

IIMB WORKING PAPER NO.2009-10-294

BOSCH LIMITED-Migrating and Building the Brand

Seema Gupta

Assistant Professor (Marketing)

Indian Institute of Management Bangalore

Ph.No.91-80-26993469/Fax: 91-80-26584050

Email: seemag@iimb.ernet.in/seemagupta2006@gmail.com

&

Molly Chaudhuri

Research Associate

Indian Institute of Management Bangalore



BOSCH Limited

Migrating and Building the Brand

This case has been written by Seema Gupta, Assistant Professor of Marketing and Molly Chaudhuri, Research Associate, both at the Indian Institute of Management Bangalore. The authors are grateful to the management team at BOSCH limited for their help and support in writing the case. This case was developed solely as a basis for class discussion. It is not intended to serve as an endorsement, source of primary data or an illustration of either effective or ineffective management.

© 2008 Indian Institute of Management Bangalore

Bangalore, 1 February, 2008: India's largest auto component supplier, Motor Industries Company Limited (MICO) has been renamed as BOSCH Limited. The shareholders of the company approved the name change at an Extra Ordinary General Meeting held on January 7th 2008. The new name was also approved by the Registrar of Companies, Government of India on 18th January '08. The entire brand folio of the new BOSCH Limited now changes to BOSCH whilst MICO will continue to be used as a brand for automotive aftermarket products.

"It is very positive for our future in India and a clear commitment to this market that all our business activities are now known under the BOSCH name," said Dr. Albert Hieronimus, Chairman, BOSCH Limited.

"Our customers will see the entire value chain of BOSCH in our products and services fully backed by our global know-how network," said Mr. V. K. Viswanathan, the newly appointed Managing Director of BOSCH Limited.

BOSCH had been working towards the migration of name from MICO to BOSCH and building of the BOSCH brand since last three years. It all started with the Project B3 (BOSCH Brand Building) launched in mid 2004 which culminated in the legal name change in Feb 2008.

The campaign is over and a meeting of top management has been called to assess the effectiveness of the campaign and the future direction. Will BOSCH be ever able to achieve the awareness levels and brand equity as that of MICO? To what extent has BOSCH been able to manage the larger issues of changing the corporate identity yet having uniqueness and centrality of brand character? How will the company reconcile the differences in corporate and product identity, when most of the products still carry MICO brand name?

The BOSCH Group

The BOSCH Group is a leading global supplier of consumer goods, automotive, industrial and building technology. 260,000 associates of the group generated sales of 43.7 billion Euros in fiscal 2006. The BOSCH Group comprises 300 subsidiary and regional companies in over 50 countries. BOSCH spends more than three billion euros each year for research and development and in 2006 applied for over 3,000 patents worldwide. The company was set up in Stuttgart, Germany in 1886 by Robert Bosch (1861-1942).

About BOSCH in India¹

In India, BOSCH has its roots dating back to 1922 when it set up a service centre in Kolkata. In 1951, BOSCH began its journey in India, with manufacturing through Motor Industries Company Limited (MICO) and later expanded with three subsidiaries – BOSCH Rexroth India Limited, BOSCH Chassis System India Limited and Robert BOSCH India Limited. It has grown over the years to 11 manufacturing sites and 4 development centers. Today, it is the largest auto component manufacturer in India. Till 2006 the BOSCH Group held 60.5% of the share capital in MICO which was raised to 70% after the brand migration from MICO to BOSCH in 2007. In India, the BOSCH Group has about 18,000 employees, and in the year 2007 achieved total revenue of over Rs. 57,000 million.

Automotive Technology is the largest business segment of BOSCH in India, supplying to the local automotive industry, and exporting components overseas. Its various sub divisions include Diesel Systems, Gasoline Systems, Chassis Brakes, Automotive Accessories, Car multimedia, Starters and Generators, Energy and Body Systems, Electrical Drives, Spark Plugs and Glow Plugs.

The other business divisions are Automation Technology, Packaging Machines, Special Purpose Machines, Power Tools, Security Systems, Engineering and IT services. Additionally, BOSCH also has in India, the largest development centre, outside Germany, for end to end engineering and technology solutions.

Forces of Globalization

Saturation of automobile industry in the western world and increasing pressure to reduce costs has led to gradual shift of the auto component industry towards Asian countries, mainly India and China². India is particularly emerging as the hub of manufacturing of auto components because of its proximity to other Asian countries, availability of skilled engineers and robust domestic demand.

Allowance of 100% FDI in Indian auto industry in 2002 made the industry easily accessible and attractive for the global players. India has only 0.4% of the global auto components trade of US\$ 185 billion. By the year 2025, it is expected that India might be among the top five auto component economies growing at a compound annual growth rate (CAGR) of 28.9 per cent between 2002-03 and 2006-07³.

With the emergence of India as a sourcing destination for auto components for manufacturers across the world, need was felt of a brand name that has global credibility and recognition.

¹ BOSCH Today & BOSCH Magazine 2008

² Global Auto Component Industry: Changing Landscape

³ ibid

“What really breaks the ice is your name. When you say you are from BOSCH it is different because BOSCH in the automotive industry is well known. MICO is also a strong brand, but it is a very local brand. In 2004 a joint decision was taken by German headquarters and Indian subsidiary to change the brand name from MICO to BOSCH,” says Lakshminarayanan, Joint Managing Director, BOSCH Ltd. *“Machineries had BOSCH brand, power tools had BOSCH and security technology had BOSCH. Then we wanted to have BOSCH in automotive sector,”* he adds.

“If we have to export then it is difficult as internationally no one knows what MICO is. We had to streamline the brand such that we could manufacture anywhere and sell anywhere in the world,” says Sanjay Chakravarty, Deputy General Manager, Corporate Communications, BOSCH Ltd.

Brand Equity Research

ICON, a marketing research agency based out of Germany with presence in India was commissioned in Feb 2004 to measure brand equity of MICO and BOSCH.

For B2C segment the results showed that MICO had higher brand awareness as well as attitude. It was also a stronger brand on quality and reliability. BOSCH and MICO differed in their heritage. The aided awareness of BOSCH was higher than for other OEM brands like Champion, Delphi or Denso but clearly lower than for MICO. Car parts in general and specifically spark plugs, were dominating the spontaneous product associations of both brands. People had no clear preferences for any brands, indicating low involvement in the category. While majority of people felt that dual branding of BOSCH and MICO was an advantage for at least one of the brands, more than 1/3 thought that both would benefit.

In B2B segment MICO was perceived to be a unique brand with favourable attitude. MICO was the stronger brand for garages and truck driver segment. MICO was perceived as leader in quality and reliability, had the highest technical standard and was therefore best able to fulfil the requests of the market. Relative strengths of BOSCH were its internationality and the client orientation. MICO was the more competent, successful and modern brand while BOSCH had relative strengths in being fascinating, dynamic and communicative.

The wholesaler segment had a better perception of the quality of BOSCH than the garages and truck driver and considered BOSCH as an important brand for positioning themselves in the marketplace. Nearly 2/3rds were of the opinion that a double branding of BOSCH and MICO was an advantage for at least one of the brands, most often even for both.

Brand Migration Strategy

From ICON research it was clear that MICO is a much more powerful brand than BOSCH, in India. Hence the task of brand migration appeared to be challenging. *“The ambit of the project was not just brand migration but also building the BOSCH brand in the country. Hence the campaign was codenamed Project B3 (BOSCH Brand Building) with the objective of building awareness and image of BOSCH,” says Rajesh Gangwani, Senior Vice President, JWT.*

Select Advertising, Media, PR and Direct marketing agencies were invited to pitch for the campaign. Finally JWT for Creative, Mindshare for Media, Corporate Voice Weber Shandwick for PR and Saatchi & Saatchi for Direct Marketing were selected as agency partners. The fact that JWT is the worldwide agency of BOSCH also went in their favor.

“We identified that MICO has a formidable presence particularly in the rural markets and commands premium over international brands. Even a fake MICO finds many buyers. In such circumstances it is a challenge to go for a foreign brand name. There did not seem to be any positive rub off of BOSCH on MICO rather BOSCH seemed to benefit more from MICO,” says Rajesh. “We saw it as an opportunity to transfer the brand values from MICO to BOSCH and to build a unified brand which combines the strengths of both. But the challenge was to not to lose customers in the process,” he adds.

Planning Creative Campaign

“MICO gave a ‘brief’ in mid 2004, detailing the objectives, the target audience, the mandatories etc which was well thought through. We were taken into confidence that the campaign has to be executed over a period of three years, followed by a legal name change,” confides Rajesh.

“We decided to do legal name change later as it a long process which affects only the banker and statutory bodies, where as campaign affects consumers. Moreover a lot of other alignments need to be done when the business is spread over many group companies and locations,” says Sanjay.

“The MICO brand is so strongly etched in stakeholders’ mind that there was a fear of backlash in case of overnight name change. They were particularly sensitive about how the name change will go with internal audience,” reveals Rajesh.

The objective was to communicate to target audiences that they will not lose anything they are used to expecting from MICO but gain additional benefits from the proven experience of BOSCH.

The Three Phases of Communication

“The branding idea needed phases translatable across multiple target audiences. Initially, a three- phased launch of brand BOSCH was envisaged. The first year (Aug

2004-2005) was 'Power of We'. The second year (2006) was unification of brand imagery 'We are One.' The third year (Jan 2007-Feb 2008) was 'One world, One name - BOSCH.' The 'Power of We' recognizes the respective strengths of MICO and BOSCH and treats them on par. 'We are One' gives us an intermediate state to bridge the journey from dual branding to BOSCH branding," says Rajesh.

"The process of brand building also has to be concurrent with the brand transfer process. We decided to build BOSCH brand independently also. Some products were only BOSCH, for instance batteries whereas some were purely MICO and some had dual branding, and there was also BOSCH imported products in the market," shares Rajesh.

"It was decided that communication should be subtle without giving the hint of impending name change. We wanted simple and not layered messages which could cut across diverse target group (TG) from a farmer to truck driver to sophisticated car owner. Original Equipment Manufacturers (OEM) knew what BOSCH is and hence were the least worry of all audiences. Wholesalers, retailers, mechanics and fleet owners, were the other target audiences," says Rajesh. "Messages were translated in Hindi and regional languages like 'Hum mein hai Dum'," adds the adman.

Target Audiences

"We defined our target audience as employees, customers, opinion makers and media. Customers consisted of OEMs; Wholesalers, Retailers, Workshops, Fleet owners, Logistic companies, Farmers, Truck drivers and Mechanics; Owners of two and four wheelers. Key influencers were Govt. bodies and educational Institutions," shares Sanjay.

"OEMs contribute to 58% of BOSCH sales, followed by 16% each by Aftermarket and Exports. Auto components go inside the vehicle and nobody knows what brand it is. But when these components are purchased as spares, brand name matters. Automotive Aftermarket (AA) division at MICO is responsible for the sale of automotive parts required for servicing of vehicles. It has about 5,000 retail outlets catering to more than 12,000 part numbers in India. One of the key aspects of the Aftermarket division's business, the BOSCH Car Service (BCS) - a concept introduced worldwide, has also been introduced in India. BCS offers comprehensive solutions to car owners for servicing different makes of cars under one roof. Products included are batteries, wiper blades, filter inserts etc. Project B3 is mainly for the Aftermarket," states K. Ravi, Vice President, Automotive Aftermarket, BOSCH Ltd.

"In FMCG advertising, target audience is very closely defined- youth aged 15 to 24 for Levi's, but in case of BOSCH it was very diverse," says Rajesh. "For PR, our primary target audience was media," shares Mellisa, Corporate Voice Weber Shandwick.

Executing the Campaign

Phase I (September 2004- December 2005)

The idea recognized the respective strengths of MICO and BOSCH and valued them at par; was emotive in tonality because it emphasizes values of team spirit and joint ownership; and works at a subliminal level to include all stakeholders in the definition of 'We'.

Project B3 – The Launch

The project was launched on August 23, 2004 in Bangalore to commemorate the visit of Dr Bohr, Chairman of the Automotive Group, Robert BOSCH GmbH. A Media Conference was called to announce an Investment of Rs 10 billion in CRDi in India. This was a strategic move to attract media focus to BOSCH, rather than the brand transfer.

"Asia, and in particular India, will play a significant role in our growth plans," said Dr. Bernd Bohr. "MICO is already a leader in the Indian automotive market. We will introduce new products and technologies from the global portfolio of BOSCH over the next few years to strengthen this position," said Dr. Albert Hieronimus, Managing Director, MICO.

In a kick off meeting with senior executives of MICO, 'The Power of We' message was unveiled by Dr. Bohr. Presentations were made by Dr. Hieronimus and JWT on the communication strategy for Project B3 and an emotive 'Power of We' anthem was launched. Direct Mailers were sent to OEMs by the MD announcing the enhanced role of BOSCH in India.

"BOSCH has certain values that it stands for. The German acronym for BOSCH values is 3S which stands for 'Clean Safe and Economical'. The 'Power of We' theme was combined with Clean, Safe and Economical. The category is a low involvement one for consumers and hence 3S philosophy helps us connect with TG at a value level," discloses Sanjay.

PR Strategy

"PR played a huge role in creating awareness and goodwill about the brand," says Rajesh. "There was lot of synergy between Advertising and PR. MICO has yearly communication workshops where they invite people from different divisions and locations and also agency partners to share and debate the work they have done. This helps in integrating the disparate agencies and gives strategic vision and direction to communications," confides Mellisa.

"MICO had an image of being dominant, public sector type, sturdy, strong, growing but conservative and laid back. Media felt that it was difficult to get access to management of MICO as they were not forthcoming with information when media wanted it," reveals

Mellisa. *"Media knew MICO in bits and pieces for spark plugs and that it was controlled by Germany to some extent but did not know them as world leader. We wanted to make media our advocates, and make them traverse the journey from MICO to BOSCH," she adds.*

"In 2004 we took 12 journalists from leading auto journals and a few key business dailies to a weeklong intensive trip to our headquarters in Germany to give them the glimpse of what BOSCH is. This was a familiarization trip to our plants, R&D facilities to give them a firsthand knowledge of BOSCH technologies. This gave us an opportunity to engage with media on a more frequent basis," explains Mellisa.

"We had to make sure that the media does not come to know about the transition from MICO to BOSCH. It is always easy for media to access information from unconfirmed sources," confides Mellisa. "We did press conference on investment in diesel technology in Bangalore wherein select media from Bombay, Delhi and Chennai flew down to Bangalore. BOSCH has such good equity that senior people like editors and sub editors come for conference. We got media to do the test drive and experience technology inside the vehicle," she adds.

"Our challenge was to communicate but not create a larger than life, flamboyant image of BOSCH. We did not want to have an overnight transition from low key, media unfriendly company to a company wooing the media left, right, and centre," says Mellisa.

"Generally announcements about investments draw a lot of attention. The challenge was to keep relationship with media without giving them the access that they continuously want. European companies are a little more conservative in their PR than American companies," shares Mellisa.

"Another issue was how we spread the word that BOSCH is not just an automotive company, but also has security systems, power tools and packaging machines. We looked for opportunities which may be small but enough to showcase that division. This gave us an opportunity to reach out to non auto media. Some of the business media may not be very auto savvy, but building relationship with them was nevertheless important. For instance, Power tools division launched 'BOSCH VAAHAN' which was a community service initiative in collaboration with banks to provide loans to artisans for buying BOSCH tools. These initiatives provided us good soft stories. Launch of CCTV by BOSCH Security Systems and IXO by Power Tools were other such opportunities," says Mellisa.

"So, in the first year our focus was initially on automotive trade. Towards the latter half of the year, we started opening that pipeline a bit. BOSCH had units in various other locations and we had to touch those locations, as well. So, we did events in Nasik and Jaipur where MICO has plants to connect with local community and got the local media to talk about BOSCH's contribution. Our messages at that point would be BOSCH's employment in the region and BOSCH's contribution to the environment. We also had to

touch base with media in tier II and III cities where aftermarket was prominent, more for goodwill than coverage," says Mellisa.

"A challenge that we faced was that since MICO was still the legal name we had to use MICO in our press releases but at the same time keep highlighting BOSCH so that BOSCH is top of mind," says Mellisa. We did media exchange tours. When we take the Bangalore media to Nashik or Nashik media to Jaipur, it gives them the picture of entire BOSCH," says Mellisa.

Internal Communications

"Employees of MICO were proud of its heritage and technical superiority, but had apprehensions about migration- will I lose my job, will I get less salary, will I be made to do more work and so on. We did not do much as the client was handling the rollout and execution itself, but we suggested themes for posters or framed questions for the lead interviewer in the newsletter. But we had to make sure not to give employees an indication of impending name change," says Mellisa. "There could have been a backlash amongst employees. There were all kinds, one would have said, "Oh if I am in BOSCH, I must get German salaries" and somebody else would say, "I do not want to work with BOSCH, who is BOSCH?" she adds.

BOSCH ran a series of posters featuring employees voicing their experiences with BOSCH. This was combined with 'Power of We.' BOSCH is a melting pot of a diverse set of people with different values and backgrounds. Newsletter (MICO Wheel) kept employees up to date with the developments at BOSCH.

Communicating to OEMs

"We started the brand migration with OEM towards the end of 2004 and successfully completed it in 2005 itself. At the end of 2004, we changed our product designs and drawings from MICO to BOSCH and got approval from customers. After that prototypes and working samples were developed and after approval the final product was manufactured. We also got an approval from Automotive Research Association of India (ARI) which inspected the quality of products under BOSCH brand name and this ensured that our OEM customers did not have to face any difficulties because of name change," says Ninan Philip, D.G.M. Marketing OE Sales Automotive Products.

"New projects like common rail systems, the MPFI systems, anti lock braking systems, ABS were launched under BOSCH. We did a 3 Day workshop on Common Rail System for all OEMs. For important expositions both in India and abroad we sent invitations to OEMs for participation. We organize 'BOSCH Technology Days' at OEMs premises where we showcase latest technology and invite senior people from BOSCH as well as customer. This enables participation from many engineers and technical teams and gives them hands on experience. Then, there is BOSCH Handbook, which is the bible for automotive engineers. It has all the information about automotive industry, product technical essays etc. and is available in CD also," says Ninan.

“BOSCH is very active in diesel systems and is the 100% supplier of fuel injection equipment for commercial vehicles. We pioneered it in 1950s and had a virtual monopoly till 1980’s when Delphi entered the market. We will supply diesel system to Nano which is a challenge as well as a success story for us,” says Ninan. “‘Diesel City’ pavilion was set up at Auto Expo with the objective of attacking existing prejudices and developing a diesel-friendly atmosphere in the target group. The objective was also to put BOSCH as the number one and reliable partner in all Diesel systems and promote more favorable legislation for Diesel by positioning it as a clean, efficient and viable fuel. In this phase for select products packaging was changed to reflect dual branding. All new product launches were done under BOSCH name,” confides Ninan.

When name change happened legally, communication was sent to all OEMs for taking necessary action like changes in purchase orders, vendor masters, and payment instruments.

“We have not modified our pricing after brand migration. Competition is intense but BOSCH will be an asset in future. With new product introductions we may be able to leverage BOSCH brand,” says Ninan.

Review after Phase I

“The results showed that the awareness levels had moved up from 2% unaided awareness in B2C segment in 2004 to 13% top of mind awareness among all audiences in 2005. While 7% of internal audiences associated ‘Power of We’ with BOSCH 42% associated it with MICO. Awareness probably did not increase to the extent that BOSCH would have liked. This was not surprising because India is a vast country and one year is not the horizon period. The client also realized that probably three years also was a little short term. They will need to invest over a period of time for BOSCH to reach the kind of awareness that MICO enjoys and this will be a herculean task. You can just keep putting little, little benchmarks as you move ahead,” says Rajesh. “Though the recall of BOSCH increased but along with it the recall of MICO also increased. Hence there was a feeling that probably we are investing too much in MICO. Aftermarket was an important segment for Project B3, but it was not represented fully in the review study after phase I. We were not worried about Corporates and OEMs as they know MICO is now BOSCH. The campaign resonated well with internal audience though,” he adds.

“After the first year everybody was itching and saying- one year has gone by let us quickly move on to BOSCH. At the same time BOSCH was developing a corporate campaign- “Invented for Life” internationally. Hence we moved quickly from ‘power of we’ to ‘invented for life’. So, we almost collapsed a phase in between. My point was that the farmer communities, truck drivers were not covered in the review study, so why are we reacting to this study and jumping the gun,” says Rajesh.

“We showed them various permutations and combinations of what we could do. MICO logo could be smaller, BOSCH logo could be bigger- earlier they were equal. We may

put BOSCH in the headline and MICO in text. But eventually in consultation with headquarters it was decided to move to 'invented for life' campaign," says Rajesh.

Phase II (Jan 2006 to Dec 2007)

Phase II was a two stage approach.

In Stage 1, the main objectives were to position BOSCH as a brand that is constantly innovating and making life better by bringing cutting edge technologies to India. Another objective was to bring together the Blaupunkt, KBX, MICO and Rexroth brands under the BOSCH brand umbrella.

The Expression for this phase was 'BOSCH- Invented for life.' 3S was integrated with Invented for Life in many of the ads. The campaign strictly followed the international BOSCH guidelines with regard to design, and thus brought about uniformity in communications, irrespective of the division.

In Stage 2 of Phase II, the objective was to establish BOSCH as a brand beyond automotive technology and to strengthen the theme of BOSCH innovations in Power tools, Security systems, and Packaging technology divisions along with automotive technology.

The Expression for this phase was- 'BOSCH Innovation.'

The YES campaign, took forward the idea of BOSCH innovation. It focused on the thought that BOSCH opens the doors of possibility in various fields, be it innovation, R&D or the thrust for clean, safe and economical technologies.

To highlight its concern for the environment and India, BOSCH came up with an ad to coincide with the World Environment Day. Economic Times published a special edition titled 'Stuttgart meets India'. BOSCH also released an advertisement that proclaimed, 'BOSCH and India- Driving together since 1922.'

"We tried to bring out the core messages that BOSCH technology is clean, safe, economical and environment friendly. We thought that this would resonate well with the audiences and endear people to BOSCH," shares Mellissa. "We went into year two (2006) which gave us lot more opportunities than year one. There was an acquisition of 80% stake in Kalyani brakes. There was a joint venture with another company called Brembo. There were investments being made at Jaipur and Nashik. New products were launched in power tools, security systems divisions," she adds.

"In the first year, we covered the ground very well in Bangalore and we targeted select national-media. In year two we decided to move to Delhi and engage with media there. In year three, we moved to Mumbai and covered that market extensively. A part of our strategic plan was to pick big ticket announcements for each of these markets that would generate enough of interest and visibility. Otherwise, for a Bangalore based company to go to a market like Delhi and be heard when there are other companies in Delhi that are making significant noise is very difficult. For instance we chose not to do the annual press conference in Bangalore and rather do it in Mumbai. Sometimes, there was not

enough of news, but the investment announcement would still be used and built on," confides Mellisa.

In 2007, focus shifted from BOSCH's association with investments to association with technology. Gradually communication started linking investments with technologies that BOSCH is associated with. BOSCH was the first in India to start manufacturing Common Rail High Pressure Pumps & Injectors and BOSCH Common Rail. BOSCH Group enhanced investments in India to over Rs 1800 Crores (325 million euros) between 2005 and 2008. *"We did intensive technology workshops for media who write on automotive technology and that was received very well," says Mellisa.*

"Pioneered by BOSCH, the Common Rail System is a global success story for BOSCH. Now with the implementation of Bharat Stage III emission norms in India, we are well poised to lead the technology change in the Indian auto industry leveraging the technological experience and expertise of BOSCH," said Dr. Albert Hieronimus, Managing Director, MICO. "Nearly every automaker in India has now announced that it will be launching diesel cars with Common Rail technology," Dr Bohr said. "We expect to see diesel's share in the Indian car and utility vehicle market rise from its current 30 to more than 40 percent by 2010, and BOSCH is well positioned to support this growth," he added.

BOSCH launched 'BOSCH mobile agro pack' which is a special van fitted with state of the art vertical bagger machine. The van could go to interiors in villages and demonstrate packaging and ensure affordability through tie ups with banks. "By taking our technology to the farmer's doorstep, we are helping him to improve the quality and standards of his packaging and become more competitive. Therefore, we are glad to partner in the progress of India's agrarian economy," said Mr. Thomas Buehler, Business Head for BOSCH Packaging Technology in India.

"We continued to increase focus on plants and divisions so that in each quarter we would have one division or one plant as well in the limelight. "2006 was huge in terms of Auto expo in Delhi. There were all big automobile companies that make lot more noise than anybody else with their nice looking cars. We spent six months discussing our strategy for Auto expo. We decided to do a press conference announcing investments in technology a day before the Auto expo started and got good response from media. Subsequently on each day of Auto expo we did smaller engagements with media for different divisions of BOSCH," says Mellisa.

"We continued with taking media overseas once in a year for either participating in some trade show or showcasing technology. It was a three year transition and we truncated some of our messages because, we had achieved far more than we had hoped to achieve. Hence we went ahead with announcements faster than we had actually planned for as the brand was getting acceptance," says Mellisa.

"We started a dialogue with CNBC for starting auto component manufacturer of the year award which we won later. We also got awards- "the Star MNC of the year" and "the

most innovative technology of the year.” These awards were then leveraged in advertising and PR to build equity of BOSCH in India,” says Sanjay.

“It was a conscious part of our strategy to not just project Dr. Heronimus as a demigod, but play up different people from top management like Mr. Vishwanathan and Mr. Laskhmi Narayan” says Mellisa.

On Feb1, 2008 Motor Industries Company Limited was renamed as BOSCH Limited in a press conference. It was announced that MICO brand will be retained for aftermarket products.

“In future, all the subsidiaries in India will bear the BOSCH name”, indicated Bernd Bohr, Chairman of the BOSCH Automotive Group. “As much as we are keen to promote awareness of the BOSCH name in India, MICO remains a valuable brand for us. It is so well established in the local market that we will continue to use it, particularly for our well established products for the automotive aftermarket,” Bohr explained.

Media Strategy

There were two types of TG for Media Planning:-

1. Corporate TG present in top 8 metros- These were OE partners; Members of trade/industry associations; Relevant government ministries & bureaucrats; Business and auto media journalists

TG Definition was Male, SEC A; 25+; Mumbai, Delhi, Bangalore, Chennai, Kolkata, Pune, Ahmedabad, Hyderabad

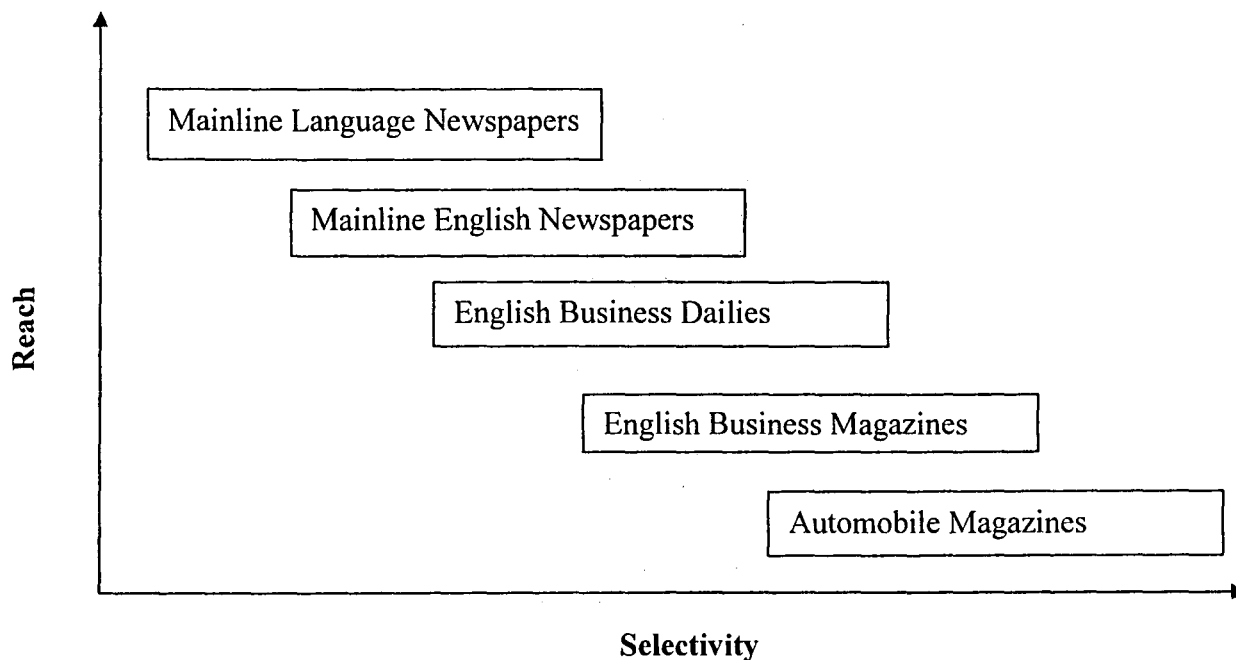
2. After Market- Mass consumers numbering millions, spread across the country-

They were owners of two & four wheelers in urban & rural India; owners of tractors in rural markets; owners of trucks; mechanics/garages and dealer network

TG Definition was Male; 25+; SEC BCDE; All India

In 2005, BOSCH decided to go for 3S Campaign for which the TG was identified as Corporate including dealers in the top 8 metros. Total Audience size was 2.75 million. IRS was used to analyze media reach among the defined TG. Results were as given below:

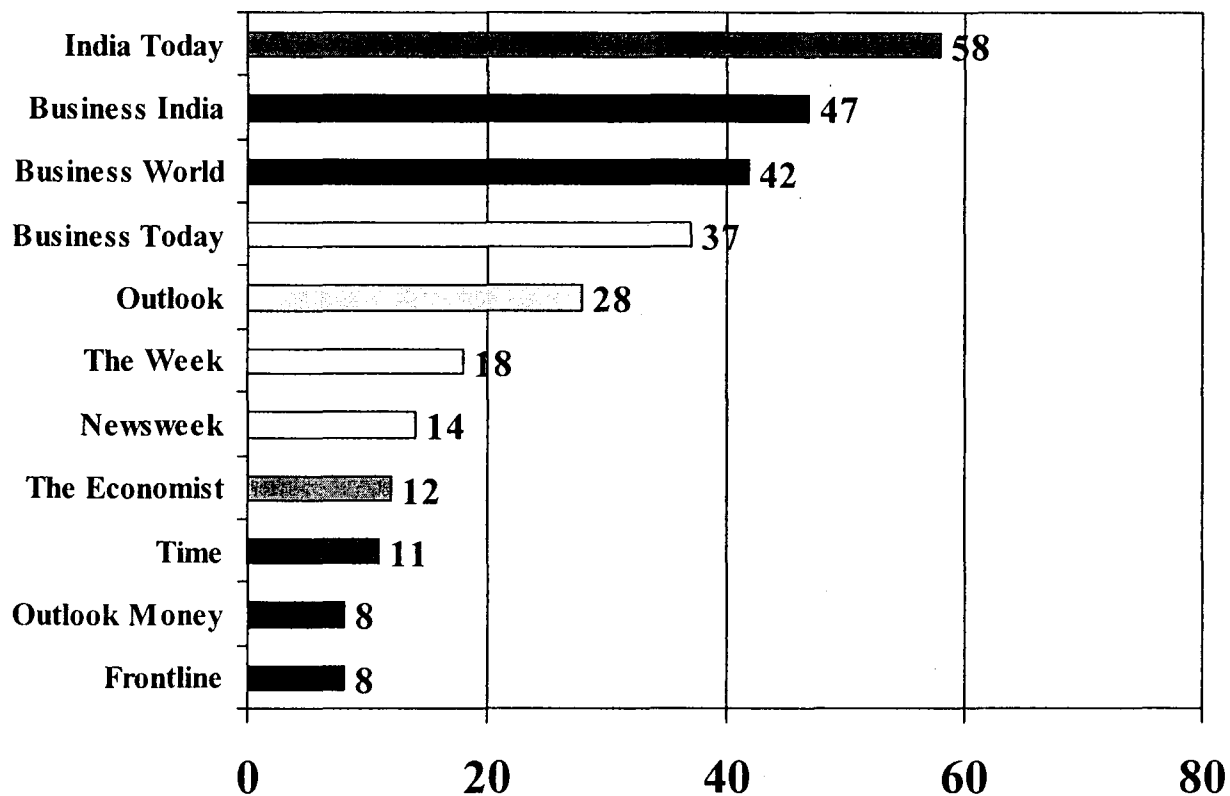
Reach and Selectivity of Media



Media Reach among our Target Audience

Publication	Centre				
	All	Mum	Del	Kol	Chn
Respondent Base	665	291	95	44	65
Economic Times	78	80	69	80	86
TOI	77	90	82	55	39
Business Standard	26	32	22	19	14
Financial Express	18	20	19	15	16
Hindu	18	5	9	13	71
Hindustan Times	16	4	59	20	9
Business Line	14	10	10	-	44
Indian Express	14	13	7	-	18
Mid-Day	12	21	3	-	2
Asian Age	7	10	7	9	1
New Indian Express	6	3	4	-	29
Telegraph	5	1	2	50	-
Afternoon D & C	4	7	-	-	3
Deccan Chronicle	4	1	-	8	2
Deccan Herald	4	3	2	2	-
Financial Times	4	6	6	-	1
Statesman	3	2	1	25	-
Asian Wall Street	1	2	-	-	2
Others	1	1	-	-	1

2 out of top 4 are business dailies



3 out of top 4 are business magazines

The total budget was allocated across media based on the reach of each medium among the target audience as well as the cost per reach (cost efficiency) of each medium.

Publication Title	Genre	Cost for one Ins	8 Metro Reach TG	CPT
Times of India	Mainline Daily	1280000	1,305,000	981
Hindu	Mainline Daily	760000	318,000	2,390
Hindustan Times	Mainline Daily	890000	699,000	1,273
Economic Times	Business Daily	1160000	236,000	4,915
Hindu Business Line	Business Daily	160000	27,000	5,926
India Today	Newsmagazine	620000	533,000	1,163
Outlook	Newsmagazine	360000	247,000	1,457
Time	Newsmagazine	265000	47,000	5,638
Business Today	Business Mag	390000	120,000	3,250
Business World	Business Mag	390000	71,000	5,493

Channels watched - Top 7					
in %ge	All	Mumbai	Delhi	Kolkata	Chennai
Aaj Tak	38	31	75	41	23
NDTV 24x7	38	44	48	21	25
CNBC	32	38	40	13	13
BBC World	32	25	42	27	44
Star News	27	20	55	26	13
Star Plus	25	24	35	28	12
CNN	21	22	28	23	12

Top 5 channels are news channels

Based on media reach, it was decided that Business Vehicles will form the foundation of the plan, Automotive publications to be used throughout the year, Mainline dailies to be used selectively due to high cost, News channels to be the support medium for Brand Salience and Long term 'landmark' outdoor sites on airport roads in key metros to be used for continuous visibility (8 months)

Print Plan for 3S for 2005

Media Type: Dailies & Magazines

Campaign: Clean in Qtr II (Apr-June); Safe-Qtr III- (July-Sept); Economical-Qtr IV (Oct-Dec)

Media (titles): Dailies-TOI, ET (Brand Equity), ET (Corporate Dossier), Hindustan Times, DNA, The Hindu, Hindu Business Line, Deccan Herald. **Magazines-**General Interest, Automotive, In-flight Magazines.

Frequency: Dailies- 1-2 insertions per Quarter in a Daily, 2-3 insertions per Quarter in a Business Daily. **Magazines-** Frequency:1 Insertion per month in a Monthly Magazine, 2 insertions per month in a Fortnightly and 3 insertions per Month in a Weekly Magazine.

Total Reach of Print Plan for 2005- 3S campaign was 1.61 million, with average OTS of 4.3

TV Plan and Reach

Channel	Time Band	Rate	Duration	Spots	Cost	Feb	Mar	Sept	Oct	Nov
CNBC	ROS 1200-2400	1750	10	780	1365000	180	150	150	150	150
NDTV 24x7	RODP 1800-2400	8000	10	780	6240000	180	150	150	150	150

Total 7605000
 Serv Tax 775710
 Grand Total 8380710

In Burst 1, plan reach was 0.35 million, with average OTS of 3.25

In Burst 2, plan reach was 0.57 million, with average OTS of 2.2

Cost Break-Up & Scheduling of Media Plan for 2005 3S Campaign

Media Vehicle	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Cost	Sub total
Automotive Magazines													1,074,000	27,763,642
Business Magazines													4,752,000	
Business Dailies													9,203,864	
Mainline Dailies													12,315,396	
													Service Tax 418,382	
CNBC													1,365,000	8,380,710
NDTV 24x7													6,240,000	
													Service Tax 775,710	
Outdoor - 'Landmark' sites													14,400,000	14,400,000
NOTE : 1 site each in Mumbai, Delhi, Chennai, Bangalore													50,544,352	50,544,352

Hence budget for 2005 was 5 crores, out of which 2.8 crores was for Print; 83 lakhs for TV and 1.4 crores for Outdoor

Media Strategy for Aftermarket

“Corporate brand building doesn't help us in selling the products. But if the campaign reaches out to remote parts of the country where aftermarket resides then it makes a difference,” asserts Ravi. “A car owner may not insist on a particular brand of spare parts, rather depend on mechanic for choosing the brand. Hence we wanted to influence mechanics and inform them about the name change. We had to do on ground activation at locations where mechanics visit. Mechanics are likely to visit cinema halls, dhabas, truckers markets and automotive stores. Besides mechanics our other target audiences were tractor owners, truck drivers, truck owners, fleet owners and autorickshaw drivers. For this TG we advertised spark plugs, alternators, starters, and wipers. These are the people who are always on the road hence transit media like bus panels, auto panels, trains, branding on dhabas would be effective,” says Dinakaran, Business Director, Group M.

“Along with name change the client gave us another mandate of communicating the disadvantages of using spurious MICO products. We had to engage dealers and mechanics in interactive games which we had designed in consultation with technical team of BOSCH. We gave free gifts like BOSCH branded umbrellas, key chains to them as souvenirs,” explains Dinakaran.

"We did dhaba branding on the highways for truck drivers as generally they stop over for night and sleep and eat there. It was very successful in generating awareness for BOSCH. We branded the entire dhaba including the parking lot, entrance, behind the counter, on the table, so that the visibility of the brand BOSCH could be increased. In return we paid rental fees to dhaba owners, as they know it is a commercial deal. Earlier they were happy if you only painted their walls. Nowadays if you approach them for 3-6 months, they will not even entertain you as they prefer yearly contracts," says Dinakaran.

"We bought spaces on transit media in UP, MP, Rajasthan, Kerala and Maharashtra. We entered into contracts with State Road Transport Corporations and avoided private buses for maintenance and accountability reasons. State corporations make sure that the visuals are not damaged, and have back up material which they use for rectifying damages. We also advertised in metro trains. Our choice of products depends on the target audience we are reaching out to. For metros it is four wheeler and two wheeler owners and hence we advertised BOSCH batteries," explains Dinakaran.

"Nowadays all the fleet owners, be it buses or trains or autos are seeing advertising as a source of revenue and therefore pay attention to maintenance and safety of visuals. We painted a full train with BOSCH branding. Sometimes these trains are old and have dents and cannot be painted properly, so we try to pick trains with good exteriors. Local trains in Mumbai are in huge demand for advertising as they reach out to 17 million users a month. We also advertised in aircrafts," says Dinakaran.

"To familiarize car owners with BOSCH car service (BCS) we organized free service camps. Pilot was done in Baroda in 2007. It was a 3 day event. We targeted for 300 vehicles, but signed off servicing more than 750. We promoted it using local radio channels. We rolled it out to other cities like Nasik, Chennai, Bangalore etc.," says Dinakaran.

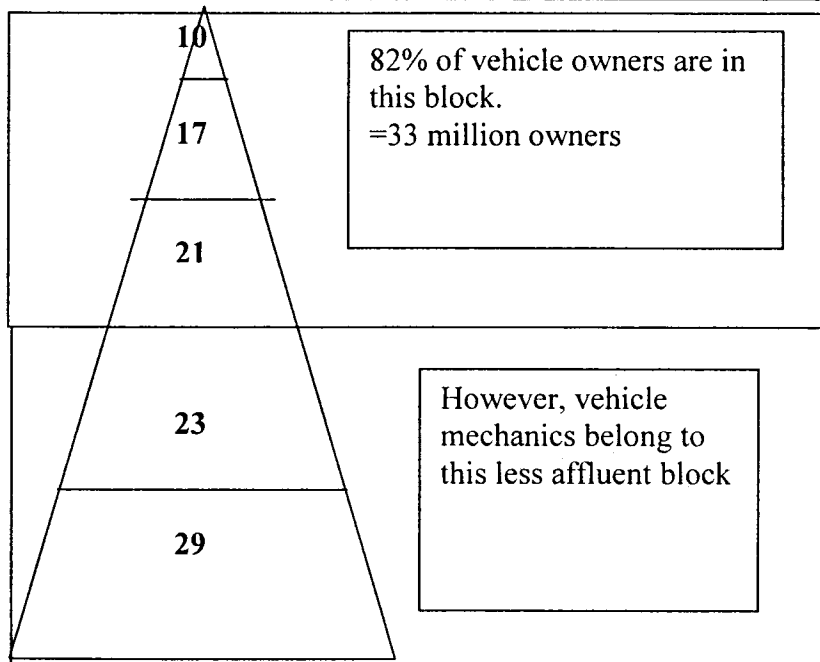
"We signed contract with VRL logistics, which has 4000 trucks and it agreed to give us 1000 light commercial vehicles and 1000 heavy commercial vehicles. Now many companies are approaching them and we are finding it difficult to get space. At the same time many other fleet owners are contacting us for their services. We have also started using auto branding though it is an unorganized sector primarily because it reaches out to people in lanes and by lanes of small towns and cities," says Dinakaran. "On autos we can do only regular communication and not time bound promotions because the messages once put remain for long period of time as this is an unorganized sector," he adds.

Activities for After Market in 2005

Indian Market Construct

IRS 2005 was used to understand the characteristics of the target audience in terms of demographics, geographic and media consumption. 26% of the population in India is urban whereas 74% is rural. 55% of two- wheelers ownership is with urban population, whereas only 45% is with rural population but rural is growing faster. For four- wheelers, ownership ratio is 75% Urban, and 25% Rural. One of the key measures of Demographics is Socio-Economic Classification (SEC) which measures education/occupation/affluence levels of the population. There are different SEC classifications for Urban and Rural India.

Urban India SEC (Source : IRS 2005)

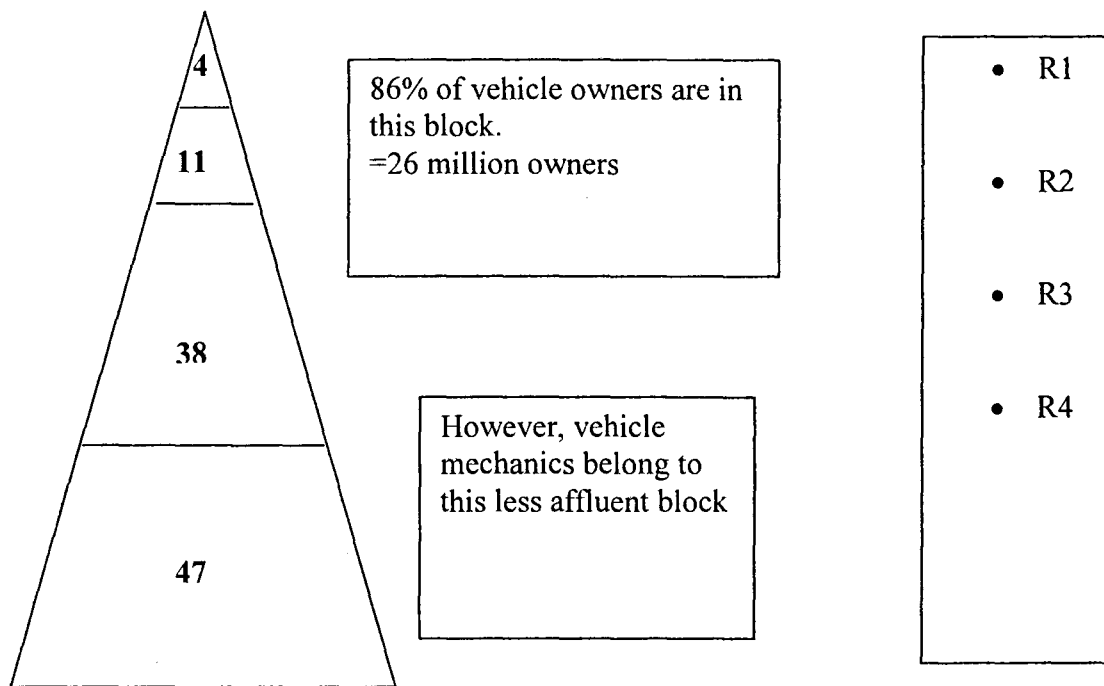


- A
- B
- C
- D
- E

Base : 260 mn adults

It was decided to target only upto SEC AB.

Rural India SEC (Source : IRS 2005)



Base : 720 mn adults

Media Exposure of Audience

Audience	SEC	TV C&S (%)	Print (%)	AM Radio (%)	Cinema (%)	Outdoor (%)	Melas (%)
Truck Fleet owners	AB	63	80	20	25	80-90	n.a.
Driver of trucks	CDE	50	42	80	32	80-90	n.a.
Truck Mechanics	DE	37	32	21	44	80-90	n.a.
Owners of tractors	R1/R2	24	55	37	45	n.a	57
Tractor Mechanics	R3/R4	11	14	22	28	80-90	53.
Car Owner	AB	63	80	20	25	80-90	n.a.
OE partners	A	81	92	15	25	80-90	n.a.
Trade/ Industry/ Govt	A	81	92	15	25	80-90	n.a.

Other than Truck and tractor owners, the other audiences have low exposure to TV channels (other than state-owned DD) and Print; the actual reach would be even lower since the above numbers are for 'any channel'/'any publication'.

However, the reach of TV in South India (representing about 30% of the population) is significantly higher than that in the Hindi belt.

Media Implemented for Aftermarket for 2005-07

Audience	Media 1	Media 2	Media 3	Media 4
Truck Fleet owners		Cinema	Auto Mags	
Driver of trucks		Cinema		NH21
Truck Mechanics		Cinema		NH21
Owners of tractors		Cinema		LAM
Tractor Mechanics		Cinema		LAM
Car Owner	Bill Boards		Auto Mags	
OE partners	Auto Mags	Bus. Mags	Gen Mags	Bill Boards
Trade/ Industry/ Govt	Business Dailies	Bus. Mags	Gen Mags	Bill Boards
<ul style="list-style-type: none"> • Radio was inducted for Diesel Filter activity • Cinema had been run for 1 round only in 2004 • Regional language print – two rounds in 2006 				

For reaching out to rural markets and people on the move in lower SECs, the following activities were undertaken:

Transport Nagar activity (NH-21) – This was a brand building exercise to increase awareness of " MICO BOSCH - Power of we" among Fleet owners, Truck owners, Drivers & Mechanics. Key objective was to engage people with BOSCH through interactive games. Markets covered were TN, Karnataka, AP, Maharashtra, Gujarat, Rajasthan, Punjab, Haryana, Bihar, WB, Orissa, Jharkhand, Chattisgarh. Activity period was for two months covering 293 towns. 2.4 lakhs TG was contacted in the activity period.

LAM (Local Area Marketing at Mandis) activity- Brand building exercise to increase awareness of " MICO BOSCH - Power of we" among Tractor owners, Farmers, Pump set owners, Transporters, Drivers, Mechanics

Rural Marketing Campaign (Feeder Towns)- Brand building exercise to increase awareness on " MICO BOSCH - Power of we" among Tractor owners, Farmers, Pump

set owners, Transporters, Drivers, Mechanics etc in the feeder towns and villages of India.

Spark Plug Activity (Metros/Mini metros) - To relate the product with higher mileage and create brand preference for MICO BOSCH. The background for this activity was the launch of Twin electrode and Pointed ground electrode sparkplugs, two new innovative technology in the category from BOSCH. TG was two wheeler mechanics and retailers. The objective was to introduce the product to the TG and educate them about the key features. Markets targeted were Mumbai, Chennai, Hyderabad and Rajasthan. During the campaign 4950 mechanics were contacted in 125 activity days on an average of 40 mechanics per day per town. 2250 spark plug signages were put up in the mechanic shops.

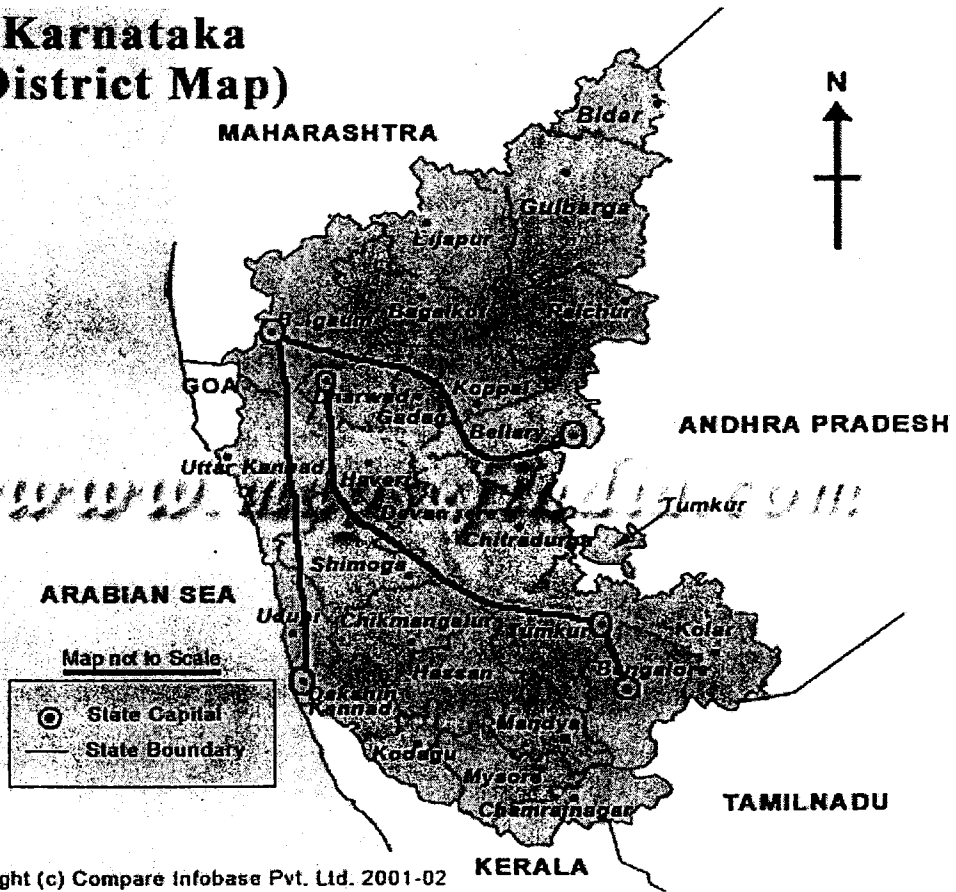
Diesel Filter – Activation program- The objective was to commemorate 75 years of Diesel Filters in India. BOSCH wanted to leverage this as a platform to strengthen relationship with channel, reinstate superiority of the product, motivate higher usage and off take, reinforce the salience of BOSCH filters with tag line “BOSCH KA VISWAS HAMESHA AAP KE SAATH”. The TG was Diesel Mechanics and retailers, and the activity covered 8 states and 129 towns in 35 days. 14231 number of TG was contacted at an average of 407 people per day.

The activation was supported by two months radio campaign. Popular program “Chitralok” was branded by BOSCH over 40 Vividh bharati Channels across India. Spots with film music were aired over Primary Channel. 40 towns in MAH, TN, RAJ, KAR, MP, UP were covered. AIR coverage was 3693 lakh people whereas TG listenership was 886.3 lakh.

Wiper Blades- This activity was done for one month at Mumbai for monsoon season. The TG was Car Owners. Bus back panels of 100 BEST buses were used for advertising the product.

21 National Highways were identified which connected major towns and had good vehicle traffic and this activity was termed NH-21. For illustration, map of Karnataka district and identification of towns for NH-21 and LAM is given below:

Karnataka (District Map)



Copyright (c) Compare Infobase Pvt. Ltd. 2001-02

Red: NH-21 routes

Green: LAM routes

Activity	Phase I	Phase II	Phase II	Left from the universe	Potential
LAM	Malur, Ranibennur, Jamkhandi, Shorapur	Belgaum, Bidar, Bijapur, Bellary, Bagalkote, Gulbarga			
NH	Bangalore, Tumkur, Hubli	Belgaum, , Bellary, Mangalore		Dharwad	
Rural campaign	Bangalore, Kolar, Mandya, Mysore, Chamrajnagar, Kodagu, Hassan, Chikmangalur, Shimoga, Udupi, Dakshin Kannada, Haveri, Uttara Kannada, Belgaum, Bagalkote, bijapur, Bidar, Gulbarga, Raichur, Bellary, Koppal, Davangere, Chitradurga, Tumkur				
Spark plug	-	-	-	-	Hubli, Dharwad, Mangalore

Categorization of Transportnagars

Major cities and towns in India have transport nagars which is a congregation of commercial vehicles. They were categorized as below:

Type A- The Transportnagars with more than 6500 fleet owners were categorized as Type A. There are 9 such centers in the country which account for 37% of the fleet owners

Type B- The Transportnagars having number of fleet owners less than 6500 but more than 3000 were categorized as Type B. There are 18 such centers in the country accounting for 27.3% of the fleet owners

Type C- The Transportnagars having number of fleet owners less than 3000 were categorized as Type C. There are 36 such centers in the country, accounting for 36% of the fleet owners

For illustration Transport nagar categorization for North India is given below. It covers top 60+ % of the vehicle Population for 2005 in North

North				
State	City	Type	No. of fleet owners	Truck pop
Delhi	Delhi	A	14428	55526
Punjab	Ludhiana	B	6196	13613
Punjab	Chandigarh	B	4553	13399
Punjab	Amritsar	B	4523	11454
Punjab	Jalandhar	B	3394	8077
Punjab	Patiala	C	2750	5155
Harayana	Ambala	C	1505	3419
Harayana	Fardabad	C	1285	3002
Rajasthan	Jaipur	B	3965	10364
Rajasthan	Jodhpur	B	4076	7515
Rajasthan	Alwar	C	2065	3930
Rajasthan	Kota	C	1356	2514
UP	Kanpur	B	4778	12962
UP	Lucknow	B	3035	6821
UP	Allahabad	C	2432	5547
UP	Agra	C	1948	5273
UP	Gorakhpur	C	1991	4482
UP	Varanasi	C	1583	4345
UP	Ghaziabad	C	1788	4299
UP	Mathura	C	1231	2964

Activity Implemented-Year 2006

Audience		Media		
Truck Fleet Owners		Radio	Auto Mags	
Driver of Trucks		Radio		NH 21/Truck/Dhabha Branding
Truck Mechanics		Radio	Reg Mags	NH 21/Truck Branding
Retailers		Radio	Reg Mags	Retail Signages
Owners of tractors		Radio	Reg Mags	LAM
Tractor Mechanics		Radio	Reg Mags	LAM
2 Wheeler Mechanics		Radio	Reg Mags	Spark Plug/Signages
Diesel Mechanics				Diesel Filter activity
Car Owner	Billboards		Auto Mags	
OE Partners	Auto Mags	Bus.Mags	Gen Mags	Bill Boards
Trade/Industry/Govt		Bus.Mags	Gen Mags	Bill Boards

Internet/Interactive - Ads were placed on internet as follows:

Site	Section	Ad unit	Dimension
Yahoo	Mail	Super DHTML	728x300
	Mail	Super	728x90
	Mail	SW Text Link	25x25
Rediff	Home	1+3 DHTML	430x320
	Home	Text Link (3 days)	
	Mail	Super	728x90
	Mail	Mini Monster	160x300

Interactive - Campaign Top lines were:

Total Impression Count:

Total impressions contracted: 12,631,584

Total impressions delivered: 13,515,248

Total Additional impressions: 8,83,664

Total Clicks:

Total clicks as per portals – 26500

Total clicks as per interaction reports – 23583

Total Cost Per Interaction – 29 INR

Total Downloads:

Total downloads from the microsite – 3553 (Aprx 15%)

Avg CPD – 202 INR

Avg Time spent by individual IP – 13 mins

Branded Trucks- Branded 150 container trucks of VRL plying between interstate and national permit routes. The TG was truckers and mechanics and the campaign period was for three months

Local Train Branding - Mumbai

Two local trains of Central Railway, plying between VT – Kalyan were branded with BOSCH. The TG was SEC BCDE. The trains were branded with six BOSCH products. This generated high visibility as on an average 1 Mn people travel by local train every day.

Branded Dhabas

A survey was carried out to understand the scope and the market realities for dhaba branding. Mindshare, the agency branded 25 dhabas in Delhi-Jaipur highway as this is a high truck traffic area. Branding was done on tables, umbrellas, wall clocks, cash counters, TV table tops and large signages were installed.

Retail signages

Project of installing 9000 backlit retail signages across India was undertaken.

Branded Buses in Kerala

100 KSRTC buses in Kerala were branded on their left, right and back panels. The agency selected local buses plying inter-district with in 50 kms, for the purpose. TG for this was all the segments.

Press- Regional language publications- were used for reaching out to Male; 25+; SEC BCDE, mechanics, retailers and end consumers. The objective was to announce the innovative technology from BOSCH. The performance of the Print Plan was:

Burst 1 (Feb -May) : 32% reach, with avg OTS of 4

Burst 2 (Jul - Nov) : 32% reach, with avg OTS of 4

Total Budget for 2006

Corporate- Rs 5.1 crores

After Market- 5.6 crores

Media Buying Report- Aftermarket campaign

	January - December					
	Actual Value		Negotiated Value		Savings	
	INR	EURO	INR	EURO	INR	EURO
Press	28,609,575	496,694	14,664,524	254,592	13,945,051	242,102
Radio	4,300,000	74,653	3,600,000	62,500	700,000	12,153
Ativation	35,640,000	618,750	23,533,000	408,559	12,107,000	210,191
Retail Branding	19,550,000	339,410	13,850,000	240,451	5,700,000	98,958
Interaction	1,000,000	17,361	694,000	12,049	306,000	5,313

February – first burst of corporate campaign in business and auto magazines supported with billboards in strategic locations was done.

June to November: first and second burst of Corporate brand campaign in business, auto and trade magazines, showcasing advanced innovations from BOSCH.

Print Plan Performance

Burst 1 (Jan-Mar) : 70% reach, with avg OTS of 4

Burst 2 (Jun-Aug) : 34% reach, with avg OTS of 7

Burst 3 (Oct-Dec) : 34% reach, with avg OTS of 7

Outdoor Campaign

Medium and large size boards were put up at strategic locations like Airport Road, Bhairon marg in Delhi, near Wilson college Mumbai, Adayar Bridge Gemini Flyover in Chennai, Kormangala in Bangalore, etc.

First burst was done in February – March with message “Clean, Safe and Economical”

The second burst was done in August – December in few towns, show casing various innovative brands from BOSCH

Media Activity for 2007

Campaign-Innovation

Frequency:1 Insertion per month in a Monthly Magazine, 2 insertions per month in a Fortnightly and 3 insertions per Month in a Weekly Magazine. TOTAL 15 insertions per month.

Media (titles): In-flight Magazines, Auto Magazines, General Interest Magazines, Business magazines

Campaign-Independence Day

Media Type: _Dailies

Markets : Bangalore, Delhi, Mumbai, Lucknow, Hyderabad, Nashik, Chennai, Ahmedabad, Bhubaneshwar, Chandigarh, Kochi, Kolkatta, Pune, Jaipur & Coimbatore amongst others.

Activity Date: Aug 15th 2007

Media (titles): Dailies- Business Standard, Dainik Bhaskar, Gavakari, Lokmat, Prajavani, Rajasthan Patrika, Hindu (Business Line), Indian Express, TOI, Vijay Karnataka

Frequency: 1 insertion on Aug15th 2007

TG reached in two years

Activity	Total days	Activity	Number of TG reached (in mn)	Average OTS
NH/LAM	2463		1.19	1.0
Feeder	1314		0.33	1.0
Sparkplug/ Diesel Filter	577		0.03	1.3
Cinema	42		2.30	2.0
Print	360		2.51	18.4

Measuring Effectiveness

Marketing research was carried out by Nielsen and ICON at periodic intervals before, during and after the campaign to assess the progress in meeting the objectives of Project B3.

The top of the mind recall of BOSCH doubled in 2007 as compared to 2005 increasing from 13% to 27% across all stakeholder groups (OEMs, Car owners, media, students, key influencers). The recall among car owners increased substantially from 14% in 2005 to 34% in 2007.

The perception that BOSCH is number one automotive component manufacturer in the world and MICO is partly owned by BOSCH strengthened over 2005. The perception that MICO is the largest automotive component manufacturer in India and MICO and BOSCH are equal partners had weakened over 2005.

Some of the salient findings of the research done by A C Nielsen in 2006 with internal audience were:

Majority of respondents still recalled the name of the firm as “Motor Industries Co. Ltd.” Mentions of MICO BOSCH showed substantial increase from 2005. BOSCH’ also got some mentions unlike 2005.

MICO was associated with spark plug manufacturing. For other product categories, association with BOSCH had strengthened over 2005.

Overall, awareness of new slogan ‘Invented for life’ at 77% was lower than recall of earlier slogan ‘Power of We’ at 92%. ‘Invented for life’ was associated with BOSCH by majority (74%) of the employees. BOSCH had strongest associations with latest and best technology; care for environment; and continuous new product development and improvement

ICON replicated the brand navigator study that it did for BOSCH and MICO in 2004 among Aftermarket audiences. Some of the key findings were:

BOSCH has reached the tolerance area (within 10%) of MICO’s brand equity in terms of both brand imagery and brand credit (likeability, loyalty, confidence). Unaided awareness of BOSCH was 46% whereas that of MICO was 84% in 2008. For the TG of Wholesalers and Garages the brand equity of BOSCH equals that of MICO.

MICO was still perceived as brand with superior quality and reliability by more number of target audiences than BOSCH, but BOSCH has gained ground and bridged the gap with MICO. On parameters of likeability, confidence and loyalty also MICO performed better than BOSCH.

67% of Aftermarket TG was aware of merger in 2008. Awareness of merger was highest among wholesalers and lowest among truck drivers (27%).

MICO was still the dominating brand in the category and was the first spontaneous association with Aftermarket brands for half of the target group. The merger of MICO and BOSCH was less top of mind than 2 years ago.

BOSCH showed a very positive development compared to the previous survey in 2006 especially regarding the product range which fulfills the requests of the Indian market and offers good value for money. Perception of BOSCH as a brand that enables wholesaler and garages to distinguish themselves and offer good service to their customers had improved. This positively affected the brand credit of BOSCH, especially brand confidence and loyalty. In 2008 the target groups would miss the brand BOSCH to the same extent as MICO if it was to be taken off the market. MICO was still the brand of first choice but lost in the perception as leader in technical innovations.

The awareness of the merger was lower compared to 2006 but known by 2/3 of the total sample. There were great differences between the various target groups. The merger was known by every wholesaler; the majority of garages; half of the carrier; but only 1/3 of the truck driver and nearly no tractor driver. Thrill from merger had gone away, but it was perceived as very positive from the perspective of worldwide experience and technology of BOSCH and also in terms of service support.

"We do a quarterly analysis of media coverage in terms of share of voice as well as key messages. We analyze whether the key messages we wanted to communicate, got covered in media or not and analyze results by market," reveals Mellisa.

Challenges

A meeting has been called by Dr. Hieronimus, Chairman BOSCH Ltd. of top management including Mr. Vishwanathan, Mr. Laxminarayanan wherein VP, Automotive Aftermarket Mr. Ravi Krishnamurthy and Deputy General manager, Corporate Communications, Mr. Sanjay Chakravarty have also been invited to assess the effectiveness of B3 Project and the way forward.

Mr. Hieronimus is debating the extent to which the change in corporate identity has been successful. Was three year an appropriate time horizon? Should it have been less or more? If they had gone for overnight transition, would it have been better? MICO had certain values and brand equity and so did BOSCH pre migration. Did the project succeed in transferring the values of MICO to BOSCH? Is the new identity of BOSCH better than the identity and meaning MICO stood for? Do the target audiences feel that they are getting best of both worlds? Will there be continuity of brand character after the migration from MICO to BOSCH? Has BOSCH been able to distinguish itself and communicate a central character?

Mr. Vishwanathan sat in a reflective mood wondering if BOSCH will ever be able to match the awareness levels of MICO. How necessary was it to withdraw the brand built over fifty years? Will they compromise localization and connect for a Global brand? What will be the implications of a Global brand name on the management of Indian subsidiary? What will be the impact on parent- subsidiary relationship? Would it have been better if legal name change had happened before, followed by the campaign?

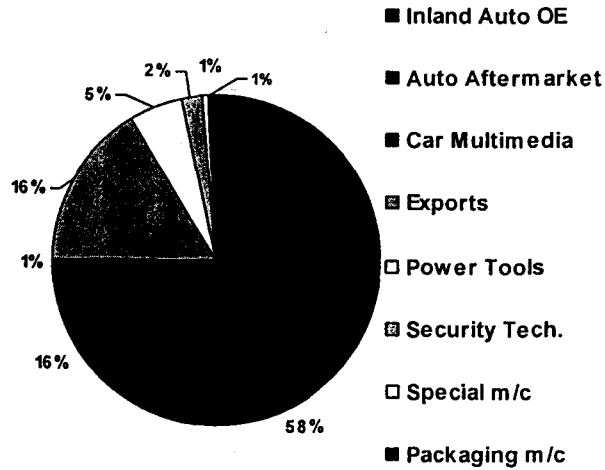
Ravi Krishnamurthy wondered how many years will it take for BOSCH to have same awareness as that of MICO among After Market. Is it practically feasible to reach out to each and every truck driver, farmer, mechanic and retailer spread out across the length and breadth of the country? Currently 70% of sales are coming from dual branded products, but this must change. For how long can they continue to use MICO brand name? Will it not confuse the consumers? But if the switch from MICO to BOSCH is done quickly then will it lead to loss of sales? How will he motivate his sales team and the retailers for the herculean task ahead of selling under BOSCH brand name? What will be the impact of this brand migration on spurious market? In 2008 itself 550 arrests were made for selling counterfeits of MICO. Now BOSCH has to fight spurious products in both MICO as well as BOSCH brand. We have not even finished 20% of the race. It is still a long way to go. Reaching out to transportnagars, dhabas and highways is no mean task. In our product category we cannot change like Hutch to Vodafone, it is a question of 50 years of relationship.

Mr. Sanjay Chakravarty sat pondering if it was appropriate to do the migration in phased manner. Was there enough merit in 'power of we' and 'invented for life campaigns?' To what extent did the campaigns succeed in smooth brand transition across stakeholders? How efficient was media planning for different campaigns?

In the meeting, everyone knew that one question that would be raised for sure is what BOSCH should do next. Should they continue to build the BOSCH brand? Should they talk about MICO anymore? What should be the thrust target audience?

Appendices

Sales by different divisions in Bosch



Financials of BOSCH Limited

Particulars	2005	2006	2007
Net Sales	29,774,827	37,836,839	42,796,321
Total Expenditure	26,313,181	33,448,854	38,017,445
Profit before tax	5,290,063	7,983,064	8,559,631
Profit after tax	3,430,703	5,479,916	6,092,059
EPS (in Rs)	107	171	190

| safe | economical

As you drive past, hear the
leaves whisper "thank you."

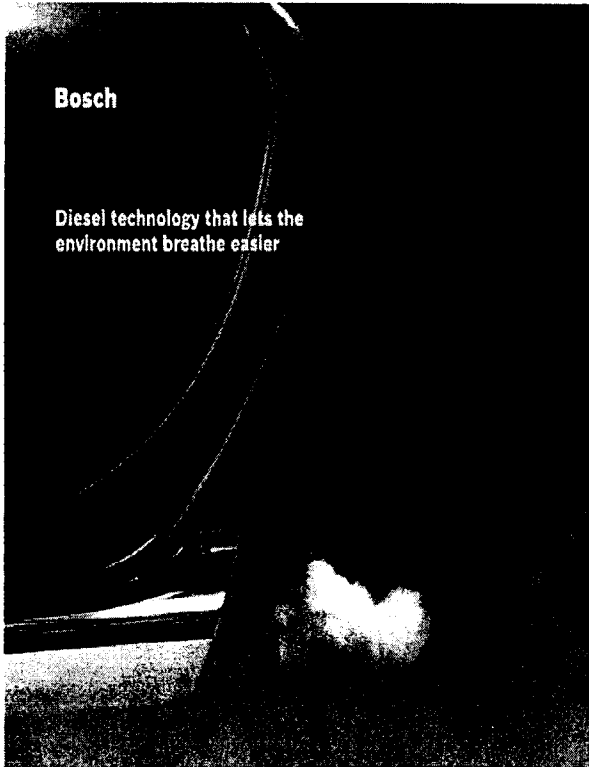
As emission norms are getting stricter, Bosch is helping the world go green. Bosch has pioneered the Common Rail System the world over ensuring significant reduction of pollutant emissions. In India, Mico and Bosch are working together to ensure your car has access to the world's best technology. Bosch, the largest auto component supplier in the world and Mico, the largest in India, will together make reality Clean, Safe and Economical. That's the power of We - giving you the best of both worlds. So when Mother Nature expresses its gratitude, you can feel it around you.

MICO

The power of We

BOSCH

www.micobosch.com
www.boschindia.com



Bosch

**Diesel technology that lets the
environment breathe easier**

Bosch innovation: Bosch is committed to an environment that sparkles with life. Today's clean diesel engines produce lower Carbon dioxide and Hydro Carbon emissions, lower greenhouse emissions and provide higher fuel efficiency than gasoline. Thanks to this technology, drivers gain smooth, quiet performance with increased torque, in all diesel automobiles.

At Bosch, we work to enhance the quality of life of our customers with innovative, beneficial solutions. That is our tradition.
www.boschindia.com



BOSCH
Invented for life





**We are Proud Indians
We are Proud Boschlers**

India is a land of cultural diversity, but we are proud to be 'one' as Indian & Boschlers. On the occasion of India's 62nd Independence Day, we rededicate ourselves to our country and our company.



**हमें अभिमान है, हम भारतीय हैं
हमें अभिमान है, हम बॉश हैं**

भारत में सांस्कृतिक विविधता होकर भी हम सारे भारतीय और बॉश बाने एक हैं और इसका हमें अभिमान है। भारत के 62 वे स्वतंत्रता दिनों के अवसर पर हम अपने देश के लिए और अपने कम्पनी के लिए फिर एक बार खुद को समर्पित कर रहे हैं।



Diesel Filter Activation Program



Yahoo! Mail - carowner_jacob@yahoo.co.in - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address http://in.f01.mail.yahoo.com/ym/ShowFolder?rb=Inbox&reset=1&Y=62822

Search Web Search My Web Mail My Yahoo! Games Baseball Music Answers

Yahoo! My Yahoo! Mail Welcome, carowner_jacob (Sign Out: My Account)

Mail Home Mail

Mail - Addresses - Calendar - What's New - SMS Mail Alerts - Options

Check Mail Compose Search Mail Search the Web

Be my Life Partner Shaadi

Folders [Add - Edit]

- Inbox
- Draft
- Sent
- Bulk [Empty]
- Trash [Empty]

Inbox

View: All | Unread | Flagged

Messages 1-1 of 1 First | Previous | Next | Last

<input type="checkbox"/>	Sender	Subject	Date	Size
<input type="checkbox"/>	Yahoo!	Welcome to Yahoo!	Fri 23 Jun 2006	543b

Messages 1-1 of 1 First | Previous | Next | Last

You deserve better job!
Looking for your dream job?
2006 FIFA World Cup. Catch all the action!

Done Internet

Yahoo! Mail - carowner_jacob@yahoo.co.in - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address http://in.f01.mail.yahoo.com/ym/ShowFolder?rb=Inbox&reset=1&Y=62822

Search Web Search My Web Mail My Yahoo! Games Baseball Music Answers

Yahoo! My Yahoo! Mail Welcome, carowner_jacob (Sign Out: My Account)

Mail Home Mail

Mail - Addresses - Calendar - What's New - SMS Mail Alerts - Options

Check Mail Compose Search Mail Search the Web

Be my Life Partner Shaadi

Folders [Add - Edit]

- Inbox
- Draft
- Sent
- Bulk [Empty]
- Trash [Empty]

Inbox

View: All | Unread | Flagged

Messages 1-1 of 1 First | Previous | Next | Last

<input type="checkbox"/>	Sender	Subject	Date	Size
<input type="checkbox"/>	Yahoo!	Welcome to Yahoo!	Fri 23 Jun 2006	543b

Messages 1-1 of 1 First | Previous | Next | Last

You deserve better job!
Looking for your dream job?
2006 FIFA World Cup. Catch all the action!

Done Internet

Yahoo! Mail - carowner_jacob@yahoo.co.in - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address http://in.f01.mail.yahoo.com/ym/ShowFolder?rb=Inbox&reset=1&Y=62822

Search Web Search My Web Mail My Yahoo! Games Baseball Music Answers

Yahoo! My Yahoo! Mail Welcome, carowner_jacob (Sign Out: My Account)

Mail Home Mail

Mail - Addresses - Calendar - Notepad - What's New - SMS Mail Alerts - Options

Check Mail Compose Search Mail Search the Web

Be my Life Partner Shaadi

Folders [Add - Edit]

- Inbox
- Draft
- Sent
- Bulk [Empty]
- Trash [Empty]

Inbox

View: All | Unread | Flagged

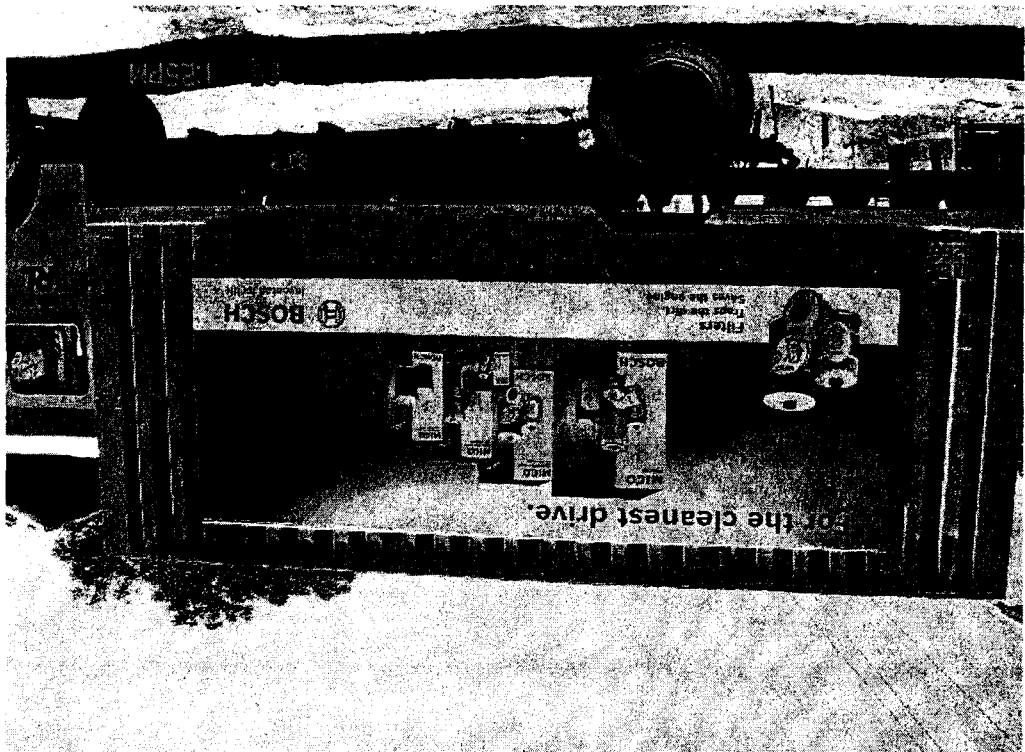
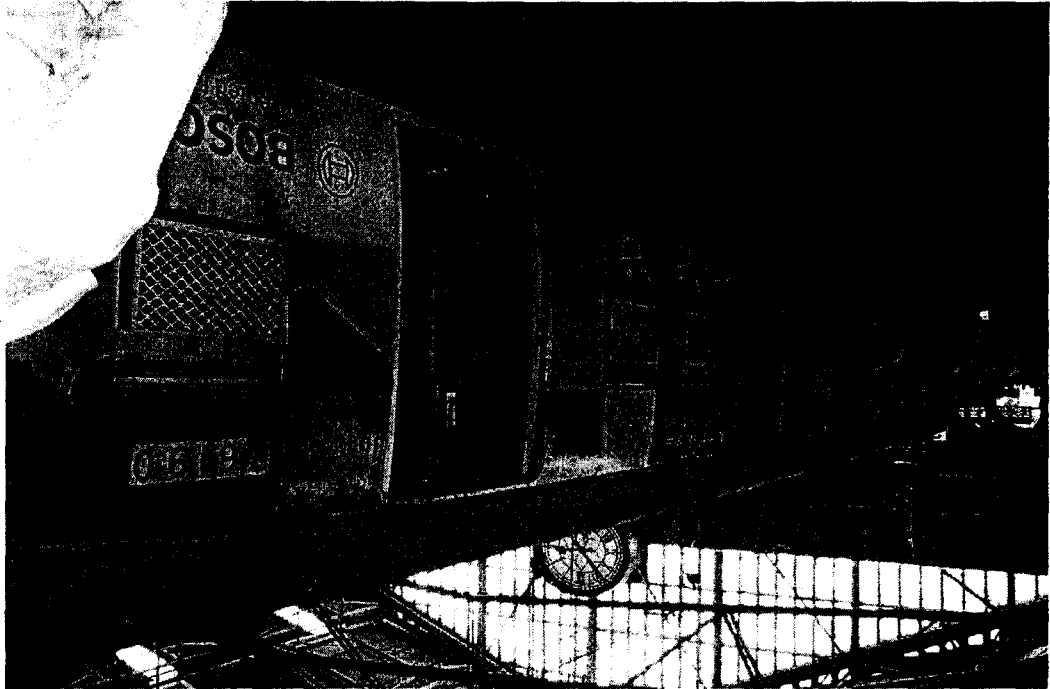
Messages 1-1 of 1 First | Previous | Next | Last

<input type="checkbox"/>	Sender	Subject	Date	Size
<input type="checkbox"/>	Yahoo!	Welcome to Yahoo!	Fri 23 Jun 2006	543b

Messages 1-1 of 1 First | Previous | Next | Last

You deserve better job!
Looking for your dream job?
2006 FIFA World Cup. Catch all the action!

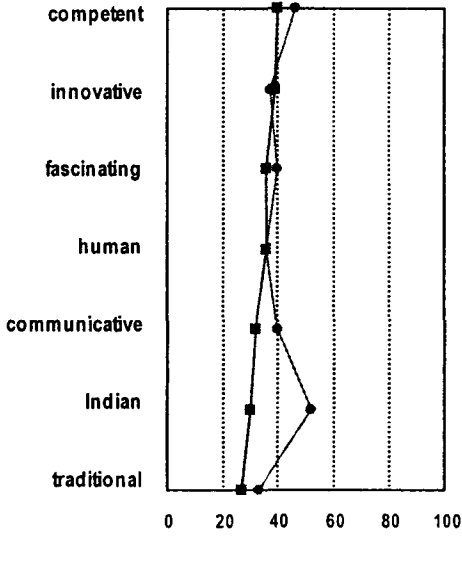
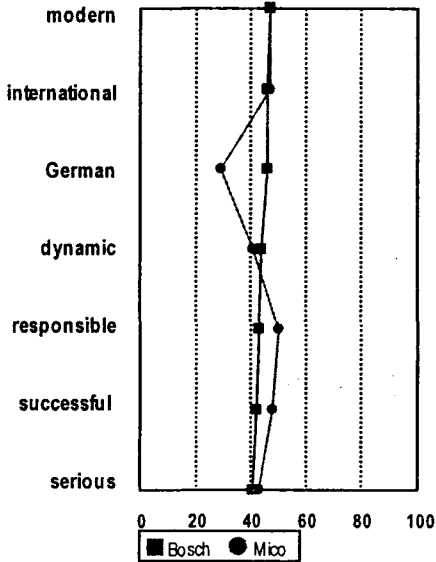
Done Internet



Brand Equity of Bosch and MICO-Pre Campaign study 2004 B2C

Brand Core: Benefits, Competence and Tonality

Brand Core: Benefits, Competence

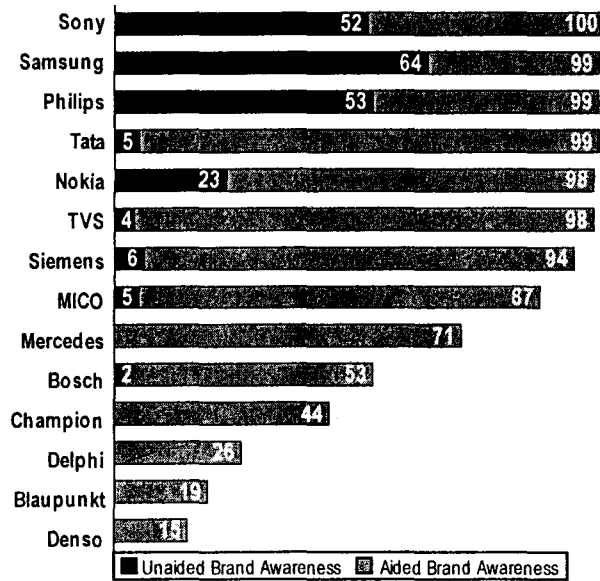


Awareness, Relevant Set, Usage, Competencies of Bosch and MICO

Unaided and Aided Brand Awareness

Unaided: When you think of brands in the field of electronics or technical durables. Which brands come to your mind spontaneously?

Aided: I would now like to read you a list of brands in alphabetical order. Please tell me which of these brands you know, even if only by name.

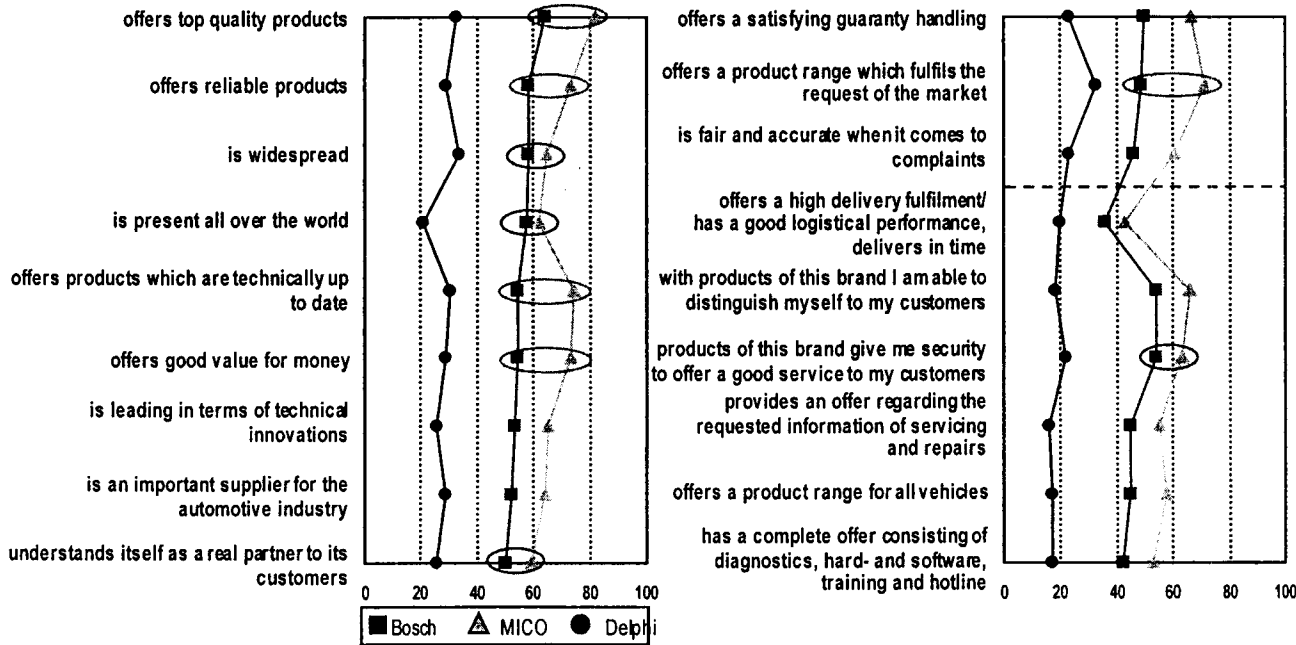


ICON Pre campaign study 2004 B2B

Brand Core: Benefits, Competence and Tonality

Brand Core: Benefits

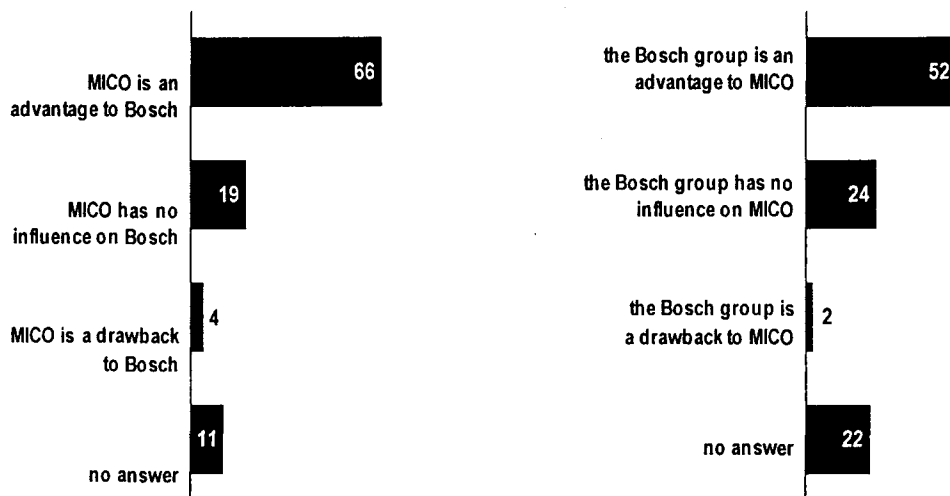
MICO leading in quality and reliability. Relative strengths of Bosch its internationality and the client orientation.



Transfer Potential

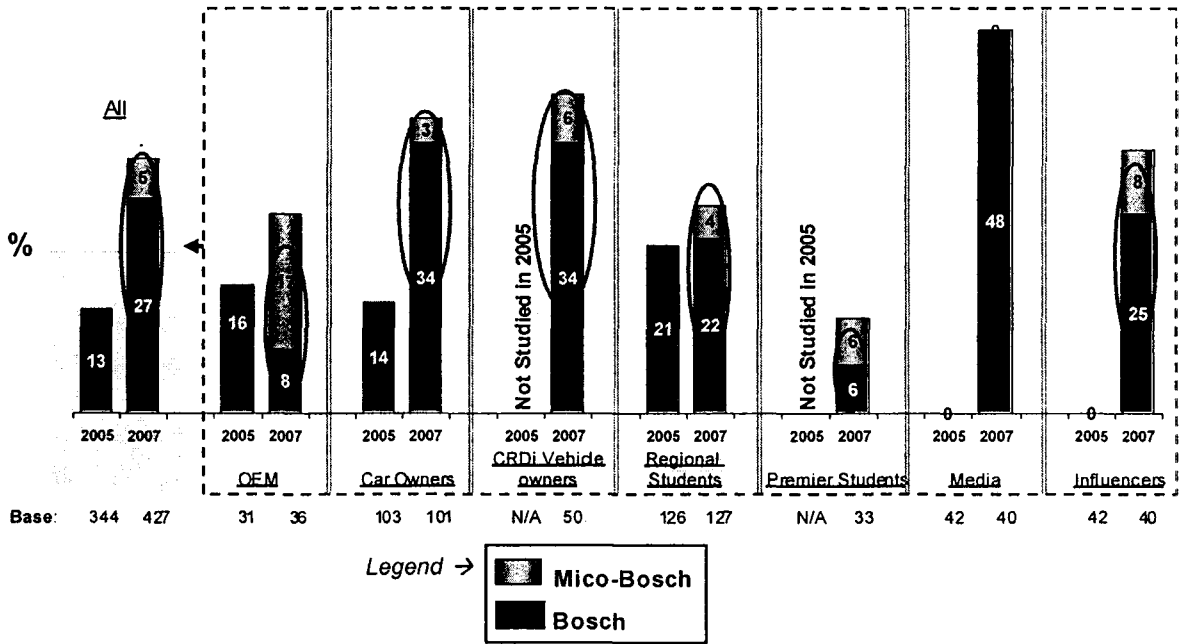
Double Branding Bosch and Mico

MICO is clearly seen as an advantage to Bosch but also the other way round.



OEM, Students, Owners of cars, Influencers and Opinion makers 2007

The top of mind recall for BOSCH has more than doubled over the last 2 years

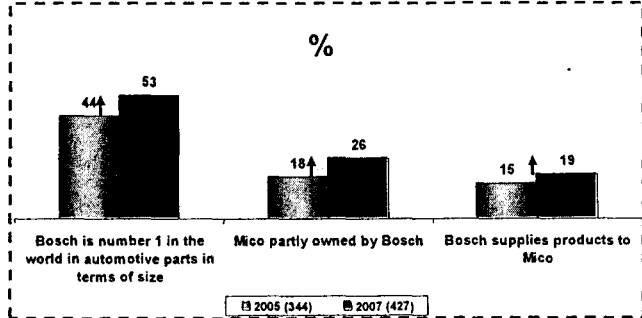


What is the Relationship between MICO and BOSCH?

Perceptions that have strengthened:

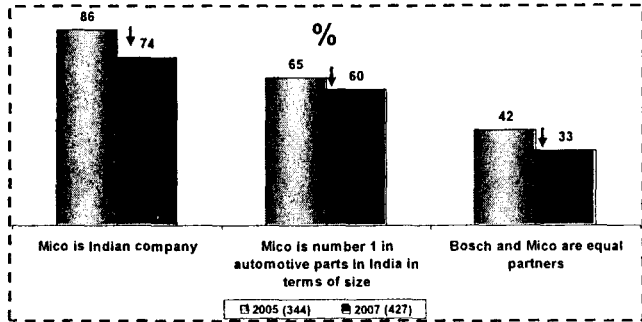
• *"Bosch is Number 1 automotive parts manufacturer in world in terms of size", "Mico is partly owned by Bosch" and "Bosch Supplies products to Mico" have all become stronger, over 2005.*

• *The increase in the beliefs that "Mico is partly owned by Bosch" and "Bosch Supplies products to Mico" seem to be driving the recall of "Mico-Bosch" together as a brand name, by the corporate stakeholders.*



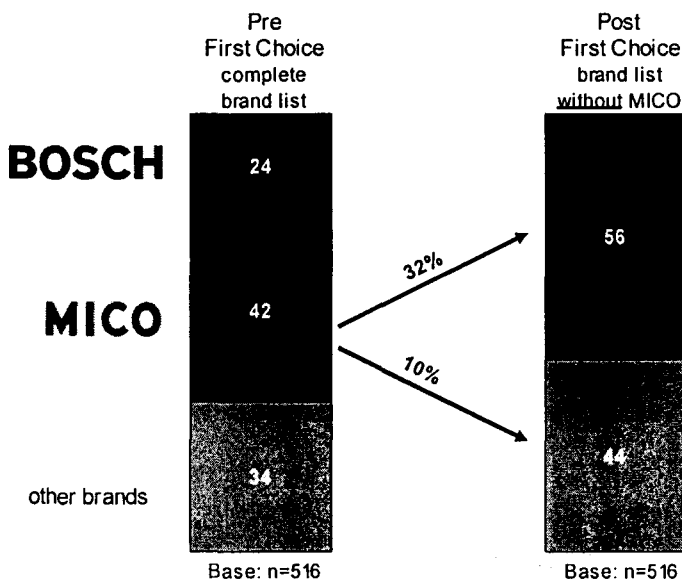
Perceptions that have weakened:

• *"Mico is Indian Company", "Mico is number 1 automotive parts manufacturer in India in terms of size" and "Bosch and Mico are Equal partners"; all loose ground as compared to 2005.*



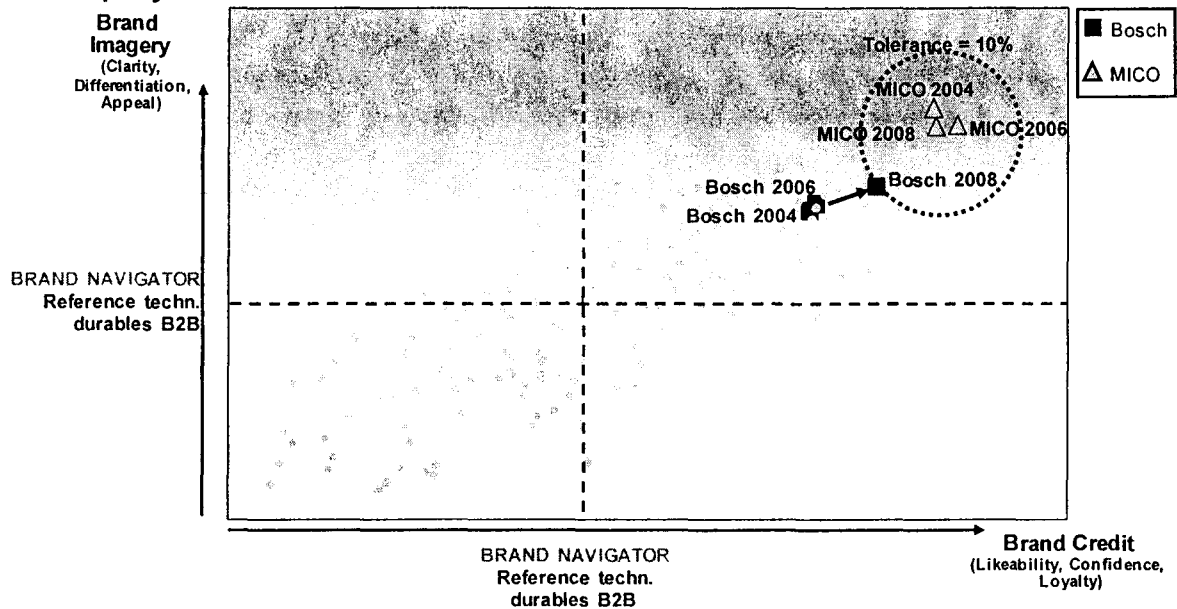
ICON -Post Campaign-2008

First Choice without Mico: Bosch is now able to cover the majority of the First Choice of Mico



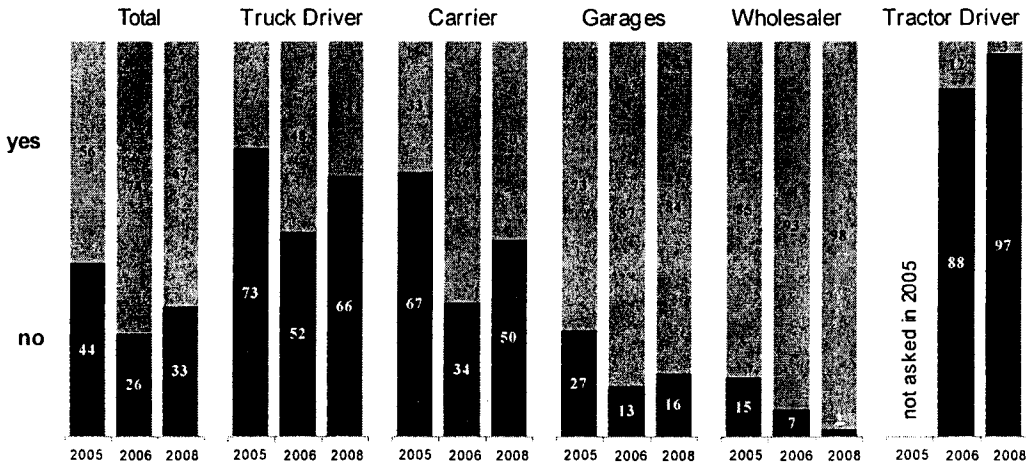
<u>Loss of Preference</u>		
<u>(Diff. Pre FC Mico+Bosch vs. Post FC Bosch)</u>		
	2008	2006
Total	-10%	-26%
truck driver	-22%	-47%
carrier	-8%	-11%
garages	-8%	-18%
Mico Services	-12%	-8%
Mico Stockists	-3%	-18%
Independent	-10%	-20%
wholesaler	-0%	-13%

Bosch has now reached the "Tolerance Area" of the Brand Equity of Mico

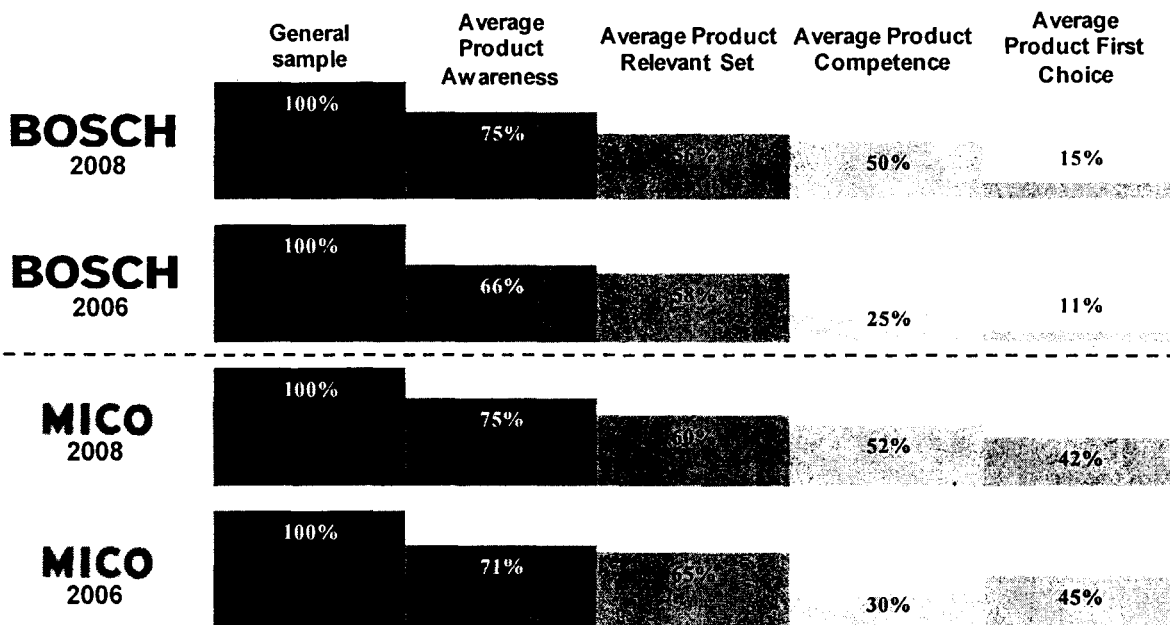


	<u>MICO</u>	<u>BOSCH</u>	<u>Remarks</u>
<u>Core competencies</u>			
Top Quality (offers top quality products)	85% (0)	77% (+5)	()...Difference vs. 2006
Reliability (offers reliable products)	78% (-4)	71% (+3)	
Innovation (this brand is leading in terms of technical innovations)	72% (-11)	70% (+2)	
<u>Likeability, Confidence and Loyalty</u>			
Likeability (I like this brand)	90% (-1)	80% (+2)	
Confidence (I have confidence in this brand)	84% (-2)	77% (+9)	
Loyalty (If this brand were to be taken off the market, I would be very disappointed)	62% (-6)	59% (+7)	
<u>Clarity, Appeal and Differentiation</u>			
Clarity (How clear and vivid is the picture you have in your mind?)	84 (+4)	78 (+5)	
Appeal (How appealing is the picture you have in your mind?)	82 (+4)	76 (+6)	
Differentiation (This brand is clearly different from other brands)	78% (+1)	70% (+5)	

Knowledge about merger of MICO-Bosch



Product Channel



Due to its extremely strong brand equity in 2006 Mico is often preferred even if competences are rather low. 