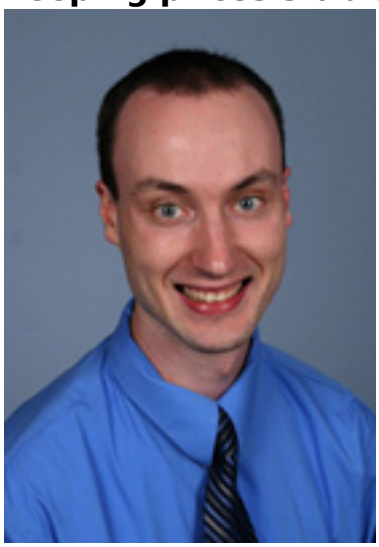
Chemical Reactions

Mike Schmidt, Associate Editor, Industrial Distribution

Manufacturers of chemical cleaners, degreasers, and absorbents discuss the challenges of trying to maintain or improve product performance while keeping prices stable.



No matter the product, no matter the situation, everyone is looking for a good value these days.

This fact certainly hasn't gone unnoticed in the cleaning and chemicals market, where solutions providers pull out all the stops in an effort to maintain product performance while still offering a competitive price.

"Maintaining product performance and maintaining pricing is a challenge in today's environment," says Alicia Hiter, brand assistant for CRC Brands. "Because of that, we are constantly working with our suppliers and in our manufacturing facility, looking for ways to decrease costs and maintain quality."

CRC Brands believes one of the best ways to meet customer value needs is by offering a product that can be used in a variety of applications and be value priced at the same time. For example, one of the company's all-in-one cleaning products is well-suited for a number of tough cleaning or degreasing tasks, including pressure washing, floor scrubbers, among others.

Development Trends

The uncertain status of today's economy has also pushed a company like CRC Brands to alter its product development strategy in a few key ways.

"We have to constantly look for ways to improve the performance of our current

offerings without increasing the price," says Hiter. "We are also always looking for new ideas that we can bring to the marketplace."

It all comes down to connecting with customers and making their jobs easier. This means understanding their needs and supplying them with versatile, cost-effective products. While this may seem like an obvious task, it is a task that's difficult to accomplish.

SpillTech, manufacturer of a line of high-tech absorbents, recognizes customers want price options, but are unwilling to sacrifice quality. One of the ways the company addresses this is by offering eight families of products, three different weights (single, medium, and heavy), and four different standard dimensions.

"It gives our distributors the confidence of knowing that there is going be a combination of price, quality, and absorbency that will fit their customer's application," says SpillTech marketing manager Robin Thornett.

The company has also noticed another key trend. Customers are starting to move away from purchasing 55-gallon drums for bulk fluids and instead purchasing IBCs.

"This raises a special set of circumstances when a spill occurs," says Thornett. "A larger container leaves the potential for a larger puncture type spill which, in turn, means a bigger spill may be waiting to happen."

Low Cost, Low Weight

A few years back, SpillTech also invested in newer meltblown technology that is designed to increase loft, lower weight, and increase absorbency. This was done to address a response to customer need for a product that delivered absorbency while still staying light enough in enough to reduce shipping costs.

As with any product, it is difficult to balance cost efficiency with reliability. However, Thornett says it can be done.

According to Thornett, the majority of the cost in the company's polypropylene absorbents is the resin which has been unstable and volatile for years.

"It (is) continual improvement in your processes and machinery that allows you to offer consistent quality product and keep pricing as stable as resin will allow," says Thornett.

"We have absorbed the resin fluctuations where we could and in the few times we have had to pass along increases, we are careful to educate our distributors about the state of the resin market and how we arrived at these increases," she says.

It's simply a matter of being proactive, something Thornett says is critical to SpillTech's success.

"You can't let the economy slow down your vision and ambitions for growth," she

says. “You need to constantly look at new markets and evaluate potential. When others slow down, it’s the perfect time to speed up.”

Source URL (retrieved on *07/23/2014 - 2:31am*):
http://www.impomag.com/blogs/2011/11/chemical-reactions