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**CASE STUDY**  
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# POLARIS INDIA CASE STUDY

## Polaris Creed

At Polaris, making great products is not just a job - it is a way of life. That is why our creed is etched in steel at the entrance at each of our locations. Our employees are not only building and designing our machines, they are also enthusiastic riders. This gives us the competitive edge as we work together to make the riding experience better.

## Polaris Values:

Polaris is a strong believer that the key to its success is in the ethics and values of its employees. The Polaris Values were defined by its employees and to prove that this is not just lip service, Polaris Performance Management Program evaluates employee performance not only on delivered results but also on how well they represent the company values.

- Team Player
- Innovation
- Employee Development
- Customer Focus
- Integrity
- Passion for Excellence
- Problem Solver
- Leadership

## About the Company - Polaris India:

Polaris India Pvt. Ltd was established as a wholly owned subsidiary of Polaris Industries Inc. (USA), ([www.polaris.com](http://www.polaris.com)) which designs, engineers, manufactures and markets innovative, high quality Off Road Vehicles (ORVs), innovative All-Terrain Vehicles (ATVs), the Polaris Ranger®, (for recreational and utility use), Snowmobiles, Motorcycles and Electric powered vehicles. Polaris India Pvt. Ltd. launched its flagship products including ATVs, Polaris Ranger RZR®, Side x Side Vehicles and Snowmobiles in India on 24th August, 2011.

Polaris India, has taken one giant step to revolutionize the Indian market for catering to very culture of the Indian territory with a wide array of diversified off-road vehicles designed exclusively for our elite customers and various utility use. Polaris India has a strong network of 16 Dealerships, 10 PRS (Polaris Riderzstop) & 23 Polaris Experience Zones (Off Road Tracks and 5 are coming soon) to take the off road riding culture way ahead. They are state of the art and offer a workshop for service. These dealerships are located at Ahmedabad, Bangalore, Chennai, Cochin, Dehradun, Hyderabad, Indore, Jaipur, Kolkata, Lucknow, Ludhiana, Mumbai, Dimapur, Srinagar, Guwahati and New Delhi.

### The Polaris Range:

**Sportsman® ATV's:** Polaris Sportsman range of ATVs is the best way to enjoy the outdoors. These are affectionately termed 'quad-bikes'. Through rain or snow, flat or hilly terrain, our ATVs perform at optimum levels no matter what the region or the season. It is available in premium (high quality performance), 2 - Up (double seater) and value (more affordable) ranges.

**Polaris RANGER RZR® Side by Sides:** Polaris Ranger RZR® Side by Side is the only sport utility off-roaders which are exclusively built for off-road activities. Polaris off-roaders deliver a razor sharp performance every time. There are four variants available: Only Trail (exclusively for hilly/mountain terrain), only Sport (for dune-surfing and riding in open spaces), only 4 Seat (world's first 4-seater Side by Side) and Only Xtreme (Premium performance under all conditions).

**Snowmobiles:** Polaris snowmobiles promise to generate much excitement in India. They are available in Adventure, Crossover, Performance, Deep Snow, Trail Luxury and Utility ranges.

Moreover, to give our prospective customers an actual feel of the off-road experience, Polaris India organizes test riders/customer events at regular intervals.

# POLARIS INDIA CASE STUDY

## Competitive Landscape:

The competition brands are unorganized small time ATV makers who import cheap ATV's from China, Taiwan etc. Polaris India is the only organized player in the off-road industry in India. The break-up of the market share of the ATV makers is provided below:

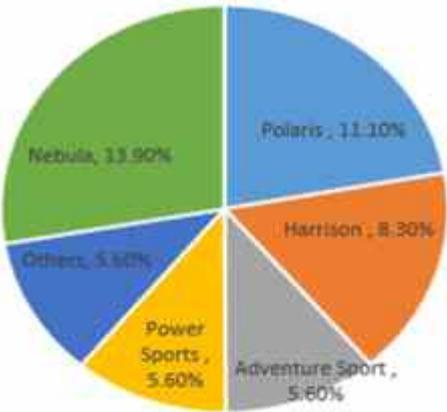


Fig: Break-up of the market share of the ATV players in the country

### Competitive Outlook /Trend

- Based in Pune
  - CKD with Chinese/Taiwanese kits
  - Popular for ATV's only
- Based in Bengaluru
  - CKD with Chinese/Taiwanese kits
  - Popular for ATV's only
- Based in Pune
  - CKD with Chinese/Taiwanese kits
  - Popular for ATV's only
- Based in Gurgaon
  - CKD with Chinese/Taiwanese kits
  - Popular for ATV's only
- Recently acq. by Mainsi Group
  - Mfg. based in Bengaluru
  - Introduced TM5 at low cost
- Mfg and Marketing through BEML
  - Local assy in Bengaluru
  - 6x6/8x8/Amphibious

**Competition selling only entry level ATV's**

15

Fig: A brief snapshot of the competitor's characteristics is also provided above:

# POLARIS INDIA CASE STUDY

## Polaris Dealership:

Polaris India has a strong network of 16 Dealerships, 10 PRS (Polaris Riderzstop) & 23 Polaris Experience Zones spread across the nation to take the off road riding culture way ahead. They are state of the art and offer a workshop for service.



## Initial Challenges for Polaris:



To cope up with the low retail, we came up with an innovative approach and opened up Polaris Experience Zones across the country. The PEZs are third-party owned properties where a small track is built to ride Polaris ATVs. This was done to bring the brand and products closer to the people.

# POLARIS INDIA CASE STUDY

## Polaris Experience Zones (PEZS):

Polaris was launched on 24th August, 2011. It has the only organized player in the off-road industry since then and the first brand to be launched in this industry.

Off-Road industry is at a nascent stage in India and only few competing brands like Chinese and Taiwan ATV which are actually no comparison to Polaris which is world's No. 1 Off-Road vehicle company not only in terms of the market share globally but also in terms of product innovation.

However Polaris India is still facing some challenges like high import duty, off-road industry still at a nascent stage in India and our products are not registered thus cannot be ridden on road legally.

Polaris Experience Zone is a professionally managed off-road Tracks with Polaris vehicles. There are around 23 PEZs operations with many more coming soon. PEZs intends to focus on adventure and thrill for children, youth and families. No license is required for kids passionate for driving. One can experience the real off-adventure, rugged and roughest terrain with Polaris ATVs (All- Terrain Vehicle). The concept & passion for off-roading has picked up since last 5 years. Today, India is a place where more off-road heads are rolling and Polaris will be the perfect cake for all those who love off-roading.

## Polaris Experience Zones Across the Country:

The major challenges faced by the Polaris Experience Zone (PEZ) owners are:

- To cope with the increasing footfall at these PEZs
- In recent times, a lot of accidents have happened because of the rash driving of young/new drivers
- Most of these PEZs are located in the outskirts of the city, which makes location a constraint
- Weekdays see a considerable fall in the terms of the people coming in
- Measures to train young children/kids drive better
- How to prevent the mishandling of vehicles by the people using it. What needs to be done to stop this?

The brand PEZ is positioned as a product which provides adventure and thrill with safety, courtesy and efficiency. This brand positioning was done by taking consumer insights into account to make the brand communication more effective. It is positioned as an aspirational brand and hence it has room to grow and improve.



# POLARIS INDIA CASE STUDY

## Details of the Chennai PEZ

Sr.No.	Description	Chennai
1	Current footfalls at PEZ	On weekdays it averages out to around 30 people and on weekends it increases to 200 people. Footfalls are very seasonal particularly in the winters and summer vacations they fetch good numbers.
2	Profile of people visiting	Professionals, Youth, Students and Businessmen
3	Budgets required to start a PEZ	Minimum Rs.20 Lakhs (Including three Entry/Youth machines)
4	TG of visitors	Tourists, Youth, Students and adventure enthusiasts
5	Current scenario of PEZ in terms of operational costs and revenue generation	Operational Cost - Rs. 50000 (dependant on models of ATV's) On hefty weekends and seasonal celebrations this PEZ averages over 1 lakh rupees per week.
6	Franchisee models vs ownership models working out / royalty sharing / Investment vs ROI / Support by Polaris / Criteria for franchisee to fulfil	All our PEZ's are franchisee based. We sell the ATV's to different PEZ's. For the Chennai model the Chennai PEZ has tied-up with Radison Blu and we have given ATV's on revenue share basis. In general case within two years, ROI can be achieved. Polaris also offers branding support, track design, Social Media awareness, PR support etc. to ensure maximum publicity, mileage and footfalls.
7	Other Information you want to share	To start a new ATV track, an EMI option (from HDFC) is available to buy Polaris machines. Also, vehicles can be insured from IFFCO-Tokio as Polaris has tie-up with them.

## Deliverables:

- Above is a grid on the details of the Chennai PEZ with relevant data. In the coming future, we wish to scale it and open up more PEZs across the country and abroad. Suggest what the possible partnership avenues that Polaris can look at other than the present structure in order to successfully open up / replicate more PEZs.
- The low footfalls at most of these PEZs are a growing concern. Formulate a marketing and communication strategy for Polaris which will help us reach the prospective customers and help us engage with the present ones better, simultaneously marketing the brand name of PEZs better. Ideate on activities that can include developing ideas like incentivizing weekends, discount coupons on re-visits etc. ensuring to lure customers away from other entertainment zones and bringing them to the PEZ's.
- Lastly, we have to remember that due to certain motor transport restrictions in India, Polaris vehicles cannot be used on the motorable roads coinciding with the need to increase the culture of off-roading, ideate one wild adventurous idea, build an event around it, devise different marketing strategies to ensure adventure enthusiasts can experience adventure using the Polaris vehicles. Elucidate how we can market this idea across different mediums of communication.