

## branding

## At 60, Tupperware keeps itself relevant

BY Raina Ng

The Tupperware story began in 1938 when Earl Silas Tupper, who was inspired by the metal lids on paint cans, came up with a polyethylene bowl with an air and water-tight cover and called it the Wonderbowl.

Tupper's Wonderbowl, however, got a less-than-enthusiastic response from the public. But failure was nothing new to him. Tupper had started a landscaping and nursery business which was successful until the Great Depression hit in 1936.

He then found a job at DuPont Plastics where he worked for a year before he experimented and designed plastic products on his own. The erstwhile inventor then formed a company called Tupper Plastics to make non-breakable plastic containers from by-products of the oil refining process.

According to Rick Goings, Tupperware's current CEO, it was a woman who popularised Tupper's plastic wares and started Tupperware's unique marketing strategy.

The woman, Brownie Wise, had been selling home products at home parties. She discovered Tupper's invention and hit on the idea of selling Tupperware at such parties. In 1949, Wise joined Tupperware and by 1951, she had become Tupperware's general sales manager.

Sixty years later, home parties are still a huge channel for the company's sales.

"There is now a Tupperware party starting somewhere around the world every 1.7 seconds," says Goings.

The image of Tupperware parties is of middle-aged housewives in aprons. But the reality is far from this, says Goings.

"You turn up at one of these parties and you see young, attractive, educated women holding these par-



TUPPERWARE

Goings says a Tupperware party starts somewhere around the world every 1.7 seconds

make up the heart of Tupperware's sales force. According to *Forbes*, the company has a growing female sales force of 2.6 million women in Asia, Latin America and South Africa.

In Malaysia, nine out of 10 Tupperware sales people are women, says David Wong, Southeast Asia markets area vice-president.

But the opportunities for women are not just restricted to sales, says Goings. The fact that Tupperware is focused on a product whose target market is mainly women has seen the company evolving to offer opportunities in other areas. Product design and development are two such areas.

"When Tupperware began, all the product designers were men and most of them were industrial designers. Today, most of our designers are women. We started out as basic, functional, effective and practical products, but we have added colour and design. What we learnt is that design matters," says Goings.

Wong says that while Tupperware will continue to develop products that are current, relevant, functional and fun, it also sees itself appealing to men.

"We have seen professionals leave their jobs to join Tupperware here in Malaysia, and in the last year we have seen the number of male members increase," he says.

Tupperware Brands Malaysia adopts the multi-level marketing business model to distribute, sell and promote its range of products. The tiered compensation system introduces overriding commissions on top of earning a retail profit. These commissions are structured in such a way that the bigger the team a member

has and the more it sells, the bigger the commission payout.

The company supports its sales force by providing training and personal development. "This has been the heart of the Tupperware philosophy, to provide opportunity, empower and educate. This is another thing we believe that has kept Tupperware competitive and relevant," Wong told *Management@Work* in an interview in July.

Record sales and profit in the second quarter attest to Tupperware's continuing relevance. In July, the Florida-based corporation reported a net profit of US\$65.1 million (RM194.8 million), up from US\$57.9 million in the same quarter last year. According to Tupperware, sales for the year were up 9% to US\$669.9 million from US\$565.1 million a year ago.

Goings says the Asia-Pacific market has contributed significantly to Tupperware's earnings, with a 27% increase in sales from the previous year. In Malaysia and Singapore, Tupperware recorded a 24% increase in second-quarter sales compared with the previous quarter.

"This company has been around 60 years in the world, and 46 years here in Malaysia, and yet in the last four years it has had the most remarkable growth in its history. You would say, wait a minute, this is an old brand, but old could be a base of power if it is done right. We have to decide which of those things we do to make the business more relevant.

"We have an attitude and philosophy with regards to business and business strategy. Every successful business model works until it does not. There's always a cycle with businesses and there are many brands that people looked at 25 years ago that don't exist anymore today, and the reason they don't exist is that management did not do their job which is to make companies always fresh and robust," says Goings. ■

ties," he adds. "When asked why they are involved, they will tell you it is because Tupperware removes the ceiling on their income."

Goings says that back in the 1950s in the US, there were few opportunities for women to earn an income, so Tupperware naturally evolved into a company that provided women with a whole spectrum of opportunity.

Sixty years later, it is still empow-

ering women. "What has not changed is the opportunity Tupperware offers," says Goings.

Goings, who was president of Avon before joining Tupperware nearly 20 years ago, told *Forbes* in an interview in February that the corporation's success is due to its years of educating and empowering women around the world who are in the business of selling Tupperware. Indeed, women still