Conceptualization of Market Expansion Strategies in Developing Economies

Vasant V. Bang
KIIT School of Management, India.

Sharad L. Joshi
Vishwakarma Institute of Management, India.

Vasant V. Bang is an Associate Professor of Marketing at KIIT School of Management, 6, Ideal Colony, Paud Raod, Kothrud, Pune 411038, India, tel. 0091-20-25469591, vvbang@rediffmail.com. Sharad L. Joshi is the Director at Vishwakarma Institute of Management, Kondhwa (BK), Pune 411048, India, tel. 0091-20-26932800, sharadjoshi@vimpune.ac.in. The paper is based on the doctoral research work of first author at Birla Institute of Technology and Science (BITS) Pilani, India. The second author is the doctoral research guide. The authors would like to sincerely thank Dr. James Gentry, editor-in-chief of AMSR and the three anonymous reviewers for their valuable comments, suggestions, and editing work.

EXECUTIVE SUMMARY

Market expansion is a very important strategic option in the developing economies. Literature on marketing to the “bottom of the pyramid” and the “blue ocean” strategy has brought to the fore the issue of direct involvement of manufacturers or corporations in expanding markets. Though the “bottom of the pyramid” and the “blue ocean” strategy frameworks are important references for development of conceptual framework for market expansion, neither of these can be considered as a complete conceptualization in itself. The authors synthesize extant knowledge on the subject and provide a conceptual framework by looking into fundamental issues such as what is a market, what is market expansion, and what factors affect market expansion.

Unlike in case of the “blue ocean” strategy framework, this paper is not based on any premise as to whether market expansion is a strategic alternative to market share or not. The authors have conceptualized a market expansion strategy as a strategy of increasing primary demand for a product category by converting non-customers into customers of an industry and/or by increasing the usage rate of the industry’s existing customers. They also conceptualize a market expansion continuum across which market expansion strategy can be practiced. At one end of the continuum lies the prospect of increasing demand for a product form and at the other end lies the prospect of increasing demand by increasing the size of wallet of the consumers.

From the review of the literature, three components of market expansion strategy have been identified: (1) a definition of market scope in terms of customers and competitors, (2) the creation of willingness and ability among target customers, and (3) the fulfillment of demand in a sustainable manner. Research propositions are developed with respect to each of these three components of market expansion strategy. These research propositions can serve as the basis for further research on implementation and measurement of market expansion strategy.

Key Words: Bottom of the pyramid marketing, Demand, Developing countries, Market expansion, Market expansion strategy

Conceptualization of Market Expansion Strategies in Developing Economies

Of late, the issue of market expansion has attracted the attention of academia as well as industry. Market expansion as a strategic growth option is particularly relevant in developing countries like India because of very low product penetration and consumption levels. The McKinsey Quarterly in its global survey of business executives reports that 84 percent of executives consider growing number of consumers in emerging markets as an important trend but a lesser number of executives (63 percent) view these consumers as a future source of profits and a still lesser number (41 percent) of executives say that their companies have pursued this opportunity (Freeman, Woodwork, and Stephenson 2007). Real challenge lies in converting non-customers of an industry into customers. However, traditionally, strategy researchers and practitioners have focused their attention on the problem of dealing with competition and how to get and keep market share (Hamel and Prahalad 2002; Kim and Mauborgne 2005).

Some commentators argue that in countries like India, small industry and informal sectors have been practicing market expansion strategy with products they could make such as local soap, biscuits, and toiletries (Nath 2006). But the work of Kim and Mauborgne (2005), Prahalad (2005), Prahalad and Hammond (2002), and Prahalad and Lieberthal (1998) brought to the fore the issue of direct involvement of manufacturers or corporations in expanding markets. Though these contributions have immense value for the development of a conceptual framework for market expansion strategy, individually none of these can be considered as a complete conceptualization in itself.

Kim and Mauborgne (2005) conceptualize a “blue ocean” strategy framework for creation of demand in an untapped market. They visualize it as an alternative strategy to market share growth. However, not every one agrees that market expansion and market share growth are mutually exclusive strategies (e.g., Walker Jr. et al. 2006). Some of the strategies suggested in this framework do not lead to market expansion in the same sense as we define it in this paper. A “blue ocean” strategy framework provides tools and techniques for dealing with competition at different levels. But it does not pay enough attention to the exogenous factors affecting market demand such as the purchasing and consumption abilities of potential customers.

Prahalad (2005) with other scholars like Hammond (2002) and Lieberthal (2005) has developed a “bottom of the pyramid (BOP) marketing framework” as a means of expanding low income markets. In the context of developing countries, a BOP framework is more relevant than a “blue ocean strategy” framework. Although a “BOP” framework is useful for development of a general framework for market expansion, conceptually expansions of markets do not necessarily mean expansion of “bottom of the pyramid” markets. A “BOP” framework puts strong emphasis on the creation of consumption capacity among the poor. However, like a “blue ocean strategy” framework, it does not adequately address a very important consumer behavior related issue of how to bring an unwilling customer into the market. “BOP” framework also ignores the competitive dimension in the formulation of strategy.

Much before the writings on “blue ocean strategy” and “bottom of the pyramid marketing,” Kotler (1973) wrote about demand creation activities. He had identified specific situations in which a company needs to undertake demand creation efforts. Although he wrote about marketing tasks in each such situation, these tasks do not constitute a holistic framework, especially in the context of developing countries. Moreover he did not write specifically about demand for a product as against demand for a brand.

The objective of this paper is to conceptualize a market expansion strategy in such a way that a generic framework can be developed which should be useful for the expansion of markets of any type, including the bottom of the pyramid markets in developing countries.

METHODOLOGY

We develop a framework without making any assumption as to whether market expansion is a strategic alternative to market share or not. We look into the fundamental issues such as: what is a market and what is market expansion. We synthesize some significant contributions to the market expansion-related strategy literature with relevant concepts and theories from literature in other areas. On the basis of the survey of the literature, we first clarify the domain of the market expansion construct and market expansion strategy. Then we identify the antecedent conditions that drive market expansion. We also identify the moderating conditions under which the effect of antecedents is enhanced or ameliorated. On the basis of the identified antecedents and moderators, we develop a process-based framework for implementation and measurement of market expansion strategy. We also present a series of research propositions in the spirit of propositional inventories such as those developed by scholars like Kohli and Jaworski (1990).

WHAT IS MARKET EXPANSION?

In the marketing literature the term “market” is referred to a set of actual and potential buyers of a product (Etzel, Walker and Stanton 2001; Kotler 2001; Zikmund and d’Amico 2001). Size of the market is measured in terms of demand. Demand for a product category as a whole is termed as primary demand while demand for a particular brand of a product is called selective demand. The upper limit of market demand is called market potential (Kotler 2001). In the marketing and strategy literature, primary demand creation and selective demand creation have been identified as distinct strategic options. Companies selling in mature markets often take primary demand as given. They concentrate their marketing resources on building selective demand. However in countries which are characterized by huge but largely untapped market potential, some companies attempt to build primary demand as well as preference for their brands (Kotler and Armstrong 2006). In the strategy literature, the term “market expansion” has generally been used in the context of primary demand creation and not selective demand creation. For example, Weber (1976) writes about the strategic option of growing by increasing industry market potential rather than market share. Walker Jr. et al. (2006) define market expansion strategy as stimulating primary demand to help speed up overall market growth. Hence we conclude that market expansion means increase in primary demand or increase in market potential for a product category and not the increase in sales of a specific brand.

Demand for a product category can be expressed in terms of volume (i.e., quantity or number of units) or value (i.e., monetary units). Whether the growth in the sales volume or value of a product category can be considered as market expansion or not depends on the source of the demand’s growth. We can visualize three sources of the growth in the demand for a product category: (1) demand from the first time buyers i.e., existing non-customers of the industry, (2) increase in the usage rate of existing customers of the industry, and (3) value growth because of some customers upgrading to higher priced products (Bijapurkar 2007). Besides this, most products have replacement demand. We define a market expansion strategy as a strategy of increasing primary demand for a product category by converting non-customers into customers of an industry and/ or by increasing the usage rate of industry's existing customers. Focus on increasing the usage rate is especially relevant in case of products with high penetration levels but low per capita consumption. For example, expansion of market of consumer non durables (i.e., toilet soaps and detergent cakes/ powders) in India, can take place through increase in its usage rate (Rao 2001).

"Expansion" and other similar terms used in the business and corporate strategy literature do not always mean market expansion. For instance, Glueck and Jauch (1984) suggest concentration, integration, diversification, cooperation, and internationalization as different routes to expansion. But these strategies do not necessarily lead to expansion of market for a particular product category. Similarly, Ansoff (1957) in his product-market growth matrix talks about "market extension strategy" and "market penetration strategy." But extension of a market by reaching out to new market segments in present geographic markets is not the same as regional, national, or international geographic expansion of the company's sales. The former option leads to an increase in primary demand for the product category. But in the latter case, a company might grow its sales by gaining market share from existing competitors in new geographic markets. Similarly, if market penetration is sought by converting non-customers into the customers of the industry's products, it leads to increase in the primary demand. But if market penetration is brought about by attracting competitor's customers, it leads to increases in the selective demand. This paper is concerned with market expansion for a particular product category and not corporate level expansion of overall sales revenue.

In order to measure market potential, it is necessary to define boundaries of a market. For defining market boundaries, Brooks (1995) conceptualizes "market" as a set of customers served by a set of suppliers, where both sets are defined in terms of products and services and in terms of geographic locations. This means for each of its products in a chosen geographical area, a company can have different estimates of market potential depending on the definition of respective product's market boundaries in terms of competition.

There exist two approaches to the definition of competition. Demand-oriented approaches define competitors with respect to customer needs and wants, while supply-oriented approaches focus on physical product and manufacturing processes (Day, Shocker, and Srivastava 1979). Levitt (1960) highlights the importance of demand side perspective in his article on 'Marketing Myopia' wherein he asks companies to focus on customer needs rather than the products that they sell. Marketing strategists generally define competitors from a consumer behavior perspective (Rao and Steckel 2006).

Lehman and Winer (2005) define competition at four different levels: product form level, product category level, generic level, and budget level. Product form level competition includes all those products and services which typically pursue the same market segments and their features offer similar values. All brands within a product form are competitors at the product form level. Product category competition includes all those products and services which have similar features. But these features may differ in perceived value. All product forms within a product category are competitors at the product category level. Generic competition includes all those products and services which satisfy the same customer needs. Various product categories satisfying a particular need are competitors at this level.

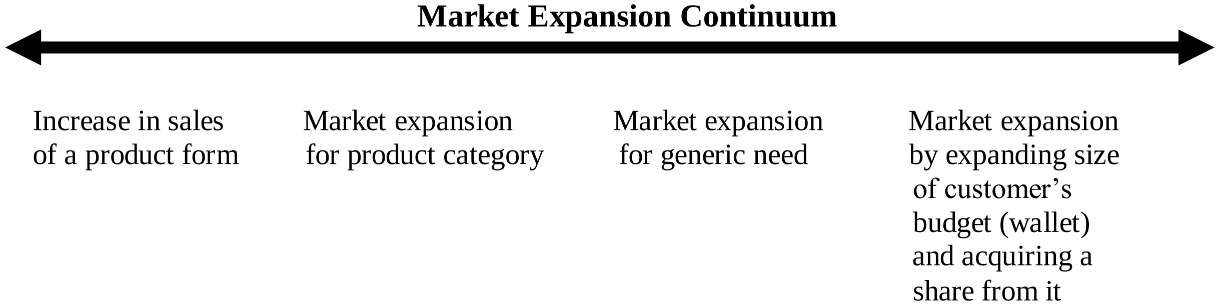
Budget level competition includes all those products and services which compete for the customer's budget. At this level various customer needs are the competitors.

By using four levels of competition as a framework, we can conceptualize different levels of market expansion. We can measure market potential for a product form (i.e., low cost airlines/motorbikes/ herbal shampoo) or for a product category (i.e., airlines/two wheelers/shampoos) or for a generic need (i.e., travel/personal transport/hair care). At one extreme end, a firm may try to increase sales of its specific brand without attempting to increase the market potential of the product form to which the brand belongs. Resultant increase in the sales of that brand can not be termed as market expansion. A company can make efforts to increase the sales of a product form within a product category. For example, Air Deccan popularized the low cost air travel format in Indian domestic air travel market. As per our definition of market expansion, an increase in the sales of a product form also does not constitute market expansion unless it leads to increase in the sales of the product category as a whole. Market can be expanded by increasing the sales of a product category within a generic need. For example, Air Deccan can try to persuade the customers to travel by air rather than by train. Market can be further expanded by raising aspirations of customers for satisfaction of a particular generic need vis a vis their other needs. For example, airlines can try to persuade customers to travel and see the world.

In addition, an increase in market potential can also be brought about by increasing the size of the wallet or budget of the customers. For example, ITC Ltd., a fast-moving consumer goods company, has created village internet kiosks in India. This initiative called eChoupal (electronic marketplace) enables the agricultural community access to ready information in their local language on the weather and market prices, disseminates knowledge on scientific farm practices, and facilitates the sale of farm inputs and the purchase of farm produce at the farmers' doorsteps by ITC or others. Tyagi (2006, p. 70)**,** Head – Rural Marketing, ITC- International Business Division says, "marketers today are trying to get a share of the same wallet while what we are trying to do in the eChoupal model is to look at how we can enhance the size of the wallet and then garner a share of it."

We conceptualize a market expansion continuum across which the market expansion strategy can be practiced. As shown in figure 1, at one end of the continuum lies the prospect of increasing sales for a product form which may or may not lead to market expansion. At the other end lies the prospect of expanding the market by increasing the size of wallet/ budget of the consumers and acquiring a share from it.

FIGURE 1
Market Expansion Continuum



ANTECEDENTS TO MARKET EXPANSION

Antecedents to a market expansion are the factors that drive market expansion. Our examination of the literature reveals three antecedents to market expansion: (1) unfulfilled needs and wants of the potential customers, (2) their purchasing ability and (3) access to the desired products and services.

1. Unfulfilled Needs and Wants

If demand for a product is to exist, the customers should recognize an unfulfilled need which can be satisfied by a given product (Etzel, Walker, and Stanton 2004; Kotler 2001; Zikmund and d'Amico 2001). Need or problem recognition is the first step in the consumer decision making process (Blackwell, Miniard, and Engel 2006, Loudon and Della Bitta 2002).

Customers recognize an unfulfilled need only when they perceive a difference of sufficient magnitude between their desired and the actual state of affairs (Blackwell, Miniard, and Engel 2006). Need recognition is triggered either by the change in the desired state or by the change in the actual state (Bruner II 1990). At times customers fail to realize the change in their actual state of affairs (Blackwell, Miniard, and Engel 2006; Loudon and Della Bitta 2002). In the developing countries low income customers become resigned to their living conditions (Letelier, Flores, and Spinosa 2003). Due to low literacy levels many a times they fail to notice the change in their actual states. For example, diarrhea, a killer disease in many developing countries, can be partly prevented if people wash their hands with soap before eating. However many people fail to realize that washing hands without using a soap only gives an impression of clean hands without killing the germs (Prahalad 2005).

Out of the several factors influencing the actual and desired state of affairs (Bruner II 1988), reference group, culture, and social class are especially important in the developing market context. Prahalad and Lieberthal (1998) point out cultural differences between the untapped poor markets and the tapped affluent markets. In low income segments in developing countries, decisions to buy or not to buy a product are affected by conflict between traditional values (i.e., belief that personal identity is based on place in the society given at birth) and emerging values (i.e., belief that possessions, education, and work status define identity). Poor customers try to resolve the value conflicts by buying such products that make qualitative differences in their lives and enhance their productivity (Letelier, Flores, and Spinosa 2003). For instance, many customers in rural India buy cell phones and two wheelers as life improving products that enhance their productivity and increase earning (Bijapurkar 2007). But even within a developing country, the customers belonging to different age cohorts exhibit different propensity to consume. For example, the post-1990 generation in India does not feel guilty about consumption unlike their previous generation which largely believes in saving first and buying later (Bijapurkar 2007).

At a given point of time, several needs compete for the share of a customer's resources. For a customer, motivation to satisfy a need depends on the relative importance of that need (Hawkins, Coney, and Best 1980). As a result, demand for a product is affected by the competition from "non-comparable alternatives," i.e. product categories which satisfy different needs (TV versus Refrigerator) but compete for the customer's resources (Bettman and Sujan 1987; Corfman 1991; Johnson 1989). Competition among non- comparable alternatives is an important issue in developing countries because of the lower incomes of the customers.

Even after customers recognize a need which a given product can satisfy, demand for that product is not assured because there can be more than one product category capable of satisfying a given need. Competition from substitutes is discussed in economics as well as in the strategy literature (e.g., Porter 1980; Salvatore 2004; Samuelson and Nordhaus 2005). A customer's desire for a specific product category becomes his want (Kotler 2001). At times demand for a product is negatively affected because of undesirable beliefs, values, or feelings associated with the product (Kotler 1973).

If the customers are to consider a product category as one of the alternatives for satisfaction of a chosen need, the given category should exist in his consideration set. First time buyers in a product category may lack knowledge about what alternatives are available to choose from and they may not be able to construct a consideration set solely based on the internal search of the memory. The products like deodorant which are taken for granted in developed countries might be unknown to many customers in developing countries (Blackwell, Miniard, and Engel 2006).

2. Purchasing Ability

Demand for a product exists when needs and wants of the customers are backed by the purchasing ability (Etzel, Walker, and Stanton 2004; Kotler 2001; Zikmund and d'Amico 2001). Purchasing ability is also known as an economic resource (Blackwell, Miniard, and Engel 2006). Purchasing ability depends on the income, savings, assets, debts, and borrowing power (Kotler 2001). Economists point out that with the rise in customer's income, demand for "normal goods" rises while demand for "inferior goods" decreases (Salvatore 2001).

Per capita incomes in the developing countries are much lower than the developed countries. Approximately 65 % of the world's population (i.e., 4 billion people) earns less than $2000 each per year (Prahalad and Hammond 2002). However, per capita income and consumption expenditures in developing countries in purchasing power parity terms are much higher than what appears in real terms. For example, in 2005 an average Indian middle class family spent approximately $6500 annually, a modest sum in real terms but in purchasing power parity terms it meant $35000 (Beinhocker, Farrell, and Zainulbhai 2007). Table 1 shows income class wise distribution of households in India. Effect of income on the ownership of consumer durables is evident from this table.

Poor customers in the developing countries not only have low per capita income but their income streams are unpredictable. Many of them subsist on daily wages. Because of this bottom of the pyramid customers prefer buying many products like shampoo, biscuits, toothpaste, soaps, etc. in small packets at lower price points (Prahalad 2005). For the same reason usage rate per occasion of many products like soft drinks, ketchup, cheese, detergents, etc. tends to be lower in the developing countries than the developed countries (Bijapurkar 2007).

Demand for products is affected not only by the current income of the customers but also by their borrowing power. For instance, easy access to formal credit is considered to be one of the most important reasons for rising consumption levels in India (Bijapurkar 2007). However, access to formal credit depends on creditworthiness of the borrowers. Poor customers who lack collateral find it difficult to access credit through formal credit sources (Lawrence 2006). Access to informal financial institutions like Rotating Saving and Credit Association (Roscas) helps poor customers in reducing the waiting time to purchase (Callier1990). Poor customers also depend on the local retailers and money lenders for their credit needs though such credit can be exorbitantly expensive (Prahalad 2005).

TABLE 1
Income Class wise Ownership of Consumer Durables in India

Annual household income (Rupees '000) (1$ = Rupees 40)	% of Indian households in each income class	Number of durables owned per 100 households in each income class				
		Two-Wheeler	Color TV	Refrigerator	Air - Conditioner	Car
Less than 90	71.90	7	5	4	0	0
90-200	21.90	47	40	34	2	4
200-500	4.80	70	74	62	13	29
500-1000	0.91	75	69	64	28	54
1000-2000	0.29	66	89	68	32	66
2000-5000	0.11	77	113	81	40	69
5000-10,000	0.02	91	117	100	38	77

Source: Adapted from data provided by National Council for Applied Economic Research (2002) reproduced in Bijapurkar R. 2007. *We are like that only.* New Delhi: Penguin Portfolio p. 93

3. Access

The mere existence of willing and capable customers does not constitute a market. According to economists, markets exist only when at least two parties (i.e., customers and marketers) are willing to enter into an exchange (Gravell and Rees 1992; Marshall 1919; Rosenbaum 2000). At times customers recognize an unfulfilled need but marketers do not offer a product which can satisfy the felt need. Such a situation represents latent demand (Kotler 1973). Potential market for a product offer gets converted into available market only when the potential customers have access to the product offer (Kotler 2001). For example, scholars point out that the bottom of the pyramid markets in the developing countries can expand if companies increase their distribution reach especially in the geographically dispersed rural markets (Prahalad 2005; Prahalad and Lieberthal 1998).The term access not only means distribution reach but more importantly it means availability of the products with desired value propositions. For example, when companies started offering shampoo in single serve packs priced at as low as $ 0.02, the percentage of households consuming shampoo in rural India went up from 13.3 in the year 2000 to 31.9 in 2005 (Bijapurkar 2007). Hence we can say that access is a marketer-side antecedent to market expansion. It is influenced by the target market definitions of the companies.

For some products a company or the whole industry may not target a certain market segment. For example, companies that sell higher end products such as financial services or computers have generally not targeted low income segments in developing countries (Letelier, Flores, and Spinosa 2003). Large western companies tend to target small segments of relatively affluent buyers in the developing countries (Prahalad 2005; Prahalad and Hammond 2005; Prahalad and Lieberthal 1998).

The market for a product category can expand if a company targets non-customers of the industry's products. Markets can also expand if a company tries to increase the usage rate of the existing customers of the industry. But if a company targets existing customers of the industry for their replacement demand, or for the sales of an upgraded variant of existing product, the market does not expand. For example, as shown in table 1, the Indian market for consumer durables can expand if companies target lower income segments. On the other hand if higher income segments are targeted for their replacement or up-gradation demand, the market doesn't expand.

Our survey of literature reveals that three important factors influence a company's decision to target untapped and/or underserved market segments or not.

(i) Estimate of the potential market size and growth.

The size and growth rate of the potential market are important determinants of the choice of target market (Etzel, Walker and Stanton 2001; Kotler 2001; Zikmund and d'Amico 2001). However the estimate of the size of potential market depends upon the metric used by the marketers. As shown in table 2, in terms of GDP per capita, the emerging economies of Brazil, Russia, India and China rank very low in the list of countries. However, in terms of population and GDP, these countries rank very high. If the untapped or underserved market segments in the developing countries are evaluated by using per capita consumption metric, these segments do not appear attractive, but at the aggregate level these countries are big markets (Bijapurkar 2007; Prahalad 2005).

TABLE 2
Population and GDP Ranking

Country	Population rank	Purchasing power parity	
		GDP rank	GDP per capita rank
China	1	3	108
India	2	5	153
Brazil	7	11	97
Russia	10	10	81
USA	4	1	10

Source: The World Factbook 2007, reproduced in Bijapurkar R. 2007. *We are like that only*. New Delhi: Penguin Portfolio. p. 57

A company's estimate of market size may be affected by its perception of purchasing power rather than by the real purchasing power of the customers. For instance, some multinational companies tend to think of the middle class in India and China as similar to the middle class in Europe or the United States of America. In reality upper class customers of the developing countries match the middle class customers of the developed countries in terms of their income. As a result many companies end up targeting only the upper income segments in the developing countries (Prahalad and Lieberthal 1998). On the other hand, companies tend to under estimate the purchasing power of poor people. Poor customers buy many products and services at much higher prices than their rich counterparts. For example, poor people in Dharavi, a shantytown of more than 1 million people in the heart of Mumbai, India, pay several times more to use credit than rich people staying in the same city (Prahalad and Hammond 2002). In the Philippines there is a custom of "five-six" lending: borrowing five pesos and repaying six, usually within a week for an annual interest rate of roughly 13000 percent (Beshouri 2006).

A company's strategies are also affected by the rate of growth of the market. If a company thinks that its product is at the maturity or saturation phase in its lifecycle, it may become market share focused. Sometimes lifecycle stage can be a matter of perception. Jha (2006, p.81) says "most of our (Indian) marketers sit on a huge untapped market with the mindset of a saturated market."

(ii) Financial considerations.

Pursuit of superior financial performance is assumed to be the ultimate goal of a firm's strategies including the decision about which segments to target (Alderson 1957; Hunt and Morgan 1995, 1996). Just because untapped market segments provide opportunities for growth, financial viability of the strategy of targeting these segments can not be taken for granted. For example, Salvatore (2004) writes that in the 1990s markets in the airline and telephone industries in the USA expanded but firms suffered huge losses. Sheth and Sisodia (2007) argue that any benefits accruing to marketers or customers at the expense of each other are short lived at best and usually lead to subsequent losses that more than offset previous gains.

The financial viability of market expansion strategy is a crucial issue in the developing countries because most untapped market segments are located in the rural areas. For instance, despite rural India having three times as many people as urban India, it is vastly underserved. This is because rural India has its geographical and infrastructural challenges which make it more expensive and less attractive to the marketers (Bijapurkar 2007).

Scholars argue that financial viability can be a matter of managerial perception, especially if they are used to operating in the higher margin markets of developed countries. In the developing countries per unit margins are lower but the loss of margin is more than compensated by the volumes and higher return on capital employed (Prahalad 2005; Prahalad and Hammond 2005; Prahalad and Lieberthal 1998). Rosenblum, Tomlinson, and Scott (2003) point out that established companies have great difficulty in seeing how unprofitable segments (i.e., small and low income customers) can be served profitably, particularly if those established companies have been very successful.

(iii) Competitor orientation

Some scholars believe that when a company focuses too much on competition, it fails to target untapped and/or underserved segments (Jha 2006; Kim and Mauborgne 2005). But this assumption is debatable. Although existence of competition is an important assumption in many marketing theories, the theorists do not use the term competition in the context of only the existing markets. For instance, Alderson (1957) and Hunt and Morgan (1996) suggests that competing firms can derive competitive advantage by identifying segments of demand that competitors are not servicing or servicing poorly. Developing countries provide more scope for gaining competitive advantage by targeting the untapped market segments than developed countries.

Then how it is that competition orientation is blamed for companies remaining confined to the served markets. One of the explanations could be that scholars like Hamel and Prahalad (2002) and Kim and Mauborgne (2005) use the term competition from the supply side perspective. When they exhort companies not to remain confined to existing markets served by the competitors, they indirectly mean that the companies should shift their focus on to the demand side of competition. Another explanation could be that the studies which report the positive impact of competitor orientation on a company's profitability (e.g., Dawes 2000; Noble, Sinha and Kumar 2002) use the term competition from the supply side perspective. However, Armstrong and Green (2007) offer a different view on competitor orientation. They accept that many studies have shown a positive correlation between market share and profitability (e.g., Buzzell, Gale, and Sultan 1975; Szymanski, Bharadwaj, and Varadarajan 1993). But they argue that such correlations can be logically interpreted as showing that companies with better offerings tend to achieve higher market share. Even in these studies competitors are defined from the supply side perspective.

In our literature survey, we came across only one study which comes close to quantifying the impact of the strategy of competing beyond existing industry boundaries. This study by Kim and Mauborgne (2005) reports that companies which pursued blue ocean strategies (targeting such markets segments that are not targeted by the competitor brands) generated higher profit than those companies which pursued red ocean strategies (trying to gain market share from competitor brands).

MODERATORS OF MARKET EXPANSION

Our survey of the literature revealed some moderating conditions under which the effect of antecedent variables on market expansion is enhanced or ameliorated. One moderator that surfaced in the literature survey is the ability of customers to use a product. Belzowski, Henderson, and Koppinger (2007, p. 5) in their study of the Indian automotive market quote an executive working in an automobile company who listed a combination of issues that are dissuading potential buyers in India from actually buying a car:

> They (potential buyers) don't need a car, they are uncertain about the cost of operation, roads are not good enough, congestion makes driving unappealing, parking space is not sufficient, they don't know how to drive, they are unsure whether some manufacturers will last as long as the vehicle, creating a trust gap.

Three components of consumption ability can be elicited from the above quotation: (1) customer's competence, i.e., knowledge and skills needed to use a product (ability to drive a car), (2) complements and networks, i.e., other products and services which increase or decrease the effectiveness of the usage of original product (cost of operation which depends upon cost of fuel), and (3) consumption context, i.e., infrastructure and other conditions excluding the complements (road condition, congestion, parking space).

A large number of customers in the low income segments of developing countries are first time users of many products and services. As a result many of them lack the knowledge and skills necessary to use the products. Lack of awareness and knowledge about many products and their applications is one of the major impediments in expansion of the bottom of the pyramid markets (Prahalad 2005).

The size of the total market for a product is affected in part by its complements (Yoffie and Kwak 2006). Samuelson and Nordhaus (2005) write about the effect of change in the price of complements (e.g., the effect of price of petrol on sales of automobiles) on a particular good. There are many products for which the utility that a user derives from consumption of the good increases with the number of other customers consuming the good (Katz and Shapiro 1985). This network externality effect is found in many product and service categories like telecommunication systems, credit cards, ATM cards, etc.

In many developing countries, the infrastructure needed for consumption or usage of the products is either non existent or of low quality like wide fluctuations in electrical voltage, blackouts, water shortage, polluted water, etc. (Beshouri 2006; Prahalad 2005).

Another important moderating condition is the social and political support for business. Business practices and their consequences are subjected to political and social scrutiny in democratic societies (Chua 2003). At times government and social groups discourage consumption to protect the environment. Because of its sheer size, expansion of the bottom of the pyramid markets can put considerable strain on natural resources, ecology, and environment (Prahalad 2005). Kotler (1973) warns that satisfaction of a need should not lead to more social harm than private good. Writers on marketing ethics also raise questions like should new needs be created before existing needs are satisfied, how to prioritize needs, who should define them, etc. (e.g., Sele 2006).

Other macro environmental factors also affect the needs and preferences of customers (Kohli and Jaworski 1990). Since our objective is to develop a conceptual framework for market expansion strategy, we have limited our search of moderators to such factors that a company can influence. For example, although customer competence is an exogenous factor, companies can make attempt to educate the customers. While launching shampoo in single serve packs in rural India, a company used a two-minute film to educate the customers about method of using shampoo and its benefits (Banerjee 2008).

RESEARCH PROPOSITIONS AND FRAMEWORK FOR IMPLEMENTATION OF MARKET EXPANSION STRATEGY

On the basis of the identified antecedents and moderators we now develop a conceptual framework for implementation of market expansion strategy. An important antecedent to market expansion is that potential customers should have access to the offerings of an industry. This in turn depends on the willingness of a company to target untapped and/or underserved market segments and its willingness to look beyond the competition from other brands and product forms. Hence, as a first step in implementation of market expansion strategy, a company needs to define its market scope in terms of customers and competitors. We use the term market scope instead of target market because the term target market generally has customer connotations and it does not indicate the level of competition at which a company competes.

From our discussion of other antecedents and moderators, it is clear that in the untapped and/or underserved market segments of the developing countries, the conditions necessary to establish exchange with potential customers may not exist. For example, potential customers may not realize the need and/ or they may not possess the ability to buy and to use a given product category. Hence, we consider creation of willingness and ability to buy a given product category as a second component of the framework for implementation of market expansion strategy.

To ensure that the potential customers have access to its offerings, a company needs to not only select appropriate value propositions, it also needs to design appropriate value communication and delivery mechanisms. McKinsey Global Institute (2007) in its report on consumer markets in India observes that companies in India need to not only offer products with appropriate features and prices but also design distribution, logistics, and services networks capable of reaching out to customers not just in large cities but in several small cities and towns.

While value selection and value communication aspects are largely taken care of in the first two components of market expansion strategy, the value delivery aspect is included in the third component. The first two components of market expansion strategy address the issue of demand creation while the third component deals with demand fulfillment. While designing the value delivery mechanisms (i.e. distribution and service infrastructure) for untapped/ underserved market segments in developing countries, a company needs to pay special attention to its financial viability. Hence, a company needs to devise financially sustainable methods of fulfilling the demand. Since market expansion strategy is susceptible to socio-political opposition, the sustainability of this strategy needs to be viewed from the point of view of a company as well as the society at large.

On the basis of the above discussion, we propose a conceptual framework for implementation of market expansion strategy. It consists of three components: (1) defining market scope, (2) creating willingness and ability in the target market to enter into exchange, and (3) fulfilling demand in a sustainable manner.

We now identify specific marketing tasks related to each of these three components. We also present research propositions with respect to the identified tasks. The research propositions have been developed on the basis of identified antecedent and moderating conditions. Although some of these conditions appear to be uncontrollable, our survey of literature revealed several innovative methods to deal with these conditions. We have accounted for these methods in some of the research propositions.

Definition of Market Scope

If a company wishes to expand the market, it needs to provide access to customers in the untapped and/or underserved market segments. However, as discussed previously, choice of target markets is influenced by several factors.

> P1: The greater the extent to which a company targets un-served and/or underserved market segments, the greater is the extent to which the company pursues market expansion strategy.
> P1a: The greater the desire of a company to target market segments with high per capita income and high per capita GDP, the less the likelihood that company pursues a market expansion strategy.
> P1b: The stronger the belief that a market has reached its maturity phase, the greater the likelihood of a company trying to strive for a higher share of the existing market.
> P1c: The higher the estimated profitability from untapped/ underserved market segments as compared to the served market, the greater is the likelihood of a company pursuing a market expansion strategy.

As a first step in identifying untapped/ underserved market segments a company can study geographic market product penetration and consumption levels. Geographic market segments are the most widely used bases for allocation of sales efforts. This may be because of a reported positive association between territory sales potential and the sales results of a company (Beswick and Cravens 1977; Cravens, Woodruff, and Stamper 1972; Lucas, Weinberg, and Clowes 1975; Ryans and Weinberg 1979). For the same reason, geographic markets can be used as unit of analysis to determine the extent to which a market segment is served. For instance, Table 3 shows state-wise data on penetration of various products in India.

TABLE 3
Percentage of Households Owning (Penetration) Various Consumer - Durables in India

States	Radio/ Transistor	Television	Telephone	Bicycle	Scooter/ Motorcycle/ Moped	Car/ Jeep/ Van
All India	35.1	31.6	9.1	43.7	11.7	2.5
Jammu and Kashmir	65.1	40.7	6.8	12.8	7.8	3.1
Himachal Pradesh	48.0	53.3	16.5	9.1	7.4	2.6
Punjab	39.4	67.7	18.9	71.8	31.6	5.8
Uttaranchal	49.7	42.9	9.9	30.9	11.9	2.7
Haryana	39.4	53.0	12.7	50.1	19.0	4.3
Delhi	50.0	74.5	34.7	37.6	28.0	13.0
Rajasthan	34.3	28.1	8.0	36.2	13.1	2.5
Uttar Pradesh	39.6	25.0	5.6	69.5	10.4	2.2
Bihar	27.8	9.1	2.2	40.6	3.6	0.9
Sikkim	36.3	30.9	13.2	0.4	1.7	2.3
Arunachal Pradesh	39.0	25.7	9.2	17.4	6.8	2.4
Nagaland	32.5	18.1	5.2	8.1	2.8	3.5
Manipur	43.0	24.2	5.3	38.0	11.1	3.1
Mizoram	42.0	20.4	14.1	3.1	6.2	3.4
Tripura	28.5	23.7	5.2	30.6	3.9	1.1
Meghalaya	32.0	20.9	6.0	11.0	2.9	2.7
Assam	30.2	18.3	4.3	46.4	5.2	2.0
West Bengal	38.6	26.6	6.7	52.6	5.0	1.9
Jharkhand	26.4	17.2	3.3	50.3	9.3	1.5
Orissa	23.7	15.5	3.9	52.0	7.9	1.1
Chattisgarh	23.4	21.5	3.8	59.8	10.8	1.4
Madhya Pradesh	20.9	29.6	6.2	42.8	12.1	1.8
Gujarat	30.2	38.7	12.5	37.3	21.1	3.4
Maharashtra	35.9	44.1	14.1	30.1	13.2	3.4
Andhra Pradesh	21.6	31.5	8.6	32.8	10.0	1.3
Karnataka	46.2	37.0	12.8	30.1	14.4	3.1
Goa	57.8	63.5	29.1	31.5	38.7	10.6
Kerala	59.2	38.8	19.1	18.5	10.0	4.0
Tamil Nadu	43.5	39.5	11.2	42.4	16.1	2.2

Source: Census of India 2001 reproduced in *The Marketing White Book 2005*, Business World, New Delhi : 32-36.

A company which spends greater marketing efforts on states having less than national average product penetration level can be considered as making more efforts at expanding the market than other companies. However, within a relatively untapped geographic market, if a company targets existing customers of the industry for their replacement or up-gradation demand the market will not expand.

P2a: The greater the extent to which a company targets non-customers of the industry, the greater is the extent to which it pursues a market expansion strategy.
P2b: The greater the extent to which a company targets existing customers of its industry for increasing their usage rate of the industry's products, the greater is the extent to which it pursues a market expansion strategy.

Scholars lament that although non-customers constitute an important source of new demand in an industry, very few companies know anything about non-customers (Drucker 1999; Kim and Mauborgne 2005). Hence, we propose:

> P3: The greater the efforts a company makes on understanding non-customer behavior, the greater is the extent to which it pursues a market expansion strategy.

When a company tries to expand the market for a product category, it has to compete with other product categories which satisfy a given need. At a given point in time, several customer needs might also compete for the customer's resources. Hence:

> P4: The greater the efforts a company makes to deal with the competition beyond the product category level, the greater is the extent to which it pursues a market expansion strategy.

The market expansion continuum shown in figure 2 can be used to define the competitive scope. Definition of competitive scope has implications for both performance standards and strategy (Lehmann and Winer 2005). As an indicator of market potential at the product category level, a company can study sales trends for various brands and product forms. But when a company competes at generic need level, it needs to study sales trends of various product categories that satisfy a given need. Competing at the budget level requires understanding of trends in customer's per capita income and spending on satisfaction of various needs. Depending upon the level to which a company aims to expand a market, it can choose appropriate benchmarks for its value proposition and value chain.

Creation of Willingness and Capability to Consume

A company's willingness and capability creation efforts will include (1) need awakening, (2) creating desire for a given product category, (3) improving consumption ability, and (4) improving purchasing ability.

A company can make need awakening efforts and/or it can make efforts to promote its brands to those customers who already feel a need for the product category.

> P5: The greater the extent of need awakening efforts a company makes, the greater the extent to which it pursues market expansion strategy.

A company can make need awakening efforts by changing the potential customer's desired state of affairs. At times potential customers are unaware of the change in their actual state of affairs. In such a situation, a company is required to educate potential customers. In some cases a company can also create perception of change in the actual state of affairs (Blackwell, Miniard, and Engel 2006; Loudon and Della Bitta 2002). If potential customers associate some negative beliefs, values, or feelings with a need or a product, a company is required to alter such beliefs, values, or feelings (Kotler 1973). Sometimes it helps to remind the customers about all such occasions when a gap between the desired and the actual states occurs (Blackwell, Miniard, and Engel 2006). For example, a toilet soap marketer can expand the market by persuading customers to wash their hands with soap before each meal.

Several product categories may compete for the satisfaction of a given need. The customer's desire for a given product category becomes his want. Hence, a company can make efforts to deal with competition from substitute product categories. Alternatively the company may choose to concentrate on those customers who already have the desire to buy the given product category. The company can then make efforts to promote its brands to such customers.

P6: The greater the extent to which a company makes efforts to deal with competition from substitutes, the greater is the extent to which it pursues market expansion strategy.

A customer's want becomes a "qualified want" only when it is backed by consumption ability. A customer's consumption ability is influenced mainly by three factors: (1) his/ her own competence to use the product, (2) the consumption context and (3) complementary products and networks. A company can try to improve consumption ability by adapting its products to the existing level of the aforementioned factors. For example, Microsoft has developed some of its software in Indian languages because a vast majority of the population does not know English (customer competence). In order to reduce the cost of fuel (a complementary product), automobile manufacturers try to improve fuel efficiency of their vehicles. TV manufacturers can design their products to run on solar power in rural areas where electric supply (consumption context) may be unavailable or erratic.

A company may even try to alter the factors which influence consumption ability. For example, Maruti Suzuki India Ltd, the leading car manufacturer in India, has opened car driving schools in some cities and towns. However, some other efforts like providing complementary products/services or creating infrastructures needed to use the product, might appear to be outside the scope of marketing strategy. However scholars have been writing about these possibilities. For example, Kim and Mauborgne (2005) suggest that a movie theater can expand the market for movies by providing baby sitting services. Kotler (1973) considers the altering of infrastructure as a part of "stimulational marketing." He says sellers of motorboats can stimulate interest in boats in a lakeless community by building an artificial lake. On similar lines, a soap manufacturer in a developing country can explore the possibility of building community bath rooms in slums. This might help those poor women who are otherwise forced to take baths in open spaces. This might lead to increase in the usage rate of bath soaps.

Alternatively a company may target only those market segments where requisite consumption ability exists. We propose:

P7a: The greater the extent to which a company makes efforts to improve potential customers' competence to use the industry's products, the greater is the extent to which it pursues a market expansion strategy.
P7b: The greater the extent to which a company makes efforts to increase customer benefits and decrease customer costs associated with its complementary products and services, the greater is the extent to which it pursues a market expansion strategy.
P7c: The greater the extent to which a company makes efforts to improve the consumption context and/or adapt its offering to the existing consumption context, the greater is the extent to which it pursues a market expansion strategy.

Our survey of the literature reveals several innovative ways of improving the purchasing ability of potential customers. A company can make its products affordable by choosing the right combination of price and performance levels (Prahalad 2005; Prahalad and Lieberthal 1998; Rosenblum, Tomlinson, and Scott 2003). Christensen (1997) warns companies of the dangers of performance oversupply (i.e. products with features which customers do not require). In India, cellular service providers offer prepaid telecom services, which enable lower income customers to buy these services to the extent they can afford to pay at one time.

Kim and Mauborgne (2005) suggest that in order to expand the market, a company should follow price–minus pricing rather than cost-plus pricing. The company needs to rework its cost structure according to the chosen price. A company can cut price if it hopes to benefit from economies of scale and/or the learning curve effect. Levitt (1960) cites the example of Henry Ford, who believed that he would be able to sell millions of cars if priced at around $500. Levitt highlights the fact that the much celebrated mass production system of Henry Ford was the result of and not the cause of low prices for the Model T car.

Prahalad and Hammond (2002) cite examples of innovative strategies like the shared access model based on the principle of aggregation of demand and a pay-per-use pricing strategy. For example, Grameen Phone in Bangladesh sells a cell phone connection to a small entrepreneur who in turn rents it out to the needy. In the Philippines, Manila Water a water supply company installs common water meters for a number of households. This helps the poor customers to share the cost of a water meter (Beshouri 2006).

A company can help the customers by facilitating access to the formal or informal sources of credit. For example, Mexican cement manufacturer Cemex has set up a building material club called Patrimony Hoy. In this club, members contribute a certain amount every week for certain number of weeks. Every week lots are drawn to choose a person who gets a bag of cement for construction of his home (Kim and Mauborgne 2005). Some companies allow its customers to make payments in small installments for a purchase in future. Yeshasvini, a cooperative farmers' micro health insurance scheme in south India, uses this scheme (Jacob 2006).

Scholars suggest that a company can involve itself in the wealth creation efforts for its potential customers For example, Hindustan Unilever Ltd has developed a network of rural poor women for the direct marketing of its products in rural India. This project titled Shakti (power) has helped the company improve its distribution reach. The other benefit for the company is that the direct marketer herself becomes a customer of the company (Gaur 2006; Prahalad 2005).

From the foregoing discussion, we can identify variables at the customer's and the company's end for directing the purchasing ability improvement efforts. Variables at the customer's end are income, assets (i.e., land, old used goods, etc.) and access to credit. Variables at the company's ends are product value (price-performance level), offering size, payment timing (at the time of purchase, pre or post purchase), payment quantum (amount to be paid per unit time), and payment basis (ownership or usage). These variables give several options to a company to improve the purchasing ability of its potential customers.

A company can target such market segments that have been ignored by others in the industry because of their low purchasing ability. The company can adopt appropriate strategies to improve the purchasing ability in such chosen segment. Alternatively the company may target only such market segments that possess adequate purchasing ability.

As shown in figure 2, we broadly classify purchasing improvement efforts as follows:

<u>Ability matching</u> - By studying the disposable income of potential customers and understanding their pattern of spending on various needs, a company can offer products of such value and/or size that can be afforded by potential customers. A company can also charge prices on the basis of usage or temporary ownership of products rather than permanent ownership of its products.

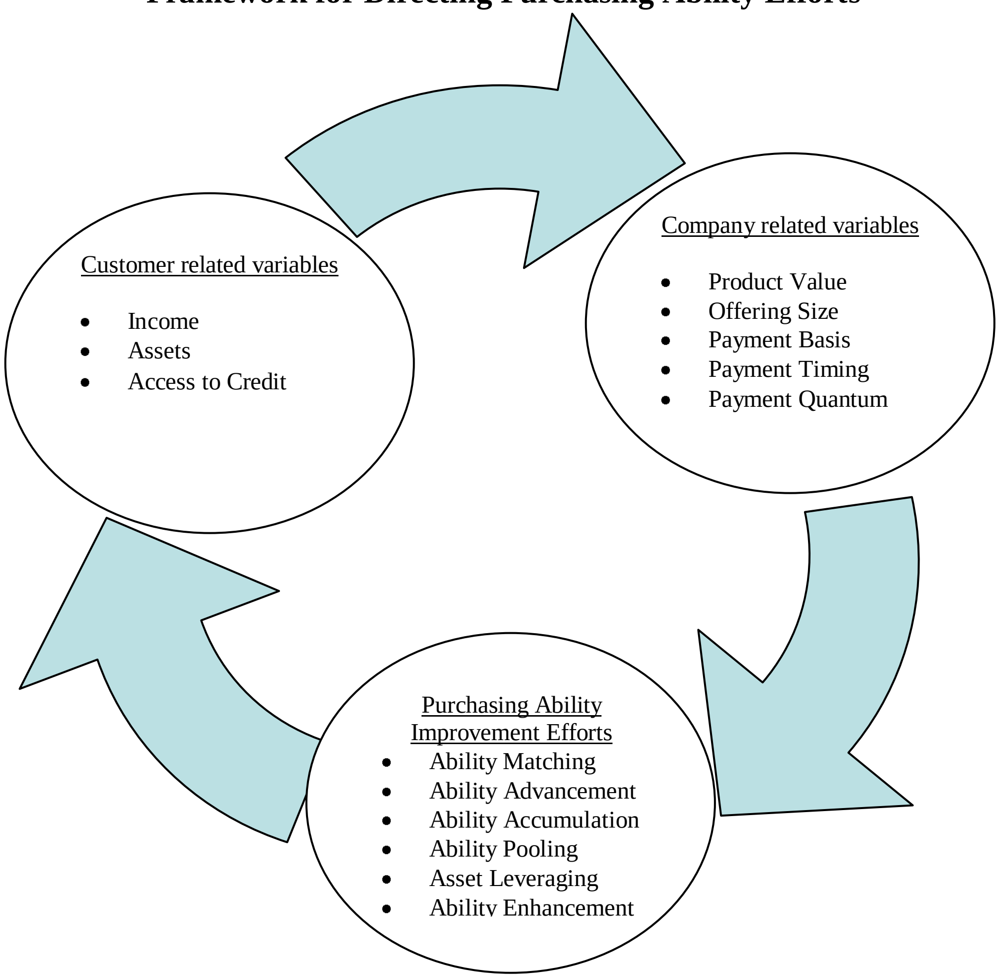
P8a: The greater the extent to which a company adapts its pricing strategy to the disposable income of customers in untapped/ underserved segments, the greater is the extent to which it pursues a market expansion strategy.

Ability advancement – In order to cut down the waiting time for the purchase of a product, a company can facilitate payment in installments rather than a one-time payment by customers. Installment amounts and payment timing can be worked out to suit the disposable income of customers. The company can facilitate potential customers' access to credit through formal or informal sources.

Ability accumulation – A company can facilitate prepayment in small installments for financing a future purchase.

P8b: The greater the extent to which a company facilitates pre purchase or post purchase payment in installment by customers, who can not afford to make one-time payments, the greater is the extent to which it pursues a market expansion strategy.
P8c: The greater the extent to which a company facilitates credit access to customers, who do not have access to formal sources, the greater is the extent to which it pursues a market expansion strategy.

FIGURE 2
Framework for Directing Purchasing Ability Efforts



Ability pooling – A company can sell to a group of customers rather than an individual customer. This joint ownership of products can enable many such customers to enter markets which they cannot afford individually.

> P8d: The greater the extent to which a company facilitates joint purchases by more than one customer, who can not individually afford to buy, the greater is the extent to which it pursues a market expansion strategy.

Asset leveraging – A company can facilitate the use of 'non-financial assets' to partly or fully finance purchases. A large fraction of the population of developing countries holds no financial assets like cash, bank deposits, tradable equities or bonds, life insurance policies, pension and retirement claims etc. (Honohan 2006). However, many poor customers in developing countries access credit from private money lenders often by mortgaging assets like land (Prahalad 2005).

> P8e: The greater the extent to which a company facilitates use of non–financial assets by customers for financing their purchases, the greater is the extent to which it pursues a market expansion strategy.

Ability enhancement – A company can involve itself in wealth creation efforts for potential customers. Such efforts can facilitate an increase in the disposable income of potential customers.

> P8f: The greater the extent to which a company involves itself in wealth creation efforts for customers, who have inadequate income, assets and credit access, the greater is the extent to which it pursues a market expansion strategy.

Fulfilling Demand in a Sustainable Manner

This component of market expansion strategy deals with the issue of distribution reach and overall sustainability of the market expansion strategy. In developing countries untapped/ underserved market segments are generally located in rural and semi urban areas with poor distribution infrastructures.

Markets can expand only if a company targets such geographic market segments that have not been covered adequately by the existing distribution system of the industry. Alternatively the company may try to gain the maximum possible share from those geographic market segments which have been covered adequately by the industry.

> P9: The greater the extent to which a company's sales and distribution efforts are directed at untapped and/or underserved geographic market segments, the greater is the extent to which it pursues a market expansion strategy.

Due to the demand creation and fulfillment efforts of a company, sales of the entire industry increases. Increase in the industry sales attracts imitations. Hence, a market expander company needs to defend and grow its share in the expanding market. If the market expander company is not able to gain a major part of the expanded market, it fails to benefit from its investment in market expansion efforts (Kim and Mauborgne 2005; Prahalad 2005; Prahalad and Hammond 2002). Hence we propose

> P10: The greater the share a market expander company gains in the expanded market, the greater is the sustainability of a market expansion strategy.

To make a business sustainable, a company needs to be concerned about triple bottom-lines: economic, social, and environmental. This triple bottom-line framework is one of the most widely accepted frameworks of business sustainability (Colbert and Kuruc 2007). The McKinsey Quarterly in its global survey on impact of societal issues reports that corporate executives expect the environment, including climate change, to affect shareholder value far more than any other societal issues during next five years (Bononi, Jieh, and Mendonca 2007). Since market expansion strategy leads to increased consumption, socio-environmental issues become all the more important. Hence we propose:

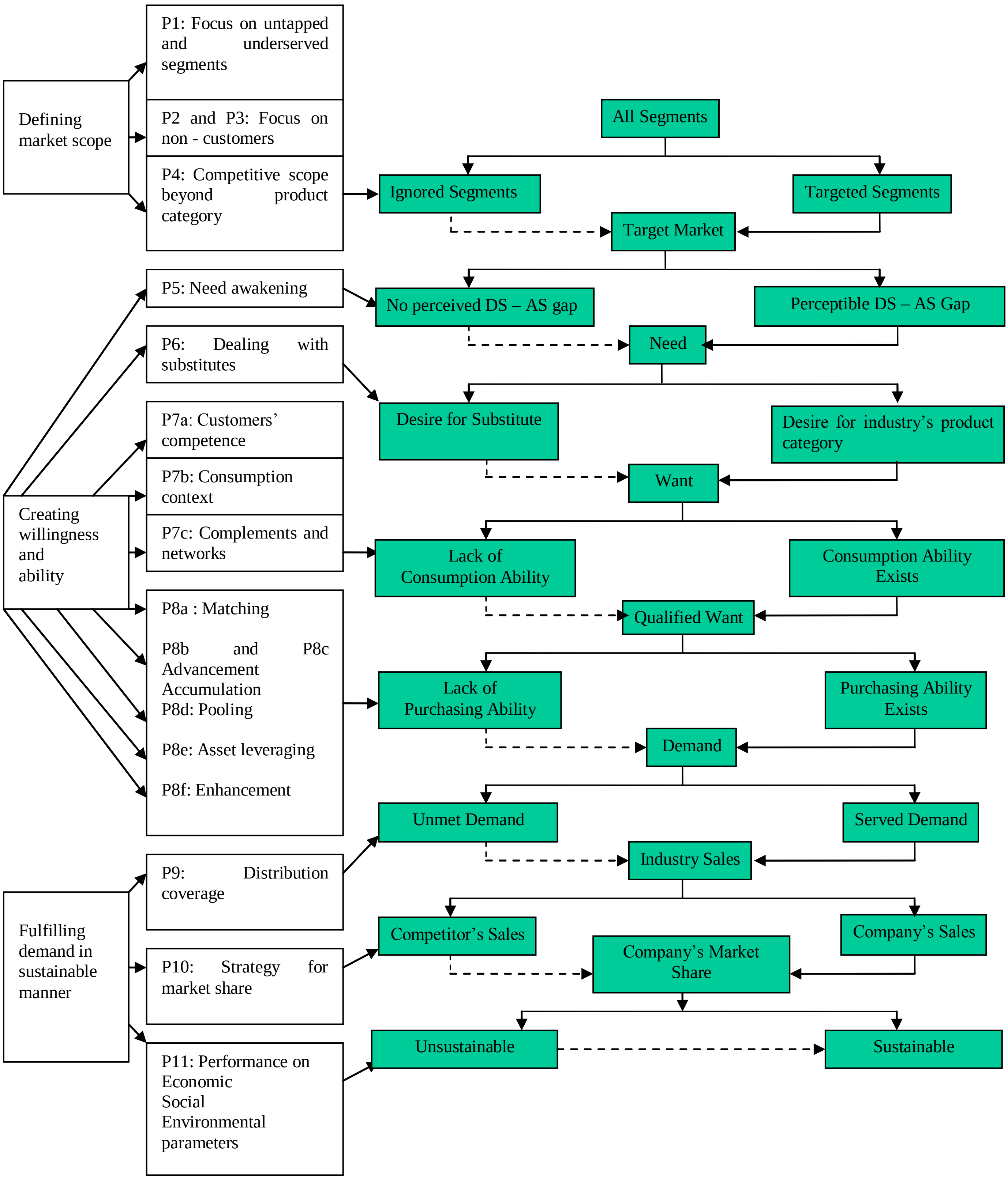
> P11: The better the performance of a market expander company on economic, social, and environmental parameters, the more sustainable is its market expansion strategy.

In order to improve the economic sustainability of a market expansion strategy, scholars suggest that while targeting untapped markets a company should innovate its business model (Kim and Mauborgne 2005; Prahalad 2005; Rosenblum, Tomlinson, and Scott 2003). Kumar (2004) has identified five core principles for cost management in the value chain: (1) avoid fixed cost wherever possible, (2) if there are any fixed costs make them work harder than the industry, (3) eliminate generally accepted variable costs, (4) keep any variable cost to the minimum, and (5) examine whether variable cost factors can be converted into revenue generators.

Partnering is suggested as an important strategy to improve the sustainability of market expansion efforts. Partnering helps a company to leverage other organisations' assets, expertise, and economies of scale (Hagel 2002; Kim and Mauborgne 2005). Partnerships with NGOs and community groups can lead to cost reduction and improvement in distribution efficiency (Chesbrough et al. 2006; Prahalad and Hammond 2002). Partnerships help a company not only in improving the economic sustainability but also overall sustainability of a market expansion strategy. Partnerships, especially with the communities in low income markets help in invoking collective accountability. This in turn helps a company in dealing with the problems of the safety and security of the company's assets and business systems in developing countries (Beshouri 2006).

The aforementioned three components of a market expansion strategy are presented in the form of a flow chart as shown in figure 3. Dotted lines in the flow chart indicate the effect of the market expansion strategy. Although tasks related to each component appear sequentially in the flow chart, it may not be the case in practice. The framework is useful for implementation and measurement of a market expansion strategy at the product category level. A strategic business unit (SBU) level or a company level measurement of the market expansion strategy is possible by studying the strategies used for all the product categories of the SBU or the company.

FIGURE 3
Conceptual Framework for Market Expansion Strategy



CONCLUSION

We attempt to clarify the domain of the market expansion construct and identify factors that affect market expansion in developing countries. We have conceptualized a market expansion strategy as a strategy of increasing primary demand by converting non-customers into the customers of an industry and/ or by increasing the usage rate of the existing customers of the industry. We have conceptualized a continuum across which a market expansion strategy can be practiced. Neither the "blue ocean strategy" framework nor the "bottom of the pyramid marketing" framework is applicable throughout the proposed continuum of market expansion. The "blue ocean strategy" framework is useful for increasing the sales of a product form and a product category. But the "blue ocean strategy" framework pays less attention to the possibility of expanding a market for a generic need and expanding a market by increasing the size of the wallet of the customers. The "bottom of the pyramid marketing" framework extends the scope of market expansion up to the level of increasing the size of the wallet of potential customers. But the "bottom of the pyramid marketing" framework almost ignores the competitive dimension in the formulation of a strategy.

On the basis of the antecedents and moderators identified in the literature survey, we propose a conceptual framework for the implementation of the market expansion strategy. Our framework focuses on creation of willingness and ability among a given industry's non-customers and those existing customers whose usage rate of the industry's products is low. This is what distinguishes market expansion strategy from other marketing strategies. Other marketing strategies aim at marketing specific brand/s to those customers who are willing and capable of entering into exchange with a marketer. In practice companies do not necessarily use only one type of strategy. The difference usually lies in the degree to which each of the strategic options is used by a company. Our propositional inventory represents an effort to build a systematic framework for implementation and measurement of market expansion strategy.

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