Client: Mitter International (Pvt) Ltd.,

Product: Meguiar’s automobile surface care products

Purpose: Marketing Plan Meguiar’s Car Surface Care Products

Meguiar's 5 pillar marketing strategy

# Introduction

Meguiar’s, a US product, began in 1901 as a simple furniture polish laboratory and plant in the garage of founder Frank Meguiar Jr. By the time it celebrated its 100th anniversary in 2001, Meguiar's, Inc. has become one of the world's leading surface care products companies, providing highly specialized products for almost every conceivable type of surface.

# The brand

Meguiar's now manufactures more than 300 different cleaners, polishes, waxes, conditioners, and protectants for homes, cars, boats, trains and planes, and almost every other type of surface. Each Meguiar’s product carries the promise of being the very finest of its kind.

# International network - automobile surface care products

Internationally, Meguiar’s ever-expanding global operations include its headquarters in Hong Kong and its subsidiary offices in Toronto, Paris, and Sydney. The Sri Lankan distributor however reports to Singapore office.

Meguiar's intense focus on training and performance as well as product quality have captured the respect of internationally acclaimed carmakers like BMW and Mercedes-Benz that partner with Meguiar’s worldwide.

Meguiar’s serves as a consultant to most of the major carmakers around the world on paint quality and paint correction issues in their assembly plants and at the dealership level.

# Marketing

Meguiar’s employ a 5 pillar marketing strategy for retail business development and for professional products, open detail centres.

This strategy centres on the following:

1. Brilliant Solutions Catalogue
2. Events & Clinics
3. Website and Social Media
4. Advertising & PR
5. Distribution Development

The suggested use of the above was explained to the distributor

Brilliant Solutions Catalogue

Brilliant Solutions Catalogues are booklet and not leaflets; it contains history of Meguiar’s, simple maintenance tips for car care, relevant information on products and other helpful hints. Customers can keep for reference later

Events & Clinics

Events are centred on car events held around the island. Clinics reach out to customers on a regular basis. They are held at distributor locations or at dealers and retail shops premises.

Website and Social Media

Websites and social media are useful in interacting with customers, but need a trained person competent to handle not only customer queries but also product information, event and clinic details etc. It is suggested that this is commenced later, once operation is in full swing.

Advertising & PR

The advertising and PR for the product require greater study and in-depth analysis to obtain best results. It must also keep pace with the growth of the brand, as well as support the marketing efforts carried out through distributor service point openings, events, clinics and other automobile industry events.

Distribution Development

Expanding the retail channel footprint to mirror the concentration of vehicle ownership is of paramount importance.

Suggested Marketing Plan

# Introduction

Meguiar’s is an unknown brand in Sri Lanka, where the market predominantly considers 3M, Autoglym and Armourall as three brands that can be trusted for quality of product and ground support by the distributor.

# Target Consumer

Many Sri Lankan consumers, especially executives and businessmen who are typically very busy prefer service/detailing centres to get it done. Sri Lankan customers are very image conscious, businessmen especially so. Indeed, in a survey done for another brand, it was clearly evident that the quality and condition of the vehicle was one critical factor in assessing the quality and suitability to conduct business with. For this reason even those who cannot afford to tend to purchase expensive European cars and SUVs.

# Competition

The direct competition for Meguiar’s stems from the three brands mentioned above. 3M has the best reputation; it has no direct retail channel but uses distributors exclusively to bring to market its products.

This may be a good strategy when the number of products is very large and diverse, but within the automotive surface care category, it has left space for retailers and distributors to manipulate the market by providing lower priced grey market substitutes.

Armourall and Autoglym enjoy greater sales as they are both cheaper than 3M and therefore not so frequently subject to substitution with grey market lower quality products by channel partners.

# Distribution

We fear that a similar situation may develop if we use the traditional route of appointing independent wholesalers in the districts to handle re-distribution to retailers and self employed service centres and detailers.

Therefore, distribution centres shall be opened and managed by Mitter International directly, eliminating the possibility of substitution. Meanwhile, independent distributors shall be canvassed in the same areas to create internal competition, causing high sales and marketing activity and focus.

# Pricing

We can expect many customers to consider surface gloss as necessary to maintain their self image and not necessarily to safeguard or protect the exterior finishes, and for this reason, we fear the high price would turn away many of them. For this reason, we intend to employ a Sales Manager to directly market to retailers and detail centres, thereby reducing cost to channel customer.

# Packaging

The branding and presentation of product is superior and therefore has great showroom presence. Unfortunately, many customers are not making the visit to the showroom/retail store, using sending drivers to purchase them. Here too, the problem of substitution is real and palpable.

Promotion

The promotional plan takes several factors in to consideration, including the ones dealt with above. In particular, the peculiarity of the Sri Lankan customer and his motivations and psychological needs are seen as critical to the correct positioning of the product. It is crucial that the initial impression is absolutely correct and controlled to ensure acceptance, recommendation and loyalty later. (E.g. it is extremely rare for Lotto – the lottery in which the player chooses the numbers to fail, but in Sri Lanka where it was introduced more than 27 years ago, it did. This is a country where lotteries have been a staple since the introduction of the hospital lottery in the early ‘60s).

### Advertising & PR Launch

For these reasons, we believe that the product needs a confident and prestigious launch – as soon as possible and a continuous two-way symmetric PR dialogue. The two way symmetric PR model is best to sustain interest, two way information flow and establish a healthy engagement with influential opinion leaders and industry experts.

Product Advertising is only necessary, once again to launch product. Informative ads regarding Meguiar’s position in the motoring world, its worldwide Radio Talk show and television/ internet telecasts shall be advertised in motor magazines and motor sections of Sunday newspapers.

Thereafter, advertising will centre on providing motivation to visit motor industry events, brand events, clinics and variant introductions. Brand Advertising per se will be used only as outdoor at events and in motor supplements in the media. Motor Exhibitions and Consumers fairs shall form part of the strategy to introduce and provide information about product directly to consumers

Signage at detailing centres is also an important display mechanism to reach target consumer directly.

### Brilliant Solutions Catalogue

Brilliant solutions catalogue is a brilliant concept that has the potential to beat any competition including the grey market. It allows product information to reach consumer even if he is not yet ready to buy. Since it is a booklet and not a leaflet, it can be packed with many types of information that leaflets usually have no space for.

It is therefore vital that BSC is well packaged, printed and presented to consumers – without obligation to buy immediately. Hence, all events, exhibitions, clinics and engagements shall centre on BSC as the take away reminder/ gift.

A suitable artwork presentation format is expected from the principals.

### Events and Clinics

In the end, the marketing strategy boils down to how well we handle the direct interactions we have with customer/ detailer, and how well we make an impression on him. The opportunity for this is afforded by events and clinics we host.

As such the events we host must be well branded, cohesively planned and the right audience invited.

Since we already have in a database all vehicle distributors, car care centres, unregistered car importers, etc., it is within our capacity to organize well attended events. The events include Exhibitions and Motor racing related events, as well as Motor Racing organizers’ own events such as AGMs, Get togethers etc.

Sponsorship of Driver/ car

Motor racing is still small in Sri Lanka, but the enthusiasm is unbounded. The influence and impact of the first family on this sport is quite strong and therefore it can be expected to grow in public acceptance- as we have seen with the Colombo night races.

Rugby Sponsorships

Therefore it is recommended that a motor racing driver or car carry branding. Similarly, Club Rugby draws the right audience of enthusiasts who index as our customers, and should be seen as an important display/ advertising possibility. These sponsorships are recommended as a more affordable alternative to cricket, which draws millions of rupees in Sponsorship money.

Clinics

Clinics provide the best opportunity to impress and demonstrate the value and impact of our product range. Hence, arranging the best possible reception for it, and the widest audience of our best customers is not only important but also critical.

These best customers are hard to get due to time constraints and will only attend if there is some added benefit or attraction. We intend to provide some distraction with each clinic to a convivial audience who has already enjoyed our hospitality and accepted our acquaintance.

This hospitality and acquaintance is built up by sponsoring car and associated industry meetings and AGMs.

### Website and social media

Meguiar’s online presence is impressive. Their product range is long and their knowledge and expertise outstandingly obvious. We must exploit this immediately. Hence a website and face book page is essential. More importantly, they must be directly linked to the existing sites for product information and leads generation.

Equally important, the radio talk shows and television shows hosted by Meguiar’s must be regularly posted and updated on social media to be in the constant view of the younger, quality conscious consumer.

# Conclusion

The overall car surface care market is growing with more and more consumers taking pride in the look and sparkle of their vehicles. Vehicle population itself is growing, with the move upwards towards better/ more expensive cars. Hence, it is fairly certain that any direct investment in developing an island wide chain of detailing centres with supporting sales and marketing, augur well for the business; in fact, it can be assumed that direct distribution through company locations can be a stepping stone to setting up car care centres in the future, in a world where `service as the product’ is the acceptable standard.

We are, therefore, confident in making the necessary investment in the long term, although we see low total demand of about USD 150,000 per annum as initially.