

# Marketing of Dove in India

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**Abstract:** This report is aimed to analyze the possible operation of Dove in India. This report begins with a comparative analysis of the marketing mix of Dove and Olay. Then a comparison in the macro environment between India and UK will be made. Finally, this report will discuss the suitable marketing strategy that Dove can adopt in India and make some recommendations.

**Keywords:** Marketing; Environment; Recommendations

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## 1. Marketing Mix

### 1.1 Product

Dove provides the iconic beauty bar rinse, which is cleaner than soap and can leave skin smooth, soft and clean. Its products have the patented blend of 1/4 moisturizing cream and mild cleansers (Dove, 2018). This can make the products attractive to female consumers who want their skin smooth, soft and clean. In addition, Dove also provides hair care, lotions, beauty bars, and facial care products to consumers (Marketline, 2018). It also promoted men's toiletries range to attract male consumers.

Olay also provides a wide range of products to consumers. It provides skincare, hair washing and cleaning products. However, it does not provide products specially for males.

### 1.2 Price

The consumer value pricing strategy is adopted in Unilever (Unilever, 2018). Dove is charged at the similar prices of the other products in the same category in the market. This pricing strategy is suitable to attract consumers in the mass markets.

Olay uses premium pricing strategy. It sets high prices to target at the high end consumers (Olay, 2018).

### 1.3 Promotion

Dove uses many promotion methods. It uses the celebrity endorsement, social media advertisement, internet advertisement, outdoor advertisements (Dove, 2018). The social media and Internet advertisements can reach a large consumer group within a short time and at a low cost. Olay adopted similar market strategies with Dove.

### 1.4 Place

Dove sells its products through both online and offline channels. Dove majorly uses retailers to sell products to consumers directly (Unilever, 2018).

Olay does not use direct channel to sell its products to consumers. It uses online and offline retailers to distribute its products to consumers (Olay, 2018). Since Dove does not provide services to consumers, People, process and physical evidences may not be useful to analyze the marketing of Dove.

## 2. Market Environment

## 2.1 Political Analysis

UK has a parliamentary constitutional monarchy and a Commonwealth realm political system. India has a federal parliamentary republic political system. India used to be a colonial area of UK (CIA,2018). These similarities are conducive to Dove. After Brexit, the foreign policies between UK and the remaining countries in EU will be changed (Sampson,2017). There is uncertainty in the future trade policies and these will affect Dove.

The India government is pro-business. However, there are some restrictions on foreign direct investment in India. The foreign investors can only account for less than 50 percentages of total shares in the joint venture (Bhattacharya,2016).

## 2.2 Economic trend

UK has the GDP of 2.925 trillion dollars. Its GDP per capita is 44,300 dollars. The per capita GDP of India is 7200 dollars. There are still huge economic differences between India and UK in terms of the huge differences in per capita GDP (CIA,2018). According to the CAGE model, the long economic distance may affect Dove when operating in India.

In India, the inflation rate is 3.6 percentages in 2017 (CIA,2018). The inflation rate is stable in recent years. As a result, the economic risk of operation in India is small. The commercial bank prime lending rate is 9.51 percentages. This rate is high, indicating that the costs of finance in India are high. The exchange rate is 65.17 per US dollar (CIA,2018). It becomes stronger against the pound. The exchange rate graph is shown in picture below. The weakened pounds are conducive to Dove since the products of Dove are cheaper in India and it can gain some competitive advantages in this situation.

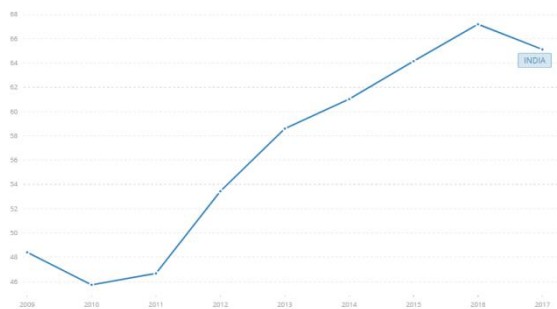


Figure1 Exchange rate (The World Bank,2018)

## 2.3 Social Trends

There is an aging population in UK. People older than 65 years old accounted for 18 percentages in the total population in UK (UNSTATS,2018). There is an increasing need of female consumers in purchasing products that can make them beauty.

There is an increasing population level in India. India has the total population of 1.296 trillion, ranking the second in the world. The population growth rate is 1.14 percentages (CIA,2018). There is no aging population problem in India. People older than 65 years old only accounted for 6.38 percentages of all population (CIA,2018). This indicates a large potential market for Dove in India and abundant labor forces.

However, there are relatively large differences in social culture between India and UK. Males still do not use the beauty products in India and they are taught not to pay attention to aesthetic and outside appearances (CIA,2018). These cultural differences may affect Dove in India.

## 2.4 Technological Analysis

UK has advanced technology. The Internet access rate is high and this generates opportunities for Dove to use social media to make promotion (CIA,2018).

India is a highly industrialized country and it has high technology development level in information and computer technology (CIA,2018). This is conducive to Dove to use social media and Internet to make advertisements.

## **2.5 Legal factors**

UK has the common law system and there is a complete and mature commercial law in UK (Warsia,2017).India has the common law system based on English model.The similar legal system between UK and India shows small administrative distance, which is conducive to Dove.

## **2.6 Environmental Factors**

There is increasing awareness of consumers about the importance of environment protection and they more prefer environment friendly products (Mohanty,2017).The products of Dove are made majorly from synthetic surfactant (Marketline,2018).The increasing environment protection awareness of consumers may affect the demands of Dove.

However, in India, consumers' awareness of environment protection is still low. This is positive to Dove since it uses the artificial surfactant.

## **3. Options**

### **3.1 STP**

Dove targeted at several market segments and used the differential targeting methods. It targets at the young female between 20 and 35 years old who are more in needs of basic functions like body cleaning(Marketline,2018). It also targeted at the middle age females between 35 and 50 years old who pay more attention to the extra functions of body cleaning products (Bhattacharya&Polman,2017). In addition,Dove also promoted products that are specially designed for males.

Olay is majorly focused on high ends and middle age females who have high needs for the special functions of skincare products (Marketline,2018).Olay provides products with special functions of anti-aging, smoothing to consumers.

Dove positioned itself at a middle end market with relatively high product quality. The current STP strategy is not suitable in India.The reason is that there are high economic differences between India and UK.Products that are targeted at the middle ends in UK may be expensive to the mass markets in India (Marketline, 2018). As a result, it is important for Dove to change its STP strategy in India.In addition,Dove should not target at male markets in India.

### **3.2 Value Proposition**

Dove has the core values in the patented technology to provide special cares to consumers(Dove,2018).In addition,it has the core values in the innovation capacities to provide continuously improving experiences to consumers.

Olay has the core values in providing a wide range of highly functional and specialized skincare solutions to consumers (Olay,2018).It can specially solve different demands of consumers and are suitable for different kinds of skins.It is more targeted at the high ends consumers.

The values of Dove are suitable in India.The high innovation capacities allow Dove to provide localized products that can attract local consumers and satisfy their needs (Marketline,2018).In addition, Dove used the patent technologies,which can make skin smooth,clean and soft.These are needed by Indian consumers.The low prices are also suitable for Indian consumers.

### **3.3 Promotion and Distribution**

Currently, both Dove and Olay used celebrity endorsement to endorse their products (Koh,&Leong,2017).Indian people are familiar with the western brands and western celebrities.The usage of western celebrities to endorse Dove's products is suitable.However,it is also suggested that some India famous people should be used to endorse Dove.This can help to decrease the distances with local consumers and better attract them.

Social media and Internet advertisements are used by Dove and Olay in UK. They can also be used in India since Internet is developed in India.

Both Olay and Dove used local distributors, wholesalers and retailers to distribute its products in UK

(Grohmann&Bodur,2015). Dove can continue to use this method in India. This can save costs for Dove in building distribution channels.It can also help reach a wide range of consumers at low costs through taking advantages of the built distribution network of local businesses.

## 4. Recommendations

Firstly, it is suggested that Dove should target at the high ends markets in India.It should position itself as a high quality and high prices products that can provide special experiences to consumers. This can help to increase the profitability of Dove in India through charging high prices. This is a top priority for Dove since this can ensure the profitability and gain high product margin. The success measurement is to increase the profit margin in India to the same level as it is in UK before January 2020.

Another suitable strategy that Dove should take is to invite India celebrities to endorse its products. This can promote the local India females to generate sympathy with these celebrities.They are promoted to purchase the products to become beautiful and attractive,just like the celebrities in the advertisements.

The third suggestion is that Dove should more use social media and Internet to make advertisements.Using social media and Internet advertisements can help reach a wide range of consumers at low costs.Especially,Facebook and YouTube are popular in India. They are effective ways to attract consumers.

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