

# Bic cello pens company analysis



**ASSIGN  
BUSTER**

## **CELLO WRITING INSTRUMENT & CONT. PVT. LTD**

A Quote by me For th All Mighty PEN:

“ This pen will seem to be a very simple one but  
it is for all those who signature with pride and dignity  
the one who kisses it saying good luck before writing an examination  
all for who write for a good cause (writers)  
in short this pen is all for ordinary people with extra ordinary soul  
and not only this but one who buy this pen will contribute to child relief  
fund....  
so you make your future better with this pen”

I have chosen CELLO WRITING INSTRUMENT & CONT. PVT. LTD. because this is the only company in India which is catering to all the demands of Indian population, segmented in different categories. And also has 80% market share in the Writing Instrument industry. Now the first question is:

Ques1. Which segments are being targeted and strategies used to influence the target segment.

Ans. Cello has India’s largest range of smart looking, high-performance gel ink and ballpoint pens in different ink colours and at a variety of price points. Be it a school kid , a college student , a young professional or a senior executive, there is a Cello for every one.

1. School kids: Cello knows what are the demands and needs of a school going kid. The kids want a pen which looks good and smooth in writing as

they have just opened up their account of pen after pencils. So this segment is basically the include kids and early teenagers who like

### **CELLO ALPHA GEL**

For this they have contracted with distributors of school accessories to provide this gel pen in their shops. Its features which are given in the company profile are:

Feather-Flo System: Ensures a feather like flow to your writing.

Japanese Pigment Ink: Special ink imported from Japan.

Water Resistant Ink: Special ink that doesn't smudge.

At that time ADD Gel was the major competitor for Cello Alpha Gel but the company's promotional; strategy was to promote their pen in a way of "COST N STYLE" ie. this pen is less costly as compared to Add gel which was the major threat to the company. And the company has contracted with distributors which then ask the students to use this pen for free in order to have an exact feel to the user that this pen is also good. And for doing this the company has bear the cost of Rs. 4, 15, 367. But this turned to be a great success, now everybody knows about Cello Alpha gel pen. So, this was their strategy in order to attract the target market, and the distributors also contracted with schools to provide this pen as prize to their students. And for this the company gave incentives to their distributors. So these were the kind of tasks which had been done by the company in order to fertilize the sale of their product which would not been accepted by proposed customers if they did not do that at proper time.

CELLO GRIPPER also cater the market of kids because the cost of this pen is very low as compared to other ball pens and as its name suggests that its “GRIP” is its Uniqueness and this is a very good pen for the age group who has just started their account of using ball pen. So this pen provides help to this segment in using pen which was as simple for them because earlier they were using pencil or their usage was limited to gel pens only. And its cost is around Rs. 8 which is quite affordable to this segment because this segment is not having much disposable income with them to spend.

## **2. COLLEGE STUDENTS:**

### **FEATURES given in the company profile:**

Cello Finegrip owns the very special Swiss ‘ Soft Tip’ that allows the pen to write soft and smooth. This elegant fine writer has the special German Fluid ink and the following features:

Elasto Grip: Gives a good and comfortable grip while writing.

Elegant, Slim and scratch-proof body. Click lock. Unbreakable lock. Writing length over 2000 mts.

Now the company knew that this segment like to be stylish and cool that’s why they have designed this kind of pen for this segment only. As its features gives us a glance of how the companies are looking at the minute things in order to make their product acceptable by the target market.

Pinpoint has been introduced by cello company to target youth who like to have a free flow writing, and look smart and its price is reasonable. Preferred by most of the college going student due to its cost, flow of writing and looks. And the company also promotes this pen by the advertisement by

<https://assignbuster.com/bic-cello-pens-company-analysis/>

Cricketer M. S. Dhoni and this advertisement was rated the best on-air advertisement in July, the Cello Pin Point pen ad had some help from cricketer M. S. Dhoni. The ad scored 73 on the ad reach index, with a brand recall of 93%.

This survey was done by Mint Ad survey report for August

### **Cello Pin Point**

Cricketer M. S. Dhoni is travelling in the team bus. Suddenly, he finds a boy dangling upside down outside his window, asking for his autograph. The boy is suspended from a bridge with a rope held by his friends. The boy's pen doesn't work, so Dhoni uses his Cello Pin Point to sign. He advises the boy to use a Cello pen the next time.

### **3. WORKING PROFESSIONAL AND EXECUTIVE CLASS:**

The stylish Cello Powermaxx that has become the working professionals' most preferred to the Cello Sapphire, Papersoft and Executive pens with a certain understand luxury that have become a common sight on the desks of senior executives. There's also Cello's new range of Highlighters and markers that have carved out an enviable name for themselves in a very short time. And in order to attract this segment Cello has other strategies to do this. They have promoted this category pens by giving on internet, because this company thinks that this segment is the one which use internet extensively.

In the Reader's Digest (2007) it has been announced as the most trusted brand in the entire ASIA.

**Ques. 2. Different promotional tools used and the strategy behind using these tools.**

Ans. Cello do PERSONAL SELLING-

By personal selling by the representative of the company takes place face to face by final customer.

And the cello does this when it has to promote its products with its business partner. And the strategy behind doing this is that if one has to influence the business corporate then one has to go personally and give their quotes and has to tell them that how their product would better suit them as compared to other available options. That's the company has opted this promotion medium also.

Basically what cello do, it does MASS SELLING to inform bulk of persons by advertisement. And the medium of advertisement is:

By Radio advertisement: In Radio Mirchi, Big FM, 91 FM. Now the company has used this promotion tool in order to influence the mass, and the mass here the company is considering the school going segment and the college going student or we can say the youth. And this medium of promoting a product is best for attracting them towards their product because this is the segment which listens to radio the most. And this is from my view point would be the best medium in order to influence this segment.

By TV Advertisements: 8 commercial TV ad's are there which the company has made in order to influence the mass. And the Cello pin point advertisement has been ranked 1st by the Mint Ad survey

<http://www.youtube.com/watch?v=tbEHaf0naZY>

there are other writing instrument companies which promotes their pen through TV commercial but the edge which the Cello gets over the other is that it knows what the exact demand of the customers. This company knows that how to promote their product which would lead to a purchase by the customers.

Now going through another ad <http://www.youtube.com/watch?v=zJfHyV6RtO0> which gives the viewer an insight that how the exact need of them has been catered by the company, by providing the CELLO MAC GEL PEN which let one to write without the fear of drain out by the water and all that kind of stuff.

So, here cello knows the need of the customers but if it didn't communicated this feature of their pen through any communication medium then how would be happen to inform the proposed customer about this new invention, which the proposed customer was starving to have.

By Internet Advertisements: the company has targeted the working professional class by giving their advertisement on internet, which is commonly used by the high class people. The company think that this medium of communication would best suit them because this is the segment which spend most of its time surfing on internet.

**Ques. 3 . Which strategy out of Pull or Push is used and why?**

Ans. CELLO has used both the strategy in order to promote its products:

**PUSH STRATEGY:**

If the seller makes his promotion by television or radio, it's not possible for the buyer to interact with. The company is promoting its products through showing or giving its ad on TV and Radio, which means that the company is using PUSH STRATEGY.

**PULL STRATEGY:**

If the communication is made by phone or internet, the buyer has possibilities to interact with the seller. Now as I have given earlier that the company has used the internet ads in order to influence the business customers and the company is also using telecommunication medium in order to get the deals fixed regarding the quotes and other selling reasons.

So, the CELLO is using both the strategies in order to have the maximum benefit which is must for every company. This company knows the demand of the time and change and upgrades its strategies accordingly; I think this is the best part of this company which leads it to have a share to 80% in the entire writing instrument market in INDIA.

**Ques. 4. Critically Appraise the Promotional strategy of your selected brand.**

Ans. This company is the best till now, what I have read about it. But there are some loop holes which if which company pays attention then it'll become even the more successful.

B2B market: the important segment of every player in the market like:

Parker is entertaining the Business Corporate like:

- Samsung



- Aventis
- Star NIIT
- American Express, Usha
- Titan, Wipro
- Birla Plus
- Dabur Nivea
- India Today
- Mc Dowel

And Parker has used a strategy to cater this segment which providing separate brand for B2B

LEXI's B2B partners are:

- PfizerLtd.
- Ranbaxy Ltd.
- Times of India
- Hindustan Lever Ltd.
- Tata Infotect Ltd.
- Procter & Gamble

This company also caters to the specific needs of their corporate partners

**LINC B2B partner are**

- Airtel
- DHL
- Blue Dart
- Microsoft
- Music World

- Anderson
- Presto
- Aqua
- Java

**Reynolds promotes its products by providing:**

- Student scholarship programs in schools
- Vending machines at schools and nearby places

These are the features which are available or we can say that which are catered by the other companies and the area of improvement for my company which CELLO. So, even though my company is having the major market share in share in the writing Instrument industry but if it has to be successful in future and remain or even grow more it has to focus on these areas also

It is using various technologies but the common man is not knowing about it, could be due to information gap ie. the company is not giving the proper information to him/her. This is another area where the company has to concentrate on. The technologies which the company is using are:

- InoxTip: Fibre tip technology that helps in smooth writing.
- LPHV: Low Pressure High Volume Technology that helps to reduce pressure on the paper.
- Elasto Grip: Elastic rubber grip to provide have perfect grip on the pen.
- Lubriflox: Used in the ball pen for free & appropriate flow of ink.
- Lubri Gel: Used in gel pen for free & appropriate flow of gel ink
- Feather Flow: used to reduce the weight of pens for the faster writing.

These are different features which are not all highlighted in the advertisement, but can attract a larger chunk of proposed customer if the company focuses to highlight these features in their promotions strategy.

The company should also focus on promoting its products by coming up with new range of gift pen which would further segment into two categories:

- Gifts pen for informal occasions which would be catering to the needs of youth, which would be trendy, stylish and last but not the least would be different from the regular pens.
- Gift pen for formal occasions which would be catering the needs of business corporate and this range should flexible enough to be customized according to needs of the proposed buyers.

CELLO should also focus on print advertisement in business magazines; it's a promotion media which is not properly used by this company. So, CELLO should also focus on these magazines, because these are mainly used by the working professionals and executives.