



NAMMAN MUAY

XX Consulting

“ The Road to 350M. Baht SMELLS SO GOOD! ”



Chanuntorn Plypetch



Phanita Leelaruttanapol



Rawisara Thongchanthra



Pemika Phongpanangam

Executive Summary:



Objective

Company wants to increase its revenue to 350 million Baht by the end of 2023



Analysis

Front the updated market landscape viewpoint, NMM has a great opportunity to expand its SPONGE FORMAT to the market and will be able to target Generation Y white collar workers suffering from office syndrome.



Issue

Declining in revenue due to the loss of main customers from Covid-19



Strategy

New normal

(Make the product more attractive)

- Adapt the existing format
- 2 steps applicator
- Aromatherapy formula

Memorable

(Boost brand awareness)

- Mascot design competition
- Send care packages
- Improve marketing

Move forward

(Integrated to customers' everyday life)

- Place vending machines
- Sponsorship



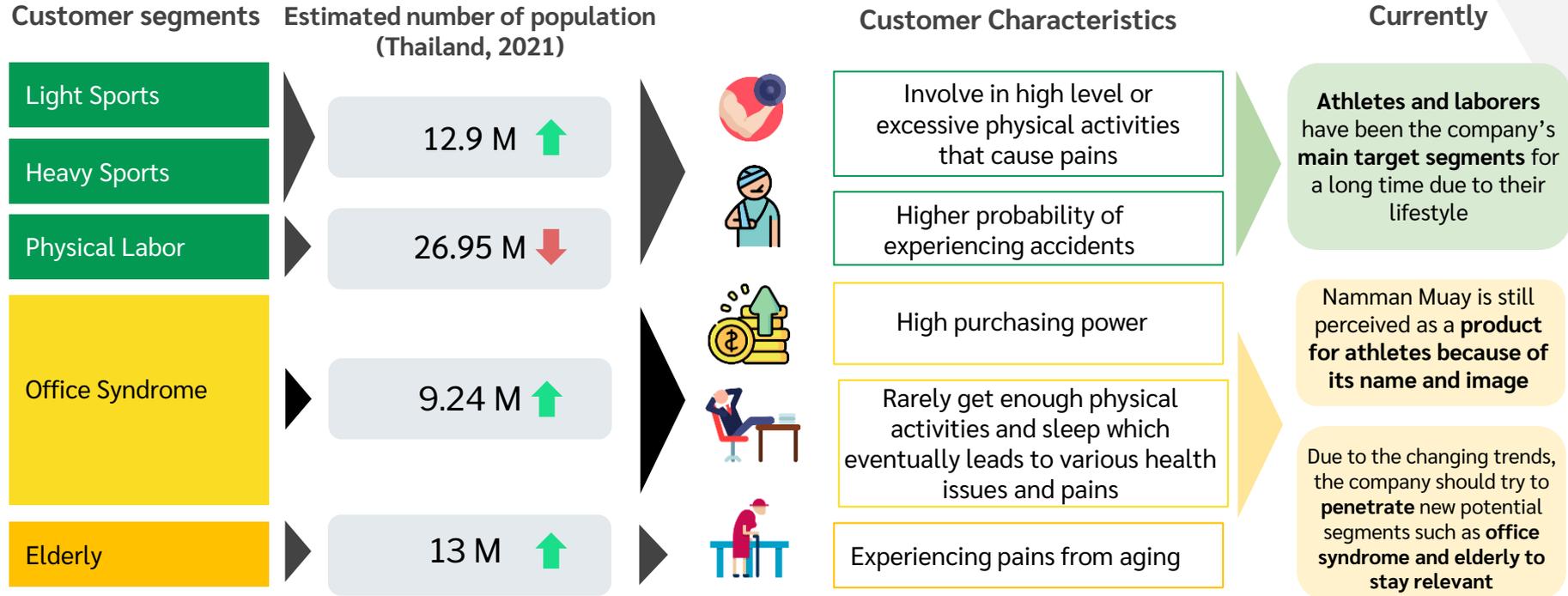
Impact

The company is estimated to be able to exceed the targeted revenue and can gain up to 384 Million Baht by the end of 2023

Company needs to stay relevant by considering new customer segmentation



Customer Analysis

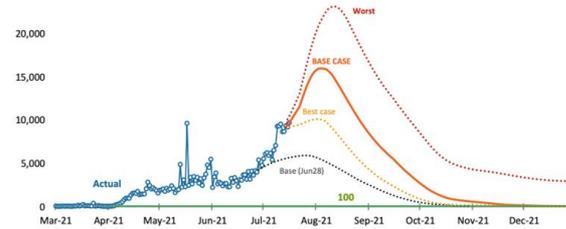


Source: prachachat, thumbsup, nso, longtunman, thaipost, kasikornbank

COVID - 19 impact on Namman Muay results in negative effects and opportunities to target office workers



It is possible that the government will extend the lockdown period until the end of December



Negative effects

- Shutdown of gym, public park and, sport complex
- No sport competition
- Decrease in overall sport activities

Sales of **Namman Muay liniment**, the main product of the brand used by athletes fell by 30 %



Opportunities

95%

of people work from home during lockdown



81% of office workers work from home



80% of office workers have office syndrome



52% of office workers are stressed during work from home

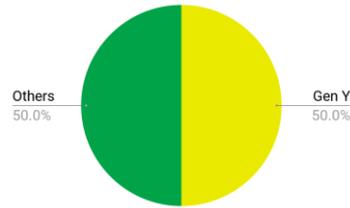
Office workers can become our target

Source: Case material, brandbuffet, posttoday

Generation Y represent most of the office workers and they have several unique characteristics that the company should focus on

Generation Y Analysis

By 2025, Gen Y will account for 50% of the total office workers



Factors that affect their buying decision



84% of Gen Y believe in **social media marketing**



51% of Gen Y believe in review from **bloggers**

Main characteristic



Prefer unique or customize product

product details should be meticulously designed to meet and exceed Gen Y expectations.



Have high purchasing power and stable income

Average spending/person : ฿95,518/year
Average income/person : ฿377,694/year



Like to socialize and don't want to get off trend

Online: 80% use social media
Offline: socializing frequently with friends, colleagues and peers

Source: bangkokpost, positioning magazine, Department of mental health Thailand, SCB bank

Namman Muay should focus on creating marketing strategies around the SPONGE format for Generation Y white collar workers.



Product Analysis

1962

2020

LINIMENT



Market leader in the liniment format segment of topical analgesics (approx. 25% market share)

Designed for athletes

Sales fell 30% due to covid

CREAM



5th largest market share in the cream format segment.

Designed for general use/athletes

544% market share growth in 2019 -38% in 2020

SPRAY



Designed for emergency use

Competitors in the market → “Perskindol”, “Uniren” etc.

SPONGE



Convenient, No mess
→ Match with modern lifestyle

Designed for office workers

→ **OPPORTUNITY** for NMM to become one of the first authentic Thai product that will become Thais’ **GO-TO SPONGE TOPICAL ANALGESICS**.



Other formats in the market (Gel Patch Ointment)
-Most manufacturers showed small % of growth in the market share of 2019 (pre-covid) and 2020 so the market for these formats are not attractive enough for NMM to penetrate yet.



All formulas have a pungent smell

“Ammeltz Yoko Yoko” is a successful popular Japanese brand in Thailand. (not many local Thai competitors)

Source: Case, NMM Official

Situational Analysis

Recommendation

Implementation

Impact

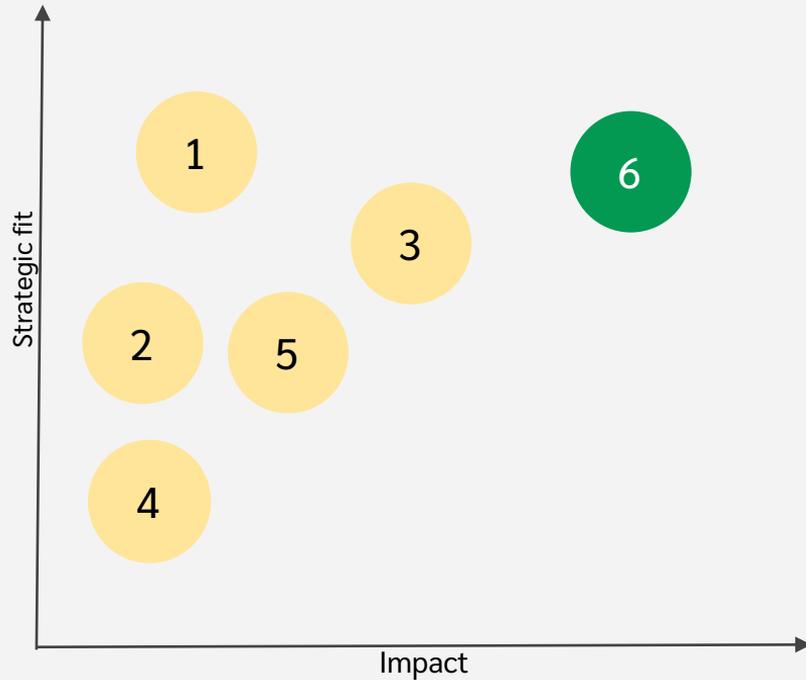
Risk and Mitigation

Evaluation of possible solutions for Namman Muay



The chosen solution should communicate to the targeted group, Gen y office workers

Several solutions are suggested to solve the current issues



Solutions are eliminated due to low strategic or low impact

1. NMM Application

- Unique features and contents will increase customer engagement
- Efficient way to collect customers insight

2. NMM massage parlor

- Can introduce a variety of products through practical use
- Almost impossible during Covid-19 situation

3. New product: "NMM Balm"

- Formula circulates around being liquid
- Market experienced small % growth in recent years

4. Collect & Recycle

- Support environmental initiatives
- A long useful life for non-athletes makes the campaign not impactful for our main objective

5. Co-brand

- Can attract younger customers and people who are interested in fashion
- Not enough impact to get 350 Million Baht by 2023

6. NMM strategy

- A good fit with the current objectives of the brand
- Can target segments that have high purchasing power
- Impact is expected to be large enough to get 350 Million Baht by 2023

Our strategies will ensure that Namman Muay becomes the first brand in Gen Y white collar workers' mind



Strategy summary

Issue:	<i>Namman muay is losing its revenue due to the loss of its main customers, which are athletes and blue collar workers, from the Covid-19 pandemic.</i>
Question:	<i>How to target Gen Y white collar workers and tailor marketing strategies towards this specific segment, during and post Covid-19, to reach 350 million Baht by the end of 2023?</i>

Objectives	Questions	Strategies
1 Make the product APPROPRIATE for the target group	How can Namman Muay become more attractive to white collar workers?	N ew normal Adapt the existing format 2 steps applicator+aromatherapy formula
2 Boost brand AWARENESS	How can the company make its customers memorize the brand and stay relevant to their lifestyle?	M emorable Mascot design competition +promotion plan
3 INTEGRATE it to customers' everyday life	How can Namman Muay be the first brand in customer's mind?	M ove forward Place vending machines + sponsorship



N

Recommendation 1:

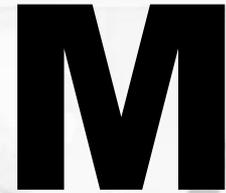
**New
Normal**



M

Recommendation 2:

Memorable



M

Recommendation 3:

**Move
Forward**

Introducing NMM Sponge+



Massage parlor right in a bottle with the new design of packaging and 2 steps applicator

Modern and minimal packaging design to make it more appealing and perceived as a premium and high quality product

Medicine properties, ingredients, and certified trust that is clearly shown on the packaging are suited with our target customers
92% of Gen Y want in-depth information on packaging

The rebrand packaging and new formulas launch will connect Namman Muay sponge+ with generation Y office workers by adjusting the product to meet with their preference



Introducing...
2 Steps applicator

1 **Sponge**
To easily apply on the desired spot with the **controllable** amount of liquid

2 **Roller**
To easily **massage** muscles and joints

The new applicator will allow users to apply and massage on the desired spot conveniently by reaching hard-to-reach spots and not being messy having to use their hands when massaging

Packaging : See appendix for additional case study

Because of its pungent smell, new scents are introduced to make it more appealing to use around themselves and others



Creating **2** new formulas containing essential oil which are suitable for office workers as these oil can....

Be effective analgesic and anti-inflammatory

Give aromatic smell for aromatherapy

Have additional benefit that help with work performance

Essential oil & Aromatherapy



Essential oil is used for **Therapeutic Aromatherapy**, which effectively helps reduce stress, anxiety, and muscular pain.

The perfect combination

The therapy is done through **massaging and inhaling** the aroma which the design of the NMM sponge+ facilitates it perfectly

Natural only

Aromatherapy only works with natural essential oil, the synthetic perfume oil won't give the same benefits



1 Relax at work

Lavender



Relaxing and soothing properties that help with rejuvenation and calming of the skin

2 Active at work

Rosemary



Enhance mental alertness and improve brain function
Help relieve pain
Eases stress



As the more values are added, NMM sponge+ should have higher price



Positioning & Pricing

Higher values allows NMM sponge+ to have a higher price

Competition Based Pricing

Considering the other three competitors in the market, it can be seen that NMM sponge+ provides a lot more special features which add more value to the product. This gives the opportunity for the company to raise the price but still maintains it to be parity with the competitors



Additional Features

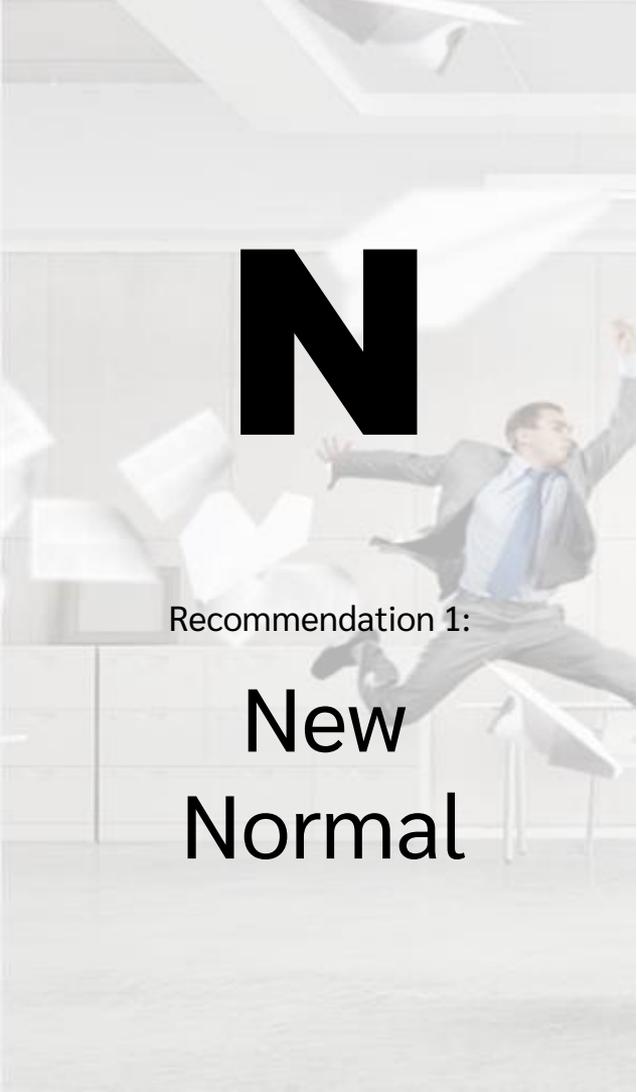


Higher value = Higher price



Price comparison with competitors

1		Ammeltz Yoko (48 mL.) 165 Baht
2		Fight 5 (50 mL.) 145 Baht
3		Qianli Zhui Feng You (85 mL.) 245 Baht
4		NMM Sponge+ (40 mL.) 140 Baht



N

Recommendation 1:

New
Normal



M

Recommendation 2:

Memorable



M

Recommendation 3:

Move
Forward

Campaign Details

Campaign: Liven up Namman Muay

Theme: represents that everyone can reach the brand



Set up a mascot design competition

To increase engagement with the potential customers



Select finalist

Find the one that fits with the theme the most



Let people vote through social media

The target group (Gen Y) will be participating the most as they like to socialize and share their opinions

The cost of setting up the competition can be obtained from the cost of designing the mascot if we were to create one.

Source: *spellbrand*

Why MASCOT?



Attention

Distinctive mascot design can help grab a viewer's attention



Brand Recognition

People can remember the brand through its mascot without having to present the brand's name

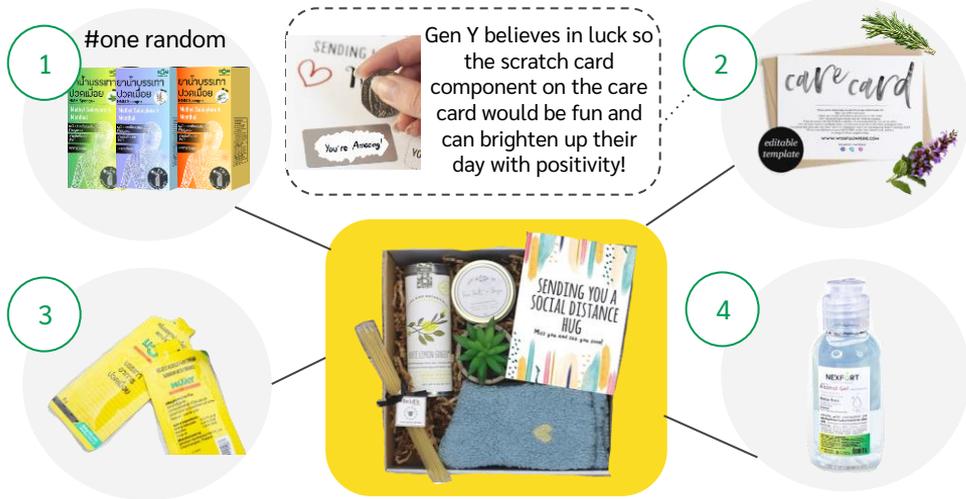


Relatable

More customers can relate to the company, which allow for a deeper engagement for the marketing message.

Promoting NMM's Products

Spreading Love through Care Packages



Deliver care packages as testers to the white collar workers working from home.

- One 40 cc size of NMM Sponge+ which includes one randomly picked scent from the 3 scents. Spark talks amongst colleagues to share what they got
- Care card expressing sympathy towards WFH. Introduce the two new scents and its benefits to them. A fun gimmick of a scratch card will also be added to give a hint of fun!
- NMM Cream small plastic package (tester)
- Nextfort small alcohol gel

What we want to express through our care package...

- Brand Awareness
- Care
- Fun



To distribute the care packages, we will be contacting 10 offices (100 care packages each) that employees tend to experience office syndrome (Big4 etc.). We want to expose our brand to as many target customers as we can. Spark word-of-mouth.

Why sending samples is a good idea



Sara experiences aches all over her body due to WFH. Luckily she was one of the recipients of our care package. She decides to use the sample and felt good about it. She proceeds to buy more as she now knows about our products.



Reciprocity



Trust



Reach

Source: shopify, positioningmag

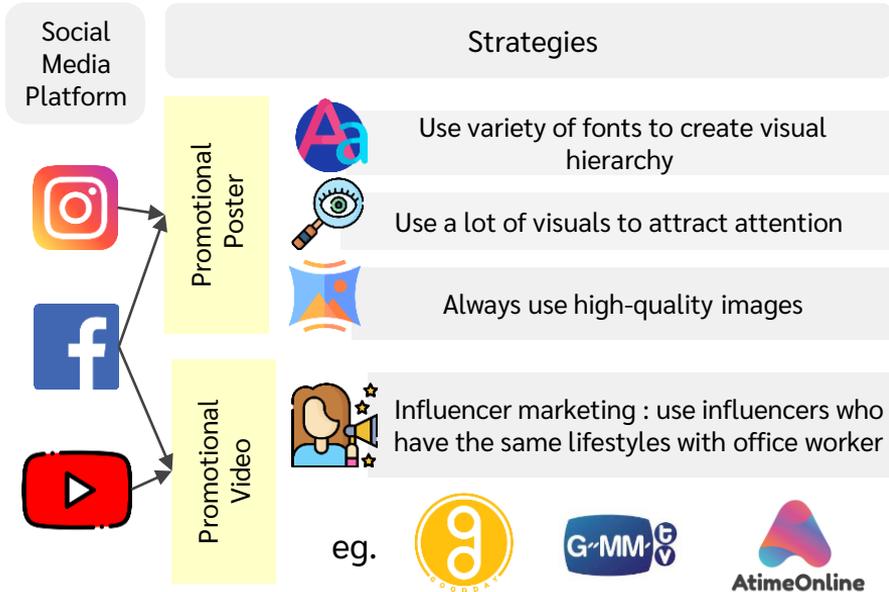
The company can make NMM sponge+ be more relevant through several marketing communication methods



Improve marketing communication

Create contents to communicate our key message of NMM Sponge+ : “Sponge+ ยิ่งवाद ยิ่งหอม”

Social Media Initiatives



Introduce new Presenter

Select new presenters who are famous among targeted customers and have relatable lifestyles

Palmy in “वाद” music video

Well-known
Funny
Friendly

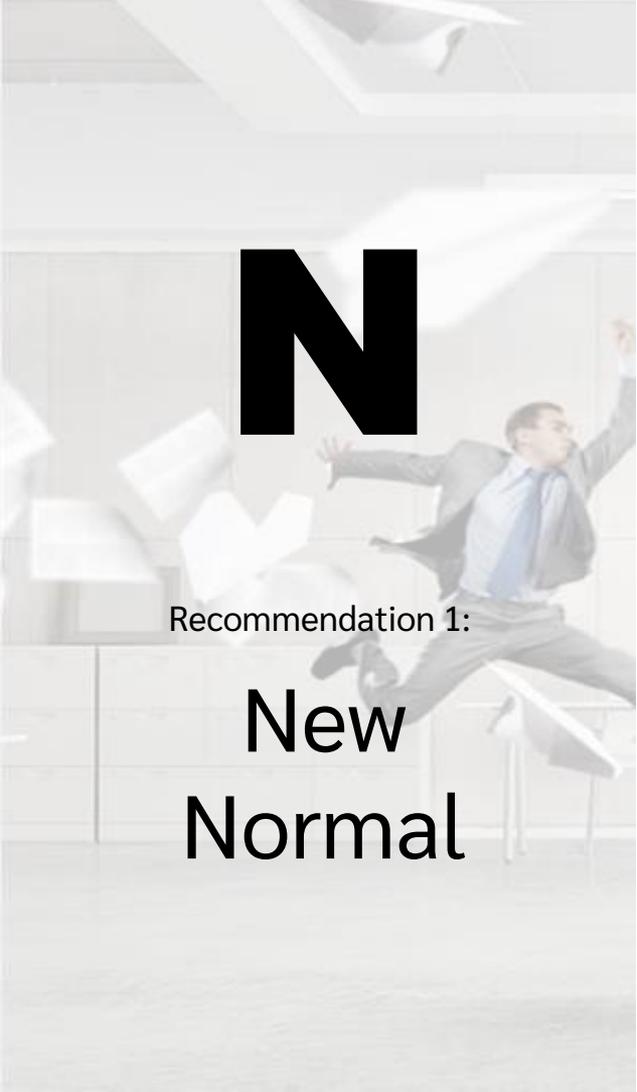


Photoshoot



Music Video Ads

Source: penji



N

Recommendation 1:

New
Normal



M

Recommendation 2:

Memorable



M

Recommendation 3:

Move
Forward

The company can make NMM sponge+ appear in customer's everyday life by expanding its distribution channel and give sponsorship

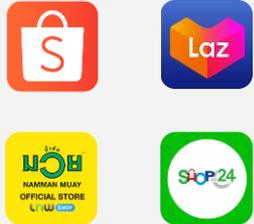


Strategy Details

Distribution channel

Existing

Online



Offline



New

Vending machines



Offices



Co-working space

Place vending machine where office workers are at to make it more convenient for them as it is shown that Gen Y value convenience.

Source: bcregis, songsue

Sponsorship

Radio program



Sponsor several radio programs which mostly listened by targeted customers

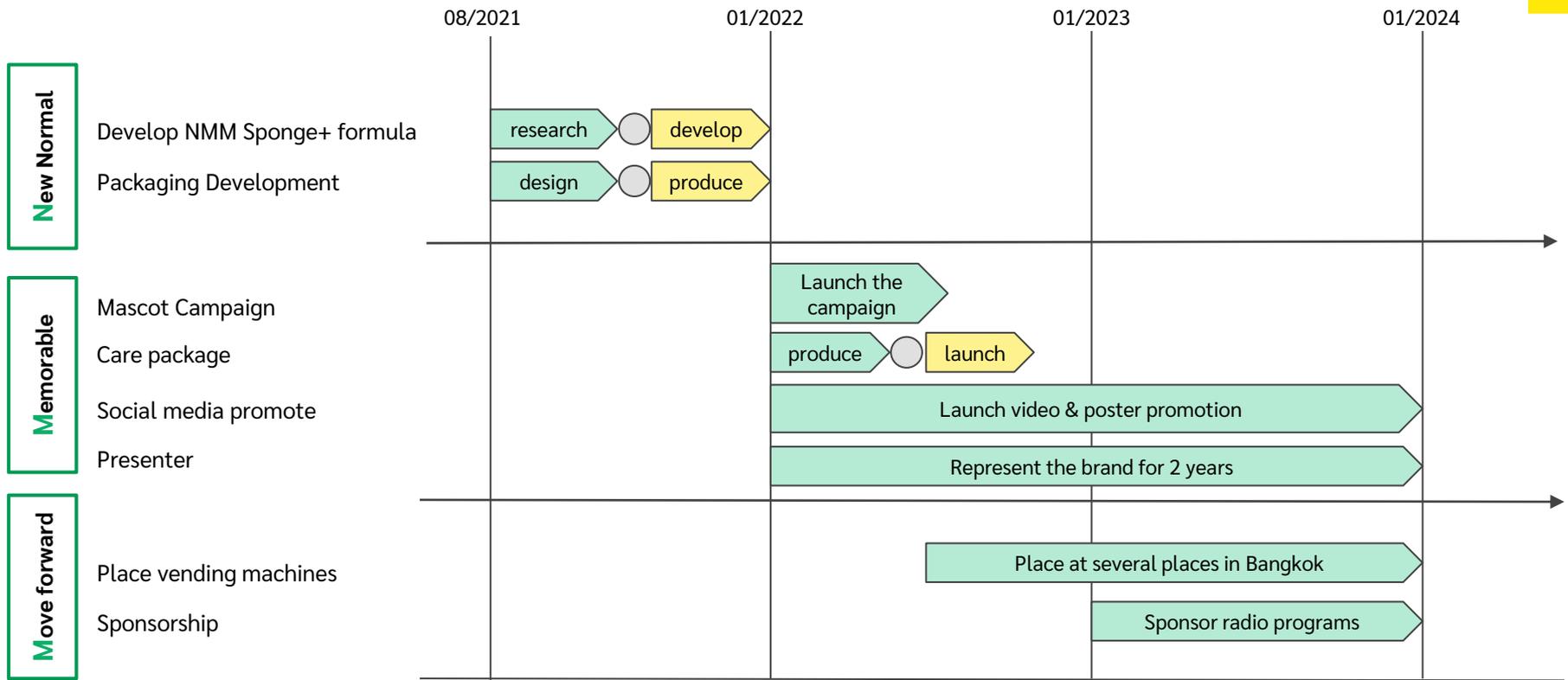


Gen Y ranked the second for the highest number of radio listeners from all population



Gen Y prefer to listen to the radio during work time or when they are on the road

Implementation Timeline



Legend: Implement Execute pending prior success Evaluation point

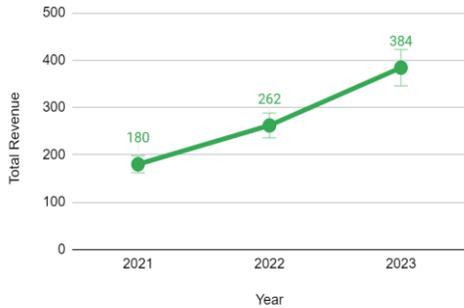
Cumulative financial effect



Total revenue & Revenue breakdown

Achieve the total revenue of 350 Million Baht within 2023

Total Revenue (unit: million Baht)



Revenue Breakdown (unit: million Baht)

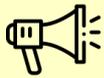


Focusing on NMM sponge+ sales

Liquid format, NMM Sponge+ and Cream Sales (Unit: million Baht)



Key Cost Drivers for 3 years (22.09 Million)



Promotional campaigns
฿ 120k



Presenter
฿ 3M



R & D
฿ 15M



Social media promotion
฿ 1.96M



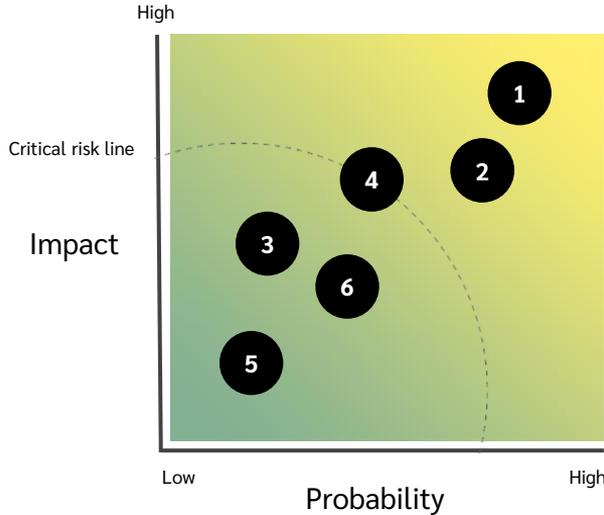
Radio Sponsorship
฿ 1.2M



Vending machine
฿ 900k

Key risks have been identified and mitigating actions have been created

Risk analysis



No.	Risk	Mitigation
1	Popularity of NMM sponge+ declines after a period of time	Update product line and introduce seasonal marketing campaigns
2	A lot of marketing strategies may incur high costs	Choose to prioritize some and eliminate some campaigns depending on the effectiveness of the it
3	Competition from other Sponge products	Position NMM Sponge+ in a unique way compared to competitors
4	The covid situation doesn't get better within end of 2023	Focus on more online initiatives instead of offline ones
5	Low participation rate in the mascot design campaign	Evaluate incentive scheme and provide extra incentive Co. with educational institution (design faculties etc.)
6	Vending machines are not popular among office workers	Develop additional features that can attract interest of the public

Through **NMM Strategy**,
Namman Muay will
achieve the total revenue
of **฿350M** within
2023

New normal
Adapt the existing format
2 steps applicators+aromatherapy formula

Memorable
Mascot design competition+promotion plan

Move forward
Place vending machines + sponsorship

Overview

- 1.Cover Slide
- 2.Executive Summary

Situational Analysis

- 3.Customer Analysis
4. COVID-19 Impact
- 5.Generation Y
- 6.Product Analysis
- 7.Strategy Evaluation
- 8.Strategy Summary

New Normal

- 9.Cover
- 10.NMM Sponge+
- 11.New NMM Sponge+
- 12.Pricing

Memorable

- 13.Cover
- 14.Mascot Design Campaign
- 15.Care Package
- 16.Social Media & Presenters

Move Forward

- 17.Cover
- 18.Distribution Channel/Sponsorship

Implementation

- 19.Timeline
- 20.Financials
- 21.Risk & Mitigation
- 22.Conclusion

Appendix

- 23.Appendix Network
- 24.Why not others?
- 25.BarBGon Mascot Case
- 26.SriChand Case Study
- 27.Revenue Breakdown
- 28.Cost Breakdown

Why we did not choose to market other product instead of sponge

LINIMENT



- Not convenient to use in the workplace as our hand is going to get dirty
- Has a pungent smell
- Its formula fits with athletes more (too strong)

CREAM



- Not convenient to use in the workplace as our hand is going to get dirty
- Lots of competitors

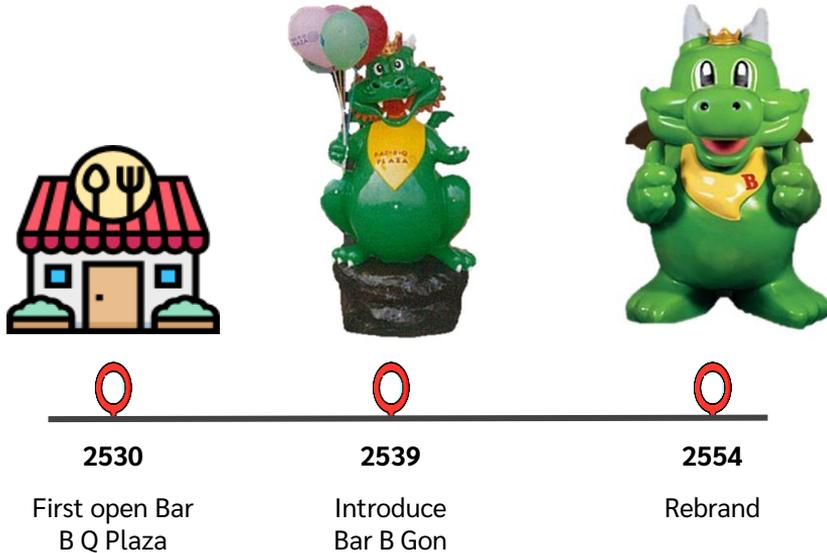
SPRAY



- Should be used in an emergency case not for everyday life, so the sales may not be high enough to make the company achieve 350 Million Baht within 2023

Mascot Case Study (Bar B Q Plaza)

Bar B Gon can successfully represents the brand



After introducing Bar B Gon, people can relate more to the brand and some even call “Bar B Gon” as the name of the restaurant

Mascot & Marketing

Character Marketing

Create a story & character for the mascot, which relates to the brand identity

Ex. Horn - to look for high quality meat
Eyes - can know the customer's feeling

Content Marketing

Use storytelling to do video advertisements

Storytelling

Everyone, including the waiter, has to be on the same page and believe in the story in order to make the story be more realistic

Sri-Chand Case Study



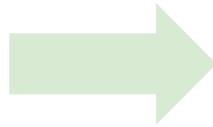
Successful Rebranding in Packaging

Source: krungsri, wordpress

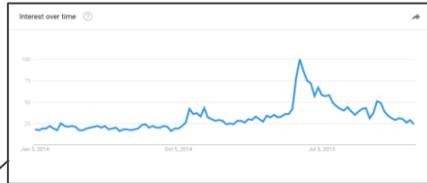


📍 1948 -- First-Launched

Similar History to NMM
 -Over 70 years old
 -Needs to adapt to changes
 -Authentic Thai product
 -Perceived as “old-fashioned”



📍 2014 -- Rebrand



The process in rebranding

- Bring outside reality in**
 - accepting that Thais' perception towards thai products is cheap and has low quality
- Way out for rebranding**
 -set goal to create the **best quality product** that is equal to the world's standard.
 - choose high quality ingredients and touching packaging.
- Being successful**
 -customers eventually change their perception and choose to buy the product.

HOW did they do it?

- Change communication order for ads
- Change logo, packaging, branding
- Introduce new products

4Ps

- Price - increase value → increase price by more than double
- Place - expand distribution channels
- Promotion - delete old image with strategized ads
- Products - packaging seemed not worth it even though quality is good.

2013-2016

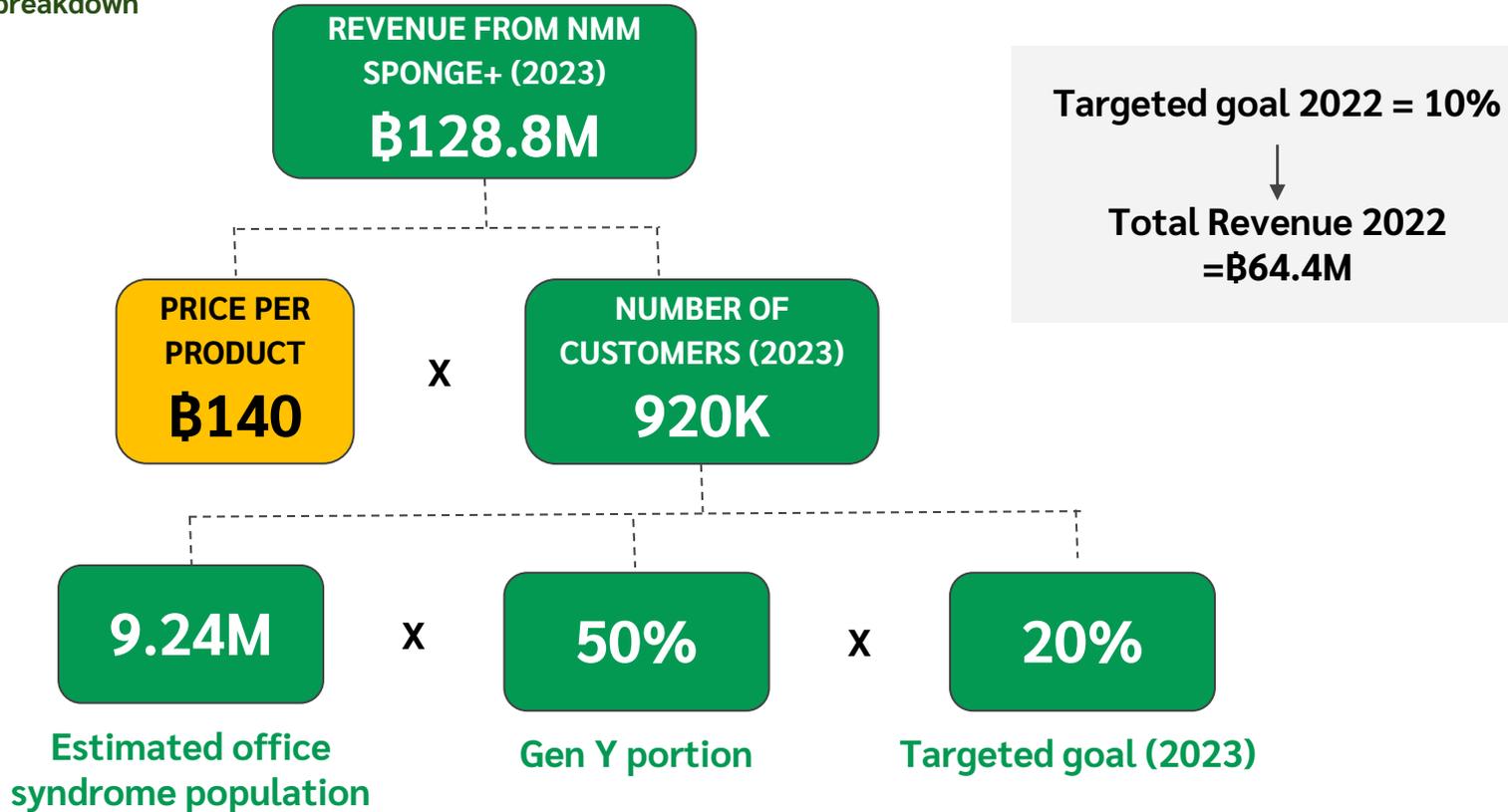


1000%
Sales increase

Namman Muay-increase in sales through increased purchase frequency and price of NMM sponge+



Revenue breakdown



Financial Strategy - Cost Breakdown



		2021	2022	2023
	Baht / unit	Total (Baht)	Total (Baht)	Total (Baht)
Strategy 1: New Normal				
Research and Development		15,000,000		
Production Cost				
Lavender scent	3.6		828,000	1,656,000
Rosemary scent	1.0		230,000	460,000
Menthol 5%	3.2		1,472,000	2,944,000
Metyl Salicilate 17%	0.6		276,000	552,000
New packaging	9.5		4,370,000	8,740,000
Strategy 2: Memorable				
Mascot Competition			50,000	
Care package	70.0		70,000	
Social media promotion				
Social media Marketing			600,000	600,000
Youtube Marketing	190,000 Baht/content		760,000	
Presenter cost			1,500,000	1,500,000
Strategy 3: Move Forward				
Vending machine			450,000	900,000
Radio Sponsorship				1,200,000
Total		15,000,000	10,606,000	18,552,000