

# Marketing examples evaluation 9507

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



## Finding the Good and the Bad in Marketing

In these two real world marketing examples, I have chosen Nepal Thai Food Products (P) Ltd., the manufacturer of Wai Wai instant noodles, as a company that is doing a very good job at marketing. This company is marketing its “ Wai Wai” brand of instant noodles in Nepal from 1985.

Another company that I have chosen as a bad example at marketing is Hansophone Electric & Electronics. This company is marketing Hansophone brand of EPABX systems in Nepal.

While choosing these companies as a good and as a bad example at marketing, the following points that are visible to the observers of the companies’ marketing activities are taken into consideration.

- Environmental scanning which provides information about social, economic, competitive, technological and regulatory forces that affect the marketing of their products and
- Marketing efforts of the companies and different tools used by these companies while marketing their products
- Market-product strategy

## Wai Wai - a Good Marketing Example

### Instant Noodles production in Nepal

Gandaki Noodles (P) Ltd was the first company to introduce “ Rara” brand of instant noodles in Nepalese market. It started its production in 1980 at its plant in Pokhara with Japanese technology. Since it was the first company to

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market Nepalese brand of instant noodles, it was very successful in introducing instant noodles to Nepalese consumers.

Nepal Thai Food Products (P) Ltd.

Until 1985, there were two brands of instant noodles in Nepalese market – “ Rara” – a Nepalese product and “ Maggi” – a product imported from India. Both the noodles had to be either souped in boiling water for few minutes or simmered and garnished before they could be served.

Chaudhary Group, a leading group in industrial and commercial activities in Nepalese business community came to this instant noodles business with the introduction of Wai Wai brand of instant noodles in Nepalese market through its subsidiary – Nepal Thai foods (P) Ltd. The difference between Wai Wai and other brands was that Wai Wai could be served like other brands as well as it could be eaten without any preparation. It was ready to eat right after opening the packet. Another difference was the seasonings. While the Wai Wai had three different seasonings- taste enhancer, onion flavored oil and chilly powder, the other two brand had only one seasoning – the tastemaker.

Before the production of Wai Wai in Nepal, these kinds of noodles were imported mostly from Hong Kong and Thailand. These imported brands were available in limited stores of Kathmandu and only a few consumers were aware of these products.

Environmental Scanning for instant noodles market

From the marketing activities of Wai Wai it seems to me that environmental scanning had been done carefully for this product before its launching into the Nepalese market and it is being done regularly after its launching. If we look back to the period from 1980 to 1985, we can clearly see that Wai Wai marketing team had clearly visualized the following environmental forces driving it to launch the product.

#### Social Forces

- Population shift from rural areas to Kathmandu valley and other urban areas
- Growing number of school going children
- Increase in the number of private schools

#### Economic Forces

- Agro based economy moving towards market based economy
- New job opportunities created by industrialization and increased number of working women

#### Technological Forces

- Introduction of Television broadcasting in Nepal
- Expansion and improvement in telecom services

#### Competitive Forces

- Introduction of instant noodles as a new product to Nepalese consumers

### Regulatory Forces

- Revision in Trade treaty with India which allowed easy access to Indian market
- Government transforming its policy from controlled economy to liberalized economy

Form this environmental scanning Wai Wai marketing team developed the following marketing efforts.

### Wai-Wai Marketing Efforts

#### Identification of needs and wants of the consumer

The food habit of Nepalese people is different from the food habit of the people from western world. Nepalese people take an early lunch at about 8-9am and in the afternoon, they take light food called Khaja in Nepali. Due to the change in lifestyle of Nepalese people living in urban areas, they preferred easy to prepare food for their afternoon Khaja. Parents of school going children were in search of an alternative Khaja for their children. At the same time, the number of people working in the government and private sector organizations was increasing rapidly. They also need something different to eat in their afternoon Khaja.

Chaudhary Group had correctly identified these needs of the consumers. To fulfill these needs and wants, it decided to market Wai Wai brand of instant

noodles in technical collaboration with a Thai company – Thai Preserved Food Factory Ltd., which was marketing Wai Wai in Thailand.

### Selection of Target Market

The target market for Wai Wai during 1985-1990 was the children and teenagers. This can be seen from their advertisement in different media during that period. This target market was localized to Kathmandu valley and other cities on Nepal. This may be one of the reasons of establishing its production plant in Kathmandu valley.

### Marketing Mix Elements

**Product:** When Wai Wai was launched in 1985, it was different from other brands available in the market. Unlike other brands, it was pre-cooked and was ready to eat food. At the same time, it had three different seasonings whereas other brands had only one seasoning. Consumers could eat Wai Wai right after opening the pack.

**Price:** Though Wai Wai had two distinct advantages over its competitors. Consumers had to pay the same price for all brands.

**Promotion:** Active promotional activities have been carried out regularly right after the launching of the product. These include the advertisement in different media, free coupons, gift coupons, candy inside the pack and right now a weekly draw carrying various prizes and a bumper draw carrying a car as a first prize.

Place: The product was targeted for the children and teenagers of the Kathmandu valley and other cities of Nepal. Chaudhary Group's already established strong network of distributors and wholesalers managed to supply the product to almost every retail shops of the targeted area.

### Market – Product Strategy

#### Market Penetration

When Wai Wai was launched in the market, it had only two competitors. Now there are more than half a dozen companies offering similar product to the consumer. Even with these companies competing with Wai Wai, it is able to increase sales in its market through effective distribution, better advertising and offering the product at competitive price.

#### Market Development

Wai Wai has taken advantages of government's trade treaty with India that allowed easy access to Indian market for Nepalese products. Now it has successfully marketed its product to the major Indian cities.

#### Product Development

Recently Chaudhary Group has introduced a new brand of instant noodles with a new brand name called Mimi. In the packet of Mimi, it is clearly written that it is from the producers of Wai Wai. Since its size is smaller than Wai Wai and is priced less than Wai Wai, consumers have got a choice to buy a product of similar quality at a lower price.

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