

SOREN CHEMICAL AND IT'S SALES TARGET

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ABSTRACT

The research studies identified from the real-world scenarios happened with the organizations. The purpose of case study is to identify the situations that could have been improved through implementation of various concepts of business management and related theories. Soren chemical reached its target sale mark by 92.6% of \$1.5 million dollars in the first year, it has a difficult path to motivate suppliers and customers to use Coracle and their other products. The first challenge comes to that Soren Chemical when marketing their new products and convincing suppliers. In addition, they need to look at it from an end-user perspective and try to educate their consumers about the benefits of Coracle by financing in a marketing campaign. This study investigates, why Coracle isn't meeting the initial volume and sales target, and make recommendations for a marketing strategy that best suits Coracles demands. The study also analyses the benefit of Coracle to consumers is the promise to reduce the need for additional chemicals on average of 25%. However, there is also a drawback for distributors. According to the field retailer survey, the annual chemical costs at retail price is \$300. If the suppliers push Coracle, then they'd be missing out on nearly \$75 in other chemical sales. With a gross margin of 30%, distributors are not as inclined to push Coracle because they will be losing money. By promoting Coracle, distributors would lose out on 20% which comes out to be nearly -\$8.63, while retailers would miss out on 15% or -\$7.50. In examining the consumer end the market potential for residential pool clarifiers could be immense, with up to 9 million households boasting swimming pools just in the United States alone. It emphasizes the point that nearly 75% of the 7.2 million people.

Short Communication

The Study discussing about the addressable market size for Coracle the first-year goal of \$1.5 million sales reasonable? Soren Chemicals aiming residential pools which have small commercial pools, that are served by other clarifiers like the Kailan MW produced by Soren Chemicals Coracle is one of the clarifiers developed and produced by soren chemical. Where a small quantity of Kailan MW is adequate to treat large volumes of water but it is unsuitable for residential pools due to misuse and safety hazards. The targeted residential pools of Coracle have a lower water volume, less swimmers, and a less maintenance program. It is estimated that there are 9 million residential pools in the United States and the frequency of usage of pools and chemicals increasing rapidly. On average pool usage are 5 months in summer time from May to September, and less people will swim in cold weather. At present, Coracle has three leading competitors for residential pool-use clarifiers: Kymera, Keystone Chemical, and Jacson Laboratories, and each of has a 15% to 20% market share. So, the continued reasonable and addressable market share for Coracle is 40% to 55% maximally if we do not consider the competition and market share of other smaller competitors. Considering the distributors carried tens of the thousands of products from different suppliers, including the regional formulators that sold Kailan MW, at least two of the formulators sold Kailan MW with a diluted version as a

private label clarifier, and the competition from leading competitors and small competitors, we suggest that 15% should be market share of residential pools market for which Coracle needs to struggle and address. Therefore, the addressable market size for Coracle should be \$7,846,373 based on the 15% of market share. Based on the above analysis, its first-year target of \$1.5 million sales is quite reasonable if we decide the addressable market size \$7,846,373 by 5 months which is around \$1.57 million and greater than the target, but it is not the case, and it is not reasonable if the marketing team study it carefully. The \$1.5 million sales goal is too aggressive for the first year for Coracle.

The study also discusses about action plan recommend for Coracle. And should Soren Chemical adopt a “push” or a “pull” strategy? As the main goal of the company is focused on developing their own brand which will be recognized by customers & will be asked they want to continue investing in new products which will be easier to position on the market. Application of push or pull strategy depends on different factors. Push approaches applied through positioning brand through encouraging distribution channels to push the products to consumers. This approach is more suitable for companies which have some control under the demand. It requires close relations with distribution channels and strongly based on supply system. Marketing team of Soren Chemical applied push strategy in order to differentiate Coracle product, while the microenvironment analysis showed that competitors around 15-20% shares each. This also negatively affected their further decision in choosing promotion & pricing approaches.