





## Kenya -Flagship Estates

Lead farmers were elected to receive training in sustainable techniques and practices, these lead farmers would then train 300 or so other farmers to develop a sustainable region.

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Once certified, estates and smallholders would have to renew their certification every few years.

Unilever's investments had had positive impact on growers of Kenya.

Certificate renewal proves that the restructure could work, it had been very successful in changing Kenyan estates.

It now needed to be replicated and tailored to suit other markets.

## European markets

European supply chain management was largely successful with the notable omission of France, which did not respond well to the change in packaging.

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This was an issue that had been highlighted by previous research, French markets tended to be easily alienated by packaging changes. Ireland and England experienced net growth in both market share and sales after restructuring the supply chain for those markets.

Russia and Turkey remained relatively flat by comparison to pre-structuring levels and in comparison to other markets. Unilever did not tailor their new marketing strategy correctly to these markets

Should Unilever adapt their marketing campaign to be tailored to specific markets and demographics?

## Hit or miss?

Unilever was very successful in some markets and was ineffective in others. Their strategy cannot be truly described as 100% successful.

Globally, they did an adequate job of marketing their changes in product and supply chain to reach their target market, it was only a few individual markets that recorded little traction, namely France, Russia, Turkey.

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Mahanta (2012) claims that the market strategy of tea sourcing has shifted from the tea seller to the tea buyer. Unilever had to shoulder the challenge of converting its entire supply chain, rather than sellers having to change their approach in order to sell to Unilever.

They then had to adapt their marketing campaign around this change, this explains why some markets were successful and others were not, it depended upon the suppliers.

## Global Marketing

Unilever globally re-imagined its marketing campaign across all its tea brands in order to incorporate its new sustainable supply chain

This is a positive change for most markets; it allows eco-aware consumers know of the conservation work undertaken by Unilever. This in turn creates greater market share from a new market segment that was previously inaccessible.

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Therefore whilst Unilever was successful in adapting its campaign around its supply chain, it was less successful at adapting its campaign to global markets.

One challenge for Unilever is the increasing amount of competition in the eco-ethical market. Today, most major competitors have pursued certification, allowing them to also use ecological and sustainable conservation in their marketing campaigns.

Unilever now faces an environment in certain markets (such as the Indian and Turkish markets) where they cannot farm the amount of tea required to meet their own targets and they cannot differentiate their product on ecological sustainability. Unilever needs to continue to find new and innovative ways to promote their products in a global industry

# Unilever in India

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- India is a major tea producer and consumer (Passport: Tea in India 2015)
- Produced 944 million kilograms of tea in 2007 (der Wal 2011)
- Many small scale farms and turbulent nature of practices (Passport: Hot drinks in India 2015)
- Unilever has been in India since 1933
- Hindustan Unilever Limited (HUL) is Unilever's subsidiary in India

What should Unilever do with its tea business in India?

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- Sustainable Trade Initiative (IDH)
- The establishment of a sustainable tea code - trustea (Hindustan Unilever Limited 2015)
- Raising people's awareness and appreciation of environmental issues
- Following a similar process to the actions taken in Turkey (Henderson and Nellemann 2012)
- Use similar tactics to the certification of Kenyan farms



Should it pursue Rainforest Alliance certification?

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- Need to consider differences between Western and developing markets
- Will be a long-term process
- The growing demand for sustainable products and the sustainability of the organization suggest that Unilever *should* pursue certification
- But need to ensure farms are monitored for compliance or else the company may lose its credibility