

# INDIAN INSTITUTE OF MANAGEMENT KOZHIKODE



Case Study

## IIMK/CS/150/MM/2022/04

### March 2022

### Honda Motors CB 350 – Stretching Product

## Line to Upmarket

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#### Honda Motors CB 350 – Stretching Product Line to Upmarket

#### Abstract:

To launch H'ness CB 350 in October 2020, Honda Motorcycle & Scooters India (HMSI) was ready with the brand name H'ness and its primary target market was expected to be those who enjoy biking experience and were looking for a new brand of motorcycle. "A modern take on classic style," HMSI described its new model. The motorcycle would be sold at its high-end Honda BigWing outlets. The company was tasked with coming up with a comprehensive marketing plan for H'ness. The company's first foray into the scooter market was limited to making lightweight motorcycles and scooters with 100-150 cc engines. When HMSI launched its first motorcycle in India, it was focused on attracting the growing number of young Indians who were looking for an alternative to the typical commuter motorcycle. HMSI was tasked with finalising H'ness' marketing strategies, including its brand positioning and distribution strategy. The Indian market already had well-established competitors who produced high-end motorcycles in the 300-500 cc range. For example, Eicher Motors' Royal Enfield brand holds a 95 percent share of the market in this niche. All ages of people were seen riding these motorcycles. Due to the lack of product differentiation, Honda's challenges were exacerbated by being a late entrant in the market. The dilemma of the case is what Honda should do to establish its brand in the mass premium market as it extends its product line.

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