



THE MARKET

Bobmil manufactures and distributes a range of polyurethane flexible foam mattresses, cushions, foam sheets and pillows under the "LALA SALAMA" brand. The foam mattresses are available in different sizes, grades, quality and densities. The company also manufactures special size mattresses as per market choice.

Though the foam mattresses market has its own competitive segments, Bobmil's "LALA SALAMA" quality mattresses play a prominent role within it.

In 2006, the "LALA SALAMA" products had a turnover of KSh 780 million. The "LALA SALAMA" brand aims to provide comfort and quality, and while sleeping and resting comforts are part of everyone's daily lifestyle, Bobmil appreciates that each market segment has different spending power. The company has positioned its products based on the needs of the different market segments. Currently, there is a 20 - 40 - 40 percent split in turnover from the top, middle and bottom ends of the market.

Bobmil only sells one brand in all the market segments but there are different products to meet the demand for each segment. The "LALA SALAMA" brand currently holds a 40 - 45 percent market share. This figure is determined from information from suppliers who regularly conduct research and analysis on the size of the Kenyan market.

Over the years, Bobmil has recorded increased volumes due to product improvements and use of attractive colours and packaging in the finishing process. Despite tough competition from lower quality products, the company has maintained its prices and quality, hence retaining the status and tone of the brand.

Bobmil believes the East Africa market has potential for growth as customer preferences become more sophisticated and quality-driven. With the improved appearance of the products and consistency in quality, the brand's volumes, market share and turnover are also expected to increase.

ACHIEVEMENTS

Bobmil, in its continuous strive to be closer to its customers and to serve them better, opened a distribution centre in Mombasa in 2004. The branch has since increased turnover by 60 percent. Two years later, a branch was opened in Eldoret to serve the Rift Valley and Western Kenya region. The branch has recorded a 75 percent growth.

Bobmil has the Kenya Bureau of Standards (KEBS) Diamond mark of quality and is

currently working on obtaining the ISO 9001 certification.

The company prides itself on being innovative so as to satisfy changing customer preferences. It has been a pioneer in the Kenyan foam industry by providing products such as: profile mattresses and pillows, quilted mattresses and orthopaedic mattresses. It is also the first manufacturer of foam

HISTORY

Bobmil is a family owned business that was established in 1982 by the current directors under the guidance of the late chairman, Mr. Bobby Shah. The first Bobmil factory was located in Nairobi Industrial Area in a small 8,000 sq ft premises. The company noticed untapped potential in the foam products market and an opportunity to gain a



significant market share by providing high-quality products.

The company started by providing 20 tonnes of foam per month which has grown to 450 tonnes per month. It was initially manufacturing only standard size mattresses and then enhanced its product portfolio to include foam sheets and cushions. The technology used was very basic and the manufacturing process labour-intensive - consisting of three main machines and 50-60 labourers.

In the beginning, the brand faced stiff

cushions and sheets to use computer technology to print its brand label on these products. Bobmil is also the only company providing fire-retardant foam, super-heavy quality foam, and mattresses with polyester fibre topping.

The company utilizes innovative marketing techniques: a road show of foam products, vehicle branding, and a creatively painted external wall of their premises.

competition from other market players, and customers were not ready to accept a new brand. Sales volumes remained small despite efforts to market the quality of the brand due to a lack of consumer awareness. Bobmil had to strive hard to make sure its brand was synonymous with quality, as the market was more price-conscious during its early years than quality-conscious.

With time, through product innovation, consistent high quality, constant market research and marketing the brand stood out from other foam products in the market. The company continues to develop its product range and invest in technology. Recently, Bobmil installed an in-house hi-tech testing facility to test production quality and used the media to inform the public about the facility and also increase awareness on quality.

- 1982 Business set up and first factory opened
- 1985 Operations moved to larger premises (15,000 sq ft)
- 1989 Operations moved to current premises (with operations space of 90,000 sq ft). Acquired new machinery for foam production and ancillary activities for automatisation and research and development (R&D)
- 1989 - 2003 More machinery acquired as the company expanded
- 2003 A quality control laboratory set up for more rigorous quality control. Through R&D, the company was able to introduce profile pillows and mattresses into the market
- 2004 Super heavy duty foam introduced into the market and Mombasa depot opened
- 2005 - 2006 Upgraded quilting machines and opened a branch in Eldoret
- 2007 Participated in the Company of the Year Awards organised by the Kenya Institute of Management and plans to open a new depot in Kisii

The company has significantly changed its strategy and focus since 2004/5 to focus on higher quality products and R&D. The change in strategy was necessitated by cut-throat competition in the lower end of the market, which was driving down quality. Since the company intends to maintain its quality, it has shifted its efforts to the higher end

of the market where consumers are more quality conscious.

THE PRODUCT

Bobmil products are designed to provide comfort, relaxation and enhance furniture

decor. Some of the company's products are designed for specific purposes:

- Orthopaedic mattresses - provide relief to back pain
- Profile pillows - help relax the neck muscles and thereby reduce snoring
- Special sizes to meet individual customer requirements

The products are packed using polypropylene sheeting material which has a natural shine. Brightly coloured fabrics are also used to cover the mattresses to enhance their appearance.

RECENT DEVELOPMENTS

All the manufacturing operations are conducted from the company's premises at Bobmil Complex on Mombasa Road, Nairobi. Distribution centres were opened in Mombasa and Eldoret and plans are underway to open another distribution centre in Kisii.

PROMOTION

The brand is advertised through daily newspapers and also supports special newspaper supplements with other business partners. Advertisements are designed to show quality, comfort and value for money. Apart from newspapers, Bobmil runs commercials in mobile cinemas situated in remote areas around the country to enable the brand to reach a wider audience. The brand advertises on vernacular FM radio stations and also utilizes banners and posters.

The company regularly runs promotions with the major supermarkets, providing free giveaways with their products.

"LALA SALAMA" is Bobmil's main slogan meaning "sleep well" in Kiswahili, indicating the main objective of the brand. Other slogans used include: Diamond Quality mattress - which means the company meets the KEBS quality requirements. The slogan was useful when consumers were becoming more quality conscious.



BRAND VALUES

Bobmil brand values can be summarised as: comfort, innovation, value, relaxation, quality of life. The brand promises to provide its customers with comfort and value for money.

- The brand is committed to:
- Quality - Constant testing to ensure that market standards and customer expectations are met
- Value - The company operates in an economy where its products are considered luxuries so it has to ensure that its products are priced fairly
- Innovation - Continuous product development to provide better sources of comfort and value to the market
- Service - Catering to individual tastes and circumstances by providing a wide range of products including special sizes

The Bobmil logo is designed in a wave to represent the contours of a sleeping person. The waves are also associated with relaxation.

The company has strict procedures with regards to quality control. Raw materials are purchased only from globally recognised chemical manufacturers. During the production process (from foam block production through sizing/cutting and finishing) samples are taken for testing in the laboratory. Technical experts are placed at each stage of production to observe the output and to assess the quality. At despatch, the goods are inspected before they reach the customers.



THINGS YOU DIDN'T KNOW ABOUT BOBMIL

- Of the total stock of mattresses at leading supermarkets in Kenya, 70 percent are Bobmil mattresses
- The Bobmil quality control laboratory is only second to those found in South Africa
- The Bobmil logo is designed in a wave to represent the contours of a sleeping person. The waves are also associated with relaxation