



# Marketing Strategy for Startup Engineering Consulting Companies in Nepal

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**Abstract**

This research investigates on and around the marketing strategy of engineering consultancy start-ups in Nepal. This research aims to explore the perception of start-ups about the marketing strategy, major trend in marketing, and cultural response towards such strategy. A total of six start-up engineering consulting companies working in Nepal were approached and studied using a qualitative research method. These companies were selected from a comprehensive list of the engineering consulting companies registered on the research location using a purposive sampling method. The personnel of the companies related with management were then approached for a structured interview to understand their current and future marketing strategies for the growth of their businesses. Discussion over marketing approaches were primarily focused on the internal strategic development as a high priority. Almost all the interviewee highlighted the requirement of technical skills as well as a specific focus on the need of high-end promotion of the uniqueness of their product and services at their inception phase. Over time, companies' perception of the marketing strategies was found changing which was mostly experienced driven than the marketing training or education. The mainstream marketing strategies such as 4Ps and 4Cs were found as a secondary interest whereas network-based approaches, mostly influenced by local socio-political environment, appeared appealing to these start-ups. This research provides a could be well used as a base for future studies to prioritize marketing strategies using a quantitative approach a milestone for further studies such as a quantitative approach to validate this finding is recommended to complement this study.

**Keywords/tags (subjects)**

Startup, Marketing, Engineering, Strategic marketing

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# 1 Introduction

## 1.1 Background

Startup company is basically a young company in the process of development of a business which is established with few members or sometimes with a single founder. Startup company normally does not give any guarantee that it will give the best outcome, it works with a simulation process which can be profitable or non-profitable (Robehmed, 2015). In most of the countries, startup companies follow the same set of legal procedures similar to the any type of company establishment. Business at initial stages usually must set specific business goals with defined market areas (Churchill & Lewis, 2015) whereas might also have to focus on diverse scopes depending on the local and national governments' protocols.

Engineering consulting business is one of the potential markets under the engineering domain for the professionals to introduce new innovative engineering products, solutions, or services (Christie, 2016). Most of the startups have flexibility to accommodate their products in rural, urban and suburban settings even with a small team. Engineering consulting companies mostly work in technical aspects and are highly connected with the development stakeholders. The clients and end-users might be dependent upon the type and scope of the projects relating to both building construction and infrastructure development. Engineering consulting services focus in providing independent expertise to governments, businesses, real estate developers, and construction organizations related to engineering, science, and other interconnected areas (Simmons, 2019). Despite their technical nature of the business, such firms are closely tied to the social and political institutions.

Arrow engineering, founded by Michael Howell in 2016 can be considered as a good example in the field of engineering consulting business. Howell's core principle is "connect with people, do good work and then turn those connections into more connections" (Walpole,2019). Engineering business and network is mostly confined by technical expertise and skills for engineering solutions. Often engineering firms providing such solutions tend to forget the value of "people first" which is one of the key aspects in any businesses. In contrast to the normal engineering consulting service providers, Arrow Engineering focused on the added value that comes along with customer requirement and satisfaction. The positive word of mouth as a result of good work has provided a success in case of Arrow Engineering. Networking and the value how people perceive the service,

or a solution can thus be seen as a key for a successful business in engineering. Moreover, engineering businesses today also require technological innovations and support to get established in the market. Startup businesses in engineering have also seen a success in securing funds for innovative technical solutions or unique products. For example, Finnish startup Betolar secured a 2 million Euro funding to develop geopolymer based carbon neutral construction materials for the construction industry (Seppänen, 2020).

There has been an inclined growth of many engineering consulting companies. The reason behind such growth is the increasing development activities that has been carried down especially in developing countries. These activities, significantly in the infrastructure development, continuously seek a specialized professional and project planner for their project. Such professional service provided by consulting companies demonstrated visible positive impacts on project outcomes in areas such as timely completion, accurate budget planning, and implementation of cost-efficient strategies. New technological advancements of innovative way of working, intelligent tools through use of artificial intelligence, systems like virtual reality, augmented reality and mixed reality, support form different virtual analytical tools for optimised products are some examples that have boosted in the growth of new businesses in the engineering consulting businesses. Because of this positive impression and increasing market, engineering industries are expected to rise even more in the future. Urbanization and infrastructure development is a common trend in any nation's growth that is directly linked with various aspects such as national economy, and national employment level through labour market. Asian continent is not an exception. The South Asian economy is an emerging economy in the world and has increasing demand for engineering projects and thus direct link to consulting services in architectural design, and management services are inevitable.

Nepal located in between China and India is a small country with a population of around 30 million (Central Bureau of Statistics, 2017). As per tradingeconomics based on the data from World Bank, Nepal's Gross Domestic Product (GDP) was worth 30.64 billion USD in 2019 that accounts for 0.03 percent of the world economy. Furthermore, GDP per capita in 2019 was 859 USD and GDP adjusted with purchasing power parity (PPP) was 3416.80 USD that is equivalent to 19 percent of the world's average (Tradingeconomics, 2021).

Nepal is rapidly urbanizing as most of the population is migrating to the cities for work, study and seeking accessibility of the development resources. The increased migration to the cities results in

increased demand for housing and other development infrastructure. Urban settlements are not only the residential buildings. These also consist of several other elements, such as road networks, utility supplies, public spaces, shopping centers, health, and education facilities, etc. These elements are sometimes developed and installed individually one after another in a slow place and other times done in a package within a specific boundary of time. Construction of the road networks, water supplies, sewage systems, electricity and communication infrastructures are the major components associated with new settlements. This phase of development urges consultation of experts in many areas. The areas are basically urban planning, architecture, civil construction, electricity distribution network, water supply and sewage management, telecom engineering, etc. and not limited to these.

Development of new urban infrastructure have an adverse impact on many sectors, within engineering domain it might relate with need of skilled and unskilled workforce, use of new technologies for inception, design, and construction of project as well as different construction materials and other associated products. The market boom within the engineering field provides an opportunity for new businesses for consulting companies working in one or more of these areas. This increased demand creates better scope for the new and emerging engineers, consultants, and service providers, seemingly a good opportunity of the startups. Whether they are working in innovative areas or within the traditional framework, in many cities of Nepal, demands of engineering consultants in recent years is highest in the history.

Additionally, aftermath of a devastating 7.3 magnitude earthquake of 2015, reconstruction of residential housing, office buildings and heritage sites have spiked. Among the 75 districts, the government declared 14 as the crisis-hit area immediately after the earthquake (Chaulagain, Gautam and Rodrigues, 2018). After the impacts of the earthquake, civic perception of housing construction gained a paradigm shift. Over the traditional notion of rural housing, public authorities have issued specific protocols for housing reconstructions. Similarly, residents also started following the urban architecture even in rural areas. Construction guidelines developed by local governments and provincial governments imposed the mandatory regulation that the structures must be designed and approved by qualified professionals such as civil engineers and architectural engineers.

## 1.2 Research problem and objective

The growing market does not always provide safe and secure business space for all the companies. Continuous business and its sustainable growth is a challenging task for any business. In comparison to established firms, startup companies face various practical problems like lack of networks, immature business strategies, short term growth focus and so on. Thus, startups need creative and rigorous efforts to establish themselves in the competitive market. To the engineering industry, a large portion of market share is normally limited to established firms. It's even a greater challenge for startups to penetrate the market in engineering businesses. Moreover, the challenging scenario demands for incorporation of effective marketing strategies to have a positive impact in the industry. This can be an alternative for a startup company's survival and growth in the competitive market. However, there are different bottlenecks that startup companies should be aware and considerate of, such as market value and scope, limitation of investment capital and skills in new products or services, resistance from existing established organizations and network and so on.

As other businesses, a proper marketing strategy and its implementation is needed for an engineering consulting business to grow. A careful and planned execution of such marketing strategy will help the company in many ways. It will not only make the customers aware about the company's services but also will help the company in branding and promotion, as well as create new business opportunities. And thus, it's a dire importance for a company to understand - what could help these businesses to develop the best marketing strategies? What factors should they consider while developing these strategies? What aspects of the market do these companies need to know extensively? and what are the tools, techniques, and medium should these companies consider while implementing their marketing strategies? Based on these preliminary aspects around marketing approaches, this research explores in and around the topics of marketing strategies that is beneficial for engineering consulting startups in Nepal. The research questions developed for the study are as follows:

1. How is 'marketing strategy' perceived by engineering startups in Nepal?
2. What are the common strategic marketing practices among the young consulting companies in Nepal? To what extent these strategies are successful in achieving their business goal?

3. What is the relationship between the marketing strategies and business of the startup companies?

Despite having some limitations, this research studies the theoretical aspects of marketing strategies, reviews the common practices and established theories, professional opinions and finds a connection of those to the marketing practices on engineering consulting companies in Nepal. This research shed lights on cultural settings of Nepalese market for engineering consulting companies and their approaches. This study also conducts field research, mostly through the case studies of selected startup consulting companies to explore their perception of marketing strategies, investigate the marketing culture in practice and strategies adopted by them. The research aims to uncover the local practices which serves as a primary knowledge source for academia or professionals in this area.

### **1.3 Significance of research for theory and practice**

#### **1.3.1 Theoretical perspective**

There have been enormous approaches applied by companies to be successful in their business. Several studies have been done around these successful and unsuccessful business strategies. To what extent a strategy works is also assessed with multiple associated factors. Some emphasis on internal managerial and decision-making styles and others focuses on the market aspects. Innovation is a central phenomenon of startups that necessitates boundary spanning in the organization (Kanter, 1985) and even a small innovation can have a major impact on an industry (Henderson & Clark, 1990). For engineering companies today, technology and innovation are considered as foundation of their business. Additionally, organizational structure is another determinant of successful entrepreneurial activity. Furthermore, researchers have discussed the integration of market driven (demand pull) and technology driven (technology push) approaches that each company needs to consider for a continued success in their businesses (Lucas, 1992). Companies can adopt any kind of approaches or methods, but researchers have shown that companies who consider technical and market factors are more likely to succeed (Noori, 1990).

Cultural response to the technological and innovative approach is always prominent. As many theories in studies of science and technology, Social Construction of Technology (SCOT), as Pinch and

Bijker (1984) advocate, the promotive practices are different in the market. Hence, the marketing strategies cannot be studied independently. A study of the same field or topic conducted in a geography or a culture might not produce the same result as is implemented in another culture. Hence, this study will explore those cultural responses as emphasized by SCOT theorist as a major affecting factor of the marketing strategies.

### **1.3.2 Practical perspective**

Technological innovation is a boon to the engineering companies in both perspectives, the development of the product and launching those to the market. Computer based simulations and 3D modelling are the sophisticated technologies used by these industries to explain about their services and products. These technologies can visualize the end products in forms close to the reality. This research investigates the technological and innovative approaches of marketing that fit in the present context. As this research adopts the case study of specific communities in specific cultural settings, this explores practical aspects of the urbanized community. Hence the findings will be helpful for the entrepreneurs and business houses to understand the marketing policy.

## **1.4 Research process**

This research starts with the study of current state of Nepalese engineering industry to understand the adoption of cultural practices of marketing strategies incorporated in the engineering consulting businesses. As the study focuses on the startup companies, the study investigates identifying young engineering consulting companies. A purposive sampling method is utilized to select 5-10 companies working in the mentioned areas. Key personnel of the organization both from the administrative or the marketing staff such as marketing officers, chief executive officers, business officers, and founders were interviewed. A total number of 12 questions were developed for the interview that was also shared with the participants before the interview. A semi structured interview was conducted over phone, zoom, teams and skype based on the request from the interviewee. The conversation was recorded upon their consent and transcribed. The language of the interview was a mixture of both English and Nepali depending upon the informants' comfort. The perspectives and perception discussed are then manually transcribed by the author for documentation and to analyse the results of the discussions carried out.

The received data was processed and categorized. It was primarily analysed based on two major indicators (1) the strategies they applied and (2) the success they achieved. The indicators are based on the aspects to study the relationship of the applied strategy and the success acquired as a result of the strategy. Unique strategies among the companies were furthermore grouped using available common features to comparative study the relationship and its outcome.

During this process, required research protocols and ethical standards were followed to ensure the privacy and data protection of the informants. Both protocols, practised in Nepal where the informants are, and in Finland was followed strictly. Personal and business information which can not be made public are anonymized and pseudonyms are used. All the collected raw data was stored in only one device with security log in and will be erased from the system after the objective is accomplished.

## **1.5 Thesis structure**

The thesis presents an exclusive review of relevant literature in chapter two. The literature review section mostly consists of the review of published papers on these sectors including research conducted in Nepal. Additionally, this section explores the theoretical underpinnings of strategic marketing relevant to the area of research. The chapter following the theoretical review section will present a methodological approach used in accomplishing the research objectives. Chapter three discusses the relevance of the methodology used in this thesis as well as explains how this method is used in detail. Chapter four contains the analysis of the collected data, that is mostly the qualitative analysis, and chapter five presents the research findings. The final chapter consists of conclusions of the study and highlights key recommendation of the factors that will prove useful for engineering startup organizations to establish a sustained business.

## **2 Literature Review**

Different information sources like scientific repositories, database, books, and journal papers related with marketing strategies were referred for the literature review. Primarily, Kotler & Armstrong (2010), McDonald (1999), Druker (1972) viewpoints and strategies are extensively followed to understand the key principles of marketing. Different course materials provided during the degree program and discussions with experts and lecturers around the emerging startup businesses,

their key role and processes furthermore were referred and studies to understand the prominent features of a startup companies. Informal and formal discussions with different engineering professionals and colleagues were done to understand about engineering, how engineering services work and key components around current engineering developments. The outcomes and key components of integration of these domains based on the review are discussed in the following chapters.

## **2.1 Marketing Strategies**

Marketing is a strategy and an approach taken at the planning stage of business inception that aids for the businesses and organizations to penetrate the market for a planned product or service. Evolution of the market has added new dimensions on the marketing strategies. Globalization, use of technology, consumers' behaviour, responsible living and the internet are some of the changes that have revolutionized the market opportunity along with creation of even greater competition among the marketers. Such competition seemingly has created an urge of creative and innovative approach among the marketers to stand out in the crowd. Marketing is a key component of business management and commerce. Treado and Brunswick (2018) has identified portfolio marketing approach as an effective tool for architectural and engineering firms to summarize and outline the opportunities available within their target market that will help the organizations to develop, administer, and utilise strong services.

### **2.1.1 Definition of marketing strategies**

Marketing strategies explain the planning of business to reach the targeted consumers by analysing the sales activities in the market. This process helps organizations to plan and utilize their available resources in all possible ways to gain more profit than the competitors. Marketing and different strategies normally have multiple components intertwined together that can as well be considered as individual factors that are directly linked to the product or a service or a business. Some of these common components are product, price, promotion, and place, community, communication, and convenience.

Marketing strategy is the science and art of selecting target markets and supplying value to satisfy the consumers' needs of targeted markets, it is the way to gain the benefit through sales in the

marketing mix market by operating different marketing functions. Marketing strategy is explained as a long-term planning which identifies the right markets, analyses the consumers demand and needs, plans the services that consumers need and develops the marketing resources- (Kotler & Armstrong, 2010).

Marketing is a process to create and capture customer value that requires a long-term planning and identification of the right market as well as right tool for developing sound business strategy. Strategic moves require proper planning, hence the successful entrepreneur's should emphasis on such planning with proper consideration to the fundamental components of the marketing. The preference of these components varies according to individuals or businesses. For example, a group of marketers might consider the market need or consumption culture as important whereas others might prioritize the communication and branding would help better in penetrating the market. Drucker (1972) opines strategic marketing as the process of continuous analysis of the markets, competitors, external threats, and opportunities to support the businesses in forecasting future consumers' demand and factors that affect the sales of business. The widely used 'people' component is more specifically addressed in this definition as a targeted group. The principal purpose of marketing strategy is to be able to choose the right customers and thus the markets where the businesses plan to operate (McDonald, 1999). As per McDonald, utilizing 4Ps (Price, Place, Product, and Promotion) as a marketing strategy would help the businesses to balance product portfolio, to pursue opportunities, to build on strengths and defend threats and so on.

### **2.1.2 Elements of marketing strategies**

The marketing niche widely discusses 4P's or 4C's principles, standing on the specific elements of marketing focus. The 4Ps' concept constitutes marketing strategies based on Price, Product, Place and Promotion. Pretty like these, a 4C's version is based on the Customer's need, Cost, Convenience, and Communication. The later one better fits on the characteristics of the modern market than the former, putting value on the complex structure of the market, and the importance of sharing information between the marketer and the market. In this section, we will discuss some of these elements associated with the marketing strategies. The content of these topics are formulated by the author based on the lecture notes provided of Saleem (2022).

### **a. Positioning**

Product's identity is the foremost element for taking it to the market. What the product is? what does it mean to the users? and who are the prospective users? are the questions that help to identify the position of a product in the market. This state of mapping the product's existence in the market is named as positioning. The positioning is "what the product stands for, and whom it is for" (Ogilvy,1983). A company should set the clear vision of who they are and what their services are. For any company to meet their target, it needs to start with a clear vision of the company's focus and possible ways in order to reach the highest level of consumers' satisfaction. But in today's context positioning can be explained how the marketers wish their consumers to view the brand in comparison to the competitors. The concept is depending on the satisfaction of consumers' demands, what they think about the product and kind of emotional attachment consumers have. Positioning is based on the characteristic of a brand or product which makes it unique from their competitors (Czerniawski & Maloney, 2010). The product itself and the market, and the marketer's strategy to integrate these two collectively plays an important role in positioning the product in the market.

### **b. Branding**

The marketer should work on SWOT analysis of their existing brands in the market before stepping into any branding decision of product and services. There is no exact proven process of branding, but a company should focus on what their brand stands for? and what kind of promises their brand could make to their consumers. It's hard to measure the branding as there are many intangible emotional aspects attached with a brand. Cultivating 'brand sentiment' in the market is central for the branding strategy. Though it is intangible, companies shouldn't neglect work out on brand sentiment as it can also be the competitive advantage the business needs (Martinez,2018). A brand describes the company name, features, and helps consumers to identify the products and services that company is selling in the market. Bad branding of a product provides unconscious image of a product or service and thus has a negative impact on the businesses no matter how good the product is. While creating the brand name, companies should maintain the same standard and fulfill the promises that their brand makes to the consumers. For e.g. a company brands itself as promoting sustainable approach for their product development, however if the company fakes it and uses unsustainable approaches for the product, it is likely that consumers are dissatisfied with the promised product. As a result, consumers have legal rights to sue the businesses on the basis of

making fake promises and delivering different product. Branding is a strategy which company creates to give a meaning to their product and services so that consumers can identify and experience their brand and provide reasons to choose their product over competitors product.

### **c. Segments**

Segmentation strategies is basically divided into consumers segments comprising of consumers' needs and desires. Based on the belief that a company's main goal is to satisfy the consumers, the segmentation approach separates the company from different products possessing specific value propositions and addresses the unique needs of the consumer. The segmentation is categorized into four section, demographic, geographic, psychographic, and behavioural features. The demographic segmentation explains about consumers age, gender, occupation, nationality etc whereas psychographic refers more to consumers behaviour, their interest, attitudes, and values. The geographic segmentation explains about the location, like where customers live, how far they need to travel etc and the behaviour explains about consumers brand loyalty or willingness to buy the product based on the suitability and needs. (Goyat,2011)

### **d. Competition**

Competition strategy often provides long-term benefits for making a continued survival over its competitors. SWOT analysis is normally used as an easy and effective tool that helps a business to identify possible threats along with their strength, weaknesses and opportunities that furthermore support in making strategic level decisions to overcome the potential threats. In order to attain a competitive advantage, the generic strategies of "Cost Leadership", "Differentiation" and "Focus" are important (Porter, 2007). It is important for marketers to understand the principle of this concept to get updated with competitors and develop new strategies against competitors. It is deemed important and useful especially when a company having a competitive market and businesses with similar product or services.

### **e. Marketing management and analysis**

Marketing management facilitates a business to choose the target markets and help the businesses build profitable relationships with them. Market management focuses on two key aspect, first de-

fining the target customers to serve (customer management), and secondly identifying the best possible way to serve the customers or in other words maintain and enrich value proposition (demand management) for a business. Market segmentation is a widely used approach to divide the market into segments of customers whereas target marketing approach is then utilized to identify the target groups for cultivation. In order to decide how a company can serve the targeted customers with best possible outcome, different concepts have been developed under which organizations have the possibility to design and carry out their marketing strategies. One such is the five alternative concepts of market orientation: the production concept, the product concept, the selling concept, the marketing concept, and the societal marketing concept. (Kotler & Anderson, 2010).

### **2.1.3 Types of Marketing strategies**

A new product development and gaining a meaningful share and existence require a continuous input and resources. Launching a product and promoting those are some of the major phases of the product development lifecycle. Marketing strategies is one of those major phases, to keep the system on track and survival of the business. There are always opportunities for marketers to develop their unique marketing strategies. Even though there are effective marketing strategies in practices (Albright,2019), some common and widely used method and approaches are discussed in the following sections:

#### **a. Cost Per Click (CPC)**

Along with the proliferating use of the internet, its web2.0 feature provides users a privilege to choose their desired content among the multiple alternatives. Marketers have identified this as a wonderful space to promote their business. In this approach, promotional content of a product is clipped with the main content of the audience's preference, hence increasing the likelihood of getting the audience's attention to it. All the system expects from the audience is a simple action: 'click'. Then the action takes the audience towards the detail of the product. The cost per click model refers to a business having to pay a set amount of money for every click over their advertisement. This means that for example, a set sum of \$0.50 would be paid to the advertiser based on every 10 clicks observed over their advertisement. Another approach that follows similar principle is Cost Per Impression (CPI). The cost per impression model refers to a business paying for a total number of 1000 views of the advertisement by the customers. It does not require an actual click to

be considered into the equation, rather a separate value is calculated for every impression and multiplier within every click over the advertisement. With the following difference in place, we can say that since both CPC and CPI are usable models in marketing, a business should be able to consider their implications over the system to consider their value. CPC provides a company with the ability to guarantee a view on their advertisement but, it does not guarantee a purchase while it has a larger cost implication than the CPI model. CPC works better for differentiated products while CPI tends to work better for newer companies with less brand value and less budget to spend on the marketing process. CPI model however even though has an uncertainty of actual view and lesser cost implication; it provides a potential for larger exposure and dispersion rate. Therefore, there is a need to recognize the appropriate model based on the preferences of the company as well as the nature of their product, brand value and service data to make a better decision.

#### **b. Personal selling**

Word-of-Mouth advertisement is central to the personal selling. This method of marketing function is the best-case marketing scenario where new or loyal customers advertise the product or the service voluntarily based on the good product or good services they received while dealing with the businesses. This method requires a good reputation based on high levels of consumer satisfaction. The cost related with personal selling approach is dependent on the size of the sales force. It can be controlled through adjustment of the sales force in one-person increments depending upon the total target group. This approach is widely used and highly effective when a product or service is complex, new and requires detailed explanation and demonstration. The most important advantage over other forms of promotion is its effectiveness in obtaining a sale that results in a guaranteed satisfied customer.

#### **c. Digital Marketing**

Digital marketing is known for the technology-oriented marketing structure. This approach widely uses digital media such as computers, Television, smart phone, and internet as the main device for marketing and advertisement purposes in contrast to the traditional content advertisement. Increased use of different social media platforms, the easy access to information sources and possible linked virtual network of events as well as digital content have allowed digital marketing with different possibilities like to identify the customer segments and furthermore promote the businesses,

its products, and services in a lucrative way. Technological advancement and the possibilities digital tool along with their integration over different media platform can actively be used today to customize the advertisements based on the digital profile of the consumers. Even though the digital marketing and tools provide an easy approach to the consumers, issues like fake reviews, fake feedback which broadly can be termed as the reliability or authenticity of the content may hinder the visibility of actual businesses with good values and motives in this digital age. Some of the key challenges for a startup in comparison to the established companies in digital marketing can be considered as a need of extra investment through a dedicated digital marketing personnel or team for regular update on the optimized content for different search engines, heavy engagement with the digital audience as well as confined security arrangements to block spams or any kind of digital threats.

#### **d. Organizing events**

Organizing event is known for the event marketing which directly promotes a company's product, services, brand and helps to catch the targeted audiences' eyes. It provides a larger opportunity to connect directly with the buyers. The events can be organized online, offline, as a participant, or a host or even as a sponsor. Event marketing is often considered as one of the expensive marketing processes. Although this form of marketing is expensive in nature, many companies have invested in event marketing due to the possibilities of high return as it can attract to the mass of people. In this type of marketing, firms can get the results and feedback of consumers on the spot which helps firm to improve quickly. It is beneficial for a company as it can prove to be a platform which can stand out in the mass and has the ability to provide direct ways to build networks on the spot as well as capture the interests of the consumers.

#### **2.1.4 Factors affecting Marketing strategies**

Marketing strategies can not function standalone and irrespective to the societal factors. There are several factors that have direct and indirect affect on the marketing approaches. PESTLE analysis also sometimes referred as PEST analysis is used to highlight the core elements of the factors. PESTLE analysis helps a company to track the environment the business operates in or are planning to launch a new product or a service (B2U, 2016).

**a. Political Factors**

Although the company might have the best marketing strategies, political factors can be a huge hindrance and can directly impact on the businesses. The political factors usually consist of issues like labour strike, minimum wage requirements, political instability, trade and tax policies, corruption as well as politically influenced trade restrictions. Such factors have a direct impact in the construction businesses and sometimes might lead to dissolution of the firms.

**b. Economic factors**

It is obvious that the financial status of the market has direct and indirect impact on the marketing strategies. Economic factors consist of change in exchange rate, inflation rates, banking and other financial provisions, unemployment rate, etc., which will directly impact on the company growth, its pricing, products, services, and has lots of possibilities that influences to change in consumer's behaviour. For instance, an abrupt increase on the interest rate leading to increase of the price the consumers might need to pay for the same product or services. In other terms, a housing company intending to build and sell houses might face price hikes due to the increase in price of the building materials.

**c. Social factors**

Social factors describe the environment representing the characteristic of people, their culture and behaviour where the company operates its function. The social factors include income, age, lifestyle, health and safety issues, and growth of population. Social factors are important for any business as it describes and define the characteristic of its targeted group. In one hand, social factors like work culture and social values might have negative influence on the day to day of an operation of the business whereas same factors can have a positive impact for the businesses to grow abruptly to the community or regional level if understood and addressed properly.

**d. Technological factor**

A company should be updated with the latest technology, having less knowledge on new technologies will affect the growth of business. Technological factors include technical innovations,

investment in R&D, automation, introduction of modern tools and its usability along with user acceptance of such technologies, regular maintenance and update of applications, and so on. Consumer readiness and acceptance or resistance to new technologies can be seen as one of the challenges as it requires learning curves for its effective and productive use. The businesses should choose technologies that compliment and support their existing strategies and enhance their way of working when it comes to the selection of suitable technologies. For instance, document-based Computer Aided Design (CAD) tools and processes are largely used in each project by the professionals for design and construction of any facilities. The industry has seen a progressive technologies development with model-based systems, tools, and processes to do the same activities in better and enhanced way. However, their adoption and implementation are still immature because of various other subfactors related with technologies like learning curve of new tools, cost and need of regular maintenance and update of the systems.

#### **e. Legal Factors**

One of the major issues for the marketer is legal factors, before starting up the business, a firm should understand legal provisions before applying marketing strategies. The legal factors include different types of policies, rules, regulations and laws like labour laws, consumers security laws, health and safety laws, discriminations laws, building codes and varying professional requirements in different locations to name few. If a company does not adequately understand the legal procedure and rules implemented by government, it has a high risk of facing legal issues and complications that can even result to as a blacklisted company for performing the businesses.

#### **f. Environmental factors**

Environmental factors include all those that either have a potential to influence or influence the businesses and its operation which are normally determined by the surrounding environment of the business location. Environmental factors mainly consist of climate, road structure, local people concern about pollution, waste management etc., This factor has often been neglected within PESTLE analysis because of the unpredictability of natural or manmade issues in future. Environmental factors are crucial for specific industries like farming and tourism. Whereas in the engineer-

ing domain, the increasing concern over global, responsible human values, global warning, environmental consciousness, ethical business values, energy efficient and carbon neutral products are some other factors on the top of other general factors that can have a direct impact on the business.

## 2.2 Startup Companies

Startups are often young companies trying to enter the market with innovative solutions and unique business ideas. There is not a clear timeframe for a company to be called a startup depending on when they were established. However, the startup companies are distinguished among the others with three major characteristics, these are: they are new companies, they have limitations of the resources and they enter the market with an entrepreneurial approach.

## 2.3 Marketing Strategy for Startup companies

A prominent economist Adam Smith (1776) defines marketing as “Consumption is the sole end and purpose of all production and the interests of the product ought to be attended to only so far as it may be necessary for promoting those of the customer”. Marketing, often considered as an art of selling, is also discussed as a management process that is conducted in different phases. These phases constitute of different activities such as designing, research, resource allocation, authority, financing, resources management, relevant skills, execution, physical resources, analysis, and measurement. A robust marketing plan should incorporate these elements ideally, but this situation is not prevalent in all marketing scenarios. A variation can be seen in different companies and their position in the market, and their perception of the marketing strategy.

**New companies and old market:** Marketing companies’ efforts to penetrate the market can not work independently regardless of the market behaviour. The market behaviour here means the practices and response of the market towards the new product and services, or their approach to come to the user’s life. Some of the market, or the target group of the users are under the heavy influence of the existing knowledge, norms, or ethics so that the approach of the marketing, mainly adopted by the new companies can not be successful.

**New companies and new markets:** In some communities or markets, which has gone through transition in terms of economy, politics, development, or some other forms of culture are more

likely to accept the new approach or the culture. For example, recreational travel is booming in South Asia which was predominantly a religious travel. Similarly, urbanizing communities are more likely to take the automobiles and electrical household appliances openly than in the other communities. These can generally be considered as the new markets, where new companies can work with new approaches and attain rigorous benefits.

**Redefining and reshaping the market:** In some contexts, the targeted group of the users, aka the market, required a rigid new approach of the marketing due to the socio-political and other factors. In such cases, the companies must use innovative approaches to deal with multiple factors and stakeholders. Such situations urge for new methods, and mediums to penetrate the market. For example, in a community where drinking is considered unethical, the breweries and distilleries should consider multiple approaches to promote their products with ethical and responsible practices of consuming such beverages.

## **2.4 Marketing Strategy in Nepalese context**

### **2.4.1 Internet culture**

Nepal sees a mobile-cellular telephone subscription saturation of around 112 % indicating the availability of extra cellular connections than the population. The use of Broadband Internet has seen an increase of 7%, access of Broadband Internet (inclusive of Mobile Broadband services) currently sits at 72.98%. (Nepal Telecom Authority, 2020). Despite the accessibility to the internet, the internet culture in Nepal is diverse. Social media and its use are a main driver for internet adoption in Nepal with a total of around 9.3 million Facebook users, and 6.4 million registered users on YouTube (as of January 2018 as seen in 2019 Digital Nepal Framework, 2019). It is not easy to define what people mostly do on the internet related with marketing strategies and unavailability of adequate resources on the subject matter. This is a complex issue which is associated with different other factors such as digital literacy, information literacy, users' interest, and professional background, etc. It is an assumption that startup companies have a potential to directly benefit through social media marketing strategies because of the increased number of users as well as their popularity amongst the community. The Internet could be an efficient marketing tool, which has been widely and successfully practised globally. However, there is limited literature that illustrate to what extent Nepali companies can leverage this medium in promoting their business.

## 2.4.2 Challenges

Despite the significant accessibility of the internet, other related factors have created barriers in internet-based marketing. One of such widely understood barrier is a difficulty in payment to the online commercials if the platform is owned by the companies abroad. For an example, popular social media sites such as Facebook and YouTube could undoubtedly be an effective and efficient marketing platform, using commercials. The banking system in Nepal is strict in case of international payment and executing payment out of the country in any foreign currency. As there is no legal channel to execute such payment, many advertisers are doing it either illegally or using some other third party service vendors which are not regulated by the government, hence anytime in future, these features can be turned off by the government.

## 2.4.3 Support Initiatives

Influenced by globalization, new business approaches, and education, we can notice some of the significant moves in Nepal to support such startup companies. These companies or non-profits are working to educate and train startups with rules and regulations, market research and consultations, and develop new business ideas and marketing strategies. These institutions have been supporting startups in general areas as well as the specific areas of their need and interest. The following is an example of such institutions listing startups and supporting them via web interface as well as organizing physical events, seminar, workshops, trainings etc.

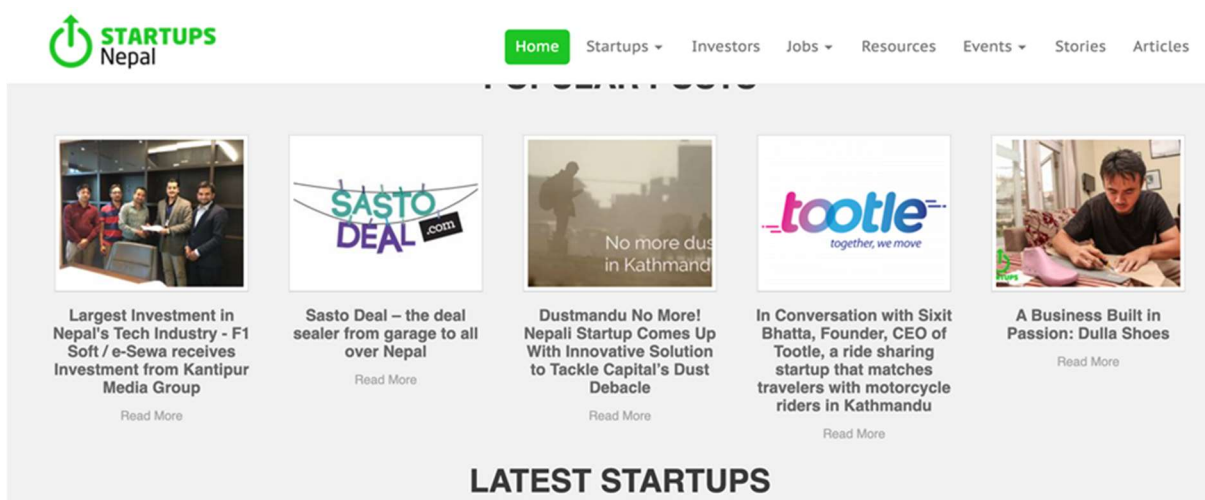


Figure 1. Screenshot of Startups Nepal

The above picture is one of such startup support initiatives. There are many other initiatives where startup companies can meet each other, meet with professionals, and discuss their problems, difficulties, and learn essential rules and techniques.

#### 2.4.4 Engineering consultancies

Exact number of the engineering consulting firm in Nepal is not clear yet. There are many socio-political activities happening within the engineering consulting firms. Many groups and initiatives were formed to get organized and help each other. Some of these activities are affiliated with one of the political parties and some others are based on the area of their work. An example of a society to commonly bring different consulting architectural and engineering firms in Nepal is SCAEF as presented in Figure 2.



Figure 2. SCAEF screenshot

It is not known about the role of startups in such organizations, such as whether they have any facilities or support mechanism to foster startup companies.

## 2.5 Conclusion

For any startup company, it would be beneficial if they implement the marketing strategies while selling their services to the customers. After analysing all the aspects of marketing strategies and view of authors, marketing strategies guide and consist of planning to understand the niche of the company and minimize the uncertainty risk. Marketing strategies will guide engineering startup companies in different aspects like creating demands, building relationships with vendors and

consumers, pricing strategy, promotional activities, and channels, and all the tactics required to thrive in the traditional competitive market. The core elements which all marketers should focus on as company positioning, branding, its website, and content point to the success level of the company.

There are many consulting companies listed globally, and some of them are in the phase of closing and some of them have lost many projects due to the insufficient knowledge about the markets and their customers. Understanding the needs and demands of consumers is important, sometimes companies need to create the demands to sell the product even if consumers haven't demanded it. Marketing strategies will construct the simple way to understand the company services, construct the brand, approaches for promotion of services and offer new business opportunities.

### 3 Research Method

Research methods are defined as the use of different techniques and processes for data collection or evidence for analysis to interpret the results or find new information or generate better understanding of a topic. Each research methods uses different research tools. An overview of the research methods along with the tools are discussed in short as follows:

1. **Qualitative research:** It is all about living experiences, emotions or behaviors, and the meanings individuals attach to them. It provides a better understanding of complex things, social human behavior etc., which helps in interpreting things and explain events how things happen.

Tools Used:

- Interviews between interviewer and the person.
- Focus group, where a group of people discussing on a particular topic.
- Observations: On site, in context and role play are those.
- Document analysis: It can be anything from a letter or emails etc.

2. **Quantitative research:** It uses to collect the numerical data so that different statistical analysis can be performed. This method is used whenever answering for questions such as how many, how much, how often, or to what extent.

Tools used:

- Surveys: Preparation of questionnaire related to the topic and making the target group to get it filled.
- Observations: Counting the number of occurrences of an event or coding the data.
- Document screening: Information from different sources is collected.
- Experiment: Laboratory experiments for testing cause and effect. It involves field experiment.

3. **Mixed Method:** This process combines both qualitative and quantitative research methods. Both statistical data and contextual analysis is done. Data from different sources are combined and verified.

Among all these three-research methods, the studies use qualitative method of research. The primary reason behind choosing the qualitative method two-tier: one being good and effective, and second as it provides the scenario where people can open freely with both formal and informal discussions that support in understanding the ground truth of the current situations of the business processes and scenario. This method has been used as a tool for the study to gain the valuable insights that cannot come via survey where many people can observe each other. Further, interview method has the scope to become semi-structured so that based on the situation, replies from the correspondent or interviewee, the new questions can be raised or controlled directing to the discussion towards effective, meaningful, and genuine response.

### 3.1 Selection of the research area

Nepal is an emerging economy in South Asia with rapidly growing urban infrastructures that are being implemented as well as different mega projects being planned for future. Engineering consulting companies have a possibility to easily enter the market with better product and services and the demand for skilled engineering professionals is high. Improving the standard of the marketing education in colleges and universities, global influence, and accessibility of the sophisticated communication networks has energized the marketing practices of the companies. In this backdrop, the capital city of Nepal, Kathmandu, is selected as a field of this research with a focus on undressing paradigm shifts in marketing practices. Engineering companies are the one with adequate skills of

using resources available on the internet, dealing with frequent and quick updates in their products and resources, and penetrating the specific market with various cultural practices of the community.

### **3.2 Research design**

First, a desk research was conducted to gain an overview of the marketing practices in Nepal. Relevant literature was reviewed including the demographic details and recent culture in the study domain. With the given limitation of time and other resources, this research has been planned with a fieldwork in Nepal. Secondly, a list of young engineering consulting companies working in Nepal is prepared using web-based resources. A google search engine, companies' database available locally, and list of members companies of different associations and groups were considered to understand the services and products that prevail Nepalese engineering industry. From this database of the companies a concise list of potential informants is developed. These companies were approached through email correspondence and requested to participate in the survey via interview. The selected 6 companies among those who are willing to share their information for the purpose were followed and asked to sign the consent form. A set questionnaire reviewed by the research team is used as a tool for data collection, which was mainly the base for conversational interview using online communication channels. The collected data, which is qualitative in nature, was manually interpreted using different standards and references of the similar practices in academia.

The discussion chapter sheds light over the responses of the information and explores how these responses make sense to the marketing communities and contribute to knowledge in academia. The chapter also includes how the findings correlate the research question. The conclusion section will provide a summary insight of the findings of the research.

### **3.3 Population and Sample**

A desk research has been conducted to identify the companies that fits in the scope of this research. A comprehensive list of such start-up companies was developed using available secondary data sources. A purposive sampling was conducted to select 6 companies from the list. Initial approach to sort out the companies from the list is done through the available information through different sources like websites, social media groups and their activities as well as other relevant documents

available on the internet. Telephone and other meeting platform tools were then used for interviews to collect both formal and informal responses on the subject matter. The selected companies and their areas of work are presented in Table 3 (details about the interviewee are excluded based on the data protection requirements).

Table 1: List of selected companies and their area of work

| SN | Name of the companies | Area(s) of work                         | Location  |
|----|-----------------------|---|-----------|
| 1  | Forefront             | BIM Consulting, design and construction | Kathmandu |
| 2  | Arc Engineering       | Construction and Designing              | Kathmandu |
| 3  | Masterpiece           | Civil and Architectural design          | Kathmandu |
| 4  | Gunjayas              | Mapping and Construction                | Kathmandu |
| 5  | Saga                  | Survey and Architectural Design         | Kathmandu |
| 6  | Zoom                  | Construction Service                    | Kathmandu |

### 3.4 Source of Data

#### 3.4.1 Primary Source

The primary datasets used in this research are the interview transcripts of the informants. This data is collected upon the consent of the informants. Based on the interview questionnaire (Appendix 1) a Zoom meeting was carried out. The individual conversation lasted an average of 15 minutes and the session are recorded for academic purposes only. The conversation was conducted in both English and Nepali language according to the informant's comfort. This data is transcribed and translated in English for this study.

### **3.4.2 Secondary Source**

Besides these, the research also uses secondary data, related to the informants and the working area, marketing culture, and demography of the research site. Additionally, the company's web resources are also studied to shape the interview questions.

## **3.5 Data collection and processing**

### **3.5.1 Data collection method**

An extensive desk research on the engineering consulting firms is conducted prior to preparing informants list and developing interview checklist. In the first phase, startup engineering consultancies working in Kathmandu Nepal were explored, mostly visiting their websites. Any relevant source such as google search, list of companies from the Office of the Company Registrar (OCR), the government's facility to register and monitor the business were used. Once the companies were listed, detail study about the companies, their focus, aim and vision through their webpages as well as their social media updates were referred and documented. Additional information through other relevant documents like project reports and involvement were studied based on the availability of such documents. Based on the available information, a list of companies to be contacted for further information was prepared. A total of 20 companies were filtered out in this stage and a formal request to participate in the research was sent.

A total number of six companies responded positively for the interview. This was followed up with details regarding interview topics, date, and time, medium of conversion and a consent form of the interviewee to be interviewed. Upon the availability of the informants, the interviews have conducted. Such conversational interviews have guided by the interview checklist, lasting an average of 15 minutes. Internet based communication, either Telephone, ZOOM and Skype has used for the interview. The conversation is recorded and transcribed during or after the interview.

### **3.5.2 Data processing**

The transcribed and translated data has stored in a single word-processing document. The information that does not have any significance in this research has eliminated and the required data, which is mostly in text, stored in the form of paragraph, each response precedes the question. The

transcription consists of interviewer's notes and remarks as well, but these are identical to the informant's transcript. The complex forms of expressions, information that has specific cultural significance, and confidential information have simplified and anonymized appropriately to make data processing easy and avoid ambiguity.

### **3.6 Data analysis**

The process of the data analysis involved in this research is a qualitative analysis. It is a kind of case study that closely observes the interview transcript and uses the metadata and secondary data sets obtained from the website of the companies to find meanings out of the informant's response to the interview questions. This manual analysis looks for the keywords that are emphasized by the respondents, informants focus and expressions, and other key elements including what is explicitly addressed by the informants. Some of the computerized techniques such as word cloud generation are also used as it is found appropriate. Insights driven from available patterns of information was compared and triangulated with the research questions.

### **3.7 Ethical issues**

A consent has been asked to the prospective informants before going into the real interview. Any critical information that the informants want it to be confidential has been excluded, confidential using an anonymization algorithm. To protect the personal and company data, the algorithm generates a pseudonym of the company name or informants. After the dissertation period is over, the raw data will be removed from the system. The content that goes to the public has been checked to ensure the confidential aspects that might harm the company or the informants.

## **4 Discussion**

### **4.1 The Market: startups' perspective**

There is no clear boundary to separate startup businesses from the established businesses. Regardless of ambiguities in defining startups, the scope of this study is young companies debuted in the engineering consulting market with innovative concepts. The sources of information collected here are the entrepreneurs who have entered in the market with innovative approaches, small teams,

and limited resources. Startup companies, in general, have multiple challenges ahead to introduce their products in the market. Among those, one of the prominent challenges as (Eisenmann, 2006) argues is resource constraints. These companies either best fit in the gaps created by the mainstream business, or the small size businesses that are generally ignored by the large business firms.

The other challenge of the startups is lack of experience or lack of knowledge of the market. Startups might take some time to overcome such constraints, but the period varies upon the mechanism of building institutional learning. Also, another associated factor is the time taken by the companies for reflection of the learning on their marketing policies. Many of our informants considerably emphasized on the knowledge gap and the effective way to overcome such gaps. Forefront, a consulting company in Kathmandu states:

*we are growing slowly but not as expected due to lack of people from business domain. At present, we are doing better than before, it is all possible because of our dedicated team members, without losing hope, they developed the attitude of we can do it... (Interview transcript: ForeFront representative)*

The dedication and perseverance of the team in achieving the business goal is seen as a common tool, as in other sectors, for success. Further, there have been different approaches applied to develop knowledge and the network. Mistakes, failures, and successes were common to almost all the startups, however keeping it to learn new perspectives and move forward. A transcribed text from one of the interviewees says:

*We are neutral, when we started our company, we have been through many losses due to the lack of knowledge in marketing but after learning from our mistakes we are doing well in our field and have been able to achieve 95% customers satisfaction. (Interview transcript: Gunjayas representative)*

Boussouara & Deakins (1999) have emphasized on the importance of market-based knowledge for young and technology-based entrepreneurs and termed this concept as “market sensing”. This is an important skill set appealing to emerging entrepreneurs and tech startups. Market sensing techniques of the informants in this research are not based on formal studies such as market research, and study of the relevant literature. The institutional knowledge of the market is also based on informal sources and collected experiences of the individual’s perception of the market.

## 4.2 Marketing strategies

Marketing strategy requires good understanding of local culture as well as the popular marketing principles. As startups are facing resource constraints, the major challenge for the company's decision makers is to wisely use the resources. Nag, Hambrick & Chen (2007) identifies this as “the major intended and emergent initiatives taken by general managers on behalf of owners, involving utilization of resources, to enhance the performance of firms in their external environments”. For startups, the intended initiatives could be obviously derived for the literatures, university programs, and training courses whereas emergent initiatives are experience based. These are more likely driven by the cultural response to the business models, products, or services of the companies. Our informant, the Forefront has the similar experience aligned with this concept:

*To be honest, at the beginning we did not have any knowledge about marketing strategy, we worked a lot. Finally, we have created our page on a social media platform, our website is still in process, we conducted webinars to reach our potential group, we had developed the presentation for college and universities, and use of different marketing materials like banner and leaflet have been widely distributed over different platforms. (Interview transcript: Forefront representative)*

Engineering consultancy businesses have technical working areas. They supply services or products there are technical in nature. These businesses, based on their nature of work, need technical manpower with adequate technical background and knowledge of a concerned field, product, or technology. Hence these businesses are mostly owned and managed by the engineering professional. Most of the team formation is based on technical skills, and the management aspects seem insignificant to the founders at the inception period. As it was discussed previously, the lack of enough resources, these companies are less likely to hire marketing experts, and the whole team lack the in-depth knowledge of the marketing strategies. It is common that their intended initiatives do not work all the time, and they shift into the emergent initiatives. In response to the question relation with the main marketing strategy in use, one of the respondents answered it as:

*Analysis of competitors; focusing on the brand mantra (Our Slogan “A good, created design is joy forever”) has given clear vision to our customers. We have made our blog and content*

*simple, so that our customers know what we exactly do and what we serve. Digital marketing like (animated videos, blogs, frequent updates on social media), participating in conferences and webinars are frequent. (Interview Transcript: Saga representative)*

None of the survey participants seems to have in depth understanding of the popular marketing strategies, which are widely accepted and used in marketing by the established businesses worldwide. Common approaches such as 4Ps and 4Cs were rarely discussed. Most of the approaches the informants called 'the strategies' were informal and not scientifically discussed in the marketing genre. They are more oriented to the local environment and practice based that can be clearly seen from the respondents' views:

*When we opened our main marketing strategies to make contact with people as much as we can, we requested our friends, family, and some professionals for recommendations, we made banner and put them in town planning areas, social media (more active in Facebook). We have currently stopped doing them, but we will be back with new concept like showing our project video, upload our customers feedback on website etc., (Interview Transcript: Masterpiece representative)*

*We had developed relationships with those big companies with the help of our employees who had already worked there. We hired the content writer to make the good business proposal, we regularly create the advertisement designs and upload in social media platform, participate in exhibition and conference held by different relevant possible business provides like Nepal Electricity Authority (NEA) (Interview transcript: Zoom representative)*

Marketing strategy is a subset of the business models. Mostly, business models are opportunity-centric whereas marketing strategies are shaped by the competitors and the environment. This feature is prominently observed in our informants as well. A business model is the firm's configurational validation of a particular opportunity (George & Bock, 2011) whereas the marketing strategy is the process of resource optimization. The strategy is a wise response to the consumer's perception and the opportunities.

### 4.2.1 Perception

What is the marketing strategy for the company? How do they understand the need and relevance of a particular marketing strategy? How can the strategy be a part of an overall business model? These questions reflect the companies' understanding of the marketing strategies. Additionally, how do these companies position their literature-based knowledge and experience-based knowledge in understanding the marketing strategies has become the central focus of the interviews.

Perception of the marketing strategies was varied among the informants. Some of the informants have good clarity on its needs and some of them are not so serious because they are, at present, not in a competitive market. A different response collected in this research is that the company is following a strategy and the company representatives do not think that is any strategy. For example, a startup company has built up good relationships with an established company and gained a secured business, as a role of outsource partner. This shows the company's limited understanding of the possible business approach or the market.

*Well, our team has a very positive attitude but according to the profit wise it is negative as we have not handled any project yet. Positive part is, we had conducted many webinars and responses were quite positive, beside this we developed the contact and very soon we will be looking forward to interviewing the market with project implementation both through the public and private networks (Interview transcript: Forefront representative)*

Understanding the competitors, conducting market research etc. are the driving force for some companies to develop their perception towards efficient and effective marketing strategies. One example of a startup company that expresses the feeling of need for marketing strategies when there is tough competition in the market and the investment is at the verge of a risk is highlighted through the text:

*First, we felt a little challenging to compete with other growing consultant services in town. In the year of establishment, we felt it would be better to cover the local market to cover the capital investment. We approached the clients with free services like free consultations, free site visits that were abundantly circulated through different network and social media channels. It helped us to recover however this marketing strategy if otherwise done through*

*professional business analyst would have brought more values in a short time. (Interview Transcript: Arc Eng. representative)*

The perception is influenced by market based learning as well as by the entrepreneurial thought of the companies. They have a strong sense of competition, and thus face different issues of existence in the competitive market.

#### **4.2.2 Practice**

The institutional knowledge of marketing strategy is a driving force to integrate marketing strategy in a business model. To bring the specific strategies in practice, a company must go through a process of learning, strategy development, implementation, and evaluation. Among the informants assessed in this research, there is now uniform practice in all these stages of marketing. As discussed in the previous chapters, the learning sources are mostly the market based and the entrepreneurial. The learning has resulted in the urge of developing aggressive market plans, but these are not essentially the same and unequally adopted by the companies.

*For now, we are hiring more skilled manpower, we have hired experienced business analysts who will make the business strategy, before going on the market we need to build a strong foundation inside the company first. Due to the weak foundation, we had not stepped into any marketing strategies now. We had developed the concept of free site visit service. Before handling any designs to our customers, we forward the product to experts for quality assurance of the product which we believe doesn't exist in normal engineering businesses. Another part is our competitors is weak in social media and so we plan to have aggressive marketing through social media to reach the mass of our targeted group. Lastly, we intend to participate in different events and conferences for development of network relationship especially with the contractors. (Interview Transcript: Masterpiece representative)*

As the above one, the strategy planning phase consists of activities such as listing the services that the company provides, development of promotional content, filtering the content, publishing in social media and other platforms, budget planning, making promotion videos, creating websites are some of the common practices. These practices have proved the significant use of digital media among the entrepreneurs.

As stated in the introduction section of this study, Nepal is an emerging market for the engineering consultancies, and this is also a new market. But the market significantly inherits the characteristics of traditional consumer culture. As discussed in the previous chapters, personal selling, organizing events, etc. are the best suited marketing strategies for such businesses.

New emerging markets demands for innovative approaches that involve risks taking or trial and error approaches often aligned to the concept of "expeditionary marketing" as characterized by Boussouara & Deakins (1999) as an exploratory approach. This marketing approach contains four components: escaping the "tyranny" of served markets, searching for innovative product concepts, overturning the traditional assumption about price/performance, and leading the customers rather than leading them (Boussouara & Deakins,1999). This practice was a common phenomenon among the selected samples. Another innovative approach of marketing is a network approach, and this has been seen in couple of companies as well.

#### **4.2.3 Impact:**

At the early stage of the startup, the entrepreneurs' learning is derived from a relatively small sample, that includes a small number of participants and observers for market research (Boussouara & Deakins, 1999), and oversight on efficiency of the marketing strategy. Startups are less likely to invest on this rigorous study, hence only few of the indicators are used to evaluate the applied strategies. Mostly, the sell volume and amount of the return is taken into consideration by the companies, but this only cannot explain the long-term impact of the company or the product in the market. The long-term relationship with the market is an asset for the companies with this nature. This long-term aspect of the marketing is not prevalent among the study samples.

*The way we are working and planning, I can see the bright light. Our website is almost in its ending phase, we have skilled manpower who is not only talented but also enthusiastic in their field, we have a separate marketing team whose main priority is to deal with customers and provide best customer service. (Interview transcript: Masterpiece representative)*

But a different approach can be observed in another company's strategy, named the Gunjayas. A representative from the company states:

*Our employee has good customer service skills and convincing power to our client, once they visit our services, they never leave without taking our services and from time to time we always make an offer scheme. (Interview transcript: Gunjayas representative)*

The informants seem to have limited knowledge of the difference between business model and the marketing strategy. The business model overlooks the survival and long-term performance (George & Bock, 2011) of the business whereas marketing strategy plays a pivotal role in a company's survival, immediate return, and the future. However, there is a close relation between business model and marketing strategies. This relationship and differentiation between these two concepts need to be understood by the entrepreneurs and a concentrated effort to develop institutional learning is required among the companies.

### **4.3 Findings**

Engineering consulting startups in Nepal have been going through many challenges despite being one of the rapidly growing markets in South Asia. Market research activities are insignificant as there is no such practice of conducting formal research. Startup companies either must conduct these surveys on their own budget or confined themselves in small sample sizes for decision making. Companies are more experience driven in strategy planning, as theoretical knowledge of the field seems lacking. Digital media uptake of the companies is significant in development of digital entrepreneurship in the engineering field. An example of this type is:

*Planning the content that needs to upload in social media platforms, making presentations for webinars, paying the boosting charge, market analysis of what it requires, research on our end users. For us, it is social media specially LinkedIn, because LinkedIn is full of professionals and webinars where you can get suggestions also. Not in 6 months but I can see we will have 2-3 projects in our hands within a year. The main base of prediction is the responses and enquiries we are receiving. (interview transcript: Forefront representative)*

Companies are lacking marketing skills when they start a business. The companies are established with sole focus of technical skills of the concerned fields, but the marketing approaches were highly undermined. Over a year of struggle though the majorities companies identified the need of a specific approach to penetrate the market but some of the companies are yet to realize the need of

working on development of marketing strategies. The marketing strategy, a highly undermined area of the engineering consultancies could be a game changer for those companies if it is understood and applied properly. Some of the possible interventions could be hiring the marketing professional or developing the marketing strategic qualities within the existing team. Those companies who think that they have secured business might have to investigate the future because the environment might change at any time. A wider level of thinking and aggressive business approach seems lacking in some cases.

## **5 Conclusion**

The evidence presented in this research suggests that the engineering consulting companies need to work out on their marketing strategy seriously while they are at the beginners of their business career. A major challenge of this research as identified in developing the marketing strategies for the startup companies is the lack of adequate information on market research. The other stakeholders might work on this area, otherwise companies must invest in market research which can be an additional financial burden for the startups. The development of mentoring and advising relationships during the early-stage entrepreneurship process (Boussouara & Deakins 1999) could be effective and impactful alternatives of the companies in response to the limited resources. The experience they had collected gradually along with the business growth is not always sufficient to establish in the market, so there is a realization of need for both appropriate and structured marketing strategies and skills. To replenish this gap, two major areas are suggested. One to hire a business professional to plan, develop and implement proven marketing strategies and principles to guide on the areas of marketing at the organizational policy level. The other is to develop the internal team's capacity and skill of the market and strategies to sell their service and product through regular competence development programs as well as motivating the employees.

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## Appendices

### Appendix 1. Interview Questionnaire

#### Basic Detail of the informants:

Company Name:

Established date:

Working area/major products/services:

No. of employees:

Annual/quarterly turnover:

Informants' role in the company:

Working since:

#### Questions

1. How do you see the progress of your company in recent years/months? Or how is the recent business trend of your company? (positive/negative/neutral)?
  - a. In terms of business volume
  - b. In terms of profit
2. What causes do you think are responsible for such growth (negative/positive/neutral)?
3. What is your marketing policy/strategy for now?
4. How did you end up with implementing this strategy?
5. How is the significance of this strategy in your company's market?
6. How is the significance of this strategy in your company's benefit/return?
7. How do you map your strategy among the marketing approaches of your competitors?
8. Did you make any changes/did you notice any changes on the marketing strategy of your product or service?
9. To what extent you are optimistic towards the impacts of your marketing strategies? Why? How?
10. What brings you to implement a new marketing strategy in your company?
  - a. What makes you feel that you need to change your marketing approach?
  - b. How do you develop the strategy?
  - c. What is the process of implementing the new strategy?

11. What is the best marketing strategy for you? What are the features/ elements that make a marketing strategy the best?
12. How do you see your company's success/return in the next 6 months/ 1 year? What are the bases for your prediction?