

V-Xpress: B2B marketing in the logistics industry

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V-Xpress will redefine the express cargo industry with its customer-centric philosophy and its immaculate execution at all service touch points

– O.P. Harshwal, CEO

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It was the last day of March 2017, Sachin Nair, Head of V-Xpress Marketing, was in intense discussion with the CEO, O.P. Harshwal (see [Exhibit 1](#)) for finalizing the go-to-market (GTM) strategy for the new Assured Timely Movement (ATM) services. The ATM services provided a V-Xpress branch office within the client premises. This team would work as an extension of the client's own logistics department, with the V-Xpress representatives coordinating all the pickups. Sachin and his marketing team had shortlisted three GTM strategies for the new service. He wanted CEO views on each of them so that he may choose the best one.

As Sachin came out of the discussion and walked toward his office, the history of V-Xpress flashed through his mind. He recalled how far the family-owned company, established in 1956, had come, and how it was currently run by professionals. The company had faced tough competition from competitors like Gati-Kintetsu Express Private Limited (Gati-KWE), Safexpress Limited, TNT India Private Limited and TCI Xpress, in addition to the small local players operating in each region. Being the head of marketing, he had taken on the ambitious task of building V-Xpress as a strong independent brand. Sachin was also revamping the digital marketing strategy of V-Xpress and was thinking of ways to leverage the various low-cost business-to-business (B2B) marketing options.

Logistics industry in India

The logistics industry in India is divided into four main domains. They were transportation, warehousing, freight-forwarding and value-added logistics[1]. India spent around 14.4 per cent of its gross domestic product on logistics and transport as compared to the 8 per cent spent by other developing nations[2]. The freight transport market in India was expected to be worth US\$307.70bn by 2020[3]. Road freight currently constituted about 63 per cent of total transportation, with 0.6 million light-duty trucks and around 2 million heavy-duty trucks (see [Exhibit 2](#)). The logistics industry in India had grown at a compound annual growth rate (CAGR) of 9.7 per cent during 2010-2015 and was expected to grow at a CAGR of 8.6 per cent between 2015 and 2020[4]. The Indian logistics companies were growing at an average rate of 10.1 per cent.

Even though India was a low-cost country, the situation changed when it came to logistics. The logistic operating costs were higher due to various issues such as a complex tax structure and its customs policy. The newly passed Good and Services Tax (GST) bill was expected to simplify the tax structure in the country and reduce operational costs. Roadways were over-utilized relative to rail, sea and airways ([Exhibit 2](#)). The Government

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had created the Dedicated Freight Corridor Corporation of India (DFCCIL)[5], launched “Make in India”[6] and allowed 100 per cent foreign direct investment (FDI) in marketplace e-commerce[7]. All these were going to increase the demand for warehousing and logistics in the country.

Vijay Transport to V-group

Vijay Transport was founded by the late K.K. Shah in 1956. Much like any other transport company, it provided full truckload and “godown to godown” services[8]. The Shah family had focused on building good relations with their customers by providing them with a quality service. By 1990, Vijay Transport had already established its reputation in the industry as a trusted logistics partner.

India went through major economic reforms in the early 1990s[9], and foreign companies were invited to invest in various sectors. FDI started flowing in, and many international organizations started their own independent logistics setups in various Indian cities. Previously, only select industries, such as the fast-moving consumer goods (FMCG) and pharmaceutical companies, required door-to-door transport services. However, with the growth in business activities and competitive pressure, there was an increasing need for “time-bound” door-to-door cargo services. The “Express Cargo” was seen as a solution for this issue. Many transport providers operated with full truckload as their primary business, and door-to-door transport was being provided only as a secondary-service. In 2002, owing to customers’ repeated requests for an express cargo service, Vijay Transport started a small unit for this service, sharing the resources of the existing establishment.

In 2007, the Shah family took a major decision to have an independent professional CEO. They appointed O. P. Harshwal, an industry stalwart with about 20 years of experience in the transportation industry, to provide professional leadership to the growing business. Harshwal, with the full support of the Chairman Ashok Shah, led the transformation of Vijay Transport to become the “V-group” in 2008. The transformation exercise divided V-group into three independent entities.

V-Trans

V-Trans provided surface transportation solutions across India. It offered full truckload movement in addition to part loads. V-Trans brand was more than 58 years old, and it had 475 branches across India. V-Trans had annual revenue of over INR 8.3bn[10]. It offered customized solutions to clients to suit their business requirements. It was equipped with a state-of-the-art infrastructure, IT digitization and a fleet of more than 600 GPS-enabled vehicles. Working together with the other business arms of the V-group, V-Xpress and V-Logis, it provided a complete logistics services solution to its customers.

V-Logis

V-Logis was the arm of the V-group that offered warehousing and inventory management solutions at both regional and national levels for medium and large organizations. V-Logis did not own any fleet. It had annual revenue of INR 0.16bn. V-Logis also provided value-added services for the optimization of logistics costs and a warehouse management system.

V-Xpress

V-Xpress was the express cargo arm of the V-group. It provided time-bound, door-to-door, safe delivery solutions with its well-integrated road, rail and air network. From its humble beginnings, this arm of the V-group had slowly but steadily established its independent existence. With its presence in over 25 states and three union territories, V-Xpress had 20

hubs all over India[11]. With about 800 employees, V-Xpress now had annual revenue of more than INR 2bn (Exhibit 3). It served ten sectors. They were pharmaceuticals, FMCG, textiles and ready-made garments, stationery and packaging, cosmetics, engineering goods, automobile parts, electronics and electrical, e-commerce, IT and peripherals. It aimed to become an INR 10bn annual revenue company by 2020.

Competitors

Gati-Kintetsu Express Private Limited

Gati-Kintetsu Express Private Limited (Gati-KWE) was a joint venture between India's pioneers in express distribution Gati and KWE India. It was a leader in express distribution in India, and it also offered supply chain solutions to its clients. It had more than 25 years of experience in providing express services. With an employee strength of around 5,500 and annual revenue of more than INR 15bn[12], it provided services under two broad categories. They were Express Plus (faster delivery than usual) and Express (regular time-bound delivery). Gati-KWE's operations covered 667 out of 671 districts in India. Gati launched India's first private cargo train, known as the Millennium Parcel Express. It also had a variety of special offerings, such as the Student Express, Art Express (special packaging and transport for art items) and Desk to Desk Cargo, all of which catered to a variety of target groups, thus broadening the customer base for the company.

Safexpress limited

Safexpress began its operations in 1997. It offered a variety of services such as express cargo, 3PL and consulting. It had won more than 200 awards for its logistics services. It owned a fleet of around 4,500 GPS enabled vehicles. It had annual revenue of around INR 2.5bn[13]. It also claimed to have the youngest fleet in the industry, thus having low carbon emissions. Safexpress offered express services under two broad categories. They were for "individuals and small- to medium-sized enterprises (SMEs)" and for "large enterprises." Safexpress offered a "Stock2shelf" service for retailers. It assessed the stock in a store, kept track of stock in the feeder warehouse and replenished stock in the store as required[14]. The service had been a hit among retailers operating in big malls. It used integrated marketing communication by using the digital and traditional media besides cause-related marketing to make themselves a leading brand in logistics.

TCI Express

TCI XPS, now known as TCI Express, was established in 1996 as a new division of the Transport Corporation of India (TCI). TCI had a fleet of 7,000 trucks, four cargo ships and ten million square feet of warehousing space. It had annual revenue of approximately INR 1.95bn[15]. TCI XPS focused on express cargo distribution with an increasing emphasis on the growing e-commerce business. It specialized in offering time-bound solutions. It had a widespread distribution network of over 3,000 pickup and more than 13,000 delivery locations. The company had 550 branches all over the nation with more than 6,000 employees. It provided express services in the B2B and business-to-consumer (B2C) categories. For B2B customers, it provided Surface Express (doorstep pick-up and delivery, covering the entire nation in five zones); Domestic Air Express (delivery in major metros in 24 h, and in mini-metros and class A cities in 48 h); International Air Express (a service provided to around 208 countries); and Reverse Express (recycling of e-waste). For B2C customers, it provided Priority Express (assured delivery with money back guarantee from 107 booking and 169 delivery locations) and e-commerce-related services (an end-to-end distribution, including cash collection, through a GPS-enabled fleet)[16]. TCI changed its logo and tagline as part of its re-positioning exercise. TCI XPS is focusing heavily on social media marketing as part of its branding strategy. Recently, it has received many

awards including CII Scale Award and The World's Greatest Brand 2015 Asia & GCC Award[17].

Transformation at V-Xpress

In mid-2013, V-Xpress engaged a consultancy organization to suggest a roadmap for its future growth. The report recommended that V-Xpress focus on the following three aspects.

Internal stakeholders

The internal stakeholders constitute the pillar of greatest significance in building a strong brand. For any organization to be sustained and to grow, it is of utmost importance that its employees identify with the goal of the business and give it their best effort. Logistics is a very rugged industry. Sachin's greatest challenge was to change the attitude of the existing internal stakeholders, which was that a logistics company does not require any major marketing or branding effort. Previously, the internal stakeholders had not considered subjective differentiation important when making a sales pitch to customers. It was now necessary to make the employees realize that although V-Xpress belongs to the V-group, the nature of its service is very different, and therefore, a different sales pitch, with different functional and subjective benefits, would be required.

Vendor associates

The vendor associates (VAs) constituted the face that the organization presented to the outside world. These were the people who go to the customers, collect the shipments, and drop them at their destinations. The image of the organization was heavily dependent on its VAs. The interaction of the customer with the VA was the moment of truth, and the way in which VAs interacted with customers and delivered services created a long-lasting image of the organization in the eyes of its customers. The VAs were not on the pay-roll of V-Xpress. A VA was an employee of the one of the V-Xpress vendors, yet the VA played a critical role in the entire value chain. V-Xpress, therefore, regularly organized training programs for the VAs. The VAs belonged to different organizations. V-Xpress worked closely with these organizations to ensure that VAs were paid on-time and sponsored various events for the VAs through these organizations.

Branding

With the increase in the number of players in the express cargo category, V-Xpress needed to leverage its more than 50 years of expertise and brand value in the transportation industry through the V-Group (the parent group). V-Xpress was now striving to be a leading player in the niche for express cargo services. V-Xpress already had big clients like Aditya Birla Retail, Bajaj Electricals Limited, Bayer, Flipkart, Hindustan Unilever Limited, Reliance Retail and Sun Pharmaceuticals. However, the top management felt that, to acquire more customers, it was necessary to raise awareness about the brand and to build strong brand associations.

Go-to-market strategy

V-Xpress had come up with a new service called ATM services in March, 2017. Sachin was exploring various GTM strategies for the launch of ATM services. Sachin and his marketing team had finalized three GTM options. First was based on Friedman's ten commandments on GTM strategy (Exhibit 4). The second option was Leslie's compass method[18] where the first step on the compass was to find out whether the product V-Xpress is trying to sell was marketing-intensive or sales-intensive. This would help to decide whether the pull or push approach can be used for the ATM GTM strategy. The second step was to check whether it

was a high involvement or low-involvement product. After sizing up the market, it needed to be analyzed whether it was easy for consumers to find the product/service. It also needs to be ascertained whether consumers required some education about the new services. Once these things were clear to the marketing team, then approaching the right market and customer with right price offering would be the right GTM strategy for V-Xpress. The third option was “jumpstart” GTM framework where V-Xpress should focus on three aspects for a successful GTM strategy[19]. These were *who and where to sell* (initial customers and which markets to begin with), *what to sell* (USP of ATM services) and *how to sell* (process of selling). Sachin thought which GTM strategy would most suitable for the ATM services.

Distribution network

A number of challenges had to be tackled if V-Xpress was to become the preferred cargo partner for its customers. V-Xpress followed hub and spoke model in distribution. The major hub locations were Gurgaon (northern India); Ahmedabad, Vapi, Bhiwandi, Nagpur and Pune (western India); Hyderabad, Bangalore, Chennai (southern India); and Kolkata (eastern India). The challenge was to make the “Reach” complement the “Safe and Reliable” value proposition. While competitors like Gati-KWE had a reach of around 99 per cent, V-Xpress covered only about 75 per cent of India geographically. The problem here was of volumes. V-Xpress had a good presence in western and southern India (which were producer states) but a very low presence in eastern India (which was more of a consumption area). So, when a shipment was sent to the eastern region, there was no consignment to be carried back. It was uneconomical to run empty vehicles as logistics was a volume game.

Sachin had detailed discussion about this issue with SCM head and CEO. The hub and spoke distribution system was not working out for eastern India. Sachin suggested that V-Xpress could go for milk run model or horizontal cooperation model to solve the backhaul issue of V-Xpress. In a milk run model, the goods were cyclically collected from multiple suppliers and delivered to a single customer or at a distribution center; or vice versa. The various collection centers could be further aggregated into a commercially viable large distribution center. V-Xpress had the option of horizontal cooperation model which relies on cooperation between two or more companies who were facing a similar backhaul problem.

Another challenge was to maintain a high service level agreement (SLA). One of the V-Xpress sales managers said:

The first thing clients ask while closing the deal is “what is the SLA that V-Xpress can deliver.” Customers want their orders to reach in promised time, not just once but every single time. Apart from natural calamities and reasons beyond our control, no other excuse pleases any of the clients. It is a challenge to maintain a 90 per cent + SLA, but it is necessary to keep our customers happy.

Apart from time-bound delivery, it was obvious that customers wanted safety for their shipments. Pilferage of goods was a common problem among the logistics players. Even though V-Xpress conducted a 24*7 monitoring of all the hubs, the in-transit safety of goods was always a risk. Careful handling and delivery of goods with 0 per cent shortage and pilferage delighted the customers. But to ensure this for every single delivery was a big task that involved training the ground force, including associates and drivers. To change their mind-set and generate a sense of ownership was a challenge in itself.

Digital marketing

India was one of the fastest growing social media markets. Facebook, YouTube, WhatsApp, Instagram, Twitter and LinkedIn were the most popular social media platforms in India[20]. V-Xpress had official presence on Facebook, LinkedIn and Twitter. There were common

postings of messages and product updates on Facebook and Twitter. V-Xpress had multiple videos on YouTube though it did not have its own channel on the platform. The official Instagram had pictures posted similar to that on the Facebook and Twitter posts. Sachin and his marketing team were quite active in various WhatsApp groups. These groups included customer list, vendor list, V-Group employees list, V-Xpress employee groups, logistics industry-related groups, etc. The posting included inspirational messages, V-Xpress new service offerings, milestones of V-Xpress journey, awards and recognitions, positive mention of V-Xpress in media, etc.

V-Xpress had hired an agency named “39 Solutions” to manage their social media accounts. 39 Solutions had opened a dummy profile on LinkedIn under the name “Tanisha Sharma” and sent invitations to the logistics heads of various organizations. Once the invitation was accepted, the agency maintained regular contact with the logistics heads. This included wishing them on their birthday and work anniversaries, congratulating the executive or her/his company for any rewards and recognitions received, responding to any updates posted by the executive on LinkedIn, etc. 39 Solutions also send them business updates and tried to generate leads. Once any prospect agreed to a meeting, the lead details were transferred to the sales team. The LinkedIn account worked very well for V-Xpress. It helped in closing deals with many big clients, which brought in the business of more than INR 0.1m per month per account. All this was done with a minimal investment. The success of LinkedIn platform for acquiring new clients built confidence in the management in the relevance of social media marketing as an important tool for generating leads and enhancing sales. Regarding search and display advertisements, Sachin mentioned:

We follow a broad and deep philosophy in digital marketing. V-Xpress was aware of power of search and display advertisements. However, we are currently leveraging only the owned media and earned media. The investment in the paid media especially Google AdWords and Facebook for lead generation will start once we have a digital marketing team in place. We are conducting interviews and soon a smart digital marketing team would be there at V-Xpress to leverage the full potential of digital media.

Three-phase marketing plan

Sachin had devised a three-phase marketing plan. His strategy was to target one aspect at a time, set it right in action and then move ahead. The sales teams in the various regions managed the customers of that region. The sales team stationed in the V-Xpress corporate office in Mumbai handled corporate clients (the ones providing business of more than INR 0.1m per month). Sachin had a small team of three people, and he was the main driver of all the marketing-related planning and execution. Sachin had stated: “Logistics is a game of volumes – the more you can deliver, the more you earn, the more is available for you to invest.”

V-Xpress had conducted market research to identify the attributes that drive the customer’s choice of a logistics partner. These were found to be reach, i.e. how widespread and deep the geographic network is; unique selling proposition (USP); and SLAs. These were the key criteria that customers looked for in their logistics partner. But topping the list was “safety and reliability.” Sachin explained:

No one would like to have a shortage or pilferage to occur with their shipments. A logistics partner needs to build a high level of credibility so that the customer can place trust in it and make it its preferred partner.

Based on the above insights, V-Xpress had chosen to focus on making safety and reliability its USP. The organization had developed a company tagline of “Safe and reliable – for your peace of mind”. After much discussion and validation by operations, sales and the

marketing team, V-Xpress was convinced that a 0 per cent shortage and a 90 per cent SLA rate were practically achievable. While these numbers looked excellent on paper, the task of achieving them on ground was challenging. The game of logistics cannot be won by sitting in an office and making excellent plans. The ground reality may be starkly different from how it appears on paper. V-Xpress had experienced this when one of its drivers replaced a consignment for a pharmaceutical customer with trash sacks. The driver fled with the original material after delivering the trash sacks to the destination. V-Xpress took full responsibility for the driver's action and did not leave any stone unturned in recovering the original consignment. It also issued a Certificate of Fact (CoF) to the customer and was able to deliver the recovered consignment. Thus, it lived up to its motto of "Customers first" and was able to win back the customer's confidence.

One thing that the top management of V-Xpress realized after this incident was that the internal stakeholders of the organizations need to understand the criticality of 0 per cent shortage in their business operations. Harshwal stated:

Unless and until the ground level employee – be it the one working in the hubs or the one delivering the parcels – understands his or her role in the organization's fulfillment of its promises to customers, all the other branding and promotion activities will be in vain.

Phase 1: internalizing the customer centrality

The marketing department felt that it was necessary to create brand identification symbols that customers would associate with V-Xpress. A new logo was designed for the entire V-group. V-Xpress was given the color yellow as it symbolized optimism and also generated curiosity. A new brochure was designed to make all the information accessible to everyone. This also served as a standardized template for introducing V-Xpress to a potential client.

All this was work done at a surface level, but Sachin wanted to make an impact deep down in the roots of the organization. The overall mind-set and perspective of employees had to be changed to achieve the best results from this new brand building and emphasis on customer centrality as an exercise. It was a challenge to make the employees realize that it was not necessary for a transportation company's office to be disorganized nor was it a norm that in a rugged industry one should always use rough words in getting work done. Marketing had to take care of both internal customers (employees) and external customers (clients). Sachin and his marketing team started a branch building exercise. The vision statements and customer centrality-related posters were posted on the office walls. The marketing department provided for painting of the new logo and V-Xpress merchandise for gifting to logistics managers. The words "Safe and Reliable" were constantly visible to the employees, which reminded them of the promise that the brand was making to the customers, and that they were the ones who would be delivering on this promise to the clients. Training sessions were conducted on a regular basis for the VAs to convey to them what behavior was expected from them toward customers, how they should communicate to the customers and co-workers when on duty and what they should do in the event of possible issues. The hubs were the places where consignments were loaded and unloaded. All the hubs were monitored 24x7 from the corporate office at Mumbai via closed-circuit television to ensure that the promise of no shortage and no pilferage was being delivered to the customer.

Who will become an operations guru? V-Xpress had excellent standard operating procedures (SOPs) which were based on customer centrality. The organization wanted not only each employee but also each vendor associated with V-Xpress be aware of these SOPs. It was realized that many employees were not reading the SOPs. The marketing department suggested an innovative idea for generating interest and getting the attention of employees regarding the SOPs. The marketing team conceptualized an adapted version of India's most popular host show, "Kaun banega Crorepati?" (Who will become a millionaire?).

The name of the game was “Kaun banega Operations Guru?” (Who will become an operations guru?). The game was played by employees in hubs and by VAs. The indigenous game involved ten sets of 15 questions, each of which covered all the aspects of an SOP. Sachin made it more interesting by recording voice-overs and introducing lifelines, like 50-50, audience poll and phone-a-friend, just as in the original game. Sachin, together with Seema Vaidya, the training manager, toured all the hubs, one after the other, conducting the game, and the response to it was overwhelming. They had touched the right nerve with this move. People in the hubs participated actively in the game and thus remembered the SOPs very well as they now read it with a lot of interest and attention, unlike before. The game also stimulated discussions about what should be done in the event that something went wrong in product handling or service failure and people suggested possible solutions to these scenarios. The game had thus been a huge hit amongst the employees (both in the organization and with the vendors) and helped in inculcating customer centrality among employees using SOPs as a medium.

Magic of a Baby's face. The majority of the V-Xpress consignments required extra care while handling the goods at hubs and other locations. Signs such as “handle with care” and arrows showing which side should be placed up were created to make it easy to load and unload the boxes without damaging the contents. The “safe and reliable” claim by the organization meant that no damage should be caused to the products being transported to the client. Constant monitoring of the hubs revealed that, despite the warning signs and direction arrows, the hub employees sometimes threw the boxes from a distance or stacked them upside down. V-Xpress wanted a solution to this problem that would not involve spending a lot of money. The idea of printing a baby's face on the boxes was mooted. The face was so designed that if you placed the box correctly, you would see the baby smiling, but if it was placed upside-down, a sad face showed ([Exhibit 5](#)). The company's symbolic message was that each box is like a baby that V-Xpress has to deliver safely to the customer. Sachin stated:

Who likes to see a baby's face sad? This small change made a huge difference in the way boxes were handled, and it became easier for V-Xpress to live up to its promise of safety and reliability.

Phase 2: establishing credibility with testimonials

Once the internal stakeholders were convinced and aligned with the organization's vision and mission, the next focus was to grow the client base. V-Xpress needed to build credibility and trust amongst its clients. It would help to build positive word-of-mouth publicity and help attract new clients. Sachin said: “Using celebrity endorsement is the most common method to enhance brand value but owing to budget constraints V-Xpress could not implement it. While thinking of ways to tackle this issue, we felt that why not use the experience of current customers to build new customers and attract new clients?” Testimonials of major customers were recorded and uploaded on the company website and onto YouTube. In these videos, lasting approximately 3-4 min, an existing client spoke about his excellent experience with the safe and reliable services of V-Xpress.

While a few clients refused to give testimonials, sighting reasons like corporate communication policy restrictions, many clients readily agreed to share their experience. The people management and relationship building of the promoter group played a major role here. These testimonials were then put up on the website together with company promotional material like brochures and pamphlets. One of the customers, Tarun Narula, Senior Manager Merchandising, Apollo Pharmacy, New Delhi, stated:

If we see the average fill rate of these regional DCs (distribution centers) earlier, the fill rate was approx. 75-76 per cent. Now, due to timely delivery with the help of V-Xpress, the fill rate has risen to 85 per cent, and in some places, it has reached up to 86 to 88 per cent. Our margins

have grown 5-10 per cent, and logistics costs have gone down to 0.5 per cent, which is a very significant achievement for the business.

The testimonials helped the sales associates to win the confidence of their prospective clients. A 10-min video, showcasing different processes and client testimonials, was developed by the marketing department and served as a presentation pitch for closing new deals. These efforts helped V-Xpress to expand their client base in addition to increasing the trust factor.

CEO Harshwal explained: “V-Xpress also did something that no other express cargo had done to date. They opened their operations to the world.” A video, named PRO6, was made showing the six stages of consignment handling by V-Xpress and uploaded onto the company website ([Exhibit 6](#)). The video was much appreciated by the industry experts.

It was important to maintain connections with existing clients while trying to build new ones. V-Xpress started a newsletter for the managers of their client companies who worked in the logistics domain. It featured their professional achievements while including personal information as well. Harshwal stated:

The logistics manager or procurement in-charge, or the strategic sourcing managers were the people who finalized logistics service providers for their organizations. Building a relationship with them helped V-Xpress to become the preferred partner for many of these organizations.

Phase 3: creating awareness through low-cost marketing campaigns

V-Xpress has three types of clients. They were contract clients (clients are billed for payment at a later date), to pay clients (client has to pay on delivery) and advance pay clients (payment at the time of consignment booking). It wanted to keep its marketing spending to a minimum. The aim was to create large impact using low-cost marketing campaigns. It was decided to implement innovative ideas that could be easily implemented and were scalable to achieve the required objectives. CEO Harshwal asserted:

What people don't realize these days is that a good idea need not always be an expensive idea. A simple yet innovative solution can work the same, or for that matter more wonders than an expensive one!

The low-cost marketing campaign included e-mail marketing, social media marketing, database marketing, etc. where the cost per B2B customer acquisition was quite less as compared to customer acquisition using traditional channels. V-Xpress was a pioneer in using e-mail marketing in the logistics industry. On the basis of extensive interactions and research in each of ten industry verticals where it was providing services, it was able to document the pain points for each industry. The marketing department prepared an industry-specific e-mail containing an overview of the industry, its pain points and how V-Xpress could partner with them to overcome these problems. The sales team was equipped with industry-specific videos, brochures and leaflets for aiding their sales pitch. The marketing team passed on the qualified leads based on email responses/enquiries to the sales team. The sales team contacted the lead with an intent to initiate relationship. This helped in acquiring new customers at a minimal cost.

V-Xpress also collaborated with “Times Jobs” to get the contact details of logistics-related employees. A Pune-based agency named “Juvlon” handled a mass emailing for V-Xpress. Every month, around 1.2 million e-mails were sent with the website link and relevant sector testimonial links. The collaboration with Times Jobs proved to be more effective than buying CD containing employee databases from trade fairs. The response from these email helped build an authentic database. The conversion rate was low, but the results were encouraging as cost per customer acquisition was quite low as compared to traditional methods.

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B2B marketing, Logistics,
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The road ahead

Sachin was convinced that ATM services was an excellent offering from V-Xpress. He knew that GTM strategy for ATM services would be crucial as it would help to build word-of-mouth amongst the clients and help V-Xpress to get referrals. Sachin has to choose the best fit GTM strategy for ATM services out of the three shortlisted GTM strategies by the marketing team. V-Xpress needed to decide between milk run model and horizontal cooperation model to enhance their distribution network in eastern India. The distribution penetration in eastern India will help V-Xpress to become a truly pan-India B2B logistics company. Sachin also wanted to revamp the digital marketing strategy and choose effective low-cost B2B marketing options which V-Xpress may leverage as part of its marketing plan.

Notes

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8. A warehouse in India is also called a godown.
9. The NEP (New Economic Policy) was launched in 1991 by the Indian government to promote liberalization, privatization and globalization. As a result, many multinational corporations (MNCs) started to operate in India in the 1990s.
10. 1 USD = approx. INR 65; INR means Indian Rupees; USD means US Dollar
11. India has 29 states and 7 Union territories.
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Exhibit 1. Profile

O.P. Harshwal took over as CEO of V-Xpress in 2007. He led various transformational initiatives in supply chain management and marketing at the organization. A Chartered Accountant, Harshwal has more than 20 years of experience in the logistics domain. He has set up express distribution divisions in many logistics organizations from scratch. He has been able to increase profitability at V-Xpress by managing costs and promoting an innovative approach to problem-solving. As a CEO, he is responsible for overall operations and providing strategic leadership to all functional areas of V-Xpress. He has set a vision for achieving an annual revenue of INR 10bn by 2020.

Sachin Nair is an MBA from Indian Institute of Management Indore. He had more than 12 years of marketing experience. He started his career with advertising and then moved to marketing. A fitness freak, Sachin has also handled marketing for Vectone Mobile in UK and Europe. At V-Xpress, he is head of marketing and handles branding, marketing strategy, integrated marketing communication and coordination with sales and product development team.

Exhibit 2. Logistics industry in India (freight type)

Table E1		
Type	Value in million metric tons	% of total freight
Road freight	3,152.52	63
Rail freight	1,351.08	27
Sea freight	450.36	9
Air freight	50.04	1

Source: Adapted from "Market Research Report," accessed March 11, 2018, www.novonous.com/publications/freight-transport-market-india-2015-2020

Exhibit 3. V-Xpress financial statement* (Amount in INR)

Table E11			
	FY 2014-2015	FY 2015-2016	FY 2016-2017
Income	2,651,020,215	2,482,485,432	2,111,162,238
Operations Costs	1,955,510,348	1,804,092,852	1,519,564,310
Indirect Expenses	420,344,945	403,974,045	343,385,926
Gross Profit	695,509,868	678,392,580	591,597,928
Gross Profit (%)	26.24	27.33	28.02
Net Profit	275,164,923	274,418,535	248,212,002
Net Profit (%)	10.38	11.05	11.76

Note: *Indexed figures
Source: Company records

Exhibit 4. The ten GTM commandants

- Listen to the customer's voices in deciding the GTM strategy
- Leverage low-cost marketing tools for higher profit margins
- Ensure channel fit with the given kind of the product
- There is a trade-off between market coverage and control
- The GTM strategy may or may not have a digital component in it
- Channel cooperation is more important for business growth than channel conflict
- Different category of customer may have to be given different type of services

- The business model has to be robust for GTM to succeed
- The organizations have to wait till a particular channel becomes profitable
- Innovativeness and differentiation are essential for a successful GTM strategy

Source: Adapted by the case authors from Friedman, Lawrence G. GTM strategy: advanced techniques and tools for selling more products, to more customers, more profitably. Routledge, 2002.

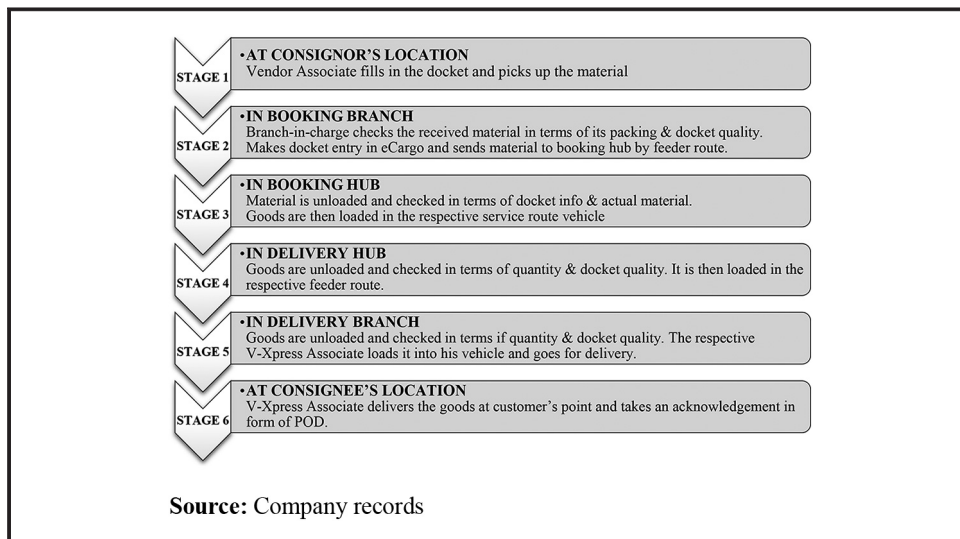
Exhibit 5. Baby's face on consignment boxes

Figure E1



Exhibit 6. Pro6 six-stage operational excellence

Figure E2



About the authors

Neeraj Pandey is Associate Professor of Marketing at NITIE, Mumbai. He has published case studies in *Asian Case Research Journal*, *Emerald Emerging Markets Case Studies*, Ivey Publishing, The Case Centre and Case Centre of IIM Ahmedabad. He received "The Best Teacher" award from NITIE Mumbai; "Outstanding Management Researcher Award" from AIMS international; and "Young Management Researcher" award from Higher Education Forum. Neeraj Pandey is the corresponding author and can be contacted at: neerajpandey100@gmail.com

Sandesha Shinde completed her post-graduation from NITIE, Mumbai. She is passionate about marketing and is presently working as Sales Manager at L'Oreal.