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Marketing Management

BURNOL – Case Study Report

What was the biggest dilemma faced by Burnol in terms of its positioning? Can the company do something to prevent the product from becoming generic to the usage category? Please elaborate.

## POSITIONING DILEMMA

Over the years Burnol has developed into a preferred brand for attending to minor burns. It has helda tremendous brand recall value in the Indian market for the past six decades.

It was positioned as burn specialist from the day one. This strategy catapulted it into becoming the market leader in this segment. However, there is also another side to this story. The success in this segment has resulted in the consumer perception of Burnol being a specific product for burn injuries and not a generic antiseptic as a result of which it has been unable to penetrate into the antiseptic market. The name „ Burnol? also has a connotation of something related to burn to it. The colour of the tube and the ointment resembles turmericwhich is an indigenous homemade remedy for burn injuries.

The advertising strategy used by the owners of the brand also cornered the brand into specific segment. One of the most recalled advertisements of the brand was that of a daughter who comes into the kitchen and gets splashed with hot oil. After this, the mother applies burnol to the wound with a voiceover saying “ Haath jal gaya, shukar hai ghar mein burnol jo hai”. Another example was the ad that was aired during Diwali seasons. In this ad, a kid runs with a burning sparkle and on his way drops it on his feet.

Seeing this, the mother comes rushing with Burnol and soothes the child by applying the ointment.

This had a stupendous effect on the sales of Burnol which reached a figure of 4 crores in the months of June to September, amounting to 80% of the annual sale. ? These kinds of ads pushed the short-term demand but had a negative effect in the long run as it created a mental block in consumers? mind. In other words, the emotional connect was so strong in these ads that the perception as a burn-specialist has been deeply ingrained in the minds of the consumers. The case mentions this highly skewed market perception in form of below chart.

XLRI Business Management 2012-14 As discussed in the case, Burnol remained a niche brand because of following reasons:  The incidence of small burns became rare because of improvement in cooking technology and hence, the usage of this product became limited causing little or no repurchase. The extension of the Burnol brand to other antiseptic usage was virtually non-existent. The burns market was a specialized market with a size of INR 30 crores which was just a fraction of the India antiseptic cream market which was estimated to be around 210 crores.

Also, constant change of ownership had a negative impact on the brand promotions as a sustained effort could not be put in. Thus we see that though the company has a brand recall of over 90%, it is only in terms of a burns specialist.

It has been unable to penetrate the antiseptic cream market due to its inability to change the brand? s. Given this scenario, the current owners of the brand, Dr. Morepen face a dilemma: Whether to reposition the brand or not?

Q2. What is your suggestion to Dr. Morepen for its repositioning and resultant growth keeping in mind the limited budget the company has at its disposal?

To answer this we first analyse the SWOT of Burnol brand.

The same is represented in the figure on next page. Market Scenario: Boroline has 60% market share in the antiseptic creams market. On the other hand, the burns market is catered almost monopolistically by Burnol. Target: To gain a significant share in the non-burns antiseptic market. Constraints: Low Budget We believe that Dr.

Morepen should definitely go for repositioning considering there is huge potential for the brand to enter the Wounds & Cuts market, i. non-burns application of the antiseptic creams. Burnol has huge brand value & brand recall among the middle age & elderly Indian consumers. To take leverage of this what is required is an effective repositioning strategy. However, the constraint of limited budget has put some restrictions on the strategies which Dr Morepen could adopt for the repositioning exercise XLRI Business Management 2012-14.

### POSITIOINING STRATEGY

We would not recommend Dr Morepen to invest in intensive marketing / promotional campaigns owing to their limited budget.

Following positioning initiatives should be taken:

1) Product Packaging / Tube Color: Due to the long association of Burnol with the color yellow, later changed to lighter yellow, the Indian consumers tend to associate it with Turmeric, the household remedy for minor burns. So a low cost but high visibility exercise yielding to change in perception could be to change the color to “ Light Blue”. The reason is that “ Light Blue” color is soothing with the underlying message that it will have a healing effect on minor cuts / wounds.

Light shade is chosen intentionally to create a different visibility for the consumers who are used to see the “ Dark Green” Boroline tubes, the present market leader in the target segment eyed by Dr Morepen.

Leaflets could be inserted in product packaging to create awareness in the consumers about the all-purpose antiseptic usage of Burnol. Also, leaflets being of low cost, the budget constraint are adhered to.

2) Branding / Tagline: We are not recommending a new product with the name “ Clearol” as that will require huge capital in launching the product, familiarizing the brand to the consumers, promotions

XLRI Business Management 2012-14 and marketing efforts from scratch. Our suggestion to Dr. Morepen is modify the name of Burnol to “ Burnol All-in-One” / “ Burnol Plus”.

So as to will help in repositioning Burnol by retaining the essence of the brand at the same time it will actively tell the consumers of the other benefits & multipurpose antiseptic application of burnol. As Burnol has high brand recall so the repositioning should centre around that only, instead of creating a new brand altogether. Tagline for this could be “ The New Burnol” “ Your multi-purpose antiseptic”.

In essence, we are stressing that the product? s modification in name & the tag line should explicitly make it clear to the consumers the product offerings. Past campaign by Burnol through advertisement failed to get the message across to the consumers as subtlety in the message went unnoticed, hence we recommend the aforesaid change.

3) Use of Social Media: Since a high proportion of Indian online users are young, through use of online social networking sites likeFacebook, Twitterthe brand-Burnol with its new identity can familiarise itself to the young Indians too.

The cost of running promotions on social media is significantly lesser than the mainstream media of print & television.

4) Institutional Marketing: We suggest Burnol also to focus on 2-wheel manufacturers, medical societies like red-cross and pitch them to make Burnol an essential item in their first-aid kit. This will help Burnol invariably land in consumer? s hand and once used and satisfied by its performance consumer , in most probability will return to buy it.

Burnol should try to become an essential item for a first-aid kit.