

Fortune at the bottom of the pyramid-one more -Homelite

Ever since C.K.Prahlad came out with this hot catch phrase many have taken the cue and benefitted.

Eveready is doing just that with its new LED lantern.

The sales of LED lantern has jumped from 20000 in Apr to 450,000 in Oct!

Villages having no light, are lapping it up like there is no tomorrow!

Did you know 100,000 villages still do not have electricity?

Eveready can sell over half a mio pieces a month if only they can produce/procure it.

The idea:

The sale of D size batteries was coming down drastically for Eveready; they had to find a way to increase the sale of this battery. They found the answer in the LED lanterns.

Why is it such a hot product?:

Compared to Kerosene lamps it is much cheaper at 50p /hour!

It gives milky white light as opposed to kerosene lamp's dull yellow rays.

The all -India business is said to be worth over \$2 billion! Can you imagine!

The edge Eveready has:

Chinese lanterns have already been in the market for many years! (actually Eveready buys from China only); But the key to Eveready's success is its distribution. Their distribution is as strong as FMCG companies.

50 years ago they pioneered the concept of carrying products right upto the retailers with 'upcountry and local vans'.

Their salesmen touch 3.2 mio of India's 12 mio retailers at least once a fortnight!

They also offer Rs 90 worth batteries free with the lantern costing Rs 350! This way the villagers are hooked!

The result:

Eveready turnover may increase by one third just because of this new idea.

To note:

No one else saw this opportunity! The Company Saw a need and filled the gap fast.

Takeaway:

Is there some opportunity like this just under our nose which we have not used?

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