

"A man is
great by
deeds, not by
birth"

-Chanakya

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Case Study

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Nestle Maggi - Controversy & Comeback

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Abstract:

Maggi is one of the most well-known brands in Indian business history. Maggi arrived in India in 1983, when both instant noodles and Maggi were wholly alien to Indian culture. It has a 75% market share in a market worth Rs. 1000 crore and is well-known as an instant noodle brand. In May 2015, however, representatives of the Food and Drug Administration from the Barabanki district of the Indian state of Uttar Pradesh reported that samples of the product "Maggi 2-Minute Noodles" contained notably high levels of lead and monosodium glutamate (MSG). This was unfortunate news for the company.

This discovery led to numerous market withdrawals and inquiries in India and other countries. From that point on, despite fierce rivals like ITC, Nissin, and Unilever, Nestle bounced back and built a 937 crore market, holding the top spot in the sector for 38 years. Maggie still holds a whopping 60% of the market for instant noodles. The case deals with how Nestle made a completely unknown product like Maggi successful in Indian market with hopping 75% market share, and how it handled the controversy and reborn to become once again a market leader with 60% market share.

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