"Swot Analysis of Surf Excel Detergent Powder"

Monika Rani

M.Com, NET

Abstract – The major use of detergent powders is in households for washing clothes and utensils. They are suitable for hand washing and also for machine washing in laundries and dish washers.

The country's requirement of detergent powder is largely met through import. The present (2012) demand for detergent powder is estimated at 784 tons. The demand for the product is projected to reach 1,112 tons and 1,488 tons by the year 2018 and 2023, respectively.

·------

SURF EXCEL

Surf Excel

Surf Excel logo.

Launch year 1948

Company Unilever

Availability Pakistan & India

Surf Excel Pakistan

Surf Excel India

Surf **Excel**, launched in 1948 under the brand name 'Surf' in <u>Pakistan</u> & in 1959 launched in <u>India</u> as a first <u>detergent powder</u>. Initially, the <u>brand</u> was positioned on the clean proposition of "washes whitest". However, with the emergence of numerous local detergent manufacturers and the entry of other global brands, Surf Excel underwent various changes in its Brand Communication. This is in line with the global communication platform of Dirt Is Good, which is a communication strategy of <u>Unilever</u> for its premium detergent products, sold under various brand names; such as <u>Omo</u> in Brazil, <u>Persil</u> in UK and Skip in

France, Greece, Spain and Portugal. Some of the other major detergent products of Unilever in India are *Rin* and *Wheel*. The latest entry into the segment is *Comfort*, a Fabric Conditioner.

PRODUCT RANGE

Surf Excel products include Surf Excel, a detergent powder designed especially for washing machines as it has a low lather formula. Surf Excel Matic was launched in the year 2002. Surf Excel Matic has 2 variants Top Load & Front Load. Surf Excel Matic Top Load with special 'Multi Active System' molecules is specially designed to work in large quantities of water & remove tough stains in the washing machine itself. While Surf Excel Matic Front Load with its concentrated 'low foam''2X Formula' is designed to remove stains without generating excess foam which is harmful for washing machine. Quick Wash is a product that saves up to 2 buckets of water and Blue is used for Fabric and Color Care. Surf Excel also has some specialist products like Gentle Wash, a liquid detergent, and Surf Excel Bar, a nil mineral detergent bar. NIL MINERAL BAR: In India HUL is the only company where NMB is manufactured.

PRODUCT DESCRIPTION AND APPLICATION

A detergent powder is a surfactant or a mixture of surfactants with "cleaning properties in dilute solutions. These substances are usually alkyl benzenesulfonates, a family of compounds that are similar to soap but are more soluble in hard water, because the polar sulfonate (of detergents) is less likely than the polar carboxyl (of soap) to bind to calcium and other ions found in hard water. Powder detergents work because they are amphiphilic partly hydrophilic (polar) and partly hydrophobic (non-

polar). Their dual nature facilitates the mixture of hydrophobic compounds (like oil and grease) with water.

DETERGENT POWDER FALLS INTO FOUR MAJOR GROUPS:

- 1) Heavy duty detergents (high and low foaming),
- 2) Light duty detergents,
- 3) Soap powders, and
- 4) Soda products.

The major use of detergent powders is in households for washing clothes and utensils. They are suitable for hand washing and also for machine washing in laundries and dish washers.

IMPORT OF DETERGENTS:

year	Volume(tons)	Value(000Birr)
2003	483.4	3,401
2004	405.3	2,788
2004	232.6	1,618
2006	2316.6	12,005
2007	165.7	1,364
2008	1096.6	8,554
2009	1270.7	14,953
2010	780.3	13674
2011	541.3	1525

Ethiopian Revenues and Customs Authority.

DEMAND FORECAST FOR DETERGENTS (TONS)

Year Projected Demand 2013 831 2014 881 2015 934 2016 990 2017 1,049 2018 1,112 2019 1,179 2020 1,250 2021 1,324 2022 1,404 2023 1,488

Demand for detergent powder will grow from 831 ton in the year 2013 to 1,112 tons and 1,488 tons by the year 2018 and 2023, respectively.

SWOT ANALYSIS

Strength

Strong manager- Strong management can help Surfexcel detergent powder reach its potential by utilizing strengths and eliminating weaknesses......

Pricing power -Customers typically rebel against price increases by switching to competing products, but if a company has pricing power, customers will continue using Surfexcel detergent powder's products and services. Surfexcel detergent powder has the ability to charge customers higher prices......

Technology- Superior technology allows Surfexcel detergent powder to better meet the needs of their customers in ways that competitors can't imitate......

Financial leaverage- Financial leverage allows Surfexcel detergent powder to use their balance sheet to expand their business and increase their profits......

Brand name- A strong brand name is a major strength of Surfexcel detergent powder. This gives Surfexcel detergent powder the ability to charge higher prices for their products because consumers place additional value in the brand...

Cost advantages- Lower costs lead to higher profits for Surfexcel detergent powder. A low cost leader can undercut rivals on price......

Weaknesses

Work Inefficiencies- An inefficient work environment means that Surfexcel detergent powder's goods and services are not being utilized properly......

A high debt burden- A high debt burden increases the risk that Surfexcel detergent powder goes bankrupt if they make a poor business decision. Increasing risks can increase Surfexcel detergent powder's debt interest payments......

Cost structure-A weak cost structure means Surfexcel detergent powder's costs are high in comparison to their competitors

Weak management-Weak management increases business risks and reduces profits for Surfexcel detergent powder, because they are responsible for the health of the business......

Opportunities --

Financial leaverage-Leveraging the balance sheet allows Surfexcel detergent powder to quickly expand into other markets and products, especially in fragmented industries... ...

Innovation-

Greater innovation can help Surfexcel detergent powder to produce unique products and services that meet customer's needs......

New technology-New technology helps Surfexcel detergent powder to better meet their customer's needs with new and improved products and services. Technology also builds competitive barriers against rivals.....

New product-New products can help Surfexcel detergent powder to expand their business and diversity their customer base

New market-New markets allow Surfexcel detergent powder to expand their business and diversify their portfolio of products and services......

International expansion-International markets offer Surfexcel detergent powder new opportunities to expand the business and increase sales......

Threats—

Bad economy-A bad economy can hurt Surfexcel detergent powder's business by decreasing the number of potential customers

Volatile cost-Volatile costs mean Surfexcel detergent powder has to plan for scenarios where costs skyrocket. Cautious planning leads to development delays that can negatively affect Surfexcel detergent powder......

Govt regulation-

Changes to government rules and regulations can negatively affect Surfexcel detergent powder......

Change in taste- Consumers can change their tastes very quickly. Surfexcel detergent powder depends on knowing which goods and services consumers want......

Substitutes product-The availability of substitute products hurts Surfexcel detergent powder's ability to raise prices, because customers can easily switch to another product or service......

CONCLUSION:

A stream of innovation and successful relaunch of Surf Excel increased value of Unilever's propositions for consumers. The latest campaign of Surf as "Dirt is good" has created a good ground for the success of marketing strategies of Surf Excel. Moreover, surf as being the product of Unilever has a plus point within itself, but still with an aggressive campaigning of "Dirt is Good" has bear increased profits along with market expansion status of the product as well as the company.

REFERENCE

- 1) From Wikipedia, the free encyclopedia
- 2) Jump to: <u>navigation</u>, search
- 3)http://www.ethioembassy.org.uk/trade_and_investment/Investment