

“ A STUDY ON THE EFFECTIVENESS OF MARKETING STRATEGIES IN ENHANCING STEEL PRODUCT SALES”

Dr. BINOY MATHEW

Professor

Department of Management Studies (MBA), Visvesvaraya Technological University, Centre for
Post Graduate Studies, Muddenahalli, Chikkaballapur, , Karnataka State, India,
drbinoymathew@gmail.com, , <https://orcid.org/0000-0002-9365-4374>

Ms. Sufiya Banu

Student,

Department of Management Studies (MBA), Visvesvaraya Technological University, Centre for
Post Graduate Studies, Muddenahalli, Chikkaballapur, , Karnataka State, India,
(sb3445000@gmail.com)

ABSTRACT

The steel industry plays a significant role in the economic development of a country by supporting infrastructure, construction, manufacturing, and engineering sectors. In today's highly competitive market, effective marketing strategies have become essential for steel companies to increase product sales, strengthen customer relationships, and achieve sustainable business growth. This study, titled "A Study on the Effectiveness of Marketing Strategies in Enhancing Steel Product Sales," aims to examine how various marketing strategies influence the sales performance of steel products.

INTRODUCTION

The contemporary business landscape is shaped by intensifying market rivalry, evolving consumer expectations, and the growing significance of strategic decision-making at every level of an organization. Among the various functional areas that determine a company's long-term competitiveness, marketing holds a central position. Effective marketing enables businesses to communicate their value proposition, build lasting customer relationships, and respond proactively to shifting market dynamics. In sectors like steel, where products are largely standardized and differentiation is challenging, the role of well-crafted marketing strategies becomes even more critical in driving sales performance and sustaining business growth.

The steel industry operates in a complex environment influenced by infrastructure development, construction activities, government spending, and industrial demand.

STATEMENT OF THE PROBLEM

Sri Venkateswara Steel Centre operates in a highly competitive steel industry, facing challenges from larger distributors with greater resources and wider product ranges. Marketing decisions at the organization are largely based on experience and intuition rather than data-driven analysis, limiting management's ability to identify effective strategies and optimally allocate resources. Evolving customer purchasing behaviour, price fluctuations, and increasing competition further highlight the need for a structured marketing approach. This study addresses the need to analyse the organization's current marketing strategies and evaluate their effectiveness in increasing sales, providing actionable insights for improvement.

OBJECTIVES

1. To analyze the various marketing strategies adopted by Sri Venkateswara Steel Centre for promoting and selling steel products.
2. To examine the effectiveness of pricing strategies in increasing the sales of steel products at Sri Venkateswara Steel Centre, Bagepalli.
3. To evaluate the impact of promotional activities on customer awareness and purchase decisions related to steel products.
4. To assess the role of distribution channels and product availability in improving sales performance at Sri Venkateswara Steel Centre.
5. To study the influence of customer relationship management on customer satisfaction and loyalty at Sri Venkateswara Steel Centre, Bagepalli.

SCOPE OF THE STUDY

The focus on the marketing strategies adopted by Sri Venkateswara Steel Centre, Bagepalli, covering product strategy, pricing, promotion, distribution, and customer relationship management, and examines how these factors influence customer purchasing decisions and sales performance. It also looks at customer perceptions, market trends, and competitive factors shaping the sales environment, based on data collected from customers and employees within the organization over a defined time period. As the study is limited to Sri Venkateswara Steel Centre and does not cover the broader Karnataka or national steel market, its findings are specific to this organization but still offer practical insights into the link between marketing strategy and sales effectiveness in a regional dealership context.

LIMITATIONS OF THE STUDY

1. The study is limited to Sri Venkateswara Steel Centre, Bagepalli, and the findings may not be directly applicable to other steel dealerships or organizations in the industry.
2. The research is based on a sample size of 50 respondents, which may not fully represent the entire customer and employee population of the organization.
3. The responses collected from customers and employees may be subject to personal bias or inaccurate perceptions, which could affect the objectivity of the findings.
4. The study is conducted within a specific time period, and the findings may not reflect changes in market conditions, pricing trends, or customer preferences that occur after the study period.
5. The study focuses exclusively on marketing strategies and does not consider other external factors such as macroeconomic conditions, government policies, raw material price fluctuations, or technological developments that may also influence steel product sales.

LITERATURE REVIEW

1. **Ramesh Kumar and Priya Nair (2025)** - "Marketing Strategies in Steel Distribution: A Study of Small and Medium Enterprises in South India"

This study investigates marketing approaches adopted by small and medium steel distributors across South Indian markets. The authors identify personalized customer service, competitive pricing, and strong dealer relationships as primary drivers of sales growth. Businesses offering flexible credit terms and timely delivery consistently outperform competitors with limited-service offerings. Local brand reputation plays a significant role in influencing buyer decisions, particularly among contractors and fabricators. The study concludes that combining pricing flexibility with service quality significantly enhances sales performance.

2. **Sunita Agarwal (2025)** - "Impact of Pricing Strategies on Sales Performance in Steel Retail Businesses in India"

This research examines how pricing decisions influence sales volumes and profitability of steel retail outlets across India. Steel prices are inherently volatile due to raw material cost fluctuations and government policies, making dynamic pricing a critical strategic tool. Businesses offering transparent and competitive pricing build greater customer trust compared to those with inconsistent practices. Discount structures and bulk-purchase incentives play a key role in attracting institutional buyers like builders and contractors. The author recommends regular market benchmarking to maintain pricing competitiveness and sustain sales growth.

3. **Deepa Venkataraman (2025)** - "Digital Marketing Adoption Among Traditional Steel Dealers in Tier-2 and Tier-3 Cities of India"

This research investigates the extent to which steel dealers in smaller Indian cities are embracing digital marketing tools. While large corporations have fully adopted digital platforms, small dealers remain largely dependent on word-of-mouth and personal selling. Social media, WhatsApp Business, and Google My Business are identified as emerging tools showing promising results. Barriers to adoption include lack of technical knowledge, infrastructure limitations, and low digital literacy among staff. The author recommends structured digital marketing training for small steel business owners to improve competitiveness.

4. **Srinivasa Rao Patil (2025)** - "Sales Promotion Techniques and Their Effectiveness in Industrial Steel Markets"

This research evaluates the effectiveness of promotional techniques used by steel distributors and dealers in Indian industrial markets. Tools such as seasonal discounts, loyalty bonuses, referral incentives, and bundled offers are commonly deployed to stimulate short-term demand. Promotions are most effective when timed with infrastructure project commencements and construction season peaks. Credit-linked promotions, offering extended payment terms on bulk orders, act as a powerful sales driver in B2B distribution. The author recommends developing structured promotional calendars aligned with seasonal demand cycles.

RESEARCH GAP

Existing literature broadly covers pricing, credit management, digital adoption, and customer relationships in steel distribution, but mostly at a national or regional level, with little focus on small, single-location dealerships in semi-urban towns like Bagepalli. Few studies examine how factors such as digital adoption, location advantage, and word-of-mouth marketing interact within a micro-enterprise facing limited budgets and resources. This study addresses that gap by analysing the specific marketing strategies and SWOT factors of Sri Venkateswara Steel Centre, offering localized insights largely absent from broader industry literature.

RESEARCH DESIGN

Sample size: 103 Respondents

Tools for data collection: Data for this study is collected from primary and secondary sources. Primary data includes surveys and interviews with public. While secondary data encompasses websites and google forms filling to publics.

ANALYSIS AND INTERPRETATION

A majority of 59% of respondents belong to the below 25 years age group, followed by 27% in the 25–35 years category, 11% in 36–45 years, and only 3% in the 46–55 years group. Younger respondents form the dominant segment. The findings indicate that the customer base of Sri Venkateswara Steel Centre is predominantly young, with the majority being below 25 years of age. This highlights the need for marketing strategies that effectively engage younger buyers.

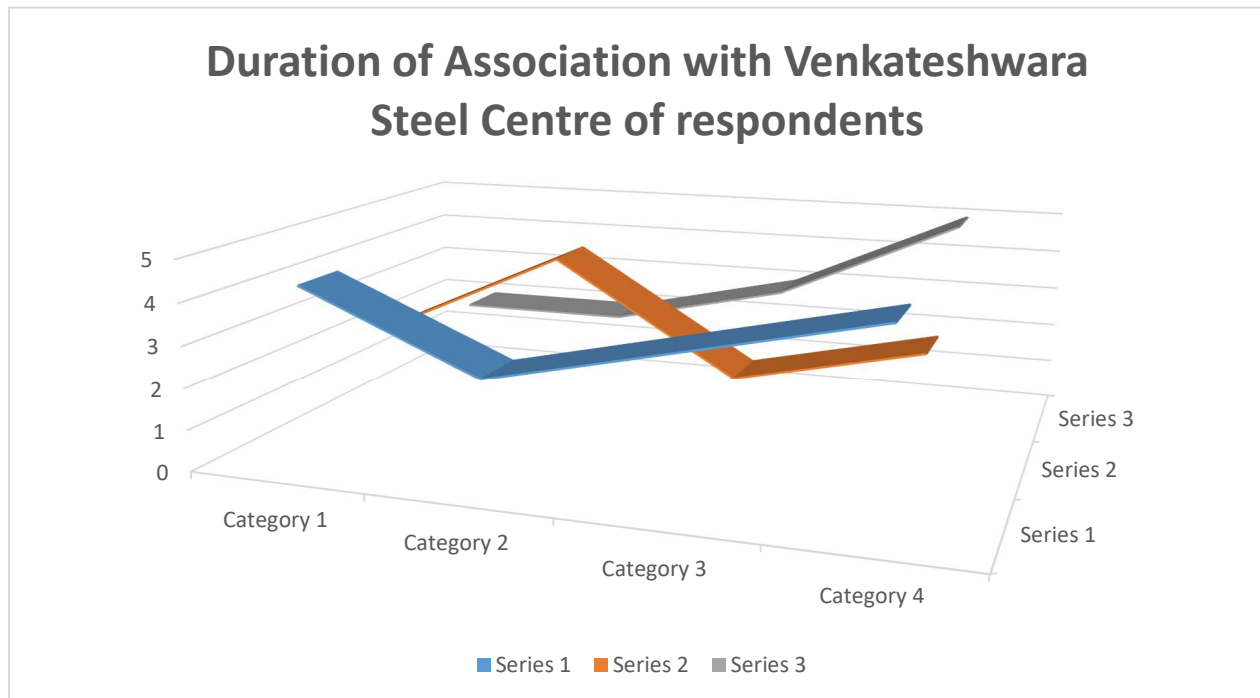
Purchase Frequency of respondents

Among the respondents, 34% purchase steel products weekly, 28% monthly, 24% quarterly, and 14% occasionally. Weekly purchasers form the highest proportion, indicating regular buying behavior. The data shows that a significant proportion of customers purchase steel products frequently, particularly on a weekly basis. This reflects consistent demand and strong customer engagement with Sri Venkateswara Steel Centre.

Duration of Association with Venkateshwara Steel Centre of respondents

	Frequency	Percentage (%)
Less than 1 year	58	58
1–3 years	24	24
3–5 years	13	13
More than 5 years	5	5
Total	100	100

58% of respondents have been associated with the company for less than 1 year, while 24% have been customers for 1–3 years, 13% for 3–5 years, and 5% for more than 5 years. A majority are relatively new customers. The high proportion of customers with less than one year of association suggests that the company is successfully attracting new customers in recent periods. However, improving long-term retention strategies is necessary to build a loyal customer base.



HYPOTHESIS

Null Hypothesis (H_0): There is no significant relationship between the analysis of marketing strategies and their effectiveness in increasing sales of steel products at Sri Venkateswara Steel Centre, Bagepalli.

Alternative Hypothesis (H_1): There is a significant relationship between the analysis of marketing strategies and their effectiveness in increasing sales of steel products at Sri Venkateswara Steel Centre, Bagepalli.

Effectiveness of Pricing Strategies and Impact on Purchase Decisions

Table showing the observed values for Effectiveness of Pricing Strategies and Impact on Purchase Decisions of respondents.

Variables	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
Effectiveness of Pricing Strategies	22	21	44	13	0	100
Impact on Purchase Decisions	6	27	30	16	21	100
Total	28	48	74	29	21	200
Expected Value (Total/2)	14.0	24.0	37.0	14.5	10.5	100

Calculation of Chi-Square Test (X^2)

Degree of Freedom = $(2-1) \times (5-1) = 1 \times 4 = 4$ Significant Level = 5% (0.05)

Observed Value (O)	Expected Value (E)	(O-E)	(O-E) ²	(O-E) ² /E
22	14.0	8.0	64.00	4.5714
21	24.0	-3.0	9.00	0.3750
44	37.0	7.0	49.00	1.3243
13	14.5	-1.5	2.25	0.1552
0	10.5	-10.5	110.25	10.5000
6	14.0	-8.0	64.00	4.5714
27	24.0	3.0	9.00	0.3750
30	37.0	-7.0	49.00	1.3243
16	14.5	1.5	2.25	0.1552
21	10.5	10.5	110.25	10.5000
Total				33.9518

Chi-Square distribution value for $df = 4$ at significant level of $0.05 = 9.49$

Calculated Value = 33.9518

Tabular Value = 9.49

Calculated Value > Tabular Value

Result: The null hypothesis is rejected and the alternative hypothesis is accepted.

FINDINGS

1. The majority of respondents are male at 53%, while female respondents account for 47%, indicating a reasonably balanced gender distribution among the customers of Sri Venkateswara Steel Centre.
2. A dominant majority of 59% of respondents belong to the below 25 years age group, reflecting that younger buyers form the primary customer segment engaging with the organization.
3. Contractors represent the largest occupational group at 44% among respondents, confirming that the construction and project-based buyer segment is the core market served by Sri Venkateswara Steel Centre.
4. The majority of respondents, at 58%, have been associated with the company for less than one year, indicating strong recent customer acquisition but a need to strengthen long-term customer retention strategies.

SUGGESTIONS

1. Sri Venkateswara Steel Centre should develop more competitive and transparent pricing structures, including structured bulk-purchase discounts and volume-based incentives, to convert the large proportion of customers who currently perceive pricing as only moderate into more strongly satisfied buyers.
2. The organization should invest in strengthening and expanding its personal selling capabilities by recruiting and training a dedicated sales team, as personal selling has been identified as the most effective promotional tool by the majority of respondents.
3. A structured and active social media marketing plan should be developed and consistently executed, with regular posts on product updates, pricing offers, and company announcements, to capitalize on the strong digital channel preference expressed by 76% of customers.
4. The company should design more compelling and targeted promotional schemes such as seasonal discounts aligned with construction activity peaks, loyalty bonuses for frequent buyers, and referral incentive programmes to make promotional offers more directly relevant to customer purchase motivations.

CONCLUSION

The study on the analysis of marketing strategies and their effectiveness in increasing sales of steel products at Sri Venkateswara Steel Centre, Bagepalli, provides comprehensive and actionable insights into the current marketing landscape of a regional steel dealership operating in a competitive semi-urban market. The findings reveal that the organization has established a positive market presence and competitive positioning, with a majority of customers viewing it favorably compared to competitors and expressing reasonable intent to continue purchasing and recommending the company to others. As highlighted by Ramesh Kumar and Priya Nair (2025), personalized customer service, competitive pricing, and strong dealer relationships are the primary drivers of sales growth in small and medium steel distribution enterprises, and the findings of this study reflect these dynamics in the specific context of Sri Venkateswara Steel Centre. However, the research also identifies several significant gaps that limit the full effectiveness of the company's marketing strategies. Product quality perceptions, pricing competitiveness, promotional impact, digital presence, and product information communication all emerge as areas where customer satisfaction falls short of its potential.

BIBLIOGRAPHY

BOOKS

1. Kotler, P., & Keller, K. L. (2022). *Marketing Management: Analysis, Planning, Implementation and Control*. New Delhi: Pearson Education India.
2. Ramaswamy, V. S., & Namakumari, S. (2021). *Marketing Management: Global Perspective, Indian Context*. New Delhi: Macmillan Publishers India.

ARTICLES

1. Ramesh Kumar, R., & Nair, P. (2025). Marketing strategies in steel distribution: A study of small and medium enterprises in South India. *Journal of Regional Business and Marketing Studies*, 7(2), 18–26.
2. Agarwal, S. (2025). Impact of pricing strategies on sales performance in steel retail businesses in India. *Indian Journal of Marketing and Commerce*, 12(1), 34–42.

WEBSITES

1. Ministry of Steel, Government of India. Available at: <https://www.steel.gov.in>
2. India Brand Equity Foundation (IBEF) — Steel Sector. Available at: <https://www.ibef.org/industry/steel.aspx>