

## Innovation in Product Development and Marketing Process: A Study on Introducing New Bath Soap Containing Antiseptic & Beauty Care Composition

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**Abstract:** Marketing is summation of all systematic and innovative functions which involve in value creation for customers and value capturing from customers in return. So Marketing is a continuous process of innovating products according to the exact need of customers. The marketers have to develop new products to keep pace with the continuous trend of changing culture and for technological advancement to fulfill modern customers' requirements. To survive from the decline demand of products and services, it is very essential and inevitable to develop new products or update existing products according to the exact demand of customers. The continuous process of innovating and updating products and services is very needed to survive as well as to make a competitive edge in the industry. The following Parachute brand is the example of continuous process of product innovation: Parachute Gold: Inner Strength, Parachute Gold: Nourishment, Parachute Gold: Sensorial Aroma, Parachute Gold: Nourishment + Sensorial, Parachute Gold: Sensorial – Non-Stickiness, Parachute Gold: Sensorial – Easy to Rinse. The study will help to develop a conceptual framework of innovating (Bath Soap) product as well as the innovative marketing process. The research or the conceptual framework developed through this research will help marketers to develop accurate strategies to develop new products as well as to market and launch the product successfully. The commercial or marketing success or failure of a product does not rest solely on the product itself. The launch strategy adopted also determines whether a product succeeds or fails in the market. The key to success in the marketing and launching process often rests in finding the proper strategies. The main purpose of the research is to survey the market and get a clear idea about the consumer behavior regarding new kind of soap which will hold both antiseptic and beauty care quality in a single soap.

**Key Words:** Health Soap, Beauty Soap, Health & Beauty Soap, New Product Development, NPV, IRR.

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### I. Scope and Rationale of the Study

Launching a new product will require a large amount of planning, research, and investment of both time and financial resources. It requires problem identification, sample selection, market analysis, data analysis, data evaluation and interpretation through various numerical and statistical techniques and packages, and finally presents an understandable report to the audience. If it is planning on creating and marketing a new product, here are the most important tasks to complete before, during, and after launching. When launch a new product it can either be replacing or superseding an existing one or it may be a completely new product of a type that have never offered before. Even if the product is completely new to a company, there will be still information available about competing products and the market for them. If the new product is superseding an existing product, then will have information related to the sales of the product and its market. There can be many reasons for developing or adding a new product but most are the result of analyzing your product portfolio and either deciding that a product needs replacing and identifying a gap in the portfolio that presents with a potential opportunity. The new product launch phase is a critical part of the total new product development process.

Developing a new product is an expensive and time-consuming process and its launch needs to be carefully planned. Technology development brings prosperity to nations, but the successful commercialization of this technology is the real meaning of innovation. For this reason, all companies have tried their best to launch maximum numbers of products to market. However, the commercial success or failure of a product does not rest solely on the product itself. The launch strategy adopted also determines whether a product succeeds or

fails. The key to success in the launch process often rests in finding the proper strategies. Our purpose of is to survey the market and get a clear idea about the consumer behavior regarding new kind of soap which will hold both antiseptic and beauty care quality in a single soap.

## **II. Statement of the Problem**

The soap markets of Bangladesh are developing rapidly now a day. In our country we can see the two different segment of soap in the market which are “Health soap” and ‘Beauty soap’. But we cannot see any kind of soap which will hold both antiseptic and beauty care composition. That is why, we have come up with a new idea and we want to launch a new kind of soap which will contain both antiseptic quality and beauty care quality. So, here the studying issue is that, with the help of in-depth interview we want to check out first the existing perception level of consumers’ about using bar soap and then it will come to the main issue which is the acceptance level of the consumers for the upcoming new kind of bar soap.

## **III. Research Questions**

This study proposes to examine the following research questions:

**R.Q.1** What is the general overview of using a bar soap among the consumers mind?

**R.Q.2** How the consumers will accept or react towards the upcoming new kind of soap which will contain both antiseptic quality and beauty care quality?

**R.Q.3** Does this new kind of soap upholds to positive reciprocal effects on vertical brand extension of the parent brand “D&P”?

## **IV. Research Methodology**

### **4.1. Research Approach**

The purpose of this study is to gain consumer insights about the fundamental idea of using bath soap and then monitoring the acceptance of the proposal of such a new kind of bath soap which is containing both antiseptic quality and beauty care quality in the context of Bangladesh. As this is a new concept in Bangladesh so that an exploratory research is more appropriate for that.

### **4.2. Data Collection Tool**

The respondents are the consumer of bath soap (bar shape) whom are interested to cooperate. To collect the data the laddering technique under the in-depth interview method is preferable.

### **4.3. Sampling Method**

The in-depth interview for this study is limited to Dhaka city only due to certain limitations. Also, it has been mentioned earlier that, the interview is be only on the consumer of bath soap. The sample sizes are 200(100 males and 100 females) at four different areas of Dhaka for this study.

Area	Male	female	Total sample
Mirpur	25	25	50
Gulsan	25	25	50
Banani	25	25	50
kochukhet	25	25	50
Total	100	100	200

### **4.4 Data Collection**

The primary data have been collected from the buyer and user of bath soap (bar shape). Moreover, these data have been gathered directly from the respondents through an in-depth interview. In addition, the secondary data have been collected from different articles and from internet.

### **4.5 Data Analysis Method**

The data analysis of this research were mostly represented on qualitative manner. It has been mentioned earlier that, the data have been gathered by in-depth interview so most of the analysis is qualitative. However, there are few quantitative solutions. For efficient analysis and presentation, application packages like Office XP (Microsoft Word, Microsoft Excel) is used.

## **V. Objectives of the study**

### **Broad objective**

The overall objective is “to gain the consumer insights for the acceptance of a new kind of soap which will contain both antiseptic quality and beauty care quality.

### **Specific Objectives**

This broad objective has been broken into the following sub-objectives:

- To examine how the consumers will accept or react towards the upcoming new kind of soap which will contain both antiseptic quality and beauty care quality
- To identify the general overview of using a bar soap among the consumers mind.
- To determine promotional platforms that can be used to launch a new kind of soap.
- To identify attitudes to new soap and competing brands
- To determine the acceptability of the project by analyzing NPV value.
- To formulate strategy for sustainable development of the company.

## **VI. Prerequisite Information for Developing the New Product:**

### **Perquisite Information:**

**WHAT IS SOAP:** In chemistry, soap is a salt of a fatty acid. Soaps are mainly used as surfactants for washing, bathing, and cleaning, but they are also used in textile spinning and are important components of lubricants. Soaps for cleansing are obtained by treating vegetable or animal oils and fats with a strongly alkaline solution. Fats and oils are composed of triglycerides: three molecules of fatty acids attached to a single molecule of glycerol. Soap is produced by a saponification or basic hydrolysis reaction of a fat or oil. Currently, sodium carbonate or sodium hydroxide is used to neutralize the fatty acid and convert it to the salt.

### **Possible Soap Ingredients(In alphabetical order)**

The soap maker usually has specific ratios of different oils (vegetable / nut / animal) and fats, with specific curing times and conditions, which along with the other ingredients, become the "secret recipe"!

<b>Abrasives</b>	Pumice, zeolite, oatmeal, herbs....to exfoliate the skin (remove outer layers)
<b>Aqua</b>	Water
<b>Baking soda</b>	See sodium bicarbonate
<b>Benzoin</b>	Either natural or synthetic compound to fix the perfume scent (hold it in the soap) and as a preservative.
<b>Caustic soda / sodium hydroxide / NaOH</b>	Lye
<b>Cetearyl alcohol</b>	A non-ionic surfactant
<b>Cetrimonium bromide</b>	Cationic surfactant and anti-septic agent
<b>Citric acid</b>	Weak organic acid and preservative, and acts as an anti-oxidant. Can act as a chelate, which means it binds with metals in hard water, improving the soaps' foaming capacity
<b>Colors (by number)</b>	Artificial coloring unless specified otherwise
<b>EDTA, Ethylene diamine tetra acetic acid</b>	A chelating agent which has many differing chemical forms. Used to create a stable chemical compound that is soluble in water and 'hold' components that otherwise may precipitate or fall out. A preservative and suspension agent.
<b>Essential Oils</b>	Distillates from herbs to improve healing / soothing action. Usually quite expensive for quality product.
<b>Fragrance</b>	Perfume
<b>Goats milk</b>	usually added as a fat source for the initial reaction
<b>Glyceryl stearate and glycerol mono-stearate</b>	An emulsifier, usually derived from vegetable fatty acids
<b>Glycerine / glycerol</b>	Emollient and humectant. It attracts water, and therefore gives the skin a moist feel. It is produced during the soap making process, but often removed before the soap cures
<b>Kaolin</b>	Increases covering capacity
<b>Lanolin</b>	Usually derived from wool, it is a skin ointment and water proofing wax.
<b>Lye</b>	Sodium hydroxide, Potassium hydroxide (or a mix of both)
<b>NaOH (Caustic soda)</b>	Will give a harder soap and caustic potash (KOH) will give a softer soap. Oils with a high oleic acid concentration may yield a liquid soap. Lye is a general term for either.
<b>Oils (such as coconut, palm, olive, rice bran, almond oil, etc)</b>	To provide a unique texture and scent to the soap (often a blend is used), to provide the "fat" for the initial saponification reaction, a smooth skin feel, to capture the healing / health properties of the oil itself, to create a 'super-fatted' product with enhanced lathering
<b>Palm Kernel</b>	Oily flesh from the seed of the oil palm = source of "fat" for the saponification reaction.
<b>Parabins / Parabens</b>	A range of chemicals which act as a preservative. They have anti bacterial and

<b>Parfum</b>	fungicidal properties. Rumoured to mimic oestrogen. Methyl p-hydroxybenzoate, methyl paraben, Propyl paraben
<b>PEG Stearate or PEG-100 Stearate</b>	French for perfume (just pure snobiness)
<b>Perfumes</b>	Polyethylene glycol. So this is a mix of polyethylene glycol and stearic acid.. Usually derived from palm oil. Used as a thickener and emulsifier.
<b>Polyethylene / Polythene</b>	Usually synthetically derived in “commercial” soaps: A ‘natural’ soap maker would make a point of naturally derived perfumes as these are an expensive component of the soap”. Generally added at 0.5-1.0%, but may be up to 4%
<b>Propylene Glycol</b>	One the main constituents of plastic manufacture. Used in soaps as hardening agent and to reduce cracking.
<b>Sodium bicarbonate</b>	Attracts water (a humectant) so is used a moisturizer. Also used as an anti-freeze and a carrier for fragrant oils. Number E1520
<b>Sodium chloride</b>	Baking soda. It is used in bath fizzy bombs; causes water to become slightly alkaline (increase pH). When added to warm water, it produces CO <sub>2</sub> in a mild bubbling action in a bath, or helping a loaf of bread to rise. SodimBicarb also acts as a deodorizer, cleanser, stabilizer, mild preservative. Through neutralizing acids in the skin, it can act as an exfoliating agent, which can give the skin a clean “moist” and ‘tingly’ feel.
<b>Sodium cocoylisethionate &amp; sodium isethionate</b>	Plain old salt, or table salt, or sea salt (although seas salt will contain a number of impurities and an appreciable amount of Magnesium chloride). Salt may be added to help curdle the soap
<b>Sodium Lactate</b>	Cleansers derived from coconut oil.
<b>Sodium Stearate</b>	Humectant - helps binding with water, reduce water loss from the soap, keeps the weight of soap high (basically a marketing tool to sell water)
<b>Sodium laurel sulphate</b>	A surfactant
<b>Sodium Palmitate</b>	Anionic surfactant. Can be a slightly irritant, leaving the skin with a dry feeling
<b>Sodium Palm Stearate</b>	A common saturated fatty acid. Laboratory tests with rats showed interference with insulin metabolism.
<b>Soya Lecithin</b>	A salt of stearic acid
<b>Stearic acid</b>	Amino acids from the Soya Bean plant. Acts as an emulsifier, stabilizer, anti-oxidant. Often included in products for dry skin.
<b>Tartaric acid</b> (Cream of tartar)	A colorless, odorless organic fatty acid (derived from animal and vegetable fats). Acts as an emollient and emulsifier.
<b>Tetrasodium EDTA</b>	An acid used to regulate pH of a product. Occurs naturally in nature but usually synthetically produced
<b>Tetrasodium Etidronate</b>	Water softener and binding agent which helps keep materials in suspension and can act as preservative.
<b>Titanium dioxide</b>	EDTA
<b>Tocopheryl Vitamin E</b>	Will absorb UV rays so is the main active ingredient in sun-block. Also acts as spreading agent, increasing covering capacity
<b>Zinc oxide</b>	Vitamin E
	Can be extracted from natural sources, but usually synthetically produced, claimed to reduce oxidation damage to the soap (stop the soap going rancid) and oxidation damage to the skin.
	A concentrated form of zinc. Zinc has many skin curative properties, but must be applied with care. Can improve covering capacity and act as a mild antiseptic.

## VII. Literature Review

A brand is a product, service, or concept that is publicly distinguished from other products, services, or concepts so that it can be easily communicated and frequently marketed. Moreover, a brand name is the name of the distinctive product, service, or concept. Branding is the process of creating and disseminating the brand name. Branding can be applied to the entire corporate identity as well as to individual product and service names. Brands are usually protected from use by others by securing a trademark or service mark from an authorized agency, usually a government agency. Before applying for a trademark or service mark, people need to establish that someone else has not already obtained one for the name the company has proposed. Once the company found that no one else is using it, the company can begin to use this brand name as a trademark simply by

stating that, it is a trademark using the "TM" symbol where it first appears in a publication or Web site. After the company receives the trademark then it can use the registered symbol after the trademark. Brands are often expressed in the form of logos, graphic representations of the brand. In computers, a recent example of widespread brand application was the "Intel Inside" label provided to manufacturers that use Intel's microchips. A company's brands and the public's awareness of them are often used as a factor in evaluating a company. Corporations sometimes appoint market research firms to study public recognition of brand names as well as attitudes toward the brands. However, today brand is what they do for people that matters much more, how they reflect and engage them, how they define their aspiration and enable them to do more. Powerful brands can drive success in competitive and financial markets, and indeed become the organizations most valuable assets.

**Brand Extension** Brand extension or brand stretching is a marketing strategy in which a firm marketing a product with a well-developed image uses the same brand name in a different or same product category. Moreover, brand extensions are further described as, the stretch of the established franchise to a different or same product class (Aaker and Keller, 1990) have become an increasingly popular way of gaining growth (Springen and Miller, 1990). Organizations use this strategy to increase and leverage brand equity. A brand's "extendibility" depends on how strong consumers associations are to the brand's values and goals. In 1990s, 81% of new products used brand extension to introduce new brands and to create sales. Moreover, launching a new product is not only time consuming but also needs a big budget to create awareness and to promote a product's benefits. Brand extension is one of the new product development strategies which can reduce financial risk by using the parent brand name to enhance consumer's perception due to the core brand equity (Chen and Liu, 2004). While there can be significant benefits in brand extension strategies, there can also be significant risks, resulting in a weak or severely damaged brand image. Poor choices for brand extension may dilute and deteriorate the core brand and damage the brand equity. Most of the literature focuses on the consumer evaluation and positive impact on parent brand. Some studies show that negative impact may dilute brand image and equity. In spite of the positive impact of brand extension, negative association and wrong communication strategy do harm to the parent brand even brand family. Given the large literature on brand extension success factors, and as an aid to review, the various components are grouped as: • Parent brand characteristics; • Brand extension characteristics; and • Consumer's characteristics.

Brand extension strategies come in two primary forms which are horizontal and vertical. In horizontal brand extension circumstances, an existing brand name is applied to a new product introduction in either a related product class or in a product category completely new to the firm (Sheinin and Schmitt, 1994). In addition, in a vertical brand extension, on the other hand, involves introducing a brand extension in the same product category as the core brand, but at a different price point and quality level which is originally described by Chen and Liu (2004) with reference to Keller and Aaker (1990) and Sullivan (1990). Furthermore, literature on extensions dominantly addresses the question of how the parent or core brand helps the new product during its launching stage. Also, literature touches on the possible reciprocal effects of the new product launching on the equity of the core brand. Reciprocal Effect Reciprocal effect could be positive or negative. Positive reciprocal effects exist only when an average-quality parent brand (in comparison to competitors) introduces a successful extension (Aaker and Keller, 1990). On the other hand, negative reciprocal effects can occur when the extension similarity to the parent brand is extremely low. However, this can also happen when the extension is highly similar to the parent brand, but not noticeable. Reciprocal effect manipulates the brand extension positively or negatively which reveal on the parent brand. When the brand extensions are positively manipulated that time the non-users of parent brand becomes the users of that brand and sometimes they turn into loyal customer. Again, if it is negatively manipulated then the parent brand might lose their loyal customers.

**Bar Soap** "Soap is a surfactant used in conjunction with water for washing and cleaning that is available in solid bars and in the form of a viscous liquid". Chemically, soap is a salt of a fatty acid. Traditionally, soap is made as the result of a reaction between fat and lye (sodium hydroxide), potash (potassium hydroxide), and soda ash (sodium carbonate), which are all alkalis historically leached from hardwood ashes.

The chemical reaction that yields soap is known as saponification. The fats and the bases are hydrolyzed by water; the free glycerol heads bond with the free hydroxyl groups to form glycerin and the free sodium molecules bond with the fatty acid tails to form soap. Again, we are saying that we are concerning only on bar soap. Bar soap means the soap which is in solid form. Moreover, bar soaps are still widely used. With regard to cost and aesthetics, wear rate (also called use up rate) is an important property. Consumer perceived economy of bar soaps is determined by the amount of mush or paste that occurs as the bar surface hydrates. The mush is considered undesirable by consumers since it is easily removed and washed off of the bar surface, leaving the user with less usable soap. Bar use up rate is another indication of the economy of the bar soap. Use up is determined by the physical abrasion (mechanical action) on the bar and is related to bar hardness and shape. In addition to the economy of a bar soap, there is also a desire to maintain good foaming and cleaning abilities. The quality and quantity of lather produced by washing with a bar is associated with the cleansing

ability of the bar. Other qualities desired are good rins ability, mildness to the skin, shape, stability, ingredients and delivery of fragrance to the user’s skin. The combination of an efficient bar soap with effective cleansing and bar aesthetics has been often attempted.

Health soap -Health soaps markets are covering huge ground for business. Health soaps are divided into health care and health freshness category. Under health care the marketer can produce derma protection soap and natural care soap. Again, under health freshness the marketer can produce anti-bacterial soap and active-balance soap. In health soap market, there is nothing more which can differentiate uniquely or where more value can added to soap.

Beauty Care Soap-Beauty care soaps are communicating only to enhance beauty. It can be luxury soap, traditional soap, moisturizing soap etc. Though it is a very short arena for business but in reality most of the companies are doing business utilizing this field. Here, many variables can be added to a soap and can differentiate its position in a unique area.

### VIII. Analysis and Findings

#### PART-A

##### Analysis and Results

The results are derived from the questionnaire of in-depth interview. The questionnaire has been already given on the Appendix (A) and the outcomes are given in the following simultaneously:

##### **Soap Usage Pattern**

From the column diagram we can see that, except 6.75%, 90.00% male and 95.00% female respondents replied positively that they use soap regularly for bathing. However, among male and female who is not use soap on regular basis because they feel that soap trim down the smoothness of skin.

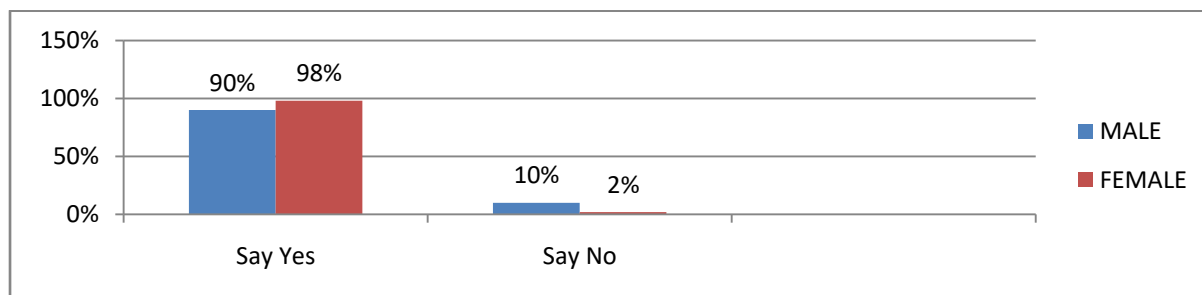


Fig1: Regular user of soap

##### **Soap Usage Purpose**

From the pie chart we can see that, 37% people are using soap first and foremost for cleaning purpose. Then, 27% people recommended about germ protection and 23% people suggested about beauty care. After that, few more variables come to their mind such as, they use soap for feeling fresh, for health consciousness and for feeling skin smooth. So, cleaning is the basic purpose which is apparent but there are two more key purposes for using soap which are protection from germs and beautification.

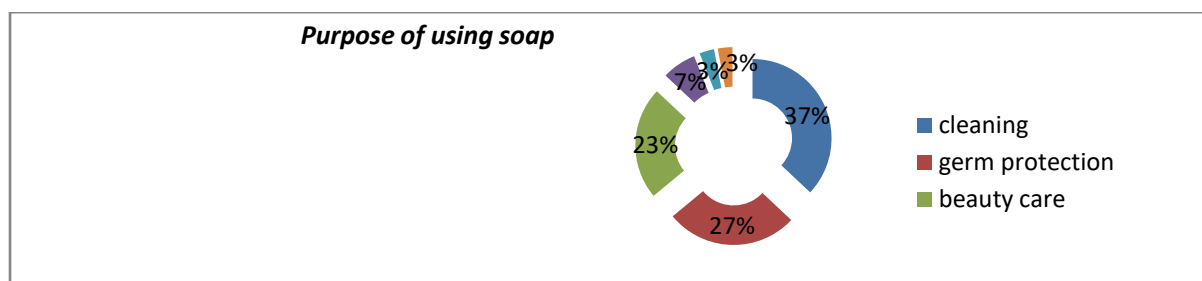
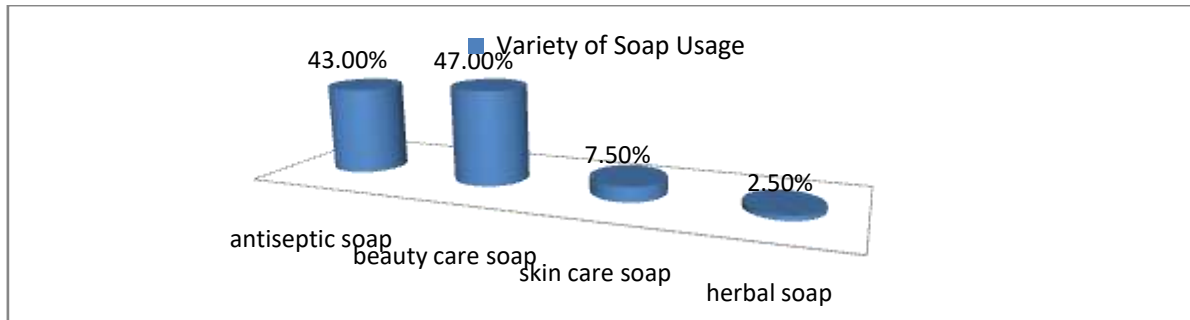


Fig2: Purpose of using soap

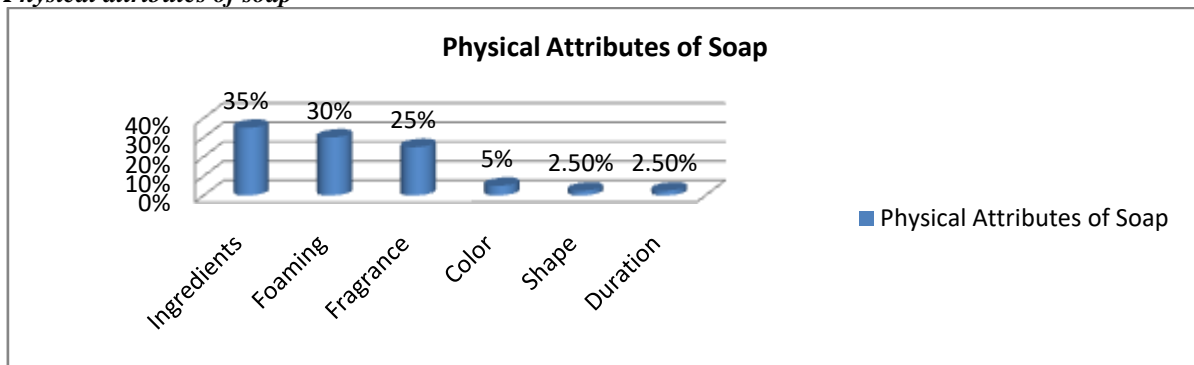
##### **Variety of Soap Usage**

From the below column diagram we can see that, among male and female respondents 43% people advocated for antiseptic soap and 47% people advised for beauty care soap. After that, 7.5% people directed about skin care soap. Also, there is little number of respondents which is only 2.50% people recommended about herbal soap. So, it is clearly viewed that, antiseptic soap and beauty care soap are more preferable among all the respondents.



**Fig3:** Variety of soap use

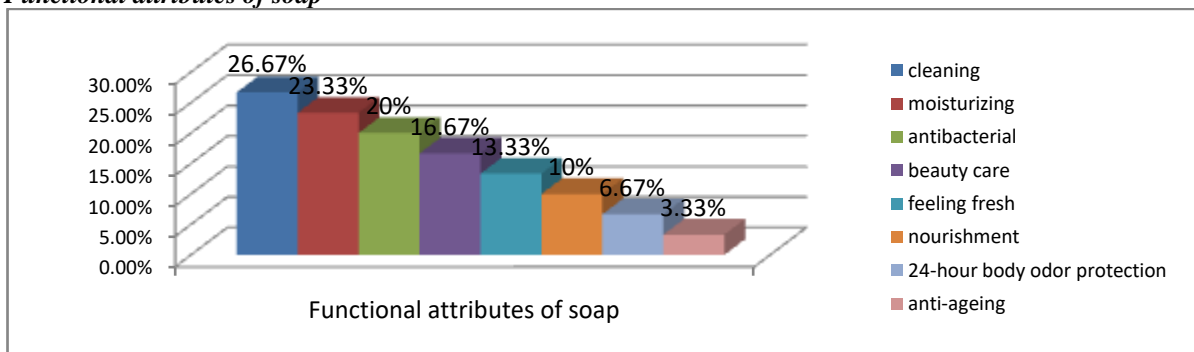
**Physical attributes of soap**



**Fig4:** physical attributes of soap

On the account of physical attributes of soap, from the above column diagram we can see that, among male and female respondents most of them prefer for ingredients at the first position. Second, they prefer foaming of the soap. Third, they prefer fragrance of the soap. Fourth, they prefer color of the soap. Fifth, they prefer shape of the soap. Finally, they prefer duration of the soap i.e. the length of the time they can use a single soap.

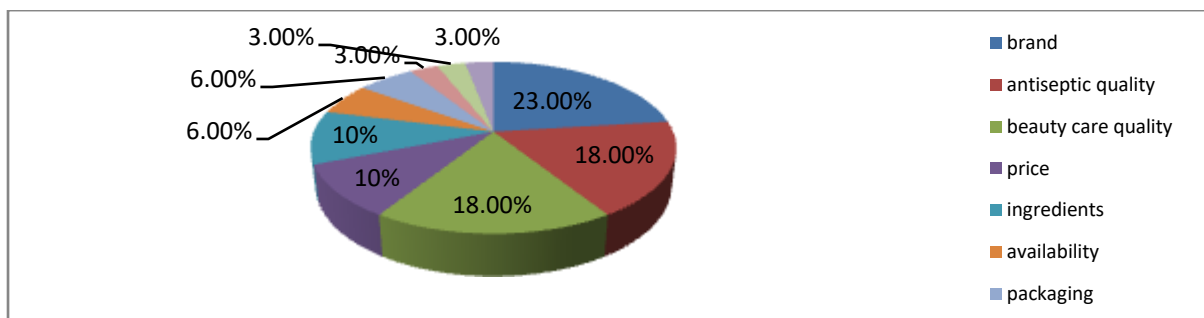
**Functional attributes of soap**



**Fig5:** functional attributes of soap

On the account of functional attributes of soap, from the above column diagram we can see that, among male and female respondents most of them prefer cleaning capability of the soap at the first position. Second, they prefer moisturizing capability of the soap. Third, they prefer antibacterial capability of the soap. Fourth, they prefer beauty care capability of the soap. Fifth, they prefer fresh feeling capability of the soap. Sixth, they prefer nourishment capability of the soap. Seventh, they prefer 24-hour body odor protection capability of the soap. Last but not the least, they prefer anti – ageing capability of the soap.

**• Influencing Factors in New Soap Purchase Decision**



**Fig6:** Influencing factors in new soap purchase decision

From the above pie chart we can see that, while purchasing new soap both male and female respondents firstly look for brand and their percentage is 23%. Then, secondly they prefer both antiseptic quality and beauty care quality and for these the percentage is 18%. After that, 10.00% consumers seek for both price and ingredients. Again, 6% people search for both availability and packaging. Finally, only 3% people hunt for few other factors which are pack size, advertisements, and shopkeeper's opinion.

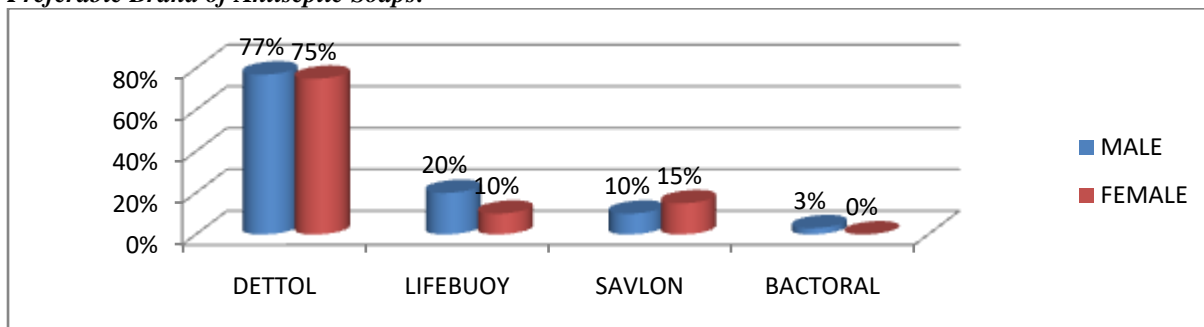
**Acceptance of Antiseptic Soap**

Most of the male and female consumers have been agreed to use antiseptic soap for family. The reason they proposed, it kills the germs and ensures personal hygiene. However, there is little number of people who don't think the need for antiseptic soap for their family.

**Loyal Consumers of Antiseptic Soap and Recommended Brand**

From the interview it is observed that, more than average numbers of people are loyal consumers or using a fixed brand of antiseptic soap at present time. Moreover, there are few male and female respondents whom are not loyal for using any brand of antiseptic soap because some are not loyal towards any brand and some are eager more about beautification and other things.

**Preferable Brand of Antiseptic Soaps:**



**Fig7:** Preferable brand of antiseptic soaps

Among both male and female consumers most of the people use Dettol antiseptic soap. Then, Lifebuoy stands on second position and after that Savlon is preferable to the consumers. Moreover, a small number of male consumers vote for Bactoral soap.

**Acceptance of Beauty Care Soap**

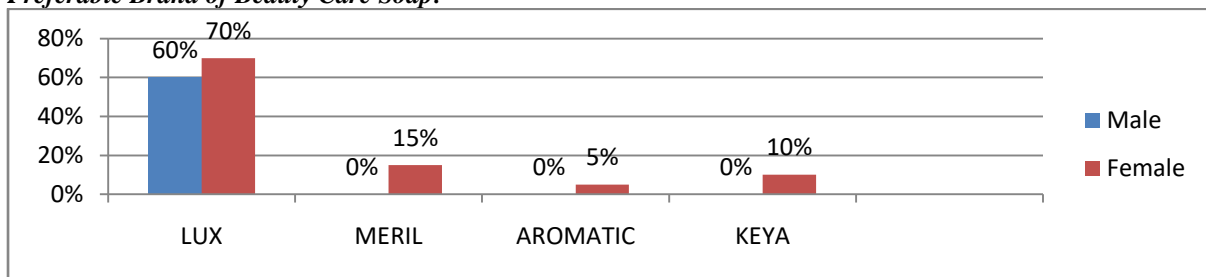
Majority of the female respondents agreed on the necessity of beauty care soap than male. Moreover, some housewives said that they buy beauty care soap for their teenage daughter. The reason behind of the necessity of beauty care soap is that, beauty care soap specially articulated for enhancing beauty. It refers that, this kind of soap delivers the benefit like making skin brighter, make the skin smooth and moisturize, furnish extra nourishment etc.

**Loyal Consumers of Beauty Care Soap and Recommended Brand:**

From the interview it is observed that, average numbers of female respondents are loyal consumers or using a fixed brand of beauty care soap at present time. Moreover, except few, most of the male respondents are not loyal towards any brand of beauty care soap



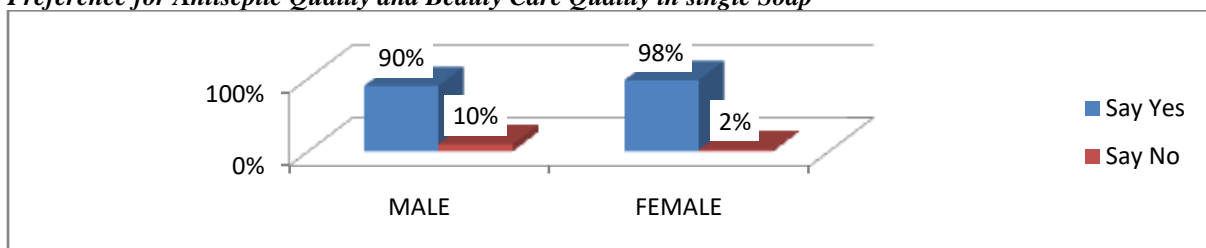
**Preferable Brand of Beauty Care Soap:**



**Fig8:** Preferable Brand of Beauty Care Soap

Most of the female respondents are loyal towards “Lux” brand for beauty care soap. Then, rest of the female respondents choices are scattered among other beauty care soaps such as Meril, Keya and Aromatic. Though male respondents are not loyal towards any beauty care soap, somehow they loyal for only one brand which is Lux.

**Preference for Antiseptic Quality and Beauty Care Quality in single Soap**



**Fig9:** Preference for Antiseptic Quality and Beauty Care Quality in Single Soap

Almost equal numbers of female and male respondents are expecting two separate categories which are antiseptic quality and beauty care quality in a single soap. Moreover, they are very enthusiastic to buy it. Because, they think this soap will be deliver two benefits at a time. Also, using this soap it will be more cost effective because there is no need to buy two separate quality soap. However, only insignificant numbers of male and female respondents are not considering this fact. So, there is a possibility of launching this new kind of soap which will hold both antiseptic and beauty care quality in a single soap.

**Preferable Price for Having Soap Containing Antiseptic and Beauty Care Quality**

Both male and female respondents are preferred a price range of 25tk – 30tk for a 100 gm. of soap which has both antiseptic quality and beauty care quality. Basically, consumers are preferred this price range because the existing soap they purchase (whether it is antiseptic soap or beauty care soap) are priced within the range of 12tk – 22tk. As this soap will deliver two quality at a time so that they can expense some extra amount for having it. So, the new soap’s price should be within the range of 25tk- 30tk for satisfying the need of the middleclass to upper class people.

**PART-B**

**Soap Development Approach**

Analyzing the above result we observe that Consumers have given perceptible positive response for the upcoming new kind of soap which contains both antiseptic quality and beauty care quality, Now as a financial manager I want to develop a financial plan and also want to observe whether the project will be accepted or not by analyzing ENPV, Payback period and profitability index of the project.

**Financing thenew products-**

**Developing a Financial Plan**

Because we didn’t want our business to be so small that it stayed under the radar of fellow the potential customers, we knew that we’d need to raise funds to get started. So what are we cash needs? To answer this question, we need to draw up a financial plan—a document that performs two functions:

1. Calculating the amount of funds that my company needs for a specified period
2. Detailing a strategy for getting those funds

### **Estimating Sales**

Fortunately, we can draw on our newly acquired accounting skills to prepare the first section—the one in which we'll specify the amount of cash we need. We start by estimating our sales for our first year of operations. This is the most important estimate we'll make: without a realistic sales estimate, we can't accurately calculate equipment needs and other costs. To predict sales, we'll need to estimate two figures:

1. The number of soaps that we'll produce
2. The price that we'll charge per piece

### **We calculate as follows:**

More important, when we projected our costs—including salaries (for workers), rent, utilities, depreciation on equipment and a truck, supplies, maintenance, insurance, and advertising—we assume that each soap would cost \$20, leaving a profit of \$5 per piece.

Our probable investment is 5000000tk.

We assume that 60000 customers on city will use this soap in 1<sup>st</sup> year. We decide to price each soap at 25tk. So our sales revenue will be (60000\*25)1500000tk in 1<sup>st</sup> year.

### **Getting the Money**

To simplify matters, we'll work on the principle that any businesses are generally financed with some combination of the following:

- Owners' personal assets
- Loans from families and friends
- Bank loans (including those guaranteed by the Small Business Development Center)

We know that during its start-up period, a business needs a lot of cash: not only will it incur substantial start-up costs, but it may even suffer initial operational losses.

### **Personal Assets**

Owners are the most important source of funds for any new business. Owners with substantial investments will work harder to make the enterprise succeed; lenders expect owners to put up a substantial amount of the start-up money. Where does this money come from? Usually through personal savings, credit cards, home mortgages, or the sale of personal assets.

**For this project we will invest tk2500000 from self-funding.**

### **Bank Loans**

For this project we will loan from bank tk2500000 and which will back, with interest, in three years.

### **Making the Financing Decision**

Now that we've surveyed our options, let's go back to the task of financing our soap business. We'd like to put up a substantial amount of the money we need, but we can only come up with a measly \$2500000 (which we had to borrow on our credit card). We were, however, able to convince a bank to lend us \$2500000 which we've promised to pay back, with interest, in three years.

### **Managing Cash**

Cash-flow management means monitoring cash inflows and outflows to ensure that our company has sufficient—but not excessive—cash on hand to meet its obligations. When projected cash flows indicate a future shortage, we go to the bank for additional funds. When projections show that there's going to be idle cash, our take action to invest it and earn a return for our company.

### **Managing Accounts Receivable**

Because we bill our retailers every week, we generate sizable accounts receivable—records of cash that we'll receive from customers to whom we've sold our service. We make substantial efforts to collect receivables on a timely basis and to keeping nonpayment to a minimum.

### **Managing Accounts Payable**

Accounts payable are records of cash that we owe to the suppliers of products that we use. We generate them when we buy supplies with trade credit—credit given us by our suppliers. We're careful to pay our bills on time, but not ahead of time (because it's in our best interest to hold on to our cash as long as possible).

### **Budgeting**

A budget is a preliminary financial plan for a given time period, generally a year. At the end of the stated period, we compare actual and projected results and then we investigate any significant discrepancies. We prepare several types of budgets: projected financial statements, a cash budget that projects cash flows, and a capital budget that shows anticipated expenditures for major equipment.

**Seeking Out Private Investors**

So far, we’ve been able to finance our company’s growth through internally generated funds—profits retained in the business—along with a few bank loans. Our success, especially our expansion to other segment, has confirmed our original belief that we’ve come up with a great business concept. We’re anxious to expand further, but to do that; we’ll need a substantial infusion of new cash. We’ve poured most of our profits back into the company. After giving the problem some thought, we realize that we have three options:

1. Ask the bank for more money.
2. Bring in additional owners who can invest in the company.
3. Seek funds from a private investor.

**Going Public**

Fast-forward another five years. We’ve worked hard (and been lucky). Moreover, our company has done amazingly well. We’ve financed continued strong growth with a combination of venture-capital funds and internally generated funds (that is, reinvested earnings).

Up to this point, we’ve operated as a private corporation with limited stock ownership .But because you expect our business to prosper even more and grow even bigger, we’re thinking about the possibility of selling stock to the public for the first time. The advantages are attractive: not only would we get a huge influx of cash, but because it would come from the sale of stock rather than from borrowing, it would also be interest free and we wouldn’t have to repay it. Again there are some drawbacks. For one thing, going public is quite costly and time-consuming. Second, from this point on, our financial results would be public information. Finally, we’d be responsible to shareholders who will want to see the kind of short-term performance results that boosts stock prices.

After weighing the pros and cons, we decide to go ahead. The first step in the process of becoming a public corporation is called an initial public offering (IPO), and we’ll need the help of an investment banking firm—a financial institution that specializes in issuing securities. Our investment banker advises us that now’s a good time to go public and determines the best price at which to sell your stock. Then, we’ll need the approval of the SEC, the government agency that regulates securities markets.

**The project should be rejected or accepted.....**

Consider the following cash flows of our Company and calculate the expected ENPV, Payback period and profitability index of the project-assuming cost of capital of the project is 13%.

	0	1	2	3	4	5	6
pessimistic	(5000000)	500000	500000	500000	1000000	1000000	1500000
expected	(5000000)	1500000	1500000	2500000	2500000	3500000	4000000
optimistic	(5000000)	2500000	2500000	3500000	3500000	4000000	4500000

$$NPV_P = -5000000 + 500000/1.13 + 500000/1.13^2 + 500000/1.13^3 + 1000000/1.13^4 + 1000000 /1.13^5 + 1500000/1.13^6 = (1942867)$$

$$NPV_E = -5000000 + 1500000/1.13 + 1500000/1.13^2 + 2500000/1.13^3 + 2500000/1.13^4 + 3500000 /1.13^5 + 4000000/1.13^6 = (4589010)$$

$$NPV_O = -5000000 + 2500000/1.13 + 2500000/1.13^2 + 3500000/1.13^3 + 3500000/1.13^4 + 4000000 /1.13^5 + 4500000/1.13^6 = (8075021)$$

Assume that probabilities of pessimistic, expected and optimistic scenario are 25%,50%,25% respectively, so the expected NPV;

	NPV	Probability	Weigh of NPV
Pessimistic	-1942867	.25	485716.75
Expected	4589010	.50	2294505
Optimistic	8075021	.25	2018755.25
		ENPV	4798977

**Payback period of the project**

$$PBP_P = 6y$$

$$PBP_E = 2 + (5000000-3000000)/2500000 = 2.8y$$

$$PBP_O = 2y$$

**Profitability index of the project**

$$PI_P = 3057133/5000000 = 0.61$$

$$PI_E = 9589010/5000000 = 1.92$$

$$PI_O = 13075021/5000000 = 2.62$$

scenario	NPV	PBP	PI
Pessimistic	<b>-1942867</b>	<b>6y</b>	<b>0.61</b>
expected	<b>4589010</b>	<b>2.8y</b>	<b>1.92</b>
optimistic	<b>8075021</b>	<b>2y</b>	<b>2.62</b>

**RANKING-**

SCENARIO	RANK
PESSIMISTIC	3 <sup>rd</sup>
EXPECTED	2 <sup>nd</sup>
OPTIMISTIC	1 <sup>st</sup>

We know that-

If...	It means...	Then...
NPV > 0	the investment would add value to the firm	the project may be accepted
NPV < 0	the investment would subtract value from the firm	the project should be rejected
NPV = 0	the investment would neither gain nor lose value for the firm	We should be indifferent in the decision whether to accept or reject the project. This project adds no monetary value. Decision should be based on other criteria, e.g. strategic positioning or other factors not explicitly included in the calculation.

Analyzing the above result we can conclude like that, ENPV value is positive that’s why project can be accepted.

**PART-C**

**Strategy develop of the company**

FROM Part A& B, we got positive result and now we can go for some strategy develop for the company.

**Our Values**

**Our Mission**

**Understanding people’s needs and providing for them accordingly, is our key motive.**

- We focus on achieving international presence by developing associations with countries across the globe.
- To establish The Body Care as a brand offering complete solutions in this age of pollution and climate change for people who wish to return to their natural roots and seek holistic wellness.
- To offer high quality skincare products at affordable prices.
- To expand and nurture The Body Care family by inculcating a good work culture and organizing various trainings programs to polish our existing talent and knowledge pool.

**Our Vision**

“Spread Health, Beauty and Wellness as a lifestyle across Bangladesh.”

“Inculcate Health, Beauty and Wellness as a lifestyle across Bangladesh.”

"Make Beauty and Wellness an essential essence of life in all homes.”

**Our Principles**

- Our founders and leaders here are committed to integrity and believe that maintaining the highest standards of Quality in our products will help establish long-term relationships with our consumers and associates.
- We believe in Teamwork- “Together we grow, together we grow faster.”
- Consumers are our prime focus. It is our endeavor to provide the best product range and the highest quality to the users.

**STRATEGIES AND OBJECTIVES**

- Focusing on building the power brands in high growth categories
- Geographic expansion of the portfolio
- Continuous innovation

- Higher investment in brand building
- Margin expansion and cash conversion to fund reinvestment in core brands and to grow returns to shareholders.
- Selective add-on acquisitions

## **MARKETING STRATEGY**

### **SITUATIONAL ANALYSIS**

Soap is a major consumer able item and there is a huge demand and potential in this market particularly the anti – bacterial and beauty care segment. The both soap market segment has grown year on year due to increased consumer awareness and education on the benefits of soaps. As a result, the pie is growing bigger every year.

Some situational factors –

- Demand: after completing our research now we can say about the future demand of this soap will be high.
- Competition: two brands are direct competitors (Dettol and lux)
- Legal/political: these are the uncertainties that are extremely variable in the political conditions of Bangladesh. Constant political instability does affect the company in terms of building new relations with new governments all the time.
- Social and Cultural factors: the company has to be very careful in the implementation of its promotional campaigns, since the social cultural environment of Bangladesh is very conservative and any suggestive advertisements usually face a lot of negative reactions on the part of the consumer.
- other factors: like the government regulations and technological advancements have had no significant effect on the product and the company.

### **TARGET MARKET-**

The target market for beauty Safe soap is all households who can afford buying soap and who want to fulfill an everyday need (primarily bathing) that provides them and their family with a 100% beauty and anti-bacterial solution – complete protection from all germs/ bacteria and cleanliness from dirt / grime. Beauty- Safe believes children are potential agents of change and imparting education on the importance of hand washing with soap will enable them to adopt healthy habits early in life”

### **TARGET STRATEGY-**

#### **TWINONE**

<b>Parent Company</b>	<b>D &amp; P (assuming a well establish soap manufacturing company)</b>
<b>Category</b>	Personal care brand
<b>Sector</b>	FMCG
<b>Tagline/ Slogan</b>	<b><i>Rupersoundhorjosathe sorrier susthota mile aanemonerpobitrota</i></b>
<b>USP</b>	TWINONE will be providing 100% better protection from germs and beauty care as compared to ordinary soaps.

#### **STP**

<b>Segment</b>	Anti-bacterial and beauty care
<b>Target Group</b>	All age groups
<b>Positioning</b>	TWINONE goal is to provide affordable and accessible hygiene and health solutions and also Positioning focuses on the attractive beauty segment.

#### **SWOT Analysis**

<b>Strength</b>	<ul style="list-style-type: none"> <li>• Cost advantage</li> <li>• Effective communication</li> <li>• Innovation</li> <li>• Loyal customers</li> <li>• Strong brand equity</li> <li>• Supply chain</li> <li>• Pricing</li> <li>• Unique products</li> <li>• Many variants (Almond Oil, Orchid Extracts, Milk Cream, Fruit Extracts, Saffron, Sandalwood Oil, and Honey to name a few).</li> </ul>
<b>Weakness</b>	<ol style="list-style-type: none"> <li>1. limited penetration in rural markets</li> <li>2. New concepts</li> <li>3. do not have line for shampoos and face wash</li> </ol>
<b>Opportunity</b>	<ul style="list-style-type: none"> <li>• Acquisitions</li> <li>• Innovation</li> </ul>

- Online
- Product and services expansion
- Soap industry is growing
- Beauty segments compounded annual growth rate (CAGR) is very high
- People are becoming more health conscious
- Trusted brand for providing education about health and hygiene

#### Threats

- High internal competition (lux –Beauty segment, Dettol-anti-bacterial)
  - New entrants
  - local competitors Competition
  - External changes (government, politics, taxes, etc)
  - Lower cost competitors or imports
  - Maturing categories, products, or services
  - Price wars
  - Product substitution

#### Competition

##### Competitors

- Dettol
- Lifebuoy
- Lux

In the mind of the consumer, anti-bacterial soap should have the following: A product whose core function is to clean skin, making it softer and smoother, while leaving a feeling of freshness behind. Good perfume and foam combine to deliver this freshness experience. The key functional benefit is that it will remove dirt, oiliness and other impurities from skin. Germs are not top-of-mind for the average consumer, but are a function of Dirt and disease. Research led us to know that consumers are largely unaware of the diverse nature of ‘germs’. They just know that Germs are the bad guys. They don’t know that there are different types of germs. Different antibacterial competitors are trying to own a higher ground by building on already present germ-kill equity. Like, Dettol has given its slogan of “Dettol protects against a wide range of unseen germs, including bacteria and viruses” While our soap will focus on ‘*Rupersoundhorjosathe sorrier susthota mile aanemonerpobitrota*’ which is more powerful in the mind of the consumer. Lifebuoy is following the “germ buster’s” strategy.

#### SEGMENTATION STRATEGY

- Psychographic Segmentation
- Demographic Segmentation
- Geographic Segmentation
- Behavioral Segmentation

**MARKET DEMOGRAPHICS** (GEOGRAPHIC, DEMOGRAPHICS, BEHAVIORAL FACTORS) the target markets analysis of new soap will:-

- **GEOGRAPHIC LOCATION**- Include almost all Urban; suburban; small town; and some rural areas of Bangladesh
- **DEMOGRAPHICS** – Gender Male; female Age 18years to 45 years – Kids Age range 5-14 years
- **SOCIOECONOMIC STATUS**- Mainly targeting middle class and upper middle class in urban and suburban areas – primarily cities and surrounding areas. Rural market penetration is limited and is primarily driven through indirect channels (e.g. Wholesale)
- **PSYCHOGRAPHICS** -Young housewives and mothers who care about the health, beauty and well-being of her family and educating children about health and hygiene.

#### SWOT ANALYSIS

##### SWOT PROFILE OF TWINONE SOAP(probable name of new soap)

#### COMPETITION ANALYSIS: SWOT ANALYSIS OF COMPITITORS

In our country we can see the two different segment of soap in the market which are “Health soap” and “Beauty soap”. Under health soap segment in existing situation, there are two prominent brands in Bangladeshi soap market which are Lifebuoy and Dettol. In the case of health soap Dettol has gain the maximum market share and then Lifebuoy. Again, under beauty soap segment Lux is the market leader in existing situation in the Bangladeshi soap market.

**a) DETTOL**

Dettol soap is a brand of Reckitt Benckiser Pak Ltd and it has been operating in Pakistan since 1999 after taking over from Reckitt & Colman. The Dettol soap users have the perception that it is effective in germ kill with the medicinal smell of Dettol liquid which is used for Bruises & Cuts, Insect bites, washing of clothes, Mopping of floors, Shaving, Bathing and Cleansing of skin and used mostly during summers. Its functional core need is incidental antibacterial.

**SWOT PROFILE OF DETTOL**

<b>Dettol</b>	
<b>Parent Company</b>	<b>Reckitt Benckiser</b>
<b>Category</b>	Personal care brand
<b>Sector</b>	FMCG
<b>Tagline/ Slogan</b>	Be 100% sure
<b>USP</b>	The first of its kind in anti-bacterial segment.
<b>Segment</b>	Anti-bacterial
<b>Target Group</b>	All age groups
<b>Positioning</b>	Dettol have always been positioned as a 100% germ fighter with germ fighting and protection as the core value
<b>SWOT Analysis</b>	
<b>Strength</b>	<ul style="list-style-type: none"> <li>• The brand’s Germ-kill heritage (brown liquid) is seen as strong and adds on trustworthiness (RTB).</li> <li>• Excellent for treating skin irritations, cuts/bruises and seasonal applications.</li> <li>• Brand comes from a reputable (old) company</li> <li>• Loyal following of ‘Original’</li> <li>• Increasing popularity of Dettol soap as a germ killer and hygienic soap</li> <li>• Has products like antiseptic liquid, soaps, sanitizers, body wash etc</li> </ul>
<b>Weakness</b>	<ul style="list-style-type: none"> <li>• Despite excellent product, limited penetration in rural market</li> <li>• Competition from other similar products means stagnant market share</li> </ul>
<b>Opportunity</b>	<ul style="list-style-type: none"> <li>• Leverage the powerful brand equity associated with the Dettol Brand to make it an everyday use proposition.</li> <li>• Tie-ups with schools, hospitals, hotel chains etc</li> <li>• Better penetration in rural markets and emerging economies</li> </ul>
<b>Threats</b>	<ul style="list-style-type: none"> <li>• Other main players in the antibacterial category</li> <li>• Other emerging players and alternatives available</li> </ul>
<b>Competition Competitors</b>	<ul style="list-style-type: none"> <li>• Lifebuoy</li> <li>• Savlon</li> <li>• Safeguard</li> </ul>

**b) LIFEBOUY**

Lifebuoy is one of Unilever's oldest brands. Lifebuoy Royal Disinfectant Soap was launched in 1894 as an affordable new product in the UK, to support people in their mission for better personal hygiene. Lifebuoy soap aims to provide affordable and accessible hygiene solutions that enable people to lead a life free from hygiene related worries, everywhere, regardless of the boundaries of nationality, religion and socio-economic status. Lifebuoy users see the soap as a decent quality, affordable germ protection agent containing carbolic acid as its germ protection agent and its functional need portrays that it is an everyday soap with germ protection for the middle and lower middle class.

**SWOT PROFILE OF LIFEBOUY**

<b>Parent Company</b>	<b>HUL</b>
<b>Category</b>	Personal Care – Soap
<b>Sector</b>	FMCG
<b>Tagline/ Slogan</b>	<i>Lifebuoy JEKHANE SASTHO SEKHANE</i>
<b>USP</b>	Lifebuoy provides 100% better protection from germs as compared to ordinary soaps
<b>Segment</b>	Personal Care – Soap, Hand Sanitizer, Hand Wash
<b>Target Group</b>	All households, to provide a 100% anti-bacterial soap for complete protection
<b>Positioning</b>	Lifebuoy's goal is to provide affordable and accessible hygiene and health solutions
<b>SWOT Analysis</b>	

<b>Strength</b>	<ul style="list-style-type: none"> <li>• First soap to use carbolic acid, which gave it a red color and strong, medicinal scent</li> <li>• Wide portfolio for the Lifebuoy brand ranging which includes Soap, Hand Sanitizer and Hand Wash</li> <li>• High consumer awareness for the brand of Lifebuoy</li> <li>• Most popular soap brand specially in the rural market</li> <li>• Excellent brand visibility and extensive distribution</li> </ul>
<b>Weakness</b>	<ul style="list-style-type: none"> <li>• Lower market penetration in urban areas as compared to rural areas</li> <li>• Initially positioned as a masculine soap, which was eventually turned as a family soap.</li> <li>• Not been perceived as a beauty soap, and is mainly used just for hand washing</li> </ul>
<b>Opportunity</b>	<ul style="list-style-type: none"> <li>• The Lifebuoy ‘SwasthyaChetanaprogramme’ uses a ‘direct consumer contact’ methodology, and touches the lives of 70 million people in 18,000 villages</li> <li>• Imparting education about importance of hand washing to prevent spread of germs</li> <li>• Used global epidemics like swine flu to further promote products for better hygiene and protection</li> </ul>
<b>Threats</b>	<ul style="list-style-type: none"> <li>• Competitor brands offering similar levels of protection</li> <li>• Considered to be a low-end product, and may find it difficult to move up in the segment</li> </ul>
<b>Competition Competitors</b>	<ul style="list-style-type: none"> <li>• Dettol</li> <li>• Savalon</li> </ul>

**c) LUX**

Lux is a global brand developed by Unilever. The range of products includes beauty soaps, shower gels, bath additives, hair shampoos and conditioners. Lux started as “Sunlight Flakes” laundry soap in 1899. In 1924, it became the first mass market toilet soap in the world. It is noted as a brand that pioneered female celebrity endorsements. As of 2005, Lux revenue is at 1.0 billion euros, with market shares spread out to more than 100 countries across the globe. Today, Lux is the market leader in several countries including Pakistan, Brazil, India, Thailand, South Africa and also Bangladesh. Developed by Unilever, Lux (soap) is now headquartered in Singapore.

**SWOT PROFILE OF LUX**

<b>Lux</b>	
<b>Parent Company</b>	<b>HUL (Unilever)</b>
<b>Category</b>	Personal Health Care - Soaps
<b>Sector</b>	FMCG
<b>Tagline/ Slogan</b>	Not Just Soap Its Skin Care; Lux brings out the star in you
<b>USP</b>	Lux stands for the promise of beauty and glamour as one of WORLD's most trusted personal care brands.
<b>Segment</b>	Personal Health – Soap
<b>Target Group</b>	Urban & Semi Urban – Upper and middle class
<b>Positioning</b>	Affordable Luxury Soap for the upper and middle class people
<b>SWOT Analysis</b>	
<b>Strength</b>	<ul style="list-style-type: none"> <li>• Strong market research (Door to door sampling – once in a year –</li> <li>• Rural and Urban area)</li> <li>• Many variants (Almond oil, Orchid extracts, Milk cream, Fruit extracts, Saffron sandalwood oil and Honey)</li> <li>• Dynamically continuous innovations – New variants and innovative promotions (22 carat gold coin promotion )</li> <li>• Strong brand promotion but relatively lower prices – Winning combination</li> <li>• Lux soap brand is sold in over 100 countries</li> </ul>
<b>Weakness</b>	<ul style="list-style-type: none"> <li>• Mainly positioned as beauty soap targeted towards women, lack unisex appeal</li> <li>• Some variation like the sunscreen, international variant did not do well in the market</li> <li>• Not much popular in rural areas</li> </ul>
<b>Opportunity</b>	<ul style="list-style-type: none"> <li>• Soap industry is growing by 10% in BANGLADESH</li> <li>• Liquid body wash is currently in growth stage – Lux should come out with more variants in this segment</li> </ul>
<b>Threats</b>	<ul style="list-style-type: none"> <li>• Large market share – Strong hold over the market</li> <li>• High internal competition (Pears – Beauty segment)</li> </ul>



- New entrants in this segment
- Maturity stage – threat of slipping down to decline stage – if constant reinvention is not carried out

#### **Competition**

#### **Competitors**

1. DOVE
2. MERIL
3. KEYA

#### **OPPORTUNITY ANALYSIS –**

Based on the competitive analysis, we found out that there are a lot of opportunities which will help the new soap capitalize a greater market share. New Soap’s ability to gain real consumer insights, to launch products and variants that consumers actually want, supported by insightful advertising that talks to consumers in their own language, are all vital elements,

- Extensive Market Growth
- Market Penetration and Market Expansion.
- Achieving High Gross Margins
- High Customer Services and Satisfaction
- New Product Development and Entrepreneurship.

#### **IX. Findings of Study**

Analyzing the above result we can discuss like that, basically people are using soap primarily for cleaning purpose then for germ protection and beauty care. That is why; under antiseptic soap Dettol soaps has noticeable demand in the market and it is widely consumed by the loyal consumers of antiseptic soaps. Also, under beauty care soap Lux soaps has visible command in the market and it is widely consumed by the loyal consumers of beauty care soaps. Moreover, at the time of purchasing new soap most of the people initially look for brand then antiseptic quality, beauty care quality and so on. So, it can be recommended like that, brand is the most influential factors when new soaps are usually purchased and the marketers have to create a clear and strong brand image on the consumers mind before launching or promoting any product. Furthermore, in the case of physical attributes most of the people given first priority for ingredients while using any soap. Then, it has been prioritized as foaming, fragrance etc. Again, in the case of functional attributes most of the people given first priority on cleaning capability while using any soap. Then, it has been prioritized as moisturizing capability, antibacterial capability; beauty care capability etc. In short, now it is visible that, while choosing any physical attributes of soap people are concern for ingredients which is also reflecting when they choose functional attributes i.e. whether the soap has antibacterial capability, moisturizing and beauty care capability. After that, we can synchronize like that, there is a huge prospect of such a new kind of soap which containing both antiseptic quality and beauty care quality because it will deliver two benefit at one time. Not only the people are willing to buy that product but also they are willing to buy it at higher price i.e. within the range of 25tk – 30tk for 100gm pack size soap. However, as we have mentioned earlier that brand is the most influential factor while purchasing any new soap, so that brand should be highly focused at the initial stage.

Now from the above discussions, we can derive the answers for the research questions which are given in the following:

- Generally, at bathing time consumers use soap regularly for the three major purposes which are cleaning, germ protection and beauty care. That is why; most of the people usually purchase either antiseptic soap or beauty care soap. Moreover, at the time of purchase new soap first and foremost people look for brand. If the soap is from well-known brand then it is more preferable to buy. So, brand is the most influential factor in new soap purchase decision. Furthermore, when people using any soap under physical attributes they look for ingredients, fragrance, color etc. and under functional attributes they look for antiseptic quality, beauty care quality, moisturizing quality etc.
- Consumers have given perceptible positive response for the upcoming new kind of soap which contains both antiseptic quality and beauty care quality. People believe this soap will encounter two needs at the same time.
- As this will be a positive vertical brand extension so that the reciprocal effect will also be positive towards the parent brand D & P. That means, this new kind of bath soap will make the non-user become user for the

parent brand D & P under bar soap division. In that way, it will be a successful extension which will also increase the market share for the parent brand D &P.

- Also Analyzing the capital budgeting we can conclude like that, ENPV value is positive that's why project can be accepted.
- Through SWOT analysis of our company with competitors, we observe that our company much better than others

## X. Recommendations

Above all, from this exploratory study we can recommend that, within the conscious or unconscious mind consumers basically need two kinds of soaps which are antiseptic soap for the protection from germs and beauty care soap for beautification. So, the upcoming new kind of bar soap which contains both antiseptic and beauty care quality will achieve terrific success in the Bangladeshi soap market. We also recommend like that-

- We should set the price of the product in accordance with its competitor's price.
- Introduction of smaller bars would be beneficial.
- Designing nice shaped soap to make it more intriguing for user.
- We can add more flavors of aroma in our product.
- The Advertisements should target the entire family.
- We should add information on the bars about its flavor to help the people for purchase decision.

At the end, one more thing should be mentioned that, this is an exploratory study and it has only revealed the consumer insights for the upcoming new kind of soap. Though, the outcomes are positive according to the anticipation but it has been done mostly on qualitative manner. At the end, there is a requirement for further survey in all over Bangladesh and immense quantitative analysis before launching this new kind of bath soap.

## XI. Conclusion

Bangladesh has already developed a very good bar soap market. This study will help us to know the consumer preference of bar soap which will ultimately find out the acceptance to make the new kind of soap which will contain both antiseptic quality and beauty care quality for the Bangladeshi soap market.

- Brand is the most influential factor in new soap purchase decision.
- People believe this soap will encounter both antiseptic quality and beauty care quality needs at the same time.
- Successful brand extension which will also increase the market share for the parent brand.
- ENPV value is positive that's why project can be accepted.
- We observe that our company much better than other competitors by SWOT analysis.

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