Final Project Report

ANALYSING CONSUMER BEHAVIOR AND CONDUCTING MARKETING RESEARCH ON NESTLE POLO

Submitted by:

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CERTIFICATE FROM THE INSTITUTE

This is to certify that the Project Report titled “Analysing consumer behavior and conducting marketing research on Nestle POLO”, is a bona fide work carried out by Miss Deepshikha Suri, of MBA 2016-18 and submitted to Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42 in partial fulfilment of the requirement for the award of the Degree of Master of Business Administration.

Signature of Guide   Signature of HOD

(Dr. Rajan Yadav)

Place:
Date:

DECLARATION

I, Deepshikha Suri, student of MBA 2016-18, of Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42, declare that the final project report on "Analyzing consumer behavior and conducting marketing research on Nestle POLO", submitted in partial fulfilment of Degree of Masters of Business Administration, is the original work conducted by me.

The information and data given in the report is authentic to the best of my knowledge.

This report is not being submitted to any other University for award of any other Degree, Diploma and Fellowship.

Deepshikha Suri

Place:
Date:

ACKNOWLEDGEMENT

I am using this opportunity to express my gratitude to everyone who supported me throughout the course of this MBA project at Delhi School of Management, Delhi Technological University. One of the most important tasks in every good study is its critical evaluation and feedback which was performed by my faculty guide Dr. Meha Joshi. I am thankful to faculty mentor as well as my colleagues for investing their precious time to discuss and criticize this study in depth and explain the meaning of different concepts and how to think when it comes to problem discussions and theoretical discussions.

My sincere thanks goes to my Institute and family, who supported and encouraged me.

Deepshikha Suri
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EXECUTIVE SUMMARY

Nestle POLO, launched in India in 1993 is quite a well-known product in most households in the country. This report analyses the characteristics of the product from two major marketing frameworks: the awareness funnel and the customer-based brand equity model. It also gives a benchmarking of POLO as compared to its competitors i.e. other mint brands.

We started by analyzing the key trends and issues that are driving the industry. Thereafter, we conducted Focused Group Discussions and In-depth interviews of the people who Nestle perceived to be the target group for POLO to see a general pattern in their behavior towards the product and the common notions/myths they associate with it, if any. A perceptual map with POLO and its close competitors was prepared on the basis of a survey result to see where it is actually positioned in the minds of the consumers based on convenience, usage and other factors. Based on the exploratory research we framed some research problems/hypothesis, which were to be tested using market research during Delhi University fests with the college students as our sample set.

With the data of around 200+ respondents, through questionnaire responses and result was analyzed using advanced tools like SPSS we observed that our Target Group had a fair knowledge of the product and its usage. While a lot of people were aware of the brand, the percentage reduced significantly while going down the awareness funnel. Major reasons which were evident from the survey were that POLO was perceived to be low on taste, packaging and being shared with friends vis-à-vis other mint brands. Polo ranked high on after taste and quickness of cooling against the same competitors.

Contents

CHAPTER 1

INTRODUCTION

ABOUT INDIAN CONFECTIONARY INDUSTRY:

The confectionary industry of India, which was positioned 25th in the world in 2009 , has now risen as one of the biggest and very much created sustenance handling divisions of the nation. The credit goes to advancement alongside developing Indian economy, which have driven a few multinational organizations to put resources into India's confectionary advertise, additionally changing the substance of this industry.

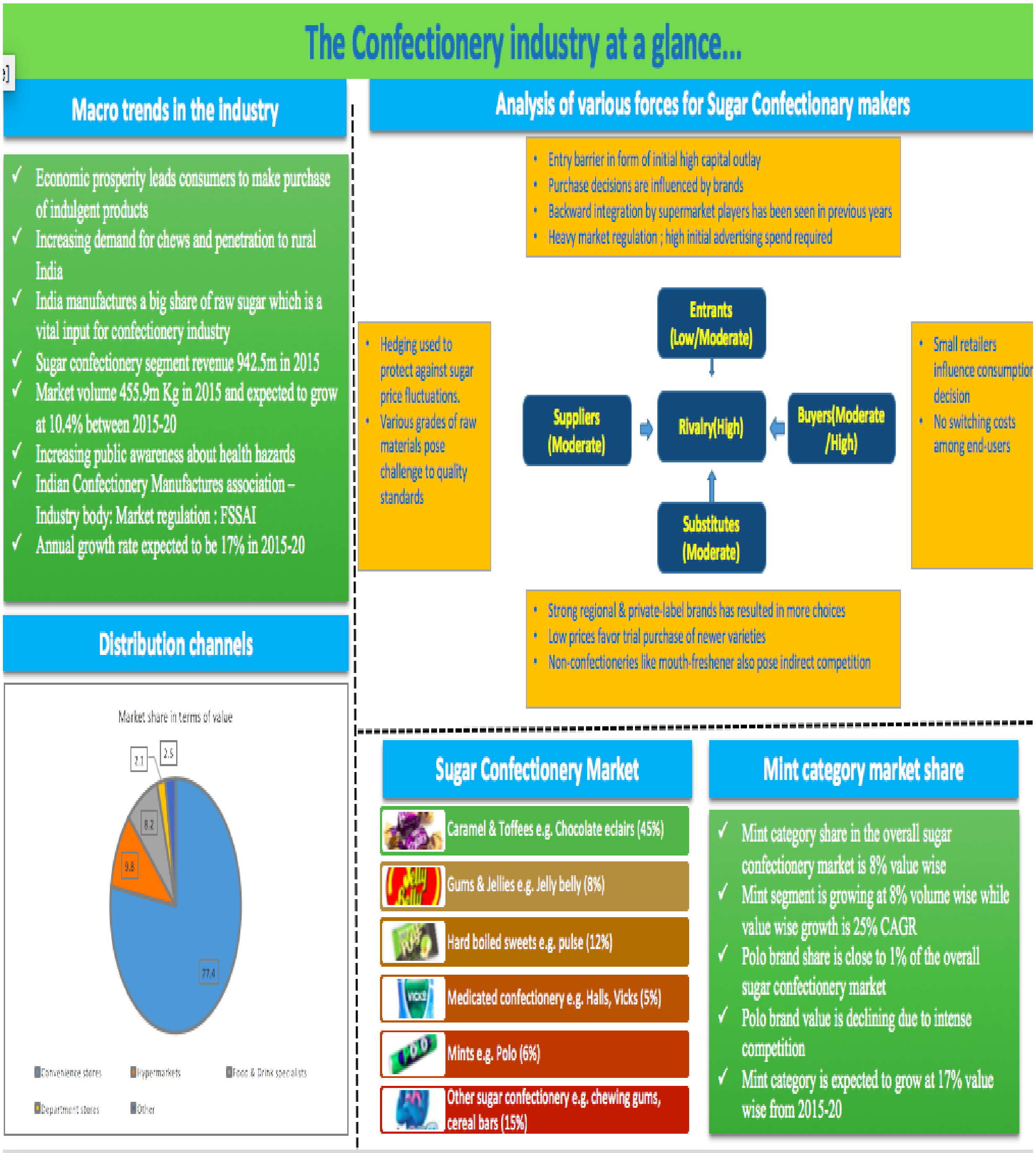
As indicated by our new research report "Indian Confectionary Market Investigation", the Indian confectionary store showcase is experiencing quick changes as far as patterns and customer conduct design. The business is being profited from the nation's monetary blast, and development in customer spending. This higher shopper spending is additionally determined by the freshly discovered shopping center culture and evolving way of life.

Additionally, the section of different multinational organizations in the Indian confectionary market showcase has expanded the opposition as well as the per-capita utilization, by propelling new items at reasonable costs, and making mindfulness among the purchasers through commercials and limited time crusades. Amid the exploration, we found that developing pattern of gifting candy parlor items and undiscovered rustic market are among the key factors that are relied upon to fuel development in Indian confectionary showcase sooner rather than later. Supported by these elements, the Indian confectionary showcase is relied upon to develop at a CAGR of over 18% amid 2012-2015.

The sweet shop market of India is partitioned into three sections: chocolate, sugar candy store and gum advertise, which is additionally separated into sub-portions. Our group of area specialists examined the ice cream parlor advertise generally speaking, section shrewd and sub-fragment insightful, and gave showcase figure (as far as volume and esteem both) till 2015. Among all the sub-portions of Indian dessert shop showcase, biting gum advertise is required to develop at the speediest rate, by esteem, in the coming years.

It has been watched that different residential and multinational organizations are preparing for picking up benefit from the developing candy parlor industry of India. Our report gives piece of the pie of the significant organizations in chocolate and gum advertise, and focused scene of the Indian ice cream parlor industry, which incorporates business outline, item portfolio and late organization exercises.

The report, which has been intended to comprehend the Indian confectionary advertise exhaustively, additionally broke down the real business drivers, alongside the difficulties ruining the development of this industry. Along these lines, the report gives comprehensive and top to bottom investigation of Indian ice cream parlor showcase which will demonstrate conclusive for the customers and enable them to take sound speculation choices.


The Confectionery industry at a glance...
Macro trends in the industry
✓ Economic prosperity leads consumers to make purchase of indulgent products
✓ Increasing demand for chews and penetration to rural India
✓ India manufactures a big share of raw sugar which is a vital input for confectionery industry
✓ Sugar confectionery segment revenue 942.5m in 2015
✓ Market volume 455.9m Kg in 2015 and expected to grow at 10.4% between 2015-20
✓ Increasing public awareness about health hazards
✓ Indian Confectionery Manufactures association – Industry body: Market regulation : FSSAI
✓ Annual growth rate expected to be 17% in 2015-20
Distribution channels
Market share in terms of value
2.1
2.5
8.2
9.8
77.4
Convenience stores
Hypermarkets
Food & Drink specialists
Department stores
Other
Analysis of various forces for Sugar Confectionary makers
• Entry barrier in form of initial high capital outlay
• Purchase decisions are influenced by brands
• Backward integration by supermarket players has been seen in previous years
• Heavy market regulation ; high initial advertising spend required
• Hedging used to protect against sugar price fluctuations.
• Various grades of raw materials pose challenge to quality standards
Entrants (Low/Moderate)
Suppliers (Moderate)
Rivalry(High)
Buyers(Moderate /High)
Substitutes (Moderate)
• Small retailers influence consumption decision
• No switching costs among end-users
• Strong regional & private-label brands has resulted in more choices
• Low prices favor trial purchase of newer varieties
• Non-confectioneries like mouth-freshener also pose indirect competition
Sugar Confectionery Market
Caramel & Toffees e.g. Chocolate eclairs (45%)
Gums & Jellies e.g. Jelly belly (8%)
Hard boiled sweets e.g. pulse (12%)
Medicated confectionery e.g. Halls, Vicks (5%)
Mints e.g. Polo (6%)
Other sugar confectionery e.g. chewing gums, cereal bars (15%)
Mint category market share
✓ Mint category share in the overall sugar confectionery market is 8% value wise
✓ Mint segment is growing at 8% volume wise while value wise growth is 25% CAGR
✓ Polo brand share is close to 1% of the overall sugar confectionery market
✓ Polo brand value is declining due to intense competition
✓ Mint category is expected to grow at 17% value wise from 2015-20

Key findings from the studies states:

- Mint confectionery value sales increased by 10.5% in 2016, to reach INR5.08 billion, with volumes increasing by 4% to reach 17,400 tons.
- Standard mints remained the fastest growing segment with value increasing by 14.85% in 2016.
- Perfetti Van Melle India Pvt Ltd remains the leading manufacturer in 2016, with two main brands chloro-mint and mentos.
- Mint category is forecast to see a constant value CAGR of 3.33% over 2016-2021, to reach sales of INR 6 billion.
- Standard mint category within mints is forecast to see a constant value CAGR of 6.18% over 2016-2021, to reach sales of INR4.36 billion.
- Perfetti Van Melle India Pvt Ltd remains the leading player in mint category. The company's brands have generated considerable consumer loyalty across India and are well known even in rural areas.
- Having entered the mint category with the launch of Mint-O, ITC Group was trying to introduce new variants of Mint-O to increase sales.
- Polo is losing market share to Halls, Mentos and chloro-Mint.
- Power mint category is forecasted to decline while the standard mint category will be the major growth driver in the mint category.

Table below provides value of various mint brands in INR million:

Brand	Company	2013	2014	2015	2016
Mentos	Perfetti Van Melle India Pvt Ltd	1413.63	1588.86	1826.34	2127.33
Halls	Mondelez India Foods Ltd	-	1686.37	1839.82	2025.66
Chlor-Mint	Perfetti Van Melle India Pvt Ltd	1501.37	1571.65	1637.64	1736.28
Tic Tac	Ferrero India Pvt Ltd	487.46	642.43	775.01	922.89
Polo	Nestlé India Ltd	589.82	619.48	667.19	758.64
Mint-O	ITC Ltd	380.22	349.89	363.92	383.23

ABOUT NESTLE

NESTLÉ's relationship with India dates back to 1912, when it began trading as The NESTLÉ Anglo-Swiss Condensed Milk Company (Export) Limited, importing and selling finished products in the Indian market.

After India's independence in 1947, the economic policies of the Indian Government emphasized the need for local production. NESTLÉ responded to India's aspirations by forming a company in India and set up its first factory in 1961 at Moga, Punjab, where the Government wanted NESTLÉ to develop the milk economy. Progress in Moga required the introduction of NESTLÉ's Agricultural Services to educate, advise and help the farmer in a variety of aspects. From increasing the milk yield of their cows through improved dairy farming methods, to irrigation, scientific crop management practices and helping with the procurement of bank loans.

NESTLÉ set up milk collection centers that would not only ensure prompt collection and pay fair prices, but also instill amongst the community, a confidence in the dairy business. Progress involved the creation of prosperity on an on-going and sustainable basis that has resulted in not just the transformation of Moga into a prosperous and vibrant milk district today, but a thriving hub of industrial activity, as well.
NESTLÉ has been a partner in India's growth for over a century now and has built a very special relationship of trust and commitment with the people of India. The Company's activities in India have facilitated direct and indirect employment and provides livelihood to about one million people including farmers, suppliers of packaging materials, services and other goods.

The Company continuously focuses its efforts to better understand the changing lifestyles of India and anticipate consumer needs in order to provide Taste, Nutrition, Health and Wellness through its product offerings. The culture of innovation and renovation within the Company and access to the NESTLÉ Group's proprietary technology/Brands expertise and the extensive centralized Research and Development facilities gives it a distinct advantage in these efforts. It helps the Company to create value that can be sustained over the long term by offering consumers a wide variety of high quality, safe food products at affordable prices.

NESTLÉ India manufactures products of truly international quality under internationally famous brand names such as NESCAFÉ, MAGGI, MILKYBAR, KIT KAT, BAR-ONE, MILKMAID and NESTEA and in recent years the Company has also introduced products of daily consumption and use such as NESTLÉ Milk, NESTLÉ SLIM Milk, NESTLÉ Dahi and NESTLÉ Jeera Raita.

NESTLÉ India is a responsible organisation and facilitates initiatives that help to improve the quality of life in the communities where it operates.

One of the prodcuts of Nestle which is polo has been taken as subject for this project where all its attributes and scenario in taste, liking has been studied with its competitors.

About Nestle Polo

Nestle POLO was launched in India in 1993. Often it has been tagged as 'The Mint with the Hole' because of its shape and the freshness of mint. The taste has perfect balance of sweet and mint. In years it has earned it's space as an iconic brand.
POLO mint sweets are shaped under immense pressure- roughly equivalent to two elephants jumping on it. POLO mints distinct flavor comes from the usage of high quality mint oil which is specially collected to give a smooth, clean and fresh flavor. So, lets study more about 'The Mint with the Hole'.

There are 3 main flavours of Nestle Polo:

Original

Fruit

Spearmint

Sugar Free

POLO Mints derive its distinct flavor from high quality mint oil which is specialized to provide smoothness and freshness. The most common flavor has been the original one with the freshness of mint.

Company & Product Analysis-Current Scenario

Nestle

- Established: 1866 by Henri Nestle, the world's leading nutrition, health and wellness company
- Product categories: Milk Products & Nutrition, Beverages,, Prepared dishes & cooking aids, Chocolates and Confectionery
- "Good food, Good Life"
- Present in India from 1961
- 8 manufacturing facilities

POLO

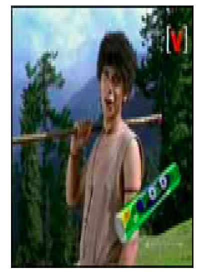
- POLO was launched in India in 1993. Popularly known as 'The Mint with the Hole', it has the perfect balance of sweet and mint and has earned it's space as an iconic confectionery brand.
- Core TG : 17-21 years ; positioned in the adult confectionery market(1100 crs in 2012)
- USP :*Sweet mint tablets with a unique ring shape*

MAJOR MARKETING COMMUNICATIONS OF NESTLE POLO SINCE 1993

1993 Launch

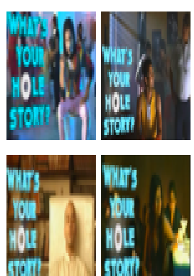
The 1993 launch with the "The Mint with a Hole" theme was used to position the new brand in a cluttered market.

2004



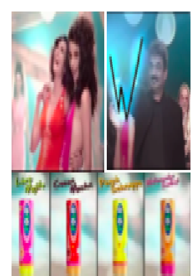
The ad was aimed at bringing back the famed 'hole' in the limelight. *"Polo khao, seeti bajao"* became a catch line among the youth.

2009



'What's Your Hole Story?' Through videos depicting the Fashion Designer,Boxer,Philosopher & Socialite; ads were 'quirky', 'fun' & 'unconventional'

2011



The campaign introduced four new flavors for Polo designed by Wendell Rodricks - Lime Mojito, Watermelon Sorbet, Peach Schnapps, and Cocoa Mocha.Classic case of celebrity-brand co-creation.

Analysis:POLO is positioned as an off-beat, interesting and fun loving brand. All ads have a constant communication of humor,excitement & freshness.

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RESEARCH OBJECTIVES

The project decision problem to be addressed here is:

A three-fold problem solution for:

1. To increase the customer base of POLO
2. To drive loyalty among the existing customers
3. To increase the usage occasions of POLO

The research objectives following this project decision problem area

R01: To compare demographic & psychographic profile in different levels of awareness funnel

R02: To understand the occasions in which people consume confectionary products

RO3: To determine factors driving the purchase of confectionaries

RO4: To understand the brand perception of POLO vis-à-vis its competitors

R05: To understand the reasons behind why an aware consumer of POLO has not tried it

CHAPTER 2

LITERATURE REVIEW

Various theories have been used during the course of project. Through the project I have tried to study the consumer behavior regarding the product. In what occasions it is used, what parameters make it distinct from its competitors etc. Also, in later part Customer-Based Brand Equity (CBBE) Model has been used to analyze the results.

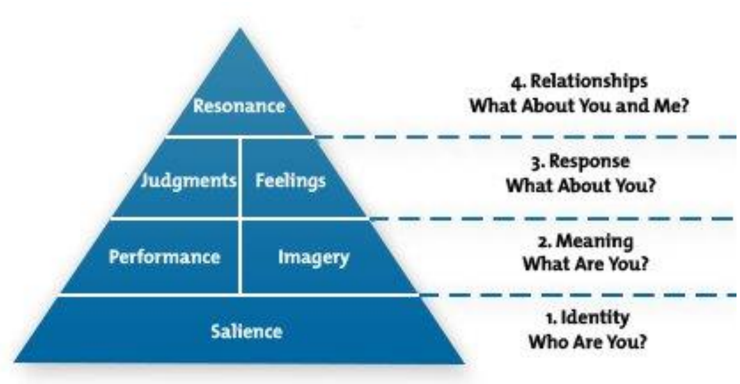
Consumer behavior is the study of how individual customers, groups or organizations select, buy, use, and dispose ideas, goods, and services to satisfy their needs and wants. It refers to the actions of the consumers in the marketplace and the underlying motives for those actions.

Keller's Brand Equity Model is also known as the Customer-Based Brand Equity (CBBE) Model. Kevin Lane Keller, a marketing professor at the Tuck School of Business at Dartmouth College, developed the model and published it in his widely used textbook, "Strategic Brand Management."

The concept behind the Brand Equity Model is simple: in order to build a strong brand, you must shape how customers think and feel about your product. You have to build the right type of experiences around your brand, so that customers have specific, positive thoughts, feelings, beliefs, opinions, and perceptions about it.

When you have strong brand equity, your customers will buy more from you, they'll recommend you to other people, they're more loyal, and you're less likely to lose them to competitors.

The model, seen in Figure 1, illustrates the four steps that you need to follow to build strong brand equity.



For the project many scholarly articles regarding the study of consumer behavior has also been studied to understand the subject. Also, detailed study and insights on nestle and nestle polo has been conducted to justify the results for this project. With the focus on consumer behavior another aspect that has been understood is buying behavior of consumers. The following theory has been used to understand the above aspect:

In the coming chapters we have also tried to understand the above 4 variations that is shown by customers.

Thus different theories and marketing aspects along with various articles and research have constituted the literature review of the project.

CHAPTER 3

BENCHMARKING AGAINST COMPETITORS

India's confectionary has been rapidly growing and already facts and figures have been stated that in coming years it's going to shoot to higher numbers only. Polo being a very old product in the market but with time has been joined by many competitors. Many such competitors have been shortlisted and a table has been made where on different parameters polo has been compared few being price, tag lines, variants, value proposition and many more. Major competitors identified are as follows:

Halls

Vicks

Mentos

Tic-Tac

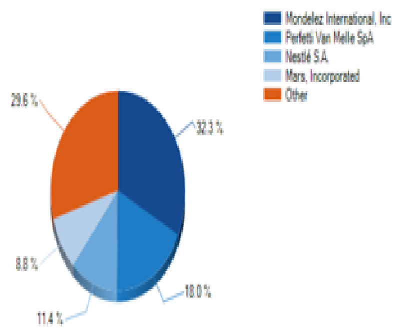
Happy Dent

Orbit

Above being the major ones, the project focuses on comparing Nestle Polo with above and coming out with solutions what more can be done with it as market share lately has not been dominant by this. The pictorial description and tabulated content better compiles the data in coming pages.

A highly competitive market with brands across product categories

TOP 5 PLAYERS IN THE CONFECTIONERY MARKET



The Indian confectionery market is relatively concentrated, with the top four players Mondelez, Perfetti Van Melle, Nestle and Mars controlling 70.4% of the market.

TOP 5 PLAYERS IN THE INDIAN SUGAR CONFECTIONERY MARKET

1	2	3	4	5
PERFETTI van Melle	ITC Limited	Parle Agro refreshing india	Mondelēz International	Nestlé
20.75%	15.31%	11.77%	10.12%	7.11%

KEY DEFINITION :

Confectionaries include chocolate, sugar confectionery and gum.

While NESTLE occupies the 3rd position in the overall confectionery market, it occupies the 5th position in the Sugar Confectionery market.

BIGGEST BRANDS IN THE INDIAN SUGAR CONFECTIONERY MARKET

CANDYMAN	Alpenliebe	Cadbury Choclairs				
14.8%	14.1%	7.3%	6.1%	4.5%	2.75%	2.7%

PRODUCT NAME	PARENT FIRM	TAG LINE	VALUE PROPOSITION	VARIANTS	PRICE POINT
Vicks	P&G	Vicks Ki Goli Lo , Khich Khich Door Karo	Cough Drops	Honey, Ginger, Menthol	1 SKU of 2gm priced at Re.1
Halls	Mondelez	Thandi Saans ka Blast	Cool and Refreshing	Mentholyptus	1 SKU priced at Re.1
Mentos	Perfetti	Dimag ki batti jala de	A mint which is crunchy and smooth outside soft and really fresh inside	Mint, Strawberry, Orange, Lemon, Cola, Watermelon	SKUs of Re. 1 & Rs. 20
Tic Tac	Ferrero	The 1½ Calorie Breath Mint; Refreshment to be shared	Sweet mint tablets	Mint, Orange, Strawberry, Popcorn, Elaichi	Packs in different weights as per variants priced at Rs.10, 15 & 20
Mint-O	ITC	Laila ko karna ho impress to majnu ne khaai Mint-O fresh	Active mint deposited candy	Mango, Orange, Eucalyptus, Mint	1 SKU priced at Re.1
Polo	Nestle	The mint with a hole	Sweet mint tablets with a unique ring shape	Original, Spearmint, Fruits, Sugar Free, Extra Strong	Available in SKUs of Rs.10/Rs.5

Chloromint	Perfetti	*Dobaara mat poochhna*	Contains Herbasol that helped breath freshness	Original, Ice, Mint	1 SKU priced at Re.0.50
Happy Dent	Perfetti	*Daano tale diya jale, Muskura le jagmaga le*	Provides tooth whiteness that is too white	Orange, Spear Mint, Pepper Mint, Strawberry	SKUs like Blister packs, Fliptop pack, Pocket bottles & Re 1 candy
Orbit	Mars	A good clean feeling no matter what	Global popular chewing brand	Bubblemint, Peppermint, Spearmint, Strawberry, Citrus	SKUs like Blister packs, Fliptop pack, Pocket bottles

CHAPTER 4

THEORETICAL FRAMEWORKS

Awareness Funnel for low-involvement product:

Purchase of confectionaries like Polo are impulse decisions or low involvement purchase, so a high level of consideration is absent as brand evaluation does not take place before purchase in this case. The last level of advocacy is also not so prominent because low involvement products involve only behavioral loyalty and not attitudinal loyalty which is important for advocacy.
Being a low-involvement product, with associated low risk of purchase, focus should be laid on increasing market awareness which can be harnessed to induce trial by target group customers. **Customer-based Brand Equity Model:**

The CBBE Model illustrates the four steps that any marketing effort needs to follow to build strong brand equity. Building the right type of experiences around the brand involves leveraging brand associations, imagery & customer insights so that end customers have specific, positive thoughts, feelings, beliefs, opinions, and perceptions about the brand.
Within the CBBE pyramid, the model highlights four key levels that one can work through to create a successful brand. These four levels are:

1. Brand identity.
2. Brand meaning.
3. Brand responses.
4. Brand relationships.

These four levels comprise six building blocks that further help with brand development. These six building blocks are salience, performance, imagery, judgments, feelings, and resonance.

Customer purchase behaviour:

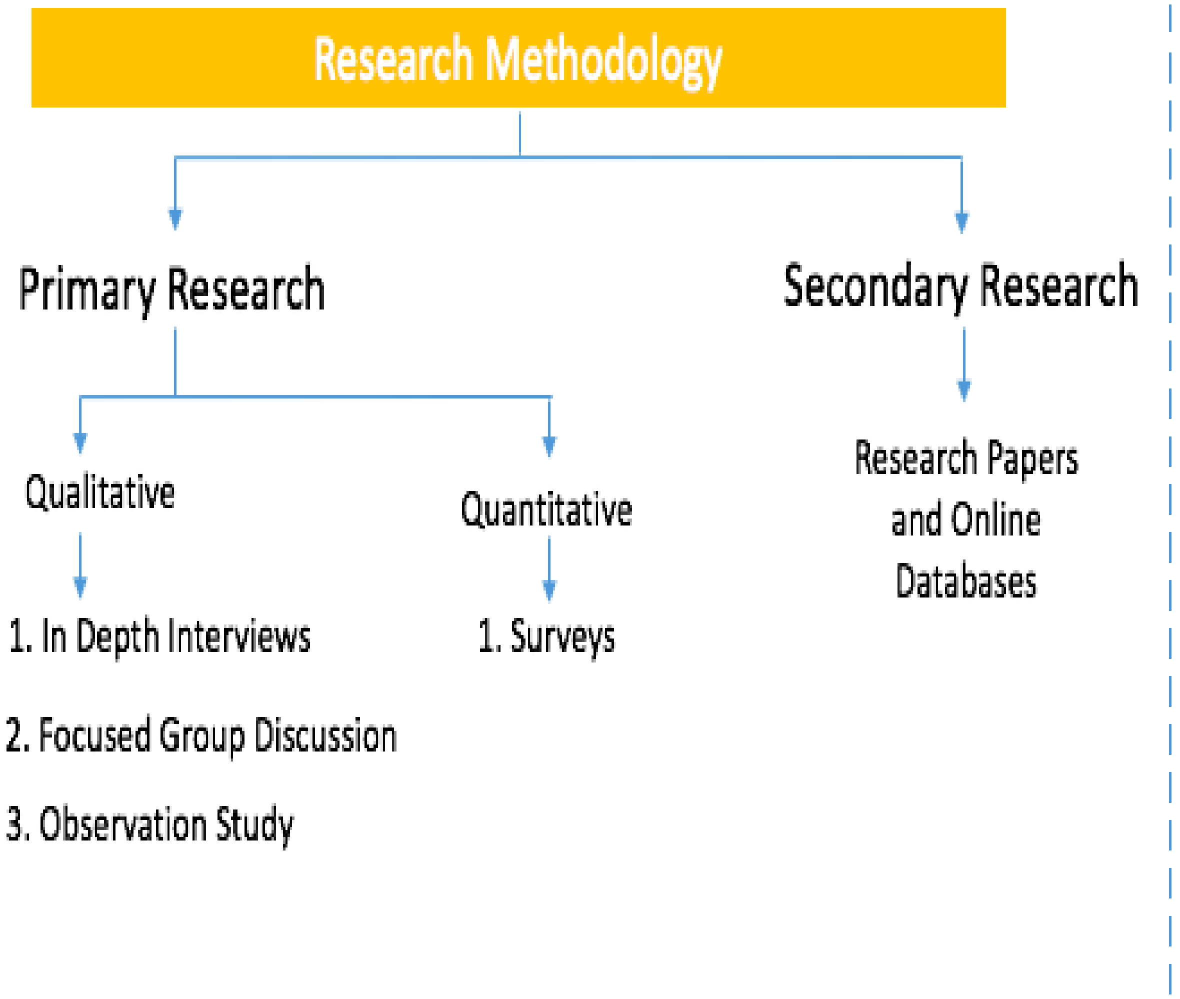
Because Polo is a low involvement product in a category populated by numerous brands, customers display variety-seeking buying behavior. Almost no customer loyalty exists in the category & purchase decisions are heavily influenced by availability of brands in retail outlets etc.
Hence, increased focus on leveraging existing distribution channels is necessary in this regard.

Models for increasing awareness-expanding customers:

Television is a better advertisement medium than print media for low involvement products as moving ads does not require much customer involvement-typical of low involvement. Because brand beliefs are formed by passive learning in the low involvement category, the latitude of acceptance is high and often, post-purchase evaluation doesn’t take place.
Hence, media spending should be directed towards television in new campaigns.

CHAPTER 5

RESEARCH METHODOLOGY



The above chart shows what all ways can be used for marketing research where Market research consists of systematically gathering data about people or companies – a market – and then analyzing it to better understand what that group of people needs. The results of market research, which are usually summarized in a report, are then used to help business owners make more informed decisions about the company's strategies, operations, and potential customer base.

In Primary research we have collected the data via:

- **Qualitative Research-** is primarily exploratory research. It is used to gain an understanding of underlying reasons, opinions, and motivations. It provides insights into the problem or helps to develop ideas or hypotheses for potential quantitative research.

  Types of qualitative research

  - In depth Interviews- is a qualitative research technique that involves conducting intensive individual **interviews** with a small number of respondents to explore their perspectives on a particular idea, program, or situation.

  - Focused Group Discussions- A focus group discussion (FGD) is a good way to gather together people from similar backgrounds or experiences to discuss a specific topic of interest. The group of participants is guided by a moderator (or group facilitator) who introduces topics for discussion and helps the group to participate in a lively and natural discussion amongst themselves.

  - Observation studies- draws inferences from a sample to a population where the independent variable is not under the control of the researcher because of ethical concerns or logistical constraints.

- **Quantitative Research-** is used to quantify the problem by way of generating numerical data or data that can be transformed into usable statistics. It is used to quantify attitudes, opinions, behaviours, and other defined variables – and generalize results from a larger sample population. Quantitative Research uses measurable data to formulate facts and uncover patterns in research.

  Types of Quantitative Research

  - Surveys

CHAPTER 6

DATA COLLECTION

Data collection for this project was collected through various research methodologies and has been explained/briefed as follows:

Types of qualitative research

In depth Interviews:

In various college fests of Delhi University 8 in-depth interviews were conducted across the various genders, age groups. The results are discussed in the next section

Focused Group Discussions

To understand the preferences and thoughts behind the mint buying decision process, 2 focused group discussions of users and non-users of polo and mint, on a whole were conducted during the fests of Delhi University in February and March 2018

For Quantitative research survey was done via google form questionnaire and nearly 100 responses were collected to come on to results. The questionnaire used analyzed consumer behavior on various aspects and in reference section questionnaire has been displayed.

The above two methods were part of primary research for this project and rest all the remaining information was gathered through secondary research which involved compiling data from various scholarly research papers, online data, nestle website, many related articles etc.

Thus, combined primary and secondary research helped us to reach to valuable conclusions and results for our product- Nestle POLO.

CHAPTER 7

DATA ANALYSIS AND INTERPRETATIONS

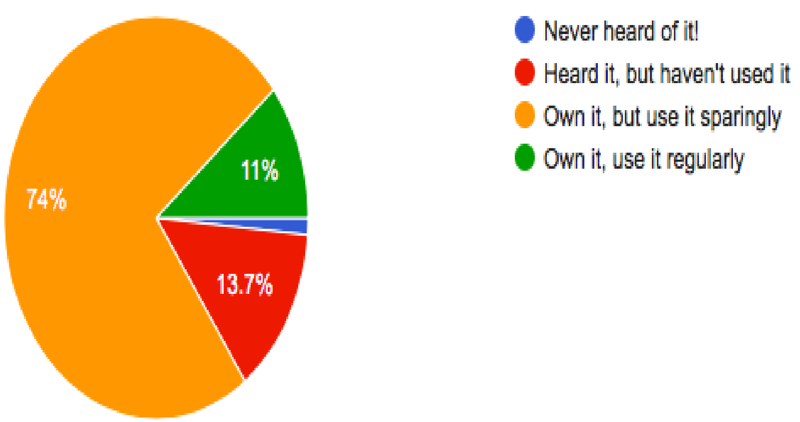
Interpretations through survey via google form

(Responses collected nearly 100)

Target Group: 19-30years

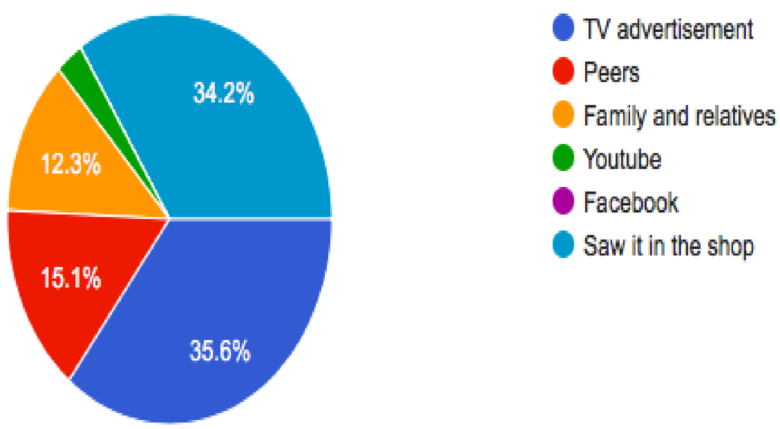
Q1: Have you heard of Polo?

Interpretation: POLO being a low involvement product through our questionnaire survey it was observed that most of the people are aware of the product, but the issue is with the usage. Below numbers in pie-chart clearly shows that mostly have owned it but comparatively usage for the same is very less. Very less portion can be classified as regular user.



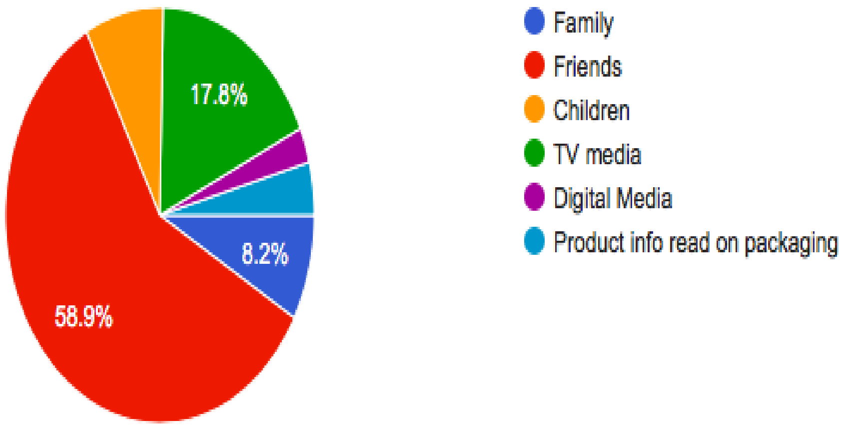
Q2: Where did you hear about this product for the first time?

Interpretation: POLO being a low involvement product, through our questionnaire survey it was observed that people recall seeing it first time on T.V advertisements which are not prominent now. Our target group has been 19- 30 years of age corresponding to 1990's generation when POLO was relatively more popular and had less competitors. Also, other popular source has been in the shops thus signifying its easy visibility in the markets.



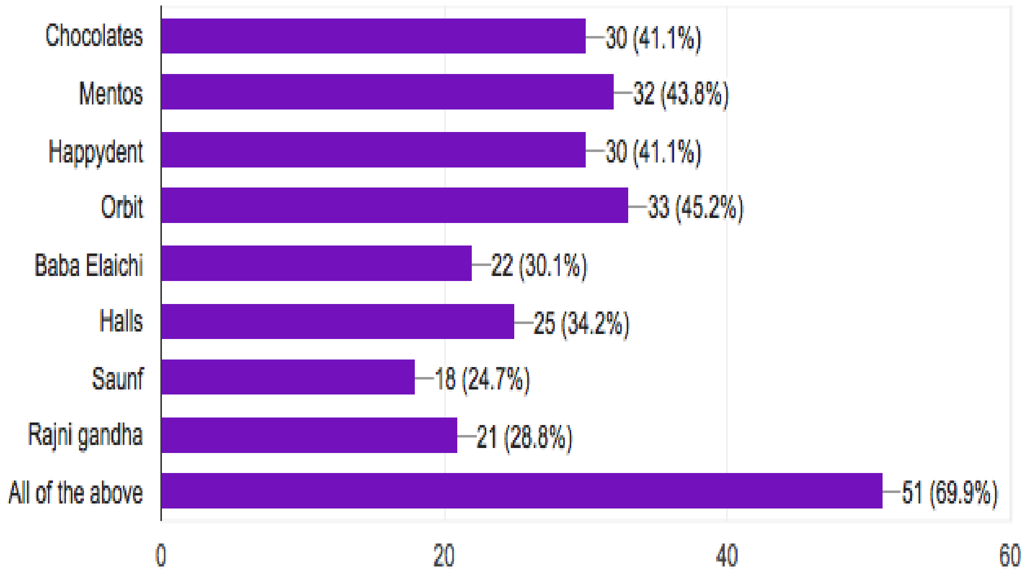
Q3: Who were your influencers when you first tried out polo?

Interpretation: POLO being a low involvement product, through our questionnaire survey it was observed that though there were many different mediums of influencers for different sections but majorly 58.9% give credits to friends. In marketing word-of-mouth marketing is a very common concept and actually works wonders for many brands. Therefore, here for the product brand awareness has been through friends in majority.



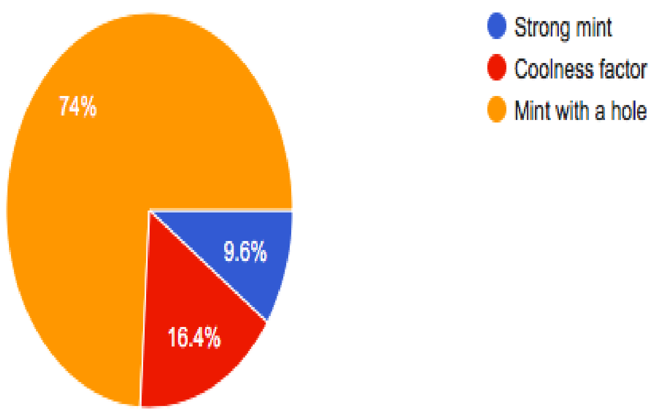
Q4: Which of the following products are you aware about?

Interpretation: POLO being a low involvement product, through our questionnaire survey it was observed that different product awareness was there in our target group. Mostly knew all the products we had mentioned in our survey which was a good sign of brand/product awareness for all the products.



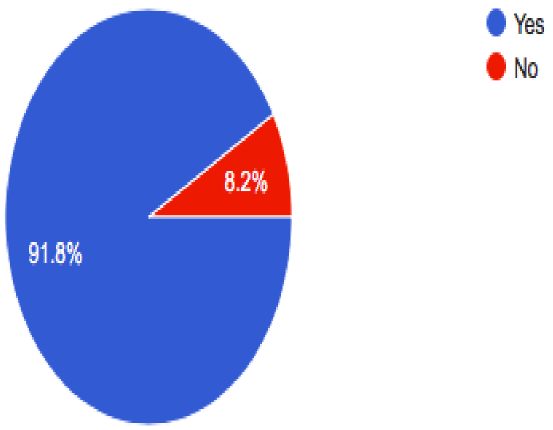
Q5: Polo is associated with?

Interpretation: POLO being a low involvement product, through our questionnaire survey it was observed POLO since its inception has been related to “Mint with A hole” and people related it exactly with same idea. Some recalled it with its flavors of strong mint and coolness factor but 74% associated it with its advertisement only.



Q6: Do you consider polo value for money?

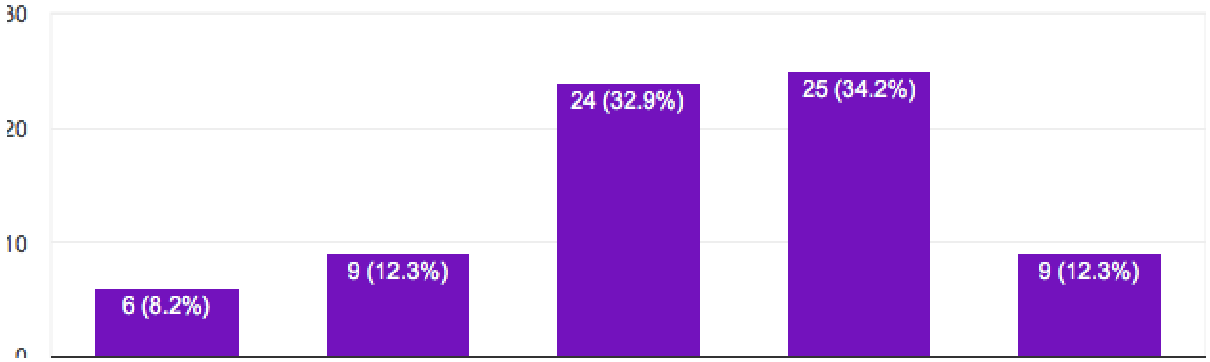
Interpretation: POLO being a low involvement product, through our questionnaire survey it was observed the most readily available pack of polo costs INR 10 which is affordable enough and in near cost terms with its competitors. Therefore, it can be easily concluded that pricing has not been an issue for the product. Majority 91.8% agreed POLO to be value for money.



Q7: What is your likelihood of purchasing polo on the scale of 1-5? (1- being the least, 3- neutral, 5- being the highest)

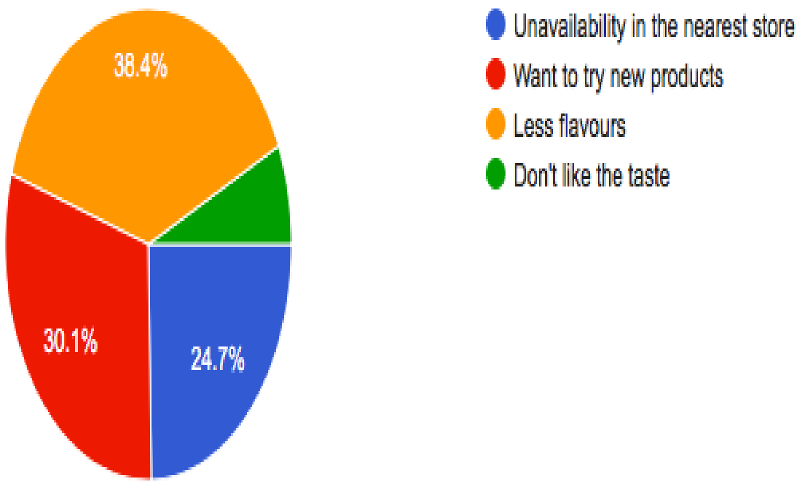
Interpretation: POLO being a low involvement product, through our questionnaire survey it was observed that there was a mix response where many were ok buying the product again if available but yes specially stepping out and demanding for the product was one thing lacking out there for our target product.

So POLO still needs to push itself and establish its demand among the youth and do certain changes as suggested in the conclusions so as to make it universally liked and favored product.



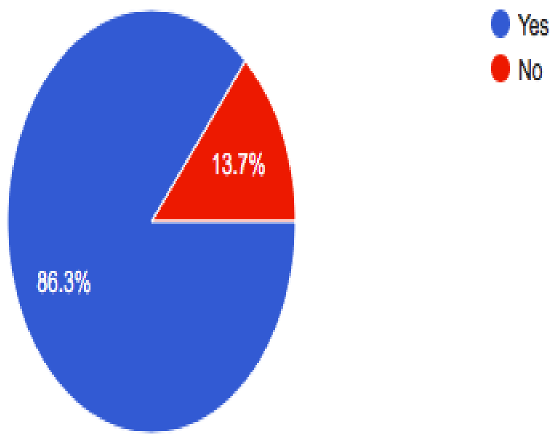
Q8: What are the reasons of not buying polo frequently?

Interpretation: POLO being a low involvement product, through our questionnaire survey it was observed that though there were various reasons for not buying polo frequently, but the most prominent reason was less variants available which is true. POLO needs to get more flavors so as to make it a more likeable product as can be seen in its one of the competitors Orbit which has several flavors and is very frequently bought.



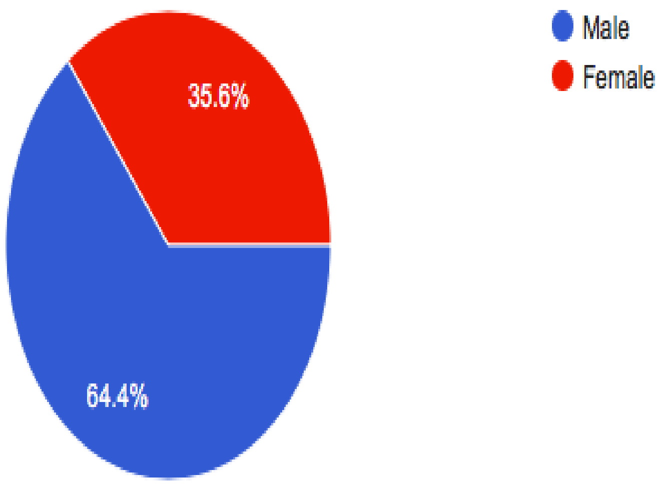
Q9: Would you recommend polo to your friends?

Interpretation: POLO being a low involvement product, through our questionnaire survey it was observed that majority of survey responded positively to the brand and were ready to be influencers for their friends.



So, our survey was a general observation and was not gender specific.

In all 35.6% of respondents were females and remaining was males.



Chapter 8
Findings

Qualitative

Interviews

Interviewed students- of college going and businessmen. The age group was 12 to 27. Polo was an aided recall for most of the students but very few who were out stationed not able to recall or recognize POLO. Students favored toffees and confectionaries. Most of the people interviewed were able to recall other chocolates available in the market.

Focused Group Discussions

Conducted FGD among college going students in the age group 23-28. The group included both genders as well as smokers and non-smokers. The group was able to recall POLO unaided and remember the packaging and taste. They generally like the feel they get in mouth when they drink water after eating polo in summer. They also pointed out the lack of flavors in POLO compared to Mentos and remembered ads of Happydent and Mentos. People also preferred mint after smoking or to keep their mouth fresh.

Key learnings

- People usually don't ask for a choice of mint when it is given as change of rupees
- Mints are never used for gifting purpose, unlike chocolates
- Mints are sometimes preferred only because of the fact that there is no issue of disposal, unlike chewing gums
- People unaware of the flavors indicates that the ads aren't effective
- Mentos is preferred because of its pop-up packaging
- New confectionary launches are tried by consumers if they come across it

Insights

- Confectionary industry on a whole is a low involvement category-impulse buy
- Advertisements are the primary communicating medium for low involvement purchase

- Packaging impacts the repeat purchase for confectionaries
- Store display affects the purchasing behavior

Consumer Personas

- Early teens - Aged 12-19

Prefers chocolates or toffees. Confectionaries means timepass. Want to be perceived as 'cool' among the peer group. Mainly watches entertainment shows, gossip and talk shows

- Young Adults – Aged 20-28

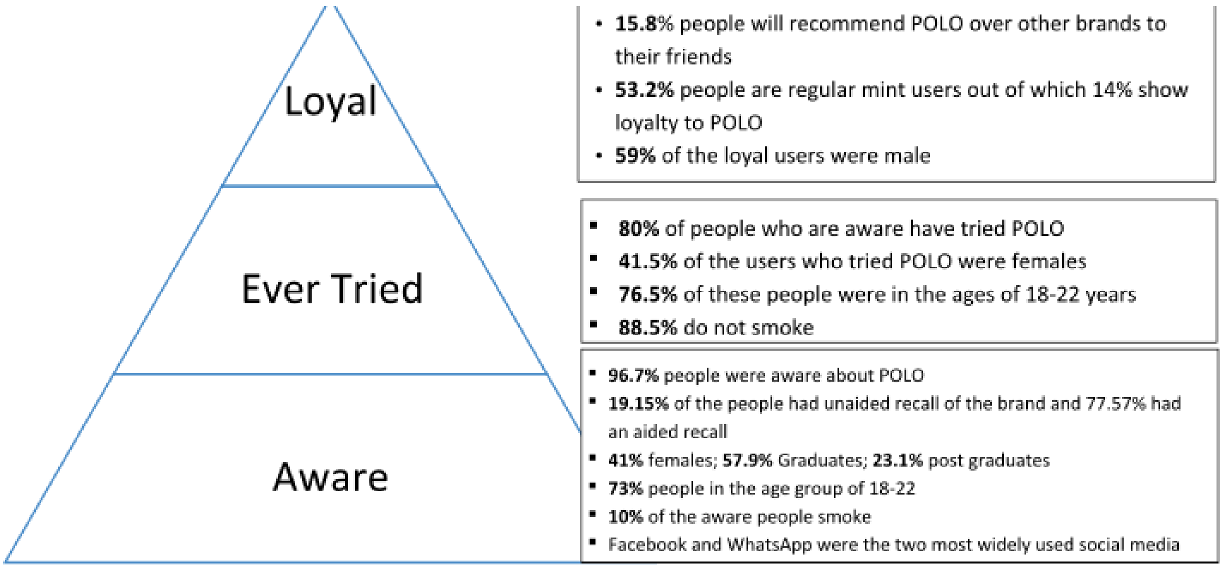
Mainly as a refreshment after smoking. They are more interested in spoofy content and traffic updates. Aspires for instant acceptance among peer groups.

- Office goers – Aged 29-45

They prefer mint/confectionary for fresh breath during work hours. Interested in news and traffic updates.

- Value or information seekers – Aged above 45

They prefer mint while travelling. Prefers news and talks about cooking, health aspects.



Occasions of consuming mint

Five occasions (After smoking, during travel, during classes, after/before meals, before interviews) were identified when people usually consume mint

Factors driving purchase of mint

Seven factors (after smoking, no change of rupees, dentist recommendation, taste, advertisement, childhood memories) and following results were obtained.

- Three factors were identified which explained 58.39% of the variance in the data.
- Factor 1, explaining the maximum variance, comprised of taste, advertisement and childhood memories
- Factor 2 comprised of after smoking and dentist recommendation
- Factor 3 comprised of no change of rupees

Customer Based Brand Equity Model

In order to build a CBBE model for POLO, it is necessary to gauge the perception of the people about POLO vis-à-vis its competitors. A competitor benchmarking was performed on ME Excel software for the following attributes – freshness, strong mint, duration of cooling, flavours, packaging, after taste and sharing with friends.

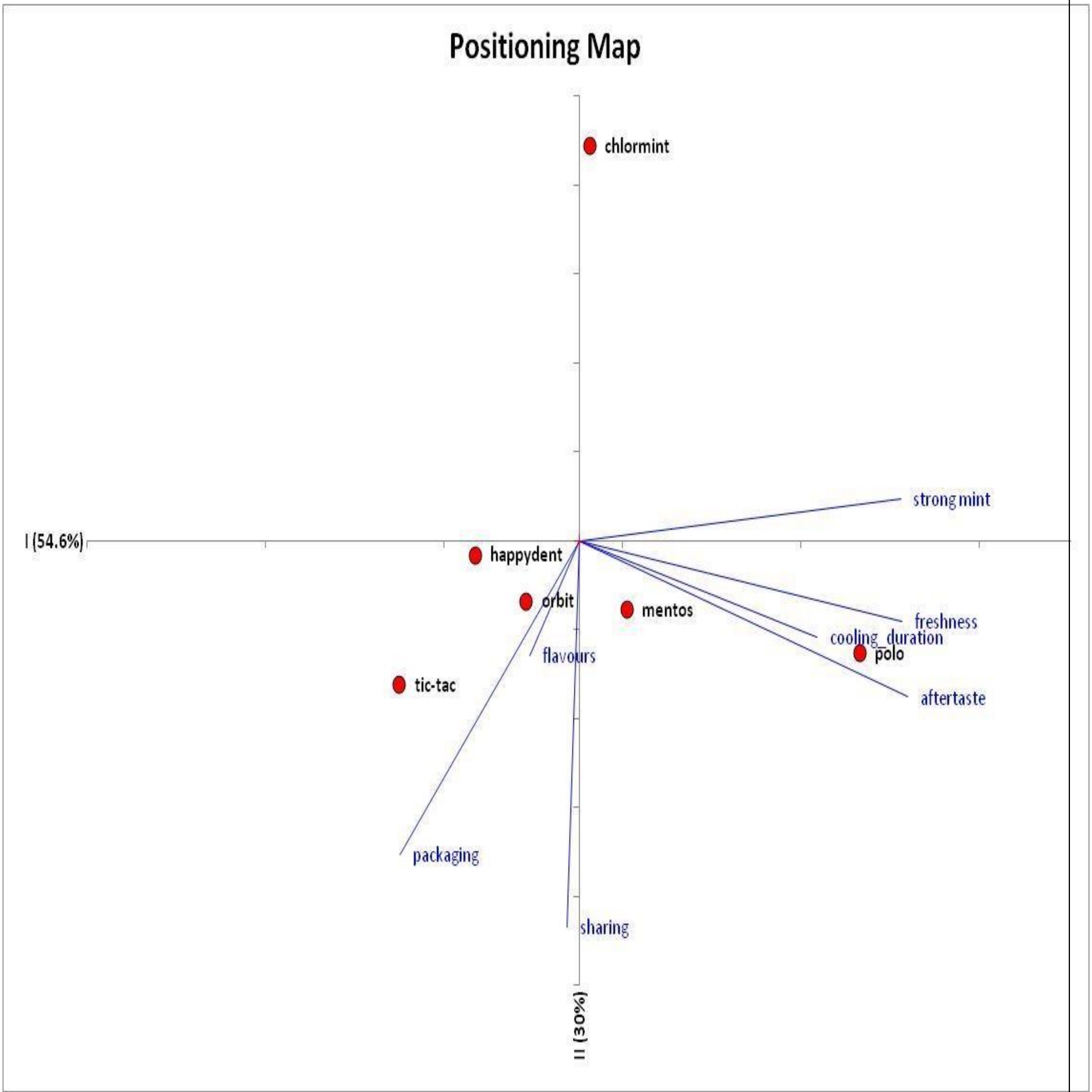
POSITIONING MAP

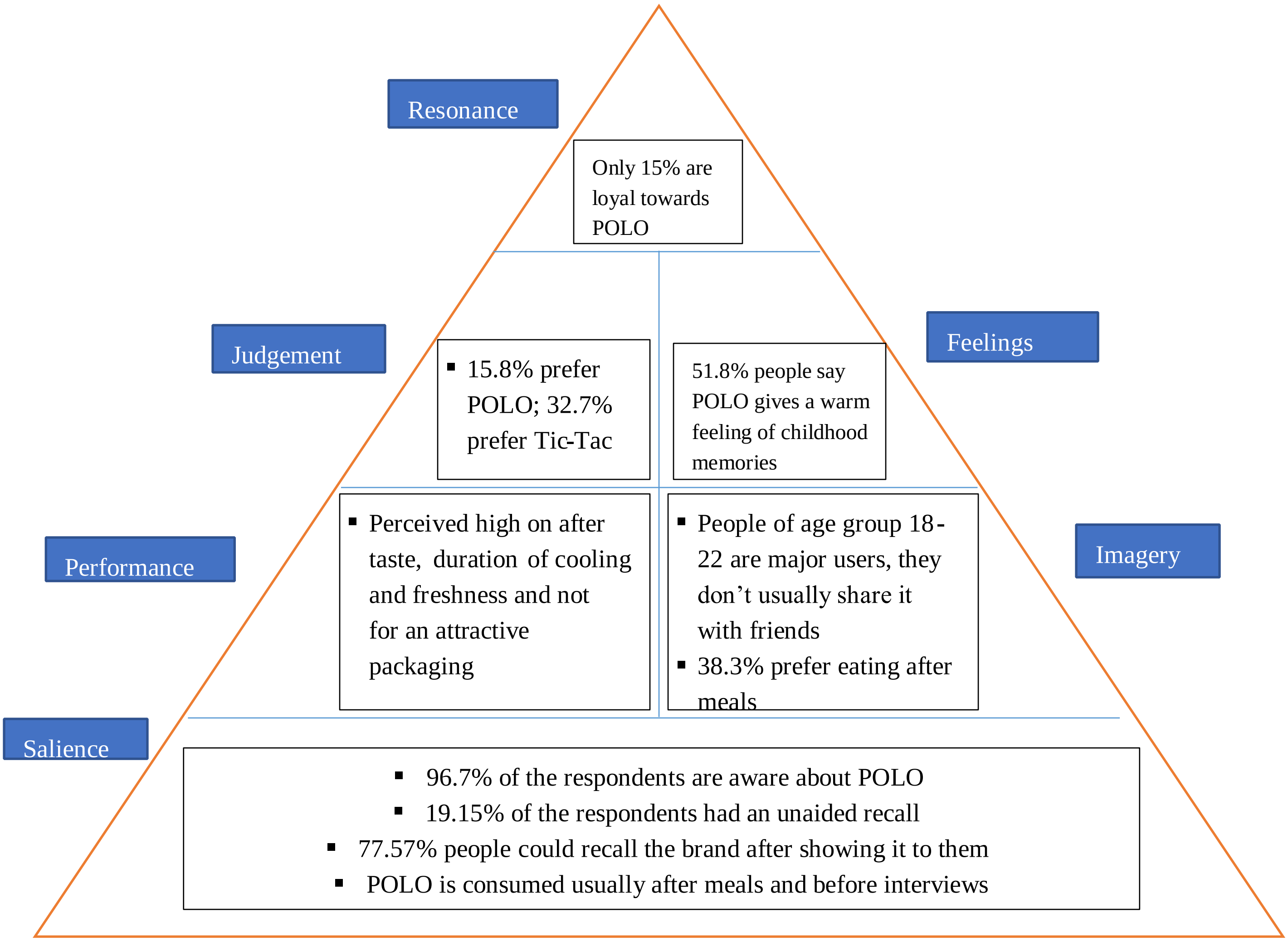
Also called Perceptual **mapping** is a diagrammatic technique used by asset marketers that attempts to visually display the perceptions of customers or potential customers. Typically, the **position** of a company's product, product line, or brand is displayed relative to their competition.

A positioning map is a tool that is usually used by people who are in marketing and deals with products that they are attempting to market. The idea is that everyone has a different perception of a certain product. What one person may like, another may not. This is why a positioning map is created.

The positioning map is created by drawing a vertical axis and a horizontal axis. The products are then "mapped." It can now be decided which products are the "best." Basically, this tool is created to compare and contrast various products in order to gain more knowledge on which are better or needs to be altered.

The following page shows perceptual/positioning map for our product NESTLE POLO which has been compared and positioned with respect to its attributes on comparing with its competitors.


Positioning Map
chlormint
strong mint
I (54.6%)
happydent
orbit
mentos
freshness
cooling_duration
polo
flavours
tic-tac
aftertaste
packaging
sharing
II (30%)



Other Findings

- The factor "quickness of cooling" was often considered as the same as "freshness" by most respondents
- When asked about specific reasons for not purchasing POLO, the most common answer received was that the respondent preferred another mint brand over POLO.
- Most of the respondents came to know about POLO through TV advertisements or if they saw it in the shop.

Chapter- 9

Marketing Implications for POLO

1. **Product**
    - According to the positioning map, the taste of POLO does not match that of its peers which is a major factor for consideration of any mint purchase. Thus, POLO needs conduct R&D to bring some innovative flavors and tastes in POLO.
    - The packaging of POLO is such that it does not enable people to share it with their friends (eg. Tic tac box) and also maintaining an open POLO packet becomes difficult. A slight change in the packaging could help increase usage of POLO.
    - Off late there have been a lot of mint brands offering a variety of flavors. POLO could look into that aspect.
    - POLO could use 'duration of cooling' as a point of difference against its competitors.

2. **Promotion**
    - POLO could focus its communication across media based on a common theme of 'reviving childhood memories' and 'sharing it with friends'.
    - Create a 'buzz' in the market with some innovative campaigns (like 'Dimaag ki batti jala de' of mentos etc.)
    - TV advertisements was one of the important mediums through which the respondents knew about POLO. Thus, POLO should increase the frequency and number of TV commercials aired.
    - As revealed by the positioning map, Mentos is the closest competitor of POLO. Thus, the marketing campaigns should keep in mind those of Mentos.

3. **Media involvement**

    Television is a better advertisement medium than print media for low involvement products as moving ads does not require much customer involvement-typical of low involvement. Because brand beliefs are formed by passive learning in the low involvement category, the latitude of acceptance is high and often, post-purchase evaluation doesn't take place.

Hence, media spending should be directed towards television in new campaigns.

Insights from Qualitative Research

Voice of Customers

POLO means strong mint to me

POLO has only one flavor, Mentos has so many varieties

The after effect of drinking water after POLO feels good in summers

Happydent is a chewing gum, I won't substitute it with POLO

POLO's packing is not unique/ convenient. Mentos has a creative packaging

I remember that Happydent has an ad which shows 'it whitens your teeth'

Learnings

- ✓ People usually don't ask for a choice of mint when it is given as change of rupees
- ✓ Mints are never used for gifting purpose, unlike chocolates
- ✓ Mints are sometimes preferred only because of the fact that there is no issue of disposal, unlike chewing gums
- ✓ People unaware of the flavors indicates that the ads aren't effective
- ✓ Mentos is preferred because of its pop up packaging
- ✓ New confectionary launches are tried by consumers if they come across it

Key Insights

Confectionary industry on a whole is a low involvement category- impulse buy	Advertisements are the primary communicating medium for low involvement purchase
Packaging impacts the repeat purchase for confectionaries	Store display affects the purchasing behavior

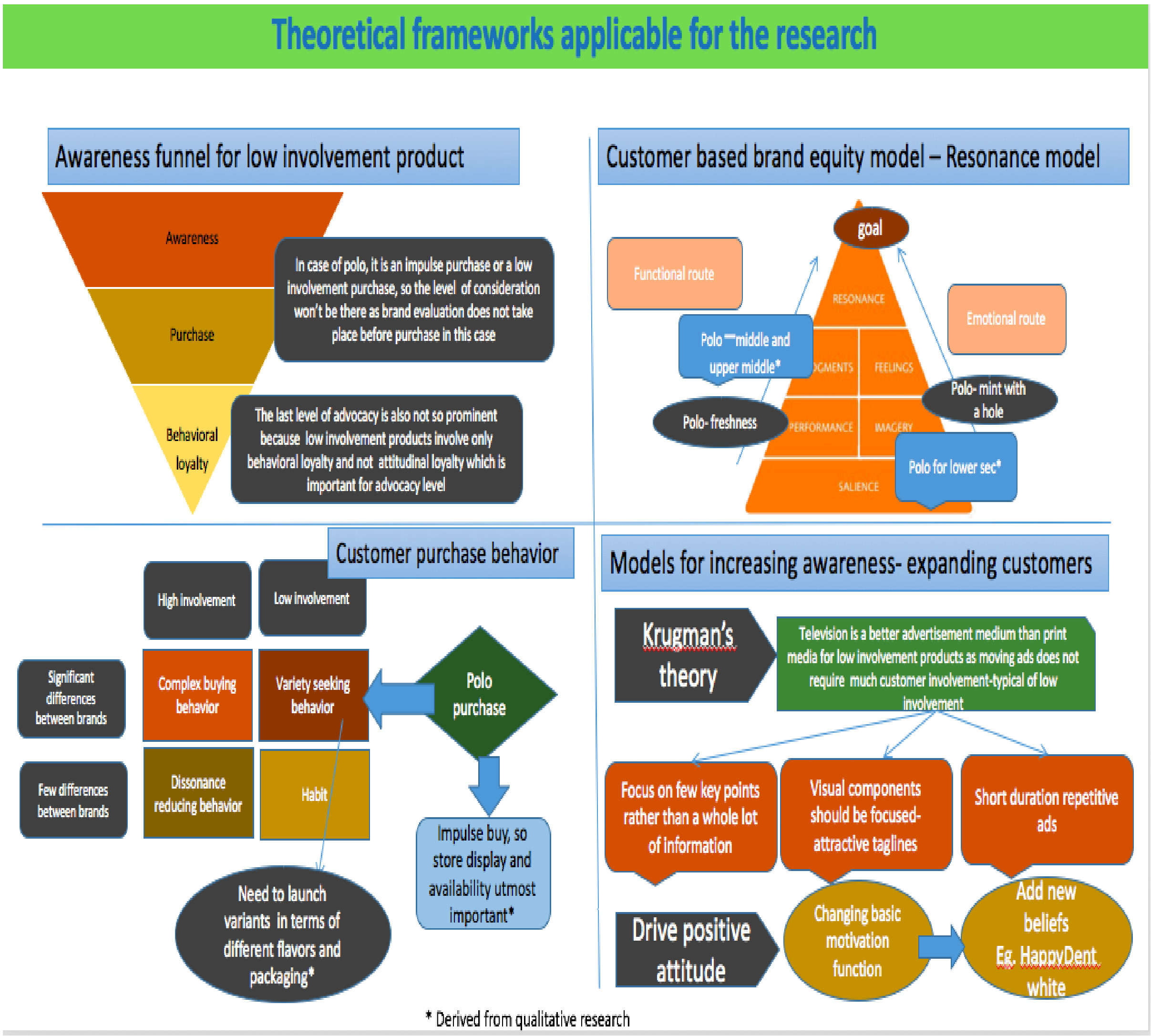
Consumer Personas

Early Teens
- Age group : 12-19 years
- Looks for confectionaries for 'time pass'
- Loves entertainment, gossip & talk shows
- Want to look 'cool' among peer group

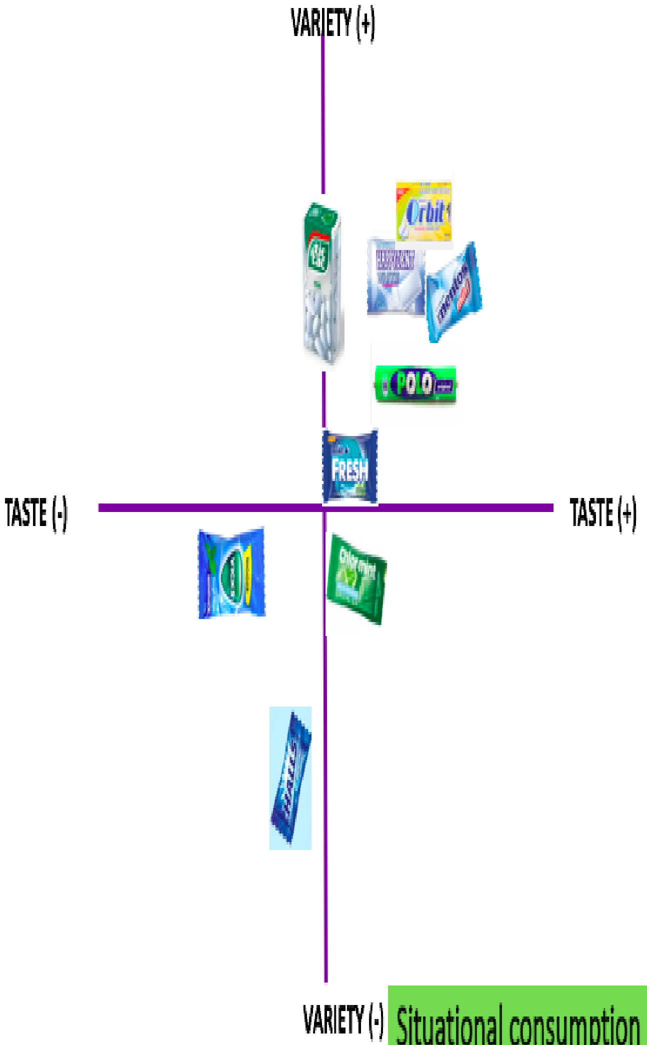
Young Adults
- Age group : 20-28 years
- Looks out for mint mainly for after-smoking
- Tune in for spoofy content, traffic updates
- Aspires for instant acceptance of their peer group

Office Goers
- Age group : 29-45 years
- Prefers mint/confectionary for keeping fresh during work hours
- More interested in news & traffic updates

Value/ Information Seekers
- Age group : above 45 years
- May prefer mint only during travel etc.
- Tune in for news information
- Tips on topics like cooking, health etc.


Theoretical frameworks applicable for the research
Awareness funnel for low involvement product
Awareness
Purchase
Behavioral loyalty
In case of polo, it is an impulse purchase or a low involvement purchase, so the level of consideration won't be there as brand evaluation does not take place before purchase in this case
The last level of advocacy is also not so prominent because low involvement products involve only behavioral loyalty and not attitudinal loyalty which is important for advocacy level
Customer based brand equity model – Resonance model
goal
Functional route
Emotional route
RESONANCE
FEELINGS
PERFORMANCE
IMAGERY
SALIENCE
Polo- freshness
Polo- mint with a hole
Polo for lower sec*
Customer purchase behavior
High involvement
Low involvement
Significant differences between brands
Few differences between brands
Complex buying behavior
Variety seeking behavior
Dissonance reducing behavior
Habit
Polo purchase
Impulse buy, so store display and availability utmost important*
Need to launch variants in terms of different flavors and packaging*
Models for increasing awareness- expanding customers
Krugman's theory
Television is a better advertisement medium than print media for low involvement products as moving ads does not require much customer involvement-typical of low involvement
Focus on few key points rather than a whole lot of information
Visual components should be focused- attractive taglines
Short duration repetitive ads
Drive positive attitude
Changing basic motivation function
Add new beliefs Eg. HappyDent white
* Derived from qualitative research

Perceptual Map



- Eight brands are analyzed for preparing the map
- Pilot testing of the questionnaire has been done by taking responses from 2 focus group discussions, 8 in-depth interviews & visiting schools and colleges
- Adjoining perceptual map has been prepared using the data obtained through these responses
- This data will be further scaled up using responses during the market research event
- Based on sampling done, *POLO* scores decently on the perceptual map but *MENTOS* scores better on taste as does *TIC TAC* in terms of variants
- Closest competitors also turn out from the gum category in the form of *HAPPY DENT* & *ORBIT*

Situational consumption of various brands

Questionnaire on Nestle Polo

Please read the instructions carefully before answering the questions

Q1: Have you heard of Polo?

a) Never heard of it!
b) Heard it, but haven't used it
c) Own it, but use it sparingly
d) Own it, use it regularly

Q2: Where did you hear about this product for the first time?

a) TV advertisement
b) Peers
c) Family and relatives
d) Youtube
e) Facebook
f) Saw it in the shop

Q3: Who were your influencers when you first tried out polo?

a) Family
b) Friends
c) Children
d) TV media
e) Digital Media
f) Product info read on packaging

Q4: Which of the following products are you aware about?

a) Chocolates
b) Mentos
c) Happydent
d) Orbit
e) Baba Elaichi
f) Halls
g) Saunf
h) Rajni gandha

Q5:

What are the various occasions in which you eat confectionaries ranging from chocolates to paas-paas and elaichi? Rate on the scale of 1-5? (5- most likely, 1- least likely)	**1. Not at all**	**2. Less likely**	**3. Neutral**	**4. Somewhat**	**5. Most likely**
After smoking	1	2	3	4	5
During classes	1	2	3	4	5
After meals	1	2	3	4	5
Before interviews	1	2	3	4	5
During travelling	1	2	3	4	5

Q6:

What are the various factors that drive you to purchase confectionaries ranging from chocolates to paas-paas and elaichi? Rate on the scale of 1-5? (5- most likely, 1- least likely)	**1. Not at all**	**2. Less likely**	**3. Neutral**	**4. Somewhat**	**5. Most likely**
No change	1	2	3	4	5
Dentist recommended	1	2	3	4	5
Taste	1	2	3	4	5
Advertisement impact	1	2	3	4	5
Reminder of childhood memories	1	2	3	4	5

Q7:

Rate the following products on freshness impact on a scale of 1-5? (5-strongly agree, 1- strongly disagree)	**1. Strongly disagree**	**2. Disagree**	**3. Neutral**	**4. Agree**	**5. Strongly agree**
Polo	1	2	3	4	5
HappyDent	1	2	3	4	5
Orbit	1	2	3	4	5
Paas-paas	1	2	3	4	5
Mentos	1	2	3	4	5

Q8:

Rate the following products on flavors on a scale of 1-5? (5-strongly agree, 1- strongly disagree)	**1. Strongly disagree**	**2. Disagree**	**3. Neutral**	**4. Agree**	**5. Strongly agree**
Polo	1	2	3	4	5
HappyDent	1	2	3	4	5
Orbit	1	2	3	4	5
Tic-tac	1	2	3	4	5
Mentos	1	2	3	4	5

Q9:

Rate the following products on their effect of whitening the teeth on a scale of 1-5? (5-strongly agree, 1- strongly disagree)	**1. Strongly disagree**	**2. Disagree**	**3. Neutral**	**4. Agree**	**5. Strongly agree**
Polo	1	2	3	4	5
HappyDent	1	2	3	4	5
Orbit	1	2	3	4	5

Q10:

Rate the following products in terms of the attractiveness of packaging on a scale of 1-5? (5- strongly agree, 1- strongly disagree)	**1. Strongly disagree**	**2. Disagree**	**3. Neutral**	**4. Agree**	**5. Strongly agree**
Polo	1	2	3	4	5
HappyDent	1	2	3	4	5
Orbit	1	2	3	4	5
Paas-paas	1	2	3	4	5
Mentos	1	2	3	4	5
Tic-Tac	1	2	3	4	5

Q11:

Rate the following products on their medicinal impact on a scale of 1-5? (5-strongly agree, 1- strongly disagree)	**1. Strongly disagree**	**2. Disagree**	**3. Neutral**	**4. Agree**	**5. Strongly agree**
Polo	1	2	3	4	5
HappyDent	1	2	3	4	5
Orbit	1	2	3	4	5
Halls/Vicks	1	2	3	4	5

Q12:

Rate the following products in terms of their stickiness to teeth on a scale of 1-5? (5-strongly agree, 1- strongly disagree)	**1. Strongly disagree**	**2. Disagree**	**3. Neutral**	**4. Agree**	**5. Strongly agree**
Polo	1	2	3	4	5
HappyDent	1	2	3	4	5
Orbit	1	2	3	4	5
Eclairs	1	2	3	4	5
Mentos	1	2	3	4	5

Q13:

Tick the occasions in which you are likely to consume following products.

Occasions/ Products	After Meals	Travelling	During class	Before interviews	After smoking
Chocolates					
Saunf/paan paraag					
Mints (mentos, polo,happydent)					

Q14: Polo is associated with?

a) Strong mint
b) Coolness factor
c) Mint with a hole

Q15. Do you consider polo value for money?

a) Yes
b) No

Q16. What is your likelihood of purchasing polo on the scale of 1-5? _

Q17. What are the reasons of not buying polo frequently?

a) Unavailability in the nearest store
b) Want to try new products
c) Less flavours

Q18. Would you recommend polo to your friends?

a) Yes
b) No

Your personal details

Q19: Gender?

a) Male
b) Female

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- *J. Scott Armstrong (1991). "Prediction of Consumer Behavior by Experts and Novices" (PDF). Journal of Consumer Research. Journal of Consumer Research Inc.* ***18****: 251–256. doi:10.1086/209257.*

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