

Cementing the brand

ACC, Ambuja Cement, UltraTech sharpen their positioning strategies, look to differentiate their brands, increase recall and expand footprint

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Eager to make the most of an anticipated infrastructure push from the government and break the mould in a highly commodi-tised marketplace, cement majors ACC, UltraTech, Shree Cement and Ambuja Cement and relatively smaller counterparts Binani, Dalmia Cement and JSW Cement are working towards creating unique brand identities. While Aditya Birla-owned Ultra Tech Cement is pitching itself as the professional's choice, Lafarge-Holcim owned ACC and Ambuja Cement brands are taking the digital route to communicate and engage with the customers. The relatively smaller companies like JSW Cement are focusing on breaking common customer perceptions about their brands and thereby increase acceptance of the brand among customers.

Branding cement is not a recent phenomenon; for awhile now companies have been working to change customer perceptions about a product that is still considered a commodity purchase in many parts of the country. However, expecting an infrastructure push that will open up the housing market in small towns and cities and encourage affordable housing, the companies now see the need to establish a unique value proposition for their brands. At the same time, the cement majors want to leverage the expanding digital infrastructure to offer an agile and flexible brand experience for the end customer.

Identity and positioning

Differentiation is the first step towards creating a premium brand and some companies are going down that route. "Cement companies have been basing their communication on two parameters—strength and durability. For cement strength and durability are hygiene factors. Beauty is also an important element of any structure and equally important too," explained Vivek Agarwal, chief marketing officer at UltraTech Cement. Part of the Aditya Birla Group, it is the country's largest cement producer.

About three years ago, UltraTech Cement coined the tagline 'Build beautiful' after extensive customer research and strong feedback from the marketing team said Agarwal. It sets the brand upon an aspira-



(LtoR) UltraTech uses the tagline 'Build beautiful' to appeal to home owners, ACC calls itself 'Construction ka Doctor' and Ambuja Cement uses professional wrestler Khalli to endorse its brand as the strongest one on the block

tional perch and is expected to particularly appeal to brand conscious customers.

ACC wants to increase brand recall and is focused on availability and direct customer engagement. The company classifies its markets according to the extent of digital penetration and targets customers according to location. For digitally savvy markets, it has an app that lets customers explore the range of products and reach out to the company without going through an agent. The app was created after a survey conducted across 2,800 participants identified the big challenges faced by individual home builders. "The idea was to empower individual home builders to take well-informed decisions," said the company in an e-mailed response. The company also uses social media to stay engaged with its customer base.

ACC is part of the Lafarge Holcim group as is Ambuja Cement and the two are exploring a potential merger, the company announced in May this year. Ambuja's positioning is similar to that of ACC at present; it has pitched itself as a brand that is built on the core promise of strength and one that understands the customer.

Ambuja Cements too wants to be seen as a flexible brand that meets every customer's need. To provide a better brand experience, the company offers on-site service and specialised products for unique problems.

Expanding brand footprint

Creating a flexible identity has to be matched with an expanded distribution base and a communication plan that enhances brand recall. Familiarity is crucial and all brands are using television, print and radio to create awareness in the most remote areas of the country.

"Even at the shop level, brand recognition is crucial and the extent of branding at this level is decided upon the intensity of competition in that region," said Agarwal. The company has a dedicated team tracking competition intensity in various consumer driven regions across country and gets most of its leads from masons and dealers. It has a huge dealership of 17,000, spread across all parts of the country, he said.

ACC on the other hand has equipped retail outlets, especially in remote regions to become information hubs. The company provides local technical advisors and value-added service providers. The service has been packaged as what ACC calls 'Construction ka Doctor' and till date, close to 2,000 such helpline-assistance counters have been set up.

It has also initiated a Green Building Centre (GBC) initiative for development projects in rural India. This brings under one roof, all the components required for creating affordable, eco-friendly housing and sanitation. The service is especially centred around customers in rural and semi-

urban India. Not only are the products chosen to suit the needs of local construction, the company believes that by providing all materials, products, and services at a single location, it is enhancing customer experience.

"For our focus on individual house builders, we don't just provide the product (cement) but also additional services packaged as part of the product. Technical guidance at various stages of building, maintenance guidance through the company's helpline and other services are all provided to the customer through a helpline and on-ground assistance. Since it is a one-time investment all aspects have to be taken care of. For the urban consumer, builders rely on us for our consistency in quality," explained Agarwal.

For cement companies, investing in differentiated brand strategies and expanding their brand footprint is the only way to carve and retain their niches in the construction industry. Besides creating a push at the dealer-shop level, brands are looking to generate customer pull at urban and rural touch points. India's cement industry has a total installed capacity of about 460 million tonnes, but demand stands close to 280 million tonnes at present. Building a credible brand story is the only way cement majors can get close to fully using the capacities that they have built.

