



**Maharaja Agrasen
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Report

On
Asian Paints



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Chapter1: Introduction

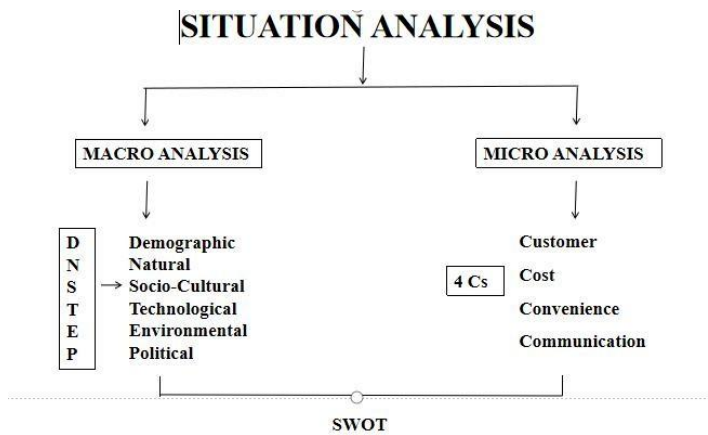
Asian Paints, established in 1942 by Champaklal Choksey, Suryakant Dani, Arvind Vakil, and Chimanlal Choksi, has evolved into India's largest and most recognized paint company, and one of the top players in the Asia-Pacific region. With its headquarters in Mumbai, Asian Paints operates in over 15 countries, serving both the decorative and industrial paint markets. Its diverse product range includes interior and exterior wall finishes, enamels, wood coatings, and specialized finishes for various industries such as automotive and marine.

The company's expansion into home improvement and décor, through brands like Sleek (modular kitchens) and Ess Ess (bath fittings), has allowed it to broaden its customer base and integrate itself further into home design and renovation. Its decorative paints segment, a core part of its operations, has made Asian Paints a household name across India. A key to Asian Paints' success has been its focus on technological innovation and research, resulting in high-quality, durable, and eco-friendly products that cater to evolving customer preferences.

The company has embraced advancements in color technology, offering services like color consultations and personalized painting services under its Beautiful Homes Service, which enhance the overall customer experience. With its widespread distribution network, Asian Paints has managed to secure a dominant position in the Indian decorative paints market, ahead of competitors like Berger Paints, Kansai Nerolac, and Akzo Nobel India.

Its partnerships in industrial coatings, notably with PPG Industries, also highlight its influence in specialized sectors. On a global scale, Asian Paints is among the top 10 paint companies by revenue, competing with international giants like Sherwin-Williams and PPG. The company's strategic focus on sustainability is evident in its development of eco-friendly, water-based paints and its commitment to reducing environmental impact through greener manufacturing processes. Asian Paints is also heavily involved in corporate social responsibility initiatives, contributing to community development in areas like education, healthcare, and water conservation.

Chapter 2: Situation Analysis



Asian Paints' situation analysis can be divided into Macro and Micro environments:

2.1 Macro Environment Analysis (DN STEP):

This analysis looks at external factors affecting the company's performance:

- **Demographic:** Youngsters act as influencers in purchasing decisions. Social classes from the middle to upper tiers form the primary customer base.
- **Natural:** The company emphasizes sustainability and environmental responsibility in its products and manufacturing processes.
- **Socio-Cultural:** Changing lifestyles, cultural preferences (e.g., Diwali celebrations), and urbanization (with a shift towards nuclear families) significantly influence the demand for home décor and renovation products.
- **Technological:** Asian Paints invests heavily in R&D and product innovation, leading to better-quality, more durable, and eco-friendly products.
- **Economic:** The company benefits from India's steady economic growth and the effects of the global supply chain.
- **Political:** Government policies related to housing, infrastructure, and environmental regulations can significantly impact the paint industry.

2.2 Micro Environment Analysis (4 Cs):

This internal analysis focuses on the company's relationship with its customers, costs, convenience, and communication:

- **Customer:** Asian Paints targets a broad customer base, including homeowners, contractors, restaurants, builders, and the government. These customers value quality, durability, aesthetics, and health-friendliness in paint products.
- **Cost:** The company offers a range of products at varying price points, making it accessible to different customer segments.
- **Convenience:** Asian Paints has one of the largest distribution networks, consisting of retail stores, online platforms, and direct sales channels to contractors.
- **Communication:** The company employs both traditional and digital marketing strategies to engage with its customers, ensuring brand visibility and customer loyalty.

Chapter 3: SWOT Analysis

3.1 Strengths:

- **Market Leadership:** Asian Paints is the market leader in the Indian paint industry and has a strong reputation both nationally and internationally.
- **R&D Capabilities:** Continuous investment in research and development ensures that the company stays ahead of trends and maintains its leadership in product innovation.
- **Strong Financials:** With a solid financial foundation, Asian Paints can continue to invest in innovation and market expansion.
- **Extensive Distribution Network:** Its vast distribution network ensures that products reach even the most remote areas of the country.

3.2 Weaknesses:

- **Dependence on the Indian Market:** A significant portion of its revenue comes from the Indian market, making it vulnerable to regional economic downturns.

- **Innovation Challenges:** While Asian Paints invests in R&D, its pace of innovation in launching new products can be improved to match its global competitors.

3.3 Opportunities:

- **Growing Indian Market:** The expanding middle class and increasing urbanization provide vast opportunities for growth.
- **Digital Transformation:** By embracing digital tools for marketing and distribution, Asian Paints can enhance customer experience and operational efficiency.
- **Eco-Friendly Products:** The growing demand for sustainable and eco-friendly products presents an opportunity for Asian Paints to expand its product lines.

3.4 Threats:

- **Raw Material Scarcity:** Fluctuations in the availability of raw materials can affect the company's production and pricing.
- **Intense Competition:** Both domestic competitors (Berger Paints, Nerolac) and international players (Sherwin-Williams, PPG) pose a competitive threat.
- **Economic Downturns:** Slowdowns in construction and real estate, driven by economic uncertainty, could negatively impact the demand for paints.

Chapter 4: Promotional Opportunity Analysis

4.1 Communication Strategy:

Asian Paints' communication strategy focuses on showcasing its premium quality, durability, and color variety. It uses emotional appeals and celebrities like Virat Kohli, Ranbir Kapoor, and Deepika Padukone to build trust and connect with customers. The company's campaigns emphasize the cultural relevance of home décor, aligning with popular sentiments through slogans like "Har Ghar Kuch Kehta Hai" (Every Home Tells a Story).

4.1.1 Competitor Analysis:

In comparison with competitors like Berger Paints, Shalimar Paints, and Birla Opus, Asian Paints leads in terms of color variety, durability, and finish quality, though it tends to be more expensive than other brands.

(Product Feature Matrix)

5 - Highest

1- Lowest

Brand /Features	Berger Paints	Shalimar Paints	Birla Opus Paints	JSW Paints	Asian Paints
Durability	2	3	1	4	5
Color Variety	2	3	5	4	1
Price Affordability	4	1	3	2	5
Finish Quality	3	1	3	4	5
Odoriness	4	1	2	3	5

4.1.2 Communication Grid:

Tools / Brands	Advertising	Sales Promotion	Direct Marketing	PR	Social Media
Berger	2	5	3	4	1
Delux	1	3	5	4	2
Birla Opus	2	3	4	5	1
JSW Paints	2	1	4	5	3
Asian Paints	5	4	5	5	5

4.1.3 Target Market:

- **Primary Market:** Young influencers who play a key role in decision-making.
- **Secondary Market:** House owners aged 35 and above, who are responsible for final purchasing decisions.

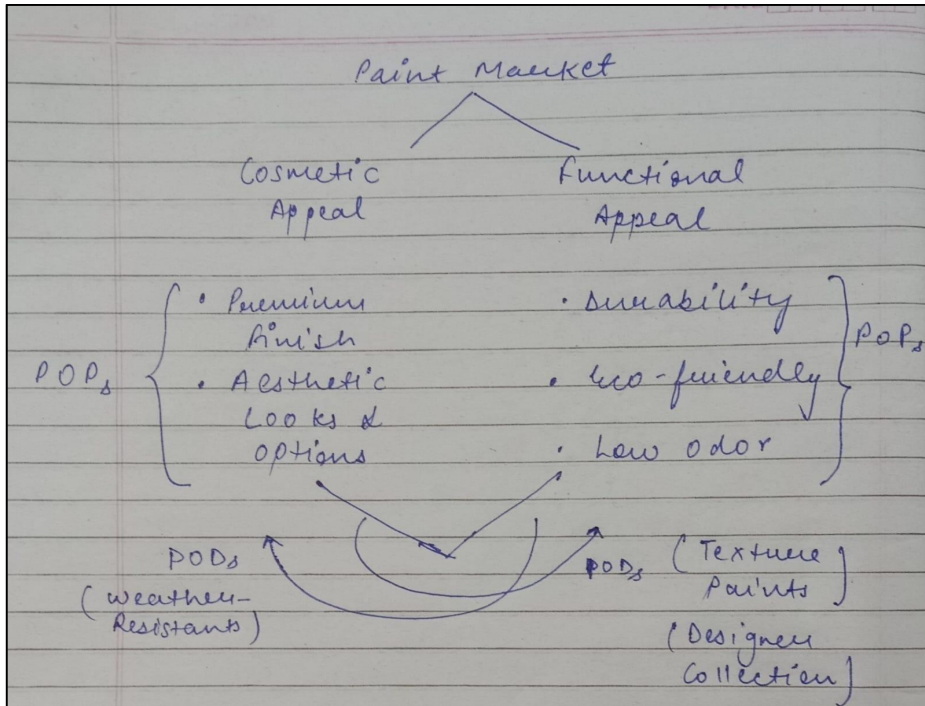
4.1.4 Customer Analysis:

The brand enjoys a high level of loyalty, as many customers have had positive past experiences with Asian Paints. The company uses the Elaboration Likelihood Model (ELM) to reach customers who are highly involved in product selection, focusing on high-involvement communication strategies.

4.1.5 Product Positioning:

Asian Paints positions itself as a provider of premium-quality paints, known for durability, color variety, and ease of application. The company's emphasis on innovation and customer service helps it maintain differentiation from its competitors.

4.1.6 POPs and PODs:



Chapter 5 : Product Positioning and Market View

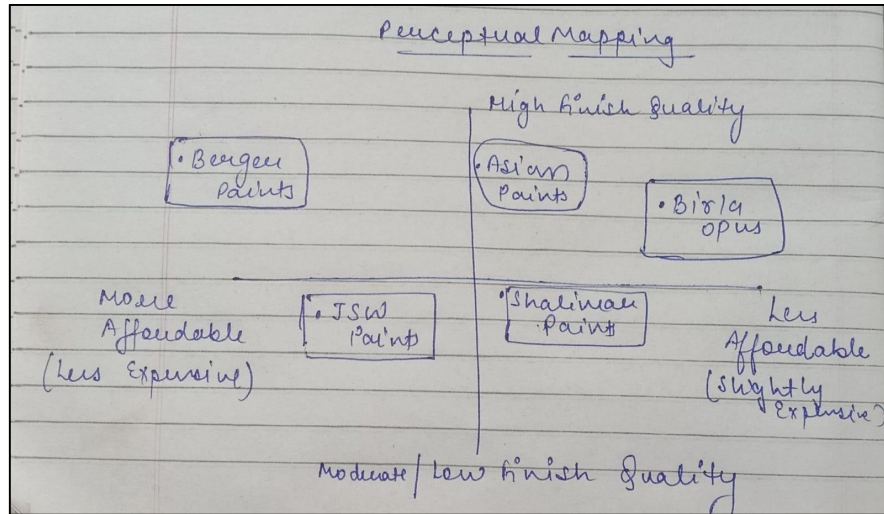
5.1 Market View:

Asian Paints targets:

- Premium/High-Income Segment: Homeowners looking for luxury and designer finishes.
- Middle-Income Segment: Customers seeking quality products at affordable prices.
- Rural and Tier 2/3 Cities: Emerging markets where customers value durability and affordability.

5.2 Perceptual Mapping:

Asian Paints is positioned at the premium end of the spectrum in terms of quality, innovation, and customer satisfaction, with a strong emphasis on luxury and designer finishes.



Chapter 6: Tools of IMC (Integrated Marketing Communication)

Asian Paints uses a combination of traditional advertising, digital marketing, public relations, and social media to reach its diverse customer base. It has maintained a consistent focus on emotional messaging, emphasizing the cultural and emotional significance of home décor.

- **Celebrity Endorsements:** Asian Paints uses celebrities to enhance brand appeal.
- **Emotional and Lifestyle Messaging:** The company's marketing revolves around maintaining a lifestyle of comfort and protection.

Chapter 7: Creative Brief and Budget

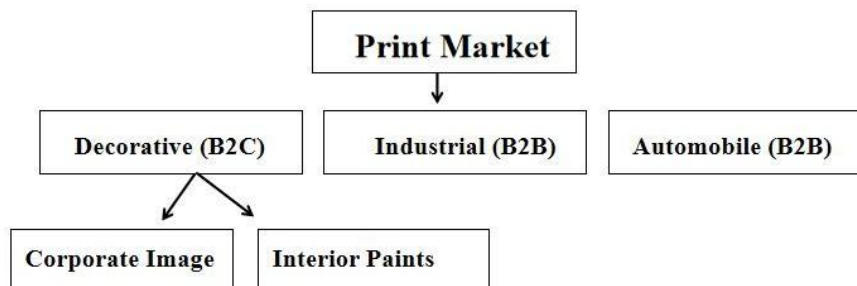
7.1 Creative Brief:

- **Objective:** Build affective brand preference using celebrity endorsements and emotional appeals.
- **Message Theme:** "Har Ghar Kuch Kehta Hai" — the campaign revolves around the idea that every home tells a unique story.
- **USP:** Customization and alignment with customer cultures and preferences.
- **Leverage Point:** Focus on durability, lifestyle maintenance, and peace of mind through superior products.

7.2 Budget:

- **Market Size:** ₹311,207 crore, with Asian Paints holding a 53% market share of the Indian paint industry.
- **Advertising Spend:** 4% of revenue, approximately ₹12,448 crore, is spent on advertising.
- **Product Life Cycle (PLC):** Asian Paints is in the maturity stage, characterized by stable sales but increased competition.

Chapter 8: Market Analysis



1. Decorative (B2C)

- **Corporate Image:** Refers to paints and designs used to create and maintain the visual identity of companies. This can include branding, exterior and interior office design, and signage for corporations.
- **Interior Paints:** This refers to the use of decorative paints inside residential or commercial spaces, covering a wide range of choices like color schemes, textures, and finishes designed to appeal to individual preferences and enhance the visual aesthetics of spaces.

2. Industrial (B2B)

The industrial sector targets business clients, providing paints or coatings for large-scale industrial applications, which can include manufacturing, equipment, or other large infrastructure. Companies in this sector will have specific needs related to durability, resistance to weather, and other factors critical for industrial use.

3. Automobile (B2B)

This branch represents the automotive industry, where paints and coatings are used for vehicles. Automobile paints need to meet high standards for durability, color, gloss, and resistance to environmental conditions. This B2B segment would cater to vehicle manufacturers and automobile service companies.

Chapter 9 : Conclusion

Asian Paints has firmly established itself as a leader in the Indian paint industry and a significant player on the global stage. The company's success can be attributed to its unwavering focus on innovation, brand strength, and a deep understanding of market dynamics. By consistently adapting to changing customer preferences, embracing technological advancements, and leveraging its vast distribution network, Asian Paints has been able to maintain its market dominance.

One of the key factors behind the company's continued success is its ability to balance traditional values with modern trends. Through its effective branding and marketing strategies, such as the emotionally resonant "Har Ghar Kuch Kehta Hai" campaign, Asian Paints has managed to create a personal

connection with its customers, making its products not just about aesthetics, but about preserving the emotional and cultural essence of a home. The use of celebrity endorsements like Virat Kohli, Ranbir Kapoor, and Deepika Padukone adds further credibility and appeal, making the brand more relatable and trustworthy to a broad spectrum of customers.

Furthermore, Asian Paints' extensive investment in R&D and technological innovation has allowed it to offer high-quality, durable, and eco-friendly products. This focus on sustainability has positioned the company to meet the growing global demand for environmentally responsible products, especially as customers become increasingly conscious of their environmental impact. The introduction of water-based, low-VOC (Volatile Organic Compounds) paints has not only catered to environmentally conscious consumers but has also helped the company stay ahead of regulatory requirements.

In terms of market expansion, Asian Paints has successfully tapped into both premium and mass market segments. By offering a diverse product portfolio that ranges from luxury finishes for high-income customers to affordable, durable paints for middle-income households and rural markets, the company has managed to build a broad and loyal customer base. Its strategic focus on Tier 2 and Tier 3 cities and rural expansion is particularly noteworthy, as it has allowed the company to capture emerging markets where demand for affordable, quality products is rapidly growing.