Case Analysis I

Suresh Paul Antony
Associate Professor
Indian Institute of Management, Tiruchirappalli
e-mail: spa@iimtrichy.ac.in

“The aim of marketing is to know and understand the customer so well that the product or service fits him and sells itself.” — Peter F. Drucker

Hari Panda is in a dilemma as he contemplates the strategic direction for Mortein Vaps. Reckitt Benckiser (RB) has plans to roll out a three-pronged strategy – reformulate by doubling the active ingredient to 1.6 percent TFT, make changes in the packaging, and focus on promotion efforts. Hari’s anxiety is palpable as he reflects on the proposed strategy.

Can and should Mortein’s association with ‘power’ be transferred to Vaps? Shall Mortein be content with being the No. 3 in the vaporizer market? What should RB do to make the communication more effective? How does the target group perceive the brand? Are the brand perceptions favourable? Should Mortein plod along with its negative motivational appeal? Is there an opportunity to make the target group more involved with the purchase? Is the proposed strategic shift in alignment with the current brand perceptions? Or should Hari instead take the road less travelled?

The Past

Launched as a coil in 1993, Mortein soon established itself as the market leader. Efficacy and power delivered by its active ingredient were the key differentiators. However, the leader was not able to defend its share. RB trained its energies on the coil product market and failed to focus on the underlying generic need. If RB had instead focused on continuous innovation to meet the generic need, it may have retained its leadership position. But that was not to be!

Post-2000, challengers like Good Knight and Maxo set shop. The failure of Mortein’s triple coil and its subsequent withdrawal in 2002 did not help. Mortein signalled its

strategic intent in 2004, when it re-launched its Vaps with new packaging, machine, and media plans. The proposal Hari is now evaluating would be the second such make-over for the brand.

The Vaporizer Market

The vaporizer product market was growing faster than the rest of the repellent market. The vaporizer had advantages relative to other repellent forms. Its benefits of safety and convenience were not complex enough to understand and were easily communicable. And a vast majority of users found economy-in-use.

The vaporizer product market was dominated by three players who amongst themselves controlled nearly all of the market. The trio – all of them serious players – did not appear to be resource-constrained. The category would continue to witness intense segment rivalry. And it appears to be increasingly difficult to find uncontested market spaces. The vaporizer is a convenience product which finds a place in the monthly grocery list. And all the current offerings are line extensions.

The Opportunity

In the next four decades, India will add about 200 million to its elderly population and about half a billion to its total population. With increasing urbanization, the problem of vector borne diseases is bound to increase. Increasing levels of awareness about diseases and health consciousness augur well for this category. While the lack of assured sources of electricity could hamper the adoption of electric-based repellents, rural India may become less electricity deficient in the years to come. With economic development, disposable incomes have risen across the country though there are concerns that the development has been lop-sided. The penetration of repellents has been very low even in urban areas: 16 percent in urban vs. 7 percent in rural and 23 percent in metro areas; only considering the population of the four metros at over 66 million, the untapped opportunity could be huge. Although the case does not discuss the environmental forces, these extraneous facts are worth considering.

Consumer Insights

It is likely that the level of customer engagement varies from high to low involvement and across the three major brands as well; this aspect needs to be studied more closely. RB could invest resources to understand the user environment more vividly, describe customer needs, identify attributes that could be critical or attributes that may delight the target group, operationalize the customer requirements, and finally compare how well Mortein Vaps performs vis-à-vis the competition. For instance, the negative association of irritation needs to be studied more diligently. Is smell associated with irritation? And is the increased fragrance proposed in the new formulation intended to hide the irritation? Is there latitude to build significant differences among the brands by increasing search costs? Do customers in the target group use peripheral cues like the ‘jumping frog’ to process information about the brands? Is it worthwhile to reinforce the existing brand association with ‘7x power’ and leverage it? Would more or less power add value to brand Mortein?

Positioning

All Out, the pioneer-leader in the vaporizer product market, has clearly occupied the position as the effective killer of mosquitoes. The hero in its marketing communications the ‘jumping frog’ conveys the message with humour. Mortein, on the other hand, has a misplaced focus on Louie, the mosquito that is ultimately vanquished. The All Out ‘killer narrative’ is from the vantage view of the brand whereas the Mortein narrative is from the perspective of Louie, the ‘loser-mosquito’.

RB appears to suffer on two fronts. While some consumers may have too narrow an image (the killer), others may have just a vague idea of the brand; it is just another entry in a loud and crowded marketplace. And Mortein’s killer image is seemingly a poor and timid copy of the leader. Mortein Vaps is the ‘question mark’ in the RB portfolio. Assuming that it should, given the huge untapped opportunity, it could use two routes. The first, expand share by cutting prices; this could be a losing proposition, more so as it does not address the fundamental brand communication dilemma. Alternatively, it could focus its energies to develop new markets; for instance rural markets. Can RB find that technological breakthrough of a product that could work reasonably well in an electricity-deficient ru-

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ral India? The third decision would rest on RB’s ability to identify clear customer benefit segments.

Rewards for the follower typically tend to be poor. RB can choose not to remain a follower. It could challenge the leader, which is high risk but has potentially high-payoffs. And sadly, for Mortein, the leader appears to serve the market well.

Therefore, RB could look at innovation opportunities and a direct flank attack across both geographic and segmental dimensions. The penetration levels are abysmally low and the category is under-developed. Could RB offer rural-specific products? Could RB introduce repellents to serve unmet needs like an electric-based repellent that could do well in electricity-starved areas? Or a repellent for segments like hospitals?

RB needs to obsess itself more with customers, discover unmet needs, and seek to satisfy them. And more importantly, balance competition and customer orientations.

Finally, Mortein could break from its dance with death (mort) and start living life with its target customers.

### Table 1: Evaluation of Competitive Positions

<table>
<thead>
<tr>
<th>Factor</th>
<th>All Out</th>
<th>Good Knight</th>
<th>Mortein</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketer</td>
<td>S C Johnson</td>
<td>Godrej Sara Lee</td>
<td>Reckitt Benckiser</td>
</tr>
<tr>
<td>Market share</td>
<td>50%</td>
<td>34%</td>
<td>12.5%</td>
</tr>
<tr>
<td>Market status</td>
<td>Pioneer and leader</td>
<td>Challenger</td>
<td>‘Reluctant’ follower</td>
</tr>
<tr>
<td>Mascot</td>
<td>Jumping frog – person the winner</td>
<td>Rani Mukherjee and Vidya Balan</td>
<td>Louie, the loser and nameless Mom</td>
</tr>
<tr>
<td>Personality traits</td>
<td>Ruthless and competitive; delivered with humour (animal-like)</td>
<td>Gatekeeper, the Mom in harmony with home; family and emotion (human)</td>
<td>Ruthless and fearful; beware of Mortein</td>
</tr>
<tr>
<td>Customer franchise</td>
<td>Killer ‘Machharon ka Yamraj’ (MMR)</td>
<td>Protector</td>
<td>Killer Mortein</td>
</tr>
<tr>
<td>Core benefit</td>
<td>Death of mosquitoes</td>
<td>Protect happy moments</td>
<td>Death of mosquitoes and end to dangerous diseases</td>
</tr>
<tr>
<td>Communication perspective</td>
<td>Brand’s point-of-view</td>
<td>Housewife’s point-of-view</td>
<td>Mosquito’s point-of-view</td>
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### Case Analysis II

**Hari Panda** had the enviable task of repositioning Mortein vaporizer in the market and taking it upwards from its present market share of 10 percent to 17.5 percent in 2011. This was by no means a piece of cake given that the Mortein brand was a distant No.3 in the market behind S C Johnson’s ‘All-Out’ and Godrej Sara Lee’s ‘Good Knight’ with shares of 50 percent and 34 percent, respectively. Even if the share objectives are met, it would still be a No.3 in the market.

### Mosquito Repellant Market

The heartening aspect of the mosquito repellant market was that the penetration of this category was still very nascent (22.6% in the metros, 16.4% in urban areas, and 6.9% in the rural areas) in a market size of ₹8.25 billion, and therefore, the scope for growth was significant. That is why during 1994-2000, the brand clocked a growth rate of 66 percent. Of the total mosquito repellent market, coils constituted the major sub-category, almost half the market. Mortein Vaporizer, which was relatively a late introduction in the vaporizer category (1999) was the next biggest sub-category, amounting to a fifth of the market and registering the highest growth (70% contribution coming from the urban markets). It was also priced higher...