

Cera sanitaryware ltd



**ASSIGN
BUSTER**

CERA SANITARYWARE LTD COMPANY BACKGROUND Cera Sanitaryware Limited (Cera), a Gujarat-based company, was established in 1980. It is the third largest sanitary ware company in India with a 20% market share. Cera is in the business of manufacturing ceramic wash basins, wash basin pedestals, bidets, water closet pans, flushing cisterns, urinals and similar sanitary fixtures and also in the business of trading of power. Its sanitaryware manufacturing plant is located at Kadi in Gujarat. With a production capacity of 2. million (mn) pieces per annum (25, 000 tonnes per annum), it is India's largest sanitaryware plant. It also has wind farms located at Jamnagar and Kutch in Gujarat.

PRODUCT PROFILE • Sanitaryware
o Premium Collection o Regular Collection o Senator Collection o Wall Hung

Basin • Glass Basins • Shower Range • Whirlpool & Bath Tubs • Pozzi Ginori

COMPETITORS [pic] INDUSTRY HIGHLIGHTS [pic] PORTER'S FIVE FORCES

CONCLUSION Based on Appendice 1

The sanitaryware manufacturers in the unorganized sector continue to enjoy duty exemptions, which is not conducive for healthy competition.

CSL faces a lot of competition from the unorganized sector in Gujarat which is a cause for concern to the company. After studying the Model, we can conclude that Sanitaryware business completely depends on the development and booming of the Housing and Retail Sector. Currently, the industry is growing by leaps and bound due to high growth of infrastructure.

In near future, the great phase of consolidation will start. Firstly, by providing wider range of Products

besides service and covering more and more geographical area by branches

and franchises. SWOT ANALYSIS Based on Appendice 2

Recommendations • Need to give full knowledge about product use to customers through advertisement in magazines, newspaper or TV. channel. • Need to make some improvement in products to satisfy its customer. • There should be all information regarding product use, installation, product features, and emergency repair of product in User Manual. • Company should add sufficient technical information in other mediums of • information like website. So customer can use alternate way for • information. • Company should provide technical expert employee for every specific area.

Those can personally solve the problem of customer. • If company is not providing service to its customer timely. Then there should be provision of compensation to its customer

PRODUCT MIX [pic] Cera's product mix and new marketing strategies: Cera has a mix of products that would cater to all needs of consumer. Cera has top end products like the Senator Collection, the Shower Temples with Jacuzzi features in them. Cera also has the Premium Collection focused at middle end users and the Regular collection which includes the Indian EWCs as well as European EWCs for the lower end customers.

In Bath Fittings, the Single Lever Bath fittings are for the elite, followed by the Quarter turn and the half turn fittings meant for people looking for more economical range.

7P'S Product: Product of the company as is defined in company's introductory chapter is a sanitaryware product having mainly extraordinary features like twin flush water saving product, soft close seat cover, shower temple product. This product talks about giving a spa foot massage and inbuilt Jacuzzi unit which give experience artificial water waves and facility like radio and telecalling with six body jetspray.

Price: Prices of the product and services offered are competitive compared to our competitors products and also provide value for money to the customers. Because as we talked in the earlier paragraph that features provided in the products are very unique and are having low cost so finally company becomes best cost provider in the market. **Place:**

As Cera sanitaryware is having excellent distribution channels empowered by 500 dealer's network and 5000 retailers all across India to supplement the distribution network, it has 10 major depots across India.

It has 7 zonal sales & service offices, supported by another 28 sales offices, 7 bath studios strategically located in major cities across India. To capitalize on the growth market for premium products, Cera has entered into an exclusive marketing agreement with Italy's luxury brand Pozzi-Ginori to market its designer sanitaryware in India. **Promotion:** Cera sanitaryware ltd. has always been proactive in promotional activities for increasing the brand awareness among the consumer so the company has promotional scheme directed towards consumer as well as its partner (dealer). **Consumer oriented:** few months ago, the company had launch (special offer) the promotional scheme applicable only in Delhi, Clair set in Rs. 3999/- for only one month. • **Partner oriented:** gold scheme, silver scheme and foreign travel scheme. **People:** In ceramic industry as goods are produced and prompt service is given to the people i. e. employees need to be highly trained and qualified. So requires good qualified and expertise employees to this competitive industry. Cera sanitary ware has achieved a good sense of the same by employing highly qualified employees like M. B. A. and other Marketing specialized. **Physical Evidence:** Cera sanitary ware is providing

catalogs to their customers as a physical evidence of purchasing the product. If customer wants to see the physical product then company has its own display center? Cera bath studio? in metro cities of India. Process: This last step of marketing mix of Cera sanitary ware includes following points to be done for making the product available to the customers.

- Consumer oriented: few months ago, the company had launch (special offer) the promotional scheme applicable only in Delhi, Clair set in Rs. 3999/- for only one month.

- Partner oriented: gold scheme, silver scheme and foreign travel scheme.

Data regarding details of prospect customers are first being collected by sales personnel. • These personnel then make calling and getting appointments from prospects to explain product and services.

- Next step includes meeting and explaining product and services. • Then all the documents required for dispatching the product to client premises are collected by the sales personnel. • These all documents are then submitted to Head Office at Ahmedabad. • Then order is processed and cheque is collected and thus order of the goods gets dispatched.

STP of SENATOR COLLECTION Segmentation: The segmentation of SERA products has been done as follows: • High End Segment • Lower and Upper Middle Segment • Mass Market Segment These segments are keeping in mind the income levels, taste and preferences. Targeting: For the Senator Collection CERA has targeted the high end segment with unique feature like shower temples, Jacuzzi and sensor technologies. Positioning: It has positioned the senator collection as a premium brand and effectively did so

through its TVC ad campaign. Appendice 2: Porter's Five Forces Model Rivalry Among Existing Players:

There are about 20-25 organized players and high percentage of unorganized players whose market share is very high. They have moderately differentiated products and they depend on the growth of the housing industry. Bargaining Power of buyer: The buyer has a wide range of products to choose from and information about the products is easily available. The switching cost is very low. Thus CERA needs to increase its awareness as bargaining power of buyer is very high. Bargaining power of Supplier CERA is moderately dependant on its suppliers as there is limited number of suppliers in the market.

Threat of new entrants The industry entry is difficult due to high cost of set up and manpower, non availability of materials. The industry though is very attractive due to growing potential. Threat of substitutes: As such there is no such threat of substitutes. Appendice 1 SWOT Analysis STRENGTHS: • India's first to use natural gas firing. Direct connection of natural gas from GAIL has certainly helped CERA in better margins. However, this is only one of the several advantages. CERA has captive power plant using natural gas. CERA also has wind turbines.

Thus CERA is not dependent on government electricity board for its power requirements. Others will take a long time to catch up. Further, CERA is getting natural gas on very cheap rate directly from the ONGC oil fields, which will continue to be cheap, wherein others are getting imported LNG which is three times costlier than what Cera is getting. • India's first to launch twin flush technology ; 4 liters flush WC. We have twin flush models

that on an average consume only 4 liters of water, against the others which can use up to 6 liters every flush. That quantifies to 50% of water saving.

With water scarcity in urban areas, there are a lot of initiatives that have already been taken by Metros like Mumbai. Others will have to soon follow in order to save water.

- Wide product range. Capitalizing on a strong brand image and an evolving market for bathroom products, CSL expanded its product range to other related products like shower panels, shower cubicles, shower temples, bath tubes, whirlpools, bath fittings etc. , which makes it a total bathroom solutions provider.
- Huge distribution network. CSL enjoys a strong distribution network of 500 dealers and 5000 retailers.

To supplement the distribution network, the company has several depots and zonal offices across India. This will help the company in increasing its market share.

WEAKNESSES.

- The company has only one manufacturing plant at Kadi, Gujarat. While its nearest competitors HSIL and parry ware has more than one manufacturing plant strategically located across different parts of India to bridge the gap between demand and supply.
- Large unorganized existence.
- Low R; D for product innovation.

OPPORTUNITIES

- Rising domestic demand for tile, sanitary ware and table ware.