



## Marketing Strategy



### Mathew Job

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**Racold Thermo Limited**

We expect revenue increase from the solar business in the next couple of years. In order to achieve this objective, we will enhance our product portfolio and expand our presence across all categories of towns.

The market for water heaters is growing at a pace of five to six percent this year (including solar and electric), but the penetration of the category is still low. This signifies that the potential for the category to grow is immense. Water heater ownership is not restricted to a single unit in a household but has a potential of multiple units. So that expands the scope of the category. The growth will also be driven by the new points as they constitute more than 80 percent of the total market.

Racold believes in pioneering technology and providing products that have relevance in the Indian market. With its expansion in the solar water heater domain for domestic and commercial/industrial applications, Racold also provides integrated hot water solutions on a turnkey basis for a wide range of applications.

#### Distribution Strategy

We have one of the widest distribution networks in India in the water heater category. This is backed up by a nationwide presence of our company sales and service personnel supported by dealer promoters. Our extensive service network ensures that we live up to customer expectations. Racold has a pan-India presence with over 9000–10,000 retail outlets and 175 service centers that help us deliver an unparalleled customer experience. We continue to expand our presence across town classes and continuously enlarge our product offering in all three categories – electrical, solar, and gas water heaters.

#### Advertising and Communication Strategy

We have a comprehensive 360-degree communication plan to build consideration and conversion. Last year we launched our TV commercial (TVC), which was

received very well, and intend to continue it this year as well. The objective of our TV commercial was to differentiate Racold clearly from others and make the brand aspirational and innovative beyond the existing core values of leadership and trust.

#### Company Plans

Increasing disposable income, growth of new establishments, and the willingness to spend on doing up the homes will help improve penetration of water heaters. Considering these factors, Racold is targeting to considerably increase the business in the next three years. We expect revenue increase from the solar business in the next couple of years.

#### Key Achievements

We have pioneered many *Industry Firsts* like water heater with rust-proof poly propylene body; stainless steel inner container; PUF insulation; and energy labeling for any domestic electrical appliance. Racold has launched the path-breaking international SPHP tank technology in India. We have also been recognized through various awards like BEE National Energy Conservation Award and MNRE Award for highest number of installations in 2010-11.

#### Company Vision

We strive to remain the best in the industry and make Racold synonymous with quality hot water. We will continue to enlarge our product offerings in electrical and solar water heaters and continue to provide best after-sales services for a hassle-free experience. We would be focusing more on increasing brand and category awareness through mass media and other on-ground marketing activations. With all these initiatives, we strive to take the customer experience of our brand to the next level. ■