

Shoe Polish

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Case report

Mr. Saura Panigrahi, a post graduate in mass communication, has been working as Creative Director of a New Delhi based ad agency – Cocoon Ideas. He is contemplating about the ad campaign for wax polish account of Shoe Care Ltd who primarily operates in Northern India. Its shoe polish brand “Easy Care” is giving a tough time to him as the advertising campaigns had bring no significant changes in the sales in last five years. For past five years he has been observing the almost stagnant sales of Easy Care. He knows that a new entrant would find it difficult to create brand preference. A company wanting to launch a new brand must do a good marketing exercise for at least three years to create brand preference. Now he has been entrusted for more than five years but could not deliver the results. He is worried about the flattened sales curve of the brand which may result in the loss of the account of Shoe Care Ltd. He knows that consumers have positive attitude towards wearing polished shoes but their attitude towards polishing shoes was a big concern. He strongly believes that sales can be increased by improving the attitude towards polishing shoes. But how is he to achieve that?

Industry Background

The shoe polish industry in India is a small industry worth around Rs. 110 Crore. It is largely concentrated in Urban India contributing around 70% of total sales. Though wax polish constitutes the major share (around 70%) but it is on decline as liquid polish picking up sales because of the benefit of convenience it offers to customers. The stagnation in shoe polish industry was a global phenomenon. In India, although the category is slow moving, its insensitivity to price allows manufactures to tide along profitably. While a small five paisa increase in the bread price impacted every user immediately, any hike in the price of shoe polish goes unnoticed. The manufactures know very well that they are operating in an inelastic price zone and that they can increase the price at will. That’s how they have survived so far.

Leather shoe and shoe polish are complementary products. As leather shoe industry is facing tough competition from other kind of shoes in the market. Fifteen years ago, leather shoes were important parts of a person’s attire. But today, there are a lot more variety available. Apart from the formals, customers have evening suedes, nubuck, trekking shoes, sports shoes etc. Indian domestic footwear market is worth around Rs. 15,000 crore and has witnessed a growth of 8.8% over the last couple of years. Men’s footwear constitutes almost 50% of the total market, whereas women’s shoes accounts for around 40% and kids footwear for the remaining. Shoes wearing habits were largely confined to metros and towns in Northern India. In the rural areas of the north, shoes were worn generally in the winter. The domestic market is substantially price driven (Tables 1 and 2), with branded footwear constituting less than 42 percent of the total market size. While the average spend on the footwear by urban consumers is Rs 240/annum, consumers in rural areas spend just about Rs 100/annum. Despite all this shoe polish remained a relevant product, since those who wore leather shoes did need to polish them.

Consumer Research

Panigrahi knew that shoe polish is not very frequently purchased product and consumer involvement is very low for this category. To

gain further consumer insights Panigrahi decided to do some research. He went to his friend, Mr. Somnath Vyas who specialize in consumer research, for help. Vyas agreed to help him out and together they planned to conduct a quick focus group interview. They called up seven participants-two summer training interns pursuing MBA–Deepak Kumar and Vivek Singh; a male sales executive in late 20s–Paresh Mishra; a branch manager of a bank–Nitin Bansal; An entrepreneur in Shoe Manufacturing–Dev Shetty; a university professor–Bhawna Sharma; and a house wife–Samreen Abidi.

During the focus group interview, Deepak Kumar commented on enquiring about the usage of shoe polish, “my tin of wax generally lasts around six months to one year as I polish my shoes 3 to 4 times a month.” Don’t you need to polish your shoe every day?” inquired Vyas. “I do use duster everyday” He replied promptly. Paresh Mishra responded to this “I used to polish my shoes every night. Then in the morning I’d take a bus up to the railway station, take a train, have four dozen people stepping on my shoes and by the time I reached my client’s office, my shoes looked like rubbish. So I just gave up polishing.” Dev supported this by saying, “Moreover polishing shoe is drudgery. You sit on the floor, and then you get a rag, the brush, the tin... A man who drives a fancy car, lives in a well appointed house and wears designer labels will not want to sit on the floor and polish his shoes.” He further added, “People did not even want to bend down to tie their laces so we had to made pump shoes.”

Panigrahi agreed to this, because that was just why Shoe Care Ltd. and other manufactures of shoe polishes had come up with the instant shine and liquid wax polish. Observing the discussion, Panigrahi

Segments	Price Ranges in Rs	% of growth
Mass market	185-700	60% (Liberty Bata)
Economy market	700-1000	30% (Bata Liberty)
Sports market	1000-3000	7% (Nike Adidas)
Premium leathers	3000-5000	5% (Charles and Keith)
Luxury	10000-50000	1% (Gucci Louis Vuitton)

Table 1: Segment wise classification of price ranges in the men's footwear segments.

Segments	Price Ranges in Rs	% of growth
Traditional footwear	699-999	5%
Designer Footwear	599-799	10%
Formals	299-699	40%
Casual Wear	499-799	25%
Sports Shoes	500-699	20%

Table 2: Segment wise classification of women footwear segment.

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thought the real challenge before him was to make the market grow by making people polish their shoes more often. If the frequency of shoe polishing could be increased from once in 12 days to once in seven days, Shoe Care Ltd. could achieve an 80% jump in sales. One way of doing this was to mount social pressure on existing consumer and use an appropriate communication strategy to convert the users of competitive products. He further focused on the discussion.

"I think polishing shoes daily is necessary, both for care and as part of overall grooming. Ask a person how he would judge someone on grooming and many would say "by his shoes". That's because if a person puts in that kind of effort on his shoes, it shows that he cares to that level of detail" said Bhawna – a university professor. "Then why many people do not polish their shoes? That's something I just can't understand!" inquired Vyas.

"One reason could be that shoes figure last in the dressing routine. Shoes are worn at the end of your body which is least visible or which you have traditionally least cared for. Therefore, it tends to be the most neglected," Bhawna reasoned. At this point, Samreen who was sitting quietly intervened, "but polished shoes do evoke certain desirable responses. You would all agree that polishing shoes is a good habit. When I see my son polishing his shoes, I feel reassured that he is forming good habits. I would say that it is the ultimate indicator of good habits – discipline." Bhawna supported, "yes...research had proved that a person who polishes his shoes felt happy, confident, encouraged and cheerful. On the other hand, a person who didn't polish his shoes felt defensive, guilty and withered."

"But the response of the wax polish market is totally paradoxical to the research findings. Though research shows positive attitude towards polishing shoes yet the use of shoe polish is far from being a daily routine. However, if a person has a forewarning that he will come under scrutiny, like during an interview for a job, or at a meeting with an international boss, he will certainly polish his shoes," said Vivek.

"Yeah.... I remembered those school days where the discipline at the morning assembly was enough to force me into a habit of polishing shoes. But after that college began and, all those pressures were gone. Then one day I was 23 and looking for a job. Life returned with demands on me to polish my shoes. I was attending interviews and meeting with people. The mere act of polishing used to remind me of the drudgery of schools days. Today my job requires intensive travelling so I use liquid polish or shoe shiner for quick shine, whenever I have meetings with my client. I really like the idea of "handy shine" through a sponge with impregnated silica gel. I need to just dust my shoes and apply the sponge", Paresh said.

"But silica gel evaporated very fast and the shine disappeared within an hour or two. Therefore, the shoe had to be sponged four to five times a day. That is hardly convenient and so this "handy shine" failed to click in the market. Moreover other products that offer convenience are not good for shoes like low wax content of liquid polishes does not nourish the leather and the topping the shine with lacquer is damaging for the shoe. Like anybody who invests couple of thousands rupees on shoes, I also want more than just handy shine. I am really concerned with shoe care and when it comes to shoe care there is no getting away from the wax polish and rag routine." said Nitin.

Well....we would all agree that when it comes to delivering total shoe care, there is no replacing the dibbi or the tin of polish. Everything else is only an attempt to give people handles along one or two of the attributes while sacrificing the others. And while the liquid polish had

found some acceptance and even usage, the dibbi or tin is still preferable for those looking for total shoe care. And despite the fact that polishing shoes is considered good habit and wearing polished shoes generates positive feeling, it is an irony that people buy a shoe polish tin once in six months or a year. Sometime they don't even know when the polish has finished.

The whole discussion revolved around these issues for some time.

Discussion on Message Strategy

After the focus group discussion, Panigrahi and Vyas decided to discuss the message strategy. Panigrahi told Vyas that for last five years he has tried on the opportunities that a well polished shoe offers. But it seems just not enough to convert consumer habits. He also told him that this time he is thinking trying the guilt route like showing a man caught unawares on a public place or social gathering with unpolished shoes..... "That moment of discovery, when a man finds his shoes are unpolished, would be the highlight of that ad" exclaimed Panigrahi.

"You need to look at the urban and rural markets differently. While the liquid polish is more an urban product, it is in small tin that is relevant to the rural market. That is exactly how the shampoo sachets cracked open the market, got people to use the product and served as a bridging pack to get people into the mainstream purchasing habit", said Vyas.

"I am not sure if the strategy would work. I think instead of being able to pioneer a change in the consumer attitudes, the shoe care industry had become a victim of people's habits. Consumers spend their lives falling between stools getting their shoes polished at the railway station, or outside the office by a shoe shine boy. And sometimes they simply run a cloth over their shoes. The industry has not been able to pull people back to a regimented shoe care habit by giving them strong enough propositions. That's despite the fact that they had so many emotions to play on competence, guilt, encouragement, good grooming...even some advertisements have tried the usually successful sex appeal", said Panigrahi. He further added, "Moreover since the category is inherently slow moving, any new communication strategy had to run consistently for a long period of time for it to pay off. And I am afraid of losing the Shoe Care Ltd. account if I did not produce results by the end of three, or maximum six months." If sales do not go up within this time period, I will surely lose this account,"

"Your ad campaign need not trigger off an immediate purchase. For this product, purchase is on the basis of need. No one even gets excited for trial or discount deals. Trials are painfully slow in this category. Trials in a Coke or a Kit Kat can enable a market penetration of 60% within two months. But in shoe polish, to penetrate 60% of the market you would take much longer period", commented Vyas.

By this time, Panigrahi were clear on two major challenges faced by the shoe polish market. Firstly, there was a general lack of interest in polishing among consumers. Secondly, convenience polishes did not offer total shoe care. He was sure that consumption had to be increased by improving the attitude to polishing. But how is he going to achieve that?