

INDIAN INSTITUTE OF MANAGEMENT KOZHIKODE



Case Study

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**Kia Motors India Entry: Formulating Positioning Strategy for Seltos (A)** 

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**Abstract:** 

The case describes the Kia Motors entry into the Indian Market with Sports Utility Vehicle

(SUV) Seltos. Kia Motors made the announcement to enter the Indian market with mid-size

SUV model in June 2019. Kia was planning to be among top five automakers in India with a

portfolio of five passenger car models in three years. It was imperative for Kia to formulate a

fool proof strategy for launching Seltos.

SUV was a fast growing category in the Indian Automobile Market in 2018. The mid-size

SUV category sales was 210K units while the compact SUV sales was 321K; the SUV

category including mid-size and compact grew by a CAGR of 28% during 2015-18 period.

Eight new SUV brands were launched during this period. Hyundai Creta launched in 2015

was the largest selling mid-size SUV brand with a sale of 121K units while Maruti Suzuki

Brezza was the top selling compact SUV brand with as sales of 155 K units in 2018. Apart

from Creta, key competing brands in mid-size category included Mahindra Scorpio,

Mahindra XUV 500 and Renault Duster. In the compact SUV category, the key competing

brands apart from Brezza were Tata Nexon and Ford Eco Sport. The case provides brand

advertisement information to infer the positioning of competing brands to formulate a

positioning strategy for Seltos.

The participants are required to analyze the SUV market evolution and growth, assess the

positioning strategies of key competing brands and formulate a positioning strategy for

Seltos in 2019 given Kia's short term and long term objectives.

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