Unilever's and nestle's international marketing strategies

Business, Marketing



Unilever's and Nestlé's International Marketing Strategies Due to the present world's competitiveness, there is need for an effective marketing plan. Marketing strategy refers to the process that allows a business entity to focus its limited resources on the available opportunities to increase the company sales and to increase its competitiveness (Webster, 1995).

Unilever is the third largest international consumer company that deals with a wide variety of consumer goods which range from beverages to foods, personal care products and to cleaning agents while Nestle is the largest health, nutrition and human wellness company in the world with a wide variety of brands and products. These two companies employ different marketing strategies and marketing mix for their products in the international market to elicit desired feedback from their target markets. Unilever has a well designed logo and a slogan ' feel good, look good and get more out of life'. Unilever's mission according to the slogan is to add vim to life. In Bangladesh, Unilever has attained competitive advantage over the other companies in the market (Ma'arif, 2007).

According to Webster (Webster, 1995), Price is a vital component in the marketing strategy of any marketer as it interacts with all the other elements of the marketing mix to establish the effectiveness of each one of them. Nestle does not primarily concentrate on the pricing policies of its competitors but has its own techniques of pricing. They consider the demand of the product and the prevailing economic conditions to determine the purchasing power of the consumers thus all the prices are within the customer's purchasing power. Nestle has also ensured that all the products that are consumed on daily basis have a minimum price to attract more customers and also offers discounts to its regular customers. Unilever on the other hand considers the pricing policies of its competitors and employs skimming pricing strategy where they introduce their products at a high price and gradually lowers them over time (Ma'arif, 2007).

Selection of a right place where the consumer wants to be is crucial for the success of any organization. Capturing the consumer and making it easy for him/her to purchase the product is the main objective of an effective distribution or place strategy (Webster, 1995). Unilever and Nestle ensures that all its products are available at every corner of world. Nestle has catered for the market of Gujarat effectively by providing its products in every corner. Nestle uses all the three levels of distribution channel i. e. the retailer, whole seller and the direct selling by the company to the consumers to ensure that all its products are available. Where there is competition from its rivals, it uses the three level of distribution e. g. the case of milk products. It also uses the zero level, where it sells Ava Mineral water directly to hotels (Ma'arif, 2007). Unilever on the other hand uses conventional distribution channels which consist of the producer, independent wholesalers and retailers where if any problem arises they do their individual work on their own (Ma'arif, 2007).

Nestle and Unilever puts emphasis on promotion of its products. Nestle annually sets its promotion budget. They provide a full-page coverage of advertising in the newspapers and magazines and made several adverts in the television (Ma'arif, 2007). They all have also created an online web where they have provided all the required information about the products. Nestle has also used various advertising and promotional themes which are enticing to the consumers e. g. its milk product in Pakistan uses ' Khali' creating the notion that the milk is close to pureness. Unilever on the other side has also employed the use of testimonial advertising where they get consumers in the ads to testify about the good quality of their products and has produced other notable adverts like the dove campaign for real beauty and the SUNSILK clean and fresh (Ma'arif, 2007).

Nestle company has used market segmentation in its bid to reach the different target markets. It packs its milk in different sizes i. e. from quarter liter to one and half liters of tetra packs which match the desires of the consumers. Nestle also employs in-store display segmentation where they give different shelves in the bib stores and in the agent chillers with their milk pack stickers. Unilever on the other hand due to its pricing strategy has not been able to segment its target market according to prices but according to geographical location (Ma'arif, 2007).

Unilever tries to create events and stories which sensitize the public about their products through arranging for conferences and seminars in schools, colleges and universities in the Asian countries (Ma'arif, 2007).

References

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Ma'arif N. Nelly, 2007, Power of Marketing, Pernerbit Salemba.