

**PGDM IB, 2019-21**  
**International Brand Management**  
**Subject Code IB - 533**  
**Trimester – V, End-Term Examination: December 2020**

Time allowed: 2 Hrs 30 Min  
Max Marks: 50

Roll No: \_\_\_\_\_

**Instruction:** Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

<b>Sections</b>	<b>No. of Questions to attempt</b>	<b>Marks</b>	<b>Total Marks</b>
A	Attempt any one choice in each of the question. Each Question Carries 10 Marks.	3*10	30
B	Compulsory Case Study. Answer all Questions. Each Question Carries 4 Marks.	5*4	20
			<b>50</b>

**SECTION A**

**1a. Explain with the help of examples, how 'Positioning of your brand' is a key determinant of your Business Strategy.**

Or

**1b. What makes leading brands better is the 'PATH' they travel in the human minds. Explain with the help of examples.**

**2a. With reference to the Tiger Beer Case Study discussed in class; Discuss and explain the evolving brand positioning of Tiger Beer from its inception to its latest 'Uncage' Campaign.**

Or

**2b. Define the concept of Positioning; and with the help of examples, explain the various Power Positioning Strategies adopted by brands along with their inherent advantages and limitations.**

**3a. From USD 5 Billion in brand valuation in the year 2000 to USD 62 Billion in the year 2020, Samsung has come a long way as a consumer electronics brand. (Samsung is ranked #5 in the Top 100 Global Brands List by Interbrand for the year 2020).**

**With reference to the Samsung Case Study discussed in class, Discuss the key success factors leading to the phenomenal rise of brand Samsung.**

**(Note - Revenues for Samsung rose from USD 119 Billion in 2009 to USD 218 Billion in 2018)**

**Or**

**3b. As disruption replaces normalcy & uncertainty fuels fear, discuss the role of a Brand in an increasingly anxious world going forward.**

## **Section B**

### **Case Study | Del Monte India**

- 1. Why did Del Monte use Zingo & Twango as the face of their first TVC in India and not Tomato Ketchup which was their main product at that time?**
- 2. Discuss & elaborate the significance of Del Monte Tomato Ketchup Sachets in building brand Del Monte in India.**
- 3. Build the Brand Value Pyramid for Del Monte in India.**
- 4. How should brand Del Monte position itself going forward?**
- 5. Given the disruption brought about by the ongoing Pandemic, what challenges and/or opportunities do you see for brand Del Monte in India.**

## Building Brand through B2B Route – Del Monte in India

It was 25 September 2008, a very important day for Yogesh Bellani, CEO, FieldFresh Foods, India. On this day he was addressing the press conference to announce the Joint Venture of FieldFresh and Del Monte Pacific Ltd. One of the journalists asked Yogesh

*“Who is going to buy your products? Del Monte might be a legendary pedigree brand in US and Europe but awareness about the brand in India is negligible. Will you be able to fight against already existing well established players in Indian market”*

Yogesh knew that what the journalist mentioned was correct, he met many people in the initial phase of launch of Del Monte in India and they were not even able to pronounce the name of the brand properly. The challenge before Yogesh was to build the Del Monte brand in India where the market was dominated by brands like ‘Maggi’ of Nestle and ‘Kissan’ of HUL.

Del Monte, primarily known for selling packaged fruits, juices and tomato sauces decided to initially launch canned fruits (pineapple & fruit cocktails) and juices in India. The decision was taken keeping in mind the expertise of Del Monte in canned products and their popularity in other markets like US, Philippines and Europe. At that time in Delhi, canned fruits market was dominated by a local manufacturing firm Golden Crown.

### Initial Challenges

Yogesh knew that in order to establish brand in India, he would first have to work on creating brand awareness, subsequently followed by favourable brand image. Yogesh decided to launch one of Del Monte’s best known product - Canned pineapple - in Indian market which was to be imported from Philippines.

Creating brand awareness and building retail market required huge advertising and promotion budget so Yogesh thought of initially targeting food services like bakeries and Chefs who manufactured cakes & pastries. This was the beginning of Del Monte’s journey into B2B sector.

Yogesh, in order to create awareness about the product, organized a distributors’ and Chef’s conference, few days after the first press conference, in Delhi. Distributors in the conference asked Yogesh, “Why would anyone buy your product?”

He went ahead explaining the differentiating factors of Del Monte. The pain point for many distributors in India was that, there was no consistency in supply of pineapple as fresh pineapple in India was available only for limited time period and for rest of the year it was required to be imported. The other pain point was that in most of the cases pineapples that were mostly imported from trading hubs of Singapore and Dubai were of inferior and/or inconsistent quality with fluctuating prices, depending on availability of supplies.

The next challenge was distribution. Yogesh slowly started appointing channel members. Channel members also faced difficulty, as the product portfolio of Del Monte was still small and it was difficult for the distributors to generate a viable ROI.

## **Initial Success in B2B Segment**

Another product that Del Monte launched in India in 2009 was canned fruit juice. The Indian market at that time was dominated by Tetra pack and PET bottles. The canned packaging was higher in price in comparison to Tetra pack and PET bottles. Yogesh was in a dilemma whether to launch canned product or a Tetra pack. Ultimately, Del Monte decided to launch canned juices in India because they had been successful with this product in markets of US, Philippines and Europe and it was felt to be a more differentiated product viz a viz the existing competition due to its aspirational & trendy packaging and higher fruit juice content along with fruit bits.

Yogesh also had to find the target segment for canned juices. The segment that appeared promising to him was the aspirational group, having higher income and who see value in the Can. Canned juices were positioned by the company on its 'sleekness', 'taste' and 'coolness'. This was the time when Red Bull, Pepsi and Coke had also launched the canned soft drinks and they were also targeting the aspirational group. Yogesh knew that this offering would be a better fit for 'out of home' consumption and it will also sell from places where people are 'on the move' like transport channels like Airports, Low Cost Airlines, Trains, Bus Stands, Schools, offices or college canteens.

Del Monte started looking at 'out of home' market and 'on the go' market and the first breakthrough happened with Coffee Café Day (CCD) followed by Indigo Airlines.

## **Building Brand through B2B Route**

Yogesh knew that it will not be possible to do Above the Line (ATL) marketing and spend heavily on mass media, as till that time the brand had limited distribution in the market, and it would have been very expensive to do ATL promotion for the brand with limited or no distribution/availability.

Yogesh then looked at big fast food chains like Dominos who he knew will value its products and have scale. In early 2010, Yogesh went to meet Domino's CEO, Ajay Kaul to find out as to where can Del Monte add value to Domino's. Ajay's team mentioned that they were struggling with the pizza sauce and if Del Monte can do it as per international standards then this will pave path for Del Monte's entry into Dominos. He went back, discussed it with his team and within a period of four months this product was ready and subsequently they started selling it to Dominos.

Yogesh also started to talk to other customers like Subway, KFC, Mcdonald's and Pizza Hut.

According to Yogesh, the supplies that Del Monte made to Quick Service Restaurants (QSR's) in India in the year 2017-18 were more than INR 1,000 million. This was done to only six QSR's – Domino's Subway, KFC, Burger King, McDonald's and Pizza Hut. For these six customers all the other suppliers were in North India, it was only Del Monte that had its plant in South. This

turned out to be very advantageous for the company and it was due to this competitive advantage that Del Monte got entry into McDonald's.

### **From B2B Market to B2C Market**

By now through B2B channel, brand Del Monte was positioned as a great tasting & good quality, heritage brand with international pedigree and consumers started to see its Tomato Ketchup sachets and canned juices more frequently. While in the retail market, Del Monte was now known for its Tomato Ketchup, largely selling through Modern Trade Outlets and large stand-alone general trade stores in the main Metros, the real differentiation in B2C category came when Del Monte launched two sauces namely 'Twango' and 'Zingo' in April 2010 with a TVC featuring Shefali Chaya and directed by Shoojit Sarkar. Zingo & Twango were developed as great tasting dipping sauces, an ideal accompaniment to Indian & International Snacks and the TVC won critical acclaim and many awards.

As customers started demanding the sauces, Del Monte soon realized that they were not fully equipped with distribution network to cater to mass market. Manufacturing capacity also became a problem as the outsourced plant at Meerut which was manufacturing for Del Monte was also not ready to cope up with the demand. As a result of the media campaign lot of people started looking for the product and it was not there. It was at that time Yogesh realized that it was ahead of times for Del Monte to be on TV with its limited physical presence in the market.

Meanwhile, Tomato Ketchup Sachets through B2B route had become the calling card for Del Monte and the company was known through its ketchup. Also as the business of Del Monte with KFC, McDonald's, Domino's and Subway increased, because of their high reach, the sachet of Del Monte started going out to more & more consumers who could now experience the product.

The next phase was to build the consumer brand through modern trade route.

### **Success of Del Monte' Mayo in Indian Market**

With the commissioning of their manufacturing plant in Hosur in 2011, Del Monte decided to manufacture Mayonnaise in 2012. The problem with Mayonnaise was that it had a very short shelf life and was sensitive to heat. Till now Del Monte in India had only done long shelf life products. Along with supreme quality, another differentiating factor for Del Monte's Mayonnaise was that it was eggless. According to Yogesh, currently (2018) it is one of the biggest stock keeping units (SKU) of Del Monte.

Since the consumers were looking for value, so Yogesh decided to launch a big 900 gram pack. The challenge was till then neither Del Monte was market leader in retail sales nor had the consumer tried their smaller packs but Yogesh still went ahead with this idea because he knew that this had a clear value proposition – a great quality product, great value and a differentiated spout packaging. The 900gms spout pouch became the single biggest SKU in Modern Trade in the first year itself pushing the market leader to follow Del Monte in the category with a similar offering 18 months later!

## **Building Brand through Extensive Distribution**

The challenge that Yogesh undertook in last couple of year was to grow the business and build the brand through extensive distribution. The company is also distributing its products through indirect distribution networks. For this Del Monte follows super stockist model. Yogesh while talking about opportunities in retail market mentions

*If we see the average revenue for a FMCG company then around 20 -25 percent business comes through wholesale business. Del Monte has just moved into this wholesale business, which means there are still lot of opportunities for growth.*

## **Way forward – Brand Repositioning for Growth**

Looking forward Yogesh understands that most of their products are aligned to health and wellness. Del Monte juices are either 100 percent or have very high fruit content, packaged fruits like Prunes, Blueberries, Cranberries are a rich source of anti-oxidants and fibres. Olive Oil intrinsically is a healthy oil. Del Monte manufactures Pasta from 100 percent durum wheat, which is the highest quality of wheat and also makes whole wheat pasta which is one step ahead in terms of nutritional value. The only thing, which Yogesh realizes, is that Del Monte has not positioned itself as a health and wellness brand. He realizes that from a brand perspective along with great Taste & Quality, international pedigree, health & wellness can add good texture to the imagery of brand Del Monte.

The challenges for Yogesh for last couple of years have been on improving profitability and to scale up sales.