

La shampoo

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



La Shampoo is a high quality and more expensive product that has the same marketing strategy over years. From 1989, the line start to slowly decline its sales. The ad agency tried to develop new look campaign, but this solution did nothing for La Shampoo sales and customers didn't even noticed the change. Caroline, the brand manager wanted a new marketing plan to improve the sales and increase the market share, not to just keep the product remain on retailer's shelves.

She made a marketing meeting with Eric, her product sales manager, and Beth, the representative of the advertisement agency that held La Shampoo account, to discuss their recommendation. 1. Compete on Price : Eric's solution is to reduce prices permanently as long as long term plan to save major accounts that in danger. Eric argued that the brand will died if we didn't act very quickly and he saw his solution as a rescuer. Reduce prices is very helpful solution in supporting sales reps and increase sales volume at least for short time , but it is not good in building the brand and increasing the brand market share for many reasons .

First of all, competing in the price could be very dangerous if other brands lower their prices too specially if they are offering benefits La Shampoo can't provide, like " beautiful hair from natural sources". Secondly , price- driven consumers are not loyal , so they will go with another brand that is cheaper. 2. Strong Brand Campaign : Beth's solution is to create new advertisement campaign. This solution seemed better to improve sales , but there is still no specific changes Beth suggested to repositioning La Shampoo on the customers' minds.

This solution is good if the marketing researches found out the causes of the sales' decline. Then the new advertisement's campaign should focus in repairing La Shampoo image and correcting the mistakes that happened in the previous years. So to obtain this solution marketing researches should be done deeply to better understanding customers . Facts About the Brand: * Brand that has been used mostly between its competitors in the category for two decades must have strong brand equity. * La Shampoo has poor brand management , because they went from the problem to the solution without causes diagnosis. * Restaging the brand will require a lot of resources. * The alternative proposed by Marni Shin are likely to be too late , the competitor already filled the shelves with such a product . My Recommendations: After doing all researches and surveys needed on the target segment which I think is better to be women between ages of 15 to 50, I suggest two marketing strategies. The first one is for the existing customer base who still buy the product and doesn't like changes.

The other one is for attracting new customer by introducing some values La Shampoo can produce to them. These two plans should consider the following: * * In doing the researches , should make sure about asking the right question to know the attitude for loyal and former users. * Today's customers are very sensitive about the values they will get for each dollar they pay. So the advertising campaign must focus on the benefits consumer will have by using the brand such as healthy hair and easy style getting. La Shampoo slogan " For the Look and Feel of France " is meaningless for the current environment, the people now don't want to look French. * Some new trails and usages must be found for the brand to communicate them in the

new ad campaign. * Keep some product lines without any change for whom already use the product and to keep the base customers. * The new advertisements should support La Shampoo in tapping new customers and protect the current users.