



Case: Launch of the Pleasure Scooter

Arguments in Favour of Positioning

Only for Women

- Product development was carried out by keeping India's women traveler in mind.
- Design and looks of the scooter were made primarily for women.
- 20%-25% of total scooter drivers in India are women.
- 46% household out of those who owned more than one two wheeler, own both Motorcycle and a scooter and considering 70% market share of Hero in motorcycle, pleasure would work as complimentary product.
- No direct competition in the newly created segment. Close competitors like Honda Activa and TVS Scooty are treated as gender neutral scooters.
- The exponential rise of middle-class coupled with rise in educated women contributes largely to the rise in two-wheeler for women.
- 33% women started going to college and tuition and 29% started going to work or acquired a job

Gender Neutral

- Physical characteristics of the scooter benefits both male and female customers.
- Expected market sales were estimated 130,000 for gender neutral as compared to 90,000 for women exclusive.
- Large portion of two wheeler market is dominated by male customers.
- In India, majority of time women dependent on male members of the family. Change in this will take time.
- 67% of the buying decision regarding model are made by chief wage earner (predominantly male) and 22% influenced by son of CWE.
- Majority of the household only have one two wheeler and gender neutral positioning will help include them instead of alienate them.

Hero Pleasure should be positioned as "Only for Women". Since Hero is entering into an already established market, It has to create a niche customer segment and position itself differently to grab the attention and give a differentiation. Also considering the fact that TVS Scooty was launched for women but 30%-35% customers are males states that male anyway will consider the scooter if they see value in product. Hero pleasure has those physical characteristics which will benefit males as well.

SWOT Analysis of Hero

Strength

- Strong brand image: Hero always offered affordable bikes with good mileage and created a reliable image in the minds of a common Indian man.
- Distribution & Service: More than 3000 dealerships and service centers which have made them one of the strongest network in the industry.
- Huge brand Equity: The company is one of the biggest players in the two-wheeler market.

Weakness

- Competitors: Since Motor bike industry is vast there are lot of national & international players in the industry.
- Product Differentiation: Lack of differentiation among product as most of the segments they compete with similar products.
- Late entry into gearless scooter segment. No first mover advantage.
- Male dominated product line with sole focus on motorcycle since inception.

Opportunities

- Growth: Increasing demand of people for two wheelers and two wheelers classified to multiple segments targeted to every member of a family.
- 2 wheeler segment provide ease and convenience to use compared to any other mode of commute for a common man or women.
- Hero pleasure can enter into gearless scooter segment and increase the market share.
- Replicate its success in motorcycle market to gearless scooter.

Threats

- Huge competition from different brands because India is one of largest two wheeler market.
- No. of accidents in the country and the concerns regarding the safety of our roads.
- Future technologies combined with fuel prices as there is a drastic increase in last 5-6 years.
- Pollution index in most of our big cities in the country. Which can lead to increase in use of public transport.

5 C's Analysis of Hero Pleasure

Customers

- The primary target is the college/school girls and young ladies and women between the age group of 16-25.
- It is targeted to those girls and women who want to enjoy life and celebrate the sense of freedom.

Context

- **Demographic Environment:** The demographics of Hero Pleasure are limited to the young women.
- **Economic Environment:** The exponential rise of middle-class coupled with rise in educated women contributes largely to the rise in two-wheeler for women. Its affordable price makes it less susceptible to macroeconomic factors.
- **Political/Legal Environment:** Since the liberalization of economy, market share of two-wheelers has increased in general. Hero pleasure will not face any major political or legal barrier as of now.
- **Technological Environment:** Technical advances like gearless driving and self-start ignition have made scooters extremely user friendly and suitable for females to use for women.
- **Natural Environment:** The rise in pollution level across different cities in India due to four-wheelers has forced people to shift to two-wheelers.

Company:

- Hero started its journey in 1984 with joint venture with Honda. The company is the one of the largest two wheeler manufacturer in the whole country. In India, it has a market share of about 50% share in 2-wheeler category with a market leader in motor cycles. It boasts of a massive sales and service network with over 3000 service points pan India”.

Collaborators:

- One of the biggest collaborators of Hero Pleasure has been the creative agency FCB Ulka which is designing its marketing campaign.

Competitors:

- The biggest competitors of the Hero Pleasure have been Honda Activa, TVS Scooty, and Bajaj.

Marketing Strategy for Hero Pleasure

Hero should target the young women segment and should market and communicate aggressively.

Segmentation

The strategy should be to break a mass market of gearless scooter into a niche market specifically for women aged 18-30 years and to female who want to enjoy life and celebrate the sense of freedom. Target should be in Tier I, II and III cities with a focus on women started going to college and tuition and women started going to work or acquired a job.

- Segmentation is measurable as we can measure the size of women who are in age group 18-30 and whether they are working or studying.
- Segmentation is substantial as segment is large enough to meet goals in increasing profitability.
- Segmentation is differentiable as this age group is easily distinguishable and have mind set to respond differently to marketing mix.
- Segment is actionable as Hero can design effective and different campaign and programs for this which will attract the segment.
- Segment is accessible as this women group can be accessed through various channels.

Targeting

The data suggest that there are ample number of customers available in the chosen segment and the earning potential is also favorable. The targeting should focus on emotional aspects of women where they are dependent on male members in the family, the school/tuition going ladies, work going women who need the freedom and want to be independent.

Positioning

Hero can differentiate the product by positioning itself as women scooter and claims in favor of the segment. It can make the marketer to focus on emotional aspect, exclusivity context, quality, aesthetics and functional efficiency to make the female customer perceive the value added as an extra benefit obtained. The brand positioning of the company should be 'women centric'.

- More freedom and less dependent on males
- Easy to maneuver and safe to ride
- Fuel efficiency

Marketing Strategy for Hero Pleasure

Product Mix

Hero should market the features which are unique in the segment and are women friendly.

Price Mix

The price of Hero Pleasure is placed below the Honda Activa and above the TVS Scooty. Market penetration pricing should be done because compared to the data available, Honda Activa has a large market share. So, the strategy to set the price should be such that it penetrates into the market share of Honda Activa in this segment. Other discounts, allowances and special offers on special occasions to attract more number of customers.

Place Mix

Hero has a established network of dealers and service centers across the country and it will not have an issue to place the product to make it accessible. Also just for women stores which are operated by women and are specific for women customers. This will help to position them further in the segment.

Promotion Mix

Hero should adopt a promotion mix which will target the segment using the women centric theme and supplement it with features which scooter is providing. Hero should go with TV commercial, print ads, and other forms of promotion by highlighting the women centric theme and features.

Brand Mix

Hero is well established brand with largest market share in two wheeler segment. Hero is known for its quality and reliability of its product along with fuel efficient image. It has a well established distribution channel and service centers. Pleasure can utilize the powerful brand image and brand equity to penetrate the market and become a significant player.

Communication

Hero should adopt a communication strategy which communicate the theme of “Women have more freedom and less dependent on males”. They can use social media, TV commercials, print ads, Indirect marketing through service stations and dealers (touch points).

Recommendation on Feature Centric and/or Attitude Centric

Our recommendation is to use attitude centric marketing and coupled it with feature centric marketing.

- The core of Hero's marketing strategy is that they always targeted India's common people sentiments over owning a bike or scooter. Every customer has a belief of being a hero to their family. So the same trend should continue and they need to target market a particular segment of the society.
- 'Pleasure' ticks all the boxes for a young women who would love to take their scooter to school, college and work. Target customer is identified, combining with the above said emotional connect they should go with attitude centric advertisements.
- Attitude centric ads with a blending flavor of freedom, colors, style and safety targeting the young women of our society.
- Attitude centric should coupled with feature centric to differentiate the product with competitor and not to alienate the male customers all together. For example mileage, easy measurability etc.

Thank You