New Product Systems in Construction Chemicals and its Role in B2B Branding of Indian Start Ups

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Abstract- The paper aims to investigate the driving factors influencing the role of new product branding in B2B market for start-up organizations in construction chemical. Construction chemicals are playing significant role than before to meet the demands of durability, high strength, sustainability and economy and of hi-tech infrastructures that are remodeling new modern structures today. The paper identifies the driving factors from numerous market research studies into new product development's performance in construction chemical sector. The study defines three categories of these driving factors. First driving factor operates at product level, which includes innovative approaches and how the organization invests in its R&D area. Second driving factor operates at operational level, which includes appropriate and effective launch process and targeting of right clients through proper channels. Third driving factor operates at business level, which emphasize on easy-to-use concept. The study was conducted through a literature search, with subsequent processing and analysis of the papers found. Despite the efforts made previously, it is difficult to generalize how to apply B2B branding in construction chemical companies, due to the special features of this sector. As product life cycles continue to shrink as new products and materials are brought to market, the challenge for construction chemical companies is optimizing the innovation process to enable faster time to market and reduce risk while concurrently working to support sustainability.

Index terms-

1 INTRODUCTION-

Construction chemicals is one of the niche sectors in specialty chemical segments of chemical industry. These specialty chemical products are used in building structures to increase its life, and imparts further protection from environmental risks. Construction chemicals are considered to be the backbone of any type of construction work and are essential for high quality structures. They are usually utilized as additive substances in pre- as well as post-construction stages [1].

The construction chemical segment is highly cost-competitive. The current influence of numerous green or environmental regulations have created an opportunity for the chemical manufacturers to undertake development of multifunctional materials at lower lifecycle cost by efficient utilization of waste recycle and waste reduction techniques [2].

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2 INDIAN CONTEXT-

Indian construction chemical market though experiencing significant growth, is still at growing phase when compared to other domestic or regional market. Construction chemicals are used not only to add life to the structures but also play a very important role in reducing the total raw material consumption for construction material manufacturers, thus, acting as cost-effective problem solvers especially in the case of adhesives and related products [3].

India's large-scale construction activities are currently ongoing in the country. The three main segments in which construction activities are booming include industrial and commercial, infrastructural, and residential. A visionary concepts formulated by government regulations for promoting the idea of Green Revolution, up-surging foreign direct investment, growing demand of ready mix concrete (RMC) and urbanization are some of the many prominent drivers which are driving growth in the construction chemicals marketplace in India [4]. Some major trends in Indian construction chemicals are the entry of new players, increase in R&D investment, increased adoption of sustainable products and technological growths. Asian region seems to be a focus point for many leading construction chemicals companies for R &D investment. Rising new constructions of buildings or renovation works is expected to boost the demand for construction chemicals across India in the near future [5]. Construction chemicals provide manufacturers a way to differentiate their product. The tailored performance

improves the overall market quality, giving consumers a performance-based choice.

3 IMPORTANCE OF B2B BRANDING FOR CONSTRUCTION CHEMICAL INDUSTRY-

The construction chemical industry startups are standing at crossroads. Faced with increased regulations, products, and market unpredictability, that are rapidly moving towards commoditization, it is becoming gradually difficult to maintain reasonable margins. While established companies are experiencing success by developing revolutionary products, and reducing costs with operational efficiencies, startups must look for some out-of-the-box formula of success. One area that is often overlooked by every startup organization is innovation in sales and marketing. Despite the current economic uncertainty, business-to-business (B2B) marketing is still a promising factor to ensure significant growth. While branding is always a key to the construction chemical startups, it has become "mission-critical" as customers are becoming more and more demanding and the marketplace is more crowded. Thus, the key to a successful branding will be the best customer delivery. As prices are becoming more transparent and a less differentiating factor, it will be the combination of customer service and the product quality that will separate the startups from established players in the field and help them create a brand recognition for their product [6].

In this competitive world, the brands are one of the few opportunities to make a difference. When industrial company show remarkable benefits from B2B branding, it is often by coincidence rather than design. However, with a little additional efforts and cost, the brand impression can be improved with greater profitability and improved loyalty.

4 A NEW PRODUCT BRANDING

The rapid pace of amendment in today's market is driving the need for innovation across all aspects of business in the chemicals industry. Downstream customers of the chemicals industry rely on chemical companies to deliver innovative materials that drive product performance and capabilities to meet the needs of a progressively demanding and evolving market. In addition to deliver the promised innovative materials, chemical companies must look at innovating in terms of process while maintaining a focus on sustainability [7].

Table 1 displays are several examples where companies have successfully innovated products.

Table 1 Examples of Innovative Construction Chemical Products

Sr. No	Product	Product Description	Benefits	Promotional Factors
1	Moisture Triggered waterproof coatings for below grade waterproofing	These type of coatings are black in color and cannot be used for exposed areas however it can be used on green concrete. It can be applied within 24 hrs after de-shuttering. They are aliphatic and exhibits creamy layer consistency. Can build 3mm thickness in single lifts. Can build 5mm thickness.	Saves time Saves labor Fast application Easy to apply and repair UL Fire rated Easy to maintain Excellent resistance to chemicals, rain, traffic, hail and mold/fungus/mildew Reduces the efforts in future maintenance	Due to its ease of use and unique characteristics it can be promoted very effectively in the market.

2	Moisture triggered fluid-applied roofing system for reinforcing older roofs	These products are one-component, very low-odor, fully reinforced, aliphatic, moisture-triggerepolyurethane roof waterproofing system that can be used to restore or replace existing roofing systems. Its "moisture-triggered" curing mechanism is far more dependable than the "moisture-cured" mechanism of commodity coating systems	Economical Long lasting, high-efficient waterproofing Easy to apply and repair Excellent Reflectivity, High SRI and Emittance Excellent all weather flexibility, elongation and tensile strength Quick installation UL Fire rated Easy to maintain Excellent resistance to chemicals, rain, traffic, hail and mold/fungus/mildew	Due to its long lasting nature, ease of use and unique technological features it can create edge over conventional roof waterproofing systems and can be promoted effectively in the market
3	Multi-Purpose Cool Roof Waterproofing	These are one stop solution to heat proof and weather proof, metal roofs &low slope concrete. This premium water-based roof coating, and acrylic elastomeric is formulated to meet or exceed the standards set forth in ASTM D6083. These substrates include weathered single ply, metal, modified bitumen, polyurethane foam, concrete, and smooth built-up roofs.	Economical Long lasting, high-efficient waterproofing Excellent all weather flexibility, elongation and tensile strength Easy to maintain Excellent resistance to chemicals, rain, traffic, hail and mold/fungus/mildew	Due to its long lasting nature and ease of use it can be promoted effectively in the Market.
4	Rust Preventing Waterproofing	This is a metal roof protection technology having an asphalt-based, high solid, asbestos- free coating that uses unique fiber reinforcement technology which contain more than 15 per cent metal which is more than double the ASTM standard for premium aluminum roof coatings.	Excellent reflectivity Durability High SRI and emittance Better rust prevention Proven performance Longer life	Due to its long lasting nature, ease of use and innovative technology it can be promoted effectively in the Market.

5	PU Acrylic hybrid primers	These primers are specially designed sealers acting as an effective waterproofing substance when mixed with cementations materials. They can be added to water based polymeric coatings made out of acrylic and polyurethane. Can be added to water based exterior acrylic coatings.	Improved performance Gives pearl like finish	Due to its long lasting nature, ease of use and innovative technology it can be promoted effectively in the Market
6	PU Acrylic based hybrid coatings	It brings together best of acrylic and polyurethane properties with commercially viable coating option.	Economic coating option Best performance Improved bond strength elongation , tensile strength and other characteristics	Due to its long lasting nature, ease of use and affordable cost it can be promoted effectively in the Market
7	Polyurethane Gels	These are specially formulated water based gels in which water can be added as accelerator or catalyst to control the viscosity and activation performance , usually 10 % water is recommended	Effectively seal intensive leakages from joints Give best results	Due to its long lasting nature, ease of use and innovative technology it can be promoted effectively in the Market.
8	PU Methacrylate Injections	PU or Acrylate based Injections systems are very common and widely used for crack injection and leakage control	Superior performances Affordable prices	Due to its long lasting nature and ease-of-use it can be promoted effectively in the Market.
9	Moisture Triggered PU sealant	This is the new and exciting technology in construction chemicals where PU sealant can be applied on damp substrate to seal the gaps and joints or even shrinkage cracks which is not possible with conventional PU sealants.	Increased durability, tensile strength, elongation, hardness, movement accommodation factor etc. Available in different colors	Due to its long lasting nature, and innovative technology it can be promoted effectively in the Market.
10	PU Butyle Combinations	Use of PU Butyle combinations in sealant as a waterproof coating product form can be seen in near future.	Multipurpose UV resistant Exhibit best of the properties of PU and Butyle functional groups in hybrid forms Used for various substrates.	Due to its long lasting nature, ease of use and innovative technology it can be promoted effectively in the Market.

11	Nano technology sealers	In all there are many types of Nano technology sealers available in waterproofing industry. These sealers will be based on lithium, potassium, sodium in combination with amines, amino silicones, polyurethanes clear acrylics etc.	Economical Versatile Applications	Due to its long lasting nature, ease of use and innovative technology it can be promoted effectively in the Market.
12	Clear Water proofers and repellants	These are not pure sealers but creates water barrier film on the substrate mostly available are acrylic, PU based in both solvent and water based forms.	Best perform as Antifungal, Antibacterial coating Best water repellents	Due to its long lasting nature, and ease of use it can be promoted effectively in the Market.
13	Vinyl ester based hybrid coatings	These type of coatings are high chemical resistant.	Chemical resistant Effective waterproofing	Due to its innovative technology it can be promoted effectively in the Market.
14	Use of polyester nonwovens	Presently geo textile , glass and nylon mesh are used as intermediate reinforcement layer in liquid applied waterproofing , sometimes even polyester mesh is used due to its hydrophobic properties and very less moisture regain,	Specially designed polyester reinforced mesh can be tried out for joint sealing and liquid applied waterproofing applications	Due to its innovative technology it can be promoted effectively in the Market.

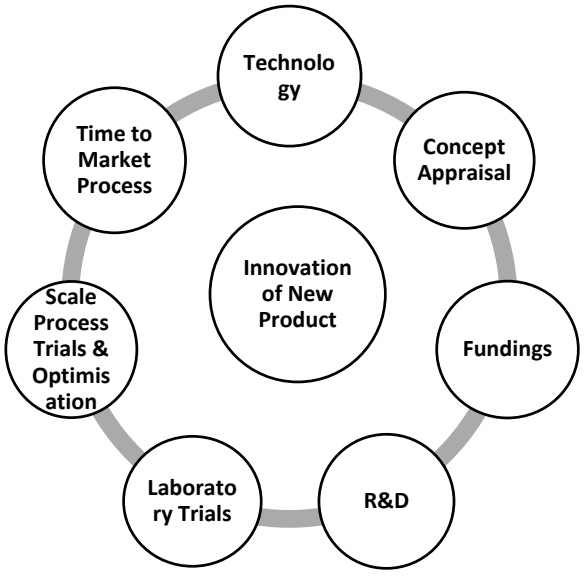
(Source, Construction Opportunities, Feb 2019; The Master Builder Feb 2019 Indian Edition)

5 Driving forces for branding new product system

The construction chemicals industry is facing heavy pressure to innovate in terms of product and process in order to maintain competitiveness and drive profitable growth in an increasingly volatile economic ecosystem. Considering the significant role that chemicals play in supporting the construction industry, it would be prudent to discuss some of the key forces that are currently shaping the economic environment and how those forces are driving construction chemical companies to innovate in order to respond to market conditions. Firms are being forced to adapt their business strategies to several factors that are having a profound impact across industries, especially chemicals, including [8]:

- **Environment, Safety, Health, and Sustainability Compliance-**
  Chemical safety, health, and environmental compliance continue to be top priorities for construction chemical companies. Many chemicals companies are working on ways to improve transportation, security, safety, eco-friendly, DIY (Do It Yourself) products green chemistry movement, and storage of product throughout the value chain [9].

- **Price volatility of raw materials-**
  Sudden shifts in the price of raw materials have a tremendous impact on the cost and profitability within the construction chemical industry. The price volatility makes it quite difficult for these companies to plan, forecast, and budget over any significant horizon, which is driving the effort to identify alternative



sources of supply that can provide greater stability relative to price and availability [10].

- **Emerging markets-**
  This means that firms must have the ability to fully understand regional trade requirements, risk, and market nuances in order to build a competitive business in a local environment. Accelerating growth in emerging markets is impacting demand patterns as well as the competitive environment relative to construction chemicals. Thus, it becomes imperative that chemical companies innovate to produce better products at a more competitive price point for the growth opportunities these regions present [10].

- **Customer focus**
  Today's customers who have the information required to make an informed purchasing decision in the palm of their hands at all times is the fact that has enabled customers to demand a greater variety of product at a reasonable price point. This factor is forcing firms to evaluate and innovate the supply chain to better manage a more robust portfolio and fulfillment network, it has also forced organizations to drastically reduce product life cycles, requiring them to rapidly innovate in order to bring new products and product improvements to the market [11].

Each of these factors is driving chemicals companies to innovate and develop new products in order to become more competitive, drive revenue, increase profitability, and reduce costs.

1. Innovation

To achieve the requisite level of insight to support these innovation objectives, construction chemical companies must maximize their ability to gain insight into information across the innovation ecosystem. To effectively maximize this ability, construction chemical companies must build out an innovation strategy that can provide data access and visibility and enable collaboration across the innovation ecosystem. The figure 1 defines the innovation process cycle of the new product system [8].

2. Ease-To-Use

One of the major need for construction chemical technology is its capability to provide functionality while still addressing aesthetic and/or insulation needs. What customers are looking for is a lower overall cost for installation. Sometimes, a new product may actually have a slightly higher price but allow easier and more rapid installation, resulting in a lower overall cost for the job. Developing new products, therefore, requires an understanding not only of the performance of that product, but how it will be easy to use in the application process.

The contractors in chemical industry are looking for products which are easy to install and do not require the use of any special equipment or an extensive training. Material availability is another important factors for this industry, specifically the ability to deliver construction chemical products on time and to the desired location, typically the job site itself. Transportation is one more potential area for improvement. Shipping of heavy materials can add costs to any construction project. To address this issue, light weight product must be developed that can minimize transportation costs [9].

On similar grounds, new products should be Do-it-yourself (DIY) products, single component product, and light weight. New products should also have super distributors, attractive packaging (Color scheme, logo at proper place), available abundantly even at routed local counters, right packaging like extra packaging for liquids, etc. Figure2 shows Ease-To-Use parameters of the new product system.

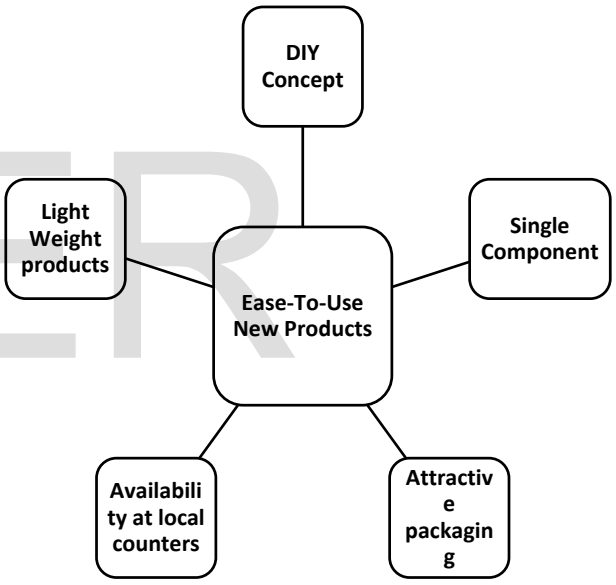


Figure 2 Ease-To-Use parameters of the new product system, Source: Author

3. Marketing Channels

Earlier construction chemical firms developed specialty products which met individual customer needs. To justify the high prices of these custom products, these companies incorporated free and comprehensive support services. Rather than limiting the top-end services to the top-tier customers who are ready to pay for the product, the same level of service was delivered to all customers. Thus, with a 'same level-of-service-to-all' approach, some chemical

companies' ended-up dropping their own profitability and de-valuing the services provided [12].

The "old-school" approach still works well only when there are solid margins and customers can see values in both the customized products and the supported services. However, when customers make buying decisions based on the lower prices and feel that they no longer need the support, construction chemical manufacturers need to find new ways to add values and differentiate their products in the market. Fortunately some visionary chemical manufacturers are leading this way by combining the advanced technology with insightful customer knowledge data and also focus on to develop innovative marketing channels to market their new products. This channels can be, e-marketing, local advertising, promotional schemes, free sampling, easy-to-use pocket size product booklets which are easy to access, on-toes technical support executives for pool of customers, arranging meetings with technological people, seminars, forums, discussions, or even overseas training [11]. Figure3 shows different marketing channels of the new product system.

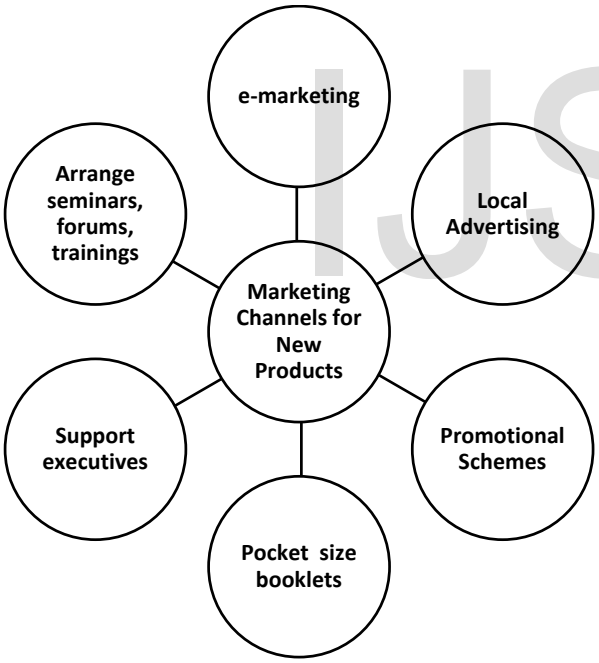


Figure 3 Marketing Channels of the new product system, Source: Author

6 Understanding Imperatives in new product branding

Even though innovation, ease-to-use and marketing channels plays a vital role in new product branding, the construction chemical companies must take a measured approach to investing in branding initiatives and understand the risk and reward potential of investing in branding [13].

Figure4 presents the process branding, a framework for aligning branding initiatives across the dimensions of product maturity and/or customer/market [8]

Table 2 Framework for product branding process, Source: IDC

Improving Existing Products for New Customers and Market	New Products for new customer and Market
Improving existing Products for existing customer and Market	New Products for existing customer and Market

Manufacturing Insights and McKinsey, 2016

The process concurrently refers to the ability to identify process improvements to drive efficiencies in bringing existing product to market. As construction chemical companies continue to derive greater volumes of revenue from new products, the ability to produce with less capital outlay and more efficient brand management helps improve margins and can drive a faster time to market, thus "doing more with less, faster" [14]

Conclusion

Each of the measures like, innovation, easy-to-use and marketing channels plays an important role in effective branding of new product in B2B market for a start-up company. Given the highly competitive nature of the construction chemical industry, bringing innovative, easy-to-use products through appropriate marketing channels can help create competitive advantage and drive revenue, market share capture, and cost reduction.

Focusing on these three basic factors, our research study highlights below points when branding the new product system in chemical construction sector,

- Define a new product innovation strategy to deliver new product and process across the dimensions of time, product market, and customer segment.
- Create a culture of collaboration that cuts across functional silos to drive knowledge transfer across the organization in new product branding.
- Invest in technology so as to deliver product that is easy to use to enhance brand visibility while enabling greater collaboration across the branding ecosystem.
- Implementing a marketing strategy using different marketing channels that help to accelerate

marketing new product and manage risks in the branding process.

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