

Analysis of value proposition



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Value Proposition is a promise made by the vendor to the customer regarding the sum total of tangible benefits that the customer will receive when he buys a particular product.

It is a clearly defined marketing statement that explains why a customer should buy a particular product or what extra value he will receive when compared with competing brands.

Presenting customers' with a good value proposition is a quick and effective way of building up sales and promoting the brand.

WHAT ARE PODS AND POPS?

Point of Difference (POD) denotes the attributes or features that make a product or brand distinct from its competitors. PODs are usually unique and inimitable and are benefits that customers strongly associate with the brand and believe are unattainable elsewhere.

Points of Parity (POP) are all the associations which are not unique to any one brand but may be shared by several brands manufacturing the same product.

Points of Parity can be differentiated into two – Category Points of Parity and Competitive Points of Parity.

Category points of parity are features which customers consider essential in any given product while competitive points of parity are associations with which a brand tries to negate a competitor's point of difference.

The products chosen for this assignment are:

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Toothbrush from the FMCG category and

Washing machine from the consumer durables category

PRODUCT BRIEF

The product chosen by the team under the Fast Moving Consumer Goods (FMCG) is Toothbrush and the brand chosen is Oral-B. The brand Oral-B is good to use and has good brand value as it is rated high in quality. Oral-B is a brand which the dentists worldwide prefer to use. Oral-B is a high valued brand manufactured by Procter & Gamble which is a US based corporation. Oral-B brands are available in various types mainly:

Oral-B Advantage Floss Series.

Oral-B Cross Action Power Series.

Oral-B Advantage 3D White Vivid Series.

Oral-B Advantage Complete Deep Series.

Oral-B Advantage Complete Mouth Series.

Oral-B Denture Series.

Oral-B End Tufted Series.

Oral-B Indicator Series.

Oral-B Rechargeable Electric Toothbrush Series.

The darken types are New and Featured ones.

Many dental professionals around the world recommend in changing the toothbrush about every three months, and the American Dental Association

(ADA) recommends replacing the toothbrush approximately every three to four months, or sooner if the bristles are frayed.

That's because, no matter what type of toothbrush is been used, its bristles could get frayed and worn and even may lose their effectiveness. Clinical research worldwide shows that a new toothbrush can remove more plaque than one that is been worn out, ensuring that your brush is working its hardest to help keep your teeth clean and healthy. For that reason, Oral-B toothbrushes and toothbrush heads contain blue Indicator® bristles that fade to signal when to replace them.

This highly rated Oral-B brand also features antimicrobial bristle protection to help keep brush bristles clean between brushing for up to 90 days, these bristles do not kill bacteria in the mouth, protect you against disease or prevent one from getting sick. So be sure to change your brush regularly for maximum use and to practice assiduous hygiene, in spite of the variety of toothbrush you're using.

VALUE PROPOSITION

A business or marketing statement that summarize why a consumer should buy a product or use a service. This statement should convince a potential consumer that one particular product or service will add more value or significantly solve a problem than other similar offerings.

Companies use this statement to target customers who will benefit most from using the company's products, and this helps maintain an economic moat. The ideal value proposition is concise and appeals to the customer's strongest decision-making drivers. Companies pay a high price when

customers lose sight of the company's value proposition. A set of benefits that they offer to customers to satisfy their needs. The intangible value proposition is made physical by an offering which can be a combination of products, services, information and experiences. All companies strive to build a strong, favorable and unique brand image. The offering will be successful if it delivers value and satisfaction to the target buyer.

VALUE PROPOSITION OF MODEL OF ORAL-B

Market value of Oral-B brands are such that almost all the age categories in the country either doing jobs, business or education prefer to use Oral-B toothbrushes as the quality is very high and the price rate is reasonable for a customer intending to buy a toothbrush. Also, the toothbrush is very attractive in looks and stylish.

Value Experience of Oral-B lies in the direct experience of the customers who purchase the brands. The satisfaction that they get including me as a customer is immense. Actually a person feels so pleased after using the Oral-B toothbrush.

Description of Oral-B Series helps clean hard-to-reach regions to provide benefits for a complete cleaning, to freshening breath and also whitening teeth while offering you the added control of specially designed grips available in cool new colors. Therefore using Oral-B toothbrushes brings a shine in your smile as it enhances the enamel of the teeth.

Benefits of Oral-B includes of teeth, freshening of breaths, cost effective and personal satisfaction for the customer.

Differentiation of Oral-B is that the customer really feels satisfied after using the Oral-B toothbrush as it enhances the beauty of your teeth, freshens the mouth, remove the dirt and other particles in the teeth completely.

Proof of Oral-B is that I am a customer myself. My name is Arun residing in Kerala, I am a Oral-B user for almost 4 years from now. My family including my father and mother uses Oral-B just because of the delicate benefits of the brand.

POINT OF PARITY

Point of Parity (POP) are links that are not essentially unique to the brand but may in fact be shared with other brands. These types of links come in two basic forms:

Category Point of Parity: links consumers view as essential to a genuine and realistic offering within a certain product or service category.

Competitive Point of Parity: Attributes or benefits customers strongly relate with a brand, positively analyze and believe they could not reach the same extent with a rival brand i. e. points that could claim superior or exclusiveness on other products in the category.

Point of parity for Oral-B brand is they are beneficial in usage in terms of money invested, personal satisfaction and market value.

The rival and very much competitive brand is Colgate Palmolive brand which has sufficient customer base for its toothbrush products worldwide and mainly in the country.

Category Point of Parity for Oral-B over Colgate Palmolive is the benefits of the brand mentioned earlier. i. e, the smoothening of teeth, freshening of breath and reasonable price for the brand which is all advantageous over rival brand.

Competitive Point of Parity for Oral-B is that it is spiral in shape, electric & rechargeable types are available which is lacking in Colgate Palmolive brands which is mostly of common straight types.

Competitive Point of Difference of Oral-B over the rival brand is that it's very much reasonable over rival brand.

CONSUMER DURABLES CATEGORY: WASHING MACHINE

The washing machine has evolved from a luxury good to a common household fixture. There are several brands in the market today selling models of various capacities and with a multitude of features.

The brand that we will be concentrating on is IFB. IFB was the first company to introduce fully automatic front-loading machines in India and is one of the market leaders in this product category.

Whirlpool, another well known home appliances company has a strong presence in India with a market share of over twenty five percent. They manufacture several different models of washing machines between a range of prices.

VALUE PROPOSITION:

IFB strives to provide superior quality and unmatched service with all their products. Right from product conceptualization to R&D and actual production, IFB's products are designed keeping the customer in mind.

IFB manufactures both front – load and top – load washing machines. They focus on creating a technologically advanced product by investing in their R&D. this enables them to turn out products which have a wide range of functional features. Putting all their models together, it is estimated that IFB has over a 100 different wash programs, designed for the many varieties of fabrics that consumers use. Each wash program has a different wash period and options for hot or cold washes at different temperatures.

Express wash is a short duration wash program which is useful when customers want a quick wash in less than thirty minutes. Rinse Plus washes away any leftover detergent thus, ensuring that all traces of detergent are removed from the clothes. This is especially beneficial in avoiding allergic reactions to washing powder.

IFB also tries to ensure that their products are user friendly by keeping the options and the functioning of the display panels simple and straight forward.

IFB provides end to end customer care, starting with their free home delivery and set-up to excellent after sales customer service. As a result of this there is a common consensus among customers that the after sales service provided by IFB is much better when compared to other brands.

Whirlpool has been in the business for a long time and is the world's number one home appliances maker today. Their value proposition centers on innovation. They try to differentiate their products from others in the market to make them more attractive to customers.

Whirlpool focuses on providing value-for money products. Hence Whirlpool's appliances are available in different price brackets. The after sales service provided by Whirlpool is also highly rated by their customers.

Whirlpool has incorporated the 'sixth sense' technology into all their products. 'Sixth sense' is defined by Whirlpool as 'women's intuition captured by technology'. In their washing machines this technology adjusts water levels and detergent quantity based on the wash load.

Stain wash brings together hot wash and the 1-2, 1-2 hand wash movement, developed by Whirlpool, to completely remove any stains.

POINTS OF DIFFERENCE

The major differentiating factor for IFB is the eco friendly features that the company has incorporated into their products. IFB washing machines 'consume less and save more'.

The water saver device on the washing machines effectively reduces water consumption by 20%. The eco wash program saves energy and helps customers save on electricity consumption.

One of Whirlpool's breakthrough products is Duet, a single machine which combined a washer and dryer. The model was a success as it blended ease of use with superior design. Other features of the Duet are energy efficiency

and low water consumption. This particular model from Whirlpool has a unique POD: a pedestal which raises the height of the drum and reduces strain from bending and stooping. The pedestal is optional and can be included as per the customer's preferences.

POINTS OF PARITY

Competitive POPs –

IFBs Silk Saree Program- This is a wash program introduced by IFB specifically for washing silk. So far, a dedicated wash program for silk has been introduced only in IFB washing machines.

Category POPs – The following features have been found to be common for both IFB and Whirlpool washing machines.

Hot and cold water washes – Both brands offer consumers the choice of cold and hot water programs at different temperatures.

Multiple wash programs – There are different wash programs for various fabrics, which differ based on duration and temperature.

After sales service – IFB and Whirlpool provide good customer service post sales.

CONCLUSION

These days, so many products are available to help you maintain clean teeth that there is no excuse to avoid good dental care. For example, if your gums are sensitive, in general or due to a recent illness or other medical condition, don't neglect your oral health. Try using an interdental cleaner or an

electric floss (such as the Oral-B Hummingbird) to provide dental care more comfortable.

In India, IFB is considered No. 1 in the washing machine market. The product has been more than satisfactory. The product has delivered superior performance and is user friendly. The after sales support provided by IFB is prompt and professional. The various product features promised by the company prior to purchase have been found to be reliable.