



# **ESSENTIALS OF MARKETING MANAGEMENT**

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## CHOSEN BRAND

Johnson's<sup>®</sup>  
baby

## BRAND EXTENSION

Johnson's<sup>®</sup>  
baby

Clothing

In this report, Johnson's Baby brand has been selected and a new product line of Johnson's Baby Clothing line is developed.

With no top-of-the-mind awareness brands in the Baby Clothing market in India, Johnson's Baby with its reputable brand name has a higher possibility to capture the market



# SITUATION ANALYSIS

Johnson's Baby is the brand owned by the parent company Johnson's & Johnson's, It is a brand that manufactures and sells baby cosmetics and skin care products like baby powder, shampoos, body lotions, shower gel, massage oil, baby wipes, and many more. The Brand dates back to 1893 when Johnson's baby powder was Introduced.

Johnson's baby entering into baby Apparel market, for infants from the range of 0 - 4 years old. Johnson's Baby is a brand that influences cosmetics and skin care products for infants and has been a trusted brand ever since it was introduced in India. Johnson's baby is the majority stakeholder for baby products in the Indian market, entering the baby apparel market will allow the brand to dominate in the industry.

*Since there are no major competitors in this industry, and Johnson's baby already being a major player in the consumer product industry for babies, it will be easy for the brand to penetrate this market, allowing it to be a one-stop solution for baby products.*

The global baby apparel market size was USD 62.04 billion in 2019 and is projected to reach USD 82.54 billion by 2027, exhibiting a CAGR of 4.2%. In 2019 the infant apparel or garment market size in India was estimated at ₹8950 Crores which led many international brands like Zara, Carted and Mothercare to enter the Indian baby apparel market. Other big-time retailers like Puma India, Myntra and Amazon deliberately launched infant clothing lines for infants ages up to 2 years old focusing mainly on tier 2 & tier 3 cities.



# SEGMENTATION

## I. Demographic-

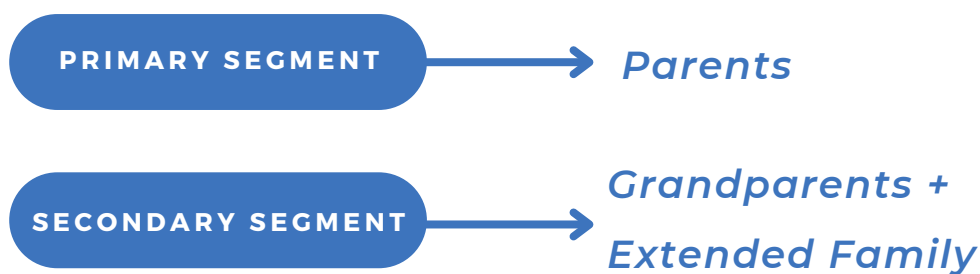
The market for baby apparel primarily consists of parents, followed by grandparents, and then friends and extended family members.

### Age:

On the basis of age, the market can see the following categories:

- Expectant or First-Time Parents (between mid-twenties to early thirties)
- Experienced Parents (mid-thirties onward)
- Grandparents (late fifties onward)
- Extended family/friends (could be of any age range)

*( \*Looking at the general Indian context, grandparents are extended family/friends. They are considered as secondary categories in the market for baby apparel, the primary focus being the parents they are the primary category)*



### Level of Income:

On the basis of income, the market can further be divided into the following categories-

- Younger Parents, are usually just starting out in life and may not have much money or disposable income.

- Older parents, tend to have more disposable income and could be willing to spend more.
- Grandparents, that relatively tend to have more disposable income than the parents, hence could be slightly less price sensitive.
- Extended family/friends; this is a skewed category, hence could have any level of income depending on person to person.

### **Location:**

In terms of location, the market can be segmented mainly to tier 1 and tier 2 cities, as the consumers in those cities tend to be more brand conscious and have a more flexible purchasing power as compared to tier 3 cities and rural areas. Consumers in rural areas tend to prefer locally or even home made apparel for their babies.

## **II. Psychographic-**

### **VALS (Values Attitudes and Lifestyle)**

The following features help us to understand, what the consumers' psychographic situation would be like. This would help the brand also focus on specific targeting. The majority of the audience is at the thinkers and achievers.

#### **a. Practical Reasons-**

Many parents only purchase baby outfits for functional purposes. Parents who have more than one child should pay particular attention to these practical factors. Parents who choose items for practical reasons also consider the design's functionality; clothing must fit well and not hinder a baby's mobility. This is why so many parents purchase clothing made of natural fabrics like cotton or wool, which still have the flexibility and ease of machine washing while allowing the skin to breathe.

## **b.Fashion statement-**

Some parents don't mind paying extra since they purchase baby clothes exclusively for fashion purposes and are more concerned with the items' show value. [Retailers of baby clothes still have a big target market even though this may not be the case for the majority of parents.](#) Retailers can target this market niche by spending a lot of money on premium product marketing.

## **c.Brand and Status-**

Branded clothing is one reason why parents dress their babies, as it allows them to [flaunt their status](#). However, a second explanation can be that parents support a certain clothing brand because they believe in it and want to do so by dressing their children in it.

As a result, parents who wish to represent a certain brand will dress their children, including their babies, in that brand's clothing when it is available, in addition to themselves.

## **d.Latest clothing technology-**

New clothing is constantly being released that is either produced with the newest technology or utilizes technology in some way. Some individuals could consider them unnecessary, while others would find it delightful that their child is dressed in the most cutting-edge clothing currently available.

Companies are creating smart clothing with sensors that track a baby's vital signs and overall well-being.

Businesses that serve this market area will emphasize the advantages that parents and their babies can receive from these technologically advanced products.

## e.Expensive Vs Inexpensive-

While some parents always go for the most expensive baby outfits, others choose the less expensive option.

When making this choice, a variety of considerations must be taken into account, including the parents' own financial situation, the average price they believe clothing should be, and the message they want to convey about their child's upbringing.

Others may only want the best for their child and be prepared to pay whatever it costs, while some parents feel that they must spend more on their children's clothing in order to compete with other affluent families.

Keeping these features in mind, the targeted consumers for the product can be categorized majorly into [Innovators, Thinkers, Believers or Achievers](#).

## III. Behavioral-

### a.Parents-

There are several reasons why parents purchase baby apparel. While some parents shop for their children to make sure they have the newest and most fashionable looks. Other parents purchase clothing because it is a practical necessity even though they are aware that their child will outgrow it shortly.

*Expectant parents frequently give more thought to the pregnancy and less thought to the clothing the baby will require after birth. This is particularly valid when it comes to complex pregnancies.*

*First-time parents frequently purchase larger quantities of more pricey clothing. They try anything because it's their first time.*

*Experienced parents have faced similar situations previously. They know where to hunt for bargains and the types of clothes that do not have to be expensive.*

### b.Grandparents-

Grandparents are a "soft target" when it comes to baby clothes for their grandchildren. In terms of purchasing power, they are more flexible than the baby's parents who have many other expenses to deal with at that stage in their lives, besides that of the baby's. So grandparents can be categorized into a market segment that is less price-sensitive, and marketers can target them with premium baby products.

## c.Extended family/friends-

The majority of the time, friends and extended family members purchase baby clothes to show their support for the expecting parents rather than out of a strong emotional bond. The purchase of baby clothes, toys, or any other baby product for the newborn is more of a proof of their relationship with the parents since they want the garments they buy to be appreciated by the new parents.


This target market for baby apparel will spend more on the garments they purchase, much like grandparents. However, unlike grandparents who will do it out of love, friends and other family members will either do it out of duty or avoid appearing stingy.

## Consumer Persona:

The following is an example of a typical consumer persona for our product:

### Customer Persona

<b>AGE</b> 35	<b>MOTIVATIONS</b>	<b>TECHNOLOGY</b>
<b>OCCUPATION</b> HR Executive	Health and Happiness of her children	Internet
<b>EDUCATION</b> MBA, HR	Lifestyle Upgradation	Mobile Applications
<b>PERSONALITY</b> Ambivert	Promotion in Work Place	Social Media & OTT
<b>STATUS</b> Married	Safe environment in the house	Virtual Reality
Well-Educated	Good schooling for her children	
Compassionate		




**Ridhima Patel**

**GOALS**

- To provide good food to her kids
- To accomplish milestones in work
- To upgrade from a rental home to her own home
- To buy a car in the coming year

**FRUSTRATIONS**

- Not getting enough help with the household works
- Having to frequently clean the mess made by the kids
- Clustering of office and home

**BRANDS**



# TARGETING

An ideal segment is one that is profitable, expanding rapidly, and has a low acquisition cost is excellent. Therefore, out of the segments so discovered, younger, **first-time parents**, who would be willing to spend more for their newborns as well as experienced parents who recognize the brand value and the reputation the brand has carried over the years, shall be ideal in terms of targeting for the baby apparel to be launched by the brand.

## Size of the market

In 2018, the market for infant clothing was estimated to be worth USD 135.5 billion. Growing consumer concern for a baby's security and comfort is anticipated to be a major driver of market expansion over the next few years. Parents are also emphasizing style in line with the most recent fashion trends in addition to easy and practical infant dressing. Over the coming years, it is projected that these consumer trends would significantly contribute to the expansion of the market for different baby apparel types.

*From 2019 to 2025, Asia Pacific is anticipated to experience the quickest CAGR of 6.7%. The majority of the share was made up of nations like China and India, whose birth rates are higher than those of the rest of the globe due to better childcare facilities in both rural and urban regions. This trend is anticipated to be extremely important in broadening the range of infant clothing products.*



## Reachability

For the discussed segments to be targeted, those belonging to tier 1 cities are the easiest to accomplish, since the consumers within that geographical segment tend to be aware of the brand on a pre-existing basis. This means that the marketing efforts will not have to be as strained and hence the customer acquisition cost shall be on the lower side; hence ensuring a higher level of profitability in this location. Potential consumers from tier 2 cities will relatively require more marketing efforts as brand awareness has a tendency to be on the lower side as compared to a metropolitan city. Hence, more effective measures must be taken to secure a definitive reach in these areas, and hence the customer acquisition cost for these areas shall be higher as compared to tier 1 cities. However once, a certain percentage of customers are made aware, and then loyal to the brand, this geographical segment shall also give higher profitability.



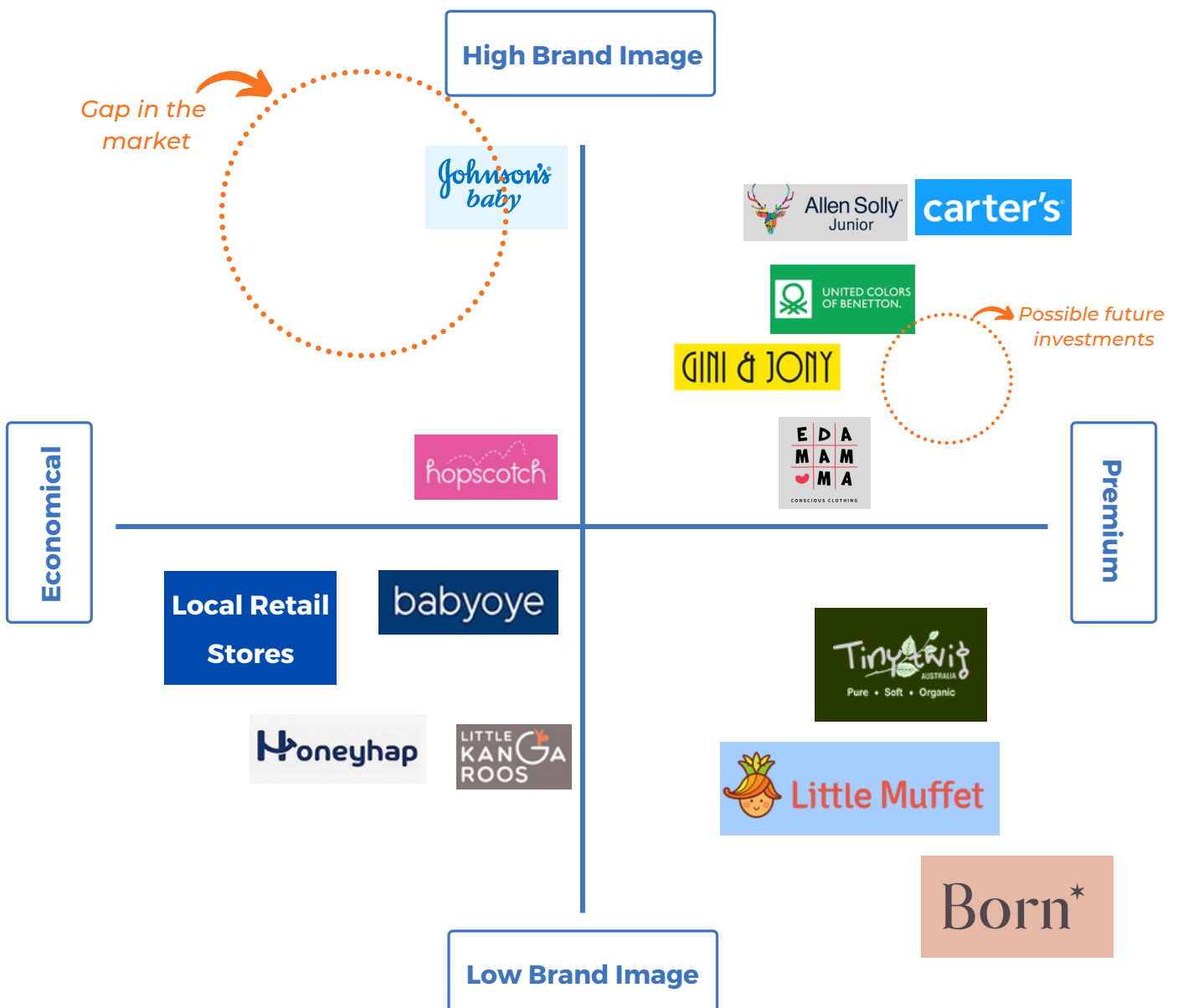
# POSITIONING

The objective is to create a clear and precise brand image in the target audience's minds.

Johnson's baby Clothing has to be positioned as the best-suited clothing for infants. Majorly targeted at young millennial parents, the branding will be focused on the

- The organic fabric of the clothes
- how comfortable it feels on the little one's skin
- The gentle and smooth texture

## Perceptual Mind Mapping



# 4 P's of MARKETING

## Product

*Since the product primarily targets millennial parents from the age group of 24 to 40, the apparels need to be positioned in a way that is best suitable for infants. To attain this objective Johnson's baby has come up with apparel made from organic fabric that has a gentle and smooth texture which is more comfortable for the little one's skin than other competitors. Since the majority of millennial parents are first-time parents, they will definitely go for a product that is best suitable for their children. Johnsons Baby has already created a brand value and recognition over the years with their skin care products making it the apt choice for new millennial parents.*

## Price

*Jhonson's Baby apparel will be priced in a way, which is positioned between value-for-money products and premium products. Hence the clothing line will be both economical and has a higher brand value, intern focusing on the current gap in the market. This price range will be acceptable to the new millennial parents, as they know that they are purchasing a product that does not compromise quality over any other factors.*

## Place

*The Clothing line will focus more on urban areas, especially tapping the tier 2 and tier 3 cities. Through the research conducted, we can conclude that 70 % of new millennial parents are situated in these areas. Thus positioning the clothing line in stores where other products of Johnson's baby are already available will be ideal. The product will also be available on all major fashion and clothing-based online platforms including Jhonson's baby website and offline stores for maximum availability and reach.*

## Promotion

*Jhonson's baby will not be skimming in any promotional activities. The objective when it comes to the promotion will be to disrupt the market with its apparel lineup to fill the gap and capture the majority of the market share. The promotional strategies of Johnson's baby will include major elements of an IMC mix. Johnson's baby will launch multiple campaigns through multiple mediums to capture the hearts of new millennial parents.*



# PROMOTIONAL STRATEGIES

## Johnson's - Baby Clothing

### IMC Mix Recommendation

*The objective of the IMC Mix is to create a strong emotional connection with its target audience and to establish its clothing line is trustworthy and best suited for infants and toddlers.*

With a wide market share in India, Johnson's Baby Clothing line will be targeted at millennial parents in the country.

## ADVERTISING

With the target audience in mind, the clothing line will be heavily advertised across Television, Print, OOH, and Digital.

## TVC Campaign

### The Touch of Love

- Showing the First Moments of a baby
- The first time you buy those little outfits
- The first time you wrap them in a blanket
- The first time they wear mittens
- The first time they spill food on their clothes

*Emphasizing on the touch and feel of the clothing by an all-rounded vocal and visual content. While additionally showcasing a gender-neutral household*



## Print Campaign

Print advertisements of the new baby clothing line will be published across a widespread national newspaper and regional newspapers in native languages

*With the huge market the brand possesses, print advertisement helps in creating awareness about the new product line. Understanding of the commodity features, availability of the product, and brand recognition is emphasized*



## Out of Home Campaign

Of the nation's 83.2 million families, 78.5 percent had at least one employed member in 2021. With people back on the roads, OOH has become a bigger part of baby product marketing strategy.



Localities with corporate hubs, residential areas, and highways near the airport are considered for the billboard ads.

The objective of the campaign is to create mass brand awareness amongst by public.



## Social Media Campaign

In this campaign, influencer advertising is practiced, where Celebrity - Influencer young moms/dads are chosen to be the advocates of the clothing line.

The main idea of the campaign is -

**"What are your favorite moments with your baby?"**

Influencer parents talk about the favorite moments they spend with their baby whilst establishing the **touch and feel** of Johnson's baby clothing.

I love dressing up my baby

Feeding her is a messy job, but it warms my heart to see that she is growing

My favorite thing is to keep my baby to sleep



## SALES PROMOTION

Through this campaign, we aim to introduce the clothing line to the consumers by presenting an outfit as a free additional product with a skincare product bundle pack.

*Even though a single romper was added along with their gift pack in the past, this time, an outfit is added in a regular bundle pack*



# SWOT ANALYSIS

*of*

**Johnson's<sup>®</sup>**  
*baby*





## STRENGTHS

- ➔ Johnson's baby can benefit heavily by relying upon its parent conglomerate for financing and distribution.  
*(Operating in over 50 countries with more than 100,000 people, Johnson & Johnson USA has been ranked 4 times in the "Fortune Top 10" list of the most admired companies in the US.)*
  - The company has a very well-segmented market defined all across the world. Due to the number of brands present. The brand can leverage the constant increasing market share to new products and product lines.
- ➔ Johnson's baby to introduce any new product **(like the baby cloth brand mentioned in the STP of the brand)** can rely on the brand's years of experience in the market with a very good success rate.  
*(J&J is a 150-year-old company with a positive growth rate. Their current stock price stands at 165\$ on the NASDAQ, and the current growth of the stock stands at 0.19% today whereas the entire US stock market is at 0.018% currently which is significantly higher than the majority of the US conglomerates)*
- ➔ The company has high credibility among investors. Johnson's baby can tank on its credibility and increase its product line by leveraging on the huge capital provided by the various stakeholders.  
*(It is the highest-rated supply chain Index among all the pharmaceuticals. It is one of the only 3 companies rated with a AAA rating)*
- ➔ Johnson's baby as a brand has managed to get a very loyal target market. Baby products as a product line primarily depend on the trust of the mother. The campaigns have always been living up to the brand motto and theme.

## WEAKNESSES

- ➔ Johnson's baby is currently going through a lot of lawsuits and trials to remove its star product "Johnson's Baby- Powder". It can have a significant impact on the revenue flow of the brand. These calls for the boycott of the product can have repercussions in the long run.  
*(The baby powder has been facing many lawsuits and has been asked to shelf its products. The US company that is discontinuing its talc-based baby powder globally in the face of lawsuits claiming it contains a cancer-causing substance, has no plan to take the product off the market in India. "We will work with retailers to keep the product on the shelves until our supply of talc-based powder runs out," a J&J spokesperson told Money control.)*
- ➔ Johnson's baby is part of the Johnson and Johnson group. The entire R&D of Johnson and Johnson is highly dependent on small molecular drug technology. In case the company wants to venture into any new segments (Such as baby clothing mentioned in the STP analysis of the new product) it has to incur huge research and development costs.
- ➔ Johnson's baby historically has been steering its operations from the gambit of Johnson and Johnson. Hence many of its operations are limited to the decisions taken by the conglomerate. This means that there could be less attention and disbursed attention given to the Johnson baby alone.

## OPPORTUNITIES

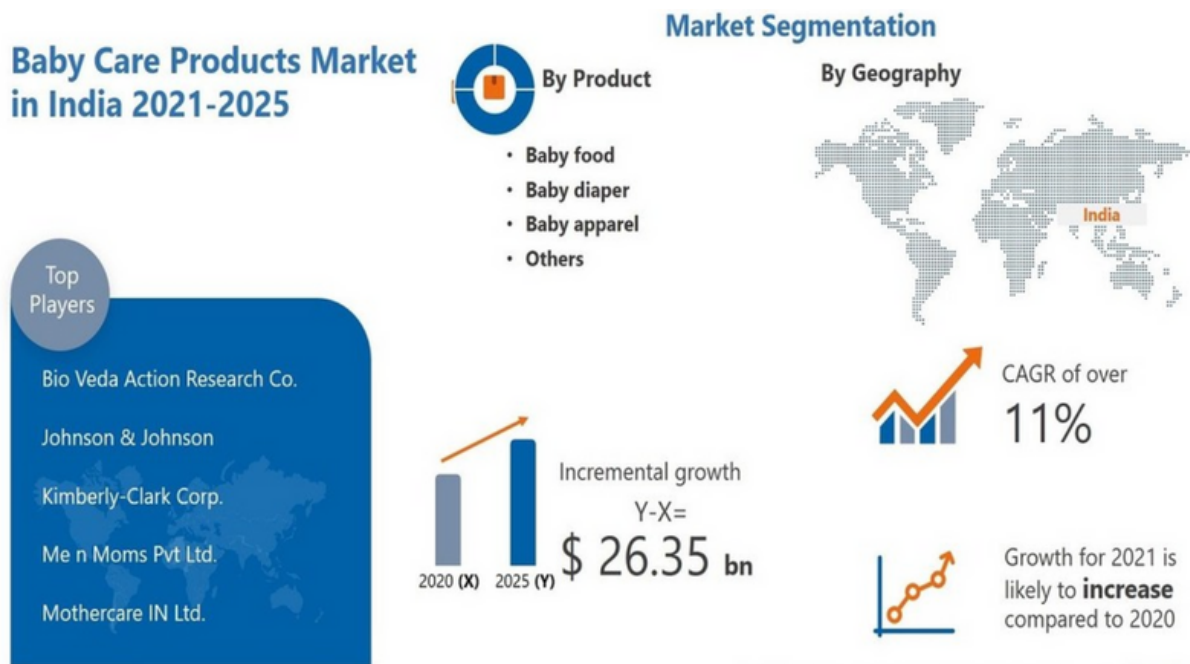
- ➔ The population has more disposable income, hence the preference for spending has shifted to comfort and convenience.  
*(Disposable Personal Income in India increased to 238573760 INR Million in 2021 from 199689740 INR Million in 2020)*
- ➔ The company ( Johnson & Johnson) having US\$28.878 billion (2021) can leverage the resources and focus on merging or acquiring existing brands to kill the competition.
- ➔ *(Cuddles for Cubs, a brand with gender-neutral clothing. Keebee is a sustainable kid swear brand with an estimated revenue of Rs 75 Lakhs in 2021. Toonz, a pan India kids apparel brand with an annual)turnover of Rs. 100 crore in 2021)*



- ➔ The Indian baby apparel market sums to \$5.16 billion in 2022. It has a growth potential of 5.62% annually (CAGR 2022-2026). This is a positive insight for Johnson's baby to launch a new line of products.
- ➔ The baby Care Products Market in India to grow by USD 26.35 billion Market Research Insights Highlight Increase in Internet Penetration and Online Availability of Baby Care Products as Key Driver

# THREATS

- ➔ International brands like Zara, Gap, and Carter's are entering the baby apparel market in the past few years. Carter's is the most popular baby apparel brand with a market share of 23% in the US baby apparel sector



- ➔ A big marketing cost for correcting the brand's image due to the Talcum powder controversy. This could mean that there would be a lot of lobbying costs and heavy involvement of PR. Since India is a very sensitive market that relies on sentiments, hence dealing with the market segment is of primary importance.
- ➔ Competition from well-established brands like Giny & Jony which has its presence in 106 cities across India with 200 plus stores. This can be a major issue of concern as these brands also have a high brand recall when it comes to kids apparel.
- ➔ Retail brands like Amazon, Puma India, and Myntra have started coming up with their line of baby apparel for the age group of 0 to 2