

Children's helmet marketing stateger

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



Particularly in Asia motorcycles are a very important part of the traffic fleet, in several countries they are the dominant vehicles such as Indonesia, Thailand and Cambodia. Specially, in Vietnam motorcycle almost is the main vehicle for transportation of people. According to the Vietnam Ministry of Transport, more than 95 percent of Vietnamese 31 million registered vehicles are motorcycles - a figure that increased by more than 7, 000 a day in 2010. It is expected that motorcycle growth is expected to increase and so will the number of head injuries and number of fatalities.

Helmets provide the best protection from head injury for cyclist and motorcyclists involved in traffic crashes, So With the population about 90 millions, Viet Name is the huge potential market for its helmet, especially are Hanoi and Ho Chi Mini city. The transport means are strongly increasing in Ho Chi Mini City especially motorbikes and electric bicycles. Till 2012, the population of Ho Chi Mini City is 7. 8 millions in which children population is 2. 4 million (SO). Almost parents carry their children on motorbike.

In Ho Chi Mini, over 90% of adult wear participating in transportation strictly obey the regulations of helmet wearing, while the rate of helmet wearing to children at school is 32. 4% in the whole city. Besides living standards of people in Ho Chi Mini City in reticular and Vietnam in general is increasing and parents are paying more attention to safety for their children when they are on motorbikes, therefore the rate of children wearing helmets is also growing up. Since 2007, helmet wearing among motorcycle riders and passengers has been made mandatory.

In April 2010, Prime Minister signed an amendment to Resolution 32, Decree 34/2010/ND-CAP. All drivers and passengers on motorcycles from the age of six must wear a helmet properly under penalty of a fine from 20 May 2010. Adults carrying children without a helmet regulation, helmet use among motorcycle riders and passengers improved significantly, from around 40% before the regulation to approximately 90% in 2010. Helmet has been found to be as one of the most important measures to prevent head injury in motorcycle crashes.

Evidence from many studies indicates that the death rate and incidence of lethal head injury have decreased among helmet riders compared with those non-helmeted motorcyclists. Besides, from four higher quality studies helmets were estimated to reduce the risk of death by 42% (OR 0. 58, 95% CLC 0. 50 to 0. 68) and from six higher quality studies helmets were estimated to reduce the ins of head injury by (OR 0. 1, 95% CLC 0. 25 to 0. 38). Chital helmets are manufactured by Chi Than Plastic Production and Trading Company Ltd, the company which has over 1 5 experienced years in manufacturing helmets.

Founded in 2003, Chi Than has changed turning point, marking a new stage of development of the company. With constant efforts, it have successfully built a closed production lines from mold design and fabrication to finished product assembly specialized equipment, high-end plastic products to serve the needs consumption abroad. Quality criteria are placed on top, all of the products are reduced in earnest according to inspection, certification of the

authorities features. Chi Than have two factories, one in Lee Mini Guan industrial park and one in Dad Nag city.

With strengths in modern technologies and facilities, creative, skillful, experienced and intelligent human resources, Chi Than always leads in manufacturing helmets which are qualitative and diversified in style and model. The average production is 150, 000 products/ month. Mainly service for domestic consumption (82%) and partly for export (18%).

2. 1 Vision The vision of the company is " To successfully create unique concepts in the field of elements with a mixture of modernity and technology.

Taking best of both the words along with incredible infrastructure, Chi Than company would like to be the largest producer of the best quality. "

CHAPTER 2 STRATEGIC SITUATION ANALYSIS

2. 1 Market Situation The quantity of children helmets occupies around 35-40 % the quantity of helmets sold in the market, in which almost are the brand names of local manufactures, the price of children helmets is from 80, 000 to VEND 180, 000. Besides there are imported helmets sold but the price is rather expensive, more than VEND 220, 000. After the issuance of the Decree No. /2010/ND-CAP of the Government stipulating that children over 6 years old must wear helmets when on motorbikes, many manufacturers has been focusing in the market of children helmets. According to the Standard Technical Center regional quality measurement

3. Currently child helmet market is complicated. Besides some brand helmets imported children such as: Aka Sorriest, Vista,.. Etc. Up to July 16th 2012, there were 312 certified helmet manufacture

business regulations, but the number of units registered helmet manufacture line dedicated to young I do not much.

Some brands of children's elements reputable businesses relative:

Meanwhile, the market appeared hundreds of even 1.5. Dollar per unit.

According to the survey of SO the ratio of children wearing helmets in Hanoi is just 23%, while in Ho Chi Mini City is 32 % and in Dad Nag is 44%. From these figures the market of children helmets is still potential because the Government has been launching propaganda campaigns to increase the ratio of children wearing helmets especially in hub cities such as Hanoi, Dad Nag and Ho Chi Mini.

Now there are many helmet brand names in the market but not almost manufacturers supply helmets to children. The design of children helmets has not been attractive, there is no differentiation in design between manufactures and the price of children helmet is uncompetitive. This also shows that the segmentation for children helmet has not been exploited in full and is so promising. Presently the market segment of children helmets presently depends on some helmet manufacturers such as Protect, Amour, Osaka and ABS etc. ND focuses on hub cities such as Ho Chi Mini, Hanoi, Dad Nag or Can Too. Besides products of children helmet are certified in quality by CAR stamp, there are many poor quality children elements sold at the very low price in the market.

2.2 Competition analysis

The market of children helmet has been active again, after Decree No. 34/2010/ND-CAP of the Government stipulating that children over 6 years old must wear helmets

when on motorbikes the regulation of wearing helmet for children over 6 years old when they are on motorbike or electric bicycles.

However, before the "glamour game" helmet today, consumers are still very easy to fall into the "money takes off network" when it - author has entered trash "twilight". Meet market demand, the manufacturer was quick to release a lot of products, variety of prices and designs. Products include domestic and imported goods, and counterfeit goods, counterfeit goods of inferior quality mixed sale, the selling price in a "rising steadily". A helmet on the market priced in the range of from 65,000 to 600,000 / unit. More expensive plastic bald caps made of specialized craft to deal with the police, price 12000-15000 / a.

Currently on the market, the product of the firm with names such as Apollo have sold around 300,000 VND / unit, Amour genuine: 120,000 VND / unit, fake Romano: 60,000 VND / unit; protect, Zeus, Lackluster are the 150,000 - 180,000 VND / unit Helmets of many major manufacturers have good quality, but due to its elatedly high cost, not selling fast. Meanwhile, helmets smuggled from China, Taiwan with the advantage of cheap, relative quality, plentiful is attracting the majority of customers. The variety of types of helmets that the buyer could not help but wonder when you want to find a real hat quality assurance.

Meanwhile, a lot of hats sold on the market today are not specific labeling and origin is not clear. Most people looking to buy the hat needs to ensure quality feel "insecure" because of origin. Only Amour helmet of Amour Co. Vietnam has a lot of fake, shoddy imitation of small production facilities such

as a result, More Omar Not Just Amour but a lot of other companies also fall into the same situation. Company equipment and safety products in Vietnam (Protect) "imitation" so much had to protect themselves by continuous product innovation, color.

The fake helmets were sold everywhere on the pavement Ho Chi Minh city. However helmets for children are lacking too much, finding to buy a good helmet for adult is manufacturers previously focused on manufacturing adult helmets therefore the demand of children helmets is currently very high but the manufacturers cannot meet. Due to lack of children helmet and taking this chance, price of children helmets has been pushed up, even it is higher than price of adult helmets, the cheapest price of children helmets is VND 140,000 - VND 150,000 but they are not famous brands and without CAR stamp.

Maybe manufacturers are less sensitive in this and only consumers suffer. Presently there are some manufacturers manufacturing helmets for children with high quality however the price is uncompetitive such as Protect, Amour, ABS or Osaka. The market of children helmet is being occupied by products illegally imported from China, Taiwan etc. Taking the advantage of cheap price, diversified style but children helmets imported from China do not have brand name and their quality is very low.

Besides the big local manufacturers cannot compete with fake and low quality products in the market and the Government currently does not have any regulation to stipulate the quality standard for children helmets. The market share of children helmets in Ho Chi Minh City is still open, Protect is one of

the biggest companies to manufacture children helmets, it applies the advanced technology of United State of America and uses the best materials to manufacture elements. Protect has the modern laboratory gaining the international standard at the factory.

Furthermore the size of children helmets truly has not satisfied the demand of the market. Another local competitor in manufacturing children helmets is Amour Vietnam, this company is using assembly line with modern technology of Japan and Korea and provides diversified products and fashionable model for the market. Amour Vietnam provides helmets for children over 3 years old with the materials imported from Germany.

CHAPTER 3 EXTERNAL MARKET ENVIRONMENT ANALYSIS 3. 1 Politics, law and policies

According to the statistics of Bureau of Health Environment Management, Ministry of Health, every year there are more than 1. 900 cases of children died of traffic accident, occupying 24-26% of total children died of wounded accidents. Especially the number of children died of traffic accident has been increasing. To reduce the number of children died of traffic accident, the Government issued the Decree No. 34/2010/ND- CAP dated 02/4/2010 stipulating penalties in administration breach in the field of road traffic. In this Decree, it stipulated that children over 06 years old on motorbikes must wear helmet.

Besides the Government has organized the campaigns to penalize the cases that children more than 06 years old do not wear helmets when they are on motorbikes. The Government also develops the programs to propagate

wearing helmets for children and encourage parents to wear helmet for their children from 03 years old. The Government's policies, law, programs have made potential market of children helmets for manufacturers. The target of the Government is to increase the ratio of children wearing helmet to 80% within the three following year since 2011.

3. Economy Now the economy of Vietnam is quite stable. The standard living of people was improve a lot. Specially, Ho Chi Mini city is the biggest culture economic center of Vietnam. Although global economic crisis has affected on many countries include year. In 2009, per capital income is USED 2, 900/person/year and it has increased to USED 3, 120/person/year in 2010, increasing 12% and reached USED 3, 550/person/year in year of 2012. The economy develop, standard living go up day by day and every family just have less child than before. So the parents have more conditions to care their child.

This shows that The Government has been controlling well inflation and he stabilization of macro economy is the first task of the Government. Per capital income is increasing therefore people are more caring their health, safety especially their children's safety when they are on motorbikes or electric bicycles. When parents buy helmets for their children, they not only focus on quality, price but also want beautiful and comfortable helmets for their children.

3. 3 Demography The average nationwide population in 2011 was approximately 87. 84 million people, increasing 1. 4% compared with 2010 and in 2012 the average nationwide population was nearly 88 million people. With the growth of population annually is around 1%, the population of Vietnam is young population structure and it is mainly the motivation of Vietnam economy in the present and future. Until 2011, children population

in Ho Chi Mini City is 2. 3 million (SO), occupying around 25% of total population of the City. It can be said that the market of children helmets in Ho Chi Mini City as well as other hub cities such as Hanoi, Canto is still potential. 3. 4 Technology Presently there are many advanced technologies applied to manufacture helmets.

The advanced technology of United State of America creates the batches of children Elmer with safe quality and unique styles. The advanced technology is applied to create the moulds which can manufacture two products at the same time and with this technology the helmet covers created do not have the Joint and the price of products are reduced. The modern and automatic manufacturing assembly lines from Spain, Germany, and Italy etc. Help the helmet manufacturers to product the children helmets which have high quality, diversified styles and sizes, beautiful design and satisfy local and international standards.

With these advanced technologies, manufacturers can save time of completing products of children elements and increase their production to meet the market demand. 3. 5 Social culture Although economic life of people has been improved, the current trend in Vietnam is that each family has Just one or two children and their children are the first subjects to be interested in. When selecting helmets for children, most of parents firstly focus on quality, comfortableness and beauty however the demand of children in helmet is not easy to predict and this is also a challenge for children helmet manufacturers.

Another external market factor which makes potential for the children helmet market is that main transportation means are motorbikes in Vietnam. Experts forecast that until 2020, motorbikes are still important means, the quantity of motorbikes in nationwide will be 38.8 - 40.5 million (similar 2.4 - 2.5 persons/motorbike). With the population of 7.1 million of people, Ho Chi Minh City has up to more than million of motorbikes.

On September 11, the Traffic Safety Committee in Ho Chi Minh City and Traffic Police launched the next stage in a national initiative to reduce the high number of children killed or seriously injured on Vietnamese roads. Part of a three-year "also need a helmet", this new campaign is the latest activity in a partnership between the National Traffic Safety Committee (NETS), the Road and Rail Traffic Police Department and the Ministry of Education and Training (MEET) with the support of the World Health Organization (WHO) and the non-profit, Asia Injury Prevention (APP) Foundation.

According to GAP News Paper CHAPTER 4 STRENGTHS - WEAKNESSES - OPPORTUNITIES - THREATS (SWOT) ANALYSIS S (Strengths) W (Weaknesses)

1. Technicians and workers are well-trained and experienced
2. Sales forces are professional and have a deep knowledge of helmets and its market. .
- Have 2 factories (in Ho Chi Minh city and Dang city) with Japanese technology. Production process is under ISO 9001.
4. Distribution channels and coverage are established completely and spread in 5 big cities and 10 provinces of Vietnam.

Market share : 20% modern trade and 80% General trade. 5. All helmets for adults certificated by Squattest 3 and elected Vietnamese high quality

product by consumers 6. Growth ratios : total sales growth 12% in 2012 vs. 2011 7. A designed website is easy and simple for all consumer to access. 1. A new comer of helmets for children in the market. 2. After-sale services is limited . Depend on imported raw material price (ABS poly) which impacts directly on production cost. 4. Budget for Corporate Social Responsibilities is low 5.

Designs and models are poor and not differentiated. 6. Promotion activities are not enough strong. O (Opportunities) T (Threats) 1 . Government regulation encourage wearing helmets (Decree No. 34/2010/NC)-CAP). Especially, on 9th Dec 2012 HOC and HaNoi city implemented 100% children 6-12 years old wearing helmets. 2. Year 2012 is chosen as the beginning of the year of National Traffic Safety. 3. Children population 0-14 accounting for 24. 5% of total. 4. 0% of helmet produced with low quality and Market Management is monitoring strictly the status. . People use the motorcycle vehicle mainly for daily transportation mean . There are over 1 1 million motorbikes in 5 big cities and per capita motorbike is 6. All families are highly self-conscious of children's lives while traveling by motorbike in roads. 1 . Competition of big Competitors (Protect, Honda, Andes, Is Tam,...) 2. A lot of fashionable helmets with low quality, fake are selling at very cheap price in all streets. 3. Implementation of Government about regulations on helmets market are not strictly. Imported helmets with variety fashionable models and high quality 6. People in big cities is moving to use public buses and private car. CHAPTER 5 OBJECTIVES AND RESOURCES Financing objective: Firstly, Chital focus on Ho Chi Mini City and then considering expansion to other big cities such as Dad Nag, Can Too and

Hanoi. According to plan, the project will be to attain the break-even within 1 year. Successful entry into the international market. Forecast the revenue of Chital helmet will be get the number of VEND 100 billions in the year 2016. The revenue will be growth by 5 time vs. 2012) Raw materials: Seeking or prestigious partners in the countries and regions providing raw materials for children helmets with competitive price. Revenues of children helmets will be occupied around 20% of total helmets produced by Chi Than Production and Trading Company Ltd. It targets to manufacture around 42, 000 kids helmets per month. The Return On Equity (ROE) is estimated 30%. Chi Than always interested in sharing the responsibility of an organization is always directed to the community.

Company deduct 5% of the annual net profit fund " Chi Than because the next life". The program has a meaningful social activities such as rebuilding Bung Been primary schools in Mock How District, Long An Province, donated 1, 000 helmets to needy students in mountainous districts of Quant Name and participation, funding very active propaganda program of the National Transportation Safety Board as well as the activities of the People's Committee of Ho Chi Mini City Marketing objective: Chital 'objective is to attain a position in the top 3 brands in children helmet market with the market share of 22 % within 4 years.

The revenues of Chital children helmets are schedule to reach around VEND 80 billion in the first year 2013 and if this objective is successful, market expansion of children helmet shall be in Hanoi, Dad Nag, Hi Phone and Can Too City. Chi Than Company Ltd. Is confident to reach the above objectives

because of the following advantages. More than 15 experienced years in manufacturing helmets for Vietnam market and over 6 experienced years in manufacturing adult helmets for international markets. - Strengths in advanced technology, modern facilities and experienced, skillful, creative and disciplines human resources; - Chital brand is one of the leading brands in helmet market of Vietnam for many years. CHAPTERS MARKETING STRATEGY 6. Mission " Chi Than not only provide safety helmets to customers who are on the road but also we are efforts designed to bring out the new helmet designs really fascinating, colorful, fashionable and impressive to satisfy more demand for fashion clients to insurance customers gradually erased feel uncomfortable, constraints, which gradually excited, familiar and even fall in love with a helmet as something authentic fashion. With our experiences and heart, creating more happy values to customers is our work. Your integral Joys and happiness is our success" 6.

Production Strategy Through analysis of SOOT and finding the market of children helmets to be still so promising, Chi Than company Ltd. Decides to manufacture helmet for children. With the available technology, machines from Japan and creative, skillful and experienced human resources, children helmets with Chital brand are manufactured at a large number of consumers and simultaneously products having added value with medium and high price are manufactured to increase the general rate of profits for the whole Company.

High quality is the first criteria of the manufacturer for hillier helmets, the quality of Chital helmets shall be tested at the modern laboratory of the

company at the factory and meet 'SO-9001 : 2000, CIVIC: 2008/ BEACH and certified by Squattest 3 (Vietnam). Andes helmet cover will be made of 100% of ABS plastic resin imported from Malaysia or Thailand, its feature is highly resistant to impact and puncture. Chi Than company Ltd. will just focus on manufacturing one type of children helmet, half-head helmet because the characteristic of Vietnam climate is tropical climate, hot and humid, most of parents and children select the type of half-head helmet. Design of Chital children helmet will be beautiful and diversified, there are many colors to select and cartoon characters loved by children such as Doraemon, Kitty cat, Tom & Jerry, Superman, etc. Shall be stuck on helmet cover. Furthermore there are unique and colorful patterns on helmet cover to attract children and their parents.

The psychology of children is that they just wear what is beautiful and what they like therefore beautiful designs are especially requested for our children helmets. Chital children helmet is designed from 200 - 300 gram in weight depending on the age of child therefore it is very light. Chital attaches special importance to the inner foam layer because this layer is the important part to protect human beings' brain. The foam layer of Chital children helmets has thickness and consistency (there is no sink mark when pressing), is able to absorb pulse when there is impact.

The helmet lock (made of acrylic plastic) and strap (synthetic fiber) is reliable and designed by good quality materials and lock can stand 30,000 times of lock and open. This advanced lining is treated with capacity of good absorption and antibacterial. The large net structure of this lining allows

air to circulate easily and create more comfortableness for wearer. There are 2 styles of half-head helmet, one style is designed with glasses to protect eyes and prevent dust and smoke for children, another style is without glasses.

Children helmets will be also designed in many sizes, CACM, CACM, CACM, CACM and CACM for children from 3-13 years old. 6. 3 Price Strategy With the motto of " high quality, low cost", for many years a helmet Chital has won many hearts in the vast majority of consumers Vietnam. To produce the best reduces at competitive prices, the company has constantly research, technological improvements and seek to provide the best price of raw material. Chital children helmets shall use raw materials of 100% ABS plastic resin from Malaysia for cover and some suppliers such as Thailand, Taiwan to have the competitive price.

Besides children helmet products aim at a large number of consumers. Chi Than company Ltd. Shall develop the products with added value with high prices.children helmet is designed with special equipment to take temperature of children when they wear and this equipment will give alarm when children get fever. This type of helmet is just manufactured in limited quantity with the high price and Chi Than company Ltd. Shall use friendly - environmental material for this type of be designed according to the requirement of customers.

The company expects this product shall be a fashion icon in the field of helmet. The price strategy of Chital is to bring the high quality products of children helmet with reasonable price. The expected price range will be

VEND 250, 000-300, 000 for brand and VEND 120, 000-150, 000 for Chital brand. With this price range Chital children helmets are lower than its competitors in Ho Chi Mini City market. . 4 Distribution Strategy At the current, Chital helmet mostly was distributed through three main channel as the rate 70% General Trade, 19% Modern Trade and advertising items for firms (Chital website).

In Ho Chi Mini city, Chi Than have 3 showroom, located at district 6, district Tan Bin and Bin Than. Beside the showrooms, company also have 124 helmet shop and 20 supermarkets that sell Chital helmet. They were take care by two sales representative. The distribution rate of Chital helmet just only about 45% of market potential. Chital children helmets will be launch in Ho Chi Mini City through the available system firstly. After one month, make sure that Chital children helmet must be distribute 100% in 124 available shops and all of the Super market in Ho Chi Mini city.

And forecast the distribution of Chital children helmet will be have 200 shops, catch 90% coverage all of the Ho Chi Mini market at the end of year 2013. And plan for open one new showroom in district 7, district Hoc Moon and HTH Duck every month in first quarter launching. Distribution plan for the period 2013-2016 Through the showroom system, Chital would like to bring customers the best services and customers can be rely to select many models and be consulted according to their stature and taste.

The customer service teams in the showroom system shall carefully instruct for usage and warranty regulations to maintain the best benefits for customers. Chital company Ltd. Also plans to organize a distribution channel

to approach and cooperate with schools especially as primary and secondary schools in Ho Chi Minh City for Chital children helmets. Distribution plan will be supported a lot by many of activations as discount for shops, promotion for consumer and events in schools, trade fairs, ... 6. Promotion Strategy The promotion program is applied for children helmets to increase sales.

Chi Than company Ltd. Shall organize many promotion programs to attract customers: there is special discount for the orders of more than 50 children helmets. The children comforter to resist dust and smoke will be offered when customers buy children helmets and the manufacturer also offers funny decals for children to stick on their helmets. Advertisement for children helmets will be strongly focused. Chital children helmet is advertised in magazine such as The Gig PH Nu, Tot & Ex May, ... ND newspaper such as Than Nine, Tout Tree, ...