

Case study on marketing

[Business](#), [Marketing](#)



On the basis of the output of the market research, what are the key points to be addressed for Badedas? Illustrate and argument what you think are the priorities for the brand in terms of competitive position, brand, product strategy, communication, price, and so on.

Since its acquisition by Sara Lee Corporation, the brand Badedas has constantly been yielding positive growth over time. Currently, Badedas has clinched a top position in the body care industry. This can be associated with the marketing approach adopted by Sara Lee in selling the product to the consumers. This brand has further been developed along different variations to fit the different client's demands. However, the brand continues to face stiff competition from other players in the market. For instance, previously Badedas enjoyed a stable market share of 8. 2%. Conversely, this has extremely dropped to a lower position where it only boasts of a 6. 4% market share. This can be attributed to the highly competitive environment of the industry whereby firms continue to differentiate their products. In the body care market the major competitors are Manetti & Roberts, Colgate-Palmolive, Unilever (Dove) and Beiersdorf. It is also worth noting that a majority of these competitors have been in the market for a long period of time. Thus, they enjoy the advantage of having a high profile experience in the industry. As a result of this drop on the market share of Badedas, the brand has been forced to occupy a lower position in the market. It is estimated that Badedas takes a fourth position in the market after facing firm competition from other players in the market.

The brand Badedas has been developed to suit the needs of consumers in the bath and shower market. The brand is further enhanced with fresh

perfume which provides a fresh sensation and also revitalizes the skin of the consumer. Furthermore, the brand has provided several variations from which consumers can make a choice depending on their preferences. The brand is also designed in a way that it is made with a cap that can be hanged on the shower for use by the consumers. Sara Lee has conducted massive promotional activities in enhancing the product in the market. This has been in the quest to ensure expansive market coverage for this product to ensure it reaches a larger number of consumers. The research conducted relating to the product produced a variety of results regarding the perception of the brand to the consumers. To begin with, 20% of the respondents were certain on the functionality and accessibility of the Badedas brand. This is attributed with the fact that consumers are impressed with the functional characteristics of Badedas. Furthermore, this proves that consumers believe in the safety and quality of the product.

Secondly, the research estimated that 16% of the respondents were content with the genuineness and reassurance of the product. Thus, this group of consumers feels that the product provides reassurance to them through its continued use. It also indicates that this set of consumers is satisfied that the product is neutral and would not harm them through its use. Thirdly, a different cluster of respondents were also contented with the naturalness and the softness of Badedas brand. This was achieved by a 21% respondent rate that was comfortable with the natural and soft nature of the brand. Subsequently, 16% of the respondents also noted that the brand provides wellbeing and relaxing sensation after consumption. Finally, on the recognizability and sensations of the brand, 27% of the respondents were

certain that the brand has been equipped with sensitive advertising. Further, this group of respondents was also satisfied with the modern and elegant packaging of the brand. Based on the research conducted Sara Lee has also formulated some significant product strategies in ensuring the success of the brand. Foremost, the company ensures that it modifies the product to fit the changing needs of the consumers.

For instance, Badedas brand is made to provide service to the shower consumers as well as the bath consumers. This is one strategy of ensuring that the product continues to attract its consumers throughout due to matching of their needs. The company also focuses on increasing the volumes of the products as a way of acquiring a larger market shower amongst the consumers. This is particularly practiced in the bath and shower brands which are believed to have a greater demand in the market. The company also adopts a strategy of producing brands that promote the well being, simplicity, quality, elegance and reassurance to the consumers. The company also strives to ensure that there is sufficient communication with the consumers to ensure the brand recognition in the market. From the research it is evident that quite a number of the respondents were happy with the massive advertisements made for the product. The advertisements being sensitive in their nature help to attract the attention of the consumers to the products. Another important aspect in communication is that the packaging of the product is well done to give the consumers pertinent information regarding the product.

Sara Lee also offers better prices for their brands. For instance, from the research conducted the perception of the consumers on prices is that it

provides favorable prices for high quality products. The IRI Infoscan data of bath products in the research indicates that the average volume price of Badedas brand is € 5. 31. This is quite cheaper as compared to other brands in the market, for instance Borotalco sells at € 5. 51 which is higher as compared to Badedas'. Subsequently, the price data on the shower section shows that Badedas sells the brands at € 6. 47. However, Borotalco offers their shower brands at an average of € 7. 43 while Nivea sells at €7. 66. This presents a considerable difference in the prices of these brands which is an indication that Badedas offer a cheaper price for their brands in both the shower and bath sections.

A graph of the competitive position, product strategy and the prices of Badedas and other brands in the bath market.

A graph of the competitive position, product strategy and the prices of Badedas and other brands in the shower market

Define and graphically represent the current positioning of Badedas in the market and briefly.

- a. Comment this information and explain if the management of Sara Lee can be satisfied with it.
- b. Suggest what should be the most convenient positioning of the brand and why.

The market position of Badedas in the market is defined along two different markets, that is, the shower market and bath market. However, Badedas is estimated to occupy a leading position in the shower market as indicated in the research outcomes.

The Market Position of Badedas and other brands in the bath market in

percentage value share in fiscal year 2 (FY2) up to FY 4.

The Market Position of Badedas and other brands in the shower market in percentage value share in fiscal year 2 (FY2) up to FY 4.

Although it assumes a decreasing trend in the market position in terms of the value shares of the market, the brand still maintains the first position in this market. For instance, in fiscal year 2 the brand has a 13. 7% value shares whereas in fiscal year 3 the brand drops to 13. 2% value shares and in the last fiscal year 4 it further reduces to 12. 9%. Hence, this proves that Badedas has a stable position in the shower market regardless of the falls in the value shares. However, from the research it is shown that in the bath market the brand Badedas takes the last position amongst the three major competitors. Consequently, this market position is also indicated by a falling trend in the level of value shares from fiscal year 2 up to fiscal year 4. The research results further signifies that Badedas brand is performing poorly in the bath market. This can highly be attributed to the stiff competition that exists in this market from the other players in the market. This information shows that the brand has acquire a stable leading position in the shower market which is very significant for this brand.

However, the poor performance in the bath market indicates a very risky position in this important market. Thus, this information would not be quite satisfactory to the management of Sara Lee. This is due to the fact that they have not been able to effectively capture the bath market. This has resulted to a situation where the brand occupy's a second position in the overall market share in both the shower market and the bath market. This illustrates that if the management of Sara Lee would work on improving their

performance in the bath market then the brand Badedas would clinch the top position in overall market share. To this effect, the management must formulate proper strategies to ensure that the brand moves up in the bath market.

This would position the product at a satisfactory position for the management to be comfortable in this competitive industry. The most convenient positioning of the brand would be occupying the first place in the market share of both the bath and shower markets. At least in this position the company would achieve stability in the value of shares in the industry. Hence, the management would be at ease by only ensuring that the set strategies are maintained to ensure a stable positioning. Since, the body care market in this industry is the most lucrative in improving the organizational performance. Having a top position would also mean that the company dominates in other markets linked to the body care industry. This can only be accomplished if the management of Sara Lee formulates the necessary approaches to improve their performance in the highly contested bath market.

Finally explain extensively how you would use each P of the marketing mix in order to effectively implement the positioning you suggested:

- a) Define the product concept
- b) Identify the most appropriate pricing strategy
- c) Set the best communication mix
- d) Make your suggestions to improve the distribution coverage and penetration

Be detailed and argument your choices with examples, evidences and data.

The four P's of marketing can be adopted in ensuring that Sara Lee settles on the favorable top position in the market. To begin with, the product concept should be set in a way that the brand produced is able to meet all the consumer demands in the market. This would be extremely practiced in the bath products which are seen to lag behind in this market. The product should be developed by ensuring it provides a revitalizing and freshening sensation to the consumers. They must also design the brand in a way that it gives reassurance to the consumers on its use. The product must also be made by utilizing modern technology which is a major concern among many consumers. In formulating this product concept it would also be important that the management finds a better and more appealing way of packaging the bath brands. Finally, the management would also be involved in ensuring that their bath brands acquire a considerable recognition in the market. This would be effectively achieved through the process of rebranding the products. These would help in boosting the levels of customer satisfaction which would eventually improve the performance of the brand especially in the bath market.

The most appropriate pricing strategy that would be implemented by the management of Sara Lee would be one that is responsive to the competitor's prices. This would be achieved by ensuring that their product prices are lower as compared to those of competitors. However, before adopting the price strategy it would be prudent for the management of the company to study the elasticity of prices with regards to the market demand. This would be helpful in identifying the right price that would be favorable for the

consumers and at the same time earning a value to the company. The company would also make a point of considering offering discounts on the prevailing prices of the brands. However, this would be dependent on the most appropriate pricing strategy in this market. The best communication mix in this instance would be one that incorporates effective promotional activities for the brand to ensure its recognition by the consumers. The company would be encouraged to adopt promotional aspects that enhance a better communication with the target consumers of the brands. For instance, Sara Lee can decide to undertake massive advertisements which are designed to communicate to different levels of consumers in this market. Another important aspect in communication is time. Thus, the management must be well informed on the timing of conducting these advertisements to ensure that they achieve efficiency in communicating with possible consumers. To this effect, they must make use of the best communication media to reach to a larger number of consumers in the market. For instance, the management can adopt the online advertisement or even utilize television ads. However, the management must be keen to learn the promotional strategies adopted by their competitors so that they set better strategies than their competitors. Lastly, on the concept of distribution coverage and penetration of the brands in to the market, the management would also consider the aspect of place in their marketing mix. The most important approach that should be formulated by the management would be to concentrate on the places that consumers get their brands. Furthermore, the company should also consider increasing the amount of distributions in these places. This would ensure that consumers have a ready

availability of their brands. These places would include; retail stores, supermarkets, hypermarkets and leading pharmacies. The company would also consider participating in trade fairs as a way of improving their distribution channels and also escalating their penetration in the market. Subsequently, this would also be important in ensuring that the organization identifies the proper distribution channels which would ensure that their brands are easily reached by the consumers. Finally, Sara Lee can undertake an analytical research to learn their competitors' strategies in distribution and penetration to the market. Further, the company would work on improving these strategies in order to have a strong operational distribution mechanism.