The Make in India Campaign

Soujanya Bhattacharya

Research paper in Turiba University faculty of Business administration (Latvia)

Abstract: India is known for its services exports, but many doubt its ability to export manufactures and that is the perception which our Prime Mister Narendra Modi plans to change. Prime Minister Narendra Modi rolled out a red carpet to industrialists, both domestic and international, inviting them to make India a manufacturing hub that will help boost jobs and growth. The campaign is aimed at making India a manufacturing hub, and the government is pulling out all the stops for ensuring a smooth sailing for investors, by setting up a dedicated cell to answer queries of business entities within 72 hours. "We should manufacture goods in such a way that they carry zero defects, so that our exported goods are never returned to us. We should manufacture goods with zero effect that they should not have a negative impact on the environment," PM Modi said in his speech on Independence Day. All this will auger well for the economy and the markets as it will help in boosting growth, in job creation and revival of investment cycle in Asia's third largest economy

Introduction

The research will content briefly explanation about the marketing strategy and how the make in India campaign was led out all over the world. The backend of this Campaign is an agency called 'Invest India', which is a joint venture between industry chamber FICCI (Federation of Indian Chambers of Commerce and Industry: 51% equity), the central government's DIPP (Department of Industrial Promotion and Policy: 35% Equity), and state governments, each of whom hold 0.5% equity

Key Marketing Elements

- 25 sectors to work on initially
- 24 manufacturing cities identified
- 10% subsidy on production of equipments of pollution control, reducing energy consumption & water conservation
- To speed up the decisions
- Time bound resolving of issues within 48 hours; unaddressed queries to go to DIPP secy, & to be resolved within 24 hours.
- A digital campaign just like "Incredible India to go global.
- Inclusion of all states to mobilize the policy, ministries and local bodies

Response of this Marketing Campaign

A Welcome Move Worldwide

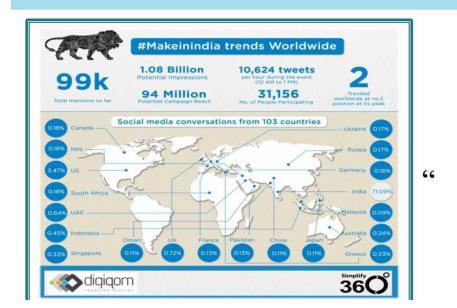




Figure.1

It is reported that the SLOGAN of this marketing campaign was "FROM AUTOMOBILES TO AGRO-PRODUCTS FROM HARDWARE TO SOFTWARE FROM SATELLITE TO SUBMARINES FROM TELEVISIONS TO TELECOM FROM PHARMA TO BIOTECH FROM PAPER TO POWER PLANTS FROM ROADS TO BRIDGES FROM HOUSES TO SMART CITIES FROM FRIENDSHIPS TO PARTNERSHIPS FROM PROFIT TO PROGRESS WHATEVER YOU WANT TO MAKE: MAKE IN INDIA"

Launch of the Marketing Campaign

Date: 25th September 2014

Launched By: PM Shri Narendra Modi

Launched with: Ministers, High-ranking Bureaucrats, Business leaders and International

Dignitaries, CEO of Multinational MNCs. Over 3000 Companies from 30 different countries

attended the Campaiging event.

Item Launched: Make in India website, logo and brochures.

Key Point of Speech

- Need to boost investor sentiment
- "First Develop India" vs. "Foreign Direct Investment"

- "Corporate government responsibility" for effective governance
- Boost manufacturing to help growth of the middle class and create jobs
- Develop a growth oriented environment to enhance ease of doing business
- "3D" outlook: Democracy, demography and demand
- Channelise India"s rich demographic dividend for competitive advantage
- Train man power in an industry-aligned fashion
- Implement "Digital India" for an informed citizenry
- "Look East and Link West" approach
- Integrated clusters with roads, rails, airports and associated infrastructure
- State and Centre coordination for export promotion

The Marketing Steps

Assistance to Foreign Investors	from the time of their arrival in the country to the time of their departure. Focus on green and advanced manufacturing	
The Pro-Active Approach	A pro-active approach, to track visitors for their geographical location, interest and real- time user behavior	
Ease of doing Business	New delicencing and deregulation measures to reduce complexity & increase speed and transparency	
Manufacturing sector to be focused	Create Jobs, Move people out of Agriculture & Spur Services, reduce exports/increase imports & bring balance of trade	
Invest India Cell	Investors to be responded within max. 72 hours	

Table.1

So the basic strategical steps include:

- FDI Means First Development Of India
- 125000 New Jobs Born In One Year
- Industry and government to work together
- Global company start business in India
- High-Tech Technology Comes To India
- Small Industry Play Big Roll

Sector-Wise Marketing Strategy

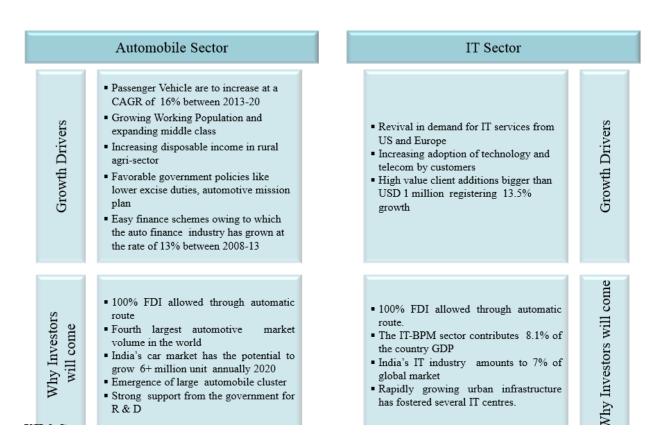


Figure.2

Textile & Garments Sector Food Processing Sector Rising per capita income ,favorable demographics and shift in preference for branded products ■ Liberalization and growth of Growth Drivers Growth Drivers organized retail ■ Increase in domestic demand is set Rising income level and growing to boost cloth production middle class ■ Favorable policies of government ■ Favorable economic and cultural of India transformation and shift in attitudes and lifestyle ■ Expansion of retail sector with many global players entering the market Why Investors will come ■ 100% FDI allowed through automatic ■ 100% FDI allowed through automatic route. route for most product Why Investors Second largest manufacturing A rich agricultural resource base capacity globally A low cost of skilled manpower Accounts for 14% of world · Attractive fiscal incentives by state production of textile fibre and yarn and central government in the form of ■ Abundant raw materials subsidies, Tax rebates etc increasing demand for exports 42 mega food parts are setup in PPP Increased penetration of organized at an investment of 98 billion rupees retail

Figure.3					
Road and Highways Sector			Construction Sector		
Growth Drivers	 An outlay of USD 3.8 billion for the highway sector has been provided in 2013-14 The GOI aims to develop a total of 64340 Kms of national highways Under various programmes. The rise in four wheeler and two wheeler vehicle ,Increasing freight traffic, strong trade will augment growth 		 India has a housing shortage of 65 million million dwelling units Introduction of new urban development mission which will help in the development of cities 	Growth Drivers	
Why Investors will come	 100% FDI allowed through automatic route for most product. The transport sector constitutes 6% of country GDP and 70% share of road sector. Emergence of private sector as a key player. Establishment of major initiatives by GOI to upgrade highways in the country. 		 Different levels of FDI based on different parameters An investment of USD 1000 billion has been projected for infrastructure sector Ease access to funding for the sector Construction activities contribute more than 10% of India's GDP 	Why Investors will come	

Figure.4

Why Market Industrial Sector?

The total turnover of automobile sector in 2010-11 was USD58.5 billion, tumover by 2016 is slated to be USD 145 billion.

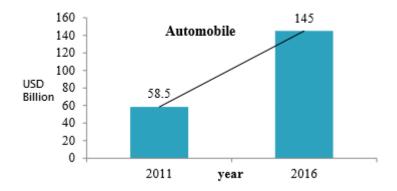


Figure.5

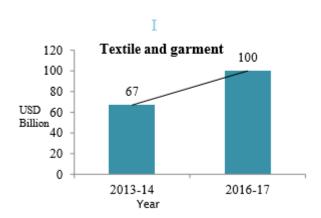


Figure.6

The domestic textile and apparel industry in India is estimated to reach USD 100 billion by 2016-17 from USD 67 billion in 2013-14.

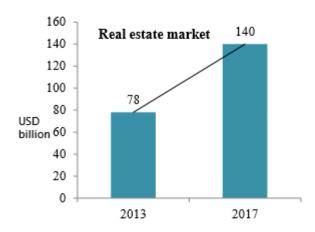


Figure.7

As per the industry estimate, the Indian Real estate market was USD 78billion in 2013 and is expected to grow to USD 140 billion. So, the main reasons to Market the Industrial Sector or the Manufacturing Sector Because:

- Manufacturing contributes 17% of India"s GDP compared to 69% that comes from services and 14% from agriculture
- And, of the 474 million Indians who are gainfully employed, only 100 million do manufacturing jobs compared to 232 million who work on farms and 142 million employed in the services businesses.
- SME"s contribute 90% of all industrial units and 40% export within the manufacturing sector
- Between 2004 and 2011 manufacturing sector has registering annual growth of around
 7.25 per cent

Result of the Make in India Campaign

1. On Janaury 11, 2015, The United Kingdom (UK) government announced a campaign to forge collaborations with Indian companies. The campaign called 'Great Collaborations' will seek greater cooperation between the companies based in India and the UK on a range of sectors. The first showcase of 'Great Collaboration' is the partnership between UK's BP plc (BP Petroleum Company) and India's Reliance Industries Limited (RIL) in developing and producing energy," Subject to regulatory decisions, RIL and BP are keen

- to progress additional **investments** of around **10 billion dollar** to produce three to four trillion cubic feet of gas from new fields
- 2. India's annual oil products demand is forecast to grow 3.3 per cent in the next fiscal year.
- 3. Availability of cheaper credit after a second rate cut by Reserve Bank of India in as many months is expected to drive up the sale of vehicles.
- 4. India is expected to become the world's third-largest passenger vehicle market by 2019, from sixth place currently, consultant IHS Automotive estimates.
- 5. Indian economy is projected to grow close to 7.4 per cent this fiscal year to March 31. It grew at 7.5 percent in December quarter from a year ago. In 2015/16, India's GDP is estimated to grow at 8-8.5 per cent. Thus finally becoming the third Largest economy of the world.
- 6. So far in 8 months since the campaign has been launched there has been an investment of approximately \$550 Billion.

Reference

- 1. http://profit.ndtv.com/topic/make-in-india-campaign
- 2. http://profit.ndtv.com/news/industries/article-indias-fuel-demand-projected-to-rise-3-3-in-fy16-744314
- 3. http://indianexpress.com/photos/picture-gallery-others/narendra-modi-launches-make-in-india-campaign/
- 4. http://www.makeinindia.com/sector/automobiles/
- 5. http://www.makeinindia.com/sector/construction/
- 6. http://www.makeinindia.com/policy/new-initiatives/
- 7. http://america.aljazeera.com/multimedia/2015/3/The-myth-of-modis-make-in-india-campaign.html
- 8. http://articles.economictimes.indiatimes.com/2014-11-16/news/56137166_1_digital-india-skill-india-labour-intensive-sectors
- 9. http://zeenews.india.com/business/news/economy/narendra-modis-make-in-india-campaign-five-challenges_109098.html
- 10. http://www.quora.com/What-is-the-progress-of-Make-in-India-campaign