

The Ultimate Bond

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I. INTRODUCTION

Being introduced in India in 1956 as an easy –to-use white glue for carpenters in replacement of Sareesh (fat-based adhesives), the ULTIBOND company started its journey and never looked back. As The ULTIBOND Company was well known to recognize the need of their product and convert it into a marvelous opportunity, the company started manufacturing AI glue products for students as well as for professional and educational institutes.

In order to shift end-users from natural glues and other synthetic adhesives available at the time, AI glue embarked on a bold marketing game plan. Instead of selling through stores, AI glue approached carpenters directly. This direct marketing initiative was one of the most successful strategies employed by the company and helped the brand gain a strong foothold in the white glue market. By 1965, the brand was big enough to develop its own manufacturing plant in Maharashtra. Primarily the company decided to enter into the retail market with a packaging of 33 grams collapsible tube in early 1970's, later came up with many other unique packaging styles to cater the need and requirements of different segments of its customer base.

II. MARKETING MIX

In the initial stage they used word of mouth for product promotion, and it enabled the brand to gain a high level of trust from its targeted audience. AI glue's brand image was not only because of its product's innovation but also the company's extremely unique and powerful marketing, especially in its entertaining TV commercials. AI glue did a boom advertising in newspapers like never before in 80s & 90s when print helped a lot to AI glue to communicate with its market. It has made a non-interesting category such as adhesives interesting by intelligently positioning their product in their ads. The advertising strategy of AI glue was always up to the mark as they not only entertained its viewers but gained a good reputation in the mind of its target audience. They always came with out of the box ideas and the brand subsequently supported by advertising agencies to take ahead the brand message in a traditional way. AI glue has been involved in electronic media, print media and social media for displaying communication. It spent around INR 227 crore in the advertising and publicity of its brand. The company used amusing situations in its advertisements and usually did not include any celebrity face, as the focal point of the advertisement was the product itself. By doing so the company desired that the brand's image should be promoted in the minds of the customer and they should view the product as a solution to their problem.

III. CUSTOMER RELATIONSHIP MARKETING

Over the years AI glue has introduced a series of various programs for carpenters and end users to help build a strong relationship with them. Activities that included organizing event in which they conducted contests, provided gift hampers that consisted of different variants of AI glue to promote products among the youngsters. The company improved its performance by doing back-breaking work through distributing samples of AI glue in the tube packaging to create product awareness in the rural market. The company was pioneer to influence children towards the product by their school ambassador program.

ULTIBOND was a dominant player in the Indian adhesive market with a market share of around 76% in the year 2018 in its leading brand categories. The company has bought customer engagement activities onto the salesforce platform that helped them to deepen the customer relationships and grow the business.

Results

As of 2019, AI glue had a market share of over 79% in the adhesives category with a presence across 85% of India. Because of the new initiatives by AI Glue, its year on year CAGR showed an incremental growth. Net sales of branded Adhesives and Sealants also grew and contributed 59.4% of the total sales of the ULTIBOND in 2019-20. AI glue was

the single largest contributor to ULTIBOND'S total revenue. The 50+ years of growth shows the potential of brand marketing and management strategies. AI ruled as a dominant player in this sector.

IV. ROAD MAP

AI glue had an active online presence that continued to leverage their signature brand's humor to promote powerful social media campaigns on topical subjects throughout the year. This included spreading awareness on basic protocols to follow during the pandemic, talk on international air, and so on. The company was coming up with a new AI blue glue which would be India's superior water resistance and Aqua proof Technology in white adhesives. The improved formulation offered 37% more water resistance than before. For future its R&D was mainly focused on fire proof solutions.

QUESTIONS

- Q1. Do the SWOT Analysis of the Case study.
- Q2. Looking at Strategic expansion what are the future opportunities for AI glue?
- Q3. What are the marketing strategies that AI glue has adopted for solving major issues? What are the benefits that the company seek by organizing cultural events?
- Q4. AI Glue was successful in winning the trust of the customers. What should be their contributions for addressing the changing trends in the market?