

# Consumer Care Book - Dry Irons 2.0

GC150, GC160

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Product picture:



## **Product introduction**

Dry iron stays very relevant in parts of the world, especially in ASEAN, India, MEA and Brazil. Dry irons represent around 10% of the total business for Garment Care.

The competitive landscape is moving fast. Competition is refreshing at higher speed. However, our current portfolio is 'out-dated', margins are under pressure and claims are not appealing to consumers as much as competition.

The Dry Iron 2.0 is intended to refresh the portfolio and grow in relevant segments. The objectives are to

1. Maintain healthy IGM
2. Maintain the market share of Diva range, but convert more to the high end iterations.
3. Expand range with heavyweight dry iron GC500 to drive market share growth in MEA/Brazil.

## Range Build-up for Dry Iron 2.0

|   | Crisp White | Citronelle  | Vivid Orange  | Workwear Blue   | Magic Purple  |
|---|-------------|---|---|---|---|
|   |             |  |  |  |  |
| Type Number                                 | GC150       | GC150   | GC150   | GC160   | GC160   |
| Predessor                                   | GC135       | GC135   | GC135   | GC148   | GC148   |
| High Volt                                   | ✓           | ✓   | ✓   | ✓   | ✓   |
| Low Volt (color unconfirmed, for Brazil)    | ✓           |   |   | ✓   |   |
| Low Watt (color unconfirmed, for Indonesia) | ✓           |   |   | ✓   |   |
| <b>Pointed Tip (Azur Shape)</b>             | ✓           | ✓   | ✓   | ✓   | ✓   |
| <b>Soleplate Coating</b>                    |             |   |   |   |   |
| Linished                                    | ✓           | ✓   | ✓   |   |   |
| Thin Solgel with Print                      |             |   |   | ✓   | ✓   |
| <b>Performance</b>                          |             |   |   |   |   |
| Claimed Power (W)                           | 1000        | 1000  | 1000  | 1200  | 1200  |
| <b>Convenience</b>                          |             |   |   |   |   |
| T-Dial                                      | XL          | XL  | XL  | XL  | XL  |
| Cord length                                 | 1.9         | 1.9   | 1.9   | 1.9   | 1.9   |
| <b>Grip</b>                                 |             |   |   |   |   |
| Line texturing                              | ✓           | ✓   | ✓   | ✓   | ✓   |
| <b>Regional Distribution</b>                |             |   |   |   |   |
|   | ASIA<br>MEA | ASIA  | ASIA<br>MEA   | Europe<br>ASIA<br>MEA   | ASIA  |

# Value Proposition House

## VPH - Modern, Traditional Dry Iron

|  |  |   |  |
|--|--|---|--|
| Modern, traditional dry iron   | <b>1. Target group</b>   | <b>2. End-user Insight</b>  | <b>3. Competitive Environment</b>  |
|  | <p>1. <b>Traditional ironer:</b> Currently I'm using a dry iron, it is easy to clean and it does the job. If I have troubles with getting certain wrinkles out of my garment, I will splash a bit of water on my garment before ironing. I take pride in looking after my family and their clothes. The typical traditional ironer is mostly female, between 35-54 yrs, has lots of ironing experience (irons up to 8 times a week). Often she has a family with kids to look after.</p> <p>2. <b>First time ironer:</b> This iron will be my first steps into ironing. I'm looking for something basic, easy to understand and operate. My main influence on the purchase will be from people I know well, probably family.</p> <p>Main regions for dry irons are Asean, MEA and Brazil.<br/>Age between 25-54, single or married (if so up to 2 kids)<br/>Ironing up to 1 hr a day, mostly the entire basket</p> | <p>Two groups with different unmet needs:</p> <p><b>Traditional ironer</b></p> <ul style="list-style-type: none"> <li>I am happy using dry irons. I'm convinced the dry iron is the best for me in terms of safety, durability, ease of use and performance. However, my iron just broke down after many years of use and hence I need to replace it. I wish there was a robust, yet slim dry iron to replace my broken one?</li> <li>I am happy using dry irons. I'm convinced the dry iron is the best for me in terms of safety, durability, ease of use and performance. Though my current dry iron is still working, I think it is already old and I would like to buy a new dry iron if the market offers appealing products. I wish there was a robust, modern dry iron giving me the confidence to get great ironing results?</li> </ul> <p><b>First-time ironer</b></p> <ul style="list-style-type: none"> <li>I don't have much experience yet in ironing, so I need a easy-to-use and basic appliance. I wish there was a simple iron that is safe and make ironing more straightforward.</li> </ul> | <ul style="list-style-type: none"> <li><b>India</b> <ul style="list-style-type: none"> <li>Bajaj (various models)</li> </ul> </li> <li><b>Brazil</b> <ul style="list-style-type: none"> <li>Arno/Calor Forma 20</li> <li>Black&amp;Decker F300</li> <li>Mallory Apollo</li> </ul> </li> <li><b>Asean (Malaysia/Thailand)</b> <ul style="list-style-type: none"> <li>Panasonic NI 317</li> <li>Sharp AM-P 333</li> </ul> </li> <li><b>UAE</b> <ul style="list-style-type: none"> <li>Black&amp;Decker F150 (Dry&amp;Spray)</li> </ul> </li> </ul> |
| <b>4. End- user benefit</b>  | <b>5. Reasons to Believe</b>   | <b>6. Discriminator</b>    |  |
| <p>1. <b>Efficient way of ironing.</b> no-nonsense, easy to use, reliable iron, which will serve you for longer than a cheap iron, due to the <b>outstanding quality</b></p> <p>2. <b>Safe for you and your family</b> safety that lasts over time</p> <p>The Philips dry irons helps you to iron efficiently and safely with a long-lasting iron.</p> | <p>Philips is the <b>Nr1 ironing brand</b> in the world with over <b>50yrs</b> of experience in developing irons.</p> <p>RtB's in:</p> <p><b>1. Efficiency:</b></p> <ul style="list-style-type: none"> <li>Superior (for that price) soleplate (no hot /cold spots, button groove, pointed tip, coating?)</li> <li>Thermostat (reliable for accurate temp control)</li> <li>Ergonomic design</li> </ul> <p><b>2. Quality:</b></p> <ul style="list-style-type: none"> <li>Good quality materials</li> <li>extensive tests done</li> </ul> <p><b>3. Safety:</b></p> <ul style="list-style-type: none"> <li>Thermal auto cut off</li> <li>European standard XL stable heel rest</li> <li>Wear resistant cord</li> </ul>   | <p>Only Philips dry irons give me the <b>superior quality</b> and <b>safety</b> as well as the <b>feeling of efficiency</b> I need.</p> <p><b>Traditional ironer</b></p> <p>Only Philips dry irons provide a trusted and superior dry iron that I can depend on.</p> <p><b>First time ironer</b></p> <p>Only Philips dry irons make it simple to get started with ironing for beginners like me.</p>  |  |
| <b>Brand positioning : Describe how you (will) know for sure above proposition make consumers/customers consider this...</b>   |  |   |  |
| <p><u>designed around you:</u></p> <p>In the key countries the dry-to-steam conversion is not (yet) happening as dry remains dominant. The consumer has various traditional considerations not to upgrade, but do request a high-quality solution they can rely on to do the job.</p>  | <p><u>advanced:</u></p> <p>Increase MS across key dry irons regions</p>  | <p><u>easy to experience:</u></p> <p>Comparative tests to validate superiority</p>  |  |

## **Consumer Care Focus**

1. Consumer Education
  - a. Pre-purchase
    - i. Traditional ironers who are looking to replace their dry iron which has broken down - Recommend the Diva dry iron as replacement. Communicate the robustness in terms of safety, durability, ease of use and performance.
    - ii. Traditional ironers who are looking to buy a new dry iron if the market offers appealing products - Recommend the Diva dry iron and communicate the robustness and modern look while giving great ironing results.
    - iii. First-time ironers who don't have much experience in ironing yet – Communicate the dry iron as a simple iron that is safe and make ironing more straightforward.
  - b. Post-purchase – Product experience enhancement
    - i. Readiness of Call Center & Web support (FAQ, Web chat) to address users' queries effectively. Identify the top hit queries from consumer experience wheel.
    - ii. Availability of Consumer Replaceable Part (CRP) water spray jug on Online Shop. Consumer touch points to clearly communicate where/how to purchase.
2. Optimization of service execution for NPS and cost improvement
  - a. Ensure service readiness (service manual and critical spare parts availability before launch week)
  - b. CRP and spare parts availability till End Of Production + 4yrs.

Country focus: Europe, ASEAN, India, Brazil.

## **Introduction and sales planning**

| Region          | Month of introduction | Planned sales year of introduction (x k) | Planned sales total period 2012-2016 |
|-----------------|-----------------------|--|--------------------------------------|
| ASEAN & Pacific | Jan'13                | 256,000                                  | 969,000                              |
| Thailand        | Jan'13                | 405,000                                  | 1,489,000                            |
| Brazil          | N/A                   | N/A                                      | N/A                                  |
| Europe          | Jan'13                | 27,000                                   | 103,000                              |

## **IPD milestones**

PPC/PC wk1224

PV wk1240

IR wk1241

CR wk1245

LD wk1249 (ASEAN) wk1307 (Brazil)



**Consumer Care Package**

| Item  | Detail  | Availability<br>Timing (link to<br>milestone) | Owner<br>(name)           | Additional cost<br>(TIC) |
|---|---|---|---------------------------|--------------------------|
| <u>In-box / on-product</u><br>(Product)               | User manual<br>Warranty card<br>Product label   | Wk1240 (PV)                                   | Sun Yini                  |                          |
| <u>Web – pre purchase</u><br>(Product)                | FAQ<br>Leaflet  | Wk1245 (CR)                                   | Sun Yini<br>IJsbrand      |                          |
| <u>Web – post purchase</u><br>(Product)               | FAQ<br>Tips & Tricks  | Wk1245 (CR)                                   | Sun Yini                  |                          |
| <u>Specify items for call<br/>center</u><br>(Product) | Training material for call<br>center: Not required<br><br>Product sample for Call<br>Centers supporting launch<br>countries: Not required | Wk1245 (CR)                                   | IJsbrand<br><br>Teck Kiat |                          |
| <u>Specify items for<br/>service center</u>           | Service manual and critical<br>spare parts on stock   | Wk1249 (LD)                                   | Jason Loo                 |                          |

**Any relevant specifics for execution – please list below**

Nil.

**Consumer Experience feedback loop – please specify**

| Consumer Touch point | Medium                    | Additional cost |
|----------------------|---------------------------|-----------------|
| Call center          | NPS Easy Extract Freetext | No              |
| Web                  | NPS Easy Extract Freetext | No              |