

“Study the Usage Pattern of Incense Sticks By Muslims in West Bengal and Its Application to the Incense Stick Companies”

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Abstract: *Significant competition and loss of sales of established brands and product lines may stimulate new product development for segments that have not been tapped yet. It is a risky initiative as it may dilute or cannibalize the existing product lines and give very little benefit to the organization. Many in the field of product development have seen companies spend a lot on new product failures, and a few have created new products that owe their current fortunes to their new products developed*

This research paper is trying to capture the incense sticks market and understand its usage patterns from a certain community and find out possible new segments which can be tapped by organizations.

I. Introduction:

Every step of the Product life cycle is crucial, more so is the development of new product lines. New Product development takes into consideration many factors and hence the scope of thought for the brand manager is very wide, to brainstorm to new ideas and new areas of product development.

Many organizations focus on line extensions as the brand managers are convinced that the extensions are low-cost, low-risk way to meet the needs of various customer segments. In a way yes, line extensions can satisfy consumers' desires by providing a wide variety of goods under a single brand; and managers can often use extensions as a short-term competitive weapon to increase a brand's control over limited shelf space.

New products can be categorized into:

- Products that create a new market or niche segment
- Additions or line extensions to existing products
- Product improvements
- Repositioned products

An organization must continuously look for adapting its product lines to the ever changing market conditions, and look at the competitive landscape, changing population dynamics, consumer usage insights along with trade-intermediary relationships for introducing new product lines

II. Literature Review

As Bruce Hardie and Leonard Lodish say : “In many markets, the development of product-line extensions is a competitive reality. As product categories evolve, a company must continuously adapt its product lines.” —Bruce G.S. Hardie and Leonard M. Lodish

When reflecting on the nature of markets, consumer behavior and competitive activities, it is obvious that no product or service appeals to all consumers and even those who purchase the same product may do so for diverse reasons- Market segmentation YORAM (JERRY) WIND and DAVID R. BELL

Throughout the past two and a half decades a considerable amount of theoretical and empirical research has contributed to the development of an important body of knowledge on brand and line extensions for non-luxury brands (e.g., Aaker and Keller, 1990; Broniarczyk and Alba, 1994; Bhat and Reddy, 2001; Czellar, 2003; Völckner and Sattler, 2006, 2007; Milberg et al., 2013)

Conceptually any business strategy should be based on understanding, meeting and even exceeding the needs of target segments. Figure 11.1 illustrates the centrality of segmentation and the progression of fundamental questions to address

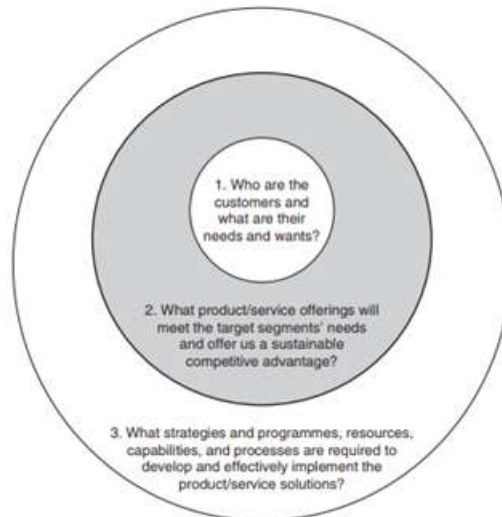


Figure 11.1 Source: Market segmentation YORAM (JERRY) WIND and DAVID R. BELL

The determination of which set of variables – basis – to use for segmentation of the market is critical. Conceptually, the guiding principle is fairly obvious. A good segmentation variable is one that explains variation in use of the firm’s products and services

Table 11.2 Variables commonly used as basis for segmentation and as descriptors of segments	
Basis for segmentation	Descriptors of segments
Organizational <ul style="list-style-type: none"> ● Share ● Trial ● Purchase/adoption ● Source loyalty ● Price sensitivity ● Customers of key competitors ● Etc. 	External <ul style="list-style-type: none"> ● Socioeconomic, political environment (culture, technology, economic, political, regulatory, legal) ● Behaviour towards competitors ● Etc.
Buying Centre <ul style="list-style-type: none"> ● Buying process ● Informational search ● Criteria/benefits sought ● Negotiation style ● Application ● Decision ● Post-purchase evaluation ● Etc. 	Organizational <ul style="list-style-type: none"> ● Industry type (e.g. SIC) ● Size ● Degree of centralization ● Capabilities (technical, financial, etc.) ● Geographic location (country, region, city, etc.) ● Etc.
Individual <ul style="list-style-type: none"> ● Awareness ● Knowledge ● Perceptions, preferences, attitudes towards the brand ● Preference ● Recommendation ● Purchase ● Usage ● Loyalty ● Etc. 	Buying centre <ul style="list-style-type: none"> ● Size ● Composition ● Buying situation ● Influence ● Consensus among the members ● Buying process ● Buying organization and policies ● Relations with suppliers ● Etc.
	Individual <ul style="list-style-type: none"> ● Demographic (age, sex, family life cycle, income, education, social class, etc.) ● Psychographics (personality, lifestyle, activities, interest opinions, etc.) ● Etc.

Figure 11.1 Source: Market segmentation YORAM (JERRY) WIND and DAVID R. BELL

With the above mentioned insights it can be understood that line extensions should be based on customer segmentation and the underlying needs and demands of the target market.

III. Incense Market in India:

Indians pray to a multitude of Gods in multiple situations: good, bad, and ugly. Even as parts of the world wage wars in the name of God and religion, other parts drive economies even as they invoke the almighty. Especially true of a multi-religious country like India. No wonder then that religion and spirituality is approximately a Rs 2.5 lakh crore market in India (roughly \$40 billion) [1]

In regards to the above mentioned facts and focusing on the incense stick industry in India following points are worthy of attention -

- The incense stick market, is pegged at Rs 3,500 crore and is highly fragmented with a lot of regional players⁽¹⁾
- The size of the branded segment is around Rs 2,500 crore, with 10 brands accounting for 45 per cent of the share⁽¹⁾
- The demand for branded incense stick(incense sticks) growing at nearly 15 per cent every year⁽¹⁾
- Mysore-based Cycle brand and ITC are the two national players accounting major market share⁽¹⁾
- Baba Ramdev’s Patanjali Ayurved, after creating a flutter in the market for medicines and FMCG products, including biscuits and instant noodles, will now boost its Astha brand under the home worship category⁽²⁾

Incense sticks have been thought about to aid customers while worshipping, meditation, relaxing, etc. In India, incense sticks are deeply attached to all rejuvenating, social as well as religious activities for almost all religions in India. The incense sticks have been utilizing the relationship of devotion and communicating to the costumers and placing them in different categories of pooja, meditation etc.

Considering Population and religion as one among the factors to segment and create a nice product line, it could be possible to explore a new product lines in the state of West Bengal in India.

Some notable points about the population in India and one of its states West Bengal

- Muslims in India - With over 172 million followers (2011), Islam is the second-largest religion in India after Hinduism⁽³⁾
- Muslim Population growth is much higher than national average growth of 18%⁽³⁾
- The states of Assam and West Bengal have witnessed a rapid growth in share of Muslim population in the last decade⁽³⁾
- Illegal Immigration from Bangladesh has been major factor in this rapid growth of Muslim population in these two states⁽³⁾
- Bengal beats India in Muslim growth rate⁽⁴⁾
- Muslim population has surpassed the Hindu population in 3 districts of West Bengal⁽⁴⁾
- West Bengal has a Muslim population of 27% and Hindu population of 70%⁽⁴⁾
- Muslim population has surpassed the Hindu population in 3 districts of West Bengal — Malda (51%), Murshidabad (66%) and Uttar Dinajpur (50%)⁽⁴⁾
- "If Anatanag district is highest in number of Muslims by percentage; Murshidabad is the highest by headcount⁽⁴⁾

Owing to the above mentioned facts and Data it could be possible to think about the Muslim customer segment in West Bengal. With this in mind a thorough research needs to be done on the customer usage patterns of Muslims in terms of using incense sticks

IV. Usage of Incense sticks by Muslims in West Bengal

A primary research was done using Google forms to understand prima facie usage of incense sticks in India by Muslims in West Bengal with about 38 respondents. All respondents were members of community and were from West Bengal. The Data was taken from about 12 different towns. The aim was to understand the usage patterns of Incense stick by Muslims in West Bengal. The sample was convenience sample. The purpose was to understand some notable brands in the minds of West Bengal consumers. Following were the insights:

1. Usage of Incense is quite prevalent among the Muslim Community in West Bengal. 63% of the respondents confirmed that they were extensively using Incense. 21% of the respondents confirmed intermittent usage of incense in their routine. This indicates that almost 84% of the respondents were using Incense
2. 75% of the positive respondents were from the Bareilvi school of thought among Muslims, who are followers of the Dargah’s and visit the Dargah’s and shrines frequently. The rest of the positive respondents were also from the tableegh jamaat another group of Muslims from which some visit the Dargah’s and shrines somewhat frequently, and from the shia community
3. The majority of usage of Incense sticks in Muslims is by Sunni Bareilvi school of thought that visit the shrines often ,Their usage pattern is most during Visiting the Dargah’s (61%), During Fatihah(50%) , Daily after the evening prayers (55%). Some Muslims use incense stickdaily also as a source of good essence at home as well. (39%)
4. Some Notable Brands that came to the minds of consumers
 - Cycle
 - Cycle 3 in one
 - Mogra

- Chandan
- Noor
- Saifan
- Mangaldeep
- ZedBlack
- Comfort

Opportunity

There are about 22 famous Dargah's(6) in West Bengal and With the rising Muslim population in West Bengal. There is notably no such brand that is very strong that appeals to the Muslims in terms of their usage patterns or community. There is a wide scope to study the in depth behavior of Muslims and understand deeper meanings of usage of perfumed sticks to carve a new line of products particularly for Muslims in West Bengal Owing to the above points and insights Strong Brands in India that have deeper pockets can carve a new brand which can be positioned in the minds of Muslim consumers considering it as a separate segment

V. Conclusion

The Incense Industry in India is growing at 18% along with the population and more importantly the Muslim population in India and particularly in three districts of India.

There is a wide scope to study the in depth behavior of Muslims and understand deeper meanings of usage of perfumed sticks to carve a new line of products particularly for Muslims in West Bengal and possibly for Muslim customers in India

Limitations of the study

- Sample Data too small
- Sample consisted of only responses from West Bengal
- Only few open ended questions asked
- Consumer insights related to buying behavior and brand association missing
- Data collected was through Google forms, hence technology limited Muslims may have not participated in the survey

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