

Mahindra and Mahindra's Tractors: Customer Engagement Strategies

Sales promotion decisions are crucial for engaging customer and influencing his purchase decision

Mahindra & Mahindra Ltd (M&M), the market leader in the Indian tractor industry delivered its first premium Arjun International AC Cabin Tractor in Ludhiana. The tractor was delivered at the customer's residence with great fanfare. The Arjun International was innovatively delivered in a delivery van resembling a Gift Box which was then unveiled¹. The deliver was made before the entire village who witnessed the celebration.

Sales promotion decisions involve the issue of directing sales promotions towards consumer sales or distribution channels (trade sales). Consumer sales promotion is a 'pull' strategy, which tries to attract customers to make purchase through price discounting, free gifts, money refunds, rebates, consumer contests, trade shows etc.

Trade sales promotion is a 'push' strategy to encourage distribution channel members to stock the product by providing buying allowances, buyback allowances, monetary incentives, and free merchandize etc.



Source: www.rmai.in/.../International%20tractor%20door%20delivery-%20Direc...

Mahindra & Mahindra Tractor's Sales Promotional Strategies:

- **Arjun Ultra-1 DLX in 2010 in Punjab:** An air craft was flown over small towns and villages carrying the brand message on a banner to make brand owners pride of reaching into skies

- **Mahindra Tractor Mahotsav every year:** Grand mela where farmers interact with teams, test drive tractors, discuss servicing-related issues etc.
- **Mileage Se Music Tak in Uttar Pradesh in 2010:** Hosting on-ground events such as taking tractors to high footfall areas and providing farmers a first-hand experience of the tractor and also facilitating interacting events. The villagers could also request for a song on the radio station Big FM. The on-ground activation with interactive events and on-air amplification by airing of interactions, song requests on Saturdays and Sundays during 6-7 pm
- **Alive a day in the farmer's life:** The promotion of 'moving the tractor in a village' went for six weeks and covered 125 villages. The database of potential customers were collected during interactions and provided various promotional offers such as finance offers, loan repayment duration, zero percent interest etc. to induce customers to buy tractors.

Outcome of Promotional Efforts:

- Customers interacted during alive a day in the farmers life campaign for 45 days. 1125 inquiries generated, 450 hot new prospects identified and 40 orders placed

Topic	Course
Sales promotion decisions: Advertising, sales promotion and public relations: Unit 20.6	Marketing Management

Sources:

1. <http://thefinancialworld.com/newsdetails.aspx?newsid=80361&pageid=5>
2. *Gupte Masoom (2013), Being acknowledged before his village is a big deal for the farmer, Business Standard, September 30, 2013.*