

Toothpaste – kolget essay sample



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Introduction: Toothpaste Industry Overview

The toothpaste history in India can be tracked back from 1975 with 1200 tonnes of toothpaste produced by the toothpaste industry. Prior to the toothpastes. Oral Hygiene was the domain of local homemade powders and ayurvedh practitioners. With the entry of Colgate in Indian marketplace the awareness about Oral care and the importance of oral care. In recent years the Industry has shown impressive growth rate of 18.6% (this growth is calculated in terms of value growth in Rs.). The growth in the urban market has been largely by the Gel Segment. Presently, a large chunk of the Market is still held by Colgate.

The major players in the toothpaste Industry being Colgate Palmolive and Hindustan Lever Limited and several minor players like Balsara hygiene, Dabur etc. Presently Colgate Dental Cream holds 52% of market share. HLL's Close up lies far behind with 23% of the existing market share. The third player in the market place in terms of market share is Colgate Gel with 10.5% of the market share. That leaves 14.5% market share for other Brands like Close up, Close up G, Promise, Babool, Sensofoam, Forhans, Cibaca, Neem, Vicco etc. The toothpaste market is presently valued at Rs. 750 crores out of which the Gel segment has already bagged 1/3rd portion of it. The Gel segment presently stands at Rs. 248 crores and is growing at a rate much faster than Cream. In India toothpaste usage as compared to other countries is very low which signifies about the potential of the market.

Product feature:

Toothpaste is a low involvement product Grinds away the leftover food and plaque on your teeth, with the help of your toothbrush Abrasive paste The

abrasive in toothpaste is called dicalcium phosphate dihydrate The other main part of toothpaste is the paste which is made up of water and things to help it spread through your mouth easily The Toothpaste Market :

3 The Toothpaste Market Industry size: Rs 25 billion Toothpaste can be considered as a solution to the need of oral care Types of toothpastes:

Whites Gels Herbals Players: MNC dominated market (Colgate, HLL) Market growth: 7-8% CAGR Per capita consumption: 82 gms Permissions and licenses for toothpaste:

* Manufacturing license - A manufacturing licence is an official authorisation allowing the company to manufacture a certain range of products according to current laws and orders. The certificate is normally issued in the local language and is generally not meant to be handed out to a third party.

* Patents - It is a property right for an invention granted by a government to the inventor. A patent gives inventors the right " to exclude others from making, using, offering for sale, or selling their invention throughout the country or importing their invention into " India" for a limited time.

* Copyrights- Copyright is a legal concept, enacted by most governments, giving the creator of an original work exclusive rights to it, usually for a limited time. Generally, it is " the right to copy", but also gives the copyright holder the right to be credited for the work, to determine who may adapt the work to other forms, who may perform the work, who may financially benefit from it, and other related rights. It is a form of intellectual property (like the patent, the trademark, and the trade secret) applicable to any expressible form of an idea or information that is substantive and discrete.

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* Registered trademark - The registered trademark symbol, designated by ® (the circled capital letter " R"), is a symbol used to provide notice that the preceding mark is a trademark or service mark that has been registered with a national trademark office. In some countries it is against the law to use the registered trademark symbol for a mark that is not officially registered in any country.

Segmenting Factor: Family

Target Audience: The Brand Colgate and it's extensions are targeted at Indian families taking both economical and premium stances. Availability : All over India. Positioning Stance: on Health care through Duality of benefits, talks about " Stops bad breath and fights tooth decay." This positioning stance has worked well in Indian probably because Oral. Now also the company is constantly following the fresh breath route which proved successful for the company. Care is not taken in a sensitized manner and hence the custom looks for multi-benefits.

HLL - Close up and Pepsodent

Product Range

1. Close up gel (red , green , blue)
2. Pepsodent
3. Pepsodent G

Target Audience:

Young people. The target market being " Multi Brand Households" where young does not use what their parents. This particular targeting was significant when Close Up was launched because Colgate positioning was a sort of Flip flop between Tooth decay and Bad Breath and Colgate was going

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for a Broad market constituting of all the age groups. Sought to be perceived by the customers was Fresh Breath. The physical appearance by the users, the Bright Red Gel synerized well with the Fresh breath Benefit. The advertising account was handled by LINTAS which focused on Fresh Breath that brought teenagers closer.

Dabur India:

Dabur Red Toothpaste is packed with the power of 13 active Ayurvedic ingredients like Laung Pudina & Tomar, that keep all your dental problems away. It is the first-ever toothpaste which keeps all your dental problems away, thereby providing you strong teeth. Its superior formulation that has been scientifically validated has made Dabur Red Toothpaste the preferred oral care brand for millions of Indians. No wonder that Dabur Red Toothpaste has become a Rs 100 crore brand within just five years of its birth. The USP of this product is it's herbal quality.

Ingredients:

- * Laung: Helps prevent toothache
- * Pudina: Helps prevent bad breath
- * Tomar: Kills harmful germs

Anchor:

Anchor provides consumers with a relatable benefit, namely the proposition that one's life is a whole lot more convenient and enjoyable, if one's teeth are taken care of. Evidently, it emphasizes the benefits of having good teeth in the context of one's overall life. Target Audience: The family

Product: A dental care toothpaste for the entire family

USP: 100% vegetarian

Take away: Anchor Toothpaste gives you strong teeth that it can help you bite into anything without getting hurt. Vicco Labs:

Vicco is most trusted and original herbal product. It has all the ingredients which help us in avoiding any tooth disease. It cleans the teeth, refreshes the breath and prevents the gum diseases. It is made from herbs, barks, roots and flowers, no artificial ingredients or refined sweeteners, no harsh abrasives fluoride just the best ingredients for dental care.

Moreover it contains more than 20 herbal extracts. It contains one of the most known ayurvedic herb vajradanti which actually means diamond teeth. It has got no artificial ingredients in it. While using immediately we can find that our breath feels good and leaves your mouth feeling fresh. It does not use any sugar as many of the commercial toothpastes are using. Dentists all over the world give reason of tooth decay and tooth fall is gum disease. Daily flossing and brushing is very important to avoid gum problems.

Advantages:

Nobody wants that their body to be full of chemicals and even commercial toothpaste are having those bad chemicals. So we must go for natural alternatives available at least to save our teeth from decay. There are many advantages of herbal toothpastes. - Commercial toothpaste contains sodium lauryl sulfate which can cause irritation and inflammation while doing the brush. But in case of herbal toothpaste there is no chemical ingredient. USP:

- Natural oral care products are effective in removing bacteria and keeping the entire mouth healthy. - Peppermint and spearmint oils are present in herbal toothpaste which helps in destroying the bacteria.

KOLGET toothpaste:

The toothpaste that I will introduce in the market is KOLGET. The same is similar to Colgate toothpaste, which is a market leader in toothpastes and thus will attract attention to my product immediately.

The above picture would be the logo of my product.

The tag line would be - cavity ki dhoolai!

Features of KOLGET:

- * CAVITY PROTECTION - with Fluoride, ESSENTIAL for:
- * Tooth Decay Prevention
- * Tooth Erosion Protection

Useful for:

- * Gum Disease Prevention and Control
- * Care of Dentures

KEY BENEFITS:

- * For keeping gum and teeth healthy
- * Active fluoride formula penetrate your teeth
- * Helps strengthen the teeth
- * Cleans teeth thoroughly

- * Leaves your mouth feeling fresh and clean
- * Great mint flavor

FIGHT AGAINST:

- * Tooth Decay or Dental Caries
- * Gum Disease and Disorders

USP of the product - Cavity free teeth

Packaging:

Packaging is the science, art, and technology of enclosing or protecting products for distribution, storage, sale, and use. Packaging also refers to the process of design, evaluation, and production of packages. Packaging can be described as a coordinated system of preparing goods for transport, warehousing, logistics, sale, and end use. Packaging contains, protects, preserves, transports, informs, and sells New Brilliant packaging designed which will allow you to squeeze out every last bit of toothpaste. Innovative design eliminates the hard-to-squeeze areas in the container, minimizing the amount of toothpaste left behind. This new packaging only come in various sizes and makes sure that you get all the toothpaste worth your money

Labelling is any written, electronic, or graphic communications on the packaging or on a separate but associated label. Ingredients:

* Sodium Monofluorophosphate 0.75% (0.15% w/v fluoride ion) * Dicalcium Phosphate - Dihydrate - Water - Glycerin - Sodium Lauryl Sulfate - Cellulose Gum - Flavor - Tetrasodium Pyrophosphate - Sodium Saccharin

Product Range:

Considering the fact that it is a new product, there are no current product

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ranges. Selling price of Competitors products:

Competitive pricing: A price lower than that offered by the competitors, or a price made more attractive because of added incentives, such as longer payment terms.

Channel of distribution:

A channel of distribution or trade channel is defined as the path or route along which goods move from producers or manufacturers to ultimate consumers or industrial users. In other words, it is a distribution network through which producer puts his products in the market and passes it to the actual users. This channel consists of :- producers, consumers or users and the various middlemen like wholesalers, selling agents and retailers(dealers) who intervene between the producers and consumers. Therefore, the channel serves to bridge the gap between the point of production and the point of consumption thereby creating time, place and possession utilities. A channel of distribution consists of three types of flows:- 1. Downward flow of goods from producers to consumers

2. Upward flow of cash payments for goods from consumers to producers 3. Flow of marketing information in both downward and upward direction i. e. Flow of information on new products, new uses of existing products, etc from producers to consumers. And flow of information in the form of feedback on the wants, suggestions, complaints, etc from consumers/users to producers.

Parallel Distribution. - for KOLGET

Most manufacturers find it useful to go through at least one wholesaler in order to reach the retailer, and it is simply not efficient for Kolget to sell

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directly to pathetic little “mom and pop” neighborhood stores. However, large retail chains such as K-Mart and Ralph’s buy toothpaste and other kolget products in such large volumes that it may be efficient to sell directly to those chains. Thus, we have a “parallel” distribution network whereby some retailers buy through a distributor and others do not. Note that we may also be tempted to add a direct channel—e. g., many clothing manufacturers have factory outlet stores. However, note that the full service retailers will likely object to being “undercut” in this manner and may decide to drop or give less emphasis to the brand. It may be possible to minimize this contract by precautions such as (1) having outlet stores located in vacation areas not within easy access of most people, (2) presenting the merchandise as being slightly irregular, and/or (3) emphasizing discontinued brands and merchandise not sold in regular stores.

Transportation:

Transportation of toothpaste is fairly easy as the product does not get spoilt easily and is not sensitive to temperature change.

Following ways of transportation can be done:

1. Trucks
2. Air
3. Rail
4. Water

The cheapest transportation would be through trucks therefore my transportation would be mainly through road.

Warehousing:

Storage warehousing:

Warehouses which store product for periodic delivery to a manufacturer or distribution center. This is often associated with providing just in time delivery of the product to the consignee. This could be imported raw materials or items used in the manufacturing process, such as cans or sub-assemblies. Items are generally tracked by lot, with the lot often being specified for delivery

Pricing Strategy:

There are three main approaches a business takes to setting price: Cost-based pricing: This involves setting a price by adding a fixed amount or percentage to the cost of making or buying the product. In some ways this is quite an old-fashioned and somewhat discredited pricing strategy, although it is still widely used. Customer-based pricing: where prices are determined by what a firm believes customers will be prepared to pay Competitor-based pricing: where competitor prices are the main influence on the price set. If there is strong competition in a market, customers are faced with a wide choice of who to buy from. They may buy from the cheapest provider or perhaps from the one which offers the best customer service.

But customers will certainly be mindful of what is a reasonable or normal price in the market. Most firms in a competitive market do not have sufficient power to be able to set prices above their competitors. They tend to use "going-rate" pricing - i. e. setting a price that is in line with the prices charged by direct competitors. In effect such businesses are "price-takers" - they

must accept the going market price as determined by the forces of demand and supply. The pricing strategy that will be used for Kolget is Competitor - based pricing strategy. Because of the numerous players already in the market, and because of high competition, market penetration is extremely difficult and that is why the pricing of Kolget will depend on that of its competitors. Selling Price for Kolget:

To consumers - 30 Rs per 100 gms

To retailers -

To Wholesalers -

Marketing mix

Here, the focus is on the 4 P's of marketing

1. price
2. place
3. promotion
4. product

Out of these, the product and pricing are covered earlier in the project.

Promotion:

Since the USP of the product is cavity protection , the advertising and promotional strategy will be based on the USP, so it gets highlighted.

No strategy lasts forever. Organizations need to innovate strategies and implement them in order to obtain a continuous success. As we are going to launch a new product in a new market we have selected some promotional

strategies. The promotion strategy of Kolget Toothpaste are advertising, sales promotion, public relations however there are two more promotion strategies which are personal selling and indirect marketing. The sales promotion via gift & promotional vouchers are some other areas where Kolget Toothpaste will found equally consistent. Due to its effective marketing strategy , it will attract more customers towards its stores and sales points.

The other promotional strategy will be its slogan ' CAVITY KI DHOOLAI', through such kind of promotional activities the product will get its place in the market will acquire more market share compare to other products in the market. Kolget Toothpaste will be quite a heavily outdoor- advertised brand that it forms a part of the landscape of almost all the neighborhoods of India. Everywhere one goes, one can see the brand logo. The brand name is displayed in many forms, including the following Billboards

Shop fronts and store headboards

Posters and stickers

Media (Television, Radio)

All of these increase the chances of exposure so much that it is almost impossible to be unfamiliar with the brand.

These advertises successfully attracts the consumer as they use focus on the target. The promotional activities for the brand are designed to gain attention using a number of stimulus factors. Size: Ads for Kolget Toothpaste is all big billboards that must attract the consumer. Colour: All advertisements for Kolget Toothpaste will be Black and white accompanied

by Red on one side. Position: Advertisements of KolgetToothpaste try to take advantage of every possible position, be it the right, left or centre of a street.

Format: All advertisements of Kolget Toothpaste make use of a simple format, to make it easier to understand.

Place:

The organisation will distribute the product to the user at the right place at the right time. Efficient and effective distribution is important if the organisation is to meet its overall marketing objectives. If an organisation underestimate demand and customers cannot purchase products because of it, profitability will be affected. Parallel distribution will be used for this toothpaste