1. CURRENT MARKETING SITUATION

COMPANY PROFILE:

Unilever Pakistan Limited manufactures and markets home and personal care products, beverages, ice cream, and spreads in the United Kingdom. The company provides food products, such as soups, bouillons, sauces and dressings, noodles, complete meals, margarine and spreads, olive oil, and tea, as well as frozen foods; cleansing and hygiene products for the home care market; and skin cleansing, deodorants, and antiperspirants for personal care market. It offers its products under Close Up, Axe, Dove, Rexona, Sunsilk, Wheel, Rafhan, Surf Excel, Comfort, Lux, Pond’s, Lifebuoy, Lipton, Brooke Bond, Energile, Knorr, Pearl Dust, and Supreme brands. The company was founded in 1872 and is based in Karachi, Pakistan. Unilever Pakistan Limited operates as a subsidiary of Unilever Overseas Holdings Limited.

KEY TO SUCCESS:

To build customer value, satisfaction and hardcore loyalty with the brand.

Surf Excel

Surf Excel is the oldest detergent brand to be present in Pakistan since 1960. It might sound strange for a leading laundry brand like Surf Excel to say that dirt is good, but healthy activities involving dirt are essential to development. It's how kids learn express their creativity and it bolsters their immune systems.

Dominating the washing powders markets in Pakistan for four decades; Surf has continued to change according to consumer needs. Being a pioneer, Surf had to work hard to gain acceptance in the early days. To educate housewives about its use, house to house demonstration were organized in Lahore and Karachi. Free sample and coupons were also distributed to recruit consumer. There has been no looking back since the brand has undergone numerous product quality improvements to offer best cleaning results. Over the year, there has been emergence of low unit price packs.

With continuous technological innovations, the brand has always managed to fight off competition. Surf Excel, which hit the shops recently, has already gained a reputation for the best in the market.
UNILIVER’S MESSAGE:

We have always believed that dirt is a valuable way to enrich our lives, both young and old. To ensure that everyone, anywhere in the country, can share in this initiative, we're investing heavily in developing a range that suits the pockets of all income groups. This has included launching affordable skus that not only offer the top clean advantages of Surf Excel, but also reduce the time, physical effort and amount of water needed to wash clothes by hand.

BRAND PHILOSOPHY:

Surf Excel believes that stains are good. This is because when children go out and play and get dirty, they don't just collect stains. They experience life, make friends, share with each other and learn from each other. This helps them get stronger and get ready for the world outside. Along with dirt being an obstacle towards play = experience = learning, what are the other reasons for kids not playing enough in today’s world?

In 2005 & 2006 Surf launched Paint and Games Masti where children were invited to participate in various activities designed to communicate that “Dirt is Good”.

This year however, Surf has taken the concept of “Dirt is good because Dirt = Play & Play Is Good” to a deeper level and addresses the issues surrounding children’s play: the idea of learning through play, the obstacles towards play, the impact of not enough play for our children. As a socially responsible company and brand, it believes that they can create a platform on which they can take this message forward to showcase how playing helps children mentally and physically.
1.1 Market Description

Total per annum sale of detergents in Pakistan is up to 2, 40,000 tons out of which Surf Excel claims 96000 tons. Surf Excel is having 40 percent market share in volume. Sales are expected to be increased to 2% to 4% in the next few years.

Surf Excel is not just targeting the middle income category. With the broadest socio-economic footprint amongst consumer goods competitors, Surf Excel is also looking at lower income market as well as the higher income bracket with different sets of products. That was the income bracket but if we analyze the commercials aired on TV or Radio or via print media we will notice that most of the communication is done by the help of children through tagline dirt is good. The philosophy behind this is the children are the best influencers for the deciders. The children with this eye catching phrase try to influence the decision of their parents (mainly mother) who are the deciders. Segmentation is done on the basis of Living standard measure (LSM), which ranges from 1 to 15. 1 denotes those people who are living from hand to mouth, whereas 15 denote extremely rich and elite class. LSM is measure by a number of variables such as no of mobile phones in a house, no of cars, income bracket, etc. Surf Excel starts from 6 who can afford washing machine for washing.

1.2 Product Review

Surf Excel is a product of Unilever which is at growth stage as it has large market. In Market Surf Excel 50 grams has huge market share with respect to other Sashes. While demand of 500 grams is very low.50 grams is facilitating the class B and Lower B. And 500 grams are facilitating the Class A and Class B+.

A comparison of cost price with sale price of Products in product line.

<table>
<thead>
<tr>
<th>Surf Excel</th>
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<tbody>
<tr>
<td>Quantity</td>
</tr>
<tr>
<td>25 grams</td>
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</tbody>
</table>
MARKETING PLAN: SURF EXCEL
M.BILAL KHAN (2642) I.U.G.C

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<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>65 grams</td>
<td>9.5</td>
<td>10</td>
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<tr>
<td>130 grams</td>
<td>19</td>
<td>20</td>
</tr>
<tr>
<td>500 grams</td>
<td>90.50</td>
<td>100</td>
</tr>
<tr>
<td>1000 grams</td>
<td>185.50</td>
<td>195</td>
</tr>
</tbody>
</table>

PRODUCT LIFECYCLE:

Surf Excel is at growth stage unlike Lux which is at Maturity. The Surf is still showing an increase in profits (approximately 25% this year). At growth if the sales are stagnant or not increasing company can relaunch or reposition it’s product to give a boost as it was previously done with Lifebuoy.

Unilever Products B.C.G Matrix
1.3 A Review of Competition

Ariel

Surf Excel major competitor in the Pakistani Market is Ariel.

History

When we talk about “P & G” then question arises what stands for it, basically it stands for “Proctor & Gamble”. Basically it came into existence in 1837 in queen city of west.

William Procter quickly established himself as a candle maker. James Gamble apprenticed himself to a soap maker. Soon they started to work combine in 1837; a bold new enterprise was born: Procter & Gamble. On April 12, 1837, William Procter and James Gamble start making
and selling their soap and candles. On August 22, they formalize their business relationship by pledging $3,596.47 apiece. The formal partnership agreement is signed on October 31, 1837. They are also in the process to facilitate on the base of providing washing powder.

**Need**

Use for the purpose to wash the cloths

**Customer Benefit**

Ariel is associating the brand with customer on the bases to give them superior quality and makes the ground for customer to provide a theme which cause to have happiness.

**TARGET MARKET OF ARIEL**

Ariel has adopted the strategy of market aggregation. ARIEL target market includes Middle Class, Upper Middle Class and Upper Classes of the population of Pakistan. The Ladies of Pakistan who are very conscious about their family.

**MARKETING POSITIONING**

Ariel is considered to be a trusted and premium brand of Pakistan. Procter and Gamble is positioning their product in the best of their customer satisfaction. As charging money they are positioning their product as best use as well as providing quality in response.

They are focusing on the quality and they are also in a motive to facilitate the customer as providing a whole range which they can.
Price Comparison with different Players

1.4 A Review of Distribution

Distributors

Distributors are the institution through which availability of products is possible. Unilever’s distributors have a very good relationship with them. And the important thing is that they must integrate into total marketing mix because of time and money required to setup an efficient channel.
DISTRIBUTION STRATEGIES

Unilever uses the following multiple channel of distribution.

Unilever uses a lot of distributors and retailers to supply its products in each market where the final customer might reasonably look for it. While appointing a distributor for a particular area, management uses its own judgment to select such a person that has a potential to operate effectively. At present Situation for Surf Excel they are focusing by intensive manners.

Effect of Distribution on sales trend

Designing of channel for Surf Excel

Unilever has adopted the method of intensive distribution for Surf Excel because the target market of this product is segmented for washing clothes using any method.

The customer want to purchase this product from nearest shop as this is convenience product.
1.5 Macro-Environment

Detergent Market is growing by 16% intensively. At present Consumer prefer detergent on the base of quality. Pakistani Peoples are moving from rural areas to urban areas as life style is changing.

- **Demographics**

  In the case of “SURF EXCEL” the demographics that we have found out are, that any housewife who is both price sensitive as well as quality conscious, belongs to any class, any occupation, if can afford SURF EXCEL will buy it.

- **Psychographics**

  People who are ambitious, hygiene conscious, those who want to be authoritative are Surf Excel buyers, because when it comes to personality values than no compromise.
2. SWOT AND ISSUES ANALYSIS

SWOT Analysis

• **Strengths**
  - Enjoying economies of scale
  - Good will in the market
  - Strong financial position
  - Surf has become the generic name in detergents
  - Have Strong distribution channel in Pakistan
  - Abundant financial resources
  - Well-known brand name
  - Well brand image
  - Committed employees

• **Weakness**
  - Huge inventory stocks of raw material
  - Weak spending on “R & D”
  - Internal operating problems

• **Opportunities**
  - Rapid market growth
  - Changing customers needs & wants as life style change
  - To create relation with society on the social marketing basis
  - Pakistan peoples moves from soap to detergent

• **Threats**
  - There is very tough competition in detergents markets
ISSUES Analysis

There are some issues which were addressed to put into consideration:

- For Sales growth they need highly intensive distribution and strong promotions
- Unilever is facing competition from P&G as on the base of different brands market share
- Unilever has to maintain its difference from other brands as creating unique values; those others are not giving with core product.
- Sales growth is possible when product remains at fixed price for a specific time period and this depend on cheapest raw material handling and its transporting.
3. OBJECTIVES

The objectives of the Surf Excel is

“To be the best possible cleaning solution in the market”

- To meet the everyday needs of people everywhere – to anticipate the aspirations of consumers and customers and to respond creatively and competitively with branded products and services, which raise the quality of life?

- Total commitment to exceptional standards of performance and productivity, to working together effectively and to a willingness to embrace new ideas and learn continuously.

- To maintain highest standards of corporate behavior towards employees, consumers and the societies and world to acquire success.

The major points are as follows:

- Sales growth
- Revenue
- Market positioning
- Enhance Market shares
4. MARKETING STRATEGIES

Surf Excel is considered to be a trusted and premium brand because of its unique association. Unilever is positioning their product in the best of their customer satisfaction which also differentiate from their competitors. They are creating environment for people to have a life easy chance. As regarding the image there is message for the peoples to avoid on the occasions to restrict “when kids are in situation of doing something extra ordinary”.

They are also positioning as considering the fact of Strong’s competition .So they are also focusing different type of facilities.

Management is developed following marketing strategies for upcoming year:

**Target Market:**

Mainly housewives but the things have to be seen in context. Pakistan’s middle income group comprises about35million consumers. But Surf Excel is not just targeting the middle income category. With the broadest socio-economic footprint amongst consumer goods competitors, Surf Excel is also looking at lower income market as well as the higher income bracket with different sets of products.

**Advertising**

If we analyze the commercials aired on TV or Radio or via print media we will notice that most of the communication is done by the help of children through tagline *dirt is good.* The
philosophy behind this is the children are the best influencers for the deciders. The children with this eye catching phrase try to influence the decision of their parents (mainly mother) who are the deciders.

Surf Excel will keep continuing its advertising campaign dirt is good and educate parents through new attractive commercials to support the positioning strategy.

Media advertisement budget will be approximately Rs30, 000,000 in 2010 which was Rs27, 939,217 in 2009 with 1.35% of total advertising expenditures in Pakistan.

Surf Excel quality is very popular among the peoples as Dominating the washing powders markets in Pakistan for four decades; Surf will continued to change according to consumer needs. Since the brand has undergone numerous product quality improvements to offer best cleaning results.

**Size**

Surf Excel is available in different quantities which are as follows

25g, 50g, 115g, 500g, 1kg and 2kg.

Surf Excel is planned to introduce some other quantities in bag in the market.

**Price**

Price is simply the cost plus profit of the firm. There are many competitors in the market. As their products are highly quality .so usually they charge high prices. So the Management has considered about the competitive price while selecting new price and schemes.

Prices are set by taking into consideration

- What Customer believes for high price & high quality?
- They price are high. because they believes in zero defects.
- They charge different prices to registered and unregistered retailers.
- Prices are set by taking into consideration the size, type of product.
List prices of surf excel

<table>
<thead>
<tr>
<th>Surf Excel</th>
<th>Quantity</th>
<th>Price in rupees</th>
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<tbody>
<tr>
<td></td>
<td>25 grams</td>
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<td></td>
<td>50 grams</td>
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<td></td>
<td>1000 grams</td>
<td>195</td>
</tr>
</tbody>
</table>
**Discounts**

A quantity discount is price reduction to those who buy large volumes. This is given to increase company sales. So Unilever is deciding to allow 1% discount to distributors & whole sellers on purchase of Surf Excel of worth **Rs 800**.

**PROMOTIONS:**

Sales Promotion is increased by 10% this year.
Sales Force in Surf Excel is divided into 3 types: General Trade (general stores, Kiryana stores, Medical and General Stores), Local modern trade (super stores such as Aghaz, Naheed, D-Mart), and International Modern trade (Large houses such as Makro).

Outdoor Media Agency is appointed for the advertising campaigns via billboard and signboards. These OMA classify different regions under Strata, ranging from 1 to 6. Strata 1 include cities like Karachi and Lahore, Strata 2 includes cities with comparatively less density and so on. They may select sites as per the following example:

- Strata 1 would have 60% advertising sites.
- Strata 2 would have 20% advertising sites.
- Strata 3 would have 20% advertising sites.

They may book the site either for 30, 60 or 90 days depending upon the nature of the product, budget of the campaign, and rent of the site selected. The most effective advertising site in Pakistan is Shahrah-e-Faisal. The effective billboard which is displayed on the left of the driver and is at a height of 40 to 50 feet, with an exception of flyovers, bridges, and high altitudes road.
Locations

As on the basis of Surf Excel Unilever is focused on all areas through which it is possible to cover different classes’ needs.

PACKAGING:

Surf Excel, mainly Unilever has new Phenomena. It consults all 3 trade models (General trade, Local modern trade, and International modern trade) while designing packaging for Surf Excel. Packaging should be to create impulsive desires, and it should stand out among its competitors. It is where Product development team and marketers come into action in furnishing packaging standards for all its product ranges.

Inventory

As Unilever products are convenience product. So they are decided to maintain their position strong as contains the inventories in huge amounts. Through which it will be possible to facilitate the market on times as placing it after every two days.

Personal selling

- Order takers:

Unilever has employees who perform the activity of order taking from different areas to facilitate the retailers. There usually one day company performs the activity of order taking and very next day they deliver the Surf Excel to the destination.

- Stalls:

Company will arrange their stalls in the exhibition at which the products are displayed.
Marketing Research

Management is planned to allocate same expenditure budget for marketing research as current year.

5. ACTION PROGRAMMES

There are some actions plans are considered this year to achieve business objectives:

✓ Expenditures on Media advertisement will be approximately Rs30,000,000 in 2010 which was Rs27,939,217 in 2009 with 1.35% of total advertising expenditures in Pakistan

✓ Kids painting program in Expo-centre Karachi will be held Second quarter of 2010

✓ The company will launch the scheme in which certain points will be given to wholesalers on the highest sales of surf excel on the basis of which certain incentives will be provided to peak wholesalers
6. FORECAST AND BUDGET

Total per annum sale of detergents in Pakistan is up to 2, 40,000 tons out of which Surf Excel claims 96000 tons. Surf Excel is having 40 percent market share in volume and is focusing on increasing the market share up to 42 % to 44 %. 
7. IMPLEMENTATION AND CONTROLS

Company deals only in those products that are profitable. If there is any indication that any product is not profitable company analyzes the reasons and step are taken to overcome the reasons. For this purpose Unilever concern with marketing research firm Aftaab Associates for marketing research to gain the
information about trend of market. Company also takes into consideration the welfare of the consumers. It takes into account the taste and habits of the consumer.

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Discussion with Muhammad Imran ( Territory Manager)

Discussion with Adnan A. Butt ( Sales Supervisor)

Consumer Survey

Economic Survey of Pakistan