

A STUDY OF COMPETITIVE ADVANTAGE AS A DECISIVE FACTOR FOR PRICING POLICY IN PUBLICATION HOUSES IN INDIA

Rupali Subhash Gaikwad

Commerce & Management, Savitribai Phule Pune University, Pune, Maharashtra.

Email:rupali2gaikwad@gmail.com

Dr.Santosh Bhaskar Kulkarni

Commerce & Management, Savitribai Phule Pune University Pune, Maharashtra.

Email:santosh.kulkarni@iccs.ac.in

Abstract

Due pandemic printing and publication industry as witnessed ups and downs in terms of stability, profitability and technological changing. But in post pandemic it also seen the growth, but it also noticed reforms in the form of digitalization in the form of E-books,E-paper,E-journal. This reform as brought intense competition in printing and publication industry. Now, it becomes more crucial for printing and publication industry to have effective pricing policy. While having effective pricing policy, competitive advantage is a decisive factor. It can help to have profitability for the publication houses. Beside it also has to study the factors influencing competitive advantage.

Keywords:Publication houses, competitive advantage, pricing policy, decisive factor.

INTRODUCTION

Firm's competitiveness is always judged on the basis of its ability and performance of selling and supplying its goods and services in a given market situation. It is considered competitive only when it delivers products and services at a lower cost or highly quality than of its competitors or when its unusual than other.

Printing and Publication industry is one of the key segment in India which is witnessing growth now a days. High level of competition within the publishing industry itself can also be seen. As well as the lowering cost due to digital media is inducing new players to enter the market. Publication industry has also noticed a major change after the mass spreading of E-paper,E-book technologies and digital content. This media has the ability of bringing reform in the publishing industry and can bring stability in terms of saving cost and earning income from advertising. Digital e-publishing will reach a market size of \$34,690 million by 2025. Three segments of the market will fuel this growth that is e-books, e-papers and e-magazines.

As the digital media is growing and also increasing in market size, which also improving its profitability. This results in offering their services at lower prices and limiting the growth of competitor's. So it becomes high time for publication houses to consider competition and consider it has a decisive factor to gain competitive advantage and increase profitability.

LITERATURE REVIEW

Article published by Kaushik Mukerjee in IUP Journal of English Studies (2016) Factors That Contribute Towards Competitive Advantage: A Conceptual Analysis: Firms need to manage the factors that contribute towards competitive advantage to ensure their survival. This paper focuses only on the factors that contribute towards competitive advantage and its impact on survival. The practices adopted by leading firms for managing the factors that drive competitive advantage have been referred

to provide the necessary evidence in support of the propositions. This article has focused on the factors that contribute towards competitive advantage but lacking its consideration for pricing policy. Research paper published by Akram Hosseini, Ms. SanazSoltani and Mohammad Mehdizadeh in Journal of Open innovation: technology, market and complexity(May 2018) **Competitive Advantage and Its Impact on New Product Development Strategy (Case Study: ToosNirro Technical Firm)**. This paper focused on impact of competitive advantage on new product development As per this new product development and its importance for companies as a new approach is accompanied by risks, identification of competitive advantage factors can be helpful for managers in reducing the decision making risk.

Research paper published by ViktoriiaBoiko, AleksyKwilinski, MykolaMisiuk, LiudmylaBoiko in Journal Economic Annals-XXI (2019) **Competitive advantages of wholesale markets of agricultural products as a type of entrepreneurial activity: the experience of Ukraine and Poland**. This research paper focuses on competitive advantage of wholesale markets of agricultural products. The purpose of the research is to substantiate competitive advantages of wholesale markets as a type of entrepreneurial activity and benefits of the country from building a network of wholesale markets of agricultural products in Ukraine, as well as to examine and generalisethe experience of the functioning of wholesale food markets in Poland. This paper only focuses on the wholesale market of agricultural products.

Objectives of the Study

- 1.To know the sales of some of the players of the publishing houses.
- 2.To know the present and potential competition for this player in printing and publication industry.
- 3.To compare the present and existing price structures of these publishing houses.
- 4.To know the competitive advantage enjoyed by this publication houses.
- 5.To suggest determinants to know the level of competition and its relation to pricing policy.

Statement of hypothesis

- 1.Competitive advantage is a decisive factor for pricing policy in publication houses.
- 2.Pricing policy is to be set without considering competitive situation in the market.

Methodology:

A.Area of Study:The study limited to the study of competitive advantage as a decisive factor for pricing policy in comparison with market competitiveness and price structure of competitors and some other related factors.

Geographic Scope:

This study is restricted to the publication houses in India itself.Dues to financial & time constraint, random sampling method is proposed.Total 4 Publication houses of India are selected and from 81 College students questionnaire was filled.

B.Research Design: This research paper data uses primary and secondary sources of data to collect and present the relevant information. A self-designed suggestions/opinion is also brought into the study to add more knowledge to the research.

Primary Data:

Interviews were conducted of managers and publishers to collect data for research and filled questionnaire from the Board and College Students

Secondary data

For secondary data balance sheet, profit and loss statement, magazines, articles and websites of Publication houses are referred.

Data Analysis:Size of the Publication House: The research wanted to measure the size of the firm and considering number of employees in the publication houses to measure the size of the firm. The lowest range is less than 799 to 999 employees and Medium range is more than 1000 to 2001 and More than 2001 to 5000 is largest range.

Table 1:Size of the Publication

Name of Publication House	No. of Employees
S Chand Group Company	5000
Navneet Publication Company	5000
JagranPrakshan Company	1000
MPS	5000

The above table shows the number of employees as the size of the firm. S Chand Group Company, Navneet Publication Company, MPS have 5000 employees, and JagranPrakshan Company have 1000 employees.

Existence of Publication House:The research wanted to measure the age of the publication houses. Researcher used number of years in the business as a mean to measure the age of the publication.

Table 2: Number of years in existence

Name of Publication House	Number of Years in business
S Chand Group Company	83 years
Navneet Publication Company	64 years
JagranPrakshan Company	48 years
MPS	53 years

Table 3: Revenue Growth of Print and Publication Industry
Industry Share of Print and Publication Industry for the year 2022 in Revenue Growth

Industry: Print Media & Newspaper Publishing ▼		Category: Growth Rates▼	Period: 2023 ▼			
Print Media & Newspaper Publishing Industry		1 Q	4 Q	3 Q	2 Q	1 Q
		2023	FY 2022	2022	2022	2022
Y / Y Revenue Quarterly Growth		-5.69 %	-5.94 %	0.72 %	10.55 %	10.32 %
Seq. Revenue Quarterly Growth		-44.74 %	5.32 %	-6.06 %	8.42 %	-13.47 %
Overall Ranking Y/Y		# 7	# 80	# 89	# 53	# 72
Y / Y Revenue Annual Growth (at the end of Fiscal Year)		3.25 %				
Y / Y Revenue Growth (Annual by Quarter Ending)		10.47 %	3.25 %	8.59 %	12.05 %	-10.72 %
Seq. Revenue Growth (Annual by Quarter Ending)		-1.15 %	-1.59 %	0.35 %	2.82 %	1.05 %
Overall Ranking Y/Y (Annual)		# 5	# 74	# 75	# 64	# 107

Industry Share of Print and Publication Industry for the year 2021 in Revenue Growth

Industry: Print Media & Newspaper Publishing ▼		Category: Growth Rates▼	Period: 2021 ▼			
Print Media & Newspaper Publishing Industry		1 Q	4 Q	3 Q	2 Q	1 Q
		2021	FY 2020	2020	2020	2020
Y / Y Revenue Quarterly Growth		5.45 %	-3.25 %	-9.81 %	49.2 %	-7.59 %
Seq. Revenue Quarterly Growth		-3.78 %	18.95 %	-42.83 %	59.5 %	-11.64 %
Overall Ranking Y/Y		# 73	# 76	# 79	# 2	#
Y / Y Revenue Annual Growth (at the end of Fiscal Year)		5.85 %				
Y / Y Revenue Growth (Annual by Quarter Ending)		13.37 %	5.85 %	6.91 %	-10.82 %	-5.63 %
Seq. Revenue Growth (Annual by Quarter Ending)		1.16 %	-2.3 %	-2.1 %	-5.86 %	-1.91 %
Overall Ranking Y/Y (Annual)		# 25	# 33	# 29	# 85	#

Industry Share of Print and Publication Industry for the year 2020 in Revenue Growth

Industry: Print Media & Newspaper Publishing		Category: Growth Rates		Period: 2020		
Print Media & Newspaper Publishing Industry		1 Q	4 Q	3 Q	2 Q	1 Q
		2020	FY 2019	2019	2019	2019
Y/Y Revenue Quarterly Growth		-7.59%	-5.1%	-11.45%	-1.64%	4.09%
Seq Revenue Quarterly Growth		-11.84%	10.94%	-7.59%	-1.2%	-7.78%
Overall Ranking Y/Y		# 75	# 83	# 100	# 79	#
Y/Y Revenue Annual Growth (at the end of Fiscal Year)		-0.79%				
Y/Y Revenue Growth (Annual by Quarter Ending)		-5.53%	-0.79%	1.33%	7.63%	10.18%
Seq Revenue Growth (Annual by Quarter Ending)		-1.91%	-0.03%	-2.05%	-0.43%	0.36%
Overall Ranking Y/Y (Annual)		# 89	# 83	# 80	# 86	#

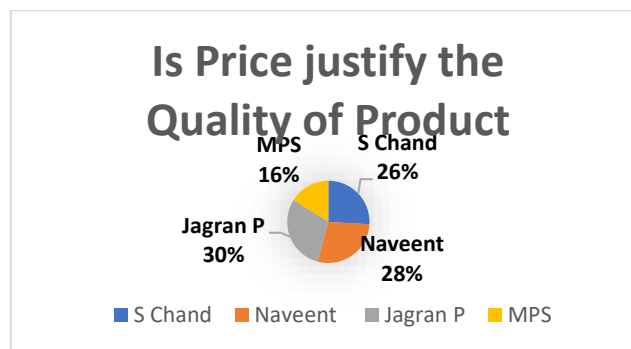
From the above table it is studied that the revenue growth of Print and Publication Industry .The overall Revenue growth for 2022 was 3.5%, 2021 5.85% and for 2020 it was -0.79%.

Name of Publication House	Educational Books	Competitive Books	Magazine/ Journal	QuestionBankSeries
S Chand Group Company	✓	✓		✓
Navneet Publication Company	✓	✓		✓
JagranPrakshan Company	✓	✓	✓	
MPS	✓			

As per the table All above publication provide Educational ,Competitive Exam Books are provided by S Chand, Navneet Publication and JagranPrakashan. Magazines and Journals are provided by JagranPrakashan.Question Paper Series by S Chand and Navneet Publication

Graph: Represents the data collected from the Board and College students regarding the quality of book in terms of pages, content

Cost Leader



As per the above graph Naveent Publication and Jagran Prakshan offer quality product and justifiable price.

Graph:2 Is book easily available/accessible in the book stores



From the above Graphs and information gathered through questionnaire it can be stated:

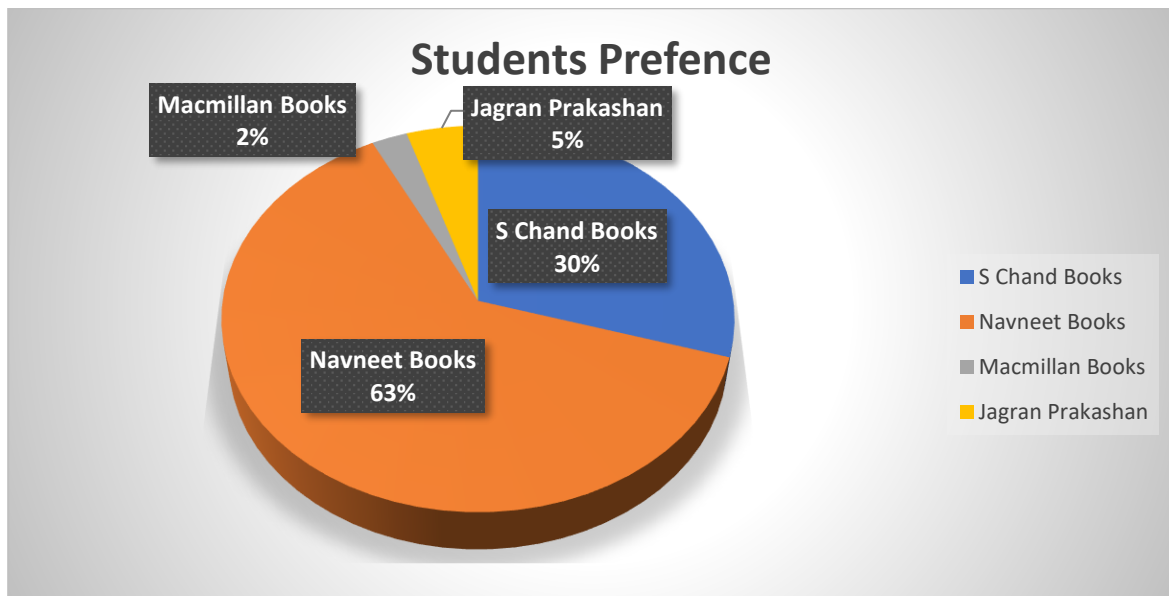
Table 4: Competitive Advanatge

Competitive Advantage	S Chand & Group	Naveent P	Jagran P	MPS
Cost Leader		✓	✓	
Unique Product	✓	✓	✓	✓
R &D			✓	
strong distribution network and sales team	✓	✓	✓	✓
Quality	-----	✓	✓	
Easily Availability of Products		✓	✓	

Table:5 Price of Products

Publication House	Educational Books Price Range	Competitive Exam Price Range	E-Book Price Range	Question Paper Series Price Range
S Chand & Group	Rs.300 -Rs 900	Rs.500-Rs 1000	Rs.450-1000	Rs.500-Rs 800
Navneet Publication	Rs. 50- Rs 500	Rs.300-Rs 700	Rs.250-600	Rs 200-Rs 500
JagranPrakshan	Rs.100-Rs 500	Rs.300-Rs 650	Rs.250-700	----
MPS	Rs.350-Rs 1000	-----	Rs.500-Rs 1500	-----

Preference By Board and College Students



Sales in crores of selective publication in last three years

Year	S Chand	Navneet	JagranPrakashan	MPS
2020	429 Crores	1,496 Crores	2097 Crores	188 crores
2021	425 Crores	832 Crores	1,289 Crores	279 Crores
2022	481 Crores	1,112 Crores	1,616 Crores	284 Crores

Findings:

1. Size of the S Chand Group, Navneet Publication and JagranPrakashan is large and MPS is medium publication house
2. S Chand & Group is 83 years in existence, Navneet Publication is 64 years in existence JagranPrakashan 48 years in Existence and MPS from last 53 years in existence.
3. The revenue growth of Print and Publication Industry from 2020-2022 .The Revenue growth for 2022 was 3.5%, 2021 5.85% and for 2020 it was -0.79%.In 2020 the revenue growth of print and publication industry was negative i.e -0.79% due to pandemic of COVID-19, but in the year 2019 it grown to 5.85% due to growing impact of e-books. But in 2022 it again reduce to 3.5% due post pandemic.
4. All above publication provide Educational ,and Competitive Exam Books are provided by S Chand, Navneet Publication and JagranPrakashan. Magazines and Journals are provided by JagranPrakashan. Question Paper Series by S Chand and Navneet Publication. It shows the Navneet Publication, S Chand & Group and JagranPrakashan Provide various books to the readers, but Navneet Publication and S Chand & Group also offer unique products.
5. Competitive advantage enjoyed by JagranPrakashan and Navneet Publication is more compare to S Chand and Group and MPS in terms of cost leader, easy availability, strong distribution and sales team and quality product.
6. Educational Books offered by S chand is more expensive than other three publications. But compare to others Navneet publication educational books are less costly. Competitive books of S Chand is expensive and that of Navneet publication and Jagranprakshan is at affordable price.
7. As per the survey college and Board exam students have more preference to Navneet Publication Books. So, maximum students prefer to refer Naveent publication books.
8. Revenue generated by above publication houses of last 3 years state that, there is continuous fluctuation in the revenue. But Revenue generated by Naveent Publication and JagranPrakashan is more than S Chand Group and MPS.

Conclusion:

Based on the research findings and answers to research questions the researcher made the conclusion that competitive advantage is a decisive factor for pricing policy. It can be seen that competitive advantage plays an important role to have profitability. But to enjoy competitive advantage the company must consider certain factors that influence competitive advantage. It has to maintain quality, try to offer product at cheap price to the customer to overcome competition. It is also important that customers should get enhanced experience from the product once they start using it. It is concluded that Publication houses should revise their prices by taking into consideration certain offers, discounts and easy availability of books for the students.

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