

# Project on bajaj auto limited

Business, Company



November 14, 2009 Project On Bajaj Auto Limited Submitted by Team TiTanS  
-Amit Sheth -Anand Dube -Darshna Chande - Mrinal Kaul -Subrato Das -Vinay Chaudhary Page 1 of 23 1 BAJAJ AUTO LTD November 14, 2009 Index 1. 0 Introduction 2. 0 PRODUCT PORTFOLIO. 2. 1 Product life cycle of the various products. 2. 2 A BCG Matrix of Various products. 3. 0 Key Brands – Top Three in terms of volume and revenue 3. 1 Bajaj Pulsar. 3. 2 RE (3 Wheeler). 3. 3 Discover. 4. 0 Positioning of the top three brands of the company. 4. 1 Pulsar. 4. 2 Discover. 4. Bajaj Auto (Commercial Vehicle). 5. 0 Competitors and the differentiation of each based on positioning. 5. 1 Pulsar key Competitors. 5. 2 Bajaj Auto Commercial Vehicles. 5. 3 Discover key Competitors.

6. 0 Key marketing communications and the evolution of the same since 1995 7. 0 The Future. 7. 1 Recommendations. 8. 0 Graphs. 8. 1 Sales data of BAL and Industry Comparison. 8. 2 BAL in International Market. 8. 3 3 Year Projection for Commercial unit of BAL 8. 4 BAL projection for Domestic Sales 9. 0 References. Page 2 of 23 2 BAJAJ AUTO LTD November 14, 2009 BAJAJ AUTO LTD 1. Introduction Bajaj Auto is India's largest and the world's 4th largest two and three-wheeler manufacturer. It is based in Pune, Maharashtra, with plants in Akurdi and Chakan (near Pune) and Waluj and Patnagar in Uttaranchal. Bajaj Auto produces and exports scooters, motorcycles and auto rickshaws. Over the last decade, the company has successfully changed its image from a scooter manufacturer to all round two wheeler manufacturer. Its product range encompasses scooters and motorcycles. Founded in 1926, at the height of India's movement for independence from the British, the group has an illustrious history.

The integrity, dedication, resourcefulness and determination to succeed are characteristics of the group even today and can be traced back to its birth during those days of relentless devotion to a common cause. Jamnalal Bajaj, founder of the group, was a close confidant and disciple of Mahatma Gandhi. In fact, Gandhiji had adopted him as his son. This close relationship and his deep involvement in the independence movement did not leave Jamnalal Bajaj with much time to spend on his newly launched business venture.

His son, Kamalnayan Bajaj, then 27, took over the reins of business in 1942. He too was close to Gandhiji and it was only after Independence in 1947, that he was able to give his full attention to the business. Its' real growth in numbers has come in the last four years after successful introduction of a few models in the motorcycle segment. The company is headed by Rahul Bajaj who is worth more than US\$1. 5 billion. Bajaj Auto came into existence on November 29, 1945 as M/s Bachraj Trading Corporation Private Limited. It started off by selling imported two and three-wheelers in India.

In 1959, it obtained license from the Government of India to manufacture two and three-wheelers and it went public in 1960. In 1970, it rolled out its 100, 000th vehicle. In 1977, it managed to produce and sell 100, 000 vehicles in a single financial year. In 1985, it started producing at Waluj in Aurangabad. In 1986, it managed to produce and sell 500, 000 vehicles in a single financial year. In 1995, it rolled out its ten millionth vehicles and produced and sold 1 million vehicles in a year. Kamalnayan Bajaj not only consolidated the group, but also diversified into various manufacturing activities.

The present Chairman of the group, Rahul Bajaj, took charge of the business in 1965. Under his leadership, the turnover of the Bajaj Auto the flagship company has gone up from Rs. 72 million to Rs. 46. 16 billion (USD 936 million), its product portfolio expanded and the brand has found a global market. He is one of India's most distinguished business leaders and internationally respected for his business acumen and entrepreneurial spirit.

Page 3 of 23 3 BAJAJ AUTO LTD November 14, 2009 2. 0 PRODUCT PORTFOLIO Product Portfolio Two Wheelers Three Wheelers Entry Level Mid Level Performance

Passenger Carrier Goods Carrier Platina 100cc & 125 cc DTSi Kristal DTSi XCD 135 cc DTSi Discover 100cc & 135 cc DTSi Pulsar 150, 180, 200 & 220 cc DTSi Avenger 200 DTSi RE-2 Stroke 2 Diesel & CNG RE - 4 Stroke Diesel & CNG GC MAX Diesel & CNG In 1972, it introduced Ba Bajaj Chetek. The company formed a joint venture with . Maharashtra Scooters in 1975. Bajaj Auto established Waluj production plant in Aurangabad, in 1985. In the following year, the company entered into the technical tie-up with Kawasaki Heavy Industries, Japan to produce a range of two up Japan two-wheelers in India.

The company signed agreements with Kubota, Japan for the development of diesel engines for three-wheelers, and with Tokyo research and development for un wheelers, ungeared Scooter and moped development, in 1995. In 1999, Bajaj Auto commenced the production at Chakan plant. The company introduced Bajaj Saffire in 2000. In the following year, Bajaj Auto launched Eliminator and Pulsar bikes. Bajaj Auto launched Bajaj Wind 125, Pulsar 150cc and 180cc sports styled bikes, in 2 180cc 2001. In the next year, Bajaj

Auto launched Bajaj CT100 and Bajaj Discover DTS. The company DTS-i. launched Bajaj Discover, Bajaj Avenger DTS i, and Bajaj Wave DTS in 2005. In DTS-i, DTS-i, the following year, it launched Bajaj Platina. Bajaj Auto launched 200 cc Pulsar DT DTSi, and Bajaj Kristal DTS-i in February 2007. Bajaj Auto started a new plant at Pantnagar, Uttarakhand in April 2007. In the following month, the company demerged to form three separate entities: Bajaj Auto (automobiles); Bajaj Holdings and Investment Limited (an investment company); and Bajaj Finserv Limited (wind ited power and financial services company).

Bajaj Auto launched its 'XCD 125 DTS DTS-Si', a 125cc motor bike in September 2007. In May 2008, Bajaj Auto, Renault and Nissan Corporation formed a joint-venture company to develop, produce and market the car ure code-named ULC with wholesale price range starting from \$2500. The joint named joint-venture company would be 50% owned by Bajaj Auto, 25% by Renault and 25% by Nissan, and to construct the plant in Chakan (Maharashtra state) in India with an initial (Maharashtra planned capacity of 400, 000 units per year. In February 2009, Bajaj launched XCD Page 4 of 23  
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BAJAJ AUTO LTD November 14, 2009 135 cc DTSi. Bajaj Auto has a distribution network in 50 countries and presence in India, Sri Lanka, Colombia, Bangladesh, Mexico, Central America, Peru and Egypt. The company has global partnerships with the shipping lines of Maersk Sealand, P&O Nedlloyd and APL. The company's subsidiaries include: Bajaj Auto International Holdings, a 100% Netherlands based subsidiary; and PT Bajaj

Indonesia which assembles and markets Pulsars in Indonesia. 2. 1 Product life cycle of the various products is shown below.

INTRODUCTION STAGE: Products like Discover 100 DTSi and Pulsar 220cc.

GROWTH STAGE: Products like Discover 135 cc have a great potential to

grow and become market leaders in their segment. MATURITY STAGE:

Products like Bajaj Pulsar 150 ; 180cc are at their maturity stage. DECLINE

STAGE: Bikes like Avenger, Platina, Pulsar 200 cc market have ready

substitutes available resulting in lower demand and lower market share. 2. 2

A BCG MATRIX OF VARIOUS PRODUCTS ARE SHOWN BELOW STARS BAJAJ

PULSAR SERIES DISCOVER 100cc COWS DISCOVER 125CC DISCOVER 135CC

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QUESTION MARK XCD 125CC PLATINA 100cc DOGS AVENGER KRYSTAL BAJAJ

AUTO LTD November 14, 2009 3. 0 Key Brands – Top Three in terms of

volume and revenue 1. Bajaj Pulsar 2. RE (3 wheeler) 3. Bajaj Discover 3. 1

Bajaj Pulsar It is a motorcycle brand owned by Bajaj Auto in India. It was

developed by the product engineering division of Bajaj Auto in association

with motorcycle designer Glynn Kerr, Tokyo R; D. Currently there are four

variants available with engine capacities of 150cc, 180cc and two variants

with capacities of 220cc. More than a million units of Pulsar were sold by

November 2005.

Pulsar 200 variant was discontinued in July 2009. With monthly sales of more

than 48, 000 units in June 2009, Pulsar is the leader in the 150 cc + segment

in India with a market share of 43%. The following is the sales data of Pulsar

Brand for the last five months. Month Sales (Units) June 48062 July 49621

August September October 65000 55413 56000 3. 2 RE (3 Wheeler) The

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leading three wheeler manufacturers in India are Bajaj Auto, Mahindra ; Mahindra and the Italy-based Piaggio. In the three wheeler segment, the classification is broadly in terms of carriage and passenger vehicles.

Since the former does have a very limited capacity to carry goods and is not preferred by many, the three wheeler manufacturers are more into the passenger three wheelers. Bajaj Auto has a range of models for passenger three wheelers namely RE 2S, RE 4S, RE 4S CNG, RE 4S LPG, RE Diesel and RE Diesel mega . Page 6 of 23 6 BAJAJ AUTO LTD November 14, 2009 TVS Motor has recently entered the fray with its own model of a three wheeler and with the market recording an impressive 18% CAGR rate over the last fiscal, the three wheeler manufacturers still have plenty to laugh about. 3. . Discover The Bajaj Discover a motorcycle made by Bajaj Auto in Chakan, India, debuted in 2004. This is the second indigenous bike from Bajaj. During mid 2005, the Discover was made a single variant model. It was revamped with new graphics, and other features like sns(spring in spring) suspension, self-start, etc. The Bajaj Discover has been the highest selling 125 cc bike in India since the day of its inception and has proven to be a very popular executive commuter. 135cc model has recently released which features a front disk brake, auto-start and black alloy wheels.

The following are the sales figure for the last two months for Bajaj Discover.

Month	Sales (Units)
September	94000
October	95139

4. 0 Positioning of the top three brands of the company 4. 1 Pulsar Pulsar was launched in direct competition to the Hero Honda's 'CBZ' model in 150 cc plus segment. The campaign bore innovative punch line of " Definitely Male" positioning Pulsar to be a masculine-looking model with an appeal to the performance sensitive

customers. The Pulsar went one step ahead of Hero Honda's 'CBZ' and launched a twin variant of Pulsar with the 180 cc model.

The model was a great success and has already crossed 1 million mark in sales. The Big Idea was to position the bike as World's first bike endowed with a gender. Page 7 of 23 7 BAJAJ AUTO LTD November 14, 2009 Pulsar changed its tagline to " The Fastest Indian" for its 220cc bike. After dumping the " Definitely Male" tagline, Pulsar advertisements never were a thriller. The product qualities made the brand a huge success. The new ad and new tagline gives a remarkable boost to this brand. It is very wise for the brand to own the highest superlative.

Pulsar has owned the " Fastest" superlative, which means another brand cannot be faster than the fastest. This is a powerful positioning strategy adopted by the brand. Pulsar has become synonymous with Bajaj. It single handedly brought Bajaj from a state where it was thought that it would be sold or it was running for family prestige. Pulsar Mania was supposed to be the answer to MTV hero Honda roadies which had become synonymous plus a huge success between the youth. Target Audience Bajaj targeted the 18-24 with Pulsar but later found that the brand appealed to a much older audience.

This helped Bajaj to change its target audience to 21-35 years 4. 2 Discover Pulsar helped Bajaj to establish itself as a serious player in the Indian motorcycle market. Bajaj had failures in establishing its presence in the executive segment where Hero Honda's Splendour rules. Hence Bajaj launched Discover DTSI with Page 8 of 23 8 BAJAJ AUTO LTD November 14, 2009 much fanfare. The brand ambassador was none less than the <https://assignbuster.com/project-on-bajaj-auto-limited/>



legendary Jackie Chan. Things were perfect for a bestseller. But had Discover delivered? Still, No.

This was partly because Bajaj was still struggling with the positioning of its brand. The same mistake was done with Calibre. Bajaj was trying to sell Discover by its looks. But then the new commercial suggested something else. The new commercial with a Harry Potter look alike was well executed but had no marketing significance. What was being communicated to the customer? Just like the Hoodibaba campaign involving cartoon characters which actually killed the product, Discover campaigns was based on fantasy. Positioning has to be realistic and should differentiate the product from its competitors. That is the theory and it works also. So, Bajaj decided that the platform at which Discover is going to be placed is going to be sold as both stylish and performance bike. This bike is the perfect choice for the people with average height as people with more six feet of height may face some difficulty in adjusting their knee position on the tank. Otherwise, this bike offers the great comfort and handling due to its well placed seat and handles. It offers a good mileage of 70-80 kmpl. Therefore it is positioned as a fuel efficient bike.

Also, Bajaj wanted to make this bike for masses, so it launched Discover in different variants of 100cc, 125cc, and 135cc. Next year Bajaj is also planning to launch the Page 9 of 23 9 BAJAJ AUTO LTD November 14, 2009 bike in 150 cc to cater the needs of the power hungry people who can't afford Pulsar. So overall Bajaj is trying to position Discover as a bike for each segment of people. 4. 3 Bajaj Auto (3-Wheeler) Talk of passenger vehicle,

and first thing that comes to mind is Bajaj Auto. It is very popular throughout India, and people use them in quite frequently as daily means of transport.

Bajaj in auto rickshaws, is already the global market leader. In the domestic market of approximately 6 million motorcycles annually. Bajaj Auto launches eco-friendly auto rickshaw the vehicle incorporates the latest Gasoline Technology- the Gasoline Direct Injection (GDI) engine, to achieve substantially lower emissions than even alternative clean fuels like Liquefied Petroleum Gas (LPG) and Combusted Natural Gas (CNG) vehicles.

5. 0 Competitors and the differentiation of each based on positioning

5. 1 Pulsar Key Competitors: • • • • Apache CBZ Hunk Karizma Pulsar is the Flagship brand of Bajaj.

It has been the great success story of modern Bajaj from “ Hamara Bajaj “ to “ Distinctly Ahead “ . The basic differentiation strategy, loaded with the first movers’ advantage, was the technological edge it had over others (Using a patented technology). It mixed performance with killer looks, unlike any of its predecessors was targeted to capture the minds of youth which it did with great success. It was the first bike which took India towards full auto-ignition and power bikes. Every now and then it comes with something new and innovative and no doubt Bajaj bikes have mass appeal as well.

TVS: With its presence in 160 cc and 180 cc market it is the most potent threat to Pulsar, but erratic nature of TVS motors may pull it down in the longer run. Honda / Hero Honda: The real first mover in 150 cc segment, with CBZ has been the traditional rival, has always been there but has never been really able to really challenge pulsars supremacy. It has launched Hunk and Karizma but never lived up

2009 to the expectations because of its steep price as against the brand of Pulsar that has a presence across all the segments (150, 180, 200, 220) ranging from Rs. 5, 000 to Rs. 80, 000. 5. 2 Bajaj Auto Commercial Vehicles: Key Competitors: • Mahindra and Mahindra • Piaggio In the three wheeler segment, the classification is broadly in terms of carriage and passenger vehicles. Since the former does have a very limited capacity to carry goods and is not preferred by many, the three wheeler manufacturers are more into the passenger three wheelers. Bajaj Auto has a range of models for passenger three wheelers namely RE 2S, RE 4S, RE 4S CNG, RE 4S LPG, RE Diesel and RE Diesel Mega while its existing carriage three wheeler is called GC 1000.

It has enjoyed monopoly in this market. In this segment it achieved differentiation on basis of trust and reliability from its competitors; moreover it had a huge first movers' advantage. The basic customers for this product are low end business men. Mahindra ; Mahindra has got the Champion range of three wheelers. There are Champion pick up and Champion delivery vans while the Champion Passenger carrier is mostly seen in the western parts of the country. The Alfa three wheeler carriages of the M; M has a wide and tall cabin, heavy duty gear box, unique designed chassis and hydraulic shock absorbers.

The Italian auto major Piaggio manufactures Ape 50 in association with Bajaj Auto at Pune with a 150cc engine. This three-wheeler has different body forms and matches the specifications of various countries wherever it is produced. TVS Motor has recently entered the fray with its own model of a three wheeler and with the market recording an impressive 18% CAGR rate

over the last fiscal. 5. 3 Discover Key Competitors: • • • • Ambition ( Hero Honda ) Splendor CD Dawn Star City Page 11 of 23 11 BAJAJ AUTO LTD November 14, 2009 The Discovers as of now seems to enjoy a bull run in the market as there is no visible completion from anyone.

It beats its competition on both looks as well as power; in fact it doesn't have any direct completion in 135 cc segment. The target customer for this bike is the middle aged middle class who are looking for a bike with a bit of looks a bit of power, a bit of economy as well as an affordable price. 6. 0 Key marketing communications and the evolution of the same since 1995. Bajaj was the undisputed ruler of the Indian 2-wheeler market . It continued its domination in through the 1980 into mid 1990's. Then the tagline used to be " HAMARA BAJAJ ".

This brand image was employed to instil a patriotic fervour in the minds of the middle classed dominated Indian society. With this campaign they tried to reach the masses, which had dreams and aspirations to become big. " Hamara Bajaj" .... Became a household jingle and Bajaj marched to become the leading two wheeler manufacturer in the absence of any significant completion. During this phase Bajaj had a monopoly over the scooter market with its flagship brand Chetak. But by the beginning of 1990 things started to change; new players were entering the market in JV with the local entities.

New and advanced technology was now available. Honda aligned with Kinetic and Hero group of Munjals while Suzuki partnered with TVS. Hamara Bajaj was facing the brunt without any partners and new technology to harbour them. They were continuously focusing on continuous reduction of production cost, thus overlooking the threat of new entrants consequently

their market share kept on declining. Page 12 of 23 12 BAJAJ AUTO LTD November 14, 2009 Declining market Share of Bajaj The biggest problem faced by the Bajaj was that it was losing the scooter market. People were no longer interested in scooters as the market was loaded with many new models and variants. Honda was gaining momentum in the Indian market. By 1998 Bajaj was looking right down the barrel. They were facing a tough choice “ To replace a legend is never easy. To replace a legend when the legacy needs a major overhaul is even more difficult“, but desperate situations call for desperate measures, Bajaj auto decided to go big time into motorcycles and do away with its flagship brand of Chetak. During this passage they launched several products • • • • • Boxer Caliber Wind 115 Saffair Legend Page 13 of 23 13 BAJAJ AUTO LTD

November 14, 2009 But somehow they all failed to capture the target market. Ever since losing its leadership position, Bajaj Auto Limited (BAL) was trying out new strategies including use of new technology and new marketingcommunicationcampaigns. For instance, in the early 2000s it started focusing more on the motorcycle market with new product launches, complemented by new communication campaigns to inject vibrancy into the Bajaj brand. The ad spots launched in late 2001 showed 'slice of life' situations of " new age “ India. . Porter’s 5 Forces for Bajaj during 1990’s

By now Bajaj had come a long way from Hamara Baja to its latest message, trying to capture the new India, the young India, the fast paced India, and The ever changing India. With this intention Bajaj made a last effort re-launch itself, repositioning the Hamara Bajaj in the minds of the young vibrant India. Page 14 of 23 14 BAJAJ AUTO LTD November 14, 2009 But it

failed to gel in the market. The Bajaj was dying. Its JV with Kawasaki was falling apart and the killer blow came from Hero Honda CBZ in 1999. First time in its lifetime the market share of Bajaj went below 40%.

The Change in the Brand message of Bajaj From Hamara Bajaj they transformed to Inspiring Confidence, thus trying to emphasize on the fact they are such an old name in the market and their name inspires confidence. But unfortunately this did not work for them and within two years they again changed their tagline to Distinctly Ahead. This time around they emphasized on the fact that they had better technology than anybody else in the market. And it worked. For that they went for a complete overhaul. Page 15 of 23 15

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Bajaj logo : Brand transformation They underwent a complete change in the brand image; they changed their logo, which was done in 2004. The reason behind Bajaj changing its logo was that people used to associate Bajaj with its old image of “ Hamara Bajaj” and carrying that image Bajaj was not able to communicate its message that effectively to the youth who is its major target customer now as the market for the scooters is almost over and 80% of the 2-wheeler market is covered by bikes. The new logo flying B as it has been named represents style and technology.

It connotes speed and open for denotes transparency. Today Bajaj is known with “ Distinctively Ahead “. The recent ad campaigns for Bajaj are associated with stunts and modern gizmos. The concept of Definitely Male was well accepted by the people and Bajaj came out with some astonishing ads. Though the DTSi technology was new, people accepted it very well. It easily conveyed the message it wanted to. The following picture strips

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conveys the advertisement: Getting on to his bike, a man gets all set to make a move. As he puts his helmet on, a message appears on the windshield,

While the biker cruises through the city, some army men are out for their jog. Just before they cross a road, a zebra crossing forms ahead them and disappears after them, while the biker waits patiently. Page 16 of 23 16 BAJAJ AUTO LTD November 14, 2009 A young lady talks to her beau on the phone, while an image of his forms before her. She switches the phone off and the image disappears, in time for her to catch a glimpse of the bike. Riding on, he spots a child playing with a remote controlled toy. In the next shot the toy turns out to be a roller coaster, with children inside enjoying the ride.

On arriving home, the biker is greeted by a As he takes off his helmet everything turns robotic dog. back to it's usual self. MVO: " Imagine a world as advanced as the new Pulsar DTSi... After these ads were successful, Bajaj came out with a second ad wherein a man is shown performing various stunts on his DTSi Pulsar. Even this one was an outstanding one. . The Latest Pulsar Campaign Page 17 of 23 17 BAJAJ AUTO LTD November 14, 2009 DTSi came out to be a good one with proper publicity advertisements and that too without any highly paid brand ambassadors.

Unlike its rivals who have highly paid actors or cricket stars as their brand ambassador. 7. 0 The Future Although the avalanche of motorcycles offered Indian consumers a wide variety of models to choose from, it also resulted in increased pressure on the companies to concentrate on cost-cuts, technology enhancements, upgrades and styling. Their margins came under pressure as marketing costs escalated. The companies were forced to reduce prices and offer discounts to survive the competition. Moreover, analysts

were skeptical about the segment's ability to maintain the growth rate in the years to come.

One of the major assumptions underlying the motorcycles rush was that if the market was considerably large and was growing at a constant pace, there was room for a profitable existence for all brands. In 2001, there were over 30 motorcycle brands in the market. However, with the top five brands accounting for more than 60% of the market, only 40% of the market was available for all other new brands put together. Despite the launch of more vehicles, the survival prospects of many of the individual brands were deemed to be rather bleak. Page 18 of 23 18 BAJAJ AUTO LTD November 14, 2009 SWOT Analysis for Bajaj Auto

Further, the growth in the motorcycle segment was dependant on continuing favorable market conditions. Analysts claimed that to sustain this growth rate, the segment would have to completely cannibalize the market for scooters and a considerable part of the market for scooterettes and mopeds. Considering the fast growing scooters segment, with high demand from female customers, followed by the moderately growing moped segment and the restructuring in the scooter segment with major national and foreign players reinforcing their presence, it was unlikely that the entire growth in the two-wheeler sector would be due to motorcycles.

Analysts also commented that as the two-wheeler industry had grown steadily for eight years, stages in the product life cycle would apply to the field sooner, rather than later and the decline stage would invariably come some day. There was little differentiation between the brands being launched apart from styling as most companies had introduced their four-

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stroke vehicles. Focus on High Margin Products: Around 50% of the two-wheeler consumers buy high quality products (products of executive and premium segment motorcycles). Margins on these products are higher. Page

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November 14, 2009 BAL should adopt a deliberate strategy of focusing on executive and premium segment motorcycles and three-wheelers, and a couple of brands on lower-end of motorcycles (to grab the market share) and scooters segment. High margin products - Pulsar, Discover, Three-wheelers, Avenger. Low margin products - Platina, Scooters, Mopeds. Second Hand Market: Second hand market in 2-wheeler is one of the most un-tapped market without any competitor. BAL must try and establish a unit dealing with the sales of Second Hand Vehicle something on the lines of Maruti True value and Mahindra First.

Car Market: With the launch of the low budget car it can capitalize this market as there are not many players in this market and they already have the network and the knowhow of the elements of the local market as well as the technology (from its foreign partners). 7. 1 Recommendations: Below are the recommendations: • Company should keep focusing on the fast growing motorcycle segment. • In view of the new threat posed by Honda Motors in the scooter segment, the company needs to review its products line-up and launch new products to cater the changed demand. The company needs to take a look at its ungeared scooter offerings and need to adapt to the latest trends(compete with models like Honda Activa) • The company needs to tap the export market more efficiently as there is a huge potential to make India as the world's two-wheelers production base. For this, it needs to look for

joint ventures abroad. • Look to expand their base outside further. It already has a strong presence in Africa and other South Asian Countries. • It needs to target the young age group more effectively as this group is extremely trend savvy.

The advertising should have a fresh look and the product should live up to the Gen-X's expectations • Focus on Easy Credit Lending - In the present economical crisis, Bajaj can utilize its subsidiary, Bajaj insurance in coming up with schemes that will help consumers buy two wheelers on friendly terms. • BAL needs to scale up its service centers both in numbers and in capacity. Keeping in line with its growth target for the next 5 years, its service centers should not only cater to two wheelers but should also be upgraded to cater to the needs of four wheelers that Bajaj plans to launch.

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