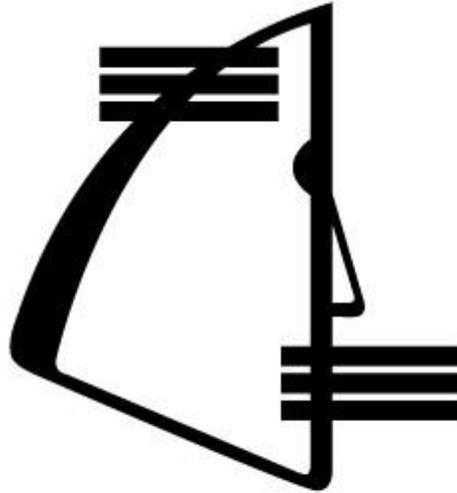


**DRAFTFCB +
ULKA**



**DRAFTFCB+ULKA
COMSTRAT 2010**

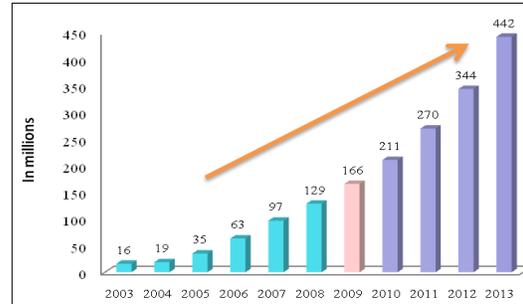
NOKIA C3

Note: All information in the case has been garnered from sources in the public domain. This case has been developed for purely academic purposes, and is not in any way the intended or actual plan of Nokia India Pvt. Ltd.

The Indian Handset market:

The Indian mobile handset market today is the second largest mobile handset market in the world, touching 166 million units (2009). With an explosive growth of 28.6%, it is poised to surpass China and is being hailed as the next big handset market.

A dynamic market, its growth has been fuelled by rising disposable incomes, increasing consumerism coupled with the rapidly falling handset prices. The latter has been driven, to a large extent, by the emergence of local players offering feature-rich phones at affordable prices.

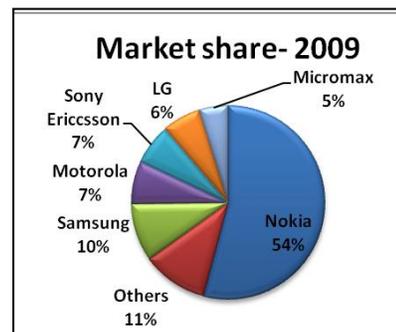


The market can broadly be divided into 3 segments based on lifestyle profiling and usage by consumers:

- a. Smartphones and/or business phones: Converged devices with an OS and features such as email, multimedia capabilities, GPS, Wi-Fi, LBS, etc. Typically tailored as per the target audience which ranges from business consumers to the upwardly mobile ‘connected’ youth.
- b. Entertainment phones: Targeted predominantly at the college going urban youth, these phones come with an integrated audio & video player, recorder, gaming, expandable memory, GPRS & multimedia features etc.
- c. Entry level, value-added phones: While these are the more basic phones, they are no longer ‘stripped-down’ versions. Targeted primarily at the lower end, smaller towns, these are increasingly giving value-added offerings at affordable prices to consumers hungry for features.

Currently the market is dominated by Nokia, with a lion’s share of 54%, other key players being Samsung, Motorola, Sony-Ericsson and LG.

In the last 2 years India has seen a surge of local players like Micromax, Lava, Zen etc., which account for almost 16% of the market today.



Nokia: Pioneering the Indian mobile revolution!

Nokia had the foresight to see India's potential way back in 1995, and built a strong foundation here much before other players. It was thus responsible for the first ever cellular call made in India! Riding on a good understanding of the local market, it has over the years emerged as the clear leader in the handset market.

Nokia's success can be attributed to the fact that it invested both in the brand, the business and worked towards establishing one of the largest distribution networks. Additionally it built a diverse portfolio to meet the needs of different Indian consumers. It offered products straddling the entire price range (from 'made-for-India' models priced at Rs. 1,000 to global products N-series & E-series priced at Rs. 20,000 and upwards), products with innovative features relevant for different markets et. al. Thus, Nokia focused significantly on making the mobile device meaningful, value-based and affordable for different profiles of consumers.

Today, few brands are as synonymous with the category as Nokia is.

Communicating the 'human angle of mobile technology'

Nokia has focused on its core brand essence of 'human technology that appeals to consumers' with 'Connecting People' as its tagline.

Its focus has been on bringing the Nokia brand closer to consumers and establishing a deep connect with them in India. Thus it has tailored its communication according to the consumer segment – 'Made for India', '*Har jeb mein rang*' on the one hand to 'It's not just a phone, it's who we are' etc.

Additionally, Nokia has participated consistently in India's two biggest passions – Cricket and Bollywood. Nokia has had brand ambassadors like Shah Rukh Khan, Rahul Bose, Naseeruddin Shah, AR Rahman and Priyanka Chopra. It has also associated with Kolkata Knight Riders in IPL and has been an on-air sponsor for T20.

Nokia C3

A recent addition to the portfolio, the C3 is the first device to bring a full QWERTY keyboard to the world's most popular mobile phone platform – Series 40. It is also the first in the range to enable access to social networks directly on the home screen. People can view, comment, update their status and share pictures on their favorite social networks such as Facebook and Twitter and make calls from within the social networking application.

With a focus on social networking and interactivity, the C3 targets the youth segment.

TG for Nokia C3

- Youngsters aged between 15-25,
- SEC ABC
- Living in metros and mini-metros

A lot of handset brands today are vying for this technologically-savvy audience with innovative feature-rich offerings.

The competitive landscape in feature-packed phones

The need to stay connected and constantly seek an array of information on-the-go has led to a spurt in the demand of feature-packed phones, thereby fuelling the growth of the smartphone segment.

As consumers look for a more enriching mobile experience, smartphones have emerged as a lucrative segment for handset manufacturers. Experts estimate the segment to grow at a CAGR of 39.20% for the period financial year 2010-2016.

Broadly classified into QWERTY & Touchscreen phones, these phones have predominantly been targeted at 25+, SEC A, urban to semi-urban working professionals.

However, lately, this category is seeing a wide acceptance amongst the urban youth and segments not considered previously for smartphones - teenagers still in school and college, and young people in large cities as well as smaller towns.

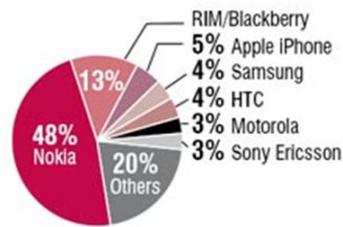
This has largely been due to the social networking phenomenon sweeping across the country and handset makers introducing cheaper versions.

The key competitors

The competition is heating up as brands no longer want to miss out on this opportunity. Along with the foreign players (Nokia, BlackBerry, iPhone, Samsung, HTC, Acer- launching 5 models) there are a host of domestic players constantly evolving their product offerings, features and solutions.

The market has become even more crowded and fragmented at the lower and mid-market levels with the rise of 'copycat' models that have the looks and aesthetics of high-end smartphones but are often available for as little as one-fourth the price. The adoption of these look-alikes is expected to be higher amongst the student and young executive segment whose purchase decisions are often driven by peer group and lifestyle influences as well as affordability.

The Smartphones Vendor Roster



Total Revenue: Rs 4,465 crore

Besides Nokia, the key players in the market

- 1. Research in Motion (RIM):** The Canada-based company that manufactures BlackBerry was traditionally positioned as a business phone. Today, RIM has expanded its user base by targeting a wider demographic, from the forty-something professional through to gossip hungry teens and young adults while retaining a clear focus on messaging and communication.
- 2. Samsung:** The world's second largest mobile phone manufacturer, Samsung was a small player in India until recently. However, it was the first to take advantage of the touchscreen hype in India by launching a series of touchscreen smartphones specifically targeted at the tech-savvy youth. Instead of setting high prices, Samsung reduced the price range to fit into the budget of more Indian consumers. One of their phones targeting the youth segment is the Samsung Corby.
- 3. Sony Ericsson:** Sony Ericsson entered India in 2001 with a range of sleek, smart and innovative phones. Highly popular amongst the urban youth, it was amongst the first to segment and position phones based on dominant features viz. camera phones, design phones, music phones, and web and email phones.
- 4. Motorola:** Targeting the stylish urban youth with innovative & attractive designs, Motorola smartphones mainly focus on data communication and mobile entertainment features with its new range.
- 5. Local players getting a significant chunk of the market:** A slew of local players like Micromax, Videocon, Onida, Lava, Zen, Lemon, Spice, Maxx, Karbonn etc. have entered the market in the last 12 to 18 months and have carved a niche for themselves by offering feature-rich (dual SIM card, full QWERTY keyboard) and application-rich (IM enabled) mobile handsets at attractive price points.
Micromax Q5 in particular is one of the phones targeting the youth segment.

Key deliverables

The task is to provide a **communication strategy** that details the way forward for Nokia C3, which would help build the brand in the most effective manner. The strategy document must provide solutions to the following key areas:

1. Identify key challenges for the brand and its communication.
2. Identify key characteristics of the target consumer.
3. Identify the key consumer insights in the target group and architect the offerings along the needs of the consumer.
4. Identify the right positioning and messaging platform for targeting the consumer.
5. Identify the right communication message for the brand.

Rules & Regulations:

Participation Rules:

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: Presentation of the shortlisted cases

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

1. Draftfcb+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 case solution on the case should be submitted either through email to comstrat@draftfcbulka.com or by post to Draftfcb Ulka Advertising, 4th floor, Nirmal, Nariman Point, Mumbai 400021.
6. The last date for receipt of the submission is **19th November 2010**.
7. A shortlist of six teams shall be arrived at by evaluating the case solutions received.
8. The shortlist shall be declared on **26th November 2010** and posted on the website www.draftfcbulkacomstrat.com and communicated to K. J. Somaiya Institute of Management Studies and Research.
9. The six shortlisted teams will be invited to make a presentation to a panel of judges on **11th December 2010** in Mumbai.

Please remember:
• Synopsis to be submitted as word document only
• Font size should be minimum 11
• The document should not exceed 15 pages
• The document should have a single line spacing
• Synopsis should be submitted on or before 19th November 2010

Stage II: Final presentation of the case:

1. Shortlisted teams are requested to reach the venue at 12 noon sharp for the set-up and dry run.
2. Please get your presentations on a CD, 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. The 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

Last date for written submission	6 pm on 19th November 2010
Shortlist of 6 teams for presentation	6 pm on 26th November 2010
Final Presentation	12 noon on 11th December 2010

Annexures:

1. Handset Companies: Media Spends (Apr 09- Mar'10)

Handset marquees	Spends Rs Cr			
	TV	Radio	Print	Total
Nokia Corporation	266	10	126	401
Samsung India Electronics Ltd	162	0	50	212
LG Electronics India Ltd	74	4	28	106
Spice Mobiles Ltd	63	1	37	101
Micromax Informatics Ltd	35	1	12	48
Karbons Mobiles	16	0	25	40
Videocon Industries Ltd	21	0	14	34
Sony Ericsson (India)	13	2	15	30
Lava International Ltd	20	1	7	28
Maxx Mobile Communications	13	0	14	27
Total handsets category	766	22	402	1190

2. Nokia Corporation Media Spends: Product-wise split of top 15 models advertised (Apr 09-Mar'10)

Nokia Handset Models	Spends Rs Cr			
	TV	Radio	Print	Total
Nokia Mobile Phone	63	5	45	112
Nokia 5800 Xpress Music	40	0	4	44
Nokia 1661/1662	41	0	0	41
Nokia 7210	21	0	3	25
Nokia N97	16	0	5	21
Nokia 1202/1203	20	0	0	20
Nokia 5233	15	1	2	18
Nokia 6700 Classic	11	0	2	13
Nokia 7210/6300	12	0	0	12
Nokia 5130 Xpress Music	1	0	9	10
Nokia 6700/6303 Classic	10	0	0	10
Nokia E 63	0	0	9	9
Nokia Care Centre	0	0	8	8
Nokia E71/e63	7	0	0	7
Nokia E Series	0	0	7	7
Total Nokia Corporation	266	10	126	401