

ALI KHURSHED AHMAD  
Assistant Professor  
Accurate Education & Research Society, Greater Noida

GAURAV GUPTA  
Assistant Professor  
GI. Bala, Institute of Management & Research, Greater Noida

## Contemporary Relevance of the Marketing Warfare Concept

### ABSTRACT

**Marketing** is the process of performing market research, selling products and/or services to customers and promoting them via advertising to further enhance sales. It generates the strategy that underlies sales techniques, business communication, and business developments. (Kotler, Philip; Gary Armstrong, Veronica Wong, John Saunders (2008)

In the same vein, and of the several strategies that marketers may use to compete effectively against their competitors and get the best out of their market, an interesting strategy to compete is that of 'Marketing Warfare.'

In their bestseller 'Marketing Warfare', noted authors Al Ries and Jack Trout argue that marketing is nothing but war and that the marketing concept's **customer-oriented** philosophy is inadequate in the contemporary marketing age. Rather, firms would do better by becoming **competitor-oriented**. If the key to success were to introduce products closest to those wanted by customers, then the market leader simply would be the firm that performed the best market research.

### Introduction

"The statesman who, seeing war inevitable, hesitates to strike first, is guilty of a crime against his country" *Karl von Clausewitz*

The domain of Marketing as a full-fledged academic discipline has been on the scene since less than 100 years. Compared to it, military strategy and defense warfare had developed almost since the start of mankind itself, primarily as life and death struggles over the basic necessities of life in the early days and later on during the struggles for power. Theorists have placed the origin of military warfare and strategy applications to be at least 3000 years old.

In the 1980s, business strategists realized that there was a vast knowledge base stretching back thousands of years that they had barely examined. They turned to military strategy for guidance. Famous Military Strategy titles like Sun Tzu's 'The Art of War', Von Clausewitz's 'On War' and 'The Little Red Book' by Mao Zedong went on to become highly researched business case books.

Hence, it was felt that the various concepts related to Military Warfare had developed in much finer detail than their Marketing counterpart. It is here that the strategists in the field of marketing thought of converging the principles of military warfare with the world of marketing and arrived at the concept becoming increasing popular since its advent - 'The concept of Marketing Warfare.'

Consequently, the concept and strategy of Marketing has since then been constantly interspersing itself with the strategy of war and the same has yielded excellent results as well. Hence, the same 4 Ps, i.e., Product, Price, Place and Promotion with the addition of the 3 more Ps of Service marketing:

People, Process and Physical Evidence have all been benefitting immensely with the principles and practices of the concept of Marketing Warfare.

The neck-breaking pace of changes in the contemporary business environment and the blurring rate of developments and competition, the concept of Marketing Warfare has been gathering more steam.

### WHAT IS 'MARKETING WARFARE?'

Marketing battles are fought not in the battleground but inside the mind. The mind becomes its battleground. And it is a terrain that is tricky and difficult to understand. The entire Marketing Warfare battleground is just 6 inches wide. This is where the marketing war takes place.

A marketing war is a totally intellectual war with a battleground that no one has ever seen. It can only be imagined in the mind, which makes marketing warfare one of the most difficult disciplines to learn. The True nature of marketing today is not just serving the customer,; it is outwitting, outflanking, out-fighting your competitors. (Ries and Trout, 2006)

Historically speaking, Marketing Warfare is a concept invented and introduced during the 1980s. Philip Kotler was one of the first few people to link business and marketing with military warfare followed by J.B. Quinn. In the year 1984, Barrie James came with his book 'Business War Games' which was succeeded by the actual bible on the concept of Marketing Warfare by the same name jointly authored by Al Ries and Jack Trout in 1986 which has released over 2 dozen editions already which speaks volumes of the success and relevance of the concept in today's marketplace.

In their hugely popular book – 'Marketing Warfare', Al Ries and Jack Trout emphasized that the concept of Marketing Warfare is an attempt to apply successful Military Strategy to various Marketing situations. Ries and Trout use examples of successes and failures of everyday products to help the reader internalize the principles and develop an intuitive feel for them.

"Effective strategy first probes and withdraws to determine opponents' strengths, forces opponents to stretch their commitments, then concentrates resources, attacks a clear exposure, overwhelms a selected market segment, builds a bridgehead in that market, and then regroups and expands from that base to dominate a wider field." (Quinn J., 1980)

Contemporary business has been arguably stated to operate on a zero-sum game rule in context of mature and low-growth markets and when the

Gross Domestic Product (GDP) growth is low or negative. It is assumed that one person's gain would happen ONLY at the expense of the other person suffering a loss. Market share is looked upon as a pie of which each of the competitors strives to achieve the maximum share, hence leaving that much of a lesser share for their competitor. Peaceful co-existence in the business market is ruled out and the concept declares that if a company has to survive, it better be at war with its competitor in terms of its marketing strategy.

### FUNDAMENTAL PRINCIPLES OF WARFARE

The fundamental principles of any warfare have been stated to be the following five:

#### i) **The Principle of Force**

*"The art of war with a numerically inferior army consists in always having larger forces than the enemy at the point which is to be attacked or defended."*

-Napoleon

*"The greatest possible number of troops should be brought into action at the decisive point."*

-Karl von Clausewitz

#### ii) **The Superiority of the Defense**

*"The defensive form of war is in itself stronger than the offense."*

-Karl von Clausewitz

*"In theory, surprise promises a great deal. In practice, it generally strikes fast by the friction of the whole machine."*

-Karl von Clausewitz

#### iii) **The New Era of Competition**

*"Some statesman and generals try to avoid the decisive battle. History has destroyed this illusion."*

-Karl von Clausewitz

#### iv) **The Nature of the Battleground**

*"It is from the character of our adversary's position that we can draw conclusions as to his designs and will therefore act accordingly."*

-Karl von Clausewitz

#### v) **The Strategic Square**

*"The first, the supreme, the most far-reaching act of judgment that the statesman and commander have to make is to establish the kind of war on which they are embarking; neither mistaking it for, nor trying to turn it into something that is alien to its nature."*

-Karl von Clausewitz

It is on the basis of these five parameters that it can be deduced how successful and intense the nature of warfare is in any specific case. The

same key warfare principles can be applied to some of the most raging contemporary marketing warfare examples in the current scenario to understand the nature of their war with their respective competitors and its projected results.

### The Strategic Square

Marketing strategy is a process that allows an organization to concentrate its limited resources on the greatest opportunities to increase sales and achieve a sustainable competitive advantage (Baker, Michael 2008).

Marketing strategies may differ depending on the unique situation of the individual business. Marketing participants often employ strategic models and tools to analyze marketing decisions. When beginning a strategic analysis, the 3Cs can be employed to get a broad understanding of the strategic environment. An Ansoff Matrix is also often used to convey an organization's strategic positioning of their marketing mix. The 4Ps can then be utilized to form a marketing plan to pursue a defined strategy. The Marketing team can then prioritize these Growth Opportunities and begin to develop strategies to exploit the opportunities that could include new or adapted products, services as well as changes to the 7Ps.

In this vein, it can be said that there is no one way to fight a marketing war. Rather, there are four. And knowing which type of warfare to fight is the first and the most important decision you can make. (Ries and Trout, 2006).

Hence, in the context of Marketing, the 4 types of Marketing Warfare Strategies are: Defensive Warfare, Offensive Warfare, Flanking Warfare and Guerilla Warfare (Ries and Trout, 2006).

There are two types of forces a business can use against its competition. The first is offensive attack and the second is a defensive attack. Before a person can understand the concept of marketing warfare they must understand the terms which are associated with this type of marketing strategy. The ideas behind attack and defend are two very different ideas. Attack basically means to seek more than one has, moreover to take what someone else possesses (Kotler, 1981). Defense means to protect what one has already acquired.

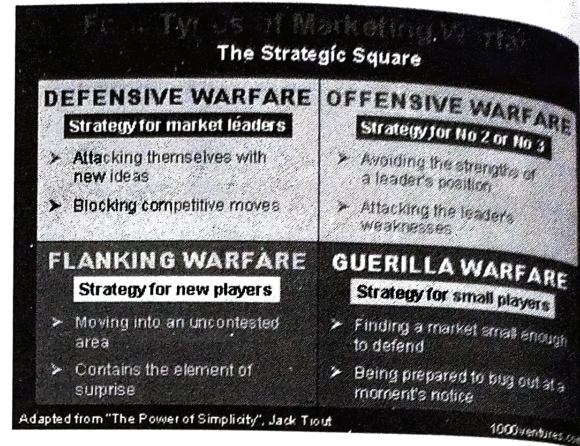


Figure – 1 (The Strategic Square)

#### I. Principle of Defensive warfare

*"Even though Ford was superior to General Motors in product innovation during the world war was with GM and Chrysler surpassed it in technical innovation, neither firm made substantial cuts into GM's half of the market. GM had not produced a significant, major automotive innovation since the hydromatic transmission (1939) and the hard-top body style (1949). Ford pioneered in practically every major new market while Chrysler produced the significant technical innovations, such as power steering, power brakes, electric windows and the alternator."* John DeLorean

Defensive warfare is a game for the marketing leader only. There are 3 key principles to follow, the most surprising of which is to attack yourself instead of the enemy.

The 3 key principles are:

1. Only the market leader should consider playing defense.
2. The best defensive strategy is the courage to attack your-self.
3. Strong competitive moves should always be blocked.

Frontal attack, Flanking, Encirclement, Bypass and Guerilla warfare are some examples of offensive strategy. (Ries and Trout, 2006).

#### II. Principle of Offensive warfare

*"Where absolute superiority is not attainable, you must produce a relative one at the decisive point by making skillful use of what you have."*  
-Karl von Clausewitz

Offensive warfare is the game for the No. 2 or No. 3 company in a field. The principle is to find a weakness inherent in a leader's strength and attack that point.

The 3 key principles here are:

1. The main consideration is the strength of the leader's position.
2. Find a weakness in the leader's *strength* and attack at that point.
3. Launch the attack on as narrow a front as possible. (Ries and Trout, 2006).

### III. Principle of Flanking warfare

*"Keep the forces concentrated in an overpowering mass. The fundamental idea. Always to be aimed at before all and as far as possible."* -Karl von Clausewitz

The innovative form of marketing warfare is flanking. Over the years, one of the biggest marketing successes has been flanking moves.

The 3 key principles here are as follows:

1. A good flanking move must be made into an uncontested area.
2. Tactical surprise ought to be an important element of the plan.
3. The pursuit is just as critical as the attack itself. (Ries and Trout, 2006).

In a flanking strategy, a company focuses its forces on the weaker sides of its competitor to gain an advantage over them. (Kotler, 1981).

### IV. Principle of Guerrilla warfare

*"The enemy advances, we retreat. The enemy camps, we harass. The enemy tires, we attack. The enemy retreats, we pursue."*

-Mao Tse-Tung

This principle argues that most of the players in a marketing war should be guerillas. Smaller companies can be highly successful as long as they don't try to emulate the giants in their field.

The 3 key principles are:

1. Find a segment of the market small enough to defend.
2. No matter how successful you become, never act like the leader.
3. Be prepared to bug out at a moment's notice (Ries and Trout, 2006).

## MARKETING WARFARE VS. MILITARY WARFARE: DRAWING 8 PARALLELS IN CONTEMPORARY BUSINESS

Speaking of the parallels between Military and Marketing, there can be no bigger fact than this that the language of marketing itself is hugely borrowed from military. For instance, we say, 'we are about to *launch* a marketing *campaign*.' Hence, words like launch, campaign, etc. which are backbones in the world of marketing come from Military. (Ries & Trout, 2006).

The strategies and initiatives of Marketing Warfare when compared with those of Military Warfare set apart the following parallels and convergence of theory and practice in contemporary business:

1. **The 4 Ps of Marketing:** The essentials of Marketing rely in the Marketing mix, commonly referred to as the 4Ps, i.e., Product, Price, Place and Promotion. None of the marketing principles apply without understanding that it is about People, even if we do not state People as being the first P. Hence People become the 5<sup>th</sup> P which is relevant to Marketing War. The product may be an idea, a thought, or an ideal. One of the extreme applications of marketing is war and vice-versa. (Habbal Osman, 2010) All the 5 Ps here hold equal relevance for marketing as it does for war. In this case, we are more aware about their marketing relevance than about their relevance on war.

**Product:** Product in context of War may include the efforts for claiming that my product is better than yours for the following reasons, etc. It also includes expansion of control for a bigger market share for the product and some special interests of influencing buying behavior, etc.

**Price:** Price wars are the most easily understood where the players keep lowering their prices to attract more and more customers and converge with the Loss Leader theory of Price and Marketing.

**Place:** Place wars would be how the marketers fin-tune their marketing campaign depending on the place of operation and thereby taking the competitors head-on.

**Promotion:** Promotion is war in the real sense of the word. The prime objective of the promotion function is to ensure that your product beats the competitors' on all counts like visibility, recall, preference, purchase and finally consumption. And for the same, the contemporary marketer keeps indulging in a Marketing war of sorts.

**People:** People part of the Marketing Mix is addressed to through the concept of the Marketing General, which will be subsequently discussed in this paper. It refers to the marketing team, the literal soldiers who brave the marketplace akin to the battlefield of war.

**1 Marketing is War:** It has been felt since the last few decades with greater belief with each passing day that the world of Marketing is very much similar to the world of military warfare. In actual military warfare, the troops fight each other with a dual objective of eliminating their opponent and achieving victory. Similarly, the concept of Marketing Warfare says that the world of Marketing has also shaped up into almost like that of a battleground, in which companies are seen to replace soldiers, the business space replaces battlefields, marketing activities replace the exchange of fire and competition for the biggest chunk of the market replaces the fight to capture the highest battlefield. Hence, marketing today has become as much of a war as actual war itself.

**2 The Concept of the Marketing General:** Just as the General of the Military is supposed to take Command all decisions in the battlefield, call all the shots, dictate terms and exercise all his efforts in the pursuit of victory. Similarly, the Marketer is understood as a 'Marketing General' who should be capable and competent enough to execute his responsibilities with the same level of success as the Military General.

**The 8 Key Traits essential for a Contemporary Marketing General are:**

- **Courage :** The Marketing General should have both Mental Courage and Physical Courage to excel in the contemporary times of business and marketing
- **Boldness :** The Ability to brave tough times is a pre-requisite for any person front-ending marketing to be able to brave

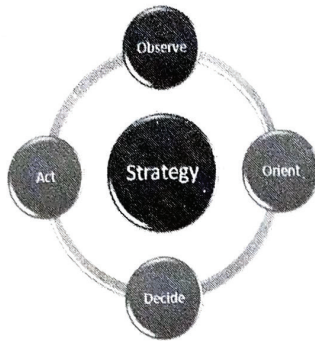
competition and also to give the competitors a tough fight for the top slot in the customers priority list

- **Knowledge of Rules :** The Marketing General should know the rules to be able to implement them under him for all sub-functions within marketing
- **Knowledge of Facts :** He should have Expert information on Current and Relevant Facts to keep coming up with more innovative and creative ideas as those that surround him
- **Luck :** The Marketing general also needs to be lucky enough to get good ideas, to put them across and to get the desired response from the customers

**Additional Contemporary Traits needed:**

- **People's General:** The current Marketing General should be one who fights standing besides his soldiers and not from behind the scene, i.e., he should face the praise and the flak along with the team when the time for it comes. He should know that the main driving force and asset of his division is the people that he has and not just the other resources at his disposal. He should have the guts to takes risks and share risks, a leader by example!
- **Quick Decision Making Ability :** He should have a proven ability to make quick decisions for all the contingent situations and influence others with his view and opinions on the matters
- **Flexibility:** As more and more diversity creeps into the marketing force both inside the company and outside it, the ability to customize decisions and initiatives as per the changing situations and diverse nature of the marketing forces becomes of utmost importance and relevance. The same need to be adhered to for all spur of the moment decisions.
- 4. **Aggression is the Key:** Be it Military Warfare or Marketing Warfare, Aggression holds the key to outstanding results and ultimate triumph. Just as a lethargic infantry unit cannot hope to survive the war even halfway through, similarly, if the marketer is not competitive and aggressive to the core in his attempts to unsettle and kick-off all competition from vicinity, the product cannot succeed in any market. Hence, the overall strategy should focus on

promoting controlled and calculated aggression towards the pursuit of marketing victory.

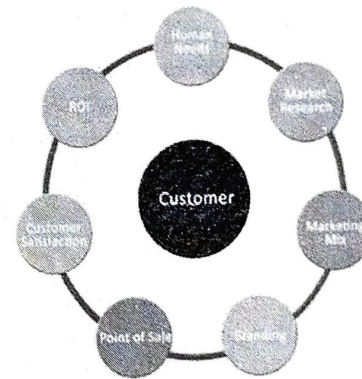


**Figure – 2 (Strategy System)**

5. **First-Movers Advantage:** In military context -He who occupies the field of battle first and awaits an enemy is at ease; but they who come later to the scene and rush into the fight are weary. (Sun Tzu, 'The Art of War'). Similarly, the concept of First-Mover advantages holds true for the Marketer as solidly as it does for military strategies. There is barely much that can be done to offset the competitive advantages that have accrued to a marketer who manager to reach his customers before the others do.
6. **Flexibility:** The military warfare is a dynamic and unpredictable arena. In a situation of chaos and confusion, military strategy should be based on flexible principles. Strategy comes not from formula or rules of engagement, but from adapting to 'minute by minute' events which has been referred to as 'friction.' (Von Clausewitz, 'On War'). Very similarly, the competitive times in the business world require the intelligent use of flexibility by the marketer to understand the moves of the competitor, the dynamically changing markets and the fast-changing consumer preferences and choices. Only then would the company be able to match it with a compatible market offering.
7. **Innovation & Creativity:** Innovation and Creativity are felt to be the core essence of Marketing. It has been increasingly becoming important in context of marketing as much as it was in case of military warfare. Just as a Military General can find innovative uses of the various things in his surroundings during war in a

do-or-die situation, similarly, a Marketing General can add sparks of innovation to ingeniously differentiate his product from the competitors. Innovative thinking leads to doing something useful - useful discoveries & useful applications; improvement- improve the way product & services being offered, developing creative solutions, change the way business being done, which enables an organization to seize an opportunity and create or add value in a new way. (Prabhu, 2011)

The Marketing Innovation and Creativity initiatives will have to focus on the customer as the primary target and thereafter on all the related aspects of returns and competition, viz., Human Needs, the Return on Investment, Customer Satisfaction, Point of Sale, Branding, Overall Marketing Mix and the continuous process of Market Research. (See Figure)



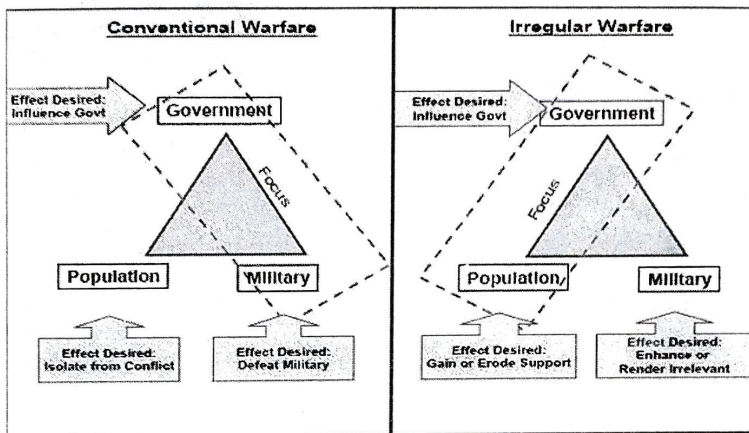
**Figure – 3 (The Customer Atmosphere)**

8. **Blurring Pace of Change:** Change has proved to be the only constant in the current corporate scenario. Each day holds sufficient potential in the modern business arena to change the entire landscape of how we look at business and the world of marketing.

In the context for change, conventional warfare has evolved into an almost irregular and sudden warfare today. The same has also happened in context of marketing where each new marketing move, be it in the case of price, product, place or promotion holds the power to completely metamorphose the marketing scene. In the figure below, if we swap 'Users' for Population and 'Management' for Military, it's a pretty good analogy of the way companies sell.

Traditionally, companies have sold into management structures that have then pushed downstream into their users. Installed software companies are a great example of this. If you buy installed software you're making a big

investment and taking some risk. The sales focus is on getting the management to buy or adopt. End users usually have no say in what they end up with.



(Source: Business Models, Nimble Theory)

Figure - 4 (Conventional vs. Irregular Warfare)

**The Classical Marketing Wars**

Apart from some of the contemporary examples of Marketing Warfare, there are several Classical Marketing Warfare examples available which we witness each day and would readily accede to.

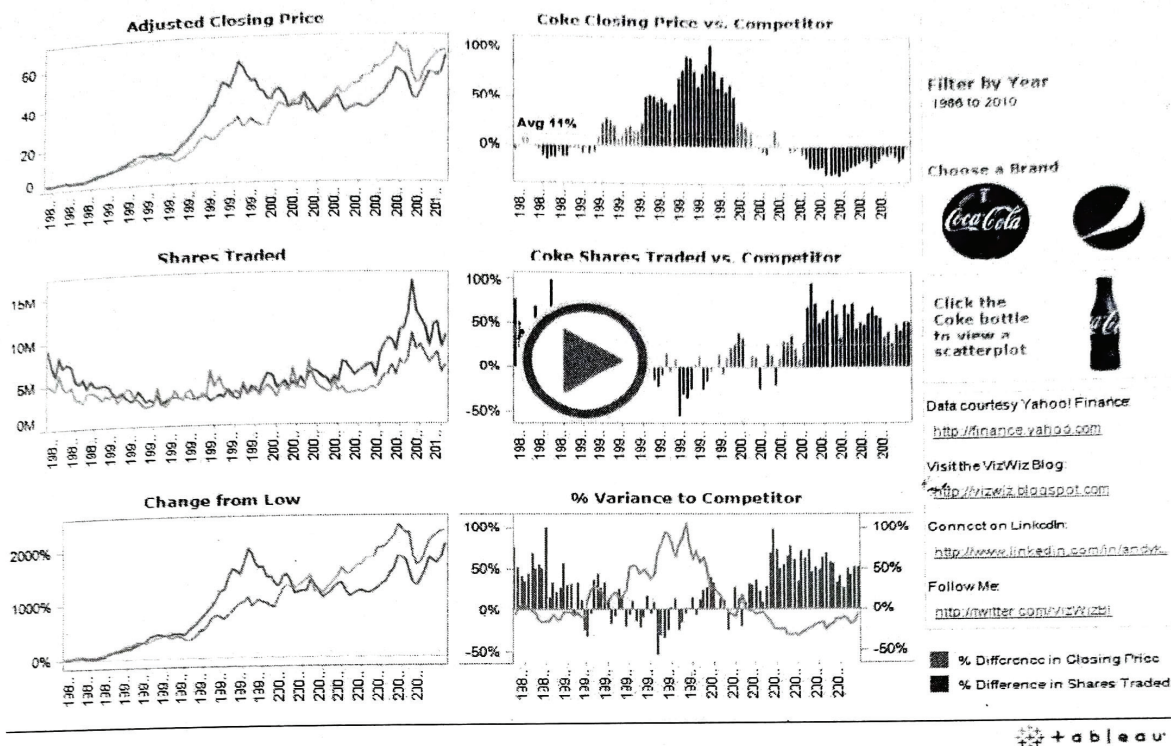
**Coca Cola vs. Pepsi**

Top on the list of the Classical Marketing Wars is the Cola War between Coca Cola and its relatively younger cousin PEPSI.

The "cola war" between Coke and Pepsi has been fought for decades. In 1915 Coca-Cola introduced its unique 6-1/2 ounce bottle that became closely associated with the brand. The size and shape was just right to fit the hand, and this bottle and its association with Coca-Cola was a major strength. However, when Pepsi introduced a larger bottle for the same price as the smaller bottle of Coke, Coke did not have many options to respond. Because of the way the size and shape of the bottle fit the hand, it could not be enlarged easily. Furthermore, the dispensing machines for Coke were

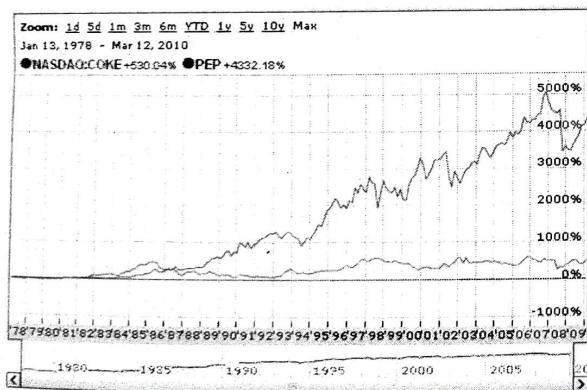
designed for nickels only, so the price could not easily be changed. These weaknesses were a direct result of Coke's strength and illustrate the second principle of offensive warfare: *the challenger should seek a weakness in the leader's strength*. Many of the successes and failures of the Coke vs. Pepsi cola wars can be explained by principles of marketing warfare, including the success and failures of smaller challengers such as 7-Up (the Uncola) and Royal Crown Cola. (Ries & Trout)

They have constantly been in a war of sorts since and have explored all the Ps of the marketing mix to further their cause in their marketing warfare, be it the Product (Pepsi says Coke is sweeter and Pepsi is the drink of the new generation) or the Price (It barely takes a few days for any of the competitors to respond with a price cut when it happens with the other) or the Promotion (where Shahrukh of Pepsi does all that it takes to upset the rhythm of Aamir Khan's Coke or the tussle between Coke's Aishwarya and Pepsi's Kareena). The marketing war has been as hot as ever and promises to be the same till a long time. (See Figures)



(Source: Yahoo Finance)

Figure - 5 (The Cola Wars - Financial Comparison)



(Source - Nasdaq)

Figure - 6 (Comparison of Pepsi vs. Coke)

**The Burger War**

Ries and Trout have referred to the classical burger wars to illustrate a flanking attack in marketing warfare. McDonald's was the leader, and Burger King tried offensive maneuvers. The moves that were unsuccessful were those that

extended the product line and that copied McDonald's. The campaigns that were successful differentiated Burger King from McDonald's. For example, *Have it your way* attacked a weakness in McDonald's consistent production line process that had the flip side of being inflexible. Even more successful were the advertisements emphasizing the fact that Burger King's burgers were flame-broiled while McDonald's were fried. Wendy's successfully flanked McDonald's by targeting adults rather than children, offering adult-size portions and launching the highly successful *Where's the beef?* campaign. Finally, White Castle was the low-end guerrilla who limited their geographic scope, did not add a confusing array of other products, and maintained a high level of sales in each establishment. White Castle observed the guerrilla principle of never acting like the leader, and as a result was able to coexist peacefully. (Ries & Trout, 2006)

**The Computer War**

Ries and Trout further reinforce their marketing warfare principles with the "computer war". IBM became the market leader in the 1950's, and



many other companies attempted to emulate IBM, but IBM continued to hold a majority market share. In the 1960's Digital Equipment Corporation launched a successful flanking attack by introducing the PDP-8 minicomputer, winning the position of small computers. According to Ries and Trout, IBM should have blocked this move by introducing their own minicomputer, but they failed to do so until 11 years later. With DEC owning the minicomputer market, Ries and Trout argue that DEC should have been the company to introduce the PC in the business market. DEC failed to do so, and IBM launched its PC in 1981 with virtually no competition in the business market. IBM effectively flanked DEC with a product in the small computer market, just as DEC had done to IBM 15 years earlier. Many companies introduced their own PC's but IBM pursued the defensive strategy that a leader should pursue by attacking itself, first with the improved PC-XT and then with the PC-AT. While IBM owned the business PC market, Apple took the lead in home PC's. IBM unsuccessfully attempted to attack Apple in the home computer market with the PCjr, illustrating that a company's position is more important than its size. (Ries & Trout, 2006)

## **6 CONTEMPORARY CASES OF MARKETING WARFARE**

### **1. Internet Marketing War**

Internet Marketing has always been a battlefield. However, in today's online marketplace it has become a blood bath as companies no longer just competing but they are rather fighting for pure and raw survival on many fronts. There are literally thousands of rules of engagement, and each rule has many optional solutions as well as a myriad of opinions as to the most effective path to tread and take. Internet marketing basically uses the Internet for achieving all the marketing results through a heady mix of Marketing E-Mails, Publicity, Promotions, Banners, Search Engine Optimization for better visibility and so on.

Although the Internet Marketing war keeps getting intense, the best part is that the Internet pie is ever-expanding. There is scope for a lot of new business, new contacts and new revenue lurking online for any business that wants it. Antiquated internet myths that are embedded deep within the minds of many are what are holding them back.

The BEST product, service, or website is NOT

always in the top spot of Google. While we'd like to believe that relevance will be perfect, archaic aggressive tactics can constantly be found at the top of search results, and tend to maintain those high positions for extended periods of time until there is some type of human intervention (in the form of spam reports). When you're doing lead generation like a profitable company like Quinstreet, you need to be able to have a thick site that will defend your rankings. A quality branded keyword domain will always be a defensible asset.

Social media being highly effective for developing global link popularity is only one shining example of the battleground being shifted. The constant marketing war waging between the feverishly popular Social Networking sites is becoming intense each day. **Facebook, Orkut, MySpace, Hi5** and an array of many more social networks are competing for more and more market space using innovative technologies, applications, added features and are hell bent on upsetting the balance of their competitors. Emerging tools and technology seem set to shift the battlegrounds even further. Those who understand the strengths, weaknesses, and applications of these tools are the new era of competition within the industries that they affect. The stakes for successfully claiming the grounds can be substantial.

It can be said without any doubt that the increasing competition would require marketers to be more creative and more sophisticated. The trick lies in being on the defensive mode bettering your Internet Marketing solution till you feel you are qualified for Offensive warfare and then the strike would be the most lethal. This is a very important process and a significant channel of the marketing mix and it should be mastered before the competitors do the same.

Whether a company dominates or not; still, the best advice in today's online climate would be to find, negotiate and secure your Internet Marketing General, let him or her worry about the details, this person can also show you where the statistics are if you would like to review them, you just

watch the bottom line and run your business. This would be the real test of the Online Marketing Warfare.

### **2. The Pizza War**

Two American fast-food giants, Pizza Hut and Domino's, are duking it out for bigger slices of a

hot market – The Indian Pizza Industry (Fortune Report)

Apart from local adulteration practices - plenty of chili flakes, ketchup, and other condiments - these pizzas at Domino's and Pizza Hut taste the same as in the U.S. What's different is the intensity of the competition. According to recent data, Pizza Hut has roughly 137 locations across India (and 13,000 worldwide); Domino's, 149 (8,500). Both are adding about 50 stores a year - quadruple the average in other markets (2007). The Marketing Warfare is increasing at a rocking pace. Each price cut by Pizza Hut is followed by the same at Domino's. The range of the products keeps getting better and with the competition soaring, the customers are the happiest lot.

It's still early rounds in its marketing war relatively, but the pizza fight is shaping up something like this:

Left jab, Pizza Hut: "We've been voted India's favorite food brand for each of the last four years,




over any other brand," says Graham Allen, who runs the international division of Yum Brands, which also owns KFC and Taco Bell.

Counterpunch, Domino's: "Product-wise we have no match. We are clearly the market leader," asserts Domino's India CEO Ajay Kaul. "A Pizza Hut across the road does not in any way dampen our spirits. Our competition is elsewhere, from traditional Indian food." (Fortune)

### 3. Internet Browser War

Another instance here is the Internet Browser war going on between the earlier stalwart Internet Explorer with its newer cousins Mozilla Firefox and recently launched Google Chrome. Internet Explorer has since upgraded and launched its newer version Internet Explorer 9.

It employed real wrath of its competitors in terms of criticism when it released an advertisement comparing itself (then Internet Explorer 8) with Mozilla and Chrome and saying it was better than all. (See Figures)

				Comments
Security	✓			Internet Explorer 8 takes the cake with better phishing and malware protection, as well as protection from emerging threats.
Privacy	✓			InPrivate Browsing and InPrivate Filtering help Internet Explorer 8 claim privacy victory.
Ease of Use	✓			Features like Accelerators, Web Slices and Visual Search Suggestions make Internet Explorer 8 easiest to use.
Web Standards	✓	✓	✓	It's a tie. Internet Explorer 8 passes more of the World Wide Web Consortium's CSS 2.1 test cases than any other browser, but Firefox 3 has more support for some evolving standards.
Developer Tools	✓			Of course Internet Explorer 8 wins this one. There's no need to install tools separately, and it offers better features like JavaScript profiling.
Reliability	✓			Only Internet Explorer 8 has both tab isolation and crash recovery features; Firefox and Chrome have one or the other.

**Figure – 7 (Comparison of Internet Explorer 8 with Firefox and Chrome)**

Key: ◐ Quarter ◑ Half ● Full A With add-on

User Experience	Internet Explorer 9 Beta	Chrome 6.0.472.55	Firefox 4.0b5
Simplified browsing experience that has fewer controls and increased web page viewing area	●	●	●
Site-centric user experience that puts the focus on your sites	●	—	—
Rich tab functionality (color coding, grouping, tear off tabs, Aero Snap)	●	◐*	●
New Tab page includes common tasks and your favorite sites	●	●	—
Rich address bar (suggest sites from favorites and history, visual results)	●	◐**	◐**
Combined search and address bar with user ability to opt-in to send text to search providers as you type	●	◐***	—
Easily change search provider from search box	●	—	●
Quick access to common services like mapping	● <sup>d</sup>	◐****	A
Support for site pinning in Windows 7	●	◐	—
Support for jump lists and thumbnail preview for the browser on Windows 7	●	●	●
Support for jump lists and thumbnail preview for pinned sites on Windows 7	●	—	—
Non-intrusive notifications	●	●	●
Download manager	●	●	●
Password manager	◐**	●	●
Spell checker	A	●	●
Form auto-fill	◐***	●	A***
Sync favorites, themes and settings	A ◐****	●	●
Re-open tabs that were accidentally closed	●	●	—
Save open sites when you exit the browser	—	●	●

# Through Accelerators  
 \*\* Saves individual passwords but can only delete all passwords  
 \*\*\* Auto-fills on a field by field basis rather than a complete form. Bing Bar add-in supports filling complete forms  
 \*\*\*\* Windows Live Sync enables synchronizing of favorites  
 \* Grouping, tear-off tabs and Aero Snap supported, video frame does not update during tear action  
 \*\* No visual results  
 \*\*\* Default configuration sends text to search provider as you type  
 \*\*\*\* Only search  
 - Supports grouping and tear-off tabs out of the box but requires add-ons for color coding. No Aero-snap support  
 -- No visual results  
 --- Add-in not currently supported for Firefox 4.0b5

(Source: obieosobalu.wordpress.com)

Figure – 8 (Comparison of Internet Explorer 9 with Firefox and Chrome)

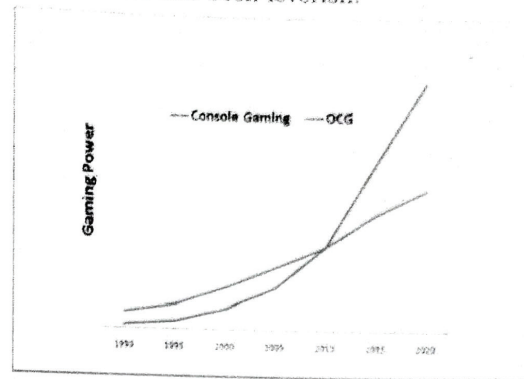
## THE GAMING WAR

The Gaming sphere has now become a full-blown war-zone not just in context of the War Games that these companies offer, but in the nature of the marketing campaigns that the respective competitors are waging amongst themselves. It is no accident that the PC-based online gaming has become the overwhelmingly dominating game platform in most of the world now, primarily markets like China. This has been a direct contrast to the gaming console platforms dominated by **Nintendo Wii**, **Sony Playstation** and **Microsoft Xbox** in most countries around the world. The reason is very simple. It is easy to start and play the latest and most exciting games online without purchasing the expensive game console and its format-protected games, which may easily cost more than two month salaries of most working Chinese. As a matter of fact, there is no need to even own a PC to play the online games. All you need is to log onto your online account from a PC in an internet cafe down the street and the internet super highway will bring you an online virtual world with unlimited, well diversified gaming excitements against millions of other players simultaneously.

Several key competition areas in the online gaming space include online console games, casual games, subscription and micro-transaction-based massively multiplayer online games (MMOGs), and Gaming 2.0, a new online gaming category which includes cloud-based gaming, user generated content, gamer social networks, social gaming, and offline games requiring online connectivity to play. The genres of games offered whether downloadable or online include: Puzzles/Hidden Objects/Strategy/Word/Arcade/Action/Card/Board, etc. There are hundreds of free online games, hundreds of pay per downloads and a new title released every day.

Let's take the Chinese example. In June 2010, statistics showed China has 420 million internet users and 338 million of them are online gamers. It is amazing to see there are more Chinese online gamers than the entire population of US, and they are still fast growing. The online gaming in China was started by leasing and licensing of foreign games. Gradually, it evolved to co-development and totally independent development of online games and systems. Phenomenal progress has been achieved in the online gaming graphics, actions and speed, story and plots, etc, through fierce competition among the Chinese online game enablers. China is

leading the OCG development through its massive online player base. The online gamers will reach more than 350 million this year. The revenue of the Chinese online gaming industry will pass \$5 billion and expand with strong double digit growth rate. This has prompted the Gaming Console companies to work feverishly on their marketing strategy and the war in the gaming sphere also has been feverish.



(Source: Golden Panda Inv.)

Figure - 9 (OCG gaming power will surpass console gaming in 2011-2012)

Because of increasing average Internet speeds and advances in technology, a large number of game genres are now playable online. With these new online gaming options, people are spending a larger share of their online time playing games. Playing video games currently amounts to ten percent of the time spent online by American consumers and the trend is fast on the rise in Asia and other continents as well in which games like Farmville are an instant hit. It is here that new marketing strategies are being implemented by all major competitors in the Gaming domain which includes online and offline like **Nintendo**, **Sony PlayStation**, **Xbox**, **Zyngar**, **GameCube**, **Big Fish Games**, **iWin.com**, and **Pogo.com**. **Zapak.com** is the new entrant that has further made the struggle for the larger piece of the market share even more intense.



## THE AUTOMOBILE WAR

One of the most competitive markets in the world today is probably the auto industry with its many car brands competing fiercely against each other giving lots of playing ground to marketing warfare. Toyota, Ford top car brands in consumer perception. Dealer list is divided into categories based on car brands or the state names. The Marketing war amongst all major players is

getting intense as Asian car brands take record US market share as GM and Ford plunge.

Fierce competition among the major car players can be witnessed in the Indian Car industry as well in all categories leading to more and more comparative advertising and marketing campaigns, which is another form of marketing warfare. The India car industry has the following major brands lead by Maruti Udhog followed by Hindustan Motors, Tata, Hyundai, Mitsubishi, Honda, Fiat and Chevrolet, to name a few.

The small car category has been seeing a lots of marketing stunts and comparison happening between Getz Prime by Hyundai Motor Co., Tata Magic by Tata Motors and Palio Stile by Fiat India . The mid-size car has seen recent launches including 1.4 SXI Duratorq by Ford Motor Co. and Indigo XL by Tata Motors. The luxury segment has all the BMWs and Audis and the recently launched Sonata Embera H-Matic by Hyundai Motor Co. and Nissan Teana by Nissan Motor Co. Ltd. to fight for the customer's attention with the classical competition from Mercedes. Hence, the marketing war is as hot as ever with more foreign brands ready to set shop and the existing ones fighting for space already.

	BlueOn	i-MiEV
Car Model		
Dimensions	3585 x 1595 x 1540	3395 x 1475 x 1610
Power	61 kW / 210 Nm	47 kW / 180 Nm
Battery	16.4 kWh	16.4 kWh
Driving Range	140 km	130 km
0-100 km/h	13.1	16.3
Top Speed	130 kph	130 kph

HYUNDAI-BLOG.COM

(Source : Hyundai Blog - Hyundai vs. Mitsubishi)

Figure – 10: 2012 Hyundai BlueOn vs. Mitsubishi i-MiEV electric car comparison

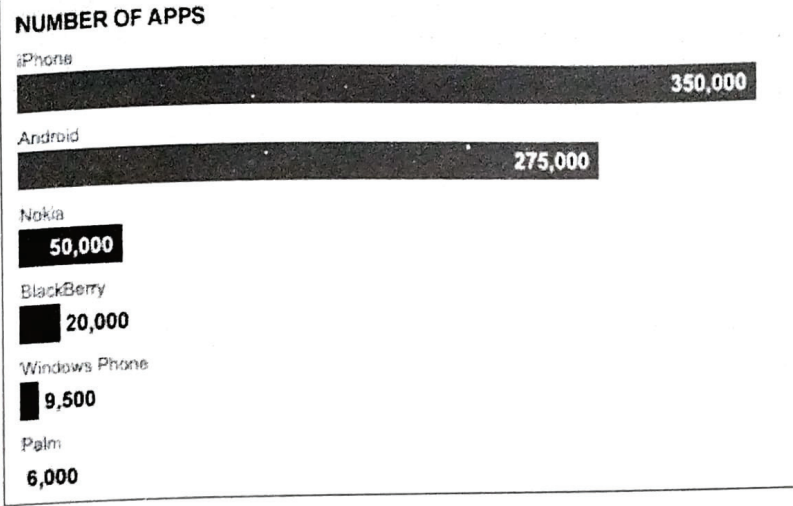
## THE MOBILE TELEPHONY WAR

The marketing war is the most happening in the Mobile Telephone industry and includes the handsets and the service providers. Whilst it has been common practice for the service providers to keep comparing with each other in tariff rates, special schemes and Value Added services that they offer in comparison to their competitors, the same is now equally relevant for the mobile handset companies and brands. Apple iPhone and its fierce marketing battle with Verizon and Samsung is a very relevant case in this context. They have been coming up with advertisements and marketing campaigns directly rebuking and declaring War on each other's products and the customer is becoming the beneficiary in this process.

To quote an example, the iPhone App Store has been marketing its product as unique with 350,000 apps as compared to the Android Marketplace which has 275,000. Their next biggest competitor, Nokia's Ovi Store, has 50,000 apps. Research In Motion's BlackBerry App World, has just 20,000 apps, and distant rivals Windows Phone 7 and HP's WebOS have fewer than 10,000 offerings in their app stores.

As the marketing war heats up, it has been emerging that the iPhone and Android devices are the hottest on the market. Google recently took over the top spot among smart-phone operating systems in the United States, as BlackBerry and Microsoft are falling fast. HP's WebOS is a distant fifth. But a new consortium of mobile carriers, developers and manufacturers called the Wholesale Application Community (WAC) is looking to shake up the landscape by introducing applications that will work across all devices and carriers. If WAC gets its way, the same apps would work on a

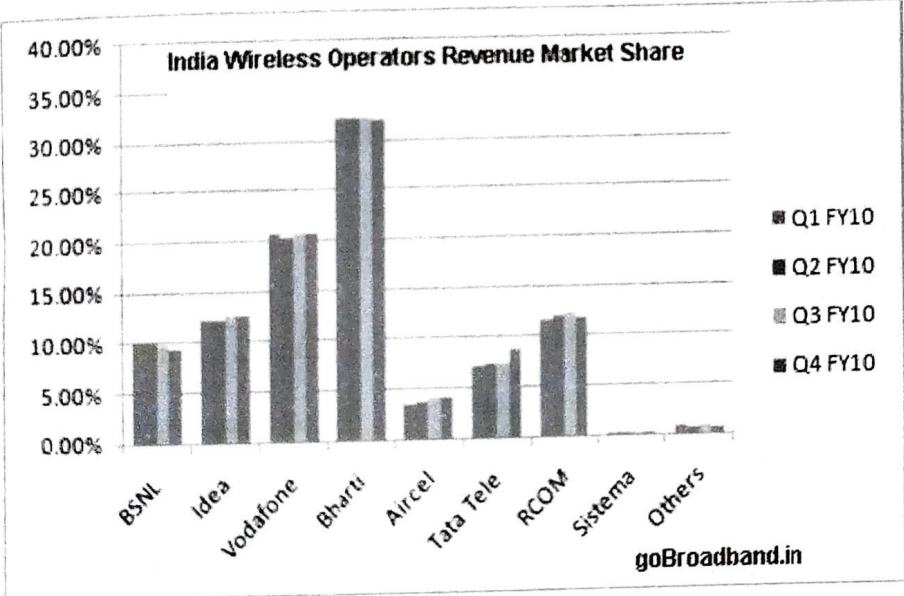
Verizon (VZ, Fortune 500) iPhone, a T-Mobile Windows Phone, a Sprint (S, Fortune 500) BlackBerry or an AT&T (T, Fortune 500) Android device. Hence the mobile wars seem to be getting hotter by the day.



(Source - CNN Money)

**Figure - 11 (Comparison of Mobile Apps in 2010)**

Taking the example of the Indian Telephony market, the Wireless operators competition was also intense for the past year resulting in a neck to neck scene of competition amongst all major players. (See Figure)



**Figure - 12 (Comparison of Indian Wireless Operators in 2010)**

## Mobile operator rankings, connections and revenues, Q2 2010

Operator-Group	Connections (millions)	Rank	Revenue (\$ millions)	Rank	Change (year-on-year)
1 China Mobile	556.3	1	17,715	1	-
2 Vodafone Group	331.4	2	14,561	2	-
3 America Movil Group	211.3	3	6,950	0	+2
4 Telefonica Group	155.0	6	8,851	7	-1
=5 Deutsche Telekom Group	108.2	8	10,423	6	-2
Verizon Wireless	99.7	11	14,046	3	+1
7 AT&T	91.0	12	13,186	4	-
8 China Unicom	167.0	6	3,002	17	+1
9 MTN Group	101.6	10	3,726	13	+2
10 France Telecom Group	78.4	17	6,858	9	-2
11 NTT Docomo Group	56.6	24	11,829	5	-
-12 Bharti Airtel Group	176.9	4	2,148	26	+1
-12 Telecom Italia Group	75.0	18	4,534	12	+1
14 Sistema Group	102.4	9	2,251	23	-
of which MTS Group	98.8		2,228		
15 Weather Investments Group	88.7	15	2,409	19	+2
of which Orascom Group	65.7		877		
16 VimpelCom Group	89.4	14	2,289	22	+1
17 Telenor Group	90.8	13	2,250	24	-7
18 Sprint	48.2	28	6,448	10	-4
19 Vivo	56.0	25	2,315	21	+3
20 China Telecom	74.5	19	1,671	31	+16

Source: Wireless Intelligence

Figure - 13 (Mobile Operator Rankings in 2010)

The marketing war has also been made more intense because of smart newcomers like MicroMax have been able to capture a decent market share owing to marketing warfare tactics and slowly the share of Nokia is seen shrinking. So, while on one hand, *Micromax* has to hold fort against competitors, on the other, it has to continue running hard to become the 2<sup>nd</sup> Mobile company in India. Japanese phone industry now plans to go global and it would further increase competition and make the marketing war even more interesting.

### Conclusion

To conclude, the various Marketing Warfare Strategies can be summed up as:

- **Offensive marketing warfare strategies** – These strategies are used to secure competitive advantages by market leaders, and runner-ups or struggling competitors are usually attacked
- **Defensive marketing warfare strategies** – This strategy is used to defend competitive advantages; lessens risk of being attacked, decreases effects of attacks, strengthen position

- **Flanking marketing warfare strategies** - Operate in areas of little importance to the competitor.
- **Guerrilla marketing warfare strategies** - Attack, retreat, hide, then do it again, and again, until the competitor moves on to other markets.
- **Deterrence Strategies** - Deterrence is a battle won in the minds of the enemy. You convince the competitor that it would be prudent to keep out of your markets.
- **Pre-emptive strike** - Attack before you are attacked.
- **Frontal Attack** - A direct head-on confrontation
- **Flanking Attack** - Attack the competitor's flank.
- **Sequential Strategies** - A strategy that consists of a series of sub-strategies that must all be successfully carried out in the right order.
- **Alliance Strategies** - The use of alliances and partnerships to build strength and stabilize situations.
- **Position Defense** - The erection of fortifications.

- **Mobile defense** - Constantly changing positions.
- **Encirclement strategy** - Envelop the opponents position.
- **Cumulative strategies** - A collection of seemingly random operations that, when complete, obtain your objective.
- **Counter-offensive** - When you are under attack, launch a counter-offensive at the attacker's weak point.
- **Strategic withdrawal** - Retreat and regroup so you can live to fight another day
- **Flank positioning** - Strengthen your flank.
- **Leapfrog strategy** - Avoid confrontation by bypassing enemy or competitive forces.

Hence, it can be said that just as in military warfare, the appropriate marketing warfare strategy depends on the firm's position relative to its opponents. In developing its strategy, the firm must carefully determine its position in the market. Once this is done, a defensive, offensive, flanking, or guerrilla strategy can be selected depending on the firm's position with respect to the competition. As is evident from the several cases and examples discussed, it can be safely assumed that the time of marketing warfare is still far from over and will continue to share centre-stage with the other popular marketing strategies.

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