

# Plc, bcg matrix, product, services etc of mahindra scorpio

Business



## **Customer Needs, Wants & Demands**

Needs are the basic human requirements. People need air, water, food, clothing and shelter to survive. People also have strong needs for recreation, education and entertainment. These needs become Wants when they are directed to specific objects that might satisfy the need. Wants are shaped by our society. Demands are wants for specific products backed by an ability to pay. Needs are of five types - Stated needs, Real needs, Unstated needs, Delight needs, Secret needs. The SUV, "Mahindra Scorpio" comes under Real needs.

Real need is a need where a customer wants a 4 wheeler whose operating cost, its initial price is low. A customer opts for a Mahindra Scorpio because

- It has a combination of pulling capacity.
- It is a safer vehicle because of its larger and heavier built and some people like a vehicle with broader seat arrangement with proper thy support.
- It has a very good cargo capacity.
- It's an All Terrain Vehicle made for rocky roads and smooth glass like roads for a comfortable journey.
- It has very powerful CRDE Engine with a higher torque full on capacity to drag itself with ease when the throttle is fully pressed.

## **SWOT Analysis of Mahindra Scorpio**

SWOT analysis stands for Strengths, Weaknesses, Opportunities and Threats.

It's a way of monitoring the external and internal marketing environment.

The analysis is as follows- Strengths Analysis :- It has a very low

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maintenance cost with a gracefully tough masculine look. It has an extremely smooth performance in the rural, hilly, city and highway roads. Has a well designed seating arrangement. Excellent performance in case of covering long distance. A very well impressed loyal brand positioning with good numbers of service centers.

**Weakness Analysis:-** It has a very limited International market. There are no airbags for protection  
**Opportunities Analysis:-** Hard work of the R department to innovate some new attractive featured models. Increasing the purchasing power and attraction towards heavy cars of common people. Making the models more fuel efficient models and try to introduce CNG models.  
**Threat Analysis:-** Increasing competition with global players. Increasing fuel prices.

Porter's Generic Strategy Of Mahindra Scorpio

Five forces model of Porter's generic strategy of Mahindra Scorpio is as follows -

**Threat From Buyers -** Mahindra Scorpio is a low and favorable SUV available in the market as in comparison with other car manufacturing companies.

**Threat From Suppliers -** Mahindra is in collaboration with some leading foreign car parts company for delivery of the car parts.

**Threat From Competitors -** There are competitors of Mahindra Scorpio in the market but no one has a SUV at this price range of Mahindra.

**Threat From New Entrants -** There is a threat from the new entrants as Government has approved FDI, so foreign players may come.

Threat From Substitutes - The main substitute of Mahindra Scorpio are the low range luxury cars.

### **BCG Matrix in terms of Mahindra Scorpio**

Here in the BCG matrix the product which has a low market growth rate with low market share showed as Dog, the product which has a low market growth rate with high market share showed as Cash Cow, the product which has a high market growth rate with low market share showed as Question Mark, the product which has a high market growth rate with high market share showed as Dog. The Mahindra Scorpio comes under Star.

### **The Value Delivery Chain In Respect of Mahindra Scorpio**

A value chain is a chain of activities. Products pass through all the activities of the chain in order and at each activity the product gains some value. As the picture shows above first the firm infrastructure is developed. Mahindra and Mahindra was already a giant automobile house when they launched Scorpio. Mahindra Scorpio is being developed at its Nashik plant. The primary value chain activities which are used in Mahindra Scorpio are: Inbound Logistics i. e the receiving and warehousing of raw materials and their distribution to manufacturing. Mahindra's inputs primarily comprise raw materials and purchased components.

Now it's time for assembling the raw material which is called as Operations, makes a car complete. In the next section that is in Outbound Logistics section the car is delivered to the various dealers located across India as their requirement. Now comes the most important part Marketing and Sales portion for which Mahindra has a qualified team and at last it's time for the

after sales services. In maximum urban areas of India Mahindra has a service center.

## **Customer Value & Satisfaction**

Customer satisfaction is the perception of the customer which comes after using the product.

When the customer uses the product he compares between the products actual performance and the assurance provided by the company during the purchase. In case of Mahindra Scorpio, they give the actual stated features and specifications to the customers along with a very good after sales service. It makes people delightful and influensive to purchase Scorpio. Marketing Plan Of Mahindra Scorpio Mahindra being a Indian company always kept in mind the price along with fuel efficiency. Now they targeted the urban areas along with hilly roads and promoted for that with the help of the brand name Mahindra.

The distribution network of Mahindra was too much strong with distributors available across India and service centers followed by it. The car first launched in the metro cities and then entered in the smaller cities as per the awareness and promotion goes on.

## **The Marketing Environment Of Mahindra Scorpio**

Marketing environment consists of the two parts one is internal environment and another is external environment.

Micro Environment :- The micro environment consists of the attributes such as -

- The company that includes all the departments,
- Suppliers, Marketing intermediaries,
- Customer markets,
- Competitors
- Publics

Macro Environment:- The Macro environment consists of

- Demographic,
- Cultural forces,
- Economics,
- Natural,
- Technological,
- Political

The micro environment is the environment which is related to the company's internal matters as the company. Here if we check Mahindra Scorpio we can see that it has strong company profile along with that a well design supply chain and suppliers from all around. Along with this company profile the mahindra still has its compititors in the market such as Toyota, Honda who also has SUV.

And now the attribute is Publics or the customers who actually buy the car and uses it. The Macro environment is the external environment. Here we can see that the Demographic stands for the classification in terms of age and income. The Scorpio is mainly used by middle aged persons with a higher income than middle income group. Now the cultural forces which actually not affects Scorpio. Scorpio overcame the Natural obstacles and

launched a product which is as preferred as on the hilly roads also preferred in the normal highways for a long drive. Market Research

Market research often refers to either primary or secondary research. Secondary research involves a company using information compiled from various sources, which is about a new or existing product. Primary market research involves qualitative research as well as field tests or observations conducted for or tailored specifically to that product. Primary research, which is also called field research or original research, is useful for findings new information and getting customer's views on products. Now as we defined in earlier we did it in terms of Scorpio.

Having defined the competitive framework, the next task undertaken was that of analyzing the consumer. Consumer segments of B and C category car buyers were analyzed in terms of their expectations from a car, their perceptions about cars and their relationship. Proprietary techniques of research, of the advertising agency InterfaceCommunication, like Mind & Mood, ICON and VIP were used to understand this consumer.

## **Segmentation, Targeting & positioning**

### **Segmentation**

A market segment consists of a group of customers who share a similar set of needs and wants.

There are four different dimensions used to describe a product's market segmentation. These four things are

- Demographic
- Behavioral

- Psychographic
- Geographic

The Demographic segmentation includes

- Adults
- Male & Female
- Mostly middle aged people
- Mostly higher income group

Behavioral segmentation is the most powerful approach because it uses

- Actual consumer behavior
- Product usage to make distinctions among market segments.

Behavioral segmentation consists of some decision role attributes like Initiator, Influencer, Decider, Buyer & User. Initiator buys it in his own decision.

Influencer influences people to buy the product such as a person using Mahindra Scorpio will influence other people to their near and dear ones to buy it. The decider here could be someone who is the head of the family and decides for his family to buy it. Behavioral Variable consists of Occasions, Benefits, User Status, Usage Rate, Buyer - Readiness, Loyalty Status, Attitude. Mahindra Scorpio is a car which can be used in all the occasions from family programs to daily life. A user uses it very frequently. In Geographic Segmentation we can say that it is good on the hilly roads as well as on the highways for a long drive.



For the Psychographic segmentation the higher class is commonly purchased among people who have a family, since it's a SUV. Reasons for its use are Safety. By being a SUV it gives you a certain status among society. By being a SUV it gives you a certain status among society.

### **Targeting**

M&M strategized to target a wider target audience, beyond UV customers - C class and B class, but would cut across rural and urban customers. It wanted to avoid the taxi trap that Indica and Qualis had fallen to it and did not offer color of white. Targeting was for those who wanted a lifestyle product that assured style, performance and ruggedness.

The ruggedness appeal came from the parent brand itself. Class was more of the growing upper middle class.

### **Positioning**

M&M built an innovative positioning around the theme of an SUV with a 'car plus' package. The positioning communicated that the vehicle was better than competition in terms of any of these cars and is a better buy in terms of money. The commercials intentionally used foreign models to give an international look and feel to the product, there was a deliberate emphasis on the aspirational and world-class orientation of the Scorpio.

It adopted a bold " 'car plus' approach that because it was a totally new frame of reference that was being created. The primary focus was on the lifestyle - a carefree, successful and bold attitude depicted by cruising on international highways. Mahindra purposely wanted to break way from its brand of ruggedness. The 'nothing else will do' was another play on the excellence that was attempting to be pushed. Advertising was strongly  
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reinforced with below the line marketing - sponsoring events and strong test drive marketing.