



IIMC CASE RESEARCH CENTRE (IIMCCRC)

INDRANIL BOSE, RAMENDRA SINGH, SIDDHARTHA PAUL

DECEMBER 2015

MOTOROLA'S RE-ENTRY INTO THE INDIAN MOBILE MARKET: THE MARKETING STRATEGY

"Moto G has absolutely been crucial for us. It's a primary reason we've gone from no share to something relevant now in some markets."

- Rick Osterloh, President and Chief Operating Officer, Motorola

Motorola the pioneer of mobile phones decided to exit the Indian market in 2012. By early 2014, Motorola forayed into the Indian market with three new smartphones Moto E, Moto G and Moto X. By the end of third quarter of 2014, Motorola introduced the new versions of Moto X and Moto G smartphones keeping the portfolio of product to three in number. Later the company targeted the Indian market with products for different segments. Moto E and Moto G was targeted to the masses at a very disruptive price; on the other hand, Moto X was targeted to niche high profile consumers. The company planned to increase its portfolio by launching Moto Turbo and 4G-enabled Moto E for its premium and mass market segment respectively.

In late 2012 Motorola stopped selling mobile phones in the Indian market. This was mostly due to its massive global restructuring policies after it was acquired by Google. Google acquired Motorola mobility for US\$ 12.5 billion and sold the same to Lenovo for US\$ 2.9

This case was written by Professor Indranil Bose, Professor Ramendra Singh, and Siddhartha Paul at the Indian Institute of Management Calcutta. The case was prepared solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation.

Indian Institute of Management Calcutta gratefully acknowledges the financial contribution of 23rd batch of PGP alumni in fully supporting the expenses toward development of this case study at the Case Research Centre of the institute.

Copyright © 2015, Indian Institute of Management Calcutta.

billion and lost US\$ 9.6 billion in the process¹. Then, the company adopted a new business model by selling the phones online with its exclusive tie up with the online retailer Flipkart. After re-entering India, the online distribution medium was identified as the easiest mode of reaching customers, as creating proper distribution channels needed proper planning. However, many analysts are skeptical on whether this marketing strategy will help Motorola regain the lost market since the company might not be able to reach the rural regions in India where Internet penetration is low. Should Motorola follow the online model or the hybrid model in the long run?

¹ Bennett, D. (May 2014). Lenovo, the treasure hunter of tech, <http://www.bloomberg.com/bw/articles/2014-05-08/lenovo-targets-mobile-as-tech-empire-grows-on-castoff-businesses>, accessed September 15, 2015.