

A STUDY ON MARKETING MIX & COMPETITIVE ANALYSIS OF “PURE IT” WATER PURIFIERS FROM HUL

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Abstract:

Marketing is the art of promoting products. Marketing is an organizational function and a set of procedures for creating, communicating and handing over price to customers and for managing purchaser relationships in methods that gain the organization and its stake holders. According to Kotlar “Marketing is a social and managerial procedure with the aid of which individuals and groups attain what they want and want through creating, presenting and freely exchanging merchandise and services of price with others”. Rural Marketing is defined as any advertising undertaking in which the one dominant participant is from a rural area. This implies that rural advertising and marketing consists of advertising of inputs (products or services) to the rural as well as advertising and marketing of outputs from the rural markets to other geographical areas. Products which have a rapid turnover, and relatively low value are recognized as Fast Moving Consumer Goods (FMCG). FMCG products are these that get replaced within a year. FMCG Industry is characterised via a well established distribution network, low penetration levels, low operating cost, lower per capita consumption and intense competition between the equipped and unorganized segments. Hindustan Unilever Limited (HUL) is India's greatest Fast Moving Consumer Goods Company with a heritage of over 80 years in India and touches the lives of every two out of three Indians. Marketing in rural India poses various challenges, apart from the geographical distance and remoteness of various villages. However, the proliferation of the media, especially the growing attain of the digital media in rural India, has supplied publicity to a number merchandise and services, which were hitherto regarded the domain of urban users. This has resulted in demand in some cases and the aspiration to gather such merchandise in other cases.

Introduction:

Since 1993, KIOSK Information Systems has led the industry in design and manufacturing of self-service kiosks. The team is a "cradle to grave" service organisation that takes full ownership in the success of customer programs - from initial solution design to manufacturing and field services. KIOSK has partnered with clients in a full complement of vertical markets, transforming self-service concepts to deployed solutions. Projects range from traditional applications like retail, order entry, and human resources to highly specialised solutions in banking, healthcare, airport security, and outdoor ticketing. With 100,000+ kiosks deployed across this broad market spectrum, KIOSK's abilities in customised design, sophisticated peripheral integration, volume manufacturing, and field services have been exercised far deeper than any industry competitor. Clients with 800 - 3000 unit nationwide deployments such as AT&T, Wal-Mart, Safeway, PepsiCo, Sony, HP, and TIO set the standards bar high, and KIOSK has consistently proven the ability to execute at every stage of the program life cycle.

Kiosks system is used for sales processing and inventory tracking. Traditionally, kiosks were simply manned sales booths generally located in shopping centres. Today, kiosks have become electronically-based, interactive terminals that allow users to conduct business or access the Internet. Kiosks system technology is becoming a much more common method to conduct business, increase sales, interact with customers, and even conduct internal business operations such as human resource functions. Kiosks systems can be found in a wide variety of locations including city streets, shopping malls, airports, restaurants, retail stores, and non-retail business offices. Some common applications of interactive kiosks systems include ATM kiosks, Internet kiosks, store gift registries and gift card kiosks, sales and marketing kiosks, bill payment kiosks, gaming, kiosks, self checkout kiosks, human resource kiosks, and e-commerce kiosks.

Kiosks systems provide functionality that can also be incorporated into a self service kiosk. A point of sale system is a computer-based system that allows businesses to capture sales data and other.

customer transactions. Kiosks systems are available for the smallest retail business to the

largest global conglomerate. A shopping mall or outdoor centre is the most common place to find merchant-manned kiosk businesses. Sometimes these small booths look like carts, reminiscent of peddlers from centuries past. The merchant pays a rental fee to the owner of the shopping centre for the use of the kiosk. Customers walk by the kiosk and can easily view the items for sale. The sales associate may greet customers as they walk by and try to draw their attention. Sometimes, demonstrations of the product are held on the spot. **Consumers then purchase items directly from the kiosk.**

Nature and scope:

HUL has also responded in case of national calamities / adversities and contributes through various welfare measures, most recent being the village built by HUL in earthquake affected Gujarat, and relief & rehabilitation after the Tsunami caused devastation in South India. In 2001, the company embarked on an ambitious programme, Shakti. Through Shakti, HUL is creating micro-enterprise opportunities for rural women, thereby improving their livelihood and the standard of living in rural communities. Shakti also includes health and hygiene education through the Shakti Vani Programme, and creating access to relevant information through the *iShakti* community portal. The program now covers 15 states in India and has over 45,000 women entrepreneurs in its fold, reaching out to 100,000 plus villages and directly reaching 150 million rural consumers.

HUL is also running a rural health programme – Lifebuoy Swasthya Chetana. The programme endeavours to induce adoption of hygienic practices among rural Indians and aims to bring down the incidence of diarrhoea. It has already touched 84.6 million people in approximately 43890 villages of 8 states. The vision is to make a billion Indians feel safe and secure.

The project aims to get us out of the classroom and into the real world of companies/competitors, markets, managers and customers. For us, it opens the way for walking into experiences. The ultimate goal of this research is enormous in its true sense. Physically and practically, it shows the potential for the company and me. The scope of the project helps in analysing the factors, which influence the referring behaviour of customers. The scope is such that the study has been conducted by taking samples from different areas, which depicts the overall picture. The results obtained will give an overview of the different criteria based on which an existing customer can be used to generate sufficient

leads for the company. The study can be helpful in making decisions so as to improve the approach towards customers for getting reference and service.

This project also helps to know how an organisation works in a real environment and under different market scenarios

Literature review:

Direct Marketing is a method which helps to create a direct connection with the potential consumer to obtain an immediate response and cultivate lasting consumer relationships. Hindustan Unilever limited is the company in India doing direct marketing in water purifiers. Today it is Asia's largest direct selling organisation. It has a direct selling force touching 1.5 million Indian homes and adding 1000 customers daily. It has dealers and distributors across the country and operates in towns and cities. Because of the low interest and since the product benefits needs to be demonstrated to the customers, conventional distribution was not viable. Hence Hindustan Unilever limited chose the less travelled Direct Selling route. Hindustan Unilever's sales man in the water division is called PWE. It has three streams for selling of products i.e. cold calls (door to door selling), outreach (Kiosk) and clinic (Hospital). It is a tough job for these salesmen who have to go through the "cold calls" to get a sale. At one point of time, because of the aggressive nature of these sales persons, people became scared even to listen to these sales persons. Now this aggression has mellowed down to a more professional sales approach

According to Dearun Chakraborty (2003) The Indian water purifier industry is on overdrive. The rapid urbanization & excellent growth in the middle class population due to good economical condition has created a stupendous upsurge in water purifier industry in India. Total market for water purifiers in India is valued at INR 9 billion in 2009 and is expected to grow significantly in near future. Market comprises of three segments Ultra Violet (UV) based Purifiers, Reverse Osmosis (RO) purifiers and storage / resin based purifiers. Roughly 80% of diseases in India are caused by water borne micro organisms. This is true in rural as well as urban India. However, consciousness of health risks linked to unsafe water is still very low among the rural population. The few who treat water resort to boiling or use domestic candle filters. In comparison, the urban India is definitely more health conscious and understands the necessity of purifying water before it is fit for consumption. Even so, it is estimated that roughly 7% of urban Indians use

non manual water purifiers. More Indians need to become aware of the importance of installing drinking water purifiers. There remains a huge untapped market.

According to Sultan Nazia and V. Santhoshi, Drinking pure water has been a major problem in India on account of different types of pollution in the country. With more and more Indians becoming aware of the hazards of drinking impure water, the demand for effective water purifiers is growing rapidly. Global and Indian brands are now vying for consumer attention in a fast growing market. Research shows that water purifiers are the most sought products in Indian market. This paper highlights the brand awareness among consumers in the city of Hyderabad in India with respect to the existing and emerging brands of purifiers in Indian market. A few brands are selected for the study and the company's marketing practices are analysed. Also the awareness of dangers associated with the use of water purifiers in India is documented in the paper. The paper attempts to compare the marketing mix (the 4 P's) of marketing) of five leading brands of water purifiers. In all, the paper talks about the marketing mix and consumer's perceptions on the same.

According to Sharma, Rajendra Prasad; Sarkar, Pallabi Pal (2016, 2017) As growth plateaus in the rich pockets, firms are focusing attention on bottom of pyramid segments. The Kannur district of Kerala is renowned as the land of looms. The role of women has evolved and they played a bigger role in purchase decisions. This hinterland can be a good market for product categories like health & hygiene, personal & beauty care and kitchen appliances with women being the key decision makers. The study attempts to focus on the awareness and the usage pattern for the chosen product categories i.e. lipsticks, shampoos, sanitary napkins, aqua purifiers and thermal cookers, ranging across aspirational, personal beauty care, health and hygiene and essential household equipments. Marketing to rural customers is not like getting them to switch their habits, practices, beliefs and brands but rather patience and investment by companies.

According to Sabeeha Fatma and Ashish Chandra (2014): Bottom of the pyramid has been the most talked about topic in the last decade. While much has been said and written on the topic, corporate is yet to realize the true potential of this untapped market. This market segment needs to be treated differently. Offering low quality products at lower

price might give access to the market but it cannot be sustainable strategy. For long term gains bottom of the pyramid needs to be nurtured like other market segments. The transformation of the bottom of the pyramid and the creation of a new and emerging market requires a total transformation of managerial practices in established MNCs. The traditional 4 P's of the marketing, product, price, promotion and placement needs to be re-engineered exclusively for the bottom of the pyramid. This paper discusses the various moves taken by companies to harness the opportunity at the bottom of the pyramid.

According to Deepthi Yaparla, Anand B. Rao, Bakul Rao, (2011) Almost 20 percent of the world's population lacks access to safe drinking water (DW) and basic sanitation. The Target 10 of United Nations Millennium Development Goals is "to reduce by half, the proportion of people without sustainable access to safe DW, by 2015". The technologies selected include alum, boiling, alum-boiling-straining, SODIS, ceramic candle filters, Biosand filters, Terafil filter, Pure it, Tata Swach, and Aquaguard Compact. Boiling and Aquaguard were top ranked for the urban areas whereas SODIS and boiling were ranked high for the rural areas. The ranking has been found to be sensitive to the attributes such as the initial cost, maintenance cost, durability, reliability and the ability to treat contaminants of the candidate technologies.

Water Purifier Market in India

The water purification and treatment industry in India, under siege from cheap imports of water treatment products from China, is working to set standards for the water treatment industry in the country as a safeguard against 'spurious' products. This is being done through a certification process. Hence, for the first time the industry has put its head together to come up with a solution. In a country like India, where water scarcity is growing by the day, there are too many issues relating to water. This has meant that there are a dozen firms that are trying to make the best of the situation. Now there is a clamour for proper standards.

India Water Purifier Market has tremendous growth potential

Globally more than one billion people lack access to safe drinking water and approximately 2.4 Billion people lack access to proper sanitation, nearly all of them in the developing countries, including India. Nearly a third of the world's population worldwide live in water-stressed areas. This figure is expected to rise to two-third of the population by 2025. With an increasing number of people becoming conscious of the

risks of drinking contaminated water, the demand for water purifiers is rising rapidly. Research conducted a survey across 10 major cities in India with 600 users of water purifiers to understand the market size, growth drivers, issues and buying behaviour patterns. The cities covered in the survey were, Delhi, Mumbai, Kolkata, Chennai, Bangalore, Hyderabad, Ahmedabad, Chandigarh, Pune and Bhopal.

The analysis begins with a list of Hindustan Unilever Limited (HUL) of water division Pure it's competitors. Most of the time, such a list is made up of what the company co- considers to be its chief competitors. However, there may be other companies that indirectly compete with HUL, ones that offer products or services that are aiming for the same customer capital.

PRODUCT	PRICE
<ul style="list-style-type: none"> a) Easily available nationwide. b) Easy to handle. c) Multiple products launched for each product type. 	<ul style="list-style-type: none"> a) Product price range divided into four segments to target different audiences. b) Low cost of maintenance and consumable. c) Best prices offered when compared to other competitors.
PROMOTION	PLACE
<ul style="list-style-type: none"> a) Active subscription immediately b) Right time installation of products c) Properly repair services against paid AMC's. d) Service during contract period 	<ul style="list-style-type: none"> a) Urban educated India that cares for their family. b) Areas prone to diseases. c) Strategically chosen locations for catching the eye of potential consumers. d) Various stalls near market places

Outcome:

Price structure should be revised.

Customer service is something which the company should pay more attention to.

All models not available for display in the retail outlet sandal brochures should be made available.

Sales person at the retails counters should have proper knowledge about the product.

Should focus more on brand awareness.

Technological & other aspects should be re considered and re-christened.

Conclusion:

We conducted the market survey in the town of Hyderabad & Secunderabad in Andhra Pradesh. We chose the product “Pure It” because people are very cautious about their health these days and are very particular about their drinking water. In such a scenario most people are using water purifiers.

We were very lucky to join this company and we learnt so many things, like punctuality, hard work, selling strategy of the company etc. We met different kinds of people, coming from different backgrounds. Thus, we came to know about the different views of these people.

After the survey we came to the conclusion that the people of Hyderabad and Secunderabad are very much aware of “Pure It” water purifier and maximum of them are satisfied with the product. We came across some people who have been using “Pure It” water purifiers for more than 2 years. Although maximum people are satisfied with the product, there is still a pinch of dissatisfaction among some of the consumers. But the ratios of these people are negligible.

The survey has shown and proved that Hindustan Unilever Limited is enjoying a monopoly in the markets of Hyderabad. Nowadays, HUL is competing with Eureka Forbes. We have found out from the survey that people use the word “Pure It” as a generic name for all water purifiers no matter to which company and brand it belongs to. Moreover, our survey has shown that most of the people are using “Pure It” water purifiers in their workplace as well as in their homes.

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