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Case 7

Sanjay sat helpless in office after nine months of sweating efforts brainstorming on fall of product and called Nitin his colleagues at MBA to discuss on a newly launched product, a Fire Extinguisher, 'Agni Rakshak', which was denied by target market the institutions and households.

The product was unique containing BCF Methane and this combination was useful to combat any kind of fire.

This product was a brain child of Sanjay, a production engineer and MBA. The idea of producing this product struck to him during his tenure as quality control manager with one of reputed paint manufacturers. He approached manufacturer of industrial fire extinguisher supplier and outsourced production of residential compact fire extinguishers under brand, 'Agni Rakshak'.

The compact plastic cylinder container was quite attractive with cylinder holder which could be fixed anywhere. Priced at Rs. 500/-, refilling facility, capacity to combat any kind of fire made were its features. Launching of product was done with the help of experienced and newly recruited sales executives team consisting four. They targeted initially middle and higher income group in city. Sanjay was handling institutions independently. Launch price was kept Rs. 400/- for one month.

Door to door personal selling approach was used to demonstrate product and book order. Another product 'Cease Fire', a similar product to Agni Rakshak, was available with prime retailers counter, dealing with consumer durables and the product was supported heavily by television advertisements two years back.

Cease fire did well at initial stages and disappeared from market till Agni Rakshak introduced which not have any competition.

Every morning office starts with planning and moreover motivational talk by Sanjay and evenings are tensed and sardonic smile – can't do it ----- why people are not responding is an unanswered question.

Sanjay had decided once to make demonstration calls in elite class of society in city to whom spending Rs. 500/- for anything was nothing.

Sells speech generally starts with few questions and moreover questions receive uniform answers and the discussion goes like-----

Agni Rakshak Sales Representative (ARSE) : Sir do you have gas, electricity, kerosene and other flammables in your home.

Prospect ARSE : Yes we do have.

Prospect ARSE : Majority of time female in your family preferably your spouse, mother work in kitchen and interface these flammables.

Prospect ARSE : Yes

Prospect ARSE : Any time fire can take place

Prospect ARSE : Yes

Prospect ARSE : So do you have anything in your home which would combat the fire

Prospect ARSE : No

Prospect ARSE : Do you feel something should be there and that to which cost less to combat such fire.

Prospect ARSE : Yes one should have something.

Prospect ARSE : Would you spend Rs. 500/- per annum for this cause.

Prospect ARSE : Yes why not (and every one should pay this is actually nothing (many prospects use to quote which is given in bracket)).

Prospect ARSE : Sir, this is , 'Agni Rakshak' solution to combat all household flammables. Shall I book the order sir,

Prospect ARSE : Oh!!!! Nice!!! I would like to have it for my home but not now.

This conversation has taken with many prospects and almost everyone who used to be touch with Sanjay and end up with only assurance to purchase.

One prospect has surprisingly said, 'God is there to take care of my family then why I need Agni Rakshak

Product was placed at few offices preferably in banks and few schools who find Agni Rakshak is of more utility and economical as compare to industrial Fire Extinguisher available in market.

Places in the city were identified which suffered due to fire in previous year and calls were made which yielded nothing.

Discussion of Sanjay and Nitin went on unable to conclude what is going wrong, whether Strategy, a product mix, price, promotion, segmentation and targeting or something else???