

# Customer is king

**Sigma Paints consumer-centric approach is yielding rich dividends in a challenging market**

By **MARK LAZELL**



**Van Diemen: Innovation is the answer**

One of the leading paint suppliers in the Middle East, Sigma Paints has consolidated its leading position with several innovative products and strategies in a market that has its own peculiarities.

This despite the challenges of the past few years – for instance, Saudi Arabia’s regulatory environment now allows for an increased number of quality suppliers for government projects, so that there are more than 20 paint companies that contractors can select from today, compared to the handful a few years ago. The extremely price conscious regional market is still underdeveloped in terms of knowledge and understanding of paints and paint systems. While better quality paints pay for themselves in terms of reduced maintenance and better coverage, their higher purchase price can be a negative for consumers.

Mark Van Diemen, general manager, Sigma Paints says: “Competition in the market is extremely fierce. You lose number one position when your competitors launch something you don’t have. In recent years, we have introduced innovative products such as anti-bacterial paint as well as a nanotechnology exterior product. Now we have introduced Eco Plus and a number of high end finishes which are quite unique.”

Currently Sigma Paints is revamping their distribution network. This is based on the observation that a villa owner not only wants to buy paint but also avail of other value-added services, such as design and decoration advice. On the other hand a professional painter would like professional service: access to paint and tools as well as inputs from qualified personnel who can provide technical information and advice.

One of the key routes to ensuring greater customer awareness of the brand is distribution. Steven Rijkgaard, brand manager says: “We are totally

upgrading our distribution network in three ways: the Service Centre model – this model is quite well known in Europe where you can find everything for the painter (e.g scaffolding, safety clothes etc) the Design Shop – this is focused on the consumer, with inspiration, colours etc and mixed shops, tailored for both professionals and consumers. So by adopting this strategy we communicate a revived Sigma in the market for everybody to experience.

Sigma’s new website includes features such as a restricted-access section dedicated to the dealer network, architects, consultants and painters, supplying information not available to the general public, a feature that allows users to find out which paint system is best suited for their needs and an end-user application that lets users upload images and select colours.

“We will continuously look to upgrade the types of tools we offer professional painters, and make further progress with environmentally friendly paint solutions, despite the rather slow uptake of these products in this market to date. We anticipate environmentally-friendly products will only be a success when governments impose legislation demanding their use. In the region, Qatar and Dubai are taking the lead in this with regards to LEED certification and Green Seal certification etc. In Europe you can no longer use solvent-based paints indoors, by law. That kind of legislation is absolutely needed in this region to push environmental issues into the market. There is increased discussion on legislation in Saudi Arabia regarding this, but it is difficult to put a timeframe on when it might happen,” says Van Diemen.

He anticipates that social housing projects in the region will be a big factor in boosting paint demand. “I hope that the developers of social housing projects bear in mind that high quality sustainable systems are needed, not just cheap paint. This is where education comes in.”

