



# BASCO PAINTS

## THE MARKET

When East Africa thinks “paint”, Basco is largely the brand of choice. With some 43 percent of total market share, this brand manufactures high quality products for the building and construction industries, as well as for householders who require periodic redecorating of their homes to keep them in pristine condition and keep up with changing fashion trends.

The paint market comprises three tiers: Premium, trade and economy. Retailers play a significant role in market reach and are supported by Basco Paints in terms of stock levels, credit terms and after sales support.

The Premium and Trade sectors contribute 50 percent to the brand’s bottom line, while the Economy segment contributes 30 percent and sundry products make up the balance.

A colourful future is assured for Basco Paints: With continuous planned quality improvements; the adoption of newer technologies and processes; improvements in service delivery; and a focus on expanding the distribution channels throughout the region, this brand is expected to grow above market average, with market share set to reach 55 to 60 percent over the next five years.

## ACHIEVEMENTS

Basco Paints won the MSK Warrior Award for the Duracoat brand in 2007 and was first runner up in 2008. Basco’s quality procedures are streamlined and meet international requirements; claims proved by the fact that the company is a holder of ISO 9001:2008 certification.

Basco was also the first paint manufacturer to introduce state-of-the-art

Automated and Computerised Tinting (ACTs) systems into the market. While the systems are expensive to install, the bold move has resulted in above average growth year on year and has impacted positively on the maintained stock levels throughout the wholesale and retail trade environment. Outlets with these unique systems are known as Duracoat Colour Mania Centres. There are currently some 70 such outlets countrywide, each one capable of dispensing 400 shades instantly.

## HISTORY

In 1984, Basco Paints produced only an Economy range of paints. A natural growth process saw the company’s owners upgrade the product offering from mass market to a more quality-oriented up-market sector, to enhance brand value and engender sustainable growth.

A technical team was formed, briefed on the brand’s goals and put to work. In the meantime, finance and marketing strategies were put in place at Basco.

Having started in the Economy sector, Basco Paints had to work hard to overcome the perceptions of architects, quantity surveyors, contractors and hardware dealers who questioned whether the brand would meet the manufacturing standards required to make any substantial impact in the market. Also, Basco did not have any international associations with established brands. The Kenyan market had, until then, been dominated by offshoots of multinationals - and perceptions were that a local company from “the back streets of Grogan” wouldn’t make the grade. This brand, however, was not deterred.

Initially, Basco Paints was able to harness support from contractors, developers and dealers on the basis of its members’ social standing and relationships. These were humble beginnings - but it had to start somewhere!



In the first three years, the brand made small but significant strides and took every opportunity to prove to the industry that it had the commitment and tenacity to succeed. In 2003, Basco Paints launched the ACT, an exceptional tinting system that was being developed in its back office from 2001. The system was configured to work within the East African region, fitting the price and technical parameters of the market.

The ACT launch brought about a transformation in the way the brand was perceived and general acceptance levels kept growing. Media and communications initiatives created brand awareness and acceptance through continuous engagement with consumers.

### THE PRODUCT

Basco Paints deals in three primary areas within its market: Premium, Trade and Economy.

The high quality Premium range is for the AB1 market, comprising reputable construction companies, developers and householders who are able to afford the higher prices in this range, and also know the results the product should deliver.

Trade grade paints are primarily for contractors and decorators working under tight budgets but which are nevertheless expected to guarantee a decent final finish.

While “finishing” products beautify homes and buildings, consumers know that paint is also supposed to protect surfaces from the elements. It is with this in mind that Basco Paints approaches product development profiles, fitting as many benefits as it can into a formulation to ensure value. This is a significant brand differentiator.

### RECENT DEVELOPMENTS

In 2009 Basco Paints changed its labelling from lithographed tins to shrink films, which confers a more attractive finish to the product.

In understanding the special requirements associated with being in the tropics - and the fact that wood is a finite resource that needs to be protected well in order to last long - the company introduced a water-based coating called Transparent Wood Stain, which offers excellent UV absorption properties and can be used for both indoor and outdoor applications.

Basco brought out a plaster-levelling compound called Smootex, which can improve the surface imperfections associated with poor workmanship on plastered walls, as well as the diamond-hard wood finish for use on kitchen cabinets, floors and furniture.

Basco Paints has opened franchises in Kampala, Kigali, Arusha and Burundi and

has depots in Kisumu, Mombasa and Meru. It recently signed a distribution agreement with the UK’s Ronseal for that company’s world-renowned wood-care products.

### PROMOTION

Professionals in the building sectors - including architects, quantity surveyors and developers - are targeted through technical presentations and on-site demonstrations to explain the benefits of using or specifying Basco Paints.

Similar interactions take place with distributors and staff training is offered, ensuring customer confidence not only in the distributor but also in the brand. Free site visits performed by members of Basco’s technical team also help in enhancing the brand promise in terms of after sales service, technical evaluations of the site and product suggestions.

Regular interactions through the media play an important role in communicating brand values and promise. These are fairly intense in terms of frequency and innovation such that while delivering the message, they also enhance brand recall.

Various mediums are used, including national newspapers, family magazines, property magazines and local television channels. Out of home (OOH) includes wall branding and billboards.

Local radio channels in the mix include Kiss and Classic FM.

Consumer promos have included free mobile phone airtime with paint purchases.

Basco also sponsors various sports tournaments, including golf, cricket and volleyball.

And the various social projects with which the company is involved, such as the community cooker in Kibera where it partnered with Planning Systems, help to make the brand a well-respected one throughout the community.

Industry conventions are also attended, at which the brand can present new and emerging technologies to various relevant audiences.

### BRAND VALUES

Basco Paints is committed to quality and value. Across all three market sectors – Premium, Trade and Economy - the brand is dedicated to meeting stringent standards and to exceeding consumers’ expectations.

Consumer trust and value for money are key values for the brand.



### THINGS YOU DIDN'T KNOW ABOUT BASCO PAINTS

- In 1984, Basco Paints manufactured only an Economy range
- The company also offers Smootex, a plaster-leveling compound.
- Basco franchises are now operational in Kampala, Kigali, Arusha, and Burundi; with depots in Kisumu, Mombasa and Meru
- The brand designed and introduced the Automated and Computerised Tinting (ACT) system that enables the speedy dispensing of over 400 shades instantly
- In 2009 Basco Paints changed its labelling from lithographed tins to shrink films

