

THE SOAP OPERA

Riding high on its distribution strength and brand ambassadors like Kareena Kapoor and Trisha Krishnan, Vivel is becoming a strong challenger brand to HUL's Lux

By **Pallavi Srivastava**

Many of you may be surprised to find ITC's three-year-old brand Vivel as a success story. Just have a look at some numbers: As per Euromonitor, in 2010, Vivel had a market share of 1.6 per cent in the bath and shower category, vis-à-vis 0.9 per cent in 2008 (the year it was launched). Within three years it has doubled its market share in a category with more than 40 brands.

This is impressive considering the fact that 80-year-old brand Lux (the market leader) has 13.7 per cent market share in the category. Also, reportedly, Vivel's market share in the mid-segment soap category (which is where the brand operates) is currently around six per cent. According to AC Nielsen, Vivel soaps are

one of the fastest growing for ITC with a growth rate of 75-80 per cent. Sandeep Kaul, Chief Executive, Personal Care Products Business, ITC says, "Within a short span, Vivel has been able to carve a space in the consumer mind space and is growing steadily amongst its contemporaries."

The segmentation game

ITC's soap portfolio consists of a product line - Essenza Di Wills at the top end, followed by Fiama Di Wills in premium segment, Vivel in mid-segment and Superia at the entry level. ITC seems to have segmented the market well and has different products to cater to different segments.

Moreover, Vivel is targeting young consumers who are ready to flirt with new

brands. As Jagdeep Kapoor, Chairman and Managing Director, Samsika Marketing Consultant, says, "Vivel seems to be focusing on young consumers who are looking for a change and people who are not necessarily tied to a brand for many years. The strategy has helped the company gain some market share quite early in the product lifecycle."

Vivel has adopted the strategy of capturing different consumers through its different variants within the mid segment of the soap category. Dr S Ramesh Kumar, Professor of Marketing, IIM-Bangalore, says, "Vivel with its variants like Sandal Sparkle, Sheer Crème and other variants priced at Rs 17 onwards seems to be in competition with Lux's variants from the viewpoint of consumer perception (Lux has variants at 65 grams and 90 grams). Vivel seems to offer an alternative to consumers who would like to upgrade from the lower price segment and this alternative may also create trials among those using Lux or other brands in the price segment." Similarly, Vivel Di Wills (a variant of Vivel), with a slightly premium image, is competing with the higher priced variants of Lux or other similar brands. "Vivel's variants like Satin Soft may appeal to consumers who have been perceiving value with brands like Godrej No. 1 that offer traditional variants at Rs 18 for 115 grams (very often the brand is also on sales promotion)," adds Dr Kumar.

Currently, Vivel's product portfolio has around nine variants of soaps available across India.

ITC's Kaul says, "The brand was launched in 2008 with a bouquet of world-class of-



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Sandeep Kaul

Chief Executive, Personal Care Products Business, ITC

ferings, which comprised of the following soap variants: Satin Soft, Young Glow, Silk spring, Ayurveda Essence, Vivel Di Wills in two variants. Each variant is crafted to offer a specific benefit to the different needs of the discerning consumer." And this product variant approach is a result of ITC's '3E' approach (Explore, Establish and Execute) to research and development. As Kaul shares, "Extensive insights gained through numerous consumer engagements have enabled ITC's R&D and Product Development teams to develop superior, differentiated products that meet the consumer's stated and innate needs." In fact an intensive market research is one of the key areas where ITC's personal care division has a strong focus. There are 3-5 years of intensive research usually before a product is launched. This surely strengthens the brand's marketing team with some sound consumer insights.

The Push-Pull strategy

Apart from the smart product strategy, the biggest reason for Vivel's initial success is its push-pull strategy that ITC applies to its other soap brands too. As Dr Kumar explains, "Push is the powerful distribution clout and pull is the advertising strategy that have been sustained ever since the launch of ITC's soap brands. Vivel's focus on looking good with its campaigns and Fiama's celebrity based strategy brings in a clear differentiation."

At the distribution level, the brand is widely available in both modern and traditional trade. Not just availability, Vivel is also quite high on visibility at retail outlets. Experts point out that like most of the ITC's FMCG brands, Vivel has also adopted eye level merchandising, that is, placing the products just at the usual eye level at retail outlets. This increases the visibility of the product. Kaul says, "As compared to Essenza Di Wills and Fiama Di Wills, Vivel is more widely available at various retail and departmental stores. Trade marketing is one of our core strengths. Hence, for all its brands, distribution is an important aspect and has helped make varied products widely available to consumers." Thus the distribution push has played a key role

The success path

STP Segmentation, Targeting and Positioning

- While ITC has Essenza Di Wills and Fiama Di Wills too in its portfolio, Vivel is targeted at the mid-segment
- Has adopted the strategy of capturing different consumers through its different variants within the mid segment; e.g. Vivel-di-Wills is targeted at the creamy layer of the mid-segment
- Is targeted at young consumers who are ready to flirt with new brands

4Ps Product, Pricing, Promotion & Placement

- Has nine variants in the soap category like Sandal Sparkle, Sheer Crème besides others
- The range is competitively priced with HUL's Lux and as an alternative to consumers who would like to upgrade from the lower price segment
- Has a push-pull strategy for promotion and distribution. While push is the powerful distribution clout, pull is the advertising strategy

Result What the brand achieved

- Vivel soaps are one of the fastest growing for ITC with a growth rate of 75-80 per cent
- Has managed to garner a market share of 1.6 per cent in the bath and shower category, vis-à-vis 0.9 per cent in 2008 (the year it was launched)
- Within three years it has doubled its market share in a category with more than 40 brands

in Vivel's performance so far.

The brand has clubbed that with a celebrity led advertising pull. Experts believe that Vivel has very sensibly used celebrities to enhance the brand awareness. "Kareena Kapoor is a perfect fit for the consumers Vivel is looking at. She has given the aspirational edge to the brand among its core target group," says an expert. Vivel also has South Indian celebrity like Trisha Krishnan as brand endorser to connect better with the consumers in the South Indian market. Samsika's Kapoor says, "South India is a huge market in itself and it's a smart strategy from Vivel to have a celebrity with whom these consumers relate well. It increases the reach of the brand in that specific market."

This Push-Pull strategy is rightly complemented with Vivel's competitive pricing. Vivel is available in the price range of Rs 5 (40 gm bar) to Rs 18 (100 gm). This is the range within which most of the mid segment soap brands are priced too.

The brand is expanding beyond soaps. Apart from soaps, it has four shampoo variants in select markets in India and ITC's first fairness cream, Vivel Active Fair. The fairness cream is currently being rolled out nationally. Also, industry reports suggest that brand may further expand in other beauty and personal care categories like Talcs and Deodorant. ITC's Kaul says, "Consumers are evolving at a fast pace and the only way to ensure consumer delight is innovation in the product portfolio. As ITC's Personal Care Business is gearing up to revolutionize the personal care segment in India, with extensive research and development and consumer insight based innovation, we plan to augment the Vivel range of products to reach out to more consumers and address their evolving needs in personal care. However, IIM's Kumar opines, "Vivel is into shampoo and fairness cream categories and hence the long term challenge is not only to offer good variants but also to develop a brand association that gets entrenched in the psyche of consumers. A sustainable core association is essential for any brand in the soap market." ■

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