

THINK DIFFERENT- A CASE STUDY OF JAYPEE KARISHMA WATER PROOFING COMPOUND

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JAYPEE GOLD PAINTS, a division of **Jaypee Group**, was engaged in the manufacturing of paints and its allied products. During the late nineties, due to technological advancement and innovative marketing of other paints manufacturers like Asian Paints, Berger, Tractor, Johnson & Johnson etc., small scale manufacturers were becoming irrelevant and not competing in the markets. Hence, Jaypee Gold Paints decided to enter into the manufacturing and marketing of Water Proofing Compound – Karishma from their Sikandrabad Plant (District - Bulandsahar) to leverage its existing paints and cement networks across Uttar Pradesh, Bihar & Madhya Pradesh. The sales & marketing of the product, Karishma Powder, was assigned to the Cement Marketing team in coordination with the Jaypee Gold Paint Team. The Cement Marketing Team was not fully aware of the technical and marketing aspects of Karishma Powder. Earlier, the Jaypee Gold Paint Sales team was selling the Karishma Powder to their paints & hardware Outlets only in the volumes ranging 0.20 Mt to 0.50Mt (4 bags to 10 bags); barring one or two outlets occasionally buying one Mt (20 gags) in one lot.

Jaypee Cement Marketing Team has the following approvals for undertaking the sales of Karishma:

- Sales Commission to Business Associates Rs 500/PMT
- Transportation Charges from State warehouses to Stockist shop Rs 750/-PMT
- The incentive to Cement Sales Team (in-kind) Rs 500/-PMT
- Promotional items for free distribution to Influencer/Consumers Rs500/-PMT.

Despite the support provided by the Jaypee Gold Paint Management team, the Jaypee Cement Marketing team also faced the same problem of volume and awareness of Karishma Powder as in the case of the Jaypee Gold Paint Sales team. After some time, the Cement team realized that the major issue was the lack of networks and the non-availability of materials at outlets.

Jaypee Cement of Bihar Team took the following decisions:

As a Water Proofing Compound (anti-damp proof), Karishma Powder was a more saleable item for cement outlets instead of paints/hardware outlets. As per the specifications, one kilogram of Karishma Powder was suggested to mix with one bag of cement. The cement stockists were able to easily convince the customers to purchase the Karishma Powder.

To bill the Karishma to Cement Distributors/Wholesalers minimum of 5 Ton and a maximum of 10 Ton was included in each lot instead of 0.20 MT to 0.50 MT to Paints and Hardware Outlets and dispatched to a particular region. The trucks were branded with Karishma and Cement Banners and equipped with an audio system to create brand awareness of Karishma Powder.

A team of cement officers consisting of 3-4 people, along with the POPs of Cement & Karishma, accompanied the Karishma trucks. The respective distributor/wholesaler also accompanied the road shows. They delivered Karishma Water Proofing Compound Powder to every counter of their cement and collected the cash by the cement distributor/wholesaler of the particular region.

They procured branded gift items - like wall clocks (Ajanta &Samay), cup-saucer sets (LaOpala), pen stands, carry bags etc. - duly branded with Karishma Powder, against the approved amount and directly delivered to cement stockist at the time of delivery of Karishma at their counter. In addition to brand exposure, this also motivated the buyers as publicity support. Every week one day was dedicated to such an activity namely – Karishma Day.

Within three months, the Team Jaypee Cement-Bihar was able to cater to all the marketing zones of Bihar and achieved the target of 6 Months for that FY. In the first financial year, the team achieved a target of approximately 189MT against 144MT. In the second year, the team achieved approximately 288 MT against 240MT. In the third year, the team achieved approximately 380MT against 360MT.

Every year 90 per cent of members of the Cement Sales Team were rewarded with a letter of appreciation from management, along with entitled gifts like speakers, two-in-one sound systems, televisions, refrigerators and air conditioners. Even some of the back-office executives, who actively supported and monitored the entire activity, were also rewarded.

Lesson from the Karishma Powder Case:

1. Think differently.

2. Make a resolution – Karishma Day every week.
3. See the entire activities as a One Goal. Every associate's (company sales team, distributor, and buyer & customers) goal is organization goal & vice versa.
4. Build a winning Team – back-office executives, cement sales team, distributor/wholesaler and final outlets - for a WIN-WIN situation.
5. Choose the right place for product/service - Cement outlets instead of paints/hardware outlets. As cement outlets were easily convinced the cement consumer to use one kilogram of Karishma Powder in one bag of cement.
6. As per the commitment - either gift to buyers, sales commission to distributors, or rewards to the sales team etc.