

Pakistan elektron limited pel overview marketing essay



**ASSIGN
BUSTER**

Pak Elektron Limited (PEL) is one of the pioneer producers of electrical goods in Pakistan. It came into being in 1956 in technical cooperation with M/s AEG of Germany. In 1978, the company was bought by Saigol Group of Companies. Since its foundation, the company has been contributing on the way to the advancement and progress of the engineering sector in Pakistan by launching a range of excellence quality electrical equipments and also home appliances and also by producing hundreds of engineers, expert workers and technicians in the course of its apprenticeship schemes system and training programmes.

PEL Company Divisions

The PEL Company consist of two divisions:

Appliances Division

Power Division

APPLIANCES DIVISION

This Division of PEL consists of appliances manufacturing.

PEL Air Conditioners

There are two types of PEL Air Conditioners:

Window Type Air Conditioners

PEL window Type air conditioners were launch in 1981 in technical partnership with General Corporation of Japan. Since of their launch, PEL air conditioners have a top position in Pakistan market. Cooling performance of PEL air conditioners has been tested and approved by Copeland and ITS USA.

Split Type Air Conditioners

As the time goes on, customer's demand changes according to their needs.

With the shift of customer's preference from window to split -type of air conditioners, PEL has started producing split type air conditioners.

PEL Refrigerators

Refrigerator manufacturing is also very important invention in the electronic devices history. PEL company started manufacturing of refrigerators in the mid of 1986 and 1987 in the technical collaboration with Ms SILTAL of Italy.

PEL's refrigerators demand is also very high in market same as the air conditioners. At present, PEL Crystal has more than 30 % market share in Pakistan. PEL refrigerators cooling performance is tested and approved by Germany, Danfoss and also its manufacturing facility is ISO 9002 certified by SGS Switzerland.

PEL Deep Freezers

In 1987 in technical collaboration with Ms Ariston of Italy PEL introduced Deep Freezers. For the reason that of high quality and durability, PEL deep freezers are the preferred choice of the giant companies like Unilever.

PEL Televisions

With the passage of time needs of a common man increased. Television becomes very popular in the mid of 19 century, so PEL company decided to manufacture PEL Televisions.

Competitor of PEL Appliances

Air Conditioners:

General Ltd.

Daiken

Waves

National

Dawlance

Sharp

LG

Refrigerator:

Dawlance

Phillips

Sharp

Samsung

LG

Deep Freezer

Waves

Candy

Dawlance

Television:

Sony

Phillips

Panasonic

PEL Power Division

PEL Power Division based on three plants. These are Transformer Plant, Switch Gear and Energy Meter Plant. These three plants are now ISO 9001: 2000 Certified.

PEL Power Division manufactures transformers, Kiosks, shunt capacitor banks, energy meters, switchgears etc. These all electrical goods are assembled under strict quality control and also in accordance with Electric International Standards. PEL is one of the biggest electrical equipment suppliers to the largest power companies of Pakistan:

Water and Power Development Authority (WAPDA)

Karachi Electrical Supply Corporation (KESC)

For many years, PEL Company's electrical equipments have been used in several power scheme of national importance with in Pakistan. PEL Company also has the heritage of getting its equipment agreed and authorized from well-reputed international specialists such as:

Preece, Cardew and Rider, England

Harza Engineering Company, USA

Snam Progeti, Italy

Societe Dumezm, France

In spite of solid competition from up-and-coming local and multinational brands, PEL Group's Company of appliances and electrical equipments have remained in the attention due to continuous innovation. Strategic affiliation with multinationals of repute have allowed the PEL Group of Companies to incorporate advance technologies into present product ranges, thus providing the Pakistani market entrance to innovative, quality products and affordable.

Energy Meters

Single-Phase Energy Meters PEL manufactures Electro-mechanical Energy Meters under licence from ABB (USA). The quality of PEL meters has been certified by KEMA Laboratories (Holland) and conforms to IEC 521. Moreover, PEL Energy Meter plant is ISO 9001: 2000 certified by SGS Yarsley, U. K.

PEL type M8C is a direct connect single-phase meter. The design and constructional features include overload compensation, temperature compensation and self-cleaning, non-aging and tamper resistant magnetic bearing system. Thus providing maintenance-free operation over a longer period and accurate measurement of electrical energy. The frame is sturdy in construction and enclosed in unbreakable high-impact polycarbonate plastic security box. Ratings Voltage Frequency 10(40)A 240V 50Hz

Poly-Phase Energy Meters PEL type C8L is a direct connect poly-phase energy meter having improved load performance and accuracy over a wide load range. All meter parts are corrosion protected for long-term reliability. Like single phase energy meters C8L also possesses non-aging, self-cleaning magnetic bearing system, which ensures virtually frictionless operation of the rotor while withstanding abuse from surges and magnetic tampering. The meter is available in high impact polycarbonate security box, which is extended type and completely shrouds service cables. Ratings Voltage Frequency 15(90)A 3*230/400V 50Hz

Three Phase Solid State Energy Meter Three Phase Multi-rate Solid State Energy Meter (PE3-D) is used for the measurement of energy in three phase four wire networks. It is a direct connect meter that complies with the IEC 62052-11, IEC 62053-21 (IEC 61036) and optionally with the standards. PE3-D meters are manufactured in compliance with the ISO 9001 standards. Ratings Voltage Frequency 10(100)A 3*230/400V 50Hz

Three Phase Solid State LT Type CT and HT Type CT & PT Operated Energy Meter PE3-C is 3-phase 4-wire, multi-functional electronic meter with the accuracy of Class 1 for active energy and Class 2 for reactive energy measurement. It is connected Via CT's & PT's. Meter complies with the IEC 62052-11, IEC 62053-21 (IEC 61036), IEC 62053-23 & ISO 9001 standards. LT Type CT Operated Ratings Voltage Frequency 10(100)A 3*230/400V 50Hz

Single Phase Solid State Energy Meter PE1-6 is single phase meter designed to meet the needs of domestic users. It supports single wire operation providing maximum security against tampering. PE1-6 conforms to IEC

62053-21 & IEC 62052-11 and ISO 9001: 2000 standard requirements.

Ratings Voltage Frequency 10(40) A 230V 50Hz

PLACE: (DISTRIBUTION)

Mostly Producer use intermediaries to bring their products to market. They try to forge a distribution channel a set of inter dependent organizations involves in the process of making a product or service available for use or consumption by the consumer or business user.

Channel Levels:

Distribution Channels can be described by the numbers of channel levels involved. PEL uses both of the two major Marketing channels.

Direct Marketing Channel:

It's a marketing channel that has a no intermediary levels. PEL's power division uses this type of channels. Its major clients are large organizations and not the end user. So people from these organization directly contact PEL's marketing department of power division when tenders are flooded, design, specification and price are discussed.

Indirect Marketing Channel:

It is a marketing channel containing one or more intermediary levels. PEL's appliances division works this way. These products are sold through authorized dealer shops or PEL's own outlets.

Region Distribution:

Appliance Division:

PEL has got a very effective distribution system that ensures the widespread supply of company's product throughout the country for the sake of proper management.

ZONE

AREA COVERED

Northern Zone

Punjab and N. W. F. P

Southern Zone

Sindh and Baluchistan

REGIONS

The zones have been further divided in to six different regions.

Karachi

Multan

Lahore

Gujranwala

Rawalpindi

Faisal-Abad

The distribution process at PEL Appliance is being looked after by the following personal.

National Manager Sales (NMS)

National Manager Sales (NMS) mainly responsible for watching the functioning of all Regional Managers Sales, Area Sales Officer and Sales Office at the National Level.

Regional Manager Sales (RMS)

Managers Sales (RMS) controls sales in his specific region and is the connecting link of all area offices currently the company has two controlling operation in Multan Region.

Area Sales Officers (ASO)

Area sales officer is responsible for making contacts with dealers product display and looking orders in his specific area. The company has at present seven ASO's Managaers, operations in Rawalpindi, Gujranwala, Multan, Bahawalpur, Lahore etc.

Sales Officers (SO)

Sales officer (SO) looks after the sale operation in particular city. Currently there are four sales officers two in Lahore, one in Faisalabad and Gujranwala each.

Assistant Manager Sales (ASM)

Assistant Manager Sales (ASM) looks after the proper functions of sales in Southern Zone.

POWER DIVISION:

For Power product there are no particular personal to deal with the distribution. Sales procedure for power division is as follow.

Sales Procedure

Since the major buyer of PEL in Power Product is Government Sector, the sales procedure of Power/marketing department is quite different from Appliance/Marketing Department.

The main steps involved in sales/marketing procedure of Power Division are:

Bid Submission

Bid opening

Bid Evaluation

Letter of Intent(LOI)

Billing

PRICE Procedure:

Power Division Pricing Procedure:

First the tender is received which shows the demand of the product.

It is send to the production department.

They make calculations about material cost, labour costs and Factory overhead, further taxes and duties are also calculated.

Investment is calculated

Then gross margin is added.

Gross Margin= Labour Cost + FOH + Profit+ Financial cost + Miscellaneous cost

Financial cost is found out

Term and conditions may be different in some cases.

Appliances Division Price Procedures

Sales tax, Octopi, excise duty is calculated above the cost of production.

There is also a pricing trend depending on the models most demanded.

Price is charged according to demand.

Consumer product forces also show seasonal, variation i. e., their prices raise during wedding season and before Eid-ul Azha and Eid-ul-fitar.

PROMOTION MIX

Advertisement performs key objectives in any company or an organisation growth. This is quiet necessary part of an organisation. In past, there were no such resources to convey our messages to others but with the passage of time everything changed. Today, we can express our demands and needs. Presently, there many mean to promote a product through internet, media, advertisement etc. Pak Electron Limited uses advertising personal selling, sales promotion and public relations to pursue its advertising and marketing objectives.

Appliances Division:

To achieve the sales objectives

To increase recall

To restore the message in the customer mind.

PEL has different Advertising messages for different products.

Media for Advertising

There are three types of media on which advertisement are given:

Electronic Media

In the electronic media, there are many entertainments, business channels where PEL Company do advertisement. Some of the channels are

PTV

ARY

Geo TV

STN

PTV World

Print Media

Print media is also very important in advertisement field. Today, there are many news papers, magazines and periodicals available where PEL do advertisement.

Out-Door Media

- Normal Boarding

- Neo-signs

Incentive Schemes

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For attracting dealers and potential customers, Pak Electron Limited PEL use the “ Pull and Push Strategy”.

PEL don't have too many outlets but they do major selling through the dealers and retailers, some of the incentives given to the dealers are:

Rs. 400 set if dealer sells a certain amount of sets in six month.

Peel gave a car to the dealers if they achieve the set target.

Air Conditioners:

- against the sale of 50 air conditioners discount is Rs. 200/unit.
- against the sale of 50 air conditioners discount is Rs. 400/unit.

Refrigerator:

- for sale of 150 or more refrigerators, the dealer is awarded with a Dubai Tour.

All above schemes are changing according to period.

Strategy Formulation

Mission & Vision Statments

Pak Elektron Limited (PEL) mission statement is

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<https://assignbuster.com/pakistan-elektron-limited-pel-overview-marketing-essay/>

And Vision statement is

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Objective

Strategy

Policies