Innovation as an Enhancer of Brand Personality: Globalization Experience of Titan Industries

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Effective management of innovation involves creatively managing the process of creative destruction. For a product like a watch, capturing market share requires the careful enmeshing of brand reputation and innovation. Positioning itself uniquely through a comprehensive visioning exercise, Titan became a market leader. Titan Industries became the most admired brand in selling watches in forty countries. It is a leader in analog watches, designer clocks and branded jewelry. This paper analyzes the experience of interweaving brand reputation, organizational and technological innovation.

Introduction

Every brand has a personality associated with it. Innovation drives and sustains this personality in a dynamic way. Innovation has a business logic provided there is a foresight behind it to create, evolve and sustain it and there is a brand to act as its vehicle to customers. Globalization of markets, technologies and products has made it necessary that organizations have to weave innovation and brand reputation delicately to ensure that the customer remains dedicated to the brand. It is not only that innovation is a facet of the brand personality but also it provides dynamism to the brand. Dictums such as ‘innovate or evaporate’ only reinforce the interweaving of brand, customer loyalty and innovation. Schumpeter was the first to indicate that creative destruction through continuous innovation is the essence of corporate success [1]. Because of the prevalence of global competition, innovation as a source of sustained competitive advantage requires a strong corporate culture conducive to creation of innovation and systems that could lead to commercial exploitation of innovations. Effective management of innovation involves creatively managing the process of creative destruction [2]. For a product like a watch, capturing market share requires the careful enmeshing of brand reputation and innovation. Positioning itself uniquely through a comprehensive visioning exercise, Titan became a market leader. Titan Industries became the most admired brand in a short span of 14 years. It developed a global brand selling watches in 40 countries covering Europe, Singapore, Middle East, Australia, New Zealand as well as in India. It is a leader in analog watches, designer clocks and branded jewelry. This paper analyzes the experience of interweaving brand reputation and innovation, both organizational and technological. The paper is divided broadly into four sections namely:

- innovation and the watch market
- evolution of Titan
- framework for analysis
- implementing innovation

Innovation and the watch industry

A watch is an intensely personal product. In the 1960s, mechanical watches dominated the market. Introduction of digital and analog electronic watches changed the nature of the market, especially with the entry of Japanese firms. The focus shifted to low margins and higher volumes. The 1970s saw the emergence of analog watches dominated by firms such as Citizen, Seiko and Casio. In India, prior to the start of Titan Industries the major player was a government owned firm HMT Limited, which had a technological collaboration with Citizen of Japan. The majority of watches...
manufactured in India, prior to the entry of Titan, were mechanical. Watches and watch components were smuggled into India. Large industrial houses or private sector firms were not allowed to manufacture watches because of the licensing restrictions. The watch market, in India was mostly a sellers market with mechanical watches sold through a limited number of showrooms. The watch market was mostly undersold and underserviced. Microminiaturization and the advent of very large-scale integrated circuits changed the nature of the watch market because of the reduction of prices and increase in volumes.

Currently, around 500 million watches are sold across the globe. In the premium range and medium ranges, brands are the differentiators. Over the years, the global watch industry has become brand dominated. This has been partly due to the growth of TV advertising market and the growth of Cable TV. These two co-evolved and this co-evolution has increased the importance of branding of watches. Reciprocally induced evolutionary changes lead to mutual reinforcement of changes i.e. co-evolution of brands and advertising reinforced each other with the emergence of digital convergence.

Functionality, value and quality can provide a competitive edge and support the creation of reputation, but it is innovation that drives customer perception of brand richness. A firm has to innovate and this innovativeness has to be communicated through the dynamic aspects of the brand so that the customer could perceive the brand reputation as innovation driven. This has become crucial because of the growth of visual media.

All these changes have made it necessary to weave the brand reputation and innovation to dominate the market through a series of measures. The growth of Titan has to be seen in this context of changing industry structure and the emergence of globalization that seeks increased differentiation through brand reputation driven by innovation.

**Evolution of Titan**

Titan Industries Limited started as a joint venture of Tamil Nadu Industrial Development Corporation and Tata Industries Limited, both holding 26 percent. The remaining holding is by the public. Titan decided to focus on analog watches, though the Government of India suggested that the company should continue to manufacture mechanical watches. The vision of Titan was to build a brand with watches similar to that available in the global market. Everything was done with this vision in the background. The strategy was to focus on brand marketing rather than on product marketing. Long term profitability comes from brand reputation. In India, most of the firms had not built any brand, as it requires a strong corporate ambition and commitment. Since the focus was on medium prized branded watches as well as global orientation, Titan decided to go in for the state of the art manufacturing facilities so that they could go global. Prior to the market entry, Titan analyzed buying preferences, market trends, technology trends, manufacturing options and strategies of global players. The first requirement for becoming a strategic innovator is to identify gaps before everybody else does [3]. Watches were considered a functional product simply for telling the time, before the entry of Titan. Titan’s first innovation was to change the nature of the Indian watch market using ‘concept marketing’ rather than product marketing. Watches have to be sold as personal products and not as a time product, so that brand name and reputation can be leveraged. Before that time, Indian watch companies did not make much use of advertising. Prior to the initiation of economic liberalization in 1991 India was a protected market and advertising played only a limited role. Titan used concept marketing to effectively change the mindset of the Indian customers who mostly had a single watch. This was achieved through a meticulously planned and a well orchestrated advertising strategy. The focus first was on medium range market delivered through exclusive showrooms along with a chain of retail outlets. After building volumes Titan moved to become a global player. The growth of sales since its inception is given in Figure 1 indicating that it experienced a positive growth every year.

**Framework for analysis**

The framework used in this analysis is to identify the manner in which Titan has used innovations, both technological and organizational innovations to become the market leader. The value chain framework proposed by Porter is used for conceptualizing the business [4]. The process of creating value by Titan in each aspect of the value chain has been identified. It increased its market share of electronic analog watches, even though global players like Citizen, Swatch and Timex are operating in the Indian market. Titan progressively evolved its global operations. Strategies used in each element of the value chain for leveraging value have been identified.
Figure 1. Growth Trends of Titan

Figure 2. Synergy from Innovations
The main elements that make Titan an interesting firm for the detailed study are:

- The only branded watch to originate from a newly industrializing country.
- The brand leader in the country of its origin.
- The only brand that has both watch and jewelry in its product portfolio, from a newly industrializing country.
- The company become the best brand in a short time frame overtaking older players.
- It has the broadest range of watches.

Titan has used judiciously a combination of organizational and technological innovations, as indicated in Figure 2. In all the elements of the value chain, it has used innovative approaches. The major elements include:

- Conceptualization
- Design
- Operation
- Logistics
- Marketing and
- Service and support.

It is not that other firms have not used some of these, but Titan has been able to do it rapidly and in an integrated manner, though it had no historical knowledge in brand building or global market creation. It evolved using inputs from a comprehensive analysis of the market dynamics, rapid learning and rapid adaptation to the ever-changing market conditions. These aspects are examined in detail subsequently. An overview of their approach is shown in Figure 3. Vision, technology development, brands building, procurement and human resource development initiatives go across the value chains and they reinforce mutually. In every aspect of the value chain, starting from conceptualization, Titan used innovative approaches to become the market leader as shown in Figure 3.

Titan envisages a business model in which value is created for customers through innovation. Innovation leads to differentiation, cost leadership, segmentation and superior reach as shown in Figure 4. This led to competitive advantage providing value to investors through superior financial performance.

**Idea conceptualization**

Titan started the company with a group of executives with rich but varied experiences. The Managing Director came from the Tata Group. He selected a team of professional executives with extensive experience in watch manufacturing and executives with marketing experience specifically in retailing. He envisioned an organization with two strong...
complementary and integrated competences, namely:
- design and manufacturing competence and
- marketing competence.

The entry point was the medium range market that was large enough to handle but at the same time the one that has high growth potential so that people could perceive the richness of the product. The innovativeness of Titan came from the correct targeting of the market and quick segmentation thereby succeeding in the market place. Initially it was considered a difficult option to compete against the lead firm that had a strong collaborator and a strong horological laboratory. Titan started with a detailed assessment of the Indian and global watch industry. To this end, the first initiative was to examine why Indians prefered watches made abroad. A detailed analysis was done to examine the major gaps in terms of service, styling, retail reach, show room interiors, capability of franchisees, and attitude of retailers to customers. A company to be innovative must have an external world view [5]. Through a series of detailed ground level assessment studies, carried out at many locations Titan understood the market operations thoroughly especially in the various segments of the Indian market. This was a done through a meticulously designed assessment carried out by a small top team. These assessments were both precise and reliable at the same time objective. Such a meticulous study was not done prior to the market entry by any of the public sector or private sector players in India. This integrated assessment prior to the entry gave Titan rich insights into the nature of the market, the competitor offerings, the customer preferences as well as the gaps in demand. This helped Titan to conceptualize the vision and realize it. The vision was a combination of analysis and imagination. The main weakness of the Indian watch market was that no brand had a strong personality. Titan used this idea as its starting point for building the brand personality and this was the crux of the vision. The vision was driven by a futuristic mindset, contextual insight and business foresight as shown in Figure 5. The elements that drove the vision are also highlighted in Figure 5. It has been reported that visionary companies outlasted and outperformed non-visionary ones [6]. The leadership at Titan provided the vision and the required entrepreneurial spirit. By breaking the rules of the game and thinking of new ways to compete, a company can strategically redefine its business and catch its bigger competitors off guard [5].

Though the company that was transferring initial know-how to Titan proposed a low level of automation, the top team of Titan saw...
no wisdom in such an option. The team felt that if Titan were to become a global brand it had to position itself as a premium brand. This insight came after the analysis of the market, understanding customer preferences and analyzing the operation of various brands currently in vogue. To sustain a premium brand the volumes have to be large hence the focus has to be premium brands and volume creation. While Titan was planning to enter the market, the share of analog watches in India was only 5 percent. Titan decided to target the analog watch market as it will be the high opportunity segment. The first thing Titan did was to initiate a sharply defined innovative advertising campaign to create and position the brand.

Colour TV came to major cities in India only in 1982 and advertising was limited to fast moving consumer goods. The focus of the innovative campaign of Titan was to convert the perception of watch as a ‘telling the time product’ into a ‘personal product’. This transformation of the mindset of the customers who were not used to a variety of styles was a clearly orchestrated ‘concept marketing’ strategy as Titan or any other Indian company had no experience in creating a brand for a personal product. Titan worked closely with the advertisers. It carefully assessed the feedback and refined the strategy, as it could not afford the risk of failure. A careful analysis supported by imagination along with creative advertising can make the difference. Titan as a fast mover has to minimize failure through meticulous planning and systematic conceptualization of every strategic move. ‘Doing it right the first time’ was the essence of its strategy.

A clear vision and the roadmap to realize it were prepared. The initial emphasis was on cross-functional integration of creative ideas followed by reduction in product realization cycle time. The open management culture at Titan supported innovation in all elements of the value chain during the idea conceptualization phase. Titan focussed on both aspects of the vision namely the hard aspects and soft aspects [7]. Hard aspects involve systems, facilities, roles etc. and soft aspects signify motivation, participation, openness, involvement and interactions. The leadership of Titan meshed both hard and soft aspects through a unique management culture that is supportive of innovation. Culture is a pattern of shared assumptions invented, discovered or developed by a given group [6]. The supportive culture is a critical factor that can nurture innovation. A supportive culture along with systems sustains the innovative spirit leading

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*Figure 5. Elements of the Vision*
to a continuous creation of new ideas leading to the realization of the vision as shown in Figure 6. Persuading people to promote new ideas requires an atmosphere of receptive freedom, a willingness to reward a good innovation and some kind of downside risk cushion [5].

**Design and manufacturing**

Titan considered that the watches it makes should have to be distinct in appearance and style. Firstly, it decided to introduce more models compared to the competitor having the highest market share, and initial target was 5 to 10 times the number that was introduced by the lead competitor. For this, Titan used a variety of strategies. Initially the new product ideas came from the marketing group. Subsequently as variety became the differentiator, a state of the art design studio was set up. It used inputs from European designers to derive a distinctly Indian style by combining Indian and European ideas. The design group evolved as the company grew and marketing personnel became customer focussed. As competition intensified, the competitive differentiation came from richness of design. This became the vehicle of creating the brand personality using ideas from designers and marketers collectively. This was sustained through networking into the world of design. State of the art software and computer aided design algorithms were procured and used for new model realization. The learning occurred rapidly and Titan captured the market due to its competence for delivering models that are elegant and rich in style. Richness got enhanced as the brand reputation was built. This lead to the mutual reinforcement. As one can observe from Figure 7, the number of new models increased considerably as reputation was enhanced. This created a virtuous cycle. Reputation leads to demand for variety and variety creation leads to enhancement of reputation. Organizational innovation involves creation of virtuous cycles.

The second strategy that was set was to have minimum return of watches due to quality problems during the warranty period. Returns during this period are non-value-added transactions. From day one quality was the central theme at Titan. It used benchmarking to set its quality norms. Benchmarking helped Titan to set realistic targets for implementing innovative initiatives. Quality and product richness helped Titan to export watches to the other markets. Titan took a calculated risk and entered the Middle East market since it is culturally akin to the Indian market.

A detailed analysis of the global watch technology trends indicated that if quality has to improve two special innovations are essential. The ambient dust levels are high in India. Developing a high torque stepper motor that could withstand a high level of ambient dust became the first technological
innovation initiative. This motor was developed and the project was successfully implemented. This led to a sharp increase in performance and also it led to a low level of incidence of quality problems. This showed that gap analysis or customer requirements analysis, an innovation receptive mindset and a good organizational interaction process could be a major trigger for innovation.

India, being a tropical country, has a humid climate. Conventional gold plating tends to peel-off. Titan analyzed this problem, as buyers of watches in developing countries tend to use watch for a longer period. Titan decided to go in for vapour deposition technology in vacuum for watch cases instead of gold plating so that gold finishes have a longer user life. Besides, vapour deposition is an environmentally benign technology. Both these innovations helped Titan to enhance its brand reputation.

Titan was able to increase the sales and its customer acceptance due to these three innovative initiatives, namely:

- Large range of styles in a short time frame using a variety of designs
- High torque stepper motors
- Durable finishes using vacuum deposition technology for watch cases.

In a short time, it became the market leader in India through its rich offerings and elegant styles along with its reach supported by brand and retail network. Richness of product and rapid increase in reach of its product through the retail network were simultaneously used to become the leader. Richness without reach and reach without richness would not have given Titan the synergy from its design and manufacturing excellence and the excellent retail reach.

### Brand reputation

Indian companies did not have any inclination for brand building in most of the categories prior to the initiation of the economic liberalization process in 1991. Brands were used mostly in the fast moving consumer goods segment. Titan started a brand building exercise using a combination of print and TV media that no other Indian brand had ever attempted. High levels of quality of the product and rich styles reinforced the advertisement campaign of Titan. Though the competitors responded, they could not match the agility and creative domination of Titan. Titan introduced styles that are complementary to the current fashions, especially among the fashion-oriented customers and youth. Elegant styles, model variety, innovations and brand reputation reinforced the customer appeal. Innovation management at
Titan involved interweaving of product richness and brand reputation. Elegance, aesthetics and styling are more intangible than a product per se. Making customers perceive the richness, and communicating this richness through subtle advertisements, were considered a revolution by fashion circles in Europe. Titan initially entered the market through four ranges. As brand reputation got enhanced it captured value by moving into upper ranges. As volumes increased it came into lower ranges and captured that as well. This strategy is shown in Figure 8. Through this, Titan created an inimitable competitive advantage along with creating new market segments. Some observations by European fashion magazines reinforce this assessment. Multiple ownership became the order of the day and competitors lost market share sharply. This was achieved simultaneously by increasing models and reducing new product development cycle time. Titan became the most admired consumer durable brand in 1995, according to A&M-ORG Survey. Further, it became the top Indian brand in 1999, according to Economic Times-ORG-MARG Survey among all the product categories. This was the youngest brand to reach the top in a short time span. Along with brand building it used a marketing strategy that involved a combination of product and service richness along with product reach. Reputation is the most important commercial mechanism for conveying information to consumers. Reputation is a superior asset but is not easy to create. Reputation building results in creation of an inimitable and intangible asset that cannot be easily copied or taken away unlike other aspects. Entrepreneurial rents are normally self destructive as firms can improve and become late entrants. Brand reputation minimizes the risk of imitation thereby allowing sustainability of a brand. Reputational capital helped Titan to retain its leadership even after the entry of global competitors such as Citizen, Seiko and Swatch into the India market.

Reaching the customers

Richness of style has to be matched with the reach of the brand if a firm has to derive maximum benefit from its brand reputation. Prior to the entry of Titan, watches were sold in small and poorly displayed showrooms. The first strategy used by Titan was to change the mindset of the customer. Titan located exclusive outlets in the best commercial locations in major cities as well as in smaller cities at a fast pace that no other competitor could match. This changed the complexion of

Figure 8. Brand Expansion of Titan

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watch marketing in India. Titan rewrote the rules of competition and became the industry standard. The innovativeness of Titan came from novelty of approach as well as the speed that made it difficult for the competitors to respond to. Titan became the first watch firm to start exclusive showrooms in India in many centers. As writings on the Chinese art of war have indicated, speed and surprise are the crux of successful competitive strategy [8].

The second strategy was to increase the spread by increasing the number of showrooms from where Titan watches could be purchased, thereby expanding the reach. Titan used speed as the strategy and competitors again could not respond. The increase in reach helped Titan to increase its volume. The increase in reach was done mainly through increasing the coverage of retail outlets to reach as many as 6000 locations. This is approximately 10 times the number of outlets the lead competitor has. This was heralded as a retail revolution next only to that of batteries. The retail revolution supported by the strong brand reputation and rich variety helped Titan to enhance the brand image and maintain the brand supremacy. One of the major elements of organizational innovation has been to reduce the new product design cycle time. Short cycle time helps in responding to changing customer needs and also helps in surprising competitors. Through the use of visualization, design automation, concurrent engineering and rapid test marketing Titan reduced the design cycle time as shown in Figure 9. This helped Titan to reduce the response time thereby enhancing the brand personality. Due to this, 50 percent of sales came from designs that are less than three years old. This enhanced the reputational capital of Titan.

Another innovation that was introduced was to start ‘watch supermarkets’ called ‘Timezones’ for multiple brand delivery. In these outlets, all the major brands including that of the competitors are sold, but a minimum of 60 percent shelf space was for Titan. This again was a unique organizational innovation. Titan ensured service quality in these outlets and these outlets became the defacto industry standard for service excellence. Selling Titan watches and that of competitors in the same outlets helped the customers to make on the spot comparisons before they made purchase decisions as 25–30% of customers are brand undecided. This strategy also helped Titan to increase the market share by targeting customers who have had no specific brand preference. ‘Timezones’ helped in swaying customers towards Titan brand through its rich offerings and specially designed displays. Titan educated retailers in improving their displays and in enhancing the ambience. This special training paid rich dividend to Titan by enhancing the perception of the brand richness. Titan used mostly new dealers and molding the mindset of the dealers was achieved through intensive training.

Figure 9. Design Cycle Time
training. These along with the rich styles, brand reputation and good service helped Titan in increasing its market share over the years. Through these, Titan elevated itself its status to that of a fashion product. This was a concept innovation. Fashion products provide for higher margins as customer perceive them differently by giving an intangible value. At the same time sustaining a premium appeal requires constant efforts and continued brand reinforcement. Innovation and short design cycle time helped Titan to sustain its fashion appeal.

Service excellence

Sustainability of brand reputation comes from service excellence. Good brands could lose reputation if they are not supported by a commensurate reputation in service delivery. Service excellence again has two dimensions to support it, namely service excellence and service reach in terms of service network. Service excellence cannot be achieved through the exclusive use of any of these dimensions. The customers’ perception is a combined product of excellence in service delivery and access to the service. Designing a strategy that can sustain reputation thus requires quality of service and its availability in physical terms. Titan clearly recognized the fact that products like watches require an excellent service network. Titan used innovative ways of improving the service and making a difference.

A vital component of customer focus is providing an integrated experience [9]. Titan used a three pronged strategy for this. First, it trained its service personnel to have a good attitude to customers when they come to its service centres, so that problems are handled in a customer friendly atmosphere. Secondly, Titan started “Titan watch care centers” in major user areas. These exclusive front office service centers provide quality service with a very short response time. This again was an industry-first innovation achieved by Titan. Thirdly, Titan started spare parts centres in major locations to improve parts logistics. The service attitude, the service focus and the service support became the basis of service excellence. This helped Titan to build up customer capital. Customer capital reinforced by structural capital becomes a distinct brand identity. Competitive advantage of Titan came from its combined use of brand reputation, retail network, service excellence combined with its service knowledge. Importance of reputation can be seen in those products to which product quality can be identified through long term excellence. In this respect watch differs from fashion products such as ties and requires a higher level of service. Through service excellence, it targeted enhancement of customer loyalty leading to customer retention. This resulted in multiple watch purchases by individuals because of the fashion appeal. Customer equity [10] emanates from value equity, brand equity and retention equity. Value came from service, and brand equity came from aesthetics, reputation, and variety. Retention equity came from fashion appeal and service reach. Titan, thus, evolved a business model that others found difficult to replicate.

Brand extension

Brand extension helps a firm to derive economies of scope. It also has the advantage of high appropriability of the brand reputation. Brand extension in complementary markets can help a firm to derive value from its market knowledge and the dealer network. Brand extension essentially helps a firm to leverage its accumulated knowledge as well as customer capital, by extending the reputation established in one market to another one. The essence is basically leveraging reputation in multiple markets leading to scope economies. Titan extended its reputational boundaries and developed new segments of business. These include segments such as clocks, jewelry and precision meters for automobiles through intensive innovation. Titan became the first Indian supplier to supply speedometers for Ford cars.

Creative ideas, creative visualization and creative realization require strong cross-functional knowledge flow systems as well as strong organizational support systems and a conducive climate. Titan started a strong Total Quality Management initiative encompassing design, engineering, manufacturing, logistics and service support, so that it could extend the excellence it had achieved in watches to other products of Titan as well. Though it took a little more time for building reputation in the jewelry market, as India did not have a branded jewelry market, it has been able to grow in that segment using its brand reputation. The initial slow growth was due to the fact that India had no branded jewelry market. It repeated its performance in the premium watch market in the jewelry segment. The designer clock it has introduced others found difficult to replicate.

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has been done in such a way that reputational and customer capital have been mutually reinforced.

**Globalization**

Not many products branded in India are sold in global markets. Titan became one of the first brands in the non-consumer goods segment from India to be sold in Middle East, East Asia as well as Europe. Globalization of brands needs a well-conceived strategy, as it requires a thorough understanding of the cultural settings, especially for personal products like watches in which the distinctions are both subtle and difficult to perceive easily. No major branded products from newly industrialized countries are generally seen in major European markets. Through a well-coordinated system, Titan was able to capture customer requirements in other cultural settings and design products and repeat its performance. This required training and skill development in cross-cultural marketing as shown in Figure 2. For expanding into global markets it used an incremental approach supported by rapid learning and review. The growth was initially in selected markets and as networks got established it has been able to extend its market reach. This again was possible through rapid learning and rapid adaptation to changing requirements in new markets. Regular interaction and systematic analysis of feedback was the inherent drivers of agility. Constant monitoring was done such that there was no failure. For innovations to flourish, organizations need to have continuous communication, dialogue-based goal setting and fear-free feedback. Globalization was possible since that was ingrained in the vision of Titan at the conceptualization stage. Continuous scanning of market trends, rapid learning and quick adaptation to changes made Titan a unique firm to establish global presence in a short span of time of ten years that too in a highly competitive segment in which it had no prior experience.

**Implementing innovation**

Implementing innovation is an art rather than science. Strategic innovation has to bestow to the firm a variety of advantages. First, the strategies should lead to inimitability of strategic options. The inimitability has to come from certain tacit knowledge elements or it has to come from embedded organizational processes. Second, innovation should enable a firm to retain superiority in the market place. Third, strategic innovation should allow a firm to pursue strategic options without losing its flexibility. Fourth, the options pursued should lead to durable benefits [11]. Lastly, the strategic options an innovation provides should lead to sustainable competitive advantage. In the case of Titan, inimitability came from its agility and openness to change. Superiority came from its product richness. Flexibility came from its alliance relationships, cross-functional teaming and design automation. Durability of strategic advantages came from its innovative approach to extend the reach to all major customer centers through the ‘watch supermarket’ concept. Sustainability came from its superior brand reputation. The basic reason for all this has been the knowledge-based approach to the creation of intellectual capital namely reputational capital, customer capital, human capital and structural capital in a mutually reinforcing manner such that knowledge leveraging, innovation and reputation are nested through a set of appropriate organizational processes, as shown in Figure 10.

This was possible because of the strong support for innovation rooted in an open culture blended with rich experience. The whole approach was evolutionary. The timing of entry of Titan was also perfect, as Indian retailing was slowly becoming brand driven due to the advent of cable TV and the economic liberalization process. Titan provided the leadership for this co-evolution. Titan was able to create the reputation because of the ‘Tata’ culture known for its quality. The creation of brand personality of Titan is an exercise in which brand building, retailing and innovation was enmeshed elegantly supported by cognitive knowledge, customer knowledge and tacit knowledge. The success of Titan has been due to its ability to make customer perceive it as a reputed brand and sustain this reputation through excellence in service delivery, excellence in product range, excellence in creative advertising and excellence in cross functional coordination and this was achieved in an evolutionary manner as shown in Figure 11. The real lesson one can get from Titan is that reputation provides for sustainable competitive advantage if it is dynamically renewed across the business value chains. Every brand has a personality of its own. Creating and evolving this personality is through blending of innovation and brand reputation. This is facilitated by the foresight exercise followed by knowledge integration involving customer knowledge, tacit knowledge and cognitive knowledge leading to sustainable competitive advantage. Communicating the brand personality and
Figure 10. Relationships Among Innovation, Reputation and Knowledge

Figure 11. The Evolutionary Growth Model of Titan
creating reputation driven by innovation is the essence of the strategy of Titan. As the ‘personality metaphor’ indicates, a personality is unique and evolutionary. Co-evolved personalities have a high degree of sustainability.

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