

The new toothbrush on retail shelves marketing essay



The decision on where to place the new toothbrush on retail shelves is another important aspect of positioning. Colgate-Palmolive chose to place the toothbrush in between one of their existing products and a competitor's product. Placing the new toothbrush next to a competitor's product, it may lead to the consumer questioning which product is better, hopefully causing the consumer to try the new product, over its competing product.

The precision toothbrush should be displayed as an in-store display near to Colgate toothpaste. Research suggests that typical toothbrush display increased sales by 90% over a normal shelf facing, but when Colgate toothbrushes were combined with Colgate toothpaste in a single display, toothbrush sales increased by 170%. So in order to increase sales, it would be better for CP. Co to sell the Precision Toothbrushes combined with Colgate toothpaste.

The position of the Precision toothbrush could be niche or mainstream. If the position were to be niche, concentration would be placed on the prevention of gum disease. If the position were to be mainstream, concentration would be placed on "being the most effective brush on the market". The Precision should be positioned in the mainstream market with a message of high "efficacy" and fantastic "feeling". To communicate this position, Colgate should increase its toothbrush advertising spend to \$32.8M.

Customers looked for toothbrush which is effective in removing unwanted plaque and comfort. Since this space is not occupied by other competitors, the company could position the toothbrush as the most comfortable and effective toothbrush in the market. In order to communicate this position, the

company should increase advertising spend to \$32. 8M. This positioning has mainstream appeal which will help Colgate to achieve and its market share and profitability goals compared to positioning based on fighting gum disease only.

Based on the above research, there could be two options to position the product and become top-of-the range.

Product Positioning-

- Position the product under Super-Premium segment
- Use protections of “ gum disease” as a main idea to position the product since we know the consumer are becoming more health conscious.
- Use Niche strategy to enter the market and then branch out to Mainstream due the added advantages

1) Niche Positioning Strategy

Niche marketing can be accomplished by releasing the Colgate Precision Toothbrush in the super-premium market where CP has no product under this segment. This would ensure that CP competes directly with Oral-B's super premium product without affecting the Colgate plus market. Steinberg expects to capture 3% of the U. S toothbrush market thereby commanding a 15% premium over Oral-B. Production of the CP precision toothbrush could be subcontracted to Anchor Brush Company (who are currently responsible for manufacturing Colgate plus toothbrushes) including warehousing and transport cost. Under this strategy, Steinberg realized that CP would

establish a factory list price of \$2.13, which is at relative parity with Oral-B indicator and premium over Oral-B regular. With niche positioning Steinberg believed that sales would represent 3% volume share in year 1 and 5% in year 2.

1) Mainstream Positioning Strategy

As a mainstream product, Steinberg believed that Precision toothbrush would capture a market share of 10%, provided the factory price would be \$1.85 on par with Oral-B regular. The downside of mainstream release is the potential cannibalization of Colgate Plus and pressure on production schedules that had been developed for niche positioning.

Segmentation

The toothbrush category is divided into two segments: value and professional. Also, the toothbrushes are differed by bristle type (firm, medium, soft and extra soft) and by head size (full/adult, compact and child/youth). In the beginning the toothbrushes were introduced on the basis of functional features but in the late 1980's this changed and many new toothbrushes were introduced on the basis of aesthetic and of course this changed because in 1991 new product introduction were again focused on technical performance improvements. Generally, different people have various needs for buying toothbrush.

Furthermore, we have three groups of consumers:

- Involved oral health consumers- therapeutic brushers 46%

- Involved oral health consumers- cosmetic brushers 21%
- Uninvolved oral health consumers- 33%

So we have consumers who search out functionally effective products in order to avoid oral care products, consumers who search for products that deliver cosmetics benefit (such as preventing bad breath and/or ensuring white teeth) and the last group who views the products as the same. These kinds of consumers are not motivated by oral care benefits and adjust their behavior only when they confront oral hygiene problems.

For most consumers toothbrushes were as important as toothpaste to effective oral hygiene and that the primary role of a toothbrush was to remove food particles; plaque removal and gum stimulation were considered secondary. CP estimated that 82% of toothbrushes purchases were unplanned. The average or replacements of the toothbrushes were only once every 8.6 months in 1990, 7.5 in 1991 and due to the prevalence of “two-for-one” the average was 12.4 months in 1990 and 9.7 months in 1991.

Consumer behavior for toothbrushes and toothpastes is different. The toothpaste is shared by members of the same household. Consumers are more careful in choosing the right toothbrush rather than toothpaste. People are choosing the toothbrush based on their individual needs about size, the handle, the bristles and head shape of the toothbrush and all that based on the shape of the mouth.

2) Under product segments, the Precision toothbrush must focus on the soft-bristle brush (which has a 48% market share and growing at the rate of 7%

per year) and on Extra-soft-bristle (market share of 5% and is growing rapidly).

3) CP must develop process for consumers of the baby boom generation as research suggests that they were becoming more concerned about the health of their gums, in addition these consumers are willing to pay a premium for the product.

My recommendations are based upon a market segmentation of baby boomers that have a concern with their oral health and hygiene. So the primary focus market has to be the therapeutic brusher (46% consumers opt of it!). The consumers needs to be convinced in the product, with the test trials showing an average 35% improvements in plaque removing capabilities. Further, support from dental professionals will reinforce the concept of improved oral hygiene.

Subsequently, the therapeutic users would be more willing to listen to promotional campaigns concerning Precision toothbrush. Even the dentist can provide the most efficient means with which to communicate the effectiveness of the Precision Toothbrush. So it's very important for CP Co to establish a communication channel to tap this strategy for promotion, thereby helping Precision capture market share from Oral-B

Market Segment

With the increase of the baby-boom generation now at a point where they control most of the nations disposable income, the time has come for them to pay more attention to their teeth and demand or better increase the

demand for toothbrushes and other oral care products that will help them. This increased demand for better more effective oral care products is what developed this niche in the early 1990's in the oral care industry.

Therapeutic Brushers: This segment of the market is the newest developing market and CP's newest endeavor with Precision. These consumers use a toothbrush as a tool that helps protect gum disease, tooth decay and gingivitis. The primary aim for these brushers is to avoid oral care problems. They will most likely visit the dentist at least 2 times in a year for routine check-up and follow recommendations of the oral care professional more religiously than others. The leading brand of preference in this group is Oral-B Angle and Oral-B Regular.

Cosmetic Brushers: This segment of customers focus on the cosmetic advantage that toothbrushes give them. This segment can fall prey to the claims of a toothbrush to provide cleaner, whiter teeth and long lasting fresh breath than the other toothbrushes. They are not as religious with following oral care professional's advice, but will follow it because of cosmetic benefits. If the classical or Plus offering can take care of their needs they would not bother with the super premium class toothbrush. Right now, CP's Plus and Classic hold a huge market share in this segment.

Uninvolved Brushers: Consumers in this category are basically indifferent to the advantages of one brand or class over the other. Their primary decision maker for a toothbrush is the convenience to acquire one. The two decision makers that determine their purchase are the ease of availability and most attractive price. The plus will be the obvious choice for most of the brushers

in this market segment, but in time, Precision will attract them, with specials and stock-outs of other brands and segments.

Targeting

The first segment market that the Precision toothbrush will target will be consumers who are concerned about oral health issues, such as fighting plaque and gum disease. These consumers are known as “therapeutic consumers,” because they purchase products, toothbrushes that will be the most effective when it comes to oral health care. These consumers “buy and use products for themselves,” (Harvard). Consumers in this target market usually do not care about the price, as long as they are getting the highest quality products. Most consumers in this segment are adults, especially ones who have oral health problems.

The second segment market that we would target the new Precision toothbrush would be consumers concerned with their oral hygiene, such as bad breath, and personal appearance. Many, but not all, consumers in this group are female adults who worry about what they look like. These consumers purchase products that will “effectively deliver cosmetic benefits,”