

**Brand Success Evaluation
In
Selected Personal Care Products**

By

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1.0 Introduction

Academics as well as practitioners offer opinions about brand success. For instance it is felt that Lifebuoy is a success while Crowning Glory is a failure. It is easy to identify success and failure in the above cases because Lifebuoy sells more than a lakh tons while Crowning Glory is not stocked in retail outlets. However there are instances where it is not easy to form a view on success or failure. Some brands continue with a minimal share in the market. Others do not build volume initially but grow to considerable size later. Some remain small but profitable niche brands. This brings us to the question "What is brand success?"

To answer this question a six-year study was conducted on brand success in selected personal care products. 73 brands were chosen from four product categories in the Indian market namely shampoos, talcum powders, toilet soaps and tooth pastes. The study was conducted in 4 stages. In each stage the hypotheses about brands are refined for the subsequent stage. The fourth and final stage consisted of testing a hypothesis on brand success for each brand. In all 215 experts have been contacted of which 157 responded.

2.0 The definition of an expert:

An expert is somebody who can offer informed opinion about the market to the researcher. For the purpose of this study the following have been identified as experts:

- (a) The manager (marketing) because he markets the product/ brand.
- (b) The competitors (marketing managers) who fight the product in the market.
- (c) The advertising agencies which besides developing communication strategies track the brand's health over a period of time

- (d) **Market research agencies and advertising agencies of competing products that routinely gather information about brands in a particular product category**
- (e) **Credit rating agencies that rate the commercial paper and other instruments of the company and hence come by a great deal of information about brands.**
- (f) **Market-watchers and consultants who assist marketing programs of organizations. These include marketing consultants as well as agencies dedicated to specific disciplines in marketing like direct marketing, sales promotion.**
- (g) **Academics from reputed institutions who tend to take a dispassionate view on brand success.**

3.0 Objectives of the study:

The objectives of the study are as listed below.

- i) **To define brand success**
- ii) **To define bench marks of success for brands in terms of value or volume in personal care products (shampoos, talcum powders, toilet soaps, tooth pastes)**
- iii) **To apply the definition of brand success to brands in these product categories**
- iv) **To explain brand success and failure of different brands in the personal care products category**
- v) **To generate a list of underlying variables that contribute to the success/failure of brands in a specific product and the umbrella group of personal care products in general.**

While the above objectives are self-explanatory the second objective needs some elaboration. After examining several fast moving consumer brands it was felt that to sustain as a national brand a minimum threshold level of

sales volume is necessary. This volume depends on the product category. Thus one of the aims of the research has been to assess success cut-off or the minimum sales volume necessary for a brand to be viable in the long run.

4.0 Definition of brand success:

The study offers a definition for brand success. An examination of 98 articles from marketing literature related to the topic of brand management revealed no specific definition for brand success. After examining the existing literature brand success has been defined as the "ability to retain reasonable market share despite market redefinitions".

4.1 The concept of redefinition:

A redefinition is a change in the market that alters the terms of competition significantly. Two product categories have seen market redefinition in the recent past namely shampoos and tooth pastes. In shampoos the introduction of sachets changed the complexion of the market. 50% of the shampoo sold today is in sachets. Velvette and Chik were the first to introduce sachets. Initially Sunsilk and Clinic did not have low-priced sachets and lost market share to Velvette and Chik. But once they brought in their own sachet versions their share went up. Other shampoos that came late to sachets lost out. In other words those brands that identified the sachet redefinition were successful. Those that did not follow the redefinition lost. Thus Clinic and Sunsilk emerge as the two brands that outlived the redefinition. In fact despite ups and downs their market share has been growing since the 70's.

Similarly the redefinition in the tooth paste market is "gel" tooth pastes. Gels already contribute to one-third of the tooth paste market. Though Colgate came to the gel market after Close-Up it managed to regain lost volumes because of its gel variant. Tooth pastes that did not have gel versions like Promise, Babool and Forhans lost out. Colgate that tracked and adapted the redefinition retained its market share.

The talcum powders category faces the threat of redefinition from deodorants but it is difficult to predict how effective this threat is going to be. Hence success belongs to those brands like Ponds that have a significant

market share. Similarly in the toilet soaps market attempts at redefinition by face-washes and liquid soaps have not been successful.

In other words redefinitions took place in the recent past in shampoos and tooth pastes. Among shampoos Clinic Plus and Sunsilk and in tooth pastes Colgate satisfy the definition of success proposed by this study.

5.0 Results:

5.1 Variables contributing to brand success:

Eight variables were seen to contribute to success/failure of brands in personal care products. These are: i) positioning ii) product itself iii) organizational commitment iv) communication v) pricing vi) brand proactiveness vii) early entry advantage viii) distribution. Of these the first four variables, positioning through communication have affected the success or failure of at least one-third of the brands. Positioning alone has influenced more than 50% of the brands. Therefore the first four variables are lead variables. The last four variables namely pricing, brand proactiveness, early entry advantage and distribution influenced the success/failure of less than one-fourth of the brands. They are support variables. This means that lead variables such as positioning are absolutely necessary for the success of a personal care brand. While support variables like distribution and brand proactiveness are also necessary they are not sufficient to ensure brand success.

5.1.1 POSITIONING:

Among the 8 variables, positioning emerges as the single most important variable that matters for the success or failure of brands. Positioning affects 59 of the 73 brands chosen. In toilet soaps positioning is very important because even a layman can list twenty leading national brands. In shampoos since the market is growing fast there is a plethora of brands and hence positioning becomes important. The above findings have empirical validity. Besides hypothesis testing in toilet soaps and talcum powders revealed positioning as the key success factor. In other words positioning emerges as the most important variable that affects brand success or failure across the four categories.

5.1.2 PRODUCT ITSELF:

Product itself emerges as the second most important variable in terms of the successes and failures it influences. Except in tooth pastes in the other 3 categories it emerges as the second most important variable. In tooth pastes it is the first. Tooth paste being a product that is consumed internally sensory acceptance becomes crucial for success. Thus irrespective of positioning, a tooth paste brand may not fare well due to poor product perception (bitter taste) as observed in the case of Babool and Vicco Vajradanti. In toilet soaps and shampoos though it is the second most important variable there is a wide gap between the number of brands affected by positioning (the most important variable) and the number affected by the product itself. This means that in both toilet soaps and shampoos 'brand image' is more important to the customer than the product itself. Another way of looking at it is that the intangibles that a brand offers are more important than the tangibles in these two categories.

5.1.3 ORGANIZATIONAL COMMITMENT:

Organizational Commitment emerges as the third most important variable. It is uniformly important in all the 4 categories. This means that even if the positioning and product are right lack of organizational commitment can cause brand failure. On the other hand organizational commitment can increase the probability of success in a brand when the other variables are taken care of. This can be observed in successful relaunches like Lux International, Lifebuoy Plus, Close-Up and Pepsodent. They succeeded because of the commitment shown to the brands by the organization. Several TOMCO brands (Jai, Moti, OK Bath) and Godrej brands (Marvel, Evita, Ganga, Fresca, Vigil) performed poorly because of lack of organizational commitment. Besides, the aforementioned TOMCO brands are reportedly growing rapidly after being taken over by Levers. This again points to organizational commitment being an important contributor to brand success and failure.

5.1.4 COMMUNICATION:

Communication is the fourth most significant variable in terms of influencing brand success and failure. Effective communication paves way for brand success. Despite good positioning brands may fail due to poor communication (e.g.: Evita). The success of Liril owes as much to communication as to other variables. Several brand successes can be tracked back to effective advertising (e.g.: Pantene, Sunsilk, Lux, Lifebuoy, Colgate, Close-up). Similarly inadequate advertising or poor communication resulted in indifferent performance (Ultra Doux, Cinthol talc, Liril Talc, Ganga, Camay, Fresca, Promise).

5.1.5 PRICING:

Pricing is more a support variable rather than a lead variable. This is in line with the findings of the research. This has been statistically verified on several brands. Experts rejected the hypotheses that Lesancy, Ultra Doux, Santoor talc and Yardley failed because of price. Experts also rejected that Lifebuoy, Rexona (both soaps) were successful because of price. Babool did not perform well because it stressed price rather than herbal benefit of the paste. Nirma tooth paste failed because it depended on price alone. Ayur and Nyle shampoos were successful as much because of herbal benefit as low price. Chik shampoo failed because it had nothing to offer other than low price. Heaven's Garden will fail if it does not upgrade because the duty concessions it enjoyed once are being phased out. Ponds Magic, Gokul Sandal are priced higher than Ponds Dreamflower talc and are yet successful. OK Bath failed despite low price because of organizational indifference. Fresca and Camay despite low price failed because of positioning confusion. Two findings can therefore be drawn from the above discussion. Firstly low price does not ensure success unless effectively backed by other important variables like positioning, product and organizational commitment. Secondly what a consumer looks for is not price alone but a bundle of benefits for a price. If the two match the brand emerges successful, otherwise it fails.

5.1.6 EARLY ENTRY ADVANTAGE:

Early Entry Advantage is also a support variable in all the 4 categories. However in toilet soaps it is more important than it is in others. This might be because there were very few successes in the toilet soap market in the last three decades. Many successful brands in the toilet soap market are old (e.g.: Lifebuoy, Lux, Rexona, Hamam, Margo and Pears). By contrast early entry advantage is not very important in shampoos. This is because it is a growing category and the boundaries of the market are being redrawn often. Several innovative product forms like herbal powders (Meera), herbal shampoos (Nyle), color variations have been successful because shampoos is a growing category. On the contrary toilet soap market is not growing rapidly and new product forms like liquid soaps and face washes have not been successful. That is probably why pioneer advantage is important in toilet soaps and not shampoos. Early entry advantage is not apparent in talcum powders and tooth pastes but it exists. In both cases it is hidden because early entrants Ponds and Colgate have more than 50% share in their respective markets. Again in tooth pastes a new product form like gel gave birth to new brand successes. Product innovation not being there is one of the reasons why there are no new successes in talcum powders. In other words early entry advantage is more pronounced in those categories where new product forms have not been accepted by the consumer. This finding is also consistent with marketing literature. Early entry does not really favor those brands that do not take advantage of it. In other words, early entry advantage is a support variable and not the lead variable in accounting for brand success and failure.

5.1.7 BRAND PROACTIVENESS:

Brand Proactiveness is also a support variable. In 11 out of 73 brands it contributed to success or failure. Brand proactiveness is more important in shampoos than in other categories. This is because shampoos is evolving more rapidly as compared to the other categories. It may be relatively less important in mature categories like talcs and toilet soaps. This does not however mean that proactiveness is not important in all these categories. A big brand like Colgate, Ponds or Lifebuoy can be reactive but small brands like Babool, Zee and Santoor have to be proactive. However proactiveness in brands has to be preceded by strong positioning, product, organizational

commitment and effective communication. That is why brand proactiveness has been categorized as a support variable.

5.1.8 DISTRIBUTION:

Distribution per se, seems to be less important in comparison to the other variables. Again it should be stressed that the importance is relative and without effective distribution the brand will never reach the customer. To state it differently it is a necessary but not a sufficient condition for success. There are also practical reasons as to why a variable like distribution that is apparently very important figures low in relative contribution to brand success or failure. A weak distribution infrastructure can be compensated by the recruitment of strong and committed wholesalers as Nirma did. Nirma's success does not rest on distribution strength but on price-value equation. Besides a good distribution service can be borrowed. For instance Velvette was a good product concept but had no distribution of its own. It borrowed Godrej's distribution network. Several brands borrow the distribution network of Voltas for a fee. Thus, though strong distribution is important for success it need not be owned. This is why distribution is seen as a support variable in terms of its contribution to brand success and failure.

To summarize positioning, product itself, organizational commitment and communication are lead variables that affect brand success or failure in many cases. Pricing, Early Entry Advantage, Brand Proactiveness and Distribution are support variables that assist the lead variables in making the brands successes or failures.

5.2 Findings:

The findings of the study can be put under two headings: a) Inferences b) Insights. Inferences are statistically validated. Insights are not statistically validated but are important observations from the point of view of their marketing implications. The study draws two types of inferences namely general and specific. General inferences refer to the inferences valid across the four product categories. Specific inferences refer to those valid for a particular product category eg: shampoos.

5.2.1 General Inferences

5.2.1.1 Success benchmarks

The study contends that there is a minimum market share (threshold volume) to be achieved to attain success in a product category. For instance experts contacted in the study were of the opinion that a shampoo or a talcum powder brand launched nationally needs to acquire a market share of at least 7% (by volume) to achieve commercial success. Similarly a national tooth paste brand needs a minimum of 5% market share to build and sustain.

5.2.1.2 Key Success Factors

There was agreement among experts about key success factors in talcum powders and toilet soaps categories. In both cases “POSITIONING” emerged as the key success factor. In the case of talcum powders, positioning the brand radically different from Ponds’ Dreamflower Talc was seen as the key success factor. Experts did not agree to “INITIAL TRIAL” being the key success factor in tooth pastes and “PROACTIVENESS” being the key success factor in shampoos as hypothesized. In fact in tooth pastes and shampoos no distinct key success factor could be identified.

5.2.2 Specific inferences

5.2.2.1 Shampoos

The following hypotheses have been accepted (not rejected) with reference to shampoo brands

- a) Clinic Plus is a positioning success. It is fundamentally successful because of its anti-dandruff / health positioning.
- b) Sunsilk is successful because it is a pro-active brand and is quick to respond to changes in the market.

- c) Pantene is a success because it is fundamentally seen as a good product.
- d) Ayur is a success because it offers ayurvedic benefit at low price.
- e) Chik might fail if it does not upgrade its image of a one rupee shampoo.
- f) Velvette is failing because of organizational problems.
- g) Lakme failed because shampoos are not a priority for the organization.
- h) Halo failed because it did not upgrade itself.
- i) Ponds failed because its positioning is not clear.

5.2.2.2 Talcum Powders

The following hypotheses have been accepted (not rejected) with reference to talcum powder brands.

- a) Ponds' Magic is a success because it managed to convert a large chunk of Dreamflower talc users.
- b) Gokul's strength is pioneer advantage in the sandalwood segment.
- c) Heaven's Garden is successful because of its low price.
- d) Cinthol and Liril are both being treated as brand extensions. The companies are not spending on these brands. They may lose market share to new brands.

5.2.2.3 Toilet soaps

The following hypotheses have been accepted (not rejected) with reference to toilet soap brands.

- a) A brand that lasts for more than 12 years with a reasonable market share can be considered a success. This is because a good fast moving

consumer brand breaks even in 6years. Therefore if the brand lasts 12 years it would have more than repaid all the money invested in it. (Experts felt that the same figure could be valid for all consumer softs though this hypothesis was not tested.)

- b) Dettol is a positioning success given the equity of the parent namely anti-septic liquid.
- c) Mysore Sandal owes its success to its distinctive product.
- d) Margo's success owes to its clear health (neem leaves) positioning.
- e) Ponds is a failure because it did not offer anything new.
- f) Jai failed because there is nothing distinctive about it.
- g) Marvel positioned itself as a "Youth soap" but did not offer anything new hence failed.
- h) Pears is a success because it is a unique product.
- i) Hamam's success so far is owing to its 'family soap' positioning.
- j) Lifebuoy Plus is a success because it upgraded some Lifebuoy customers.
- k) Lux International is a success because it upgraded some of Lux's customers and created a franchise for itself.
- l) Liril is a positioning success.
- m) Lux's success is due to its aspirational cine-star positioning.

5.2.2.4 Tooth pastes

The following hypotheses have been accepted (not rejected) with reference to tooth paste brands.

- a) Colgate Dental Cream is successful because of pioneer advantage.

- b) Babool failed because it did not offer anything more than low-price advantage.
- c) Prudent's offer of clove oil and mint and fluoride was seen as a me-too to several brands hence a positioning failure.
- d) Forhans failed due to organizational lethargy.
- e) Close-up is a positioning success.
- f) Colgate Gel was successful because it joined the gel bandwagon early.
- g) Promise failed because of lack of upgradation.

5.2.3 Insights:

As mentioned insights are important observations about the market but these have not been statistically validated. These again are under two headings: a) General Insights b) Specific Insights.

5.2.3.1 General Insights:

a) All the categories (shampoos, talcum powders, toilet soaps, tooth pastes) fall under the broad heading of personal care products. But they are different from one another from the point of view of buyer behavior. For instance in toilet soaps there is low brand loyalty but this is not the case in tooth pastes. Of the four categories, tooth paste is probably the most brand loyal product category. Talcum powders market is in a flux. It is either entering a new stage of growth or its consumers will move over directly to deodorants. In shampoos there is trial for a new brand provided it offers something new. Thus in terms of trial or brand loyalty the product categories are very different. There appears to be greater loyalty in talcum powders and tooth pastes rather than shampoos and toilet soaps.

b) There are also commonalties. Though the categories are very different talcum powders and tooth pastes have one thing in common. In both cases the market leader has a share of more than 50% share of the market. In both

cases one important requisite for the success of a new brand is its ability to differentiate its offering from the leader. (Colgate in the case of tooth pastes and Ponds in case of talcum powder are the leaders).

c) In their life cycle the products seem to be different from each other. Most experts feel that talcum powders category has reached maturity. Toilet soaps is seen to be heading in the same direction. On the other hand tooth pastes is seen as a growing market. Shampoos is a rapidly growing market.

d) The key success factors for each of the categories are also different. In toilet soaps it is 'positioning' basically that differentiates one product from the other. In tooth pastes the benefit should be clear besides the in-use experience being pleasant. Also the initial inertia should be overcome through sampling. In talcum powders the fragrance should be acceptable and the positioning should be distinctive, preferably different from Ponds. In shampoos because the market is expanding rapidly the product itself and brand proactiveness are important.

e) Sachets might be successful in infrequently used products like shampoos, pickles or cough syrup and not in products of daily use like tooth pastes and talcum powders. This is because for frequently used products there is no need to buy a sachet.

f) Some times all the brands of a company loose out because of lack of focus in their marketing efforts. This might be due to organizational problems as in TOMCO or structural changes like the merger and de-merger as in the case of P & G and Godrej.

i) In consumer products sustained advertising is important because most of the brands in the market are not significantly different. In toilet soaps, even physically many brands look alike. Thus creative execution of advertising can become an important differentiator.

j) Low price coupled with a product benefit delivers success. The success of Nyle, Lifebuoy and Rexona owes to the fact that besides low price they offered herbal benefit, satisfaction of being a "WINNER" and 'soft skin' respectively.

l) Most non-multinational brands are suffering because of their inability to persistently support brands (e.g.: Raaga, Chik shampoo, Nyle). This is eventually leading to their losing market share.

n) If a brand generates less than the critical volumes needed (for success) it is more likely to be successful if it is geographically restricted. For instance a talcum powder brand confined to South and having a market share of less than 7% might still be viable because its advertising and distribution expenses will be proportionately low. Thus brands with sub-critical volumes can be successful if they operate as regional brands.

o) Doing things differently helps a brand to stand out in a market distinguished by a proliferation of brands. For instance all shampoos in the market are positioned similarly. Clinic, a health shampoo is trying to become a little more cosmetic. Sunsilk a cosmetic shampoo is trying to become health-oriented with its 'CERAMIDES'. Pantene is positioned between 'health' and 'beauty'. In other words all leading brands in the market are positioned 'centrally'. In a market like this a purely cosmetic brand like Lux stands out.

5.2.3.2 Specific Insights

5.2.3.2.1 Shampoos

None of the MNC shampoo brands are seriously considering Raaga or Meera because they are powders. This may not be realistic. Meera's size is about 18 crores (1996-97). It might deliver a strong flank attack on liquid shampoos. Both Meera and Raaga are regional brands made by small companies located in the South. But if these organizations persist herbal powders may redefine the shampoo market.

5.2.3.2.2 Talcum Powders

Most talcum powder brands competing with Ponds were brand extensions until 3 years back. (e.g.: Cinthol, Liril, Lakme). This might have helped Pond's performance. Now there are standalone brands like Zee. They are aggressively pursuing market share. It is hence possible that talcum powders market is entering a new phase of competition.

b) 60% of a talcum powder's cost is its packaging. So a packaging revolution can bring down cost. For instance shifting from tin to plastic can bring about this change. (Many brands have already effected this change.) Then a low priced talcum powder or a Nirma in talcum powders will become a reality.

5.2.3.2.3 Toilet Soaps

a) The best way of making a toilet soap brand a success is to make it unique in every way (e.g.: product, physical appearance, packaging, positioning). Examples are the success of Mysore Sandal, Pears and Liril that are unique in every way.

b) Most successful soaps are more than 20 years old. The only successes in the past twenty years were Liril(70s), Santoor(80s) and Nirma Beauty(90s). A new brand usually finds it difficult to penetrate the soap market.

c) The continued success of some maverick brands remains a mystery. For instance Cinthol changes its positioning and variants very often. Several other brands that played with positioning died. The paradox is that Cinthol not only survives but also grows. Not many experts could explain this phenomenon.

e) A soap may have a specific benefit. Yet if the benefit is not relevant to the target segment it will not click. For instance Le Sancy offered 'LONG-LASTING' benefit for a high priced soap but 'long-lasting' may not be seen as a benefit in the premium segment. Similarly 'Crowning Glory' offered a soap for the hair as well as the body in the premium segment. The premium segment does not use the same wash medium for hair as well as body and the soap failed.

6. Conclusion

To sum up, the study defines brand success as "the ability to retain reasonable market share despite market redefinitions". It contends that there is a threshold (minimum) market share for all national brands. Below this threshold volume the brand will not viable in the long run. It establishes 7%, 7% and 5% respectively as the minimum market share to be attained by

national brands in the shampoo, talcum powder and tooth paste categories. In toilet soaps category a statistically valid threshold market share could not be estimated. Thumb rules however are being suggested. For instance in the low priced soaps category (price - less than or equal to Rs.5 per 100gm) a 3% share of the total toilet soaps market was suggested as a minimum for success. The figures suggested for medium priced soaps (price between Rs.5 and Rs.10 per 100gm) and high priced soaps (price - more than Rs.10 per 100gm) are 2% and 1% respectively. Of the 73 brands studied Clinic Plus and Sunsilk in shampoos and Colgate in tooth pastes qualify as successes as per the definition. Clinic plus and Sunsilk sustained the redefinition of sachets in shampoos category. Colgate survived the redefinition of gels in the toothpaste category. In talcum powders and toilet soaps there were no discernible redefinitions. Therefore the brands that cross the threshold levels suggested by the study can be considered successful. Eight underlying variables contributed to the success and failure of the 73 personal care brands chosen. These are: 1) positioning 2) product itself 3) organizational commitment 4) communication 5) pricing 6) brand proactiveness 7)early entry advantage 8) distribution.