



TITAN
COMPANY

THE WATCH MARKET IN INDIA

Indian consumers are increasingly showing an interest in owning premium and luxury watches. This trend picked up traction in 2014 and 2015. Urban Indian consumers are perceiving watches as a fashion statement and are now willing to own more than one. This style trend has gathered momentum among both men and women consumers. The rising importance of watches as a fashion accessory among urban youth helped watches register retail value growth of 19% in 2015, with sales reaching Rs.76.7 billion.

TITAN COMPANY LTD.

Titan Company is the fifth largest integrated own brand watch manufacturer in the world in addition to being one of the most iconic and loved brands of India. The success story began in 1984 with a joint venture between the Tata Group and the Tamil Nadu Industrial Development Corporation. The watch market then was dominated by a limited range of mechanical watches, and the Government owned Hindustan Machine Tools (HMT) was the only significant branded player. Titan brought about a paradigm shift in the watch market when it boldly introduced its futuristic quartz technology, complemented by international styling. Since then, the company has gone from strength to strength and has managed to branch out into other profitable businesses like jewellery and eye-wear.

Today, even after a quarter of a century, the brand retains its dominance over the watch market with over 60% of the domestic market share in the organized sector.

Titan was also responsible for the advent of modern retailing in India. Today, the brand enjoys the advantage of having a huge distribution network consisting of over 400 exclusive brand retail outlets and presence in more than 11,000 multi-brand outlets. It also has a large network of over 750 after-sales-service centres. Titan watches forayed into the international watch market in 1991 and today the brand enjoys a strong presence across more than 2,000 stores, in over 30 countries.

With a customer base of 135 million globally, it's not surprising that there is a Titan watch being owned, somewhere in the world – every three seconds.

Titan – The Brand

Titan has always stood for understated elegance and sophistication coupled with a contagious Joy de Vivre that is vibrant and refreshing – classy but not elitist – aspirational yet approachable. India's largest selling watch brand, Titan, has been associated with stylish, affordable, durable watches since its inception. Its product and communication strategy is reflective of its desire to stay ahead of its times. The brand journey has had several milestones, but the road ahead continues to be limitless.

COLLECTIONS / SUB BRANDS

Titan has managed to penetrate across various categories in the watch market and today sells a wide range of watches starting from Rs.1000 to Rs.25000, across various looks.

- Raga: Exquisitely designed watches for the modern Indian woman – sensual and elegant
- Purple: Bold, stylish watches for the modern trendsetter
- Edge: Classic elegance coupled with technical mastery – watches for the new age executive class
- Octane: For those comfortable only at the top of the score-card, Titan presents a collection of sporty chronographs
- Regalia: Every timepiece is a declaration in metalwork for the nobles of today
- Besides the collections mentioned above, Titan has collection of Solar Powered watches called HTSE, intricately designed Gold watches called Nebula, Swiss made Xylys watches and a fun range of cool watches for kids called Zoop

RAGA – BRIEF HISTORY OF THE BRAND & EVOLUTION IN

COMMUNICATION SO FAR

In 1992, for the first time in the country, a watch brand introduced a collection exclusively for women. Titan Raga was launched as the ethnic watch for the sophisticated Indian woman, embellished with striking symbolism from Indian culture. Titan Raga continued to be the only watch brand in the world that was designed for women and exclusively targeted them. In a research study by Quantum in 2006, the brand standing of Raga was studied for its relevance and differentiation. A watch connoted different things for different users.

The marketing communications team focused on the Indian woman, positioning the Titan Raga collection as a feminine watch to go with Indian ethnic wear and usually worn on festive occasions like weddings and festivals like Raksha Bandhan and Diwali. The Raga collection watch was often given as a gift during such occasions. The user profile included housewives and working women who wanted to express their “femininity”.

Today the Raga brand enjoys high recall amongst core users and is also recalled amongst competition users. Its design and quality are unquestioned. It is seen as feminine, beautiful, dressy and a piece of jewellery. It has strong associations with Titan/TATA as well and therefore, cues trust and quality. It has a pioneer status in the category and is credited for having created the category of watches specifically for women.

Raga was described by consumers as having a “specialness” to it; the bond being sensorial, romantic and intimate – akin to the relationship one shares with a lover.

THE WOMEN'S SEGMENT IN INDIA – CURRENT, HOW IT HAS EVOLVED

In India, a number of socio economic trends are playing a major role in defining the evolution of the modern Indian woman. From the joint family structure in the past, families are now increasingly choosing to stay nuclear. Women today have a lot more exposure and access to a greater number of influencers, at their workplace and their social circles. Also, women today have more purchasing power and play a greater role in decision making. All this has led to the emergence of the progressive Indian woman.

Internationally, women's watches sell as much as men's. Even in India, women are now more open to accessorizing & multiple ownership.

Titan enjoys a high empathy amongst women, and Raga is a fondly well recalled name. There is at present no other international brand that understands or targets the Indian woman's wardrobe.

The consumer segments:

-The Alpha female:

- o Titan Raga user
- o Ambitious, highly confident, status conscious & materialistic, individualistic
- o Is quite open about admitting that conventional chores like household work or regular cooking do not interest her. However, is willing to learn specialized skills such as cooking exotic cuisines- another means of establishing her social one upmanship
- o Resents any kind of interference or restrictions on her life or choices. Is willing to break with traditions in order to achieve her goals
- o Takes independent financial decisions; does her own financial investments

-The Free Spirit

- o Mix of Titan Raga users and competition brand users.
- o Has a zest for life, is spontaneous, aggressive, active and hard working.
- o While her family is important, she also gives equal importance to herself and her needs.
- o While this consumer has a large social circle, at the same time her private 'me-time' is very important for her.
- o Need for independence tempered by a strong sense of practicality.

-The Anchored

- o Mainly Titan Raga users, few competition brand users.
- o Is balanced, happy & content. Strong but not dominating.
- o Attempts to strike a balance between her family's needs and her own needs
- o Tries to strike a balance between traditions and modern ideas. Is non-confrontational, reasons, cajoles and coaxes but never quarrels or throws tantrums

-The Smart Cookie

- o Titan Raga consumer.
- o Is self-assured - Feels that she has the smartness to deal with any situation
- o Is shrewd and manipulative. Dominates husband and family, but in an extremely subtle manner; NEVER ever openly asserts her control.
- o While she admits that she does not like following her in-law's diktat, is never openly disrespectful or disobedient. Takes great care to play the role of dutiful daughter-in-law.
- o Revels in adulation & admiration from others. Spends time and effort in looking good. Is highly image conscious.

COMMUNICATION CHALLENGES FOR RAGA

Titan has managed to build a strong emotional connect with its consumers over the years. Very few brands can claim to enjoy such a privileged position. However, with the entry of International Brands, Titan seems to be losing touch with the modern consumer base.

Specific to Raga, it has managed to carve out a distinct space for itself. It is a preferred option for women who want to wear watches with their traditional outfits. Its petite, ornate and dressy form has a unique appeal to women who seek these in their watches. For core users, the Raga designs and careful craftsmanship are unique and of impeccable quality; investment in a Raga watch is for a lifetime.

However, the “Indian” image is limiting; usage occasions circumscribed by traditional associations. The challenge currently is to connect with the modern consumer base and get it relevance for everyday occasion as opposed to special occasion wear. Today’s woman is evolving fast and is adapting to western attire with ease. Also with more and more women getting in to the workplace, the need for understated feminine forms is increasing. Raga is being completely left out of this part of the woman’s world – and becoming the watch that she will only wear for highly special traditional occasions. Therefore the challenges for the brand are:

- 1. Raga has typically been looked upon as a watch reserved for highly special occasions. The number of these occasions are declining in a modern woman’s life. Moreover, the modern woman’s occasions are now changing and multiplying manifold. There are now many micro events that become a cause of celebration – from a dinner out with friends, to a cocktail party. Every other occasion that breaks the routine is now celebrated. How do we get the watch to be worn at more frequent occasions?**
- 2. There is a strong perception that Raga watches go only with traditional wear. Are the number of traditional functions that women participate in, coming down? Besides, the Indian attire worn at most of these events is also changing, from indo western gowns to straight fit pants with kurtis, etc. How do we define Raga’s view of the CONTEMPORARY and not participate in the OLD ORDER?**

- 3. How can Raga address the younger woman so that it is able to shed perceptions of being an older generation brand and keep up with the times?**

Methodology to be followed:

Weightage will be given to adequate rigor employed in the case. Expert interviews, depth interviews & focus groups are some of the tools that can be employed to derive consumer insights and thus, to propose the right positioning & differentiation for the brand.

Rules & Regulations

1. Participating teams should comprise of only three members
2. Only one entry per institute will be considered

Two stages of this event:

Stage I: Submission of the written case solution.

Stage II: Power point presentation of the shortlisted cases.

Stage I: Process and rules for submission of the written case:

1. FCB Ulka Comstrat is a contest for Communication Strategy; hence students are requested to focus on the same.
2. Creative renditions are not necessary and will not be judged.
3. A detailed Media plan is also not required and will not be judged.
4. A synopsis of the case solution should be submitted as a word document in a minimum font size of 11 points and single line spacing. The document should not exceed 15 pages.
5. A written case solution on the case should be submitted either through email to comstrat@fcbulka.com or by post to FCB Ulka Advertising, 4th floor, Nirmal, Nariman Point, Mumbai 400021.
6. The last date for receipt of the submission is 10th November, 2016

7. A shortlist of 6 teams shall be arrived at by evaluating the case solutions received
8. The shortlist shall be declared on 24th November, 2016 and posted on the website www.fcbulkacomstrat.in and communicated to K. J. Somaiya Institute of Management Studies and Research

Please remember:

1. Synopsis to be submitted as word document only
2. Font size should be minimum 11
3. The document should not exceed 15 pages
4. The document should have single line spacing

Stage II: Final power point presentation of the case:

1. Shortlisted teams are requested to reach the venue on **17th December, 2016 at 10:30 am** sharp for the set-up and dry run.
2. Please get your power point presentations on a CD/Pen drive, rest of the equipment shall be provided at the venue.
3. The time limit for each presentation is 20 minutes and the students are requested to strictly adhere to the time-limit. A warning bell will ring after 15 minutes.
4. At the end of 20 minutes the team will be asked to stop the presentation.
5. Students are requested not to indicate their institute's name on the slides or anytime during the presentation.
6. Stay and travel arrangements have to be made by the participants themselves.
7. Comstrat is a contest for Communication Strategy; hence students are requested to focus on the same.
8. In the case presentation, creative renditions are not necessary and will not be judged.
9. Media plan for the same is also not required and will not be judged.
10. The solution must have only one approach and not multiple options.

Key Dates to remember:

- a. Last date for written submission **10th November, 2016**
- b. Shortlist of 6 teams for power point presentation **24th November, 2016**
- c. Final Presentation **17th December, 2016**