

JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA**PGDM / PGDM (M) / PGDM (SM)****FOURTH TRIMESTER (Batch 2024-26)****END TERM EXAMINATIONS, OCTOBER 2025****SET-1**

Course Name	Strategic Management	Course Code	20704
Max. Time	2 hours	Max. Marks	40 MM

INSTRUCTIONS:

- Answer **ALL** of the 4 questions below
- Each questions carry equal marks and it is 10

Case- Goli Soda

A decade ago, when we began, the concept of green products was new in India, but now, in a crowded marketplace, our challenge is to help consumers differentiate between true green products and those who claim to be green and convince enough consumers to buy our products.

—Sruti Harihara Subramanian

It was December 2023. As the year came to a close, Sruti Harihara Subramanian, the founder of Goli Soda Sustainable Solutions Private Limited (Goli Soda), which sold sustainable home and personal-care products, was reading for the zillionth time the About Us section on her company's website, which described Goli Soda as "a conscious brand that examines who we work with, where our products come from, how it is manufactured, what goes into the product, how it is packaged and even how it will be recycled or discarded."

While Subramanian had founded the company in 2013, Goli Soda was still not profitable 10 years later. She knew that for her sustainability cause to thrive, the business would need to scale up and make a profit. She had tried to increase sales revenue and control costs, which would lower losses and eventually turn the company profitable. In fact, in 2020, during the COVID-19 pandemic and the resultant lockdown, Goli Soda closed its physical store and started focusing on the online model. It adopted the drop-shipping model for the other brands it sold, which reduced warehousing costs. While this move helped the company cut costs and brought increased revenues due to a boost in online sales, this revenue boost proved to be short-lived.

It was now time to focus on boosting revenue once again—and this time, the rise in revenue would have to be sustained. Subramanian was confused about the exact nature of Goli Soda's problem: Was it that consumers perceived the company differently than it wanted to be perceived, or had the company been unable to differentiate itself from the plethora of so-called sustainable brands available in the market? She wasn't sure whether the issue was that the target market was not scalable, that the company was targeting the wrong customers, or just that it had been unsuccessful in crafting and communicating its unique selling proposition to the market.

The more Subramanian thought, the more potential reasons she could see for Goli Soda's current state. Since she wasn't sure how to identify the most pressing issues or to determine where to start, she sought the assistance of her friend Deepa Rajamouli, a consultant, asking her to assess the company and its offerings and present her findings. Rajamouli began the process of systematically gathering information across all dimensions and looking for patterns and connections between problem areas. She looked at the timeline of the company since its inception (see Exhibit 1). The first thing she noticed was how peculiar the name Goli Soda was for a company that didn't sell any beverages, so she asked Subramanian about it.

WHY THE NAME GOLI SODA?

As a child, Subramanian had been fascinated with how the drink Goli Soda was sold. During her visits to her grandparents in the Southern Indian state of Kerala, one of her primary sources of entertainment had been opening Goli Soda bottles for a local shopkeeper's customers. After finishing their drinks, customers would return the glass bottles, which were cleaned and refilled—a far more environment-friendly practice than the use of single-use plastic bottles. Years later, when she was starting her business, Subramanian thought of Goli Soda, with its focus on manufacturing locally and generating only negligible waste, as a perfect symbol of sustainability.

Now that Rajamouli knew the reason behind the company's name, she realized that Subramanian expected the name Goli Soda to be a brand icon for its customers. However, she was not sure whether consumers would be able to connect this name with the brand's offerings. Rajamouli wanted to better understand why Subramanian had started Goli Soda a decade earlier and why she continued to persist with an unprofitable venture. Subramanian explained that eco-friendly³ products were not readily available in the early 2000s, so she often innovated and invented products for her own personal use. In 2013, when she realized that consumers like her needed more options in the market, she founded Goli Soda as a physical store selling sustainable products from different brands.⁴ She chose a simple logo design, with vibrant colours associated with sustainability (see Exhibit 2).

Goli Soda expanded into daily-use personal-care products, including soaps and shampoos, menstrual hygiene products, homecare and cleaning products, and baby products from its own and other brands. To reach consumers and expand the size of the market, the brand launched a series of targeted outreach programs, lectures, and demonstrations in the initial years to educate and enlighten consumers about how their decisions impacted the environment. These initiatives were strategically designed to resonate with a community that was deeply rooted in the planet and sustainable living.

After its first few years as a brick-and-mortar store, Goli Soda shifted to a hybrid model in 2015 and started its online aggregator store, golisodastore.com, to expand its market reach (see Exhibit 1). At this juncture, the company also entered into manufacturing and began producing new and innovative products under the Goli Soda brand name, launching its first own-brand product, the newspaper pencil, in 2016. Goli Soda products were also available on aggregator sites such as Amazon and Flipkart.

In early 2020, the company shut down its physical store to cut costs and focus on online sales. While it experienced a surge in revenue, this did not last. During their conversation, Subramanian told Rajamouli that, unless she was soon able to build an informed, eco-conscious community that would be loyal to the brand in the crowded marketplace, she would have to consider joining hands with an external partner to raise funds for the company. This wasn't her first choice since she was worried about being pressured by these new partners to dilute her sustainability standards.

COMPETITION

When Rajamouli searched for sustainable personal-care brands online, her web search revealed that there were many sustainable-product companies in India. While foreign sustainable brands were available online, some well-known Indian brands such as Khadi Natural and Khadi India were missing from the list. There was a lot more competition than Subramanian's team had realized. Rajamouli, who didn't have a thorough understanding of sustainable production practices, was also unable to see any observable differences between Goli Soda and these other brands.

She tried to list the unique attributes that could distinguish Goli Soda's products from those of its competitors. She posed several questions: (1) Who were Goli Soda's true competitors: were they the brands that manufactured and sold sustainable products, or were they online marketplaces—including exclusively sustainability-focused online aggregators such as Brown Living and general marketplaces such as Amazon—that sold products from many sustainable brands? (2) Was Goli Soda perceived as a premium or an economy brand? (3) Did Goli Soda have any brand awareness among the young urban population? and (4) Was the brand positioned too narrowly among environmentally conscious consumers? Rajamouli had to do a lot of research before she could answer any of these questions. While Goli Soda kept records of its customers' feedback and took this seriously, Rajamouli realized that the company had not systematically evaluated its position in the market or in customers' minds.

The consultant selected companies in the sustainable personal-care marketplace and looked at the broad categories of products sold by the sustainable-product aggregator websites (see Exhibit 3). She then compared Goli Soda's product offerings and value perception with those of its competitors (see Exhibit 4). Further, she conducted a survey among 172 young men and women in their 20s to gauge both consumer awareness of the sustainable personal-care market in general and consumers' perceptions of the Goli Soda brand specifically. The survey sample included individuals with various regional and educational backgrounds and work experiences, ensuring a representative and comprehensive population for the study. The survey indicated that environmental consciousness was growing among consumers, with 81 per cent of survey participants saying they considered themselves to be environmentally conscious (see Exhibit 5). However, it also showed that Goli Soda's brand recognition among participants was low, and that their images of the brand and its core offerings were misaligned (see Exhibits 6–10).

Rajamouli realized that there was a lot to understand regarding customers' perceptions of Goli Soda and of the brand's own claims. As the founder, Subramanian was confident about the authenticity of the company's claims about sustainability. The company chose suppliers carefully, ensuring that its raw materials, manufacturing processes, and packaging materials were all sustainable and that there was no scope for greenwashing. However, the survey showed that consumers were not aware Goli Soda was truly sustainable, rather than greenwashing.

Were sustainability certifications such as those from the US Department of Agriculture apparent to consumers, and did consumers understand their value? Did they care enough to overcome their "intention action gap?" One customer reported, "I value sustainable products, but the information on the packaging didn't clearly explain how it differs from conventional options or how it positively impacts my hair and skin" (see Exhibit 11). While it appeared that consumers were looking for product attributes, Subramanian and her team were primarily focussed on the sustainability impact that they were making. They had put together a sustainability impact analysis and were proud to find the company estimated that products it sold had contributed to cleaning and treating 150 litres of water per person every day. Through sales of 71,808 units of various products, it had already helped to treat 862 million litres of water (see Exhibit 12).

Rajamouli also collected feedback from customers who had purchased Goli Soda products but had not become repeat customers. She noticed that, while Goli Soda claimed to be different from the regular products available in the market, customers used the same evaluation criteria to assess the quality of both, making comments such as, "I value the eco-friendly ethos and am willing to invest more, but this fragrance free soap's hard on the skin," and "Their product line exclusively offers bar soap, which differs from traditional options like liquid soap, which I prefer."

As a consultant, Rajamouli had helped several clients strengthen their digital marketing and execution efforts. She had seen businesses expand rapidly when they effectively used digital channels to reach and convert customers. Rajamouli began to analyze consumers' behaviour and engagement with the brand, visiting Goli Soda's website and observing its presence on popular social media platforms like Instagram relative to those of its competitors (see Exhibit 13). Given that many consumers purchased products via their mobile phones, Rajamouli checked Goli Soda's mobile view. Rajamouli also analyzed the design and visual priming of Goli Soda's website relative to those of its likely competitors and did a comparative search engine optimization analysis. The brand's visibility, even among the target segment of relatively affluent young urban consumers, appeared limited (see Exhibit 14).

THE WAY AHEAD

Subramanian and her team were committed to the cause of sustainability. However, the business would be profitable only if it could increase its sales revenue. Having done a thorough analysis of Goli Soda and its competitors' product and marketing strategies, Rajamouli faced a critical question in suggesting a business revamp strategy: How could Goli Soda, a bootstrap company with limited access to funds, identify the most significant constraints limiting its customer reach—and hence, its sales revenue—so that it could become sustainably profitable?

EXHIBIT 1: GOLI SODA TIMELINE

2013

Launched 1st Multi-brand Sustainability Store in Chennai, India.

2015

Launched 2nd sustainability outlet in Chennai, India.

Launched Golisodastore.com with nationwide shipping.

OUR JOURNEY

GOLI SODA

SUSTAINABILITY EVERYDAY.

2016

Launched first Goli Soda Branded Product - The Newspaper Pencil.

Launched E-Commerce Distribution with Amazon.in for third-party brands as well as Goli Soda Products.

Distributed over 100 SKUs.

2017

Expanded e-commerce operations to Flipkart and other online portals.

Distributed over 15 brands and 200 SKUs.

Expanded to 1st Goli Soda Branded products.

2018

Launched our unique & exclusive range of Probiotics Shampoo Bar, Dishwash Bar & Cloth Pad Soap under the Goli Soda brand.

2019

Yuva Samman Young Achiever award for Best Entrepreneur.

Awarded the Federation of Indian Chambers of Commerce and Industry - FICCI Ladies Organisation (FLO) award for Upcoming Entrepreneur of the year.

2020

Sruti was selected for the an incubation program for women entrepreneurs. Mentored by CEO of Azim Premji Foundation. Won the Prize for best pitch.

Migrated to 100% e-commerce model adapting to Covid-19. Set up a fully integrated warehouse and fulfillment centre.

2021

Goli Soda Expanded Manufacturing and brand visibility for unlocking growth.

Upgraded technology and moved all third-party products to our online platform on a drop ship model.

Registered Goli Soda Sustainable Solutions Private Limited.

EXHIBIT 2: GOLI SODA LOGO



EXHIBIT 3: GOLI SODA'S COMPETITION—PRODUCT CATEGORIES OF ONLINE MARKETPLACES SELLING SUSTAINABLE PRODUCTS

	GOLI SODA	BROWN LIVING	SUSTAINKART	AMAZON
Established in	2015	2019	2021	2013 (In India)
Product ranges				
Website categories	Personal care and fitness	Personal care	Beauty and wellness	Home, kitchen, pets
	Groceries and essentials	Eat and drink	Food and Nutrition	Beauty, health, grocery
	Clothing	Work	Fashion	Sports, fitness, bags, luggage
	Baby	Travel	Kids	Toys, baby products, kids' fashion
	Home and living	Home and living	Home and décor	Men's fashion

	Pets		Pet care	Women's fashion
	Bags and footwear			
	Accessories			
	Stationery			
	Toys and games			

EXHIBIT 4: COMPARING PRICES OF PRODUCTS MANUFACTURED BY SUSTAINABLE BRANDS

	Goli Soda	Forest Essentials	SoulTree	Mamaearth
Established in	2013	2000	2013	2016
Prices of own branded products				
Shampoo bar/liquid (100g/100 ml)	₹274	₹850	₹518	₹125
Shave bar/Cream (100 g/100 ml)	₹274	₹1,325		₹222
Face wash bar/soap/liquid (100 g/100 ml)	₹271	₹850	₹1,245	₹250
Laundry bar				
Hair conditioner	₹460	₹900	₹562	₹140

EXHIBIT 5: SELF-REPORTED DISTRIBUTION OF ENVIRONMENTAL CONSCIOUSNESS

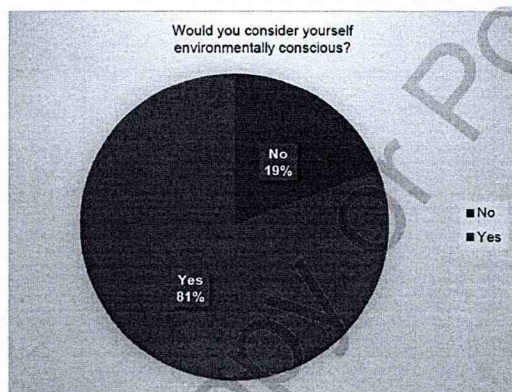


EXHIBIT 6: BRAND AWARENESS—GOLI SODA

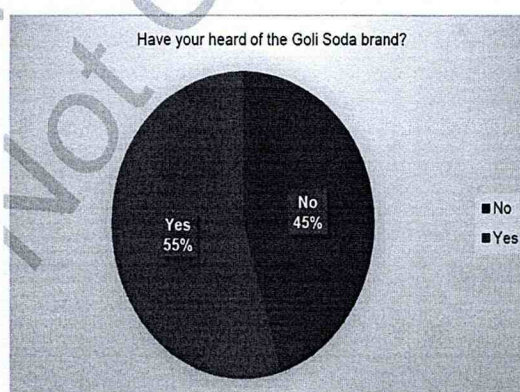


EXHIBIT 7: BRAND RESONANCE—GOLI SODA

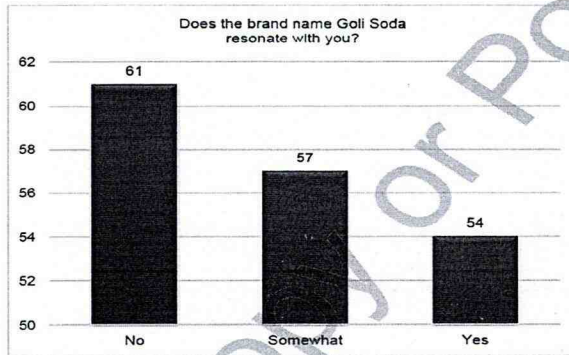


EXHIBIT 8: CONSUMERS' PERCEPTION OF GOLI SODA PRODUCT PRICES

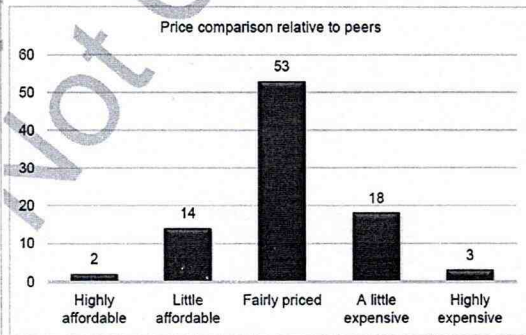


EXHIBIT 9: CONSUMERS' PERCEPTIONS OF GOLI SODA'S PRODUCTS



EXHIBIT 10: CONSUMERS' TOP OF MIND SUSTAINABLE PERSONAL CARE BRANDS



EXHIBIT 11: GOLI SODA PRODUCTS—PACKAGE PHOTOGRAPHS



EXHIBIT 12: GOLI SODA IMPACT ANALYSIS



EXHIBIT 13: SOCIAL MEDIA ANALYTICS—INSTAGRAM (AS OF MARCH 4, 2024)

S.No	Company	Posts	Followers	Following
1	SoulTree	3,279	123,000	50
2	Khadi Natural	1,553	44,700	18
3	Forest Essentials	3,207	289,000	58
4	Mama Earth	4,251	1,300,000	13
5	Goli Soda Store	1,961	10,900	555

EXHIBIT 14: SEARCH ENGINE OPTIMIZATION (SEO) RESULTS IN JULY 2024

Golisoda	Forest Essentials	Soultree	Mamaearth
 SEO Score 54/100 Average SEO score of top 100 sites: 74%	 SEO Score 66/100 Average SEO score of top 100 sites: 74%	 SEO Score 72/100 Average SEO score of top 100 sites: 74%	 SEO Score 81/100 Average SEO score of top 100 sites: 74%
26 Failed 3 Warnings 45 Passed	19 Failed 8 Warnings 47 Passed	16 Failed 6 Warnings 52 Passed	11 Failed 2 Warnings 61 Passed

1. **Dissect** the challenges that Goli Soda faces in achieving sustainable profitability and **identify** the underlying causes of these challenges. Consider value proposition, market force dynamics, brand strategy, and customer awareness in your analysis. (CO2)
2. Critically **assess** the effectiveness of Goli Soda's current business model and business strategies in achieving its sustainability and profitability objectives. What strategic misalignments you can **identify**, and what are their implications for the company's competitive edge? (CO2)
3. **Imagine** you are part of the consulting team evaluating Goli Soda. What key areas would you prioritize for deeper investigation, and why? **Propose** a diagnostic plan to uncover actionable insights for the company's growth. (CO3)
4. **Integrate** insights from consumer behavior, competitive analysis, and sustainability trends to **propose** a comprehensive brand repositioning strategy for Goli Soda. Who are Goli Soda's primary customers? Who should be its customers? How can the company better communicate customers' needs and **create** a differentiated position for itself in these consumers' minds? (CO3)

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