

Brand failures

[Business](#), [Marketing](#)



Marketing is easy to teach, it is easier to understand as well. On practice, marketing is quite difficult as a company should have a strong marketing team to work on market opportunity analysis, target market selection, marketing strategy design, marketing program development. When a company slips away from deciding the right marketing mix, their products meet failure. Failures are not patented by small companies, there are stories of several huge brands who have failed drastically. Kellogg's, of course, a mighty brand around the globe, had a tough ride in India. In 1994, when Kellogg's decided to invest US \$65 million in India, it was encouraged well by Indian economic experts.

However, Indians found the concept of eating cereals for breakfast to be an entirely new one. It was a terrible failure. The company's further attempts to 'Indianize' its products became disastrous. Though the company tried to cater the market requirements through various alterations, the high product price remains as a constrain for the consumers. Mercedes-Benz, the German car giant introduced its E-class sedan in India. Indian wealthy middle class was the target and unfortunately, the car failed to inspire the target. Two years after the introduction, the company's plant in India was using only 10 per cent of its capacity.

One of the world's most recognized brand, Coca-Cola, in 1985, decided to terminate its most popular soft drink and replaced it with a formula that they wanted to market as New Coke, was a massive failure. The coke team actually failed to recognise the value of their existing product. Vanilla coke, came with a bang to the Indian market in 2004, was promoted well in a retro style went out of the scene within a year. Reasons for the failure are

assumed to be the premium price, wrong target selection and most importantly, the product quality.

Knorr, world's largest soup selling brand, when acquired by HUL in India, met with the crisis in 2000-2005. The much hyped power brand strategy, integration with local brand Annapoorna, product line expansion of Ready to Make products and the attempt to make Knorr an umbrella brand like Maggi, everything ended up in vain. Worldwide Knorr has moved beyond Soups to become a full fledged Food brand, but not in India.

Getz was the first luxury hatch back to be launched in India by Hyundai. The brand in a way was far ahead of its time. It was launched in a market predominantly oriented towards sedans. The failure of Getz was because of Value Proposition, Positioning, Competition. The failure of the Sunfeast Fit Kit is a grim reminder of the weakness of celebrity driven brands. Sunfeast thought that with Sachin's endorsement, the brand will grow big. The target market was kids and with umpteen varieties in the market, it was impossible for the variant in getting kids stick to it.

Unibic, an Australian company came to India in 2005. The company now have three brands: Anzac, Bradman and Butter Cookies. Unibic does not concentrate on the mass market but is focusing on the niche like Speciality Cookies and Health Biscuits. As of now, Unibic is very low in terms of share of mind and share of voice. The brand lacks proper positioning and also is keeping a low profile in promoting the product. Reebok launched its products-highly priced shoes that were locally sourced. However, it had overlooked the fact that Indians are not so fitness conscious and sports shoes are a fashion accessory in India. By pricing it outrageously high, it had

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prevented the middle class consumers who had cheaper choices from other local players. With rising inventory & sagging sales, the condition was worsened as the economy hit a recession.

In 1997, Fiat entered India through a joint-venture with Premier Automobiles Ltd to sell its new car 'Uno'. The Uno's pre-launch image appeared to be very fascinating, but Fiat screwed it up by continuing its position strategy in India carried over from its huge success in South America. Lack of market research and wrong perception of demographic statistics of India paved their way for failure. When Whirlpool launched its refrigerators on the Indian market, it found the market unwilling to buy larger sizes than the standard 165 litres. Their post marketing services were terrible. Also, the heavy competition from the other major brands made the company to stay behind.