

Explain the concept of marketing strategy in the light of indian company doing bu...

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



\n[[toc title="Table of Contents"](#)]\n

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1. [BRAND VALUE](#) \n \t
2. [VATIKA: Target Customers:](#) \n \t
3. [DABUR CHAWANPRASH: Target Customers:](#) \n \t
4. [DISTRIBUTION CHANNEL: Manufacturing plant](#) \n \t
5. [CONCLUSION:](#) \n

\n[/toc]\n \n

Explain the concept of marketing strategy in the light of Indian company doing business successfully in India & abroad. Dabur India Ltd. , one of the leaders in the FMCG sector in India was established in 1884 and has been providing with organic solutions for a healthy and holistic lifestyle. With a product range of almost 350+ products catering to healthcare, foods, personal care, ayurvedic specialties, etc. Dabur has been serving different markets and different consumers for a long time. Dabur has extended their customers in U. K. , America, Africa, etc. It has also had six modern facilities spread across South Asia, Middle East, and Africa to optimize production by utilization of local resources and through a strategic partnership with leading multinational food and healthcare companies in different countries.

## **BRAND VALUE**

When Dabur started its production, their objective was to deliver high-quality ayurvedic solutions to the Indians and encourage a healthy lifestyle.

However, with the shift in producer-centric to customer-centric market,

Dabur has been able to maintain its credibility and sincere effort for unifying modern lifestyle with age-old tradition, which is conveyed by the symbol of a banyan tree. 'Plants for Life' project along with an intensive focus on conservation of energy, safety, and health has helped Dabur maintain a consistent brand image. The umbrella brand of Dabur consists of mainly five sub-brands:

- Products related to healthcare, for example, Chawanprakash and Honey
- Brand for Herbal beauty, Vatika
- Brand for Personal care, Anmol
- Food and beverages brand Real
- Digestives brand Hajmola

Because of the diverse portfolio, Dabur has different competitors for different products. For example, let us consider Vatika and Dabur Chawanprash.

### **VATIKA: Target Customers:**

Mainly urban women and was charged a premium because of its quality. The product targeted towards young, contemporary and independent women.

Positioning: It positioned itself as an ultimate healthy solution to the pollution of the city and repair damaged hair without any side-effects because of its ingredients of natural extracts. Through advertisement, it also conveyed the oil users to be confident and modern individuals which young women could easily relate with. Thus, Vatika was a high price, a high-quality brand of Dabur. Recently launched #BraveAndBeautiful campaign for Vatika Shampoo to salute the fighting spirits of cancer patients, has made an emotional connection with its customers and is an attempt to reposition itself.

Competitors: Bajaj, HUL's Clinic plus and Clinic All Clear, Marico's Parachute Oil

**DABUR CHAWANPRASH: Target Customers:**

Health supplement for kids and aged people. Because of the different quantity available, both urban and rural people can buy according to their need. It also targets housewives and working people to reduce their stress. Positioning: Dabur used Amitabh Bachchan and Vivek Oberoi to reach out to old aged people and youth respectively. It conveys the holistic view of the product through the tagline ' andar se strong' (strong from within) and tries to promote the health benefits it intends to offer. Price: The pricing is strategy is at par with its competitors. Mainly uses second-degree price discrimination. Competitors: Baidhyanath, Himani Sona Chandi Chawanprash, Local manufacturers Most successful brand in the chawanprash segment.

**DISTRIBUTION CHANNEL: Manufacturing plant**

As the complexity of the product goes up the distribution channel is made shorter. Total distributors are around 5000 and the total retail outlets are around 2500000. As 75% of the revenues of Dabur comes from rural areas, Dabur has a good distribution channel to supply products to the rural areas. These existing supply network also help in the distribution of new products and cross-selling. The margins given for retailers is around 8% to 10%, for distributors, it is around 3% to 4% and for stockists, it is 2% to 3%.

PROMOTION: Depending on the type of product and the customer segment they are targeting, Dabur endorsed different Bollywood actors, actresses and also sportsmen. Over the years, different actors and actresses have made an advertisement for Dabur like Amitabh Bachchan, Priyanka Chopra, Vivek

Oberoi, Bipasha Basu, etc. With the advent of Digital Marketing, Dabur has made three websites combined into one with different languages. Channels like NewU and DaburUveda. com are used for reaching a wider set of customers. The website also allows people to explore marketplaces. Dabur still has the potential and opportunity be more active on social media.

**FOREIGN MARKET:** Dabur has received a positive response on all foreign markets they have catered to. The key to their success was that they established manufacturing units in foreign countries rather than exporting goods from India and also promoted differently depending on cultural differences. Vatika has been the most successful brand abroad especially in Arab. Mergers and acquisitions of foreign brands like D&A Cosmetics have helped Dabur to strengthen its position in the foreign. Also, almost 10% to 30% of the total revenue of Dabur comes from foreign land. Dabur has also established markets in Egypt, Bangladesh. It is also in the process of setting up similar joint ventures in Pakistan and Nigeria. Saudi Arabia, the largest and most profitable market, is improving due to internal changes brought in the distribution structure. Markets such as Algeria, which was completely shut down due to political strife, are now also opening partially. Dabur is investing heavily in Iran, and while initial numbers might be slow, it has big potential in the segment of personal care. As taxes are very high, so importing is not an option there, and Dabur has a third party to manufacture products.

**CONCLUSION:**

Although Dabur has been leaders in organic and ayurvedic products, recently they have faced stiff competition from Patanjali and have seen stagnant growth in certain products. Although they are trying to cater to different markets, adapting digital strategy will be key to their success. Instead of launching more new products, its time for Dabur to concentrate on a few products for the time being and try to figure out regional sales and distribute products accordingly. Dabur also needs to increase its online presence and be more active on social media.