



An Impact Of Cultural Factors On Marketing Strategy And Performance In It Companies

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Abstract

This study delves into the intricate relationship between cultural factors and marketing strategy performance in IT Companies based in Pune, a culturally diverse and dynamic metropolis in India. Pune's cosmopolitan environment, characterized by a myriad of languages, traditions, and lifestyles, presents both opportunities and challenges for businesses seeking to succeed in this market. The primary objectives of this research are to examine how cultural factors influence marketing strategies, their effectiveness, and their impact on IT Company performance. To accomplish these objectives, the study employs a comprehensive research methodology that includes surveys, interviews, and data analysis using statistical tools. The findings of this study underscore the critical importance of cultural sensitivity and customized marketing strategies that resonate with the cultural identity of the local population. Continuous market research is highlighted as an essential practice to stay attuned to evolving cultural trends and consumer behaviors. Collaboration with local influencers and cultural experts is recommended, along with being open to feedback-driven adaptations.

Keywords: Cultural Factors, Marketing Strategy, IT Company Performance, Pune-based IT Companies, Cultural Sensitivity, Consumer Behavior

1. INTRODUCTION

Pune, the vibrant and diverse stands as a melting pot of cultures, traditions, and identities. With a rich history of trade and commerce, this cosmopolitan city has become a hub for various businesses and industries. In the competitive landscape of Pune's dynamic market, marketing strategies play a crucial role in the success of IT Companies. However, the effectiveness of marketing strategies cannot be isolated from the influence of cultural factors (Sholekhah, et. al, 2020). The impact of cultural factors on marketing strategy performance in Pune based IT Companies is a subject of growing significance in the realm of business management. The multicultural nature of Pune, where people from various regions, languages, and backgrounds converge, presents unique challenges and opportunities for marketers. Understanding and leveraging these cultural factors have become imperative for businesses seeking a competitive edge in this diverse marketplace.

Pune is a microcosm of India's diversity, with a populace that represents various cultures, religions, and languages. The city's inhabitants span from traditionalists to modernists, from local communities to global expatriates (Kristinae, et.al, 2020). These diverse cultural backgrounds contribute to the complexity of consumer behavior, preferences, and expectations. Thus, Pune's marketing landscape is intricate, and any marketing strategy must take into account the city's cultural mosaic. The effectiveness of a marketing strategy is not solely dependent on the product or service offered but also on how well it aligns with the cultural values, beliefs, and practices of the target audience (Varadarajan, 2020). In this context, cultural factors encompass language, customs, festivals, religion, family structures, and social norms, among others. Marketing strategies that resonate with the cultural sensibilities of Pune's population are more likely to be embraced and lead to superior business performance.

1.1. Overview of Marketing Strategies

Businesses create marketing strategies to meet their goals, reach their target audience, and surpass their competition. These strategies serve as the roadmap for an IT Company's marketing efforts, guiding decisions related to product development, pricing, promotion, and distribution (Abiodun, & Kolade, 2020). A well-crafted marketing strategy is a critical component of a IT Company's success, as it ensures that its products or services are not only visible but also highly appealing to the intended consumers.

Key Elements of Marketing Strategies:

- **Product Development:** Marketing strategies start with the product or service itself. Companies need to ensure that what they offer aligns with the identified customer needs. This may involve product design, features, quality, and branding.
- **Pricing Strategy:** Pricing is a crucial element of marketing strategy. Companies need to determine how to price their products in a way that is competitive, yet allows them to achieve profitability. This may involve pricing strategies such as penetration pricing, premium pricing, or skimming.
- **Promotion and Advertising:** The promotional aspect of marketing involves creating awareness and interest in the product or service. The choice of promotion channels and messaging is a vital part of marketing strategy.

- **Distribution Strategy:** Deciding how and where the product will be made available to consumers is another key aspect of marketing strategy. This can involve selecting distribution channels, retail partners, and considering e-commerce options.
- **Competitive Analysis:** A robust marketing strategy also considers the competitive landscape. It involves identifying competitors, assessing their strengths and weaknesses, and determining how to position the IT Company's offerings in the market.

1.2. Overview on IT Company

It serves as a critical assessment of an IT Company's overall health, effectiveness, and efficiency.

Key Elements of IT Company Performance:

- **Financial Performance:** One of the most tangible aspects of IT Company performance is financial success. This includes revenue growth, profitability, cost management, and financial stability.
- **Customer Satisfaction:** An IT Company's success is often closely tied to how well it satisfies its customers. Surveys, feedback, and Net Promoter Scores (NPS) are used to measure customer satisfaction.
- **Employee Productivity and Engagement:** The performance of an IT Company is significantly influenced by its workforce. Engaged and productive employees contribute to innovation, quality, and customer service. Employee performance evaluations, turnover rates, and employee satisfaction surveys are commonly used metrics.
- **Innovation and Adaptability:** Thriving IT Companies continually innovate to stay competitive. Their ability to adapt to changing market conditions and embrace new technologies is a measure of their performance. Metrics related to innovation might include the number of patents filed, new product launches, or time-to-market.

2. RESEARCH OBJECTIVE

The research initiatives' primary goals are:

1. To Investigate the Influence of Cultural Factors on Marketing Strategy Performance in Pune-Based IT Companies.
2. To Assess the Effectiveness of Various Marketing Strategies in the context of Pune's cultural diversity and dynamics.
3. To Examine the Role of Strategic Marketing in Enhancing Pune based IT Companies' Competitive Edge within the local cultural context.

3. LITERATURE REVIEW

Market-situated culture and a IT Company's promoting procedure making process are utilized by (Lee, et. al, 2019) as parts of a IT Company's showcasing capability. In light of surveys of related writing, the writers fostered a connection between market-situated culture and the showcasing technique making process, which was then confirmed by reviewing administrative faculty from different firms. It was found that a culture that is centered around the market in a roundabout way affects business performance by impacting the most common way of creating showcasing systems.

A review led in (Fraj, et. al, 2011) accumulated data from 361 European assembling IT Companies. An underlying condition demonstrating approach utilizing EQS programming was utilized to look at the information. The outcomes show that by augmenting promoting viability and cutting costs, green advertising methodologies assisted IT Companies with expanding their productivity. In any case, there is no certain relationship made between financial progress and parts of authoritative outcomes like cycle performance. They likewise show that IT Companies that focus on the climate have a higher possibility accomplishing predominant functional and promoting results from their natural practices.

4. RESEARCH METHODOLOGY

4.1. Research Design

This study employed a qualitative research design, acknowledging the complexity of cultural factors' impact on marketing strategy performance in Pune based IT Companies. Qualitative research is well-suited for exploring the intricacies of cultural dynamics and their influence on marketing strategies within a specific context.

4.2. Sample Size

According to a website's survey system, which calculated the pattern length, the goal population at PuneUniversity, the self-assurance interval (8.77), the self-assurance level (95%), and additional data, the crucial pattern length was 100 samples.

4.3. Sampling Technique

Purposive sampling, a non-probabilistic technique, will be employed to select participants who have a deep understanding of Pune's cultural landscape and its implications for marketing strategies. This approach ensures that the study includes individuals with relevant cultural expertise.

4.4. Data Collection

Both primary and secondary data sources used to gain a comprehensive understanding of cultural factors and their impact on marketing strategy performance in Pune, Maharashtra.

4.4.1. Primary data

In-depth interviews served as the primary source of data collection. Participants selected to include individuals with diverse cultural perspectives. Semi-structured interviews provided insights into participants' experiences and perceptions of how cultural factors influence marketing strategies.

4.4.2. Secondary data

Internet searches were used as secondary data in this study; information and data were gathered from numerous websites to help us comprehend and, as a result, respond to the research questions. The firm brochure and textbooks are among the additional secondary data sources that were used.

4.5. Tools used for Data Collection

The information gathered by sending the closed-ended surveys to the respondents at their places of work and sharing it with students, teachers, and staff through emails, social media, and other online platforms.

3.5 Tools used for Data Analysis

The analysis of qualitative data required specific techniques for drawing meaningful insights from interviews and existing data sources.

3.5.1. Regression Analysis

Simple linear regression will be used, where one variable (Y, the dependent variable) is predicted based on the values of another variable (X, the independent variable). This analysis will help us understand how specific cultural factors (X) predict outcomes related to marketing strategy performance (Y) in Pune based IT Companies.

3.5.2. Reliability Analysis

In the realm of statistics and psychometrics, the Cronbach coefficient, also known as the alpha coefficient, serves as a lower-bound indicator of the reliability and internal consistency of a set of psychometric test items. This coefficient is a measure of the expected correlation between various items measuring the same underlying construct.

5. RESULT AND DISCUSSION

5.1. Reliability Analysis

Table 1 presents the statistics of reliability, measured using Cronbach's Alpha, for various key components related to marketing and IT Company performance. Each component is assessed for its internal consistency and reliability by considering the number of items included.

Table 1: Reliability

| | Cronbach's Alpha | No of items |
|---------------------------------------|-------------------------|--------------------|
| Marketing Strategy, | .812 | 5 |
| Service Strategy | .712 | 5 |
| After Sales Service Strategy | .726 | 5 |
| Higher Education Marketing Strategies | .814 | 5 |
| Social Media Marketing Strategies | .796 | 5 |
| IT Company Performance | .847 | 5 |

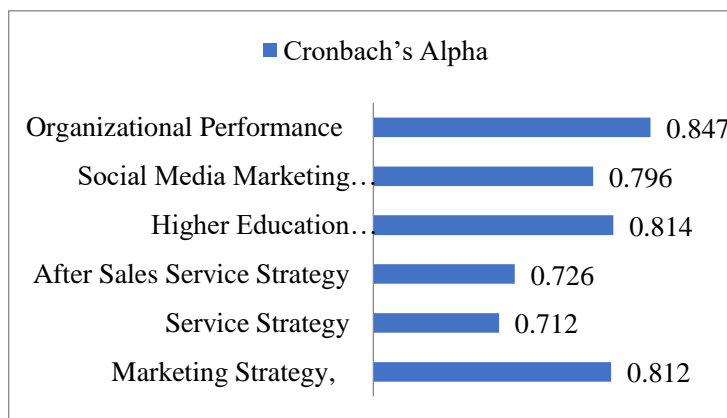


Figure 1: Statistics of Reliability

With a Cronbach's Alpha of 0.812, the five-thing Marketing Strategy part shows a similarly serious level of reliability. This shows that with regards to estimating marketing strategy, the components in this part are inside steady. In an equivalent vein, the five-thing Administration Strategy part has a satisfactory degree of inner consistency (Cronbach's Alpha = 0.712). As per this reliability assessment, the help strategy thought is estimated by the things in a powerful way.

With five parts, the After Deals Administration Strategy has a Cronbach's Alpha of 0.726, which demonstrates solid interior consistency. This component reliably exemplifies the center of the post-buy administration plan. The five things in the advanced education Marketing Methodologies setting have a serious level of inward consistency, as shown by the Cronbach's Alpha of 0.814. This part proficiently evaluates various marketing strategy-related factors in advanced education. The five-thing Web-based Entertainment Marketing Systems has a Cronbach's Alpha of 0.796, which demonstrates high unwavering quality. This component effectively evaluates the concept of marketing strategies in the context of social media. Lastly, the IT Company Performance component, represented by five items, exhibits the highest level of reliability with a Cronbach's Alpha of 0.847. This suggests that the items within this component are highly internally consistent in measuring IT company performance.

Table 2 provides an overview of the demographic characteristics of the study participants, shedding light on the composition of the sample group. These characteristics are crucial in understanding the diversity and representation within the research population.

Table 2: Demographic Characteristics

| | | Frequency | % |
|----------------|----------------|-----------|-----|
| Gender | Male | 55 | 55% |
| | Female | 45 | 45% |
| Age | 18-35 | 61 | 61% |
| | 36-55 | 26 | 26% |
| | Above 55 Years | 13 | 13% |
| Marital Status | Married | 40 | 40% |
| | Unmarried | 60 | 60% |

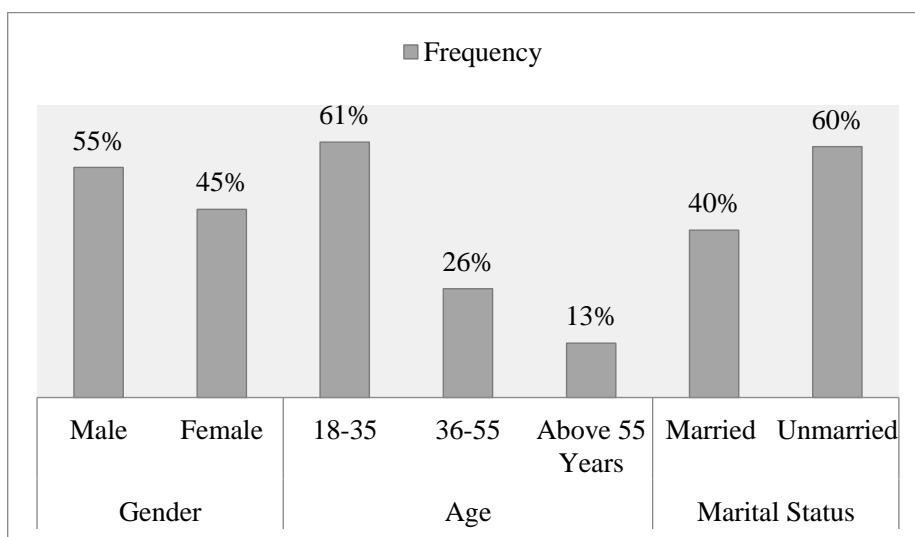


Figure 2: Demographic Characteristics

Regarding the gender distribution, the majority of respondents were male, constituting 55% of the total sample, while the remaining 45% were female. This gender distribution indicates a relatively balanced representation of both males and females within the study, allowing for a comprehensive assessment of perspectives from different genders. In terms of age, the data shows that the majority of participants fall within the age range of 18-35 years, making up 61% of the sample. This suggests that a significant proportion of the respondents is relatively young and potentially represent the views and experiences of a younger demographic. Additionally, 26% of the participants belong to the age group between 36 and 55 years, while 13% are above 55 years of age. This distribution of age groups reflects a diverse range of ages, which can be valuable for capturing insights from various generational perspectives. Regarding marital status, 60% of the participants indicated that they were unmarried, while 40% reported being married.

5.2. Regression Model

Table 3: Model

| Model | R | R ² | Adjusted R ² | S.E. | Change Statistics | | | | |
|-------|-------------------|----------------|-------------------------|--------|-------------------|----------|------|-----|-------|
| | | | | | R Square Change | F Change | Df 1 | Df2 | Sig F |
| 1 | .877 ^a | .712 | .711 | .61225 | .615 | 32.563 | 8 | 91 | .001 |

The decency of fit performance of the model is summarized in Table 3. With a coefficient of assurance (R square) of 0.712, the free factors represent around 71.2% of the variety in hierarchical performance. In the wake of adapting to the

quantity of indicators in the model, the adjusted R square is 0.711. An importance level (Sig F) of 0.001 and a F measurement of 32.563 demonstrate that the model in general is measurably critical. This demonstrates that the performance of the association is altogether affected by the free factors taken together.

Table 4: ANOVA

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|--------------|----------------|----|-------------|--------|------|
| 1 Regression | 114.36 | 9 | 15.236 | 29.363 | .000 |
| Residual | 25.36 | 90 | .877 | | |
| Total | 139.72 | 99 | | | |

The ANOVA which assesses the model's general importance, is displayed in Table 5. With nine levels of opportunity and an amount of squares of 114.36, the relapse model yields a mean square of 15.236. With a 0.000 incredibly critical p-value, the F measurement is 29.363. This proposes that the fluctuation in hierarchical performance is generally made sense of by the model all in all.

Table 5: Coefficient

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---------------------------------------|-----------------------------|------------|---------------------------|--------|------|
| | B | Std. Error | Beta | | |
| 1 (Constant) | .074 | .875 | .321 | .091 | .712 |
| Marketing Strategy, | .512 | .072 | -.362 | 5.114 | .000 |
| Service Strategy | -.321 | .206 | -.345 | -3.274 | .032 |
| After Sales Service Strategy | .152 | .089 | .512 | 5.142 | .000 |
| Higher Education Marketing Strategies | -.263 | .108 | -.178 | -2.126 | .004 |
| Social Media Marketing Strategies | .512 | .236 | .412 | 5.332 | .000 |

Dependent variable: IT Company Performance

Table 5 provides information about the coefficients of the independent variables and their impact on IT Company performance. The standardized coefficients (Beta) demonstrate the standardized impact of each independent variable. The t-statistic measures the significance of each coefficient, and the Sig. (p-value) indicates the significance level.

6. RECOMMENDATIONS AND CONCLUSION

The impact of cultural factors on marketing strategy performance in Pune based IT Companies is a critical aspect of achieving success in this diverse and dynamic market. Pune’s rich cultural tapestry presents both opportunities and challenges for IT Companies. Understanding and respecting the cultural values, traditions, and preferences of the local population is essential for effective marketing. This study has shed light on the significance of cultural factors in shaping marketing strategies and their impact on IT Company performance. The findings have highlighted the need for cultural sensitivity, customized strategies, continuous market research, collaboration, and feedback-driven adaptation. By implementing these recommendations, IT Companies operating in Pune can enhance their marketing strategy performance, better connect with their target audiences, and ultimately achieve improved business outcomes in this culturally diverse and vibrant city.

Based on the findings of this study on the impact of cultural factors on marketing strategy performance in Pune based IT Companies, several recommendations can be made:

- Cultural Sensitivity Training: IT Companies in Pune should invest in cultural sensitivity training for their marketing teams. This will help marketers better understand the diverse cultural nuances of their target audiences and adapt their strategies accordingly.
- Market Research: Continuous market research is crucial to stay updated with evolving cultural trends and consumer behaviors. IT Companies should regularly conduct market research to identify cultural shifts and adapt their strategies accordingly.

- Collaboration and Partnerships: Collaborating with local influencers, cultural experts, or IT Companies can help businesses gain insights and access to niche cultural markets. Partnering with cultural events or festivals can also provide a platform for marketing products and services.
- Feedback and Adaptation: Pune based IT Companies should actively seek feedback from customers and be open to adapting their marketing strategies based on this feedback. This ensures that marketing efforts remain relevant and effective.

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