





# VICKS presents MARVICKS

A Marketing Case Study Competition Indian Institute of Management Lucknow

# **MARVICKS CASE STUDY**

Vicks is a leading brand in the fast moving health goods (FMHG) sector. It has been a trusted brand of cold sufferers for almost 100 years and continues to remain so. It has also been recognized all over the world and is available in more than 66 countries and in all 5 continents.

Vicks entered India in 1952 and has become India's no. 1 cough and cold brand – having been rated India's most trusted brand with an exceptional brand resonance.

Going ahead, the company is planning to design the next generation in-store merchandising model for Vicks which will help the brand in garnering breakthrough visibility and superior consumer demand in store.

### **HISTORY**

The journey of Vicks started in 1890 by pharmacist Lunsford Richardson as Vicks Croup and Pneumonia Salve for babies in Selma, North Carolina. Vicks Croup got rebranded as VapoRub in 1912 by H. Smith Richardson, Lunsford's oldest son. The onset of flu epidemic in 1918 increased the sales of VapoRub in just one year.

In 1985, Vicks was sold to Proctor and Gamble which has since marketed the product as 'The only thing powerful than a mother's touch.' The Vicks' legacy is about more than just cold and flu medicines. It is about giving families the opportunity to continue life even on sick days for more than 100 years. It believes in belongingness and value for money in the form of long lasting relief. Vicks provides fast acting and non-drowsy relief whilst also allowing one to maintain the work-life balance.

### PRODUCT PORTFOLIO

Vicks has been long invested in the science and research of the respiratory diseases and has developed a wide range of therapeutic products that offer effective relief in major symptoms and signs of common cold, flu and sinus pain and pressure. Vicks is the most distributed OTC product in India: Vaporub (1.7 MM stores), VCD (3.2 MM stores).

Vicks has more than 60 products and these products are available in multiple SKUs. In India, the major portfolio comprises of Vicks Action 500+, Vicks Vaporub, Vicks Cough drop, Vicks formula cough syrup, Vicks inhaler, VCDs etc. It is available in various designs like counter top device, VCD jars, ariel device across all the channels.

# **DISTRIBUTION CHANNELS**

Vicks being a mix of need and impulse based category has been present across different traditional and modern channels. It is available via online and offline channels. The major offline channels include modern trade, mini markets, small and large pharmacies and kirana stores. However, 55% of consumption happens through pharmacy stores and the rest is through traditional stores. It has been present across all pharmacy stores.

Vicks has the biggest competitive advantage in traditional stores as compared to other brands like Strepsils, Amrutranjan and Zandu.

# **VISIBILITY ACROSS CHANNELS**

Visual merchandising acts an indirect salesman. It has become a major factor to entice customers to gain an important competitive advantage in the marketplace. It is a significant pull strategy used in today's competitive era and an effective way of adding to the brand value. Visual merchandising communicates with customers through elements that stimulate their senses such as lighting, music, ambience, interaction etc.

Visible distribution is the biggest driver for Vicks as it is a need and impulse driven product. Among all the health care brands, Vicks is the pioneer on in-store visibility. It is widely recognized as the best in-store visibility design across FMCG industry.

Vicks tries to alter the visibility across channels. Three decades earlier, Vicks changed the placement of VCD jars to the counter top. Vicks' current visibility is driven by merchandizers till 50M stores. However, there is no merchandizer capacity planned for rest of the stores.

# **QUESTIONS**

- <u>Shopper Understanding:</u> Customers behave as per the model 'I buy what I see.' How do you think visibility impacts a shopper decision in store?
- <u>Location of Visibility:</u> Location plays an important role to determine a product's success. Which is the best visibility location for Vicks across channels? (Modern Trade, Mini Markets, Pharmacy (Large/Small), Kirana (Large/Small)
- <u>Design of device</u>: Convenience & accessibility are sacrosanct for today's consumer.
   What do you think is the best design of Vicks devices across channels (Counter Top device, Ariel device, VCD jars) which can keep the entire Vicks portfolio?

# **SUBMISSION GUIDELINES**

# **Round 1:** (Online Case Submission)

- Submission deadline for the case is at 2100 hrs, Nov 9, 2018
- A 1-page executive summary or 1 slide presentation has to be submitted. Use of tables, etc. is allowed
- Additional information from online and offline sources can be used to solve your case and is encouraged in order to make your plan more implementable
- Font style to be used is Arial and font size should be 10
- The submission should be a PDF file at <u>dare2compete.com</u>
- Naming convention to be followed: <Team Name>\_<College Name>\_Marvicks\_R1

# **Round 2:** (Online Case Presentation)

- The final presentation will be a Power-point deck (.pdf/.ppt/.pptx)
- The presentation should not be more than 10 slides
- Further details will be informed in due course

# **EVALUATION CRITERIA**

- Exhaustive understanding of the case scenario and context
- Depth of analysis of industry & key challenges Novelty, feasibility and practicality of ideas proposed
- Structure of presentation & clarity of ideas conveyed