

The marketing of surya atta

Business, Marketing



Hence, our product can reach to wider audience In this state Including the higher Income group. Further, Usury Food Products have already established its brand in Madhya Pradesh from grain recommend establishing our base before entering other markets. From the available data there would be approximately 132 lacs households in Madhya Pradesh and the target audience will be around 50 lacs households by excluding the lower income class with less than RSI. 2000 per month. Positioning: I suggest highlighting the nutrition value and the value for money for our product.

In order to educate the customer about the benefits of Whole Wheat Atta I recommend creating a comparison chart depicting the key nutrients along with the health benefits and printing the same on the package. The Product: Initial launch of this product will be in the ratio of 2: 1: 1 for 5kg, 1kg and 250g packets especially. Since the average consumption of a household is around 5 kg it will cover most of the large segment. Further, people from the hotels and restaurants will tend to buy the larger package. Based on the demand the ratio can be modified in near future.

The Price: Based on the existing analysis the plant can produce at a capacity of 45 MET of wheat per day working for about 25 days a week and expected to operate at 80% of the capacity. It can produce a maximum of 765 MET of whole wheat per month along with 135 MET of bran. Based on the break-even analysis the production cost cannot be less than RSI. 8/kg excluding the bran value. At the same time the final list price must not exceed RSI. 11/kg as it will not create the value proposition in comparison with national brands.

After assuming the figures the production cost will be fixed at RSI. 7.9/keg. So the total estimated annual revenue if the rate of production is 765 MET per month would be RSI. 726 lacs per year. Further the sale of bran per annum at the rate of 135 MET per month will fetch revenue of approximately RSI. 24 lacs per year. So the total revenue will be approximately RSI. 750 lacs which is more than the estimated profit. So, the label price for this product will be fixed at RSI. 10/keg. The Place (Distribution): The distribution margin will be fixed at RSI.

0.6/keg and the retail margin will be fixed at RSI. 1.5/keg. I have decided to appoint one distributor each at district level. Further we can encourage the distributors and retailers to promote our product among the customers. The Promotion: Since the advertisement budget is restricted to RSI. 50,000 per month we cannot run aggressive campaigning through television and print advertising. As Surya brand was already established in Madhya Pradesh, We can place attractive point of purchase displays at the retail outlets to attract customers.