

Situation analysis and current marketing mix



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When consumer buys the product- Sunsilk Dream Soft & Smooth, they can nourish their hair dry and rough; bring back extreme smoothness, making hair healthy and fully reconstructed. Besides that, they can restore self-confidence by using this product due to a more beautiful appearance.

One of the distinctive features of the packaging and labeling for this product is color. Color of this product is recognizable, different colors represent the different effects, not only offer convenience to consumers but also establish an image of the brand. Label is also the distinctive feature of this product.

There are two labels separately post at the front and back of the bottle. The label which post at front of the bottle describes the maker of this product, it is because for this product, different utility have different co-creator. The label which post at back of the bottle describe the ingredient represent the characteristic of this sort of product. Of course, the label also have describes when this product was made, what it contains, how it is to be used and how to use it safely.

The extra services that the consumers will get when purchasing this product such as after sales service, email address and phone number for complaining or requesting. These extra services can obtain the trust of consumers and enhance competitiveness with similar products and also can maintain the good image of the product. Besides that, when purchasing this product, consumers will be given a plastic bag for putting the product and this can be describes as the extra product that the consumers will get.

Consumers will be the one who usually uses the product. Consumer is an individual who buys product or services for personal use. This product can be

said as the consumer product which product bought to satisfy an individual's personal wants and not for manufacture or resale. Consumers are willing to spend one day to one week time for researching the detail of the product and fully understand if this product meet their needs. If consumers cannot find this product they will accept a substitute product but need to determine by circumstances (example: urgent situation). This product has four come in which are: Sunsilk Dream Soft and Smooth, Sunsilk Hair Fall Control, Sunsilk Damaged Hair Reconstruction and Sunsilk Stunning Black Shine to meet the different needs of consumers. Brand name and logo of this product are unique from competitors. The brand name Sunsilk is impressive because of the meaning- a luminous silk. And the logo is a picture of flying hair.

Current Pricing

Sunsilk exist in perfect competition market with numerous of direct and indirect competitors and all products are homogeneous product in the perfect competition market. Consequently, Sunsilk is in highly elastic situation and this means any increasing price in Sunsilk will dramatic decrease in the consumers demand, this would have benefits to competitors. As the same, their competitors also exist in a highly elastic situation, so if the competitors' price goes up, Sunsilk will get benefits as well. In other words, if the prices of substitutes increase, consumers will follow the rise in demand for Sunsilk. In the opposite, if there are a decreasing price in Sunsilk will have an increase in the consumers demand.

The current price of Sunsilk is about the same as competitors' prices.

Because Sunsilk is in the perfect competition market, in this market, prices are determined by market supply and demand situation; producer is just a

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price taker and not a price maker. Most of the consumers base their purchase decision for this product on price and most of them think that the current price of this product is actually value for money. They think so because this product satisfies their needs and it is worth for the price they pay. Therefore, they will continue to buy this product again and again. But some of them also based on image and quality of this product. Since Sunsilk always maintain its image as useful and guarantee their quality.

Business's cost will cause a great impact of the product price. If the price of raw material goes up, cost of this product will follow up, and merchant will increase price of the product to cover the part of the rising cost. In additions to raw material, cost of labeling and packaging also include in business's cost and effect the product price. Profit is the main point that the business will consider and also is the most important issue that will affect the business determines the price for the product. Besides that, most of the businesses are trying to create the most with the least cost of the product. The lower cost, the more profit, the more output. This is the principle how the business determined the price of the product.

Current Distribution

Sunsilk apply an extensive distribution strategy, it is because its target market is mass market and they are island wide. Sunsilk can be found in many supermarket and convenience store, such as NTUC, Carrefour, Watson and Guardian. They are so many outlets and are widely dispersed, so consumers can easy to find those stores and get their Sunsilk. Besides that, Sunsilk also can be found in grocery store. Grocery store is the most common and most important store in small-scale retailers. They scattered in

the towns and villages. Therefore, consumers are buying Sunsilk with accessibility in convenience.

Consumers cannot buy the product directly from the business that made it; they buy indirectly and are the indirect channel strategy. Indirect channel means that the producer uses intermediaries to reach consumers/end user. The intermediaries are usually is retailers, wholesalers and agents. Channel decisions are made by the nature of the product, the size of the market, the amount of purchase and the firm size. Shelf life is one of the nature of product, due to the longer shelf life Sunsilk belonging to indirect channel strategy. Besides that, as Sunsilk is a consumer product, the amount of purchase will not be too much. On the other hand, most of the merchant do not want to deal with small orders so that Sunsilk is reasonable use the indirect channel strategy. But, Sunsilk is still a business-to-consumers product. The merchant sell the product to the intermediaries and then the intermediaries sell the product to consumers.

Sunsilk have some characteristics such as convenience goods, long shelf product and essential product. Convenience goods mean easy to buy. Consumers want to buy the goods very easy so that the product must be selling in many places to meet the consumers' needs. Long shelf product can be leave with long period and will not get any damage. Due to this advantage, sellers are more willing to sell this product and can do a large number of purchases for store. So, if the number of seller increases, this product will be spread in more and more places.

Current Promotion

Sunsilk is holding a “Sunsilk Fashion Week 2011” at Pakistan from 29th March to 1st April 2011 to promote emerging Fashion Industry in Pakistan. They try to expand their market in Pakistan and try to enter into the fashion world. The network will be able to see the promotion. Sunsilk also promote the shampoo's functional benefits and provide emotional benefits in media advertisement. Media advertisements include TV advertisement, radio advertisement and also the network advertisement. Window advertising in shops and department store also one of the ways they promote their product. Outdoor advertising like billboard and posters also one of their promote methods.

In promotion of this product, they trying to create, maintain and expand the product market. Expansion of the market will increase the demand for the product and then brought out a large-scale production, thus reducing production cost and enable them to earn higher profit. On the other hand, they also trying to create brand or trademark image of the product, its approach is to highlight the “Dominant Value Point” of the product, make a difference characteristics and make the product stand out in the range of product. So, the customers is not only easy to identify the product but also easily impressed for the product through their promotion.

There are three major theme of the promotion which is inform, persuade and remind. The theme of the current promotion of this product is to remind. The business usually based on Product Life Cycle to select the purpose of promotion appeals and to increase the effectiveness of promotion. Product life cycle consists of four stages which is introductory stage, growth stage, <https://assignbuster.com/situation-analysis-and-current-marketing-mix/>

maturity stage and decline stage. Sunsilk is now exist at maturity stage so that they choose the promotion's theme of remind. Theme of remind is to remind consumers about the presence of the product or service, enable them to maintain the loyalty and interest in the original product and does not pay attention to others brands. The purpose is to maintain the market of bestsellers.

Different themes of the promotion convey the different message to consumers. Like theme of inform, it would like to inform consumers " This is a new!" and persuade is to convince customers " This is good!" and the current theme of Sunsilk which is remind, it would like to remind the consumers " Don't forget it's good!" .

Segmentation Theory

2. 1 Define and explain segmentation

Definition of market segmentation is dividing a market into direct groups of buyers who might require separate products or marketing mixes; the process of classifying customers into groups with different needs, characteristics or behaviour.

Since each every person's preferences and needs are different, where the purchasing power and location also not the same, most of the business in order to meet the needs of all so that they need separate market for separate consumers. That's the reason for the existence of market segmentation.

2. 2 Explain 3 benefits to your brand from using segmentation

One of the benefits to Sunsilk from using segmentation is can meet the needs of consumers who are different condition of the hair. Sunsilk have several range of product for different consumers. For example: If consumers who are having problem of hair fall, Sunsilk have a hair fall solution to help them improve the situation in just one week. Besides that, consumers who have the driest and roughest hair, Sunsilk have dream soft and smooth range to bring back the smoothness of hair and nourish them become healthy.

Another benefit from using segmentation is can expand the product market. Due to customers are in different location, Sunsilk distribute the product to stores in different location to make it easy for consumers to buy their product. On the same time as Sunsilk distribute its product to different location, more and more consumers can be in touch with it and will have more opportunities to use Sunsilk. So Sunsilk has been expanding the scope of their consumers and also the product market.

For Sunsilk, using segmentation can identify the most profitable group of consumers. Sunsilk using different colour bottle representative different function to increase the impressive of their brand. Besides that, they use different colour to attract consumers' attention especially for female. Female always the one who easily attract by colour and will be the one who most concerned about the appearance. After they are attracted, they will start pay close attention to Sunsilk and become one of the users of Sunsilk.

Target Market Identification

Geographic Segmentation

Singapore is an island of 646 sq. km, almost the same size with Chicago. It is divided into many regions and its density is urban, about 6630 people/km². Climate of Singapore is tropical; hot, humid, rainy; no pronounced rainy or dry seasons.

Due to it's dispersed, Sunsilk distributed in all regions so that people who live in different area or all part in Singapore all can buy Sunsilk. However, although it is divided into many regions, but its population density is still high. There will be more people to buy Sunsilk because of the higher density of people.

Climate of Singapore is tropical. That's mean there will be more demand than cold state due to the hot weather. People who live in tropical state need to wash their hair frequently to keep fresh and cool. For Sunsilk, this is a good sign; this sign means that their sale will increase because of the climate of Singapore.

Demographic Segmentation

Target market of Sunsilk is female which is belonging to generation Y, about 16-40 years old. They focus on all nationalities residing in

Singapore and have an occupation as student.

Female is a group which more focus on appearance than male, especially is generation Y. Sunsilk grasp this point and make policy for this point. They introduced a variety shampoo which can improve different hair problem and

use different colour as function representative. They realize that female can easily attracted by colour and useful shampoo which can give them a better appearance.

Singapore is a multi-ethnic country. There are many nationalities who reside in this country and using Sunsilk. Sunsilk does not distinguish between nationalities, all the people who are using Sunsilk belong to their consumers.

Student is the one who need a good looking. For student, they want to look stylish and be beautiful. They will looking for a good product with their friend and share the results. Besides that, they are emphasis on image and style. So, they will choose a trustworthy product, like Sunsilk.

Psychographic Segmentation

Target market of Sunsilk which is female in generation Y, are the experiencers in their lifestyle VALS. Generation Y is a generation who are more active in both physical and social activities than others generation. On the other hand, they are activists. They will collect all data on the market to identify the most suitable product for them. They also conducted a search for new product. Besides that, female is the most sensitive consumers to finding new things.

In Roy Morgan Values Segments, they are belonging to young optimism. They will keep finding something new to improve their current life. But, they will consider carefully before accept a new product. They care about their image but not necessarily follow the trend. They choose Sunsilk not because of fashion but because of Sunsilk is useful to them and can improve their hair situation.

Their activity is community while their interest is food and their opinion is product. They are a group which are very active, enjoyable and regard image. That's why Sunsilk choose them as the target market.

Behavioural Segmentation

They use Sunsilk because of their personal objective. They want to find a product that can cure and improve their hair problem, make them look different as before and Sunsilk is the one which can meet their needs.

However, they usually used twice a day which is when morning before out and night before sleep. They typically use it at home and share it with friend and family because they feel useful to Sunsilk.

For usage rate, there are three types of users, which are heavy users, medium users and light users. In order to meet their different needs, Sunsilk produced several size of shampoo. They are almost medium users since they used it twice a day. But, for long hair female, they will become heavy users because they need more shampoo than short hair female in one time.

They are quite enthusiastic in using Sunsilk, since Sunsilk is the product which meets their needs. On the others hand, this target market has an advantage which is they like to find new product but if they find a product that can be trust, they will never change it. So, they have a strong loyalty to Sunsilk.