

**Maggi**



# **Business Case Study of INDIAN MAGGI MANIA**

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# Maggi as a Brand

- 937 crore Rs. market.
- Market leader for 40+ years of instant noodles.
- Occupy 60% of instant noodles market.
- Instant ramen noodles became popular in Japan.

# Maggi Instant Noodles



# Why Nestle didn't try to capture Japan market?

- Japan was not liberalized yet.
- Why to go war with a monopoly when you can create your own monopoly?
- Nestle started exploring every other market except Japan.

# Customer Acquisition Strategy

- Nestle understood customers and consumers.
- **If you try to sell everyone, you will end up selling to no one.**
- Focused on mothers and children.
- For the adoption of any alien product, it has to meaningfully cater to the pain and interest of the audience.

Customer → Mother who buy Maggi

Consumer → Child who eats Maggi

# Customer Acquisition Strategy

- Working mother want something that the children can make themselves.
- Homemakers wanted something less tiring to make for their kids.
- Maggi became an opportunist, advertisement during peak time cartoon breaks.
- Nestle reached to school kids, sponsored quizzes, events, give them a free hamper of Maggi products.

# Reasons for the Success of Maggi

- Evolved supply chain, controlling from end to end.
- Unmatched level of penetration even in tier 3 and 4 cities of India.
- Made the identity that instant noodles = Maggi.
- Targeting the lower segment of market.
- Communication and advertisement designed in local languages.
- Distribution system designed with strategic wholesaler and distributions to reach up to 2.2 million outlets all across the country.



# Connection with Customers

- Allegation of harmful ingredients in Maggi.
- Disappeared from stores for 5 months.
- Market share 75% to 0%.
- Maggi came up with #WeMissYouToo campaign.
- Snapdeal sold out a whopping 60000 Maggi welcome kits within five minutes of Maggi flash sell. #DilKiDealWithMaggi

# #WeMissYouToo

The image displays three promotional banners for Maggi, all set against a yellow background.

**Top Left Banner:** Features the Maggi logo at the top. Below it, the text reads: "We are **TOUCHED** by your love!" followed by the hashtag **#WeMissYouToo**.

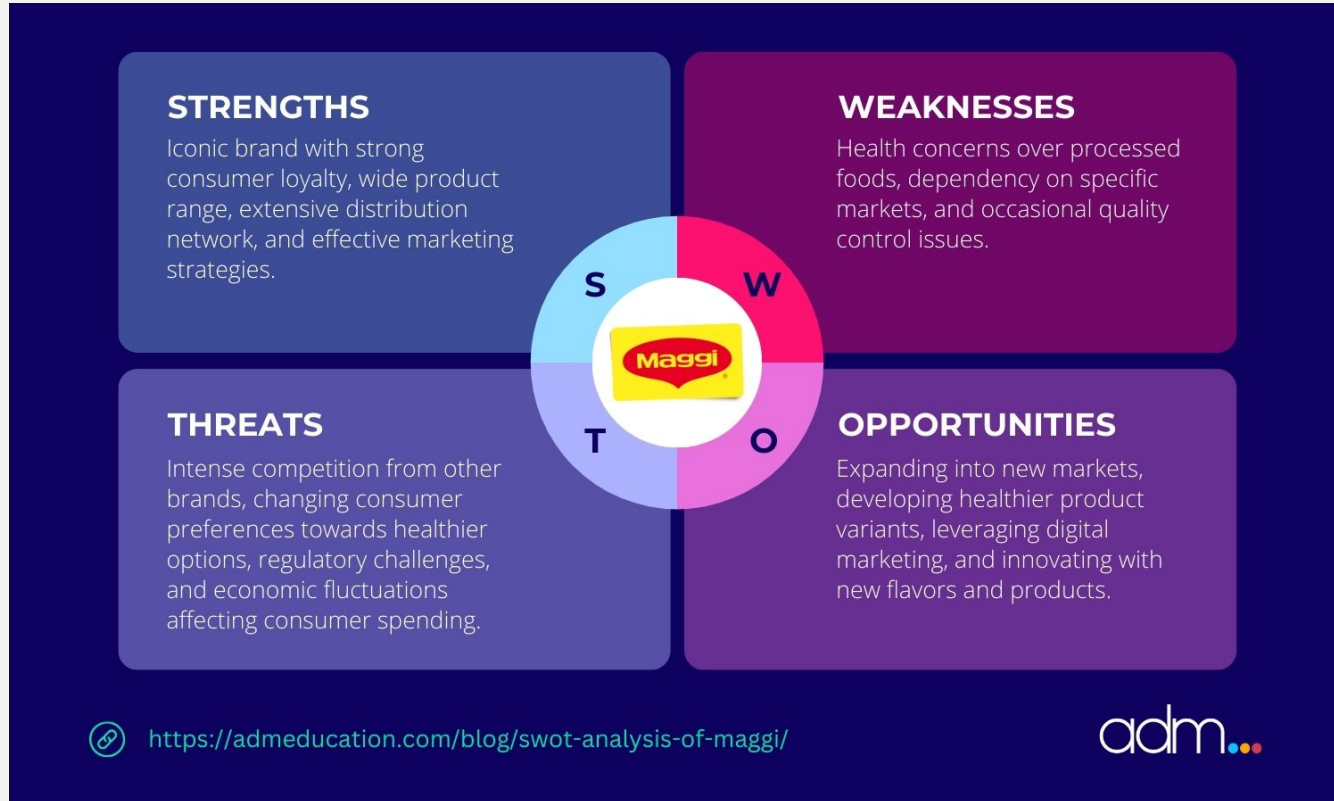
**Top Right Banner:** Features the Maggi logo at the top. Below it, the text reads: "Your **MAGGI** is **SAFE**, has always been."

**Bottom Banner:** A larger banner featuring the Maggi logo and the "2-Minute noodles" logo on the left. On the right, it asks "WHAT HAS **MAGGI NOODLES** BROUGHT BACK TO YOUR *life?*" and encourages users to "Tell us using **#WelcomeBackMAGGI** AND WIN\* EXCITING PRIZES". A small copyright notice "©2015 Maggi" is visible in the bottom right corner.

#WeMissYouToo



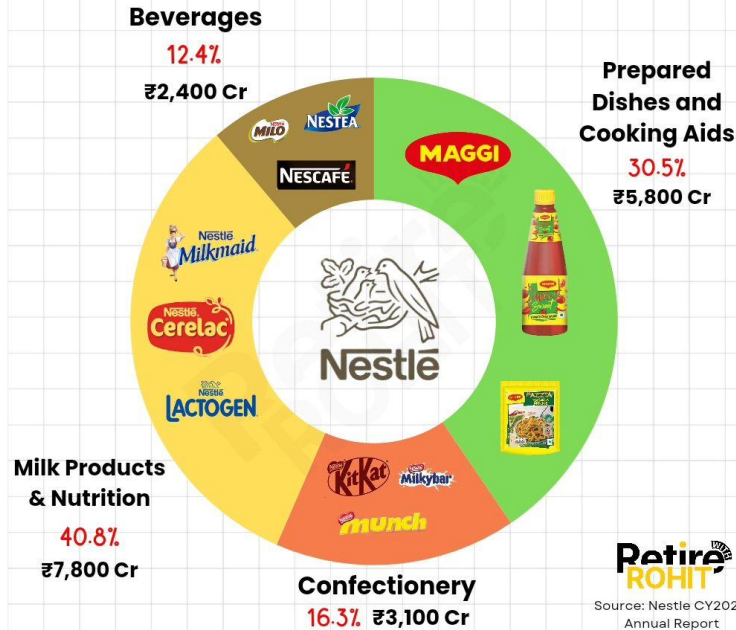
# Maggi SWOT Analysis



# Maggi Revenue

## HOW NESTLE INDIA MAKES MONEY?

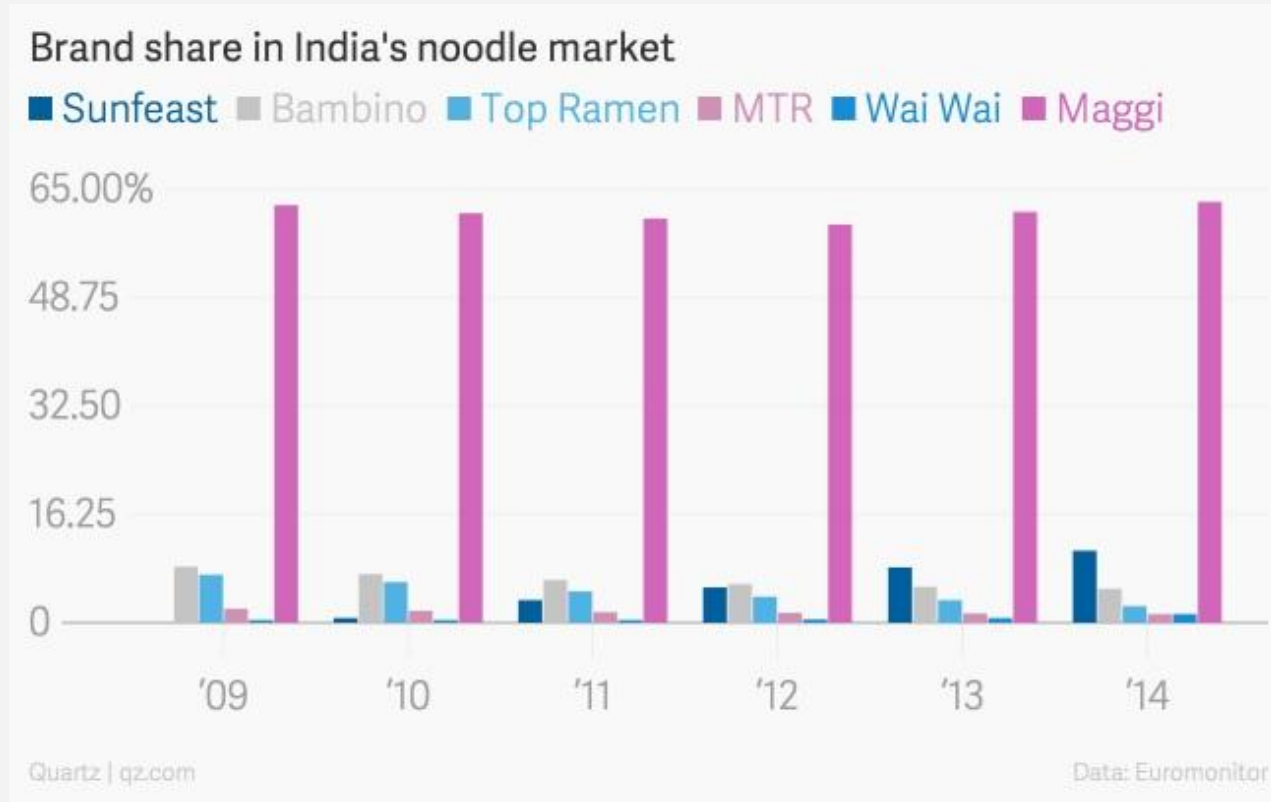
@retirewithrohit



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ROHIT

Source: Nestle CY2023  
Annual Report

# Maggi Market Share in India



# Business Lessons

- Most brands spend time and resources to find out how to penetrate a market.
- Only a few brand spent time and money to find out which market to penetrate.
- If you are selling a generic product, your first instinct will be sell to every single person in the market.
- Specific target audience.

# Business Lessons

- The golden recipe to market penetration lies in identifying the pain and interest of the audience.
- Your accuracy with spotting this pain and interest is directly proportional to ease the adoption of your product.
- Good brands sell you a product, great brands sell you an emotion.