Blue had been known as a solid but unexciting brand, but the new administration and the new tools provided an opportunity to reshape the brand and consumer perceptions. Encouraged by that, we have an ambitious goal that is to make it a cheap and exciting brand. We aim to achieve the largest market share in the detergent market.

We analyzed the demands of formulation and feature in the detergent market, we found pods and odor elimination remain the highest demand in all kinds of market segments. We decided to produce pods and choose odor elimination as the main attribute.

From the data, it can be seen that the detergent market is price sensitive. In 2017 Turbo increased the price from 9 to 10, the market share dropped from 45.8% to 41.4%. In 2018 store increased the price from 5 to 6, the market share dropped from 25.9% to 18.6%. Although we’ve enhanced the formulation from powder to pods, we still want to keep the price 7 pounds to attract more price-sensitive customers.

After making a new position for Blue, we want to sell this concept to the current customers of Blue and further promote their loyalty. At the same time, we want to steal more customers having the same characteristics as the royal customers. We analyzed the demographics of the customers, and found most of the customers’household size larger than 3, and with the age of under 35. In addition, Blue has few customers in Northeast. Therefore, we decided to fix target segment on households larger than 3, regions except northeast and aged below 35.

In terms of forecasting demand, we assumed all of the targeted customers can be attracted by our new positioning. By calculation, 22 million extra demands can be gained from the market. The total demands of Blue in 2018 was 32 million, and adding 22 million would be 54 million. In addition, since Blue improved the product but not increased the price, more customers used to using pods can be attracted by Blue’s low price. That amount of customers is hard to be predicted, and considering the penalty for over producing is little, we decided to produce more than 54 million units and finally decided on 60 million units production.

The calculation of the trade channel spend and media spend was based on the demands of our targeted customers, since we believed the products should be sold and promoted in the places where the customers usually appear. By filtering the target customers, we calculated the trade channel demand proportion. That proportion directly is used as the trade channel spend proportion. Media spend proportion is calculated in the same way.