



ANALYSIS OF CONTRACTORS AND INTERIOR DECORATORS / ARCHITECTS AND A COMPARATIVE ANALYSIS OF ITS ADVERTISEMENTS WITH ITS COMPETITORS OF BERGER PAINTS INDIA LIMITED



**“Analysis of CONTRACTORS and INTERIOR DECORATORS / ARCHITECTS
AND
A Comparative Analysis Of Its Advertisements With Its Competitors OF
BERGER PAINTS INDIA LIMITED”**

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MASTERS IN BUSINESS ADMINISTRATION

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DECLARATION

I hereby declare that the project work entitled “**Analysis of CONTRACTORS and INTERIOR DECORATORS / ARCHITECTS AND A Comparative Analysis Of Its Advertisements With Its Competitors OF BERGER PAINTS INDIA LIMITED**” submitted to WEST BENGAL UNIVERSITY OF TECHNOLOGY as a part of the MBA curriculum, is a record of an original work done by me under the guidance of Prof Shamik Pal (Faculty Guide, Institute Of Engineering and Management) and Mr Mainak Ghosh (Company Guide, Berger Paints India Ltd) and this project work is submitted in the partial fulfillment of requirement for the award of the degree of Masters of Business Administration. The results embodied in this project have not been submitted to any other university or company for the award of any degree or diploma.

RITWICK BANERJEE



CERTIFICATE FROM COMPANY



APPROVAL

This is to approve that the project work entitled “**Analysis of CONTRACTORS and INTERIOR DECORATORS / ARCHITECTS AND A Comparative Analysis Of Its Advertisements With Its Competitors OF BERGER PAINTS INDIA LIMITED**” is a bonafide work carried out by **RITWICK BANERJEE** (college roll no: **MBA/11/053** , university roll no:**10400911057**, university registration no: **111040710057**) a candidate of **MBA (Batch 2011 - 13)** of **Institute Of Engineering And Management.**

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With immense pleasure, I would like to present this project report for Berger Paints India Ltd. It has been an enriching experience for me to undergo my summer training at Berger Paints India Ltd, which would not have been possible without the goodwill and support of the people around. As a student of “Institute Of Engineering And Management”, Kolkata I would like to extend my sincere gratitude and thanks to Mr Mainak Ghosh (Area Sales Manager, Berger Paints India Ltd.), Prof. P.K Misra (Director-Principal, IEM College Of Management), Prof. Sujit Dutta (HOD MBA, IEM College Of Management) and Prof. Shamik Pal (Faculty Of Management, IEM College Of Management) to shape my understanding towards the project. It was because of their immense help and support that this project has been duly completed.

However, I accept the sole responsibility for any possible error and would be extremely grateful to the readers of this project report if they bring such mistakes to my notice.

Ritwick Banerjee



EXECUTIVE SUMMARY

The purpose of this project titled “Analysis of CONTRACTORS and INTERIOR DECORATORS / ARCHITECTS AND A Comparative Analysis Of Its Advertisements With Its Competitors OF BERGER PAINTS INDIA LIMITED” is divided in two parts.

The first part of the study includes interviewing existing contractors and taking some of their personal details like passport size photograph and address proof which are a part of the KYC program and also necessary informations like the volume (in terms of money) of different quality of paints they are using in a year, their total turnover, are they exclusively working for Berger or not. These data which has been collected through the interview has helped in deriving many conclusions regarding the market share of each paint category, category of the contractors with respect to the volume of purchase they make each year, whether they are dedicated to Berger Paints or not, which other paint brands they are preferring, the reason for their preference etc.

Berger Paint has started a market expansion process by penetrating the market comprising of interior decorators and architects. A survey of the interior decorators and architects was made to get to know about the different types of work they are doing, the types of paints they require and the volume they consume every year. Informations regarding the their total turnover in a year and also the brand they preferred were collected.

The above one is totally a quantitative research based on a descriptive research design. The second part of the project is a qualitative analysis. This is the analysis of the pros and cons of the advertisements of Berger Paints and analyzing its stand with respect to its competitors in the market. The advertisements of both Berger Paints and its competitors are analysed on the basis of the key features of a good advertisement and a conclusion has been drawn out. The analysis stage includes understanding the implications and relevance of the data collected and drawing conclusions about the company’s business and marketing decisions. Berger Paints Limited



(BPIL) is an out-an-out Indian firm in the paint industry that manufactures and markets a wide spectrum of decorative as well as industrial paints. Though it had a corporate position of a focused national paint company by catering to industrial and household customers in Indian market in the past, it has been systematically repositioning itself in the recent years to become a global player by entering into a number of other country markets.

The Indian Paint industry is mainly divided into two segments – decorative paints segment and industrial paints segment. Berger has a share of 10% for industrial sector and 17% for decorative sector. Berger earns most of its revenue through Enamels in decorative sector and through automobile paints in industrial sector. Berger has a vast distribution network with Berger has the lowest price range of all the well known brands in India. Promotion and hence sales of Berger paints mostly increases during festive seasons.

On the basis of the survey conducted it's found that major section of the revenue of Berger Paints comes from Interior and Exterior paints. Although Berger recently launched wood finishes and damp proof materials in the market but to compete with the market leaders it has to carry out intense promotional program.

Berger is engaging themselves in customer satisfaction programs by offering many lucrative schemes to them. These schemes will definitely serve the company to achieve its goal. Further some more schemes have been discussed which are to be enforced as demanded by the customers.

The product range of BERGER is not so good; it's actually moderate or normal which is incompetent with the current range of the giant competitors. The availability of BERGER paints is also moderate; when there is an urgent need of paints by the contractors, it is very difficult for them to get BERGER paints at that time. It is mainly due to unavailability of the same colour in the nearby paint distributor. The price range of BERGER is on the lower side as compare to ASIAN and ICI. BERGER promotional activities are very low, which restrict the company from mass appeal and thus decrease in sales.



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CHAPTER 1

**OVERVIEW OF THE
PAINT INDUSTRY IN
INDIA**



1.1 Brief Description

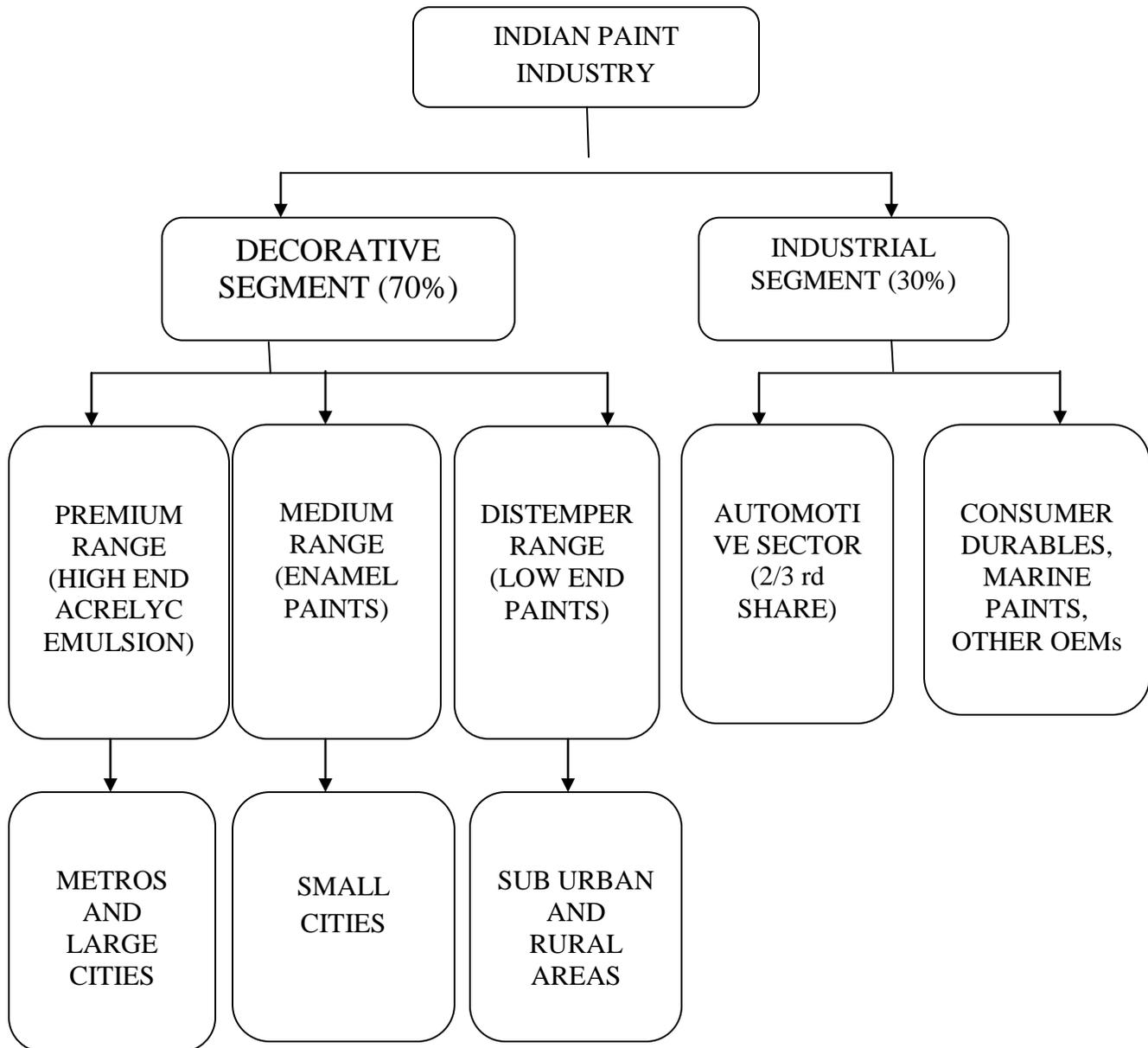
The Indian Paint industry, estimated to be a Rs.21,000 Cr. industry, has been growing at a rate of above 15% for the past few years. The organized players of the industry cater to about 65% of the overall demand, whereas the unorganized players take care of the remaining 35%, in value terms. The unorganised players mainly dominate the distemper segment.

The industry consists of two segments, namely

- Decorative segment – caters to the **housing sector** and
- Industrial segment - consists of powder coatings, floor coatings and other protective coatings catering to the **automobile, marine** and other industries.

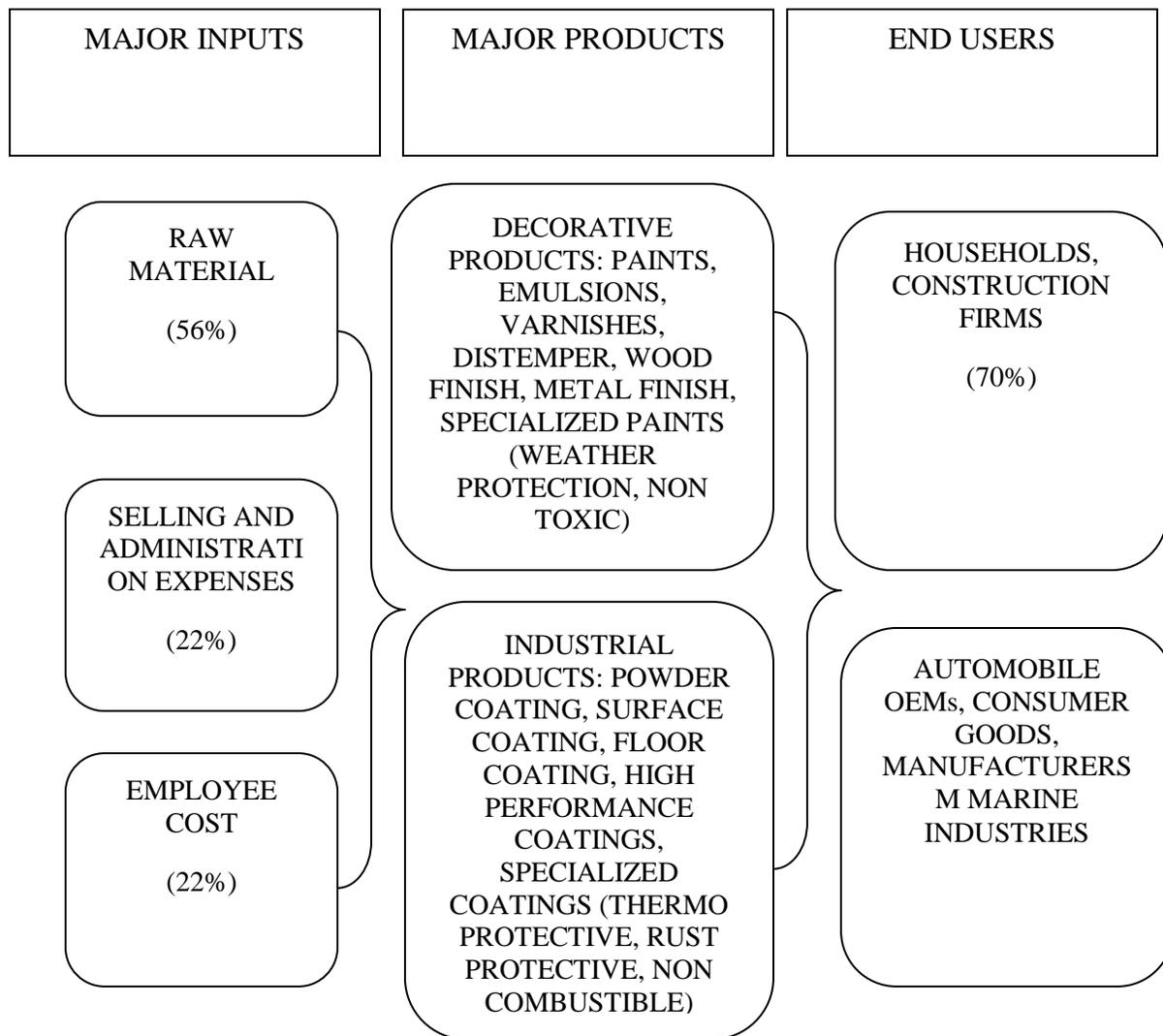
In the domestic market, Decorative segment accounts for 70% of the total demand for paints whereas the industrial segment accounts for the remaining 30%. Globally, the demand for paints is almost equally distributed, where both the segments account for close to 50% of demand.

The paint industry volume in India has been growing at 15% per annum for quite some years now. As far as the future growth prospects are concerned, the industry is expected to grow at 12-13% annually over the next five years. FY11 was a challenging year for the industry as a whole due to subdued demand across key sectors and rising inflation.



1.2 Working Of The Paint Industry

The working of the Paint industry has been explained pictorially below:





1.3 Industry Structure

Indian Paint Industry is over 1000 years old. Its beginning can be traced back to the setting up of a factory by Shalimar paints in Calcutta back in 1902. Till the Second World War the industry consisted of small producers and two foreign companies. After the war, the imports stopped which led to the setting up of manufacturing facilities by local entrepreneurs. Still the foreign companies continued to dominate the market, which in a way is the current scenario as well. The initial decades saw the complete dominance of British Paint companies such as Goodlass Walls (now Goodlass Nerolac), ICI, British Paints (now Berger Paints), Jenson & Nicholson and Blundell & Eomite. The Indian Paints sector is valued at Rs 6,800 crores in value terms and is very fragmented. The current demand is estimated to be around 650,000 tonnes per annum and is seasonal in nature. The per capita consumption of paints in India stands at 1.0-kg p.a. as compared to 1.6 kg in China and 22 kg in the developed economies. India's share in the world paint market is just 0.6%.

The Indian Paint industry can be divided as:

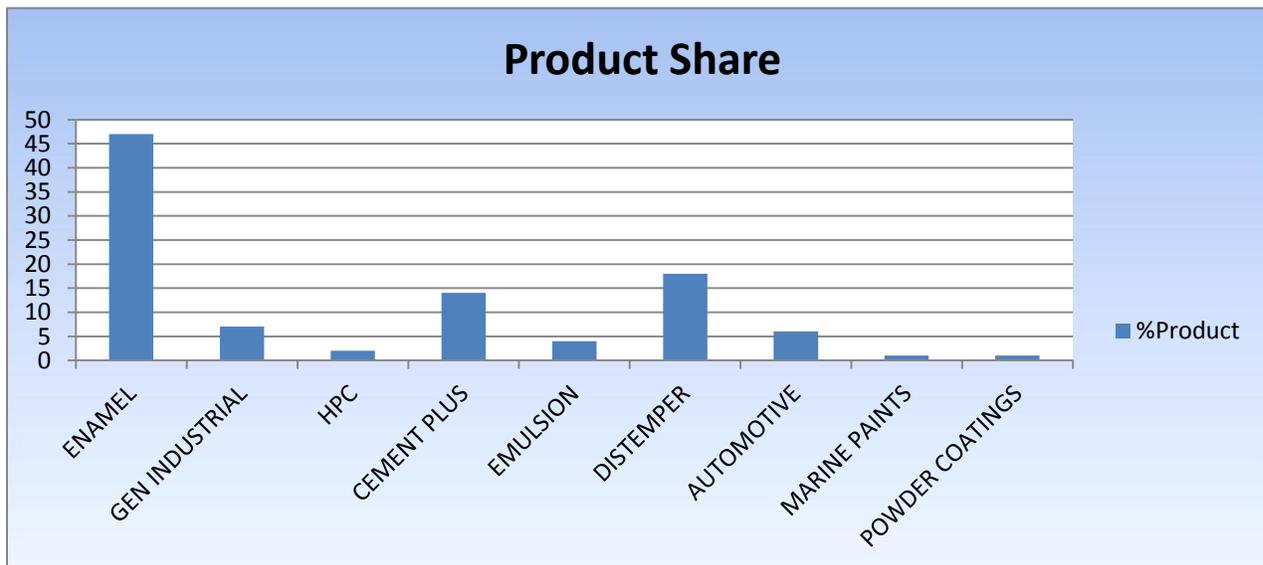
- The organized sector comprising of large and medium size units
- The unorganized or the small scale sector.

There are now twelve players in the organized sector with a market share of 70%. This is in contrast to the 55% share that the sector commanded a few years back. Major companies in this segment include Asian Paints (44% market share), Berger Paints (17% market share), ICI (12% market share), Goodlass Nerolac (15% market share), Jenson Nicholson (6% market share), Shalimar Paints and Rajdoot Paints. The organized sector has grown at a CAGR of 11.5% in the last five years. The unorganized sector comprising of over 2000 units has a combined market share of around 30%. The major players are Asian Paints, Goodlass Nerolac, Berger, ICI and Shalimar. Recently, world leaders like Akzo Noble, PPG, Dupont and BASF have set up base in India with product ranges such as auto refinishes powders and industrial coatings. Kansai Paints of Japan, which entered into collaboration with Goodlass Nerolac in 1984, is now the

holding company for Goodlass Nerolac with 64.52 % equity holding. PPG has a joint venture with Asian Paints to manufacture industrial coatings. Jenson & Nicholson and

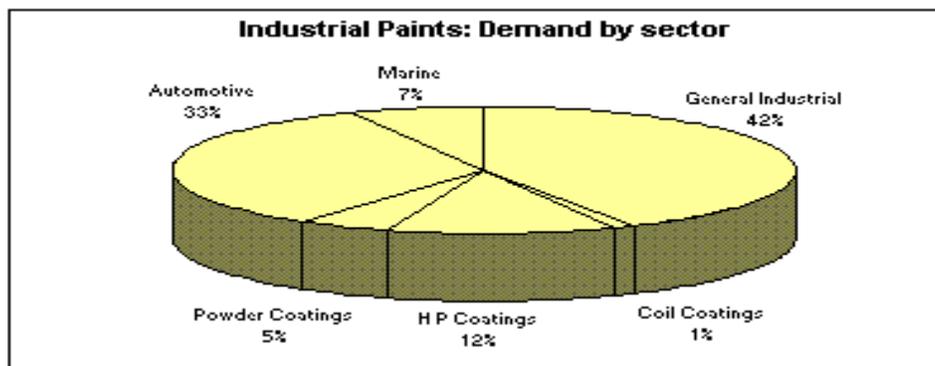
Snowcem India are no longer active players because of dwindling sales in recent years. In the 1990s, helped by a growing economy, the paint industry had recorded a healthy growth of 12-13 % annually. This was mainly due to a drastic reduction in excise from a staggering 40% to 16%. However, the growth was restricted in 2000-03 to single digits. There was a revival in 2003-2004 with a robust growth of 13%.⁸The per capita consumption of paint in India is 700 grams against 19 kg in the U.S., and 2.7 kg and 5.8 kg in other developing countries like China and Brazil. As the consumption goes with affordability, the low Indian figure is not a surprise. High excise duties, low technology and low capital costs for production led to the incidence of a high number of units in the small scale sector. However, since 1992 the government has been consistently lowering duties from 40.5% in 1992 to around 16% currently. This has led to lowering of price differential between the organized and unorganized sector. Moreover the paints sector was also allowed to claim MODVAT credit on petro-based products, thus lowering the excise incidence further.

1.4.1 Paints And Their Market Share



1.4.2 Industrial Paints

Industrial paints comprising 30% of the market include automotive paints, high performance coatings, coil coatings, powder coatings, marine paints and general industrial coatings. The automotive segment is further bifurcated into OEMs and auto refinishes. The automotive and general industrial coatings occupy top slot in terms of production. Goodlass Nerolac is the market leader in this segment.



Demand for these paints is relatively price inelastic, but is prone to business cycles and depends on industrial and economic growth. Major end user industries include shipping, capital goods, white goods and heavy industries.

The industrial paints segment due to specialized technology and high capital expenditure attracts fewer players. Most Indian companies have tied up with or are in the process of tying up with international paint majors to have access to the latest technology. A tie-up with a global paint manufacturer also enables the domestic company to supply to local customers of its partner. For example, Goodlass Nerolac is a major supplier to Maruti Suzuki because of Kansai, its Japanese collaborator and Suzuki relations. It is for the same reason that Asian Paints (tie-up with PPG Industries, USA) is a major supplier of paints to Opel Astra.

COMPANY	COLLABORATION	AREA OF COLLABORATION
BERGER PAINTS	Herbert sons GmbH; Valspar Corp. Inc.,; Teodur BV	Auto coatings; Heavy duty coatings; Power coatings
ASIAN PAINTS	PPG Ind. Inc., Sigma coatings, Nippon Paints	Electro deposition primers; High performance coatings, Power coatings
GOODLASS	Kansai paints	Auto & Industrial coatings
ICI(India)	ICI plc.	Auto refinish
J & N	Herbert sons GmbH	Auto coatings

1.5 Drivers to the growth of the Paint Industry

1. Increasing level of income and education – The increasing proportion of young population along with increasing disposable incomes is leading to a change in consumer habits. The Indian economy is shifting from a savings economy to a spending economy. With more income at their disposal, people are now ready to pay for better products and paint is no exception.

Educated consumers are more brand conscious and seek value in what they consume. Thus, paint companies offering value-added features like non-toxicity, weather protection, texture, eco-friendly production, etc. will attract more demand. These value-added products enable the manufacturers to earn a better premium as compared to the regular paints, thus offering higher margins.

2. Increasing Urbanization: Urbanization is leading to a shift from temporary houses to permanent houses. Urban houses are well-designed in its interior as well as exterior aspect. This calls for more houses being painted using medium and premium paints. For urban houses, interior design is becoming a fashion statement and a lot of paint is used to decorate the interiors. This will lead to an increase in the per capita consumption of paint which will increase the overall demand of paint. Urbanization also brings more nuclear families. More nuclear families mean more number of houses even for the existing population thus further driving the demand.

3. Increasing share of organized sector: Decrease in taxes on key raw materials will improve the position of the organized players. The Organized sector is expanding its distribution network and adopting the installation of tinting machines at retail outlets. These tinting machines offer a wide variety of colour shade options to choose from. The unorganized players are not in a position to offer such facility as it is comparatively capital intensive. Shift in use, from distemper segment towards premier segment is also shifting market share from the unorganized sector to the organized sector.

4. Development of the Realty, Automobile and Infrastructure sector: The growth of the paint industry is largely dependent on the development of the realty and housing sector, as decorative segment generates about 70% of the total paint demand from this sector. The Automobile segment generates more than two-third of the demand for Industrial paints, and hence is the growth driver for Industrial Paints. The Infrastructure segment creates direct demand for paints as well as creates indirect demand through supporting the growth of the realty, automobile, FMCG and other industries where paint is used.

The growth potential in the above 3 sectors is immense, the paint industry being dependent on these 3 sectors is expected to grow along with them.

5. Availability of financing options: Easier housing finance and auto finance is expected to favour more people to buy houses and travel in personal vehicles. This will drive the growth of housing and automobile sector, of which the Paint industry will get its share.



6. Increasing Penetration in the Rural Markets: Paint usage in rural areas is generally in the distemper segment, hence dominated by the unorganized players. Demand in rural areas is dependent on agriculture, which is dependent on the monsoons. With the development of irrigation facility, the dependence of agricultural output on monsoons will be on a decreasing trend. Also, with the modernization of agriculture and accompanying development of rural India, consumer preferences are expected to improve. Paint companies are expanding their distribution network in rural parts of India, which is a relatively untapped market for the organized players. These factors supported by the increasing penetration of the paint companies will help drive the demand for paints.

1.6 Main Concerns Of The Paint Industry

- **Cost of raw materials:** The Cost of Raw materials is an important factor as the industry is raw material intensive. Fluctuation in the prices of Titanium dioxide and Petroleum directly affect the production cost. This is more of a concern for the Industrial segment as compared to the Decorative Segment, as it is comparatively easier to pass on the costs in case of decorative paints. Also, a large portion of raw materials are imported, leaving the cost factor vulnerable to exchange rate fluctuation.

- **MNC's entering the Indian Paint Market:** The entry of Established foreign players in the Indian market may increase the competition among the players of the industry. This may lead to price competition which may impact the profit margin of the companies. As a result, the increase in volume growth may not equally reflect in the profit growth for the companies.

1.7 Paint Industry Prospects

- The market for paints in India is expected to grow at 1.5 times to 2 times GDP in the next five years. With GDP growth expected to be over 7% levels, the top three players are



likely to clock above industry growth rates, especially given the fact that protection that was available to unorganised players has come down significantly.

- Decorative paints segment is expected to witness higher growth going forward. The fiscal incentives given by the government to the housing sector have benefited the housing sector immensely. This will benefit key players in the long term.
- Although the demand for industrial paints is lukewarm it is expected to increase going forward. This is on account of increasing investments in infrastructure. Domestic and global auto majors have long term plans for the Indian market, which augur well for automotive paint manufacturers like Kansai Nerolac and Asian-PPG. Increased industrial paint demand, especially powder coatings and high performance coatings will also propel topline growth of paint majors in the medium term.

1.8 Top Paint Brands In India

Goodlass Nerolac : - This company's paint decors every third car in the country. It is the market leader in the industrial paint segment supplying over 90% of the requirements and has planned to increase its presence in the decorative segment through aggressive new product development and brand building. They are the second largest company in India in the decorative segment with a market share of around 20%. They are the leaders in powder coatings. Goodlass Nerolac Paints Ltd is a subsidiary of Kansai Paint Company Limited, which is the largest paint manufacturing company in Japan and among the top ten coating companies of the world, with a human asset of over 1900 professionals and a sales turnover of Rs. 925 crores. This company started in 1920 as Gahagan Paints and Varnish Co. Ltd. at Lower Parel in Bombay. In 1930, three British companies merged to formulate Lead Industries Group Ltd. In 1933, Lead Industries Group Ltd. acquired entire share capital of Gahagan Paints in 1933 and thus, Goodlass Wall (India) Ltd. was born. Subsequently, by 1946, Goodlass Wall (India) Ltd. was known as Goodlass Wall Pvt. Ltd. In 1957, Goodlass Wall Pvt. Ltd. grew popular as Goodlass Nerolac Paints (Pvt.) Ltd. Also, it went public in the same year and established itself as Goodlass Nerolac Paints Ltd. In 1976, Goodlass Nerolac Paints Ltd. became a part of the Tata Forbes Group on acquisition of a part of



the foreign shareholdings by Forbes Gokak. In 1983, Goodlass Nerolac Paints Ltd. strengthened itself by entering in technical collaboration agreements with Kansai Paints Co. Ltd., Japan and Nihon Tokushu Toryo Co. Ltd., Japan. In 1986, Goodlass Nerolac Paints Ltd. turned into a joint venture of the Tata Forbes and the Kansai Paints with the latter acquiring 36% of its share capital. In 1999, Kansai Paints Company Ltd., Japan took over the entire stake of Tata Forbes group. During this journey, Nerolac has entered into technical collaborations with other industry leaders such as E.I. Du-Pont de Nemours & Company Inc., USA and Oshima Kogyo Company Ltd., Japan for different products.

Berger Paints:- This company started in 1947 as British Paints when it acquired Hadfield's (India) Limited, a paint company that produced 150 tonnes of ready mixed stiff paints, varnishes and distempers. Sales offices were opened in Delhi and Mumbai and in 1951 a depot was started in Guwahati. Sales rose to Rs.60 lakhs in 1952. The Company declared its first dividend and shifted the H.O. to 32, Chowringhee Road, Calcutta. By 1959, modernization of the Howrah Factory was completed and the first Resin Plant commissioned. With that, the Company entered the Synthetics Paints market. By 1965 British Paints (Holdings) Limited, UK was acquired by Celanese Corporation, U. S.A. As a result, the controlling interest of British Paints (India) Limited passed on to Cel. Euro N.V., Holland. In 1969 Celanese Corporation sold their interest in the Indian Company to Berger Jenson Nicholson Limited, UK. In 1975, the foreign holding of the Company was reduced from 60% to 45% through a Public issue. A year later the foreign holding was diluted to below 40% by sale of a portion of the shares to the UB Group.

In 1983, the name of the Company was changed to Berger Paints India Limited (BPIL) and by this time the Berger's operations were divisionalized into the Retail Business Line (RBL) and the Industrial Business Line (IBL) in order to better cater to the needs of the customers. During this period many new products were launched like "Luxol Silk" the first premium emulsion in India, Viton Refinish for cars, Bison Acrylic Distemper and Rangoli Acrylic Emulsion.

In 1990's, 'Berger Pro Links', a service aimed at providing paint and application related information to professionals, was introduced marking one of the first steps into painting related services. In 1991, the stake of the UB Group in the Company was purchased, by Mr. K S



Dhingra, Mr. G S Dhingra and their associates. The sales of the company touched 276 crores by 1995-96. The latter half of the nineties saw Berger attain the ISO - 9000 certification (1996) and establishment of Berger's Quality Management System. Color Bank tinting system was also launched through which the consumer can select from a range of over 5000 colors and which are then made available in minutes. As part of its expansion program, a new paint-manufacturing unit at Pondicherry was commissioned in early 1997. Berger Paints Home Decor a complete painting solution service was launched making painting a hassle free activity for consumers. An illusion multichrome finishes was also introduced as "designer finishes for walls" allowing consumers to transform their walls into fashion statements. This is a first for the Indian paint industry.

ICI:- ICI India was the subsidiary of the \$15 billion British multinational company ICI Plc. Brunner Mond & Co., one of the four Companies that combined to form ICI in UK in 1926, opened a trading office to sell alkalis and dyes in Calcutta. In 1923, Brunner Mond & Co. (India) was incorporated and the company's name was subsequently changed to Imperial Chemical Industries (India) Ltd., in 1929. During its 70 years in India, ICI had created six subsidiary companies in businesses such as research, chlorine, caustic soda, paints, rubber chemicals, explosives, polyester fiber, urea, agro-chemicals, seeds, pharmaceuticals, specialty chemicals, polyurethane, nitrocellulose, and surfactants. In 1984, all ICI companies consolidated in one of the largest mergers in Indian corporate history. By 1997, as a part of a restructuring exercise ICI had exited or was planning to exit from several non-core businesses. The 1996 sales break up was as follows: Paints 43%, Explosives 28%, Rubber chemicals 17%, Pharmaceuticals 8%, and Other Products 4%. ICI (India) ranked No. 4 in the paint business, after Asian Paints, Goodlass Nerolac Paints and Berger Paints. Unlike the other paint companies ICI (India) was a diversified unit and paint constituted 43% of its net sales. ICI (India)'s turnover in 1996-97 was \$180 million and paint amounted to \$77.4 million. ICI identified paints as a thrust area and was aggressively moving to improve their position. They invested \$11 million in a new decorative paints plant near Bombay and were constructing a \$16.7 million plant for industrial paints near Chandigarh in North India. ICI (India) intends to go on an offensive with a target of achieving



ten-fold growth in 10 years. The '10X Plan', as it was called, envisaged a strategy based on acquisitions, take-over and alliances.

Asian Paints :- Asian Paints Limited was established in 1942 as a partnership firm by four friends Champaklal H. Choksey, Chimanlal N. Choksi, Suryakant C. Dani and Arvind R. Vakil to manufacture paints in a garage in Mumbai (Bombay). From its humble beginnings, the company has moved on to become the largest paints company in India with a market share of 30 percent. The company with a turnover of US\$ 535 million on standalone basis and US\$ 640 million on consolidated basis (including turnover of all its subsidiaries) is one of the top ten decorative paints companies in the world. Its reach and dominance in the Indian market can be gauged from the fact that it is more than twice the size of its nearest competitor in India and it has been the market leader in paints industry in India since 1968. The company operates in 22 countries and has 29 paint manufacturing plants in the world which service consumers in over 65 countries. The company operates around the world on its own and also through its three subsidiaries Berger International Limited, Apco Coatings and SCIB Chemicals. The company aims to become one of the top five decorative paint companies in the world and has embarked on an aggressive strategy of expanding its global operations. The promoters hold the majority stake in the company (46.8 per cent of the equity stake). The next largest shareholders are the foreign institutional investors (19.5 per cent stake), followed by Indian public (16.5 per cent stake). Domestic banks, financial Institutions, mutual funds and insurance companies hold 13.4 per cent stake. Corporate bodies and non-resident Indians hold the remaining stake.



CHAPTER 2

COMPANY PROFILE



2.1 Company Philosophy

Purpose of Corporate Philosophy

An effective corporate philosophy helps a company develop a certain corporate culture, ethical practices and strengthens the relationship between employers and employees. It also positions the values of the company in the minds of others both within and outside of the organization. Your corporate philosophy should give employees a starting point for the decision-making process, so they are all operating on the same page. Developing a corporate philosophy gives you something against which you can compare candidates for new positions, thereby helping you make hiring decisions based on whether an individual will fit within your corporate culture.

Creating a Corporate Philosophy

One of the first things to consider when creating a corporate philosophy is the purpose of your business. A company's philosophy can contain similar verbiage as a company's mission statement, but in more detail. For example, the mission statement of a major search engine company is, "To organize the world's information and make it universally accessible and useful." A portion of that company's corporate philosophy includes the statement, "We do search. With one of the world's largest research groups focused exclusively on solving search problems, we know what we do well, and how we could do it better." By reading these and other similar statements in its corporate philosophy, you can ascertain its mission.

Corporate Philosophy Benefits

Small businesses benefit greatly from developing a corporate philosophy. A primary benefit of a corporate philosophy is that it helps to build long-lasting, trusting relationships between your business and clients. You should implement your corporate philosophy within every level of your company, which allows customers to trust that they will receive the same professional treatment throughout the organization. A corporate philosophy also builds consistency between your employees. When employees are familiar with the company's philosophy, it makes the integration of new hires easier and helps current employees embrace changes within the



company that follow the corporate philosophy. Another benefit of a corporate philosophy is that it can possibly give your company a competitive advantage because you possess a clear vision of how you want customers and competitors to perceive your business.

2.2 Company History And Milestone

The name Berger or Lewis Berger is today synonymous with colour worldwide. But actually the origin of the name dates back to over two & a half centuries in England in 1760, when a young colour chemist named Lewis Berger, started manufacturing in Europe, 'Prussian blue' using a secret process that every designer and householder coveted. Mr. Berger perfected this process & art of the blue colour, which was the colour of most military uniform of that time. Enriched by the imagination of Lewis Berger, the unending quest for creation and innovation in the world of colour & paints still continues.

The history of Berger Paints India Limited as a company started in 1923 as Hadfield's (India) Limited which was a small colonial venture producing ready- mixed stiff paints, varnishes and distempers setup on a 2 acres of land in one of India's first industrial towns close to Kolkata in Howrah, Bengal. Subsequently in 1947, British Paints (Holdings) Limited, an international consortium of paint manufacturing companies bought over Hadfield's (India) Limited and thus the name changed to British Paints (India) Ltd. The gentleman who took over, as its first managing director was Mr. Alexander Vernon Niblet, an Englishman who was later on followed by Mr. Alfred Godwin in 1962.

Further in the year 1965, the share capital of British Paints (Holdings) Limited was acquired by Celanese Corporation, USA and the controlling interest of British Paints (India) Ltd was acquired by CELEURO NV, Holland, a Celanese subsidiary. Subsequently in 1969, the Celanese Corporation sold its Indian interests to Berger, Jenson & Nicholson, U.K. Then onwards the company British Paints (India) Ltd became a member of the worldwide BERGER group having its operations across oceans in numerous geographies and this marked the beginning of Lewis Berger's legacy in India – which the company would later take forward to enviable heights.



From 1973 the company entered into one of its dynamic phases of business with introduction of new generation products in the industrial, marine and decorative segments under the able leadership of its first Indian Managing Director Mr. Dongargaokar Madhukar.

Year 1976 was another turning point in the history of the company when the foreign holding in the company was diluted to below 40% by sale of a portion of the shares to the UB Group controlled by Mr. Vittal Mallya. The reins of the company were taken over by Mr. Biji K Kurien as its Chief Executive & Managing Director in the year 1980. Finally in the year 1983, the British Paints (India) Limited, changed its name to Berger Paints India Limited.

The entire 80s & 90s saw the launch of many new products from company's stable such as premium emulsions and high quality acrylic distempers. The COLOUR BANK tinting system was launched through which the consumer could select from a range of over 5000 shades.

Again the fortunes of the company changed hands in 1991 with UB Group's stake in the company bought over by the Delhi based Dhingra brothers, Mr. K.S.Dhingra & Mr. G.S.Dhingra and their associates of the UK Paints Group. Presently Dhingras' control a majority stake of almost 73% in Berger Paints India Limited, which is a professionally managed organization, headquartered in Kolkata, with the stewardship resting since 1994 until 2012 with the Managing Director Mr. Subir Bose. The current managing director of Berger Paints India Ltd is Mr. Abhijit Roy.

2.3 Company Background

Established in 17th December, 1923, the company then known as Hadfield's (India) Limited; was a small paint company based in Kolkata having its only manufacturing facility at Howrah, West Bengal to produce ready mixed stiff paints, varnishes and distempers. Post independence, towards the end of 1947, British Paints (Holdings) Limited, U.K acquired Hadfield's (India) Limited and thus British Paints (India) Limited was incorporated.



From a production capacity of 150 tonnes and sales turnover of around Rs. 25 lakhs in 1947, the company has come a long way to become at one point of time; a part of the worldwide BERGER group in 1983 and thereby acquiring its present name Berger Paints India Limited to having subsequently gone through further ups & downs as well as ownership changes to gain its present status wherein the majority stake is with Delhi based Dhingra brothers and business *revenue more than Rs 2400 crs.*

Today Berger Paints India Limited, having solely used and developed the name and trademark BERGER and all its variants in India, is a household name in paint. With Head Office in Kolkata the company manufactures and markets a range of decorative & industrial paint products under various product brands and has its operations spread throughout the length & breadth of the country; with seven manufacturing facilities in India and more than 85 depots, several regional & area offices, besides four facilities overseas. It has a workforce of over 2500 employees and a countrywide distribution network of 15000 plus dealers.

Berger Paints has clearly demonstrated its commitment to Indian consumers for over 88 years, by offering its varied range of high performing quality products backed by highest level of customer service. Company's high ethical standards in business dealings and its on-going efforts in community welfare make Berger Paints India Limited a responsible corporate citizen. While the company's decorative and Industrial paints continue to gain an increasing market share, Berger as an organization has managed to achieve sustainable competitive advantage through innovations in all spheres of business, desire to excel and by creating a winning culture & abiding faith in its values & philosophy among all its stakeholders.

With Berger Paints we can now see your imagination of colour unfurl in front of your eyes and watch your home come alive, telling a thousand tales.

Transform our home with the ***POWER OF IMAGINATION.***

2.4 Board of Directors

- Mr. Kuldip Singh Dhingra (Chairman)
- Mr. Gurbachan Singh Dhingra (Vice-Chairman)
- Mr. Abhijit Roy (Managing Director)
- Mr. Subir Bose (member in the Board of the Company.)
- Mr. Anil Bhalla
- Mr. Gerald Kenneth Adams
- Mr. Gurcharan Das
- Mr. Kamal Ranjan Das
- Mr. Pulak Chandan Prasad
- Mr. Srijit Dasgupta
- Mrs. Rishma Kaur
- Mr. Kanwardeep Singh Dhingra

2.5 Landmark Projects

The Calcutta Club was set up in 1907 in response to the discriminatory practices of the Bengal Club which admitted only white members. Today, it is not just popular but also one of the most prestigious clubs in the city. A membership to the club is so coveted and the list of prospective members believed to be so large, that it takes over a year before the screening committee finds time to consider the suitability of an applicant.



A high rise condominium spread over five acres, **Teen Kanya** overlooks Lake Nucifera. The three towers, 16 storied each, arranged in a semi circle overlook the 100 acre water body. Plenty of natural light, perfect cross ventilation and a whole host of state-of-the-art amenities make the flats of Teen Kanya, in Action Area II of Rajarhat, perfect for living. Living here is like living in the heart of nature with all the modern facilities you can dream of.



Rs. 275 crore was poured into making the mall and the five-star hotel of **City Centre II** – a multi-utility urban infrastructure project. The project, which took three years to get completed, is built on five acres of land. City Centre II, at Rajarhat is just 3 km from the Netaji Subhash Chandra Bose International Airport. It has been designed to give a boost to the hotel business while the mall caters to the people of north Kolkata largely.



In 1994 as a development and maintenance services arm of The Dun & Bradstreet Corporation and Satyam Computers and Services Ltd., blossomed into an independent organization called **Cognizant** in a matter of two years. One of the first IT services companies with key industry verticals as well as technology horizontals.



Gold Souk Grande is a large format multi-specialty mall in Chennai. The Rs. 250 crore project is spread across 8 lakh sq. ft. The mall which will be fully operational by the third quarter of 2010 will have a hypermarket, food court, anchor stores and a multiplex. Like all malls it house stores offering lifestyle products, accessories, electronics, footwear, cosmetics and more.



The T .A Pai Management Institute (TAPMI) located in the international university town of Manipal (Karnataka), is among the leading management institutes in India, and is reputed for its academic rigour and faculty-student interaction. Founded by the visionary, Late Shri. T.A. Pai, TAPMI's mission is to provide much needed impetus to the task of building professional management capability in the country. In the process, it has also played a role in strengthening the existing educational and health infrastructure of Manipal.

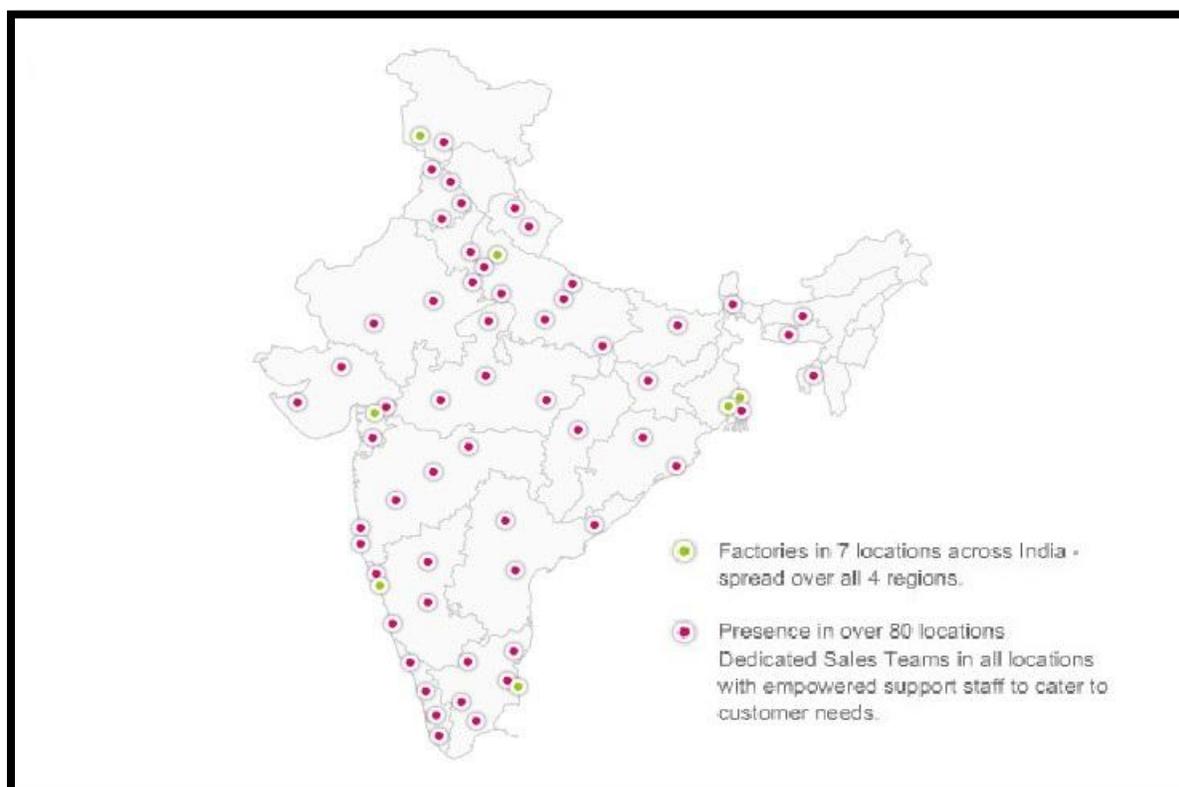


The land on which **Mantri Greens** is built was once Royal property belonging to none other than The Maharajah of Mysore. Not only that, the title document bears the signature of world renowned engineer and Statesman - The Dewan of Mysore, Sir M. Visvesvaraya. The authenticity of this title has stood intact for more than 110 years. Now, it is a place where you and your family's can enjoy the rich and scenic nature for a lifetime.





2.6 Berger's Presence in India



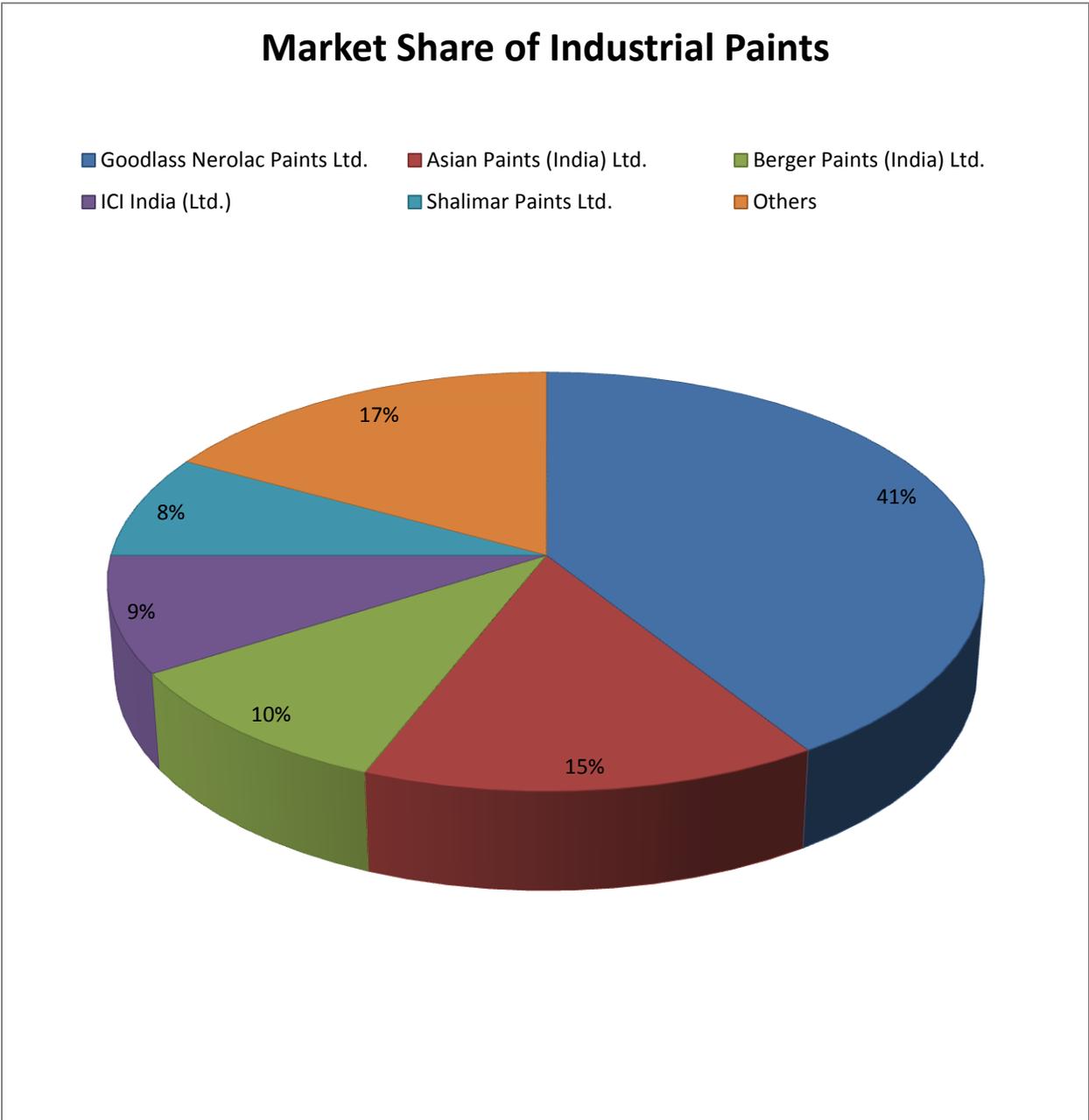
2.7 Berger's Presence All Over The World



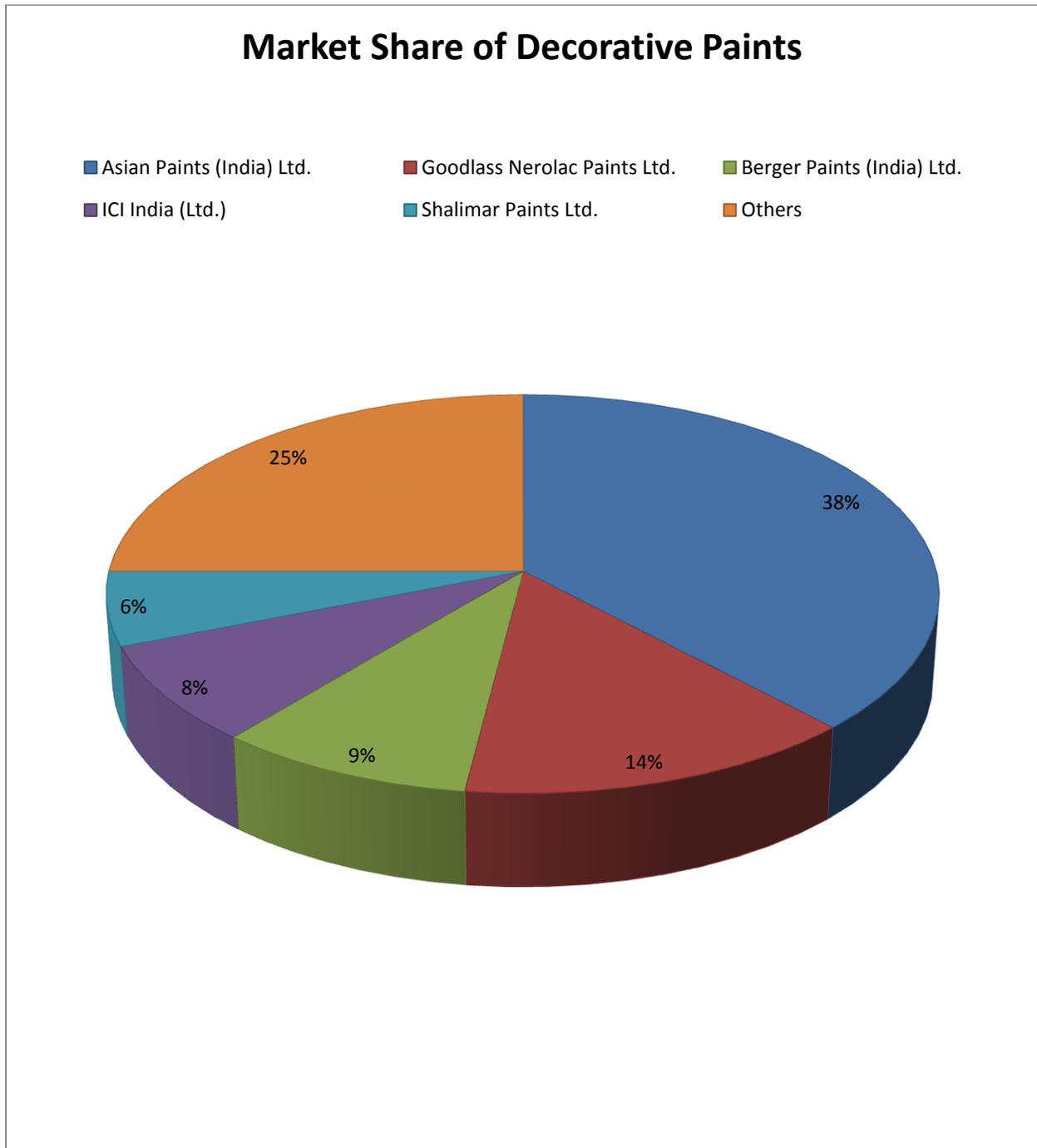
Apart from operations in Russia, with a production facility at the Berger manufacturing unit at Krasnodar, Berger has also expanded its footprint in Nepal by setting up a second unit. Today Berger's sister company in Bangladesh is the dominant leader with 65% market share. In keeping with the company's dynamic growth plan, Berger has also acquired Bolix SA of Poland, a leading provider of External Insulation Finishing System (EIFS) in Eastern Europe. As Berger continues to grow internationally, it also continues to be the second largest paint company in India. Berger is the lone supplier of Nuclear Power Plants with its Protective Coatings. The automotive sectors, be it cars or bikes, is primarily ruled by Berger's automotive coatings. Luxury cars including Mercedes make use of Berger products. Companies like Nokia uses

Berger's services as well. Berger has tied up with Becker of Sweden to manufacture coil coatings for steel surfaces

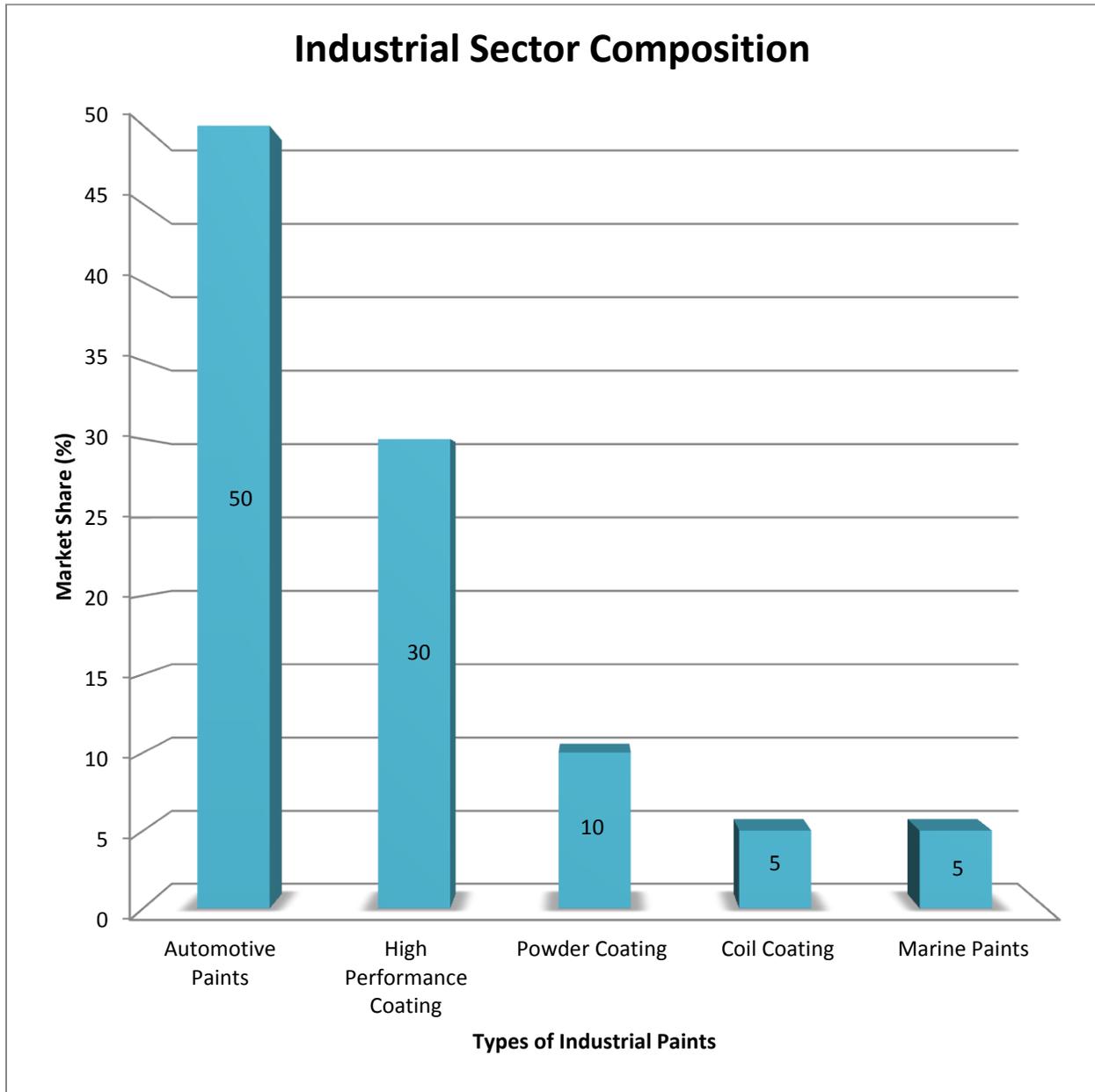
2.8 Market Share Of Industrial Paints



2.9 Market Share Of Decorative Paints



2.10 Industrial Sector Composition





2.11 Marketing Mix in relation to Berger Paints

Marketing decisions fall into four main controllable categories namely

- Product
- Place
- Price
- Promotion

Relating these factors with respect to Berger Paints

Product :- Berger is committed to offer quality products that satisfy consumers' ultimate desires from paints with the help of state-of-art technology. Berger always believes in one step ahead in offering new product to create more value for customers' money. Berger outsmarts other competitors of the market through its one step in advance policy and innovative market offers. Berger is trying to fill up all holes of the market through offering a wide range of products to meet the needs (Premium to Economy Paints) of different types of users and to solve the different types of functional requirements (Industrial, Decorative & Marine). Due to shift in market growth trends Berger is trying to establish itself in the economy segment of the paint market.

Place :- Another major component of marketing mix is place. During our visit at BERGER I was able to include inventory, transportation, coverage, channel, logistics and market and market segments etc. under these marketing mix components.

Differentiated market segment

Berger's market segments are differentiated. They use different types of marketing mix for different segments. Their product quality, advertisement, promotional techniques, price are high for upper class customers. Again for the people of middle class on the basis of their income,



occupation, taste, lifestyle different marketing policies are applied. We can observe this deviation in TV advertisement.

Inventory

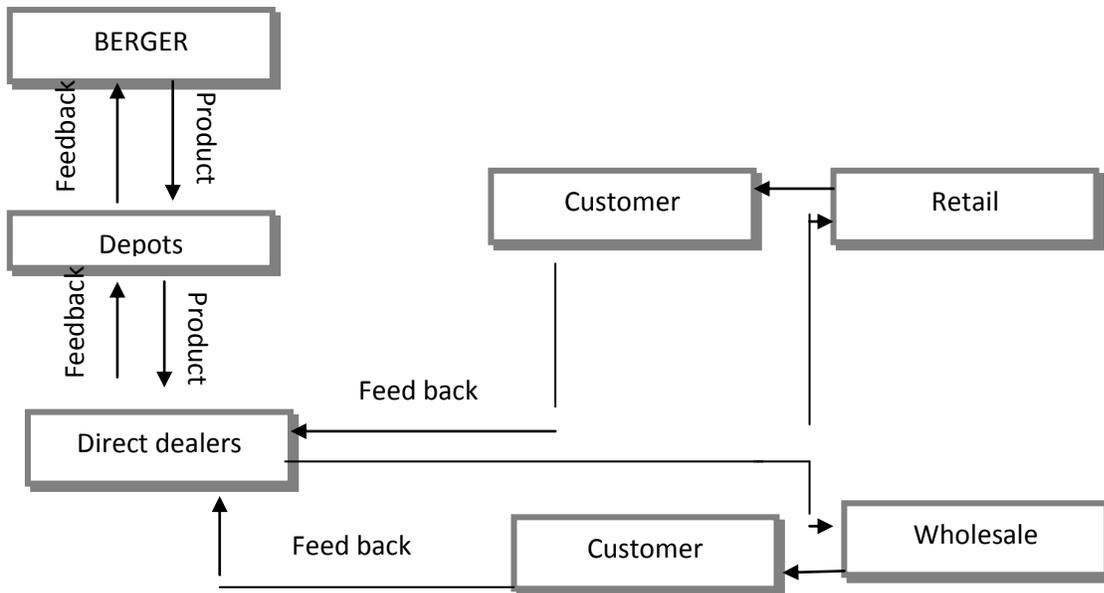
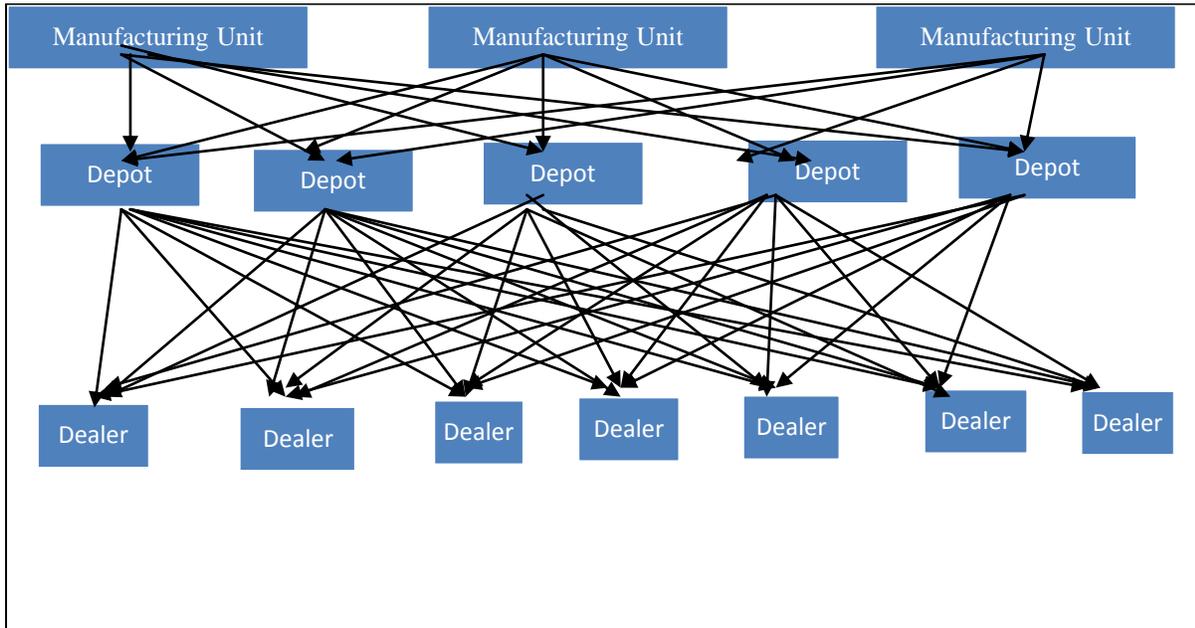
BERGER has divided their products in A,B,C category. For inventorying their products BERGER is following some storing norms. Depending on this storing norms company decides how long their product will stay in the market in accordance with the existing sales trend of that particular product. This is how the firm can determine when to order and how much to order.

Transportation

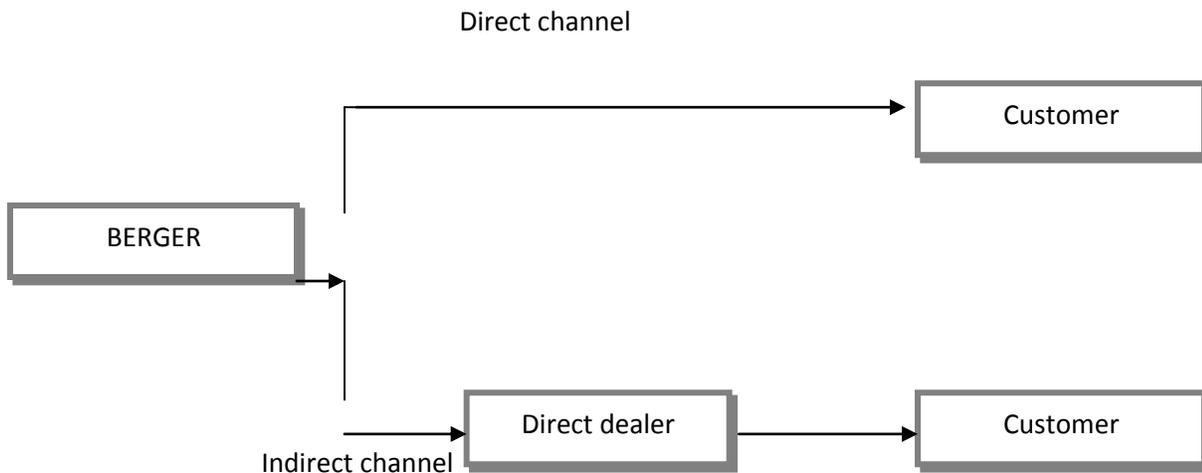
To ensure customer satisfaction BERGER uses modern and fastest going covered van as transportation carrier while moving goods from depots to dealers. But when they move goods from factory to depots they uses public transportation carriers such as truck and railway as rental basis.

Distribution network

With Head Office in Kolkata the company manufactures and markets a range of decorative & industrial paint products under various product brands and has its operations spread throughout the length & breadth of the country; with seven manufacturing facilities in India and more than 85 depots, several regional & area offices, besides four facilities overseas. It has a workforce of over 2500 employees and a countrywide distribution network of 15000 plus dealers. The orders are collected by the sales executives and passed on to the nearest depot. The depots are fed by regional warehouses. These depots maintain a minimum order quantity which is arrived at from the monthly demand forecast. The material is dispatched from the depot in the name of the dealer. Generally some orders of the same region are clubbed together and dispatched in trucks. Finally the truck is unloaded and the small orders of the dealers are dispatched to them.



BERGER's hybrid marketing system



Price :- In the paints industry price is the used only as a differentiator between the various segments in the same product line. The prices of different brands in the same segment remain more or less similar, with just a difference of 30 to 40 paise per square feet. Some of the speciality products, which are not produced by all brands, may be priced at a higher price.

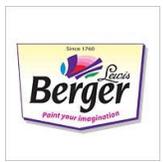
Pricing decisions in the paint industry largely depend on the price of the inputs like petro products, other raw materials, excise duties and taxes and the general operating profits. Generally increase or decrease of prices is effected across all brands in the market. Most of the paint companies offer a 5% margin to the dealer. Due to internal competition, the dealers pass on this advantage to the customers by reducing their own margins to 2-3%. This is a cause of concern for the paint companies because they have to keep a constant check on the prices offered in the market. The dealers offer more of discounts and the companies are not able to firm up the prices. Paint companies offer a lot of discounts like cash discounts, volume discounts, seasonal discounts and allowances. The dealers take advantage of these discounts to gather more business.



Promotion:- The paint industry until 1999 was concentrated mostly on increasing sales by intensive trade promotion wherein the dealers, contractors and other components of the supply chain. There was little emphasis on theme advertising directed towards the customer. A recent trend that is emerging in the Indian paint market is that the major brands have all identified the importance of reaching out to the common man instead of just limiting themselves to the intermediaries. *Advertising strategy:* BERGER follows different strategy for developing its strategy. It depends on some characteristics that is product life time, brand etc. *Media:* Berger used different media for advertising like- on-air advertisement, television, newspaper, magazines. The dealers are educated with the company background, products and service etc The time to time selling incentive are given by company according to performance of dealer and market demand. In-Store Displays: Point-of-Purchase, Berger paints Banners, Demonstrations of color on wall, etc are provided by the company. Temporary Price Reduction (TPR): They get margins plus some incentives promotion scheme to maintain the dealer. Contests: Dealer to dealer contest is kept to promote push strategy and best dealer gets the reward. Berger paints likes to do the same within same geographic areas. Sampling: Allowing the dealer to experience the product or service by providing free samples so as he can promote word of mouth. Berger's sales promotion consists of short-term incentives to encourage the purchase of sale of a product or services. Berger Paint's advertising has created brand awareness, highlighted what the brand has to offer and has consistently brought all of it top-of-the-mind for the customer. But the outreach effort does not end there. Berger Paints has recognized the importance of communicating to and involving key players who influence the final brand choice. These include channel partners, contractors and painters, on whom Berger Paints focuses by initiating and developing innovative activities and promotions. This helps build the Berger Paints family so that customers get a high degree of personalized service and professional guidance to facilitate their final decision.

Sales Promotion:

Sales Promotion is an important component of marketing communications mix. It adds an extra value to the product and hence prompts the dealer or consumer to buy the product. In a specific



sense, sales promotion includes those sales activities that supplement both personal selling and advertising, and coordinate them and make them effective, such as displays, shows, demonstrations and other non-recurrent selling efforts not in the ordinary routine.

Sales promotion can be used:

- For facilitating introduction of new products
- For overcoming unique competitive situation
- For unloading accumulated inventory
- For overcoming seasonal slumps
- For getting new accounts
- For retrieving lost accounts
- As a support and supplement to the advertising effort
- As a support and supplement to the salesmen's effort
- For persuading salesmen to sell the full line of product
- For persuading the dealer to buy more or increase the size of order

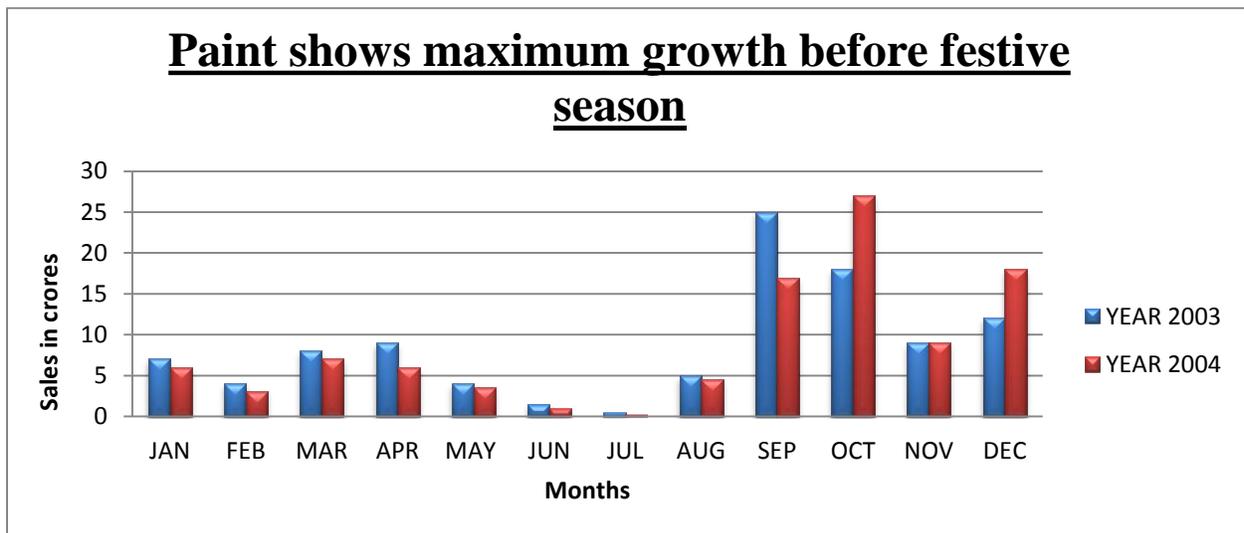
Commonly Used Tools and Techniques of Sales Promotion:

- Demonstrations
- Trade Fairs and Exhibition
- Coupons, Premiums, Free offers, Price-offs, etc
- Free samples
- Joint promotion
- Contests (consumer contests, dealer contests)
- Merchandising or Display
- Sales promotion on the internet

The company has been concentrating more on sales promotion than on advertising. On analyzing the customer survey data it becomes evident that since the customer is returning to the store after an average of about three years it is better to concentrate more on the dealers who are in the

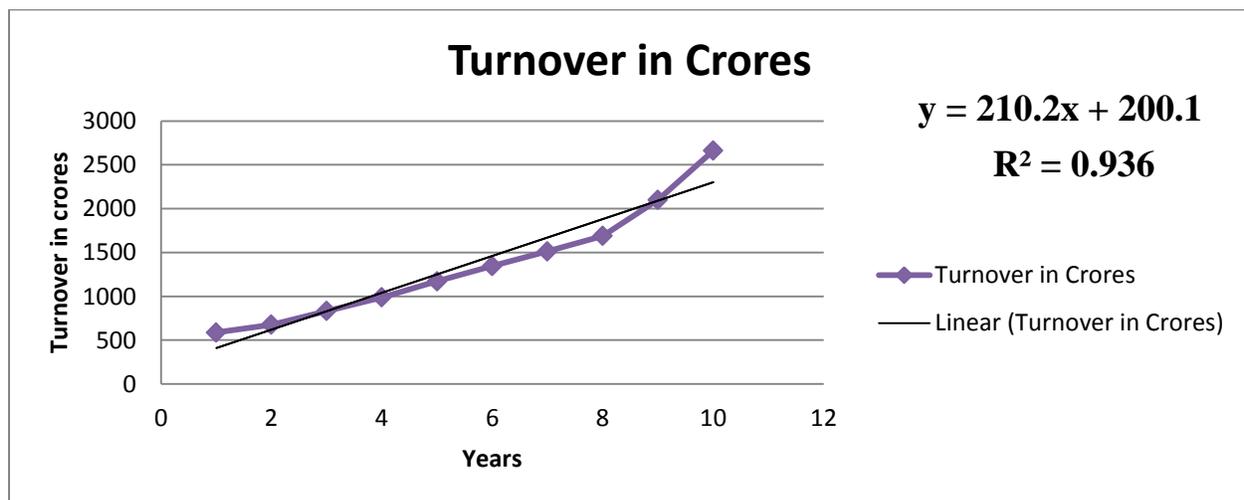
business throughout the year. Keeping this in mind the company’s decision of doing more sales promotion than advertising stands justified. Sales promotion can broadly be divided into two categories:

- 1) Customer promotion – this section includes all the sales promotion activities directed towards the customers. Scratch cards that are provided with specific size of packages are examples. The company comes out with many different sales promotion schemes during the festival season, especially the durga puja festival in Orissa and West Bengal. There are a number of gifts and schemes on the larger packs. Coupons and free gifts are offered on packs of more than 10 kgs. The company also offers a large number of services to the customers to assist them in their buying decisions. These services are offered on the company’s website to make it accessible to a very wide range of customers.
- 2) Trade promotion – As part of the company’s policy, huge emphasis is given on trade promotion. The dealers and contractors who are a part of the distribution chain are given special attention. The company comes up with several incentive schemes for the dealers. The most popular schemes include cash discounts, foreign trips and gifts such as refrigerators etc for dealers who succeed in meeting or exceeding pre-determined sales targets. The company also organizes regional dealer meets regularly. Here the dealers are briefed about the company’s new products and the technical details and application procedures of these products. The company also aims at building and retaining dealer loyalty through these meetings.



2.12 Sales Turnover For the Past Ten Years

Year	Year Number (x)	Sales turnover in crores (y)
Mar '03	1	586.43
Mar '04	2	675.82
Mar '05	3	831.68
Mar '06	4	987.91
Mar '07	5	1,172.21
Mar '08	6	1,346.21
Mar '09	7	1,513.74
Mar '10	8	1,688.68
Mar '11	9	2,100.82
Mar '12	10	2,662.10



An upward trend line shows that the sales volume have risen over the past years, it gives an impression that the company has been continuously progressing.

CHAPTER 3

RESEARCH PROBLEM

&

BACKGROUND



3.1 Background

This project is basically based on the analysis of the existing contractors, investigating a new avenue of contractors i.e the interior decorators and architects and also comparing the advertisements of Berger Paints with its competitors.

1) KYC is an acronym for "Know Your Customer", a term commonly used for Customer Identification Process. The activities of customer that financial institution and other regulated companies must perform to identify their clients and ascertain relevant information pertinent to doing financial business with them.

The KYC guidelines of BERGER PAINTS INDIA LTD are to collect three proofs from their customers.

They are

1. Photograph
2. Proof of identity
3. Proof of address

Accordingly, BERGER has framed its KYC procedure according to which, a photograph and documentary proof of personal identification and address proof are required to be provided.

In addition to these documents various other information like the per year consumption of each paint category, construction chemicals and wood finish were taken. These data formed the main basis of the study. Various analysis like brand preferences, contribution of each product in the total sales volume etc were analysed.

2) Investigating a new avenue in the market, this in marketing perspective is increasing the customer base, which will in turn lead to sales expansion and growth. This is done in case of the interior decorators and architects. In marketing terms we can define market expansion as a growth strategy in which an organization targets existing products to new markets, market



development by targeting new geographic markets, new demographic or psychographic segments, or totally new users.

3) Analysis of the advertisements : Advertising is a form of communication for marketing and used to encourage or persuade an audience (viewers, readers or listeners; sometimes a specific group) to continue or take some new action. Most commonly, the desired result is to drive consumer behavior with respect to a commercial offering. So we can say here that better the quality of the advertisements better is the customer response.

3.2 Research Problem

In this case the research problem is divided into three heads :

- Analyse the existing contractors satisfaction level, contribution in the sales volume, tastes and preferences in terms of choice of a particular paint brand and scopes for increase in the volume of sales.
- Investigate a new market with existing products in hand i.e, the interior decorators and contractors, analyse their state, the brand preference, and the type of job they do so that they can be converted into dedicated customers in near future.
- A comparative analysis of the advertisements of Berger Paints with respect to its competitors and suggest the various strengths and weakness of the media promotion of Berger Paints.

CHAPTER 4

OBJECTIVES AND SCOPE OF STUDY



4.1 Objectives

The main objectives of the study is listed below :

- To find the preference and choices of contractors regarding the different paint brands.
- To collect appropriate contractor identification (address proof, passport size photo).
- To survey the total purchase of different kinds of paints by the contractors.
- To survey the market potential of the company.
- To survey a new avenue of customers i.e the interior decorators and architects about their choices and preferences of different paint brands, who were previously not a part of Berger Paints target customers.
- A qualitative analysis of the impact of the advertisements of Berger Paints on the customers.

4.2 Scope of Study

The main scopes of the study is listed below :

- It gives us information about the various categories of the contractors on the basis of their total purchase.
- It gives us information about the proportion of dedicated Berger Paints contractors.
- It shows the market share of Berger Paints with respect to its contractors.
- It gives the information regarding the preference and choices of the different contractors.
- The study also gives information regarding a new market segment i.e the interior decorators and architects which was not previously the target of Berger Paints about their tastes and preference of brands and their needs and expectations from the paint industry.
- It gives us information that how much effective the advertisements of Berger Paints are as a promotional strategy with respect to its competitors.

CHAPTER 5

**PROJECT
METHODOLOGY**



5.1 Research Objective

The prime objective of this study was to analyse the taste and preference of the existing contractors of Berger Paints, their contribution to the sales volume and their expectations from the company. Secondly, investigating a new avenue of customers i.e the interior decorators and architects and getting information about their tastes and preferences so that they can be converted into customers of Berger Paints. And thirdly, analyzing the advertisements of berger paints and comparing with those of its competitors.

5.2 Research Design

- Contractor and Interior Decorator analysis : Descriptive research design
- Advertisement Analysis : Exploratory research design

5.3 Data

- Primary Data : Primary data collected by interviewing the contractors and interior decorators.
- Secondary Data : Web based data are used as secondary data

5.4 Research Instrument

Two different sets of questionnaire one for the contractors and the other for the interior decorators and architects were used. Most of the questions were open ended.

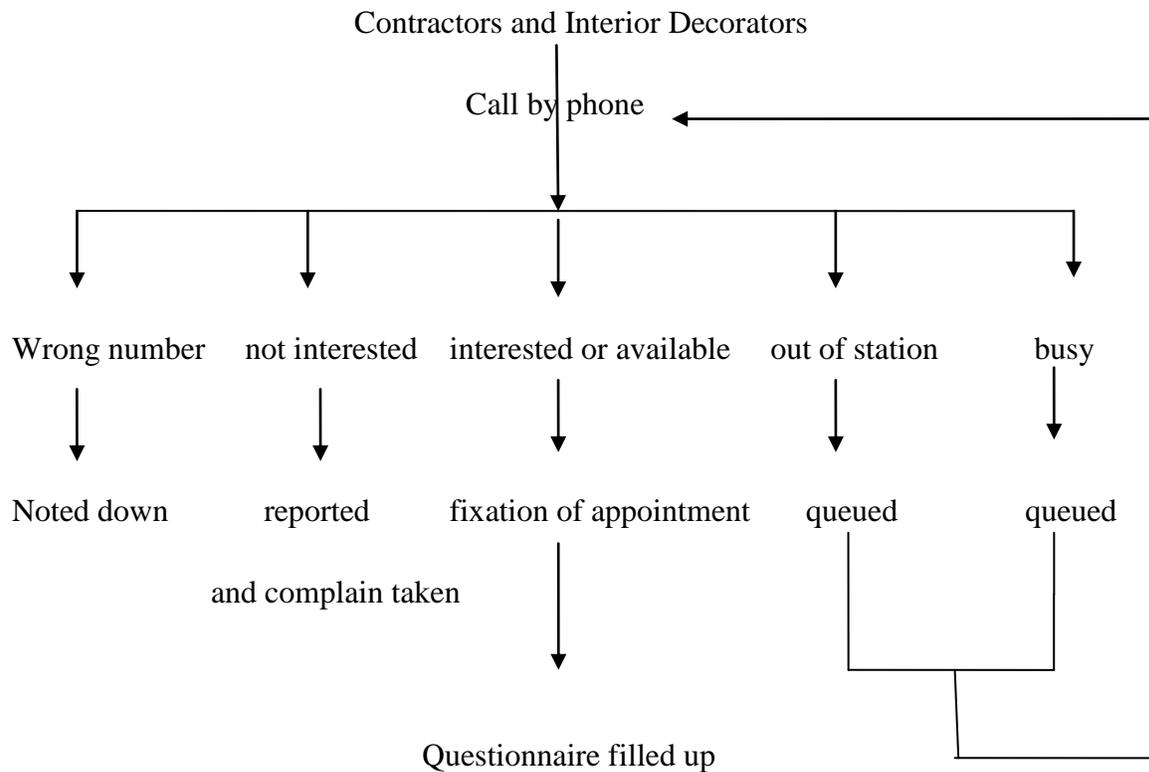
5.5 Research Tool

Many statistical tools like,

- Bar Charts
- Pie Charts
- Chi Square Analysis
- ANOVA

Have been used in this research to derive the conclusion

5.6 Research Plan





5.7 Sample Size

Contractors	Sample Size : 98 Successful Survey : 65 Wrong Numbers : 12 Failures : 21
Interior Decorators	Sample Size : 35 Successful Survey : 19 Wrong Numbers : 3 Failures : 13

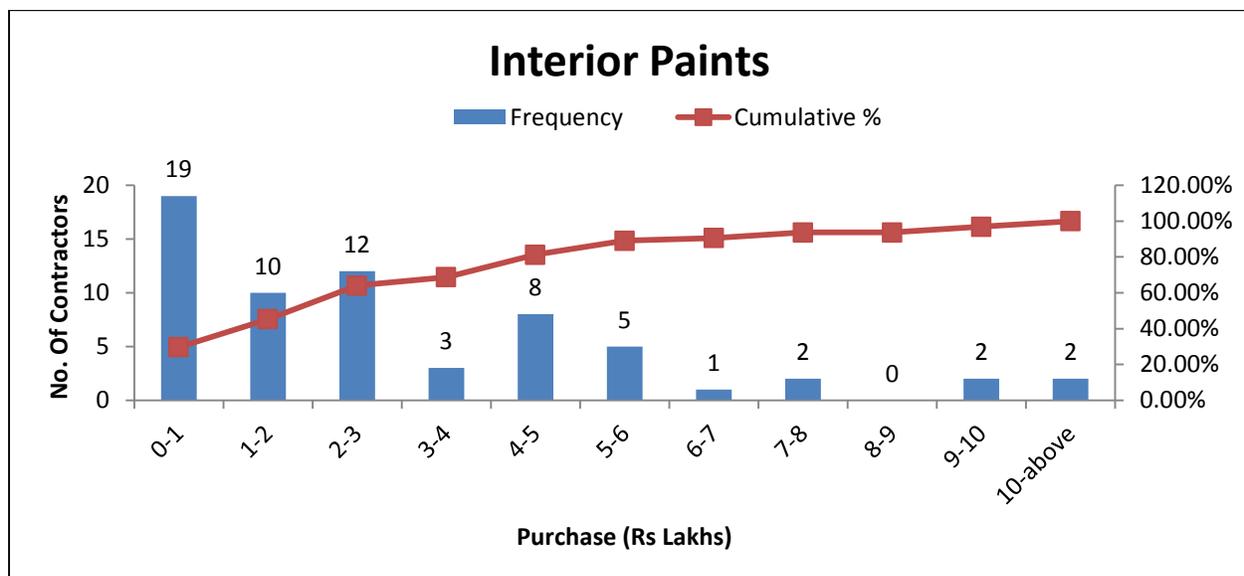
CHAPTER 6

**DATA ANALYSIS AND
INTERPRETATION**

6.1 Know Your Contractors

6.1.1 Interior Paints

Purchase (Rs Lakhs)	No. Of Contractors	Cumulative %
0-1	19	29.69%
1-2	10	45.31%
2-3	12	64.06%
3-4	3	68.75%
4-5	8	81.25%
5-6	5	89.06%
6-7	1	90.63%
7-8	2	93.75%
8-9	0	93.75%
9-10	2	96.88%
10-above	2	100.00%

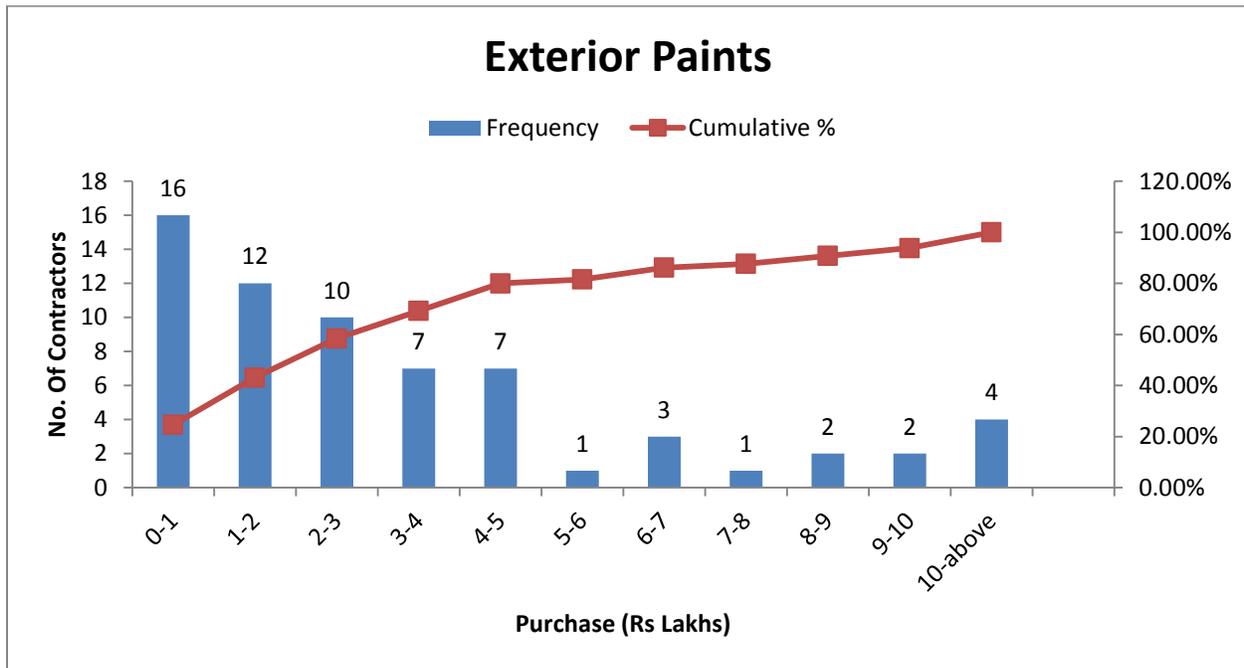


Interpretation

- Maximum number of contractors purchases interior paints of value between 0 to 5 lakhs yearly.
- Very few contractors i.e only 12.5% purchases interior paints of value between 6 to 10 lakhs.
- There are only few well to do contractors i.e roughly 3% who have a purchase capacity above 10 lakhs.

6.1.2 Exterior Paints

<i>Purchase (Rs Lakhs)</i>	<i>No. Of Contractors</i>	<i>Cumulative %</i>
0-1	16	24.62%
1-2	12	43.08%
2-3	10	58.46%
3-4	7	69.23%
4-5	7	80.00%
5-6	1	81.54%
6-7	3	86.15%
7-8	1	87.69%
8-9	2	90.77%
9-10	2	93.85%
10-above	4	100.00%

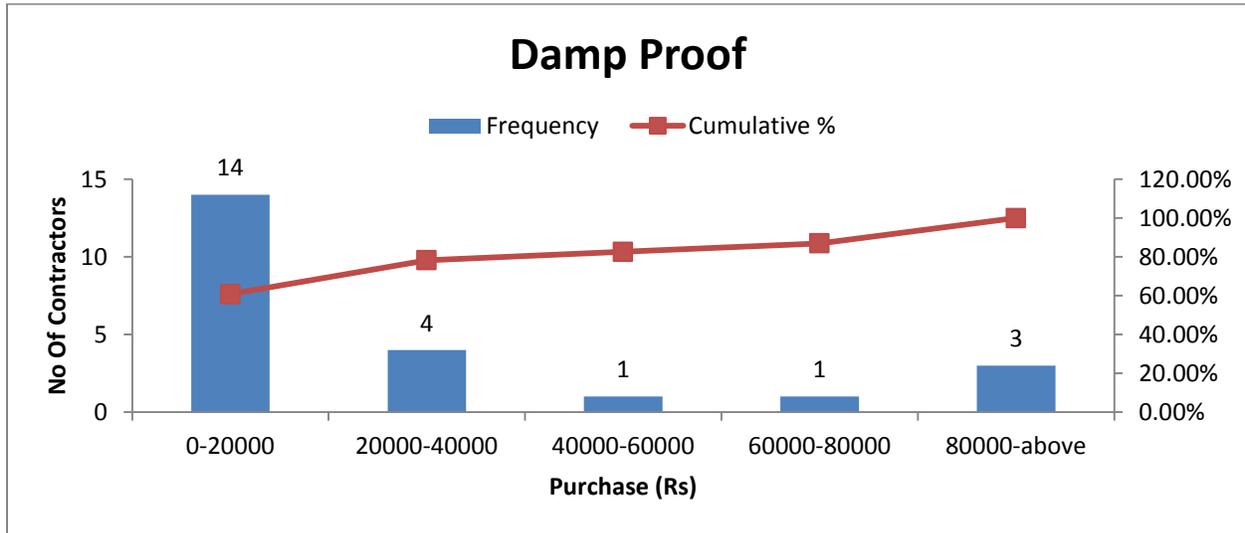


Interpretation

- Most of the contractors i.e around 80% have their annual purchase between 0 to 5 lakhs.
- Very few contractors i.e around 10% are well to do having their purchase above 9 or 10 lakhs.

6.1.3 Damp Proof

Purchase (Rs)	No Of Contractors	Cumulative %
0-20000	14	60.87%
20000-40000	4	78.26%
40000-60000	1	82.61%
60000-80000	1	86.96%
80000-above	3	100.00%

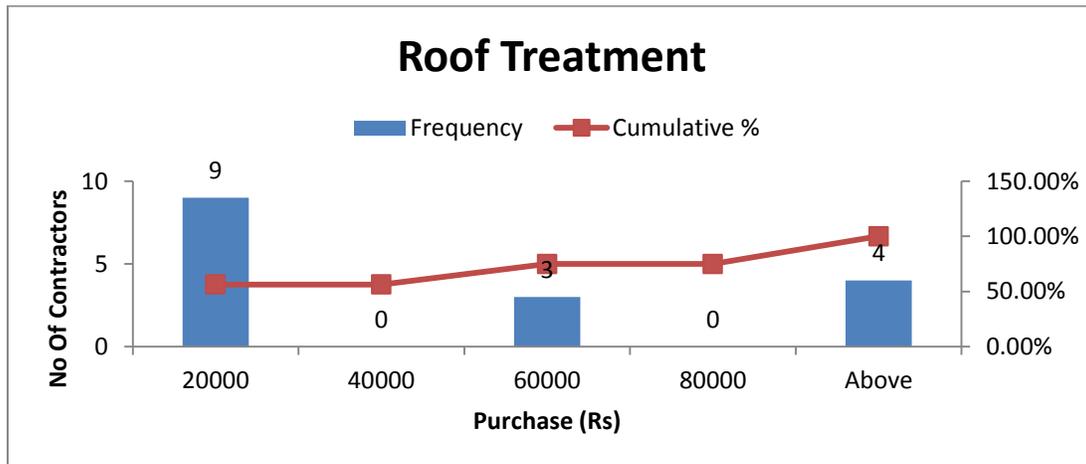


Interpretation

- Roughly 70% of the contractors make their annual damp proof purchase within Rs 40,000.
- Very few i.e near about 15% of the contractors have their annual purchase above Rs 80,000.
- Total sales of damp proof of Berger Paints are comparatively less with respect to the sales of interior and exterior paints.

6.1.4 Roof Treatment

<i>Bin</i>	<i>Frequency</i>	<i>Cumulative %</i>
0-20000	9	56.25%
20000-40000	0	56.25%
40000-60000	3	75.00%
60000-80000	0	75.00%
80000-Above	4	100.00%

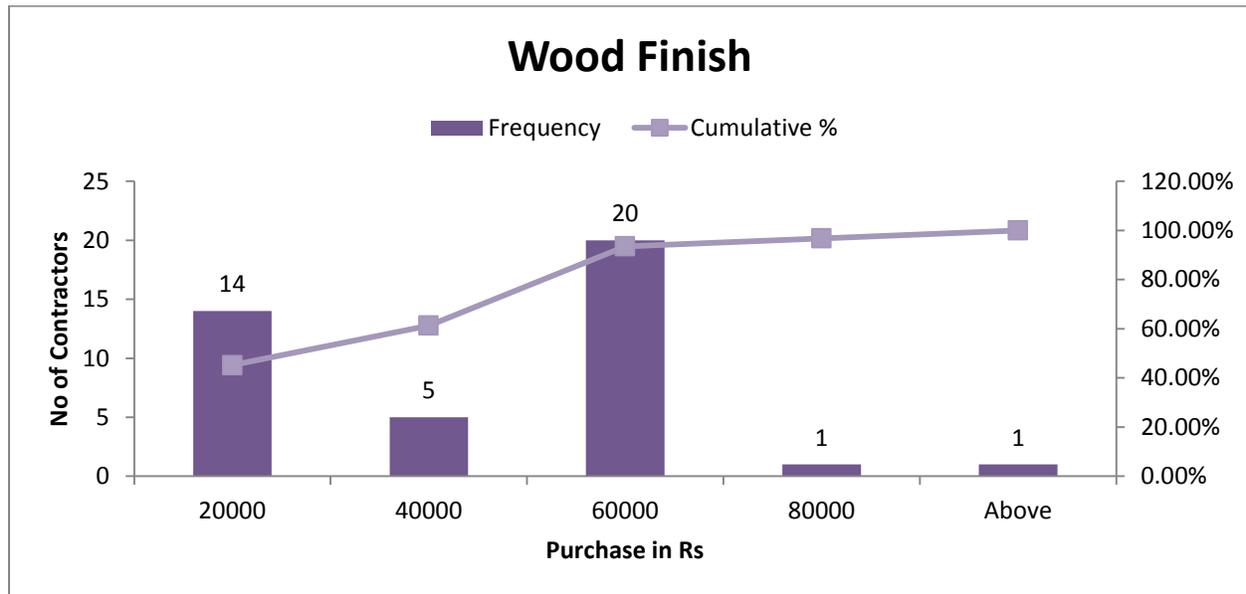


Interpretation

- Very few contractors use roof treatment materials of Berger Paints i.e out of a sample of 60 only 16 contractors (roughly 26%) .
- Maximum contractors i.e 56.25% make annual purchase of roof treatment materials within Rs 20,000.
- Only a few contractors i.e 25% have their annual purchase of roof treatment above Rs 80,000.

6.1.5 Wood Finish

<i>Purchase in Rs</i>	<i>No Of Contractors</i>	<i>Cumulative %</i>
0-20000	14	45.16%
20000-40000	5	61.29%
40000-60000	10	93.55%
60000-80000	1	96.77%
80000-Above	1	100.00%

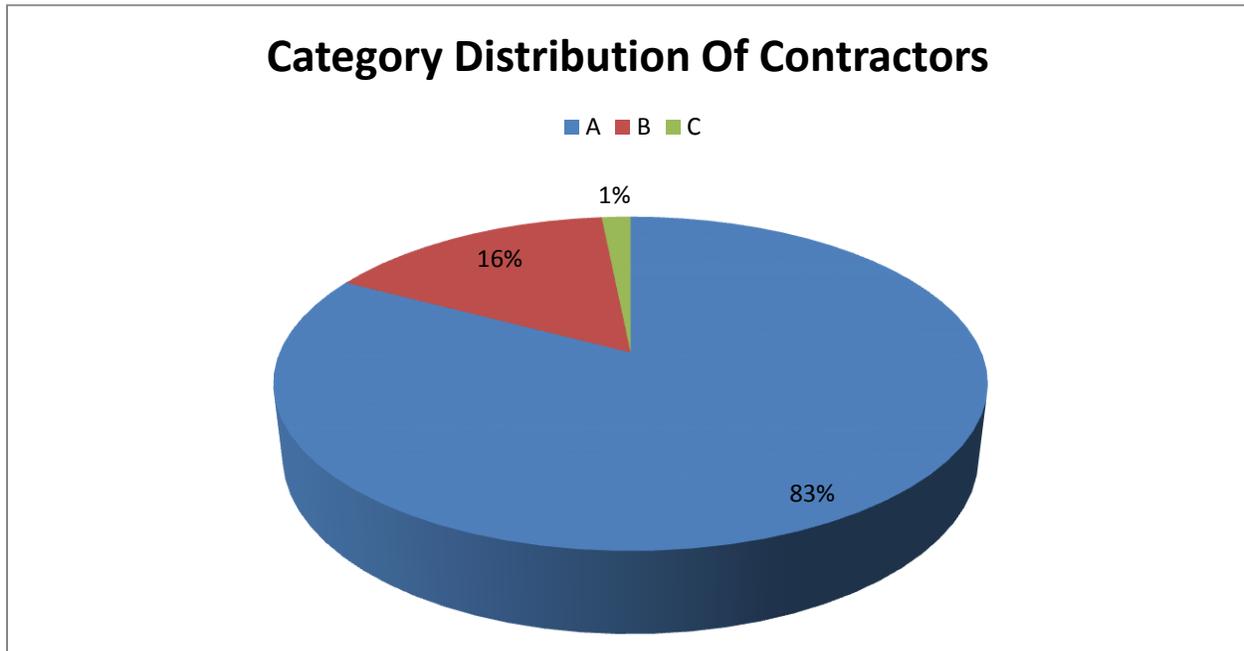


Interpretation

- Major section of the contractors i.e 93% makes their purchase within Rs 60,000.
- Purchase of wood finish materials of Berger Paints is comparatively less, the highest annual purchase lying within a range of Rs 1,00,000.
- Out of all the respondents only half of them use wood finish materials of Berger Paints.

6.1.6 Category Distribution

Category	Frequency
A	53
B	10
C	1



The contractors have been divided into categories on the basis of their total annual purchase of different types of paints. There is mainly three categories :-

Category C – below Rs 2,00,000

Category B – between Rs 2,00,000 and Rs 5,00,000

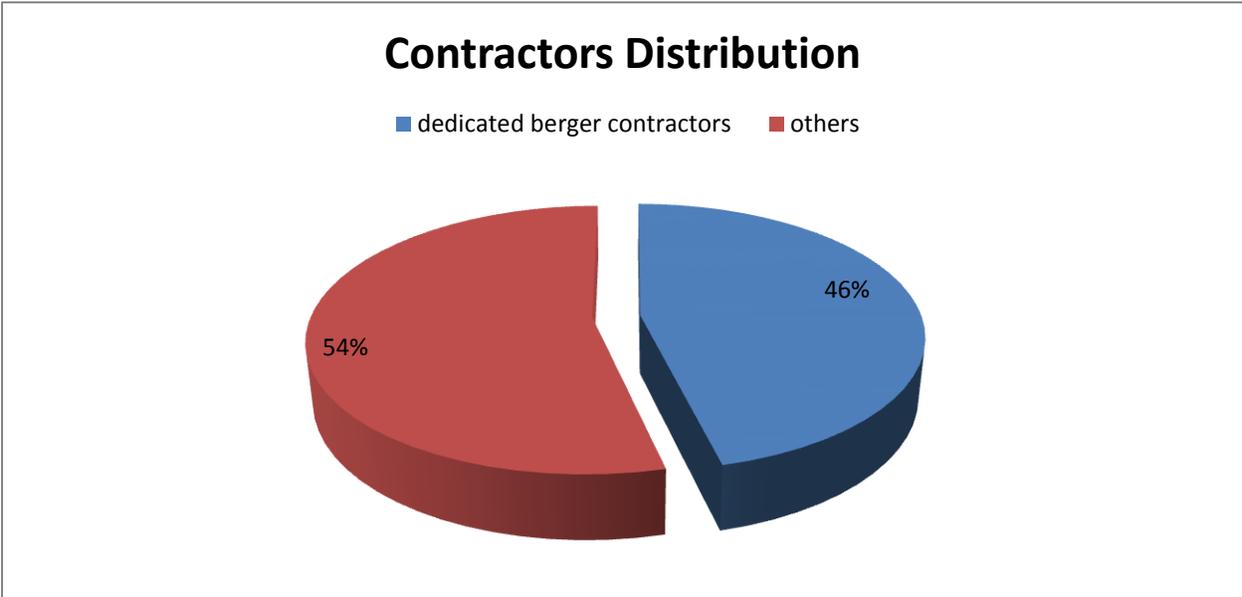
Category A – above Rs 5,00,000

Interpretation

- According to the analysis 83% , 16% and 1% of the contractors fall in the categories A, B and C respectively.
- Major section of the contractors have an annual purchase of above Rs 5,00,000.

6.1.7 Contractors Distribution

Type	Frequency
dedicated berger contractors	30
others	35

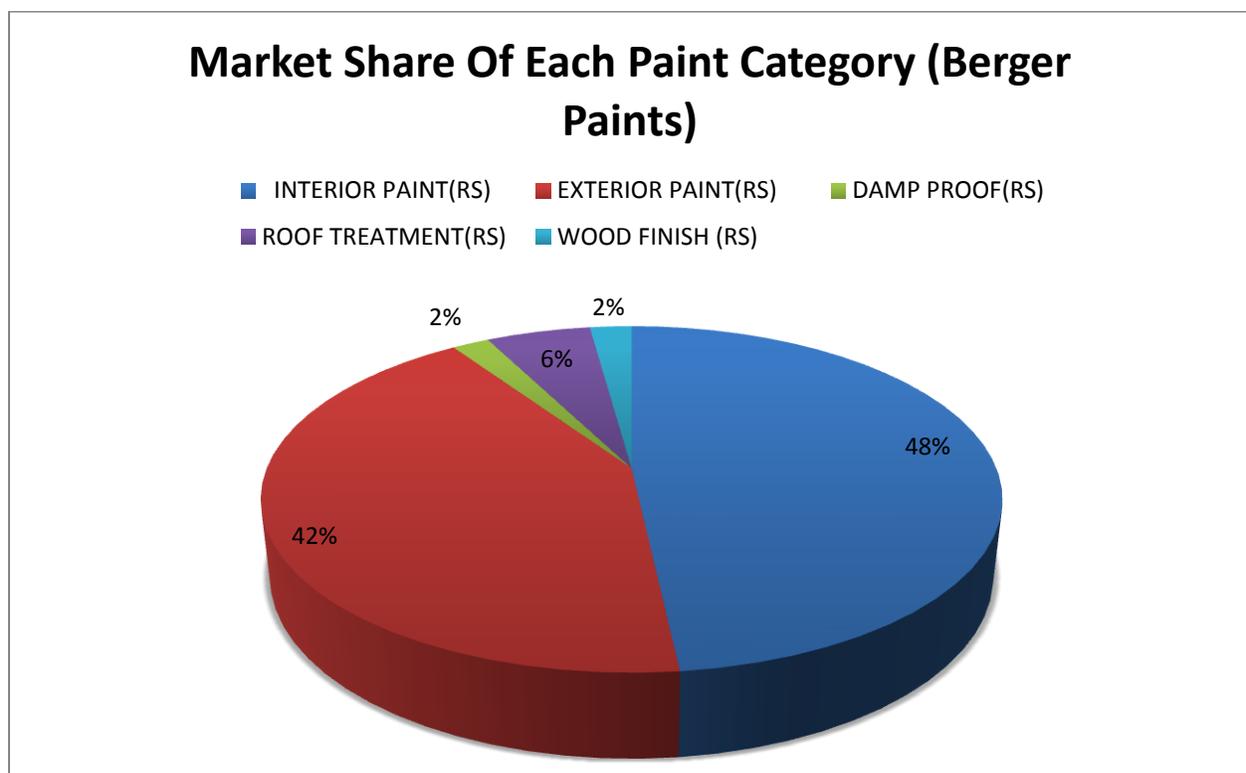


Interpretation

- According to the analysis it can be seen that 46% of the respondent contractors are dedicatedly using Berger Paints products .
- The remaining 54% respondent contractors are not fully using Berger Paints products. Their choice differ on the basis of their preference or preference of their customers i.e the householders.

6.1.8 Market Share Of Individual Paint Category Of Berger Paints

INTERIOR PAINT(RS)	EXTERIOR PAINT(RS)	DAMP PROOF(RS)	ROOF TREATMENT(RS)	WOOD FINISH (RS)
23672000	20730000	940000	2650000	1060000



Interpretation

From the above analysis it can be interpreted that 90% of the total revenue comes from the sale of paints both interior and exterior. The remaining 10% comprises of the construction chemicals and wood finish materials. (this analysis is based on the annual purchase of the contractors)

6.1.9 Chi Square test to analyze the brand preference

Brand Preference With Respect To The Choice Of Interior And Exterior Paints						
<i>Original Values</i>						
	Berger	Asian	ICI	Nerolac	Shalimar	Total
Interior	17	11	5	2	2	37
Exterior	14	8	2	3	1	28
Total	31	19	7	5	3	65
<i>EXPECTED VALUES</i>						
			<i>FORMULA: (row total* cloumn total)/ grand total</i>			
	Berger	Asian	ICI	Nerolac	Shalimar	Total
Interior	17.639	10.811	3.983	2.845	1.707	37
Exterior	13.3517	8.1833	3.0149	2.1535	1.2921	28
Total	31	19	7	5	3	65
Chi-test Value=	0.850530371					

A **chi-squared test**, also referred to as **chi-square test** or χ^2 test, is any statistical hypothesis test in which the sampling distribution of the test statistic is a chi-squared distribution when the null hypothesis is true, meaning that the sampling distribution (if the null hypothesis is true) can be made to approximate a chi-squared distribution as closely as desired by making the sample size large enough.

From the data we collected through survey,

Null hypothesis: The attributes are independent i.e. the difference in brands does not have an impact on the choice of interior and exterior paints.



Alternate hypothesis: The attributes are dependent i.e. the difference in brands has an impact on the choice of interior and exterior paints.

In Excel, the formula to evaluate is:-

CHISQUARE TEST chi-square(actual range, expected range)

The value after evaluation,

$$\chi^2 \rightarrow \mathbf{0.850530371}$$

Degree of freedom (DOF) = 4

Table value for 5% level of significance with DOF 4 is 9.49

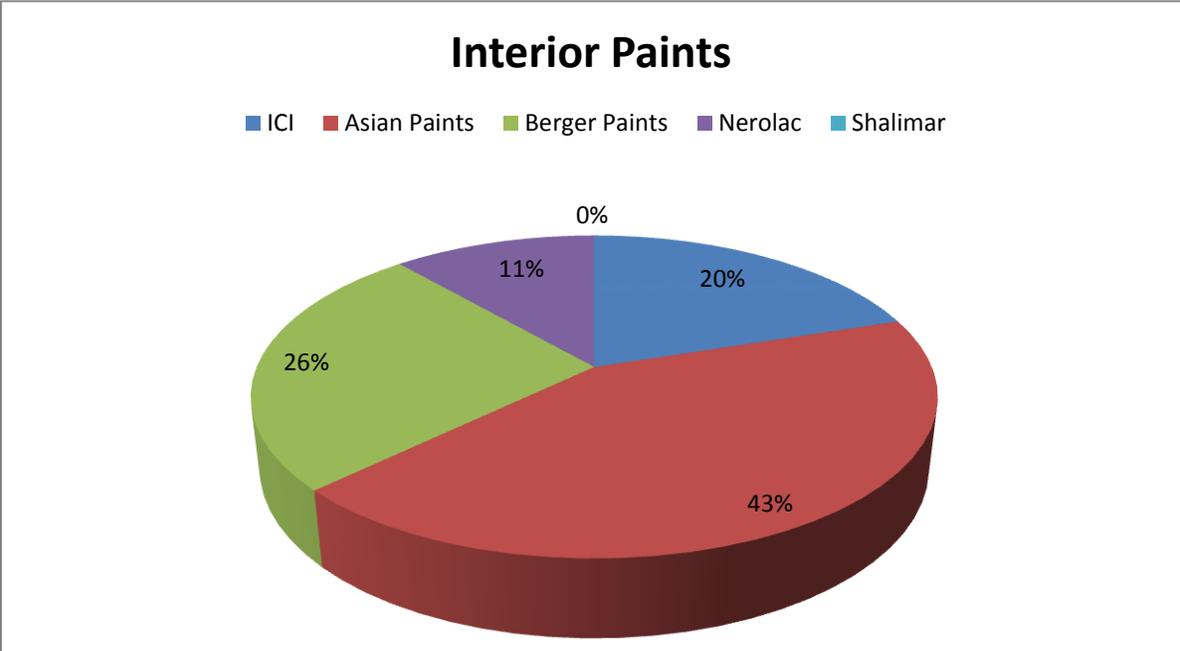
Interpretation

0.850530371 is less than the table value 9.49. Therefore we can say, the null hypothesis is accepted i.e. the difference in brands does not have an impact on the choice of interior and exterior paints.

6.2 Analysis Of Interior Decorators / Architects

6.2.1 Interior Paints

Brands	ICI	Asian Paints	Berger Paints	Nerolac	Shalimar
No Of Respondent	7	15	9	4	0



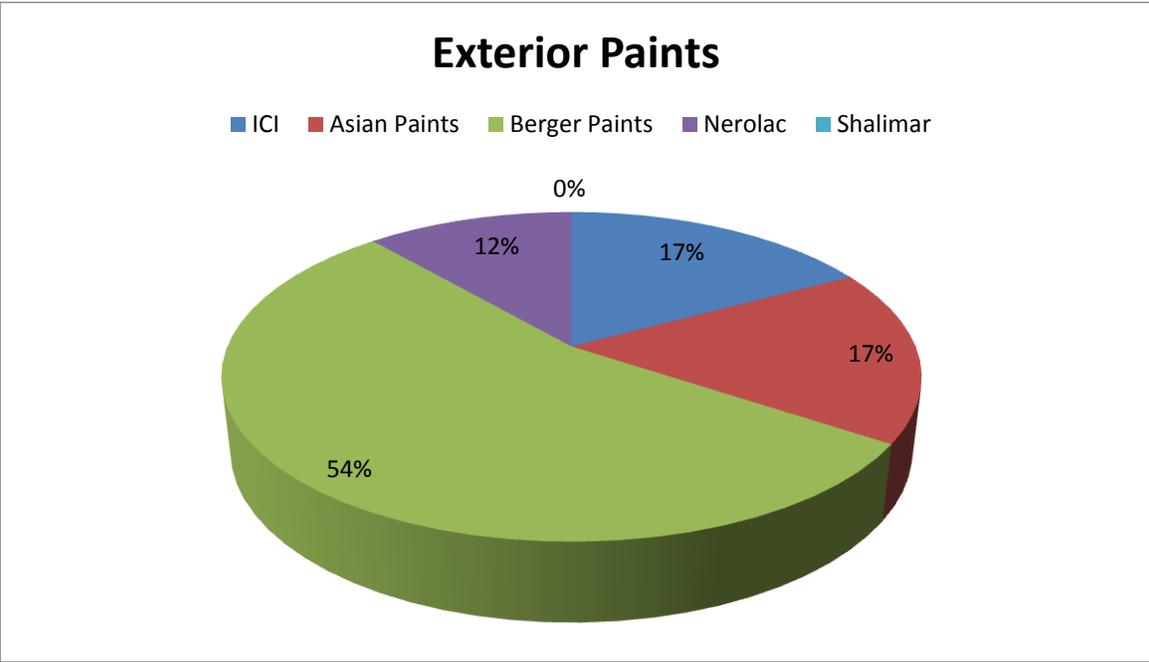
Interpretation

In the interior paint category the maximum market share is enjoyed by Asian Paints comprising of 43% , Berger Paints and ICI almost enjoy equal shares of 26% and 20 % respectively. Nerolac and Shalimar having negligible contribution in the market share.

So it can be interpreted that Asian Paints is the market leader followed by strong competitors like Berger Paints and ICI.

6.2.2 Exterior Paints

Brands	ICI	Asian Paints	Berger Paints	Nerolac	Shalimar
No Of Respondent	6	6	19	4	0

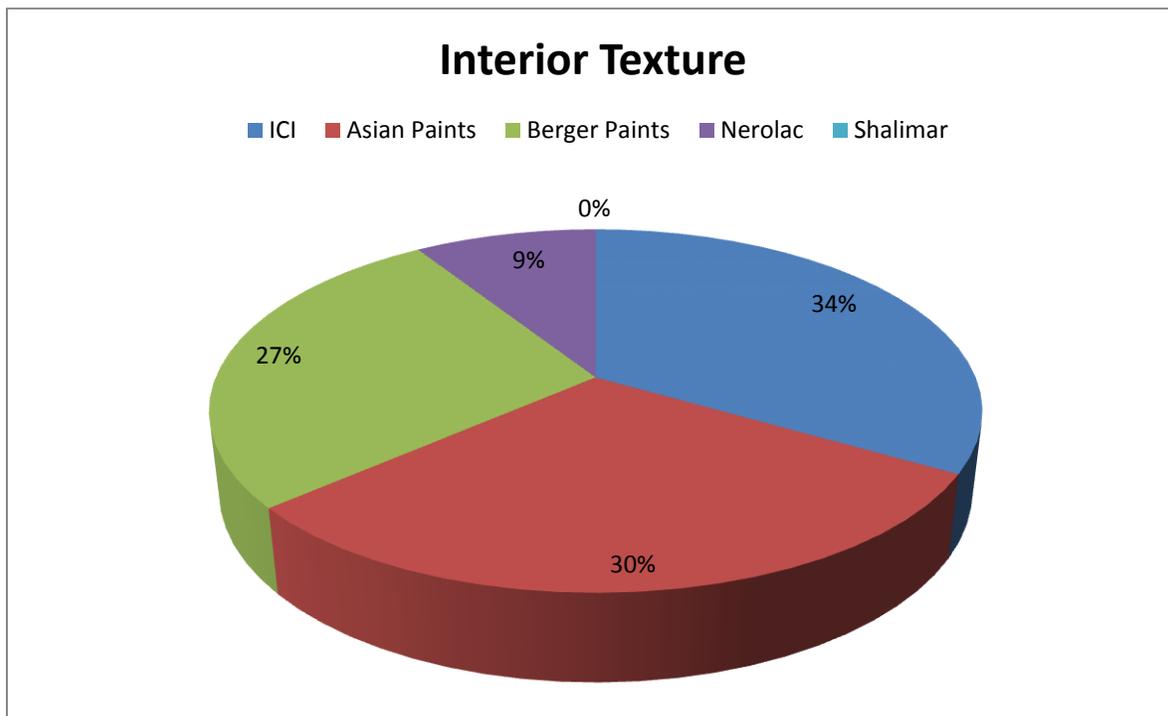


Interpretation

Berger Paints has a greater response in the market in the field of exterior paints being the market leader with a share of 54%. Asian Paints and ICI enjoy equal share of 17% each and they stand out as serious competitor to Berger Paints. Nerolac having a share of 12% and in case of Shalimar paints, the share is negligible.

6.2.3 Interior Texture Paints

Brands	ICI	Asian Paints	Berger Paints	Nerolac	Shalimar
No Of Respondent	11	10	9	3	0



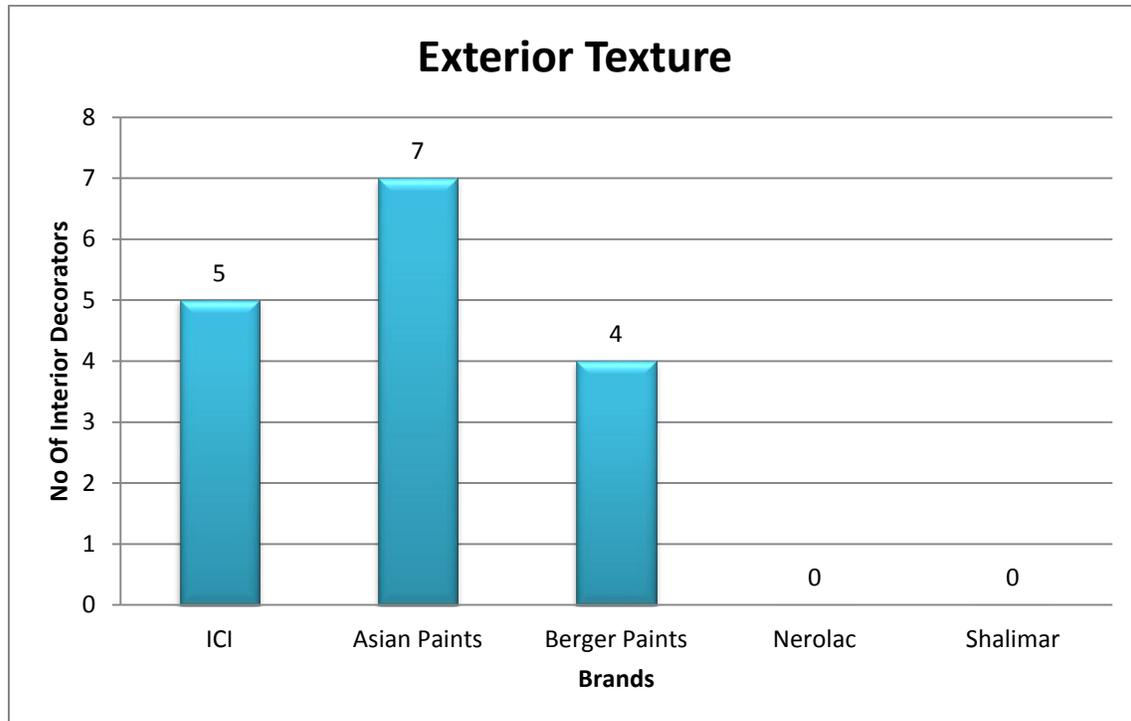
Interpretation

In the interior texture paint category the maximum market share is enjoyed by ICI comprising of 34% , Berger Paints and Asian Paints almost enjoy equal shares of 27% and 30 % respectively. Nerolac and Shalimar having negligible contribution in the market share.

So it can be interpreted that ICI is the market leader followed by strong competitors like Berger Paints and Asian Paints.

6.2.4 Exterior Texture Paints

Brands	ICI	Asian Paints	Berger Paints	Nerolac	Shalimar
No Of Respondent	5	7	4	0	0

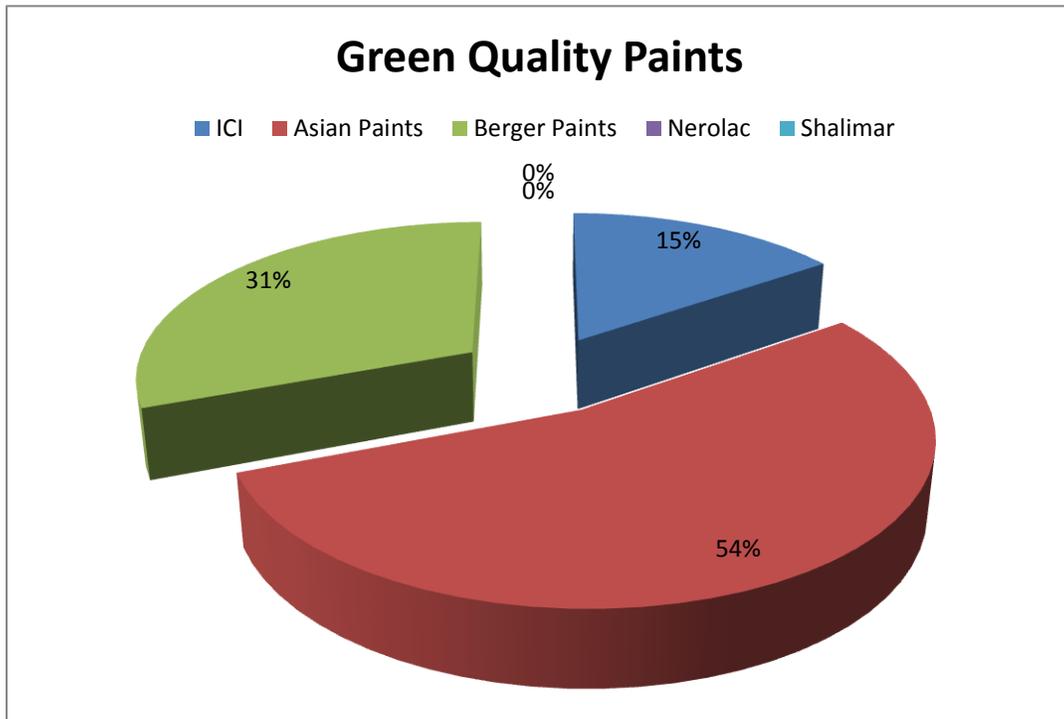


Interpretation

- Out of 35 respondents only 19 interior decorators / architects use exterior texture paints which comprise 54% of the total sample.
- Asian Paints is the market leader enjoying roughly 44% of the market share.
- Berger Paints and ICI almost enjoy equal shares of 25% and 31 % respectively and standing as a serious competitor to Asian Paints.
- Nerolac and Shalimar have almost negligible market share.

6.2.5 Breathe Easy Enamel / Emulsions

Brands	ICI	Asian Paints	Berger Paints	Nerolac	Shalimar
No Of Respondent	2	7	4	0	0



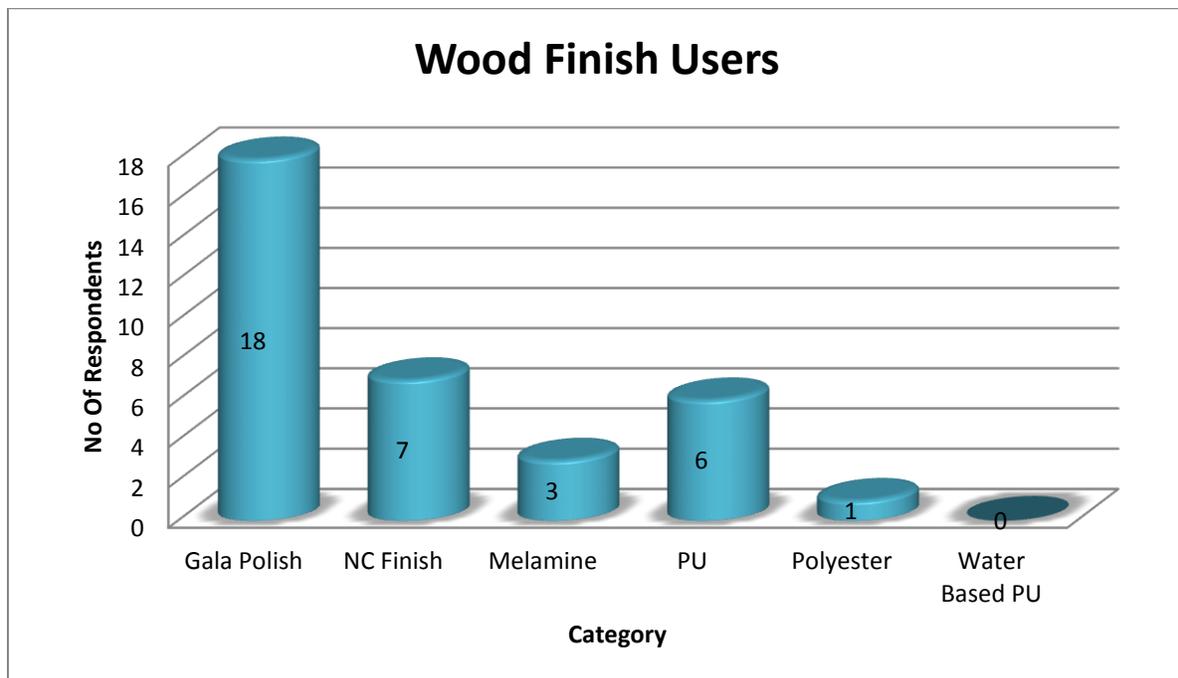
Interpretation

In the Breathe Easy Emulsion category the maximum market share is enjoyed by Asian Paints comprising of 54% , Berger Paints enjoy the 2nd most market share of 31% and ICI enjoys the 3rd most market share 15 % .

So it can be interpreted that Asian Paints is the market leader followed by strong competitors like Berger Paints and ICI.

6.2.6 Wood Finish Materials

Category	No Of Respondent
Gala Polish	18
NC Finish	7
Melamine	3
PU	6
Polyester	1
Water Based PU	0



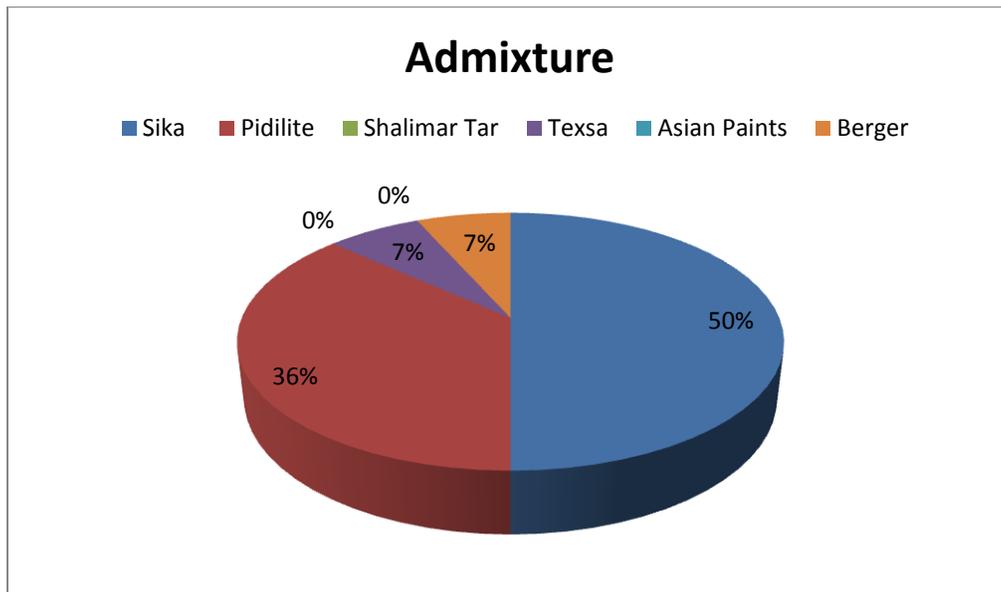
Interpretation

- Out of 35 respondents 18 use Gala Polish which comprises of the maximum share among all wood finish materials.
- NC Finish and PU are also in demand among the interior decorators and architects.

- The users of Melamine, Polyester and Water Based PU are very few, i.e they are not in much demand in the market of wood finish materials.

6.2.7 Admixture

Brands	Sika	Pidilite	Shalimar Tar	Texsa	Asian Paints	Berger
No Of Respondent	15	11	0	2	0	2

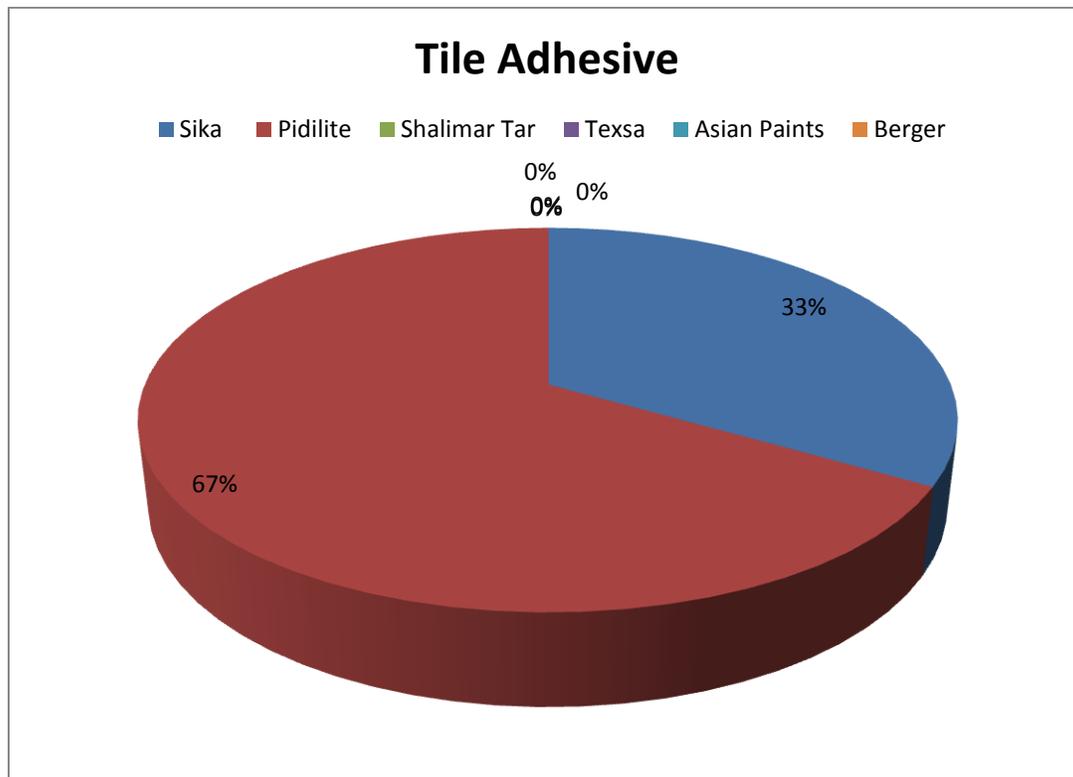


Interpretation

- In the Admixture category of Construction Chemicals its seen that most of the Interior Decorators prefer brands like Sika and Pidilite.
- Sika is the market leader enjoying a market share of 50%.
- Pidilite gives Sika a good competition with a market share of 36%.
- The rest like Texsa, Berger Paints, Shalimar Tar Paints etc enjoy negligible market share as compared to Sika and Pidilite.

6.2.8 Tile Adhesive

Brands	Sika	Pidilite	Shalimar Tar	Texsa	Asian Paints	Berger
No Of Respondent	9	18	0	0	0	0

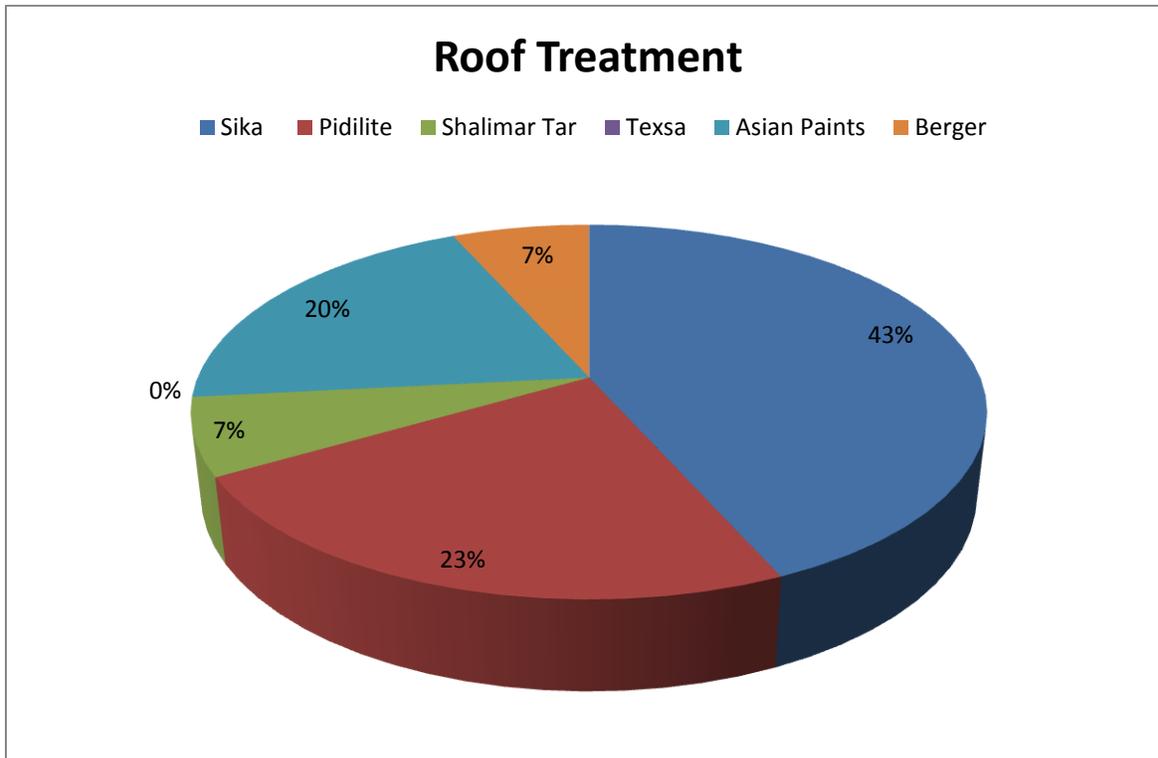


Interpretation

In the category of Tile Adhesive it is seen that brands like Pidilite and Sika are only preferred among Interior Decorators and Architects. Pidilite enjoy a greater market share of 67% which is 2/3 rd of the whole market standing out as the market leader and Sika gives it a good competition with a market share of 33%. Other brands are not preferred as such by this particular segment of the market.

6.2.9 Roof Treatment

Brands	Sika	Pidilite	Shalimar Tar	Texsa	Asian Paints	Berger
No Of Respondent	13	7	2	0	6	2

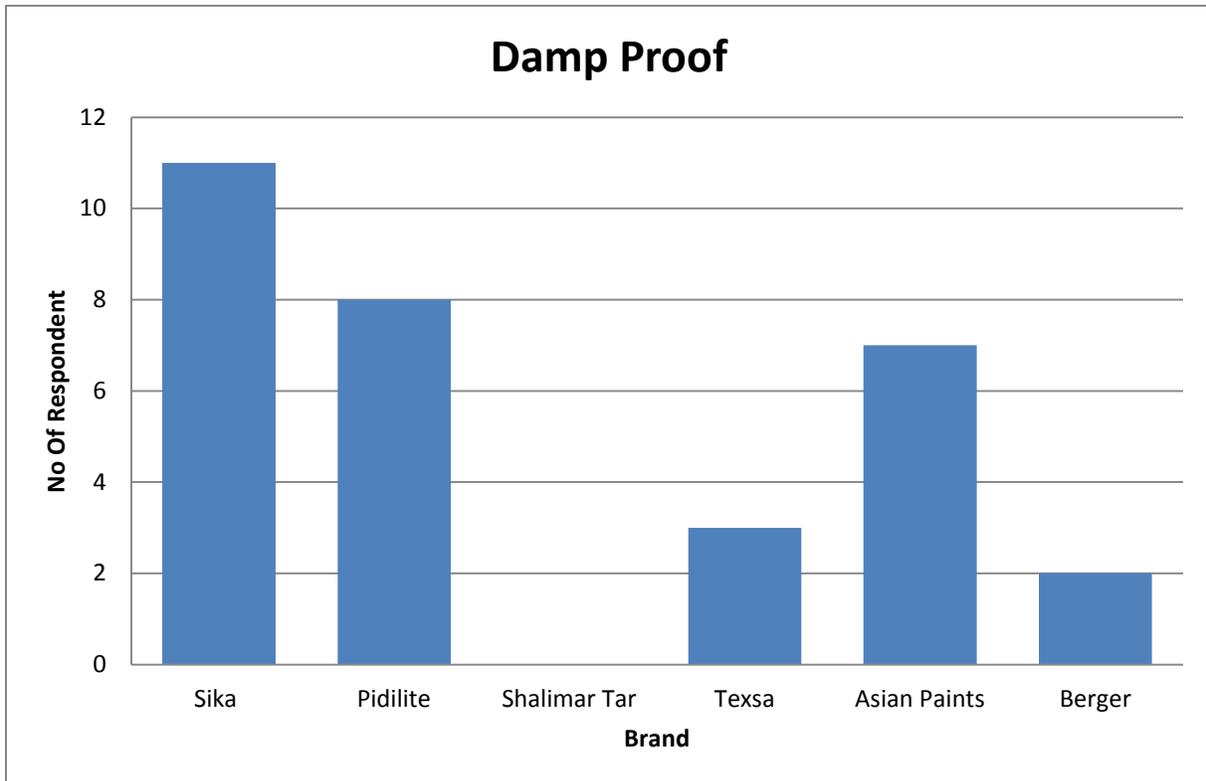


Interpretation

- In this section of construction chemicals also we see that brands like Sika and Pidilite are mostly preferred.
- Sika leads the market with a share of 43%.
- Pidilite is the second most preferred in the market enjoying a share of 23%.
- Other brands like Asian Paints, Berger, Shalimar Tar are equally distributed among the remaining market.

6.2.10 Damp Proof

Brands	Sika	Pidilite	Shalimar Tar	Texsa	Asian Paints	Berger
No Of Respondent	11	8	0	3	7	2



Interpretation

Customers like Interior Decorators and Architects have a variety of preference of brands in the Damp Proof section. But the preference here also is inclined toward Sika and Pidilite. Other brands like Texsa, Asian Paints and Berger together form a recognizable section of the market.

Sika is the market leader with a share of roughly 33% and Pidilite stays 2nd to Sika with a share of 25% roughly.

6.2.11 Analysis of Variance (ANOVA) for different types of paints and brands

Analysis of Variance has been defined as the statistical technique for the “separation of variation due to a group of causes from the variation due to other groups”. Analysis of variance (ANOVA) is similar to regression in that it is used to investigate and model the relationship between a response variable and one or more independent variables. However, analysis of variance differs from regression in two ways: the independent variables are qualitative (categorical), and no assumption is made about the nature of the relationship (that is, the model does not include coefficients for variables). In effect, analysis of variance extends the two-sample t-test for testing the equality of two population means to a more general null hypothesis of comparing the equality of more than two means, versus them not all being equal.

- **One-way analysis of variance** tests the equality of population means when classification is by one variable. The classification variable, or factor, usually has three or more levels (one-way ANOVA with two levels is equivalent to a t-test), where the level represents the treatment applied. For example, if you conduct an experiment where you measure durability of a product made by one of three methods, these methods constitute the levels. The one-way procedure also allows you to examine differences among means using multiple comparisons.
- **Two-way analysis of variance** performs an analysis of variance for testing the equality of population means when classification of treatments is by two variables or factors. In two-way ANOVA, the data must be balanced (all cells must have the same number of observations) and factors must be fixed.

From the data we collected through survey,



	ICI	Asian Paints	Berger Paints	Nerolac	Shalimar
<i>Interior</i>	7	15	9	4	0
<i>Exterior</i>	6	6	19	4	0
<i>Interior Texture</i>	11	10	9	3	0
<i>Exterior Texture</i>	8	13	7	0	0
<i>Green Quality</i>	2	7	4	0	0
<i>Waterbased Enamel</i>	0	0	0	0	0

ANOVA : Two-Factor

SUMMARY					
	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>	
<i>Interior</i>	5	35	7	31.5	
<i>Exterior</i>	5	35	7	51	
<i>Interior Texture</i>	5	33	6.6	23.3	
<i>Exterior Texture</i>	5	28	5.6	31.3	
<i>Green Quality</i>	5	13	2.6	8.8	
<i>Waterbased Enamel</i>	5	0	0	0	
<i>ICI</i>	6	34	5.666666667	16.26667	
<i>Asian Paints</i>	6	51	8.5	29.1	
<i>Berger Paints</i>	6	48	8	40.8	
<i>Nerolac</i>	6	11	1.833333333	4.166667	
<i>Shalimar</i>	6	0	0	0	

ANOVA						
<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
<i>Rows</i>	207.2	5	41.44	3.390237	0.022224	2.71089
<i>Columns</i>	339.1333	4	84.78333333	6.936188	0.001133	2.866081
<i>Error</i>	244.4667	20	12.22333333			
<i>Total</i>	790.8	29				

Interpretation

- The observed value of F for the types of paints is larger than the critical value of F for degrees of freedom (5,20) which implies that there is a significant difference between the types of paints, i.e, the choice of paints is dependent on the respondents preference.
- The observed value of F for the types of brands is larger than the critical value of F with the degrees of freedom (4,20) which implies that there is a significant difference between the types of brands, i.e, the choice of the brands is dependent on the respondents preference.

6.2.12 Analysis of Variance (ANOVA) for different types of Construction Chemicals and Brands

From the data we collected through survey :

	<i>Sika</i>	<i>Pidilite</i>	<i>Shalimar Tar</i>	<i>Texsa</i>	<i>Asian Paints</i>	<i>Berger</i>
<i>Admixture</i>	15	11	0	2	0	3
<i>Tile Adhesive</i>	9	18	0	0	0	0
<i>Roof Treatment</i>	13	7	2	0	6	2
<i>Damp Proof</i>	11	8	0	3	7	2
ANOVA : Two-Factor						
SUMMARY						
	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>		
<i>Admixture</i>	6	31	5.166666667	39.76667		
<i>Tile Adhesive</i>	6	27	4.5	56.7		
<i>Roof Treatment</i>	6	30	5	22.4		
<i>Damp Proof</i>	6	31	5.166666667	17.36667		



Sika	4	48	12	6.666667
Pidilite	4	44	11	24.666667
Shalimar Tar	4	2	0.5	1
Texsa	4	5	1.25	2.25
Asian Paints	4	13	3.25	14.25
Berger	4	7	1.75	1.583333

ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Rows	1.791667	3	0.597222222	0.059939	0.980045777	3.287382
Columns	531.7083	5	106.3416667	10.67271	0.00016158	2.901295
Error	149.4583	15	9.963888889			
Total	682.9583	23				

Interpretation

- The observed value of F for different types of brands is larger than the critical value of F with degrees of freedom (5,15) which implies that there is significant difference between the types of brands, i.e, the choice of the brand of construction chemical is dependent on the respondents preference.

Chapter 7

**COMPARATIVE
ANALYSIS OF
ADVERTISEMENT**

This comparison is done on the basis of the good features of an advertisement

7.1 Interior Paint

Berger Paints	
Product Name	Berger Rangoli Easy Clean
Description	Father and son made up a mess of the wall, then mom comes up and looks at their scared faces and says that its easy clean paint where walls can be washed to remove dirt without affecting the colour.
Attention Factor	The display is quite capable of getting the attention of the common mass as we can see that the lady in the house who is generally most concerned about the cleanliness and longevity of the house takes everything casually as she knows what has been done can be undone easily. This usually attracts the attention of the wives and even the husbands.
Memorizing Factor	The punch line in this display i.e “ <i>daag jaye par rang na jaye</i> ”, is quite appealing and people will remember this add for this punch line.
Sentimental Appeal	The casual approach of the lady shown in this act works as sentimental appeal for all women who usually are the most concerned within the family.
Education Factor	Just a wash can free the wall of all dust, dirt and stains.

Asian Paints	
Product Name	Asian Paints Royale (Luxury Emulsion)
Description	Saif Ali Khan who was playing video game and and was unaware of the fact that there was a clash between his dog and his house butler, who was carrying some food and drinks for Saif and eventually all the food and drinks gets spilt on the walls making a mess of it, later it could be



	easily wiped out because of the Teflon surface protector.
Attention Factor	1) Saif Ali Khan a Bollywood superstar 2) Less cautious nature while at home
Memorizing Factor	This advertisement is repeated a lot in most of the commercial and news channels which serves the memorizing factor.
Sentimental Appeal	Saif Ali Khan a Bollywood superstar and a member of the royal family advertising for Asian Paints Royale. It's a good strategy of Asian Paints to bring both the Royals together.
Education Factor	Because of the Teflon surface protector in the paint, the walls will not get easily damaged.

Kansai Nerolac	
Product Name	Neerolac Impressions Eco Clean
Description	In a newly painted house the husband (SRK) is with his daughter and pregnant wife. As the paint is free of VOC and Lead its harmless for even new born children. It is shown that any scribbling in the walls can be easily washed off i.e the paint is washable.
Attention Factor	Firstly, as because of no fumes and pollutants in the paint its even safe for pregnant women as well as new born babies and secondly, paints are wash proof.
Memorizing Factor	Its not a much repeated commercial as compared to Asian Paints and Berger Paints. Hence its memorizing factor is low as compared to the rest.
Sentimental Appeal	Appearance of King Khan in this commercial as a Brand ambassador is itself the strongest sentimental appeal compared to others for a major section of the population.
Education Factor	It's not having any side effect as it comes with low VOC and its totally lead free.



7.2 Exterior Paints

Berger Paints	
Product Name	Weather Coat All Guard Exterior Paints
Description	A girl child standing in the window and experiencing the reverse effect of rain i.e water moving up back to the sky, resembling the same in case of the exterior walls where water will not percolate and damage the construction after the rains.
Attention Factor	Slogans like “Reverse the effect of rain” and “7 years of warranty” are good for gaining the attention of the viewers.
Memorizing Factor	“Reverse the effect of rain” is said a numerous times within the add which will stay in mind easily.
Sentimental Appeal	Keeping the walls fungus free and spotless
Education Factor	Presence of silicon pushes water away leaving the walls spotless, fungus free, and rain proof

Asian Paints	
Product Name	Asian Paints Ultima
Description	Features or key advantages are not shown directly to the customers but through expressions and acts it is made understandable that year after year the exterior paint of the house stays without losing its color and glamour, starting from the birth of the child till marriage.
Attention Factor	“7 years warranty with colour stay” this slogan which means that year after year the conditions of the exterior walls remain unchanged is good in attracting the attention of the viewers.



Memorizing Factor	4 to 5 times when the owner of the house tries to tell about the qualities of his son to the different visitors, the visitors without giving attention to his son starts praising or complementing the paint which he has used for his exterior walls.
Sentimental Appeal	No such sentimental stuffs are related to this advertisement
Education Factor	No such educating stuffs are related to this advertisement

Kansai Nerolac	
Product Name	Nerolac Exel Exterior Paint
Description	Son was trying to take a rotten apple then mom comes up and says which is rotten from outside its even rotten from inside, now the brand ambassador SRK comes up and says that the same is the case with the house (directing towards their house which presents a shabby look from outside) so put nerolac paints to keep ur house safe from outside which will automatically keep it safe from inside, using the key words like anti germs, anti allergy and anti pollution.
Attention Factor	<ul style="list-style-type: none"> • Ati Germs • Anti Allergy • Anti Pollution • No Harmful Fumes
Memorizing Factor	The comparison shown between the rotten apple and the house.
Sentimental Appeal	The bollywood star Shah Rukh Khan giving promotion to any product will itself have a sentimental appeal for a major section of the Indian population.
Education Factor	Tagged as Healthy home paints (low VOC and Lead Free)

Chapter 8

OBSERVATIONS AND FINDINGS

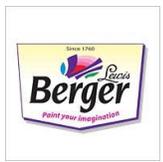


8.1 Contractors

- Majority of the dedicated Berger Paints contractors consume product of value more than 5 lakhs annually.
- Out of the sample of contractors surveyed it is found that 46% of them are dedicated Berger contractors and the rest 64% use a variety of brands along with Berger.
- On the basis of the survey conducted its found that major section of the revenue of Berger Paints comes from Interior and Exterior paints.
- The difference in brands does have an impact on the purchase of interior and exterior paints among all the contractors.
- Shade cards i.e, those cards which contains all the different shades of colours, are not easily available to the contractors.
- The contractors have a complaint that there is a communication gap between the representatives or executives of Berger and the contractors.
- Most of the contractors are satisfied with the paint quality of Berger, mostly the primer.
- Few dissatisfied contractors had a complaint that the coverage of paints of Berger are less as compared to what it had been previously. This has led to the loss of many dedicated contractors of Berger who are now shifting towards Asian Paints and ICI.

8.2 Interior Decorators / Architects

- Though this section of interior decorators and architects is a new avenue for Berger Paints, i.e a market segment which was not a target previously, it is found that these prospects use Berger Paints products mainly the paints but not in huge volume.
- They mainly prefer interior paints of Asian Paints as it gives a good coverage and the quality is also better as compared to the others, inspite of the price being higher than Berger Paints.
- On the basis of the survey conducted it is found that the exterior paint qualities of Berger Paints are in good demand as it has the maximum share.



- With respect to the exterior and interior texture paints again Asian Paints and ICI leads the market.
- The primer of Berger Paints is highly preferred by these prospects because of its best quality among all other brands.
- Other brands like Nerolac and Shalimar are hardly preferred.
- The green quality paints are not in much demand, very few people go for that.
- With respect to wood finish materials majority of the architects and interior decorators use gala polish, NC finish, PU etc are hardly used.
- With respect to the various construction chemicals and adhesives, the market relies mainly on brands like Sika and Pidilite as they are the pioneers in the market with a high quality product base.
- An analysis of variance (ANOVA) done on the sample data determines that the choice of paint brands is dependent on the respondents preference.
- An analysis of variance (ANOVA) done on the sample data determines that the choice of the brand of construction chemical is dependent on the respondents preference.
- Berger Paints sales team should make more efforts in terms of regular interactions and co operations with these customers, as these are potential customers and can give good business if co ordinated properly.
- Shade cards are not available with all the customers, which is a major problem for them.
- The quality of melamine should be improved according to the responses received from the survey.

8.3 Advertisements

- If a comparison of all the advertisements of the exterior paints and interior paints of different brands are made its clearly seen that Berger Paints has less media coverage as compared to its competitors. But if we refer to the content its quite eye catching and informative which will be able to influence the viewers.



- The main disadvantage is unlike Asian Paints and Kansai Nerolac , Berger Paints doesnot have a Brand Ambassador until now, but according to the recent news and updates its known that bollywood actress Katrina Kaif will be promoting Berger Paints. This can give it more advantage in the near future.
- Repetition of the key factors like “7 years warranty”, “daag jaye par rang na jaye”, “reverse the effect of rain” etc will remain in the minds of the viewers for a long time which will be surely reflected in the sales volume.

8.4 SWOT Analysis of Berger Paints

STRENGTHS	<ul style="list-style-type: none"> • Wide range of product and service offering • Substantially huge customer base • High on quality and preferred by customers • Comparatively less price with respect to its competitors/
WEAKNESS	<ul style="list-style-type: none"> • Dependence on paint segment only. • Less interactive with customers and contractors. • Less coverage
OPPORTUNITIES	<ul style="list-style-type: none"> • Many new products has been launched • New segment of customers targeted • Growing brand conscious population in India
THREATS	<ul style="list-style-type: none"> • Fluctuation in raw material prices • Intense competition from pioneer brands

Chapter 9

RECOMMENDATIONS



Berger Paints is a preferred brand in India but on the basis of the survey there are some fields that are yet to be more emphasized which can improve the sales volume in the near future are stated as follows :-

- Both Contractors and Interior Decorators who have been interviewed have a common complain that there is not much interactions from the company. So sales officers should be in a regular touch with their customers. Regular interactions are necessary as a part of after sales service which can bring more sales later.
- Many contractors were not satisfied with the training programs given based on the new product launches. Without sound training they are not willing to use the new categories of products such as the wood finish materials and many of the construction chemicals products. So effective training programs should be designed to make the contractors aware of the dos and donts and pros and cons of a particular product so that they can make efficient use of it.
- Another alarming factor is that nowadays Berger Paints decorative segment's products are giving less coverage as compared to earlier times. So steps should be taken to make the quality of the paint better and thicker to satisfy the existing customers.
- Shade cards should be made easily available to the contractors.
- Efforts should be made so that the contractors are made aware of the various new schemes and new product launches. According to me company should directly involve themselves with the contractors other than keeping the dealers as middleman.
- As far as the interior and exterior texture paints are concerned the versatility of the designs should be increased and designs should be more attractive.
- Booklets consisting of various wall designs as well as different shades should be made available to the householders from where they can chose which category or quality or design will best suit their personality.
- Stalls should be given in front of the construction sites, so that when people come to see the flats they have bought, they can be demonstrated with different kinds of wall paints and texture designs. These prospects can be easily converted into successful sale.



-
- Media promotion i.e tele advertisements should be increased. Common mass should be made more aware of the different types of products and the advantages of using them.
 - For a long time Berger Paints was not having a brand ambassador, but now it has signed bollywood actress Katrina Kaif as their brand ambassador who is going to promote Berger Paints. But till now the commercials are not in the televisions. So in this aspect Berger Paints is having a huge drawback as compared to Asian Paints, Nerolac and ICI who have well known personalities as their brand ambassador. This plays on the sentimental grounds of the viewers which lead to their greater sale. Brand promotion by a well known figure is the most needed to gain competitive advantage.

Chapter 10

**LIMITATIONS & SCOPE
OF STUDY**



10.1 Limitations

- Only 65 contractors and 35 interior decorators have been visited, which comprises a very small sample.
- Survey area was confined to south Kolkata and parts of south 24 paraganas.
- Survey was totally confined within small level contractors and interior decorators, but a huge sale which is contributed by the real estates, builders etc are not investigated.
- Time span was limited to 2 ½ months.
- Questions were mostly open ended.

10.2 Future Scopes

- This study can be used by the company to convert more contractors into dedicated berger paints customers.
- Analyse the requirements of the interior decorators and devise strategies of market penetration.
- Make a quantitative research and analysis of the effectiveness of the advertisements of Berger Paints.

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5. <http://www.bergerpaints.com/>

APPENDIX



APPENDIX-I

KNOW YOUR CONTRACTOR STUDY

PERSONAL DETAILS:

NAME.....

ADDRESS.....

.....

NAME OF THE FIRM.....

.....

ADDRESS (FIRM).....

.....

MOBILE NO 1:

MOBILE NO2:

LAND LINE NO 1:LAND LINE NO 2:

OFFICENO 1:

OFFICE NO 2:

DATE OF BIRTH:

DATE OF WEDDING ANNIVERSARY:

EMAIL ADD:

PROFESSIONAL DETAILS:-

1) INTERIOR PAINT CONSUMPTION IN A YEAR: (VALUE)

RS

2) EXTERIOR PAINT CONSUMPTION IN A YEAR :(VALUE)

RS

3) CONST. CHEM. (DAMP PROOF) CONSUMPTION IN A YEAR: (VALUE)

RS



4) ROOF TREATMENT MATERIAL CONSUMPTION IN A YEAR: (VALUE)

RS

5) WOOD FINISH METERIAL CONSUMPTION IN A YEAR: (VALUE)

RS

6) TOTAL TURNOVER OF BUSINESS IN A YEAR: (VALUE)

RS.....

CATEGORY: A B C

DEALER DETAILS: - (MATERIALS LIFTED FROM)

DEALER 1>

LOCATION:

DEALER 2>

LOCATION:

DEALER 3>.....

LOCATION:

REMARKS: (EXPECTATION FROM BERGER PAINTS)



APPENDIX-II

SURVEY OF INTERIOR DECORATORS / ARCHITECTS

From no. /Interview no.: Interviewed By: Date

CATEGORY: A (6lacs/yr) B (4lacs/yr) C (1.5lacs /yr)

NAME:

RES.ADDRESS:

OFFICE ADDRESS:

MOBILE NO:OFFICE NO:

DATE OF BIRTH:DATE OF ANNIVERSARY:

DEALER:TERR:DEPOT:

NO OF PERMANENT LABOURS /APPLICATION WORKING UNDER YOU:

VALUE OF METERIAL APPLICATION BUSINESS PER YEAR:

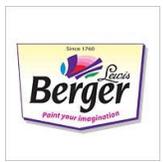
ARE YOU USING PAINTS? YES/NO:

(IF YES: WHAT KIND OF PAINTS?):

1. INTERIOR EMULSIONS PAINT.....
2. EXTERIOR EMULSIONS PAINT.....
3. INTERIOR DESIGNER/TEXTURE PAINT.....
4. EXTERIOR DESIGNER/TEXTURE PAINT.....
5. GREEN QUALITY PAINT (BREATHE EASY EMULSIONS/ENAMEL).....
6. WATER BASED ENAMEL PAINT (BREATHE EASY ENAMEL).....

(COMPANY NAME /BRAND PREFERRED&MATERIELS VALUE PER MONTH):

.....



ARE YOU USING WOOD FINISHES? (YES /NO):

IF YES WHAT KIND OF WOOD FINISHES?

7. GALA POLISH

8. NC FINISHES

9. MELAMINE

10. PU.....

11. POLYESTER.....

12. WATER BASED PU

(COMPANY /BRAND PREFERRED & MATERIALS VALUE PER MONTH):

.....

ARE YOU USING CONSTRUCTION CHEMICALS? (YES/NO):

IF WHAT KIND OF CONSTRUCTION CHEMICALS?

13. ADMIXTURE (PIDIPROOF LW/PLASTORICSUPER).....

14. LATEX BASED

15. TILEADHESIVE.....

16. ROOF TREATMENT.....

17. DAMP PROOF (WALLS /ROOF).....

(COMPANY PREFERRED & MATERIALS VALUE PER MONTH):

.....

GOVT CONTRUCTOR/PRIVATE CONTRUCTOR /BOTH/GOVT

ENROLLED IN: HOME PAINTING (BERGER PAINTS)/HOME SOLUTION (ASIAN PAINTS)/ PAINT SUDIO (ICI)/ALL

DECORATIVE /WATER PROOFING /CONST CHEMICAL JOBS/WOOD FINISH JOBS/NONE/ALL



APPENDIX-III

Yearly Results of Berger Paints India

2008-2012

	<i>Mar'12</i>	<i>Mar'11</i>	<i>Mar '10</i>	<i>Mar'09</i>	<i>Mar'08</i>
<i>Sales Turnover</i>	2,662.1	2,100.8	1,688.6	1,513.7	1,346.2
<i>Other Income</i>	30.60	35.87	18.22	17.45	7.60
<i>Total Income</i>	2,692.7	2,136.6	1,706.9	1,531.1	1,353.8
<i>Total Expenses</i>	2,384.5	1,883.4	1,507.9	1,381.0	1,216.1
<i>Operating Profit</i>	277.60	217.40	180.70	132.67	130.10
<i>Profit On Sale Of Assets</i>	--	--	--	--	--
<i>Profit On Sale Of Investments</i>	--	--	--	--	--
<i>Gain/Loss On Foreign Exchange</i>	--	--	--	--	--
<i>VRS Adjustment</i>	--	--	--	--	--
<i>Other Extraordinary Income/Expenses</i>	--	--	--	--	--
<i>Total Extraordinary Income/Expenses</i>	--	--	--	--	-0.27
<i>Tax On Extraordinary Items</i>	--	--	--	--	--
<i>Net Extra Ordinary Income/Expenses</i>	--	--	--	--	--
<i>Gross Profit</i>	308.20	253.27	198.92	150.12	137.70
<i>Interest</i>	22.40	12.18	3.11	12.39	--
<i>PBDT</i>	285.80	241.09	195.81	137.73	137.43
<i>Depreciation</i>	37.60	29.98	26.41	20.40	18.65
<i>Depreciation On Revaluation Of Assets</i>	--	--	--	--	--
<i>PBT</i>	248.20	211.11	169.40	117.33	118.78
<i>Tax</i>	70.80	62.80	49.26	28.57	26.70
<i>Net Profit</i>	177.40	148.31	120.14	88.76	92.08



<i>Prior Years Income/Expenses</i>	--	--	--	--	--
<i>Depreciation for Previous Years Written Back/ Provided</i>	--	--	--	--	--
<i>Dividend</i>	--	--	--	--	--
<i>Dividend Tax</i>	--	--	--	--	--
<i>Dividend (%)</i>	--	--	--	--	--
<i>Earnings Per Share</i>	5.12	4.29	3.47	2.78	2.89
<i>Book Value</i>	--	--	--	--	--
<i>Equity</i>	69.23	69.21	69.21	63.77	63.77
<i>Reserves</i>	775.40	651.99	556.04	350.37	284.00
<i>Face Value</i>	2.00	2.00	2.00	2.00	2.00

2003-2007

	<i>Mar '07</i>	<i>Mar '06</i>	<i>Mar '05</i>	<i>Mar '04</i>	<i>Mar '03</i>
<i>Sales Turnover</i>	1,172.21	987.91	831.68	675.82	586.43
<i>Other Income</i>	5.80	5.30	5.38	5.19	2.55
<i>Total Income</i>	1,178.01	993.21	837.06	681.01	588.98
<i>Total Expenses</i>	1,049.62	878.59	745.75	602.81	526.74
<i>Operating Profit</i>	122.59	109.32	85.93	73.01	59.69
<i>Profit On Sale Of Assets</i>	--	--	--	--	--
<i>Profit On Sale Of Investments</i>	--	--	--	--	--
<i>Gain/Loss On Foreign Exchange</i>	--	--	--	--	--
<i>VRS Adjustment</i>	--	--	--	--	--
<i>Other Extraordinary Income/Expenses</i>	--	--	--	--	--
<i>Total Extraordinary Income/Expenses</i>	-0.06	-0.31	-5.70	-0.05	-0.05
<i>Tax On</i>	--	--	--	--	--



<i>Extraordinary Items</i>					
<i>Net Extra Ordinary Income/Expenses</i>	--	--	--	--	--
<i>Gross Profit</i>	128.39	114.62	91.31	78.20	62.24
<i>Interest</i>	8.29	5.28	3.64	2.80	3.85
<i>PBDT</i>	120.04	109.03	81.97	75.35	58.34
<i>Depreciation</i>	17.80	17.39	15.69	13.93	13.12
<i>Depreciation On Revaluation Of Assets</i>	--	--	--	--	--
<i>PBT</i>	102.24	91.64	66.28	61.42	45.22
<i>Tax</i>	19.17	21.35	14.16	17.39	11.80
<i>Net Profit</i>	83.07	70.29	52.12	44.03	33.42
<i>Prior Years Income/Expenses</i>	--	--	--	--	--
<i>Depreciation for Previous Years Written Back/ Provided</i>	--	--	--	--	--
<i>Dividend</i>	--	--	--	--	--
<i>Dividend Tax</i>	--	--	--	--	--
<i>Dividend (%)</i>	--	--	--	--	--
<i>Earnings Per Share</i>	2.61	3.53	13.08	16.57	12.58
<i>Book Value</i>	--	--	--	--	--
<i>Equity</i>	63.77	39.86	39.86	26.57	26.57
<i>Reserves</i>	225.62	188.27	163.44	159.40	139.35
<i>Face Value</i>	2.00	2.00	10.00	10.00	10.00



APPENDIX-IV

The shareholding pattern of Berger paints India Ltd as on December 31, 2011

CATEGORY OF SHAREHOLDER	NO. OF SHAREHOLDERS	TOTAL NO. OF SHARES	TOTAL NO. OF SHARES HELD IN DEMATERIALIZED FORM	TOTAL SHAREHOLDING AS A % OF TOTAL NO. OF SHARES		SHARES PLEDGED OR OTHERWISE ENCUMBERED NUMBER OF SHARES	
				AS A % OF (A+B)	AS A % OF (A+B+C)		
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	10	18,643,680	18,643,680	5.39	5.39	-	-
Bodies Corporate	5	192,711,438	192,711,438	55.67	55.67	-	-
Sub Total	15	211,355,118	211,355,118	61.06	61.06	-	-
(2) Foreign							
Bodies Corporate	1	50,234,565	50,234,565	14.51	14.51	-	-
Sub Total	1	50,234,565	50,234,565	14.51	14.51	-	-
Total shareholding of Promoter and Promoter Group (A)	16	261,589,683	261,589,683	75.57	75.57	-	-
(B) Public Shareholding							
(1) Institutions							
Mutual Funds / UTI	19	1,711,430	1,704,855	0.49	0.49	-	-
Financial Institutions / Banks	11	44,574	35,358	0.01	0.01	-	-
Insurance Companies	5	12,097,732	12,096,732	3.50	3.50	-	-
Foreign Institutional Investors	35	28,606,871	28,606,871	8.26	8.26	-	-
Sub Total	70	42,460,607	42,443,816	12.27	12.27	-	-
(2) Non-Institutions							
Bodies Corporate	615	6,145,195	6,031,381	1.78	1.78	-	-



Individuals		-	-	-	-	-	-
Individual shareholders holding nominal share capital up to Rs. 1 Lakh	36,637	33,729,264	23,155,347	9.74	9.74	-	-
Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	17	1,342,819	1,342,819	0.39	0.39	-	-
Any Others (Specify)	648	874,396	654,980	0.25	0.25	-	-
Non Resident Indians	505	706,357	491,141	0.20	0.20	-	-
Clearing Members	136	77,871	77,871	0.02	0.02	-	-
Trusts	6	89,168	84,968	0.03	0.03	-	-
Foreign Nationals	1	1,000	1,000	-	-	-	-
Sub Total	37,917	42,091,674	31,184,527	12.16	12.16	-	-
Total Public shareholding (B)	37,987	84,552,281	73,628,343	24.43	24.43	-	-
Total (A)+(B)	38,003	346,141,964	335,218,026	100.00	100.00	-	-
(C) Shares held by Custodians and against which Depository Receipts have been issued							
(1) Promoter and Promoter Group		-	-	-	-	-	-
(2) Public		-	-	-	-	-	-
Sub Total		-	-	-	-	-	-
Total (A)+(B)+(C)	38,003	346,141,964	335,218,026	-	100.00	-	-