

MILAP Cosmetics: Expanding Horizons and Exploring New Markets

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ABSTRACT

MILAP Cosmetics is a well-established cosmetic brand that came into being in the year 1985. Over the years it has grown from micro business to small and medium cosmetic brand. The product portfolio includes powder sindur, liquid sindur, stick sindur, sticker kumkum, kajal, eyeliner, mascara, melon hair color, plastic grooming items like hair dye brush, Ezee razor and is oozing with confidence to launch many more in the next five years. Being in the business for more than a quarter of a century and battling fierce competition from the giant brands, the company sees a huge scope of growth and revenue in its target segment. Despite its superior products, it has faced a lot of challenges owing to little brand visibility. The brand also intends to make inroads into the digital sphere but does not have a clear strategy in place. To have a strong foothold in the market MILAP intends to increase and gain more visibility across segments and communication platforms. This case highlights the challenges faced by MILAP and brings to fore the dilemmas the brand is grappling with. The case accentuates the need for brand visibility, expansion and digital presence.

Keywords: Milap Cosmetics, Brand Visibility, Brand Expansion, Digital Marketing, India

'Be Beautiful' 'Be India' –Milap Cosmetics

INTRODUCTION

MILAP Cosmetics Company is an Indian company and it was established in 1985. The company is committed towards making high quality and medically safe cosmetics in the economy range. Having a 34 years of existence, it has forayed into several products like powder sindoor, liquid sindur, kajal, eyeliner, sticker kumkum, eyeliner, mascara, hair colour, plastic grooming items, eye liner, mascara and premium segment of nail lacquer but the challenges are still prevalent and very real. All the products are designed by the experts with the best tools and ingredients. The company creates products keeping in mind the market expectations. All the products manufactured by the company are organic and free from impurities. These cosmetic products are best for all skin types and can be availed by customers at affordable prices.

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The company has constructed a very large in-house production unit at Bawana industrial area, New Delhi that is spacious and well equipped with the latest machinery. From the initial stage of procurement of raw material till its delivery, the processes are smooth and efficient. The company is toying with the idea of penetrating into digital market with a range of new products for new segments. Since MILAP wants to stay relevant in the dynamic market space, it needs to stay up to date on digital /social media platform. For now, MILAP's digital presence is through its website and by creating a social media fan page on Facebook and Instagram.

HISTORY

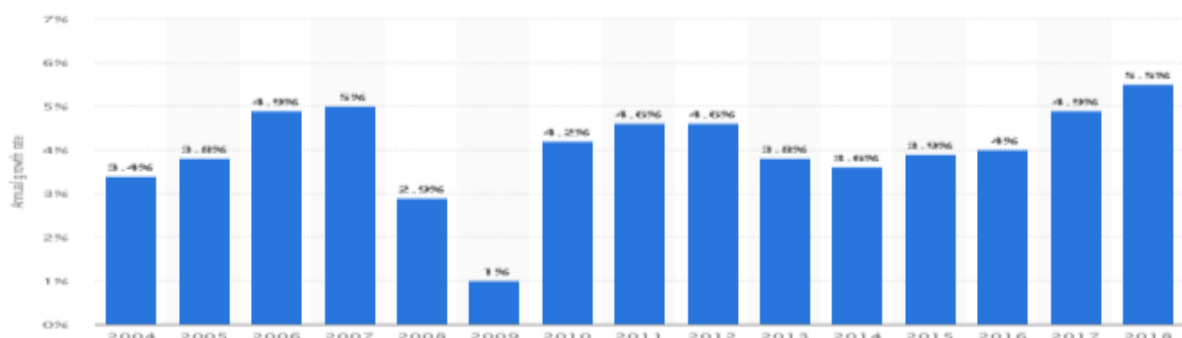
In the year 1985, Ravi Chadha, father of Sachin Chadha and Keshav Chadha set up MILAP cosmetics in New Delhi. They started with the powder sindur of red and maroon color. Sindur is the traditional vermilion cosmetic powder worn by the Indian married women along the part of the hair indicating the woman is married. Sindur or Kumkum has social and cultural religious eminence attached in Indian society. In most parts of India Sindur or Kumkum is offered to the gods as worship and it is also applied by the men as a 'Tilak' on their forehead. In the following years, MILAP faced cut throat competition and had to forcefully invest and launch in more product range and as per the market demand. They are considered to be the trendsetters for liquid sindur category.

BACKGROUND OF THE COSMETIC INDUSTRY

The Global Cosmetic Industry has been showing a 4.5 percent of annual growth in the quarter of a century (Lopaciuk and Loboda, 2013). The cosmetic industry is mainly categorized into five segments- skin care, hair care, oral care, fragrances and colour cosmetics. The market is further divided into two segments- Premium segment and mass market segment. In 2025, India will comprise 5 percent of the total global market in cosmetics and will be in the top five global market in terms of revenue (Redseer,2017). In India, the biggest beauty giants who have captured the Indian market are- Boutique, Coloressense, Colorbar, Dove, Elle 18, Faces, Himalaya, Lakme, Nivea, Revlon, L'Oréal, Ponds, VLCC and many more (stylecraze,2019). Indian market has a huge potential for growth in cosmetic brands owing to the rising beauty concern for both men and women. In the era of digitalization, Indian consumers are being updated about the latest cosmetics products and have a desire to purchase them. Today cosmetic Industry has been benefited by social media platforms like Instagram and YouTube. Majority of the conversations surrounding the cosmetic brands and makeup are done on YouTube. Half of the videos are the tutorials, aiming to teach the viewers about the beauty, and how to use a particular product or makeup.

MARKET GROWTH OF GLOBAL COSMETICS INDUSTRY FROM 2004 TO 2018

Figure-1



Source- Statista report,2019 by M. Shahbandeh, Annual growth of global cosmetics market from 2004 to 2018

PRODUCT PORTFOLIO

MILAP cosmetics contests in the Indian cosmetic mass market segment and has gradually expanded its branded product portfolio. MILAP, success mantra lies in their more profound understanding of the product mix. Against the flow of the industry, where there is price war and the compromise on the quality of the product, MILAP believed that the product should be pocket friendly and worthwhile for every customer. However, to reduce the dependence on a particular product and drive growth, MILAP over the years has been experimenting and innovating new products and launched several new ones.

Looking at a country like India with diverse cultures; it is challenging to know the taste and preferences of each customer. Their choices are affected by a number of reasons including price, quality, packaging, quantity etc. By keeping in view the preferences of popular segments, MILAP offers a diverse range of products under their umbrella brand. The product portfolio of the company is shown in Table 1.

Table 1- Product portfolio of MILAP cosmetics

Product Portfolio of MILAP Cosmetics		
Product Category	Sub- Product Name	Brand Name
Powder Sindur	<i>Stick Mirror, Bell, Top Large, Top Small, Diamond, Ganesh Statue, Shagun, Heart's, Powder Sindur (Dabbi)</i>	MILAP Cosmetics
Liquid Sindur	<i>Bridal, Bridal (Matte), Impression, Herbal Sindur, Sleek</i>	MILAP Cosmetics
Premium Sindur	<i>Glam(Velvet Matte), Shagun (Matte), Crystal (Matte), Intense (Velvet Matte), Artistic (Velvet Matte)</i>	MILAP Cosmetics
Stick Sindur	<i>Mini Stick Sindur, Traditional Sindur, Mirror Sindur, Classic Sindur</i>	MILAP Cosmetics
Sticker KumKum	<i>MILAP Sticker Kumkum, Bridal Sticker Kumkum</i>	MILAP Cosmetics
Kajal	<i>Mini Stick Kajal, Velvet kajal, Orient Kajal, Mirror Kajal, Herbal Kajal, Classic Kajal, Supreme Kajal, Onyx Kajal, Medieval Kajal,</i>	MILAP Cosmetics
Eyliner	<i>Long wear, 9to6, Gloss Artist, Pop-up, Bling it on, Sketch Artist, Super Glaze Ink</i>	MILAP Cosmetics
Mascara	<i>Black Dazzle, Lash Obsessed, 9to6</i>	
Hair Color	<i>Black, Brown, Burgundy, Kali Mehndi</i>	Melon Hair Color
Plastic grooming items	<i>Ezee Hair dye Brush, Ezee Ladies Razor</i>	Melon
Nail Paints		Kasey Milano

Source: Created by authors after collecting data form MILAP website

In 1988, MILAP came up with the Ezee women razor, which was easy to carry, use and scratch for smooth, quick and comfortable body.

In 2000, they came up with the liquid sindur in different range like *Bridal, Bridal (Matte), Impression, Herbal Sindur, Sleek sindur, Glam (Velvet Matte), Shagun (Matte), Crystal (Matte), Intense (Velvet Matte), Artistic (Velvet Matte)*. In Indian market, they are considered to be the pioneer's in liquid sindur in red and maroon colour with plain, matte and sparkle finish. It is uniquely formulated, comprising of 100 percent natural and toxic free ingredients which are lab-

tested to avoid any kind of side effects on skin. Designed and packed in a stylish and easy to use container with a sponge tip applicator this liquid sindur is a waterproof, smudge-proof and is resistant to perspiration.

In 2012, MILAP launched its uniquely formulated herbal hair colour “Melon hair colour”. The magnificent properties of its henna based composition with amla, shikakai and precious herbs rejuvenate the hair and give them natural look. Melon hair colour comprises of three natural shades- Natural black, Natural brown, Burgundy that gels with the texture of all hair type and it is 100 percent ammonia free.

In 2013, MILAP came up with a unique range of kajal- Mini Stick Kajal, Velvet kajal, Orient Kajal, Mirror Kajal, Herbal Kajal, Classic Kajal, Supreme Kajal, Onyx Kajal, Medieval Kajal with tested, medically safe and long lasting formulation. Ministick kajal, velvet kajal, orient kajal and Mirror stick kajal are the economical range of kajal and come in tiny packaging and are easy to apply. Herbal kajal is a unique herbal base kajal blend of exclusive herbal ingredients like almond oil, cow ghee, honey, castor oil, Honey basil, Vitamin E and camphor that nourishes, takes extra care, adds lustre and soothing touch to the eyes. MILAP Onyx is a p new generation premium formula kajal with olive oil, esters, cocoa butter, vitamin E and C derivatives. It has deepest black pigments, a unique tip and exclusive colour fix formula which gives an eye a smooth, intense black colour that stays on up to 12 hours. It is lab tested, smudge proof and suitable for contact lens wearers.

In 2014, MILAP dye brush was launched to complement the colour. It is made of great quality and is considered to be the finest of brushes. It is made from the premium bristles which helps to take care of the hair. It can be used to apply dye and henna and can be used for both amateurs and professionals.

In 2017, MILAP came up with the MILAP sticker Kumkum in two colours, red and maroon made up of the finest quality of velvet ensuring the skin friendly long-lasting adhesive and can be used for daily purpose or occasionally.

In 2018, MILAP launched eye liner and mascara. MILAP eyeliner is a high shine finish, water resistant and fast drying formula and super stay. The product has seven variants- Long wear, 9to6, Gloss Artist, Pop-up, Bling it on, Sketch Artist, Super Glaze Ink. MILAP mascara gives the finishing look to the eye by making lashes look thicker, voluminous and vivid. It has a long lasting formula of keeping the lashes curled and voluminous. The company has launched three different variants of mascara- Black Dazzle, Lash Obsessed, 9 to 6.

In 2019, to venture into the premium segment, the company launched “Kasey Milano” under the flagship of MILAP cosmetics to target a completely new segment of the brand. The company has launched Nail paints under this premium brand.

BUILDING BRAND THROUGH EXTENSIVE DISTRIBUTION AT MILAP

India is considered to be in the top seven countries of the world in terms of 3.28 million sq. km. It is challenging for any organisation to serve the whole country from a single place. In the last 34 years’ company has set many company-owned depots in various parts of the country and also has a large distribution range in various parts of India as shown in Table 2.

East Region	Bihar, Jharkhand, Chhattisgarh
West Region	Gujrat, Rajasthan, Maharashtra, Goa
North Region	Delhi, Haryana, Jammu and Kashmir, Himachal Pradesh, Uttar Pradesh, Punjab, Uttarakhand
South Region	Hyderabad
Central Region	Madhya Pradesh

Also, other than serving the domestic market, the brand has made its presence in the international market as well. The countries catered to are Fiji, Nepal, Ukraine and Pakistan.

ADVERTISEMENT AND PROMOTIONS AT MILAP

The brand has flourished through push marketing. MILAP has been heavily advertised through distributors and retailers which was seen as a medium to reach the masses. The company had disbursed high incentives to distributors and retailers to promote the products, so that they can encourage customers to purchase the company's cosmetics from the available multiple brands on the counter. MILAP has found this strategy as the most effective for the market that it serves.

Brand gained visibility through its BTL events across the country. MILAP sponsored various big and small events like "Kitchen to Ramp" (as shown in Exhibit 2) for encouraging women to showcase their hidden talent and also a small Punjabi documentary "Mud Haseya Punjab" (Exhibit 3) throughout the year. The aim was to bring out the local talent. These events helped MILAP in creating awareness and becoming a part of the society.

Other promotions included hoardings/ banners of the company's products (as shown in Exhibit 1) so that it can grasp the attention of the customers. The company has also invested in Digital/ Social media marketing. It has entered the digital realm by creating the MILAP cosmetics website and by selling the products on Flipkart by stockists. Brand has recently created the brand page on Facebook (Exhibit 4) and Instagram.

HANDLING COMPETITION

Competition has always been there and it has never faded MILAP cosmetics. The Indian manufacturers are facing stiff competition from the international brands but are continuously evolving themselves to maintain their position as an ethnic brand. The major competition of MILAP in Indian market is Blue Heaven cosmetics. It is a 45 years old cosmetic brand with a wide range of products of cosmetics, health care products, cosmetic accessories, beauty products and chemical supplies. They are promoting the product through retailers and distributors and through digital and social media platforms. Strategies which MILAP adopts to overcome the competition is product differentiation strategy. MILAP believes that value and quality both are important factors to sell the product which makes its product stand out in the competitive environment. MILAP is very consistent on maintaining high quality at an affordable price. This helps them in maintaining loyal customers and attracts new customers.

All these factors put together motivated the company in its smooth functioning and well-being. As discussed, there are two concerns of MILA, firstly their brand visibility for country-wide sales of its new range of cosmetics for premium segment and the secondly, devising a strong digital presence.

QUESTIONS FOR DISCUSSION

1. What should MILAP do in order to increase brand visibility in premium customer segment?
2. How should MILAP expand itself on digital platform?

EXHIBITS

EXHIBIT 1: MILAP Banners / Hoardings



Source- Company's website

EXHIBIT 2: From Kitchen to Ramp event sponsored by MILAP cosmetics
The aim behind this event was to showcase the hidden talent of the women



Source- Company's website

EXHIBIT 3: A small Punjabi documentary “Mud Haseya Punjab” sponsored by MILAP cosmetics to promote local talent



Source: Company's website

EXHIBIT 4: MILAP cosmetics Facebook fan page



Source: Company's Fan page on Facebook

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