessary for successful niche marketing.

The risk of losing control of the distribution channel, declining niche demand, recruiting big rivals, and maintaining the sustainability of the niche were the final possible issues with pursuing niche marketing.

Research Gap

The past and previous papers are more generalized and have an international perspective about Niche Marketing and its scope and strategies. This paper is more specified and mainly talks about awareness and this study is only limited to population of Chennai region.

Data Analysis and Interpretation



From the above charts we can come to conclusion that most of the people have visited the luxury brands but only few of them own it

Gender * Do you own any luxury brand product? Cross tabulation	
Count	

		Do you own any luxury brand product?		
		Yes	No	Total
Gender	Male	26	8	34
	Female	26	16	42
Total		52	24	76

The respondents who have answered have visited and own luxury products this shows the purchasing power of the students and it is mostly to be because of the income of the parents since they are dependent on them. Both male and female population both own luxury products equally.

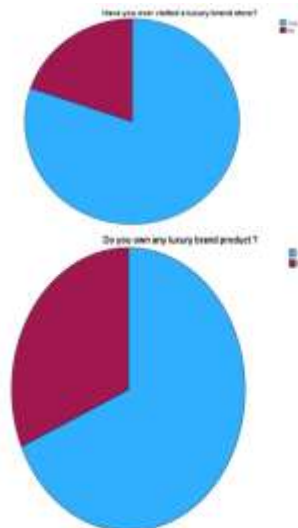
The above pie charts show demographic data for age, occupation, gender and annual income of the respondents. We can notice that the below 25 years have answered the most in the research and the other groups have less representation. The respondents participated are mostly students and others are very less. So we can interpret students below 25 years have participated more in this survey. The female and male population is equal and since the most respondents are students their income is nil or zero. These studies focus on female and male population of students below 25 years with no income the most.

Are you aware of luxury brands like Nike, Dior, Audi, etc?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	70	92.1	92.1	92.1
	No	6	7.9	7.9	100.0
	Total	76	100.0	100.0	

The respondents have heard about the luxury brands and most of them know the famous brands and have brand knowledge.

Whom have you seen using these brands?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Influencers, celebrities	16	21.1	21.1	21.1
	Family and friends	25	32.9	32.9	53.9
	Business men and politicians	6	7.9	7.9	61.8
	Option a and b	29	38.2	38.2	100.0
	Total	76	100.0	100.0	

The above table shows that shows that 38 % of respondents seen celebrities and influencers and family used these brands. This shows how people are influenced by those groups of people.



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Cross Tabulation to Check Which Gender Is More Properly Aware

A set of questions were ask to the respondents to check if they have proper awareness about niche marketing and to check which gender is more aware about it .It had right and wrong answer to make them choose the best option for the question.

Gender * What is an example of luxury products from the below option.						
		What is an example of luxury products from the below option.				Total
		burger	basic shoes	pet spa	sedan car with special features	
Gender	Male	1	7	4	22	34
	Female	1	4	6	31	42
Total		2	11	10	53	76

Gender * What are the reasons for niche brands being indifferent in market?		
What are the reasons for niche brands being indifferent in market?		Total

		they want to target only one segment	they dont have money to invest	they want to save up in marketing	none of the above	Total
Gender	Male	18	5	6	5	34
	Female	27	2	3	10	42
Total		45	7	9	15	76

Are you aware about niche or luxury brand marketing?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	49	64.5	64.5	64.5
	No	18	23.7	23.7	88.2
	Maybe	9	11.8	11.8	100.0
	Total	76	100.0	100.0	

From above two tables we understand that respondents are aware about niche products and the marketing strategy which is grow in very fast in the market .More than half o the respondents are aware about it and has been educated about it .

Gender * Best explanation of niche marketing.						
		Best explanation of niche marketing.				Total
		market for niches	developing segment of market	a market for very specific products	developing a very small segment of market directed towards a small groups committed buyers	
Gender	Male	7	8	15	4	34
	Female	4	20	13	5	42
Total		11	28	28	9	76

From all the answer given from respondents we understand omen are more

properly aware about the niche marketing than men by few percentage because of them spending more or many more reasons can be given but more of less men also are aware and only few of the respondents have given wrong answers which shows men knowledge is also more of less same as women population.

T-Test:

Independent Samples Effect Sizes					
		Standardizer ^a	Point Estimate	95% Confidence Interval	
				Lower	Upper
Niche brands target, only few people .	Cohen's d	.787	1.079	.144	2.005
	Hedges' correction	.797	1.066	.142	1.982
	Glass's delta	.837	1.015	-.158	2.114
Niche brands have a specialized market place which are indifferent in market .	Cohen's d	.777	.692	-.230	1.609
	Hedges' correction	.786	.684	-.227	1.590
	Glass's delta	.837	.643	-.396	1.620
People buy these products because they get influenced and intimidated to buy .	Cohen's d	.941	.749	-.175	1.667
	Hedges' correction	.952	.740	-.173	1.647
	Glass's delta	.707	.997	-.169	2.089
Niche products elevate standard of living .	Cohen's d	.894	-.198	-1.110	.715
	Hedges' correction	.904	-.196	-1.097	.707
	Glass's delta	.837	-.212	-1.122	.723
Niche products	Cohen's d	.850	.339	-.576	1.252

quality and experience is worth spending on it .	Hedges' correction	.861	.335	-.569	1.237
	Glass's delta	.548	.527	-.478	1.477
Investing in niche products will give a longer lifespan and efficient usage	Cohen's d	.870	.124	-.788	1.036
	Hedges' correction	.880	.123	-.779	1.024
	Glass's delta	.548	.198	-.735	1.107
People willing to spend for luxury experience by using it.	Cohen's d	.882	.007	-.904	.919
	Hedges' correction	.892	.007	-.894	.908
	Glass's delta	.894	.007	-.905	.919
Niche brands are highly profit-making	Cohen's d	.935	.396	-.520	1.309
	Hedges' correction	.946	.391	-.514	1.293
	Glass's delta	.548	.676	-.373	1.662
Niche marketing focuses on a few people targeted and have a aim to create brand value.	Cohen's d	.811	.680	-.242	1.596
	Hedges' correction	.820	.672	-.240	1.577
	Glass's delta	.548	1.006	-.164	2.101
It is worth investing money on niche products for the price sold .	Cohen's d	.924	.500	-.417	1.414
	Hedges' correction	.935	.495	-.412	1.398
	Glass's delta	1.095	.422	-.555	1.354

a. The denominator used in estimating the effect sizes.
Cohen's d uses the pooled standard deviation.
Hedges' correction uses the pooled standard deviation, plus a correction factor.
Glass's delta uses the sample standard deviation of the control group.

There is no significant relationship between the age groups of the respondent

with regard to the opinions about the niche marketing, since P value is greater than 0.05. Hence the null hypothesis is accepted at 5% level with regard to the opinions of niche marketing

Conclusion

Niche marketing it a concept was only one segment of audience is focused and it uses targeting marketing, product positioning and market segmentation to focus on the audience and they use demographic features to target mainly income and status of the audience. The research conducted shows there is awareness about the niche marketing among the people of Chennai region and women are slightly more aware and this shows the respondents are educated and have adequate knowledge about the marketing strategies.

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