

# Tripple m stratigic management report

Business



Submitted To: Iram Tanvir Submitted By: Muhammad Yasir Iqbal Sufian Rasool Arham Zeshan Ghazanfar Muhammad Naveed Muhammad Asim Muhammad Imran BBA-SP09-103 BBA-SP09-129 BBA-SP09-021 BBA-SP09-045 BBA-SP09-091 BBA-SP09-081 BBA-SP09-086 2 Executive Summary Triple Em (PVT) limited known by its brand name Super crisps is the pioneer in snack foods and ISO 9001 certified working in Pakistan but they lack very much in marketing and promotion sector. Their vision and mission are to satisfy the needs of customers regarding snack food.

Industrial analysis for Tripple Em shows that the company is not so strong internally interpreted by IFE and is on the average in strength when talking about it EFE. Company has its own strengths and weaknesses like financial weaknesses and the threat of competitors.

The marketing mix analysis has also been discussed. Tripple Em is below average when competing with its Competitors. International brands of snacks are financially very strong and they are using all the promotional tools available for promotion.

Ansoff grid, IE matrix, Grand strategy and Space matrix suggest suitable strategies for Tripple Em. The main objective of our work is to make strategies for the company to penetrate in current market. For this purpose we have suggested many tactics and alternatives.

The financial budgeting for promotional activities has been discussed in detail for the company. Company has option to use the entire promotional plan or to choose a few ones. Implementation plan for the promotional strategies have been given in this document. Contingency plans have also

been discussed in the later part. Table of Contents Introduction Tripple Em (PVT) limited, the pioneer company in the manufacturing of premium quality crisps and snacks in Pakistan was established in 1982. Company's instant success SUPER CRISP Tripple Em is recognized member and affiliated to potato chips/snack foods association of America since past several years.

The snack made of handpicked, farm fresh raw material, processed under strict international hygienic conditioned are meant to satisfy the highest gourmet taste. The company offers a range of snack foods including potato chips, Nimko Mix, Peanuts, corn based extruded and pellet products. Getting ISO 9001: 2000 certifications is the clear mark of its quality standard products. The recognition for fast growing exports of „ Super Crisp' was authenticated by the Federation of Pakistan Chamber of Commerce and Industries when it awarded Export Performance Trophy to the company Which is a sure proof of the quality of products being marketed by Tripple Em (PVT) 7 2 Vision

Our vision is to provide fresh, healthy, crunchy, and handsome and whole some meals in the form of snacks. We believe in being ethical in our all claims and dealings with the customers, dealers, and organizations. 3 Mission Our mission is to produce the cost effective, competitive and quality snacks ; traditional products conforming to customers' requirements.

4 Industry Analysis Industry analysis comprises of different models which are discussed below. 4. 1 Need Analysis Need for snacks is felt on the basis of following given factors. ? ? ? ? ? ? Changing behavior of people Brand recognition Tea time crunch Socializing Traditional taste Quality 8 4. 2 How the need is being met?

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On the basis of above mentioned needs we are recommending some steps by following which businesses can enhance their growth level and profitability. ? ? ? ? ? Conformance to customer requirements Quality certifications International brands Cultural product ranges Easy availability 4.

3 Porters' Five Forces Analysis Michael porter provided a framework that models an industry as being influenced by five forces. These forces are shown in fig. 9 Industry Rivalry Rivalry is the first force in porter? s analysis. Triple Em has direct rivalry with Lays, Kolson; Golden etc. there are number of different variables which influence the impact of rivalry.

The intensity of rivals for Tripple Em is influenced by the followings ? ? ? ?

Company is facing imported competitors like Lays and Pringles Customers have more alternatives at same price All the competitors are offering somewhat same level of product. Concentration ratio of industry is one measure of rivalry. The concentration ratio shows the market share held by four largest firms is 1. Lays 45% 2. Super Crisp 15% 3. Kolson 15% 4.

Golden 8% Threat of substitutes Threat of substitutes is the second force of porter? s analysis. Substitute is something from different industry which can satisfy customers need. There are so many substitutes of tripple em like Kurkure and slanty. There can be more substitutes with time which can become threat to tripple em. 10 Customers' Power The buyers are so many and suppliers are few of snacks market.

Snack habits are increased due to changing behavior of people.

They have option to purchase from anyone. They can also possess a backward integration threat to a company like triple em. They can purchase significant proportion of output. Suppliers Power A producing industry requires raw material, labor, components and other supplies. If suppliers are powerful they can exert an influence on the producing industry.

They can sell raw material at high cost to keep some portion of industry's profit. Triple em has less threat from suppliers as their suppliers have many competitors because purchases easily accessible raw material like potatoes, corn etc.

Threat of New Entry Tripple Em has threat of new entrance especially imported brands. Patent rights of existing companies are also defense shield for new entrants but no snack foods company has patent rights in Pakistan. Economies of scale are helpful for the triple em against the new entrants.

11 4. 4 SWOT Analysis SWOT analysis for Tripple Em enlists the strengths, weakness, opportunities and threats of the company which are as:

Strengths ? ? ? ? ? ? ? Attractive Brand Name Depth in Product Range

Distribution network is strong across Pakistan ISO Quality Certification

Differentiating Features Latest Automatic Plant Major Market Share

Weaknesses ? ? ? ? ? ?

Low margin for Retailers and Distributers Strict Discount Policies Poor placement Low emphasis on promotions Low Trade Margin Financial position

12 Opportunities ? ? ? ? ? New Horizons are opening for the Company

Attractive Market Size export opportunity for their Products Diversification

into Related Product Line Threats ? ? ? ? ? Imported Brands Tough

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Competition Changing Buying Behavior Different kinds of Taxes Levied by the Government High Cost of Production 13 4. 5 Internal Factors Evaluation (IFE) IFE is the strategic management tool for evaluating major strengths and weakness in the functional areas of business and to identify and evaluate the relationship among them.

Strengths Product ranges Attractive brand Quality Market share Distribution Technology Weaknesses Positioning Advertisement Availability Financials Discount policies Weights 0. 1 0. 1 0.

1 0. 1 0. 07 0. 07 Ratings 4 3 4 3 3 3 Weighted score 0. 4 0. 3 0.

4 0. 3 0. 21 0. 21 0. 08 0. 1 0.

12 0. 08 0. 08 1. 00 1 1 1 2 2 0. 08 0.

1 0. 12 0. 16 0. 16 2. 44 Scale: 4 = major opportunity; 3 = minor opportunity; 2 minor threat; 1 major threat The result shows that the company is below average scale as compare to the market.

It means company is not internally very strong. 14 4. 6 External Factors Evaluations (EFE) EFE is the strategic management tool for evaluating major opportunities and threats in functional areas of business and to identify and evaluate the relationship among them.

Opportunities Large distribution Attractive market size Export opportunity Diversified product range Weights 0. 1 0.

08 0. 08 0. 12 Ratings 4 4 3 4 4 Weighted score 0. 4 0. 32 0. 24 0.

48 0. 24 Traditional products (Nimko, dry 0. 06 fruits) Threats Imported brands Tough competition High inflation Changing buying behaviors High cost of production Government taxes 0. 14 0. 15 0.

08 0. 07 0. 07 0. 05 1. 00 1 1 2 2 2 2 0. 14 0.

15 0. 16 0. 14 0. 14 0. 10 2. 51 Scale: 4 = major opportunity; 3 = minor opportunity; 2 minor threat; 1 major threat the result shows that the company is on the average scale as compare to the market.

This means the company is on the average on external strength 15 4.

Marketing Mix Analysis of Tripple Em 4. 7. 1 Positioning Positioning is the company? s image in the minds of people. Tripple Em has week positioning of its brands in the minds of customers because of low promotions and availability of the products. Tripple-Em positions its products so far as “having high quality snacks with hygiene standards” concerns attributes.

4. 7. 2 Product assortment Product Classification Triple-em is producing snack food. Snacks can be classified as conventional goods because it is purchased on regular basis as a consumer good. There are 28 products available in the 4 product lines and all are non durable products.

#### Product Level

The products of the company Tripple Em are leveled at the expected or even augmented level of product. After the core benefits and the basic of the obvious product they satisfy the customers more than that. Product Mix Product Mix of Tripple-em has following width and depth Tripple-em is carrying four product lines. 16 POTATO CHIPS RANGE The main line/range of <https://assignbuster.com/tripple-m-stratigic-management-report/>

the company? s product mix is potato chips. The products in this line are made from potatoes, which are generally called Potato Chips or crisp.

Potato chips/crisps are lean and fried potato cut pieces, packaged in fine foil wrapper, having gas as a preservative. These chips are in various flavors.

#### NIMKO RANGE

Product line includes various products, which are generally made from ingredients like various kinds of pulses, beans (i. e. dal moong, channas) peanuts and almonds etc.

These ingredients are fried, spiced and package. EXTRUSION RANGE Getting high market recognition and a large volume of company? s products overall, Extrusion range is the third product line and second in importance after potato chips line of product mix. Extruded products have generally ingredients like rice, maize and maize flour, these snakes are generally shaped and prepared with heat not using oil. CORN BASED PALLETS The fourth and the final line of product of Tripple Em are the Corn based pallets. The name shows the main ingredient of this line is corn floor.

They are in salted, spicy, vegetable and mix flavored and are evolved in response to the kolson slanty.

17 Potato Chips Mr. Crisps Mr. Crisp Spicy French-fries Super Crisps Chips Fiery Hot Chips Salt ; Vinegar Chips Salt Cream ; Onion Nimko Nimko Mix Dal Moong Fried Peanuts Almonds Whole Pistachio | Cashew nuts Extrusion Goal Motel Dino Munchies Catty Chins Wheelo Pops Corn Based Pallets Boomer salted Boomer Spicy Boomer Vegetable Twister 4. 7. 3 Distribution Channel

Tripple Em has two tier channel distribution for delivering the products to

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end consumer. 18 Distributor Product is a first purchased by distributors, who purchases the product in bulk and then distribute it to retailers.

### Selection of Distributor

Distributors are selected and number of distributors in an area is determined by the level of demand and adequacy of coverage. Distributor Selection Criteria Tripple-em has its own criteria and policy regarding selection of first middleman i. e. distributor, which is: ? ? ? ? ? Wide market exposure Sound financial condition Good reputation Capacity Market position of distributors

Distribution Policies Distributors are made subject to following policies and conditions of company: ? Distributor is required not to engage himself in the distribution of competitor? s products, directly or indirectly. ? Distributor is made obligatory to act to add goodwill to company and avoid acts of omission and commission.

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Distributor is further agreed upon to pass on all the trade discounts and benefits granted by company to retailers. ? Distributor is also made subject to regularly purchase the stock of products according to targets set by company. ? Distributors have to maintain at least 8 days stock of every product according to size of market or quantity assessed by company. 4. 7.

4 Pricing analysis Triple-em is a profit-oriented business, so, its pricing policy is also profit oriented. Price Objectives Company peruses following objectives through its pricing strategies. Quality leadership The aim of the company is to pioneer quality leadership through its pricing. Maximum Sale Growth

Second pricing objectives of company are to maximize the sale to reduce per unit cost and accomplish economies of scale. Company sets this objective by zeroing in on the price sensitivity of various segments in the markets. 20 Maximum Market Share According to the General Manager of the company, the most important objective of the pricing is to gain and maintain the maximum market share.

Pricing Methods Company tries to price its offer in terms of different segments of market. Market Segmented Price For pricing considers following segments in the market ? ? ? Upper Middle segment Middle segment Lower middle segment Segmentation is based on the purchasing power of the customer. HIGHER MIDDLE CLASS High priced quality products are priced for high middle class.

Potato Chips Range Super Crisp Nimko Range Nimko Mix Almonds Cashew nuts Wholepistashu Extrusion Range Potato Stump Catty chin Wheelopops Corn Based Pallets Twister 21 MIDDLE MIDDLE CLASS Following brands are priced for middle middle class people Potato Chips Range Mr. Crisp Super Crisp Nimko Range Nimko Mix Fried peanuts Dal Moong Extrusion Range Dinomunchies Potato stump Giggly waves Super Star Corn Based Pallets Twister Salted Spicy LOWER MIDDLE CLASS Low priced quality products are priced for lower middle class.

Potato Chips Range Mr. Crisp Super Crisp Nimko Range Nimko Mix Fried peanuts Dal Moong Extrusion Range Dinomunchies Super Star Gol Motols

Corn Based Pallets Vegetable Target Costing Strategy To quote a price for a segment of market, company then employ the method of Target costing,

which specifies the price at which product must sell, given its target customer and competitors price, it is achieved by lowering elements of cost e. g. Crisp Mini, Mr. Crisp and Caption Chips, the packaging wrapper is used which is not aluminum coated so it considerably lower the production cost and product can be sold at desired price.

22 Competitive Pricing Company analyses and determine the competitor? s price for competitive offering. Company makes every effort to price the products close to the competitors.

As the main concern of Tripple-em is quality leadership that entails high price, Company has competitive brand to respond the competitor? s low price. In potato chips range super crisp is quality leader but to counter the low priced competitors brands, captain chips have been launched as competitive brands. 4.

7. 5 MarCom analysis Company is very poor in the marketing communication. The main objective of this document is to suggest the company the marketing communication strategies. Tripple Em is using only consumer promotions but no advertisement. Company allocates 5% of annual budget to all the marketing and promotion activities.

#### 23 4. 8 Competitive Profile Matrix (CPM)

Critical success factors are extracted after deep analysis of external and internal environment of firm. Obviously there are some good and some bad for the company in the external environment and internal environment. CPM analysis for the Tripple Em with the competitors is as follow: Lays Kolson Golden Super Crisp product range attractive brand name Quality market  
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shares distribution Equipment positioning Promotion availability R; D  
 imported brand impact of competition high cost of production buying  
 behavior financial strength Totals weights Scores weighted scores weighted  
 scores weighted scores weighted scores scores scores scores 0. 08 3 0. 24 3  
 0.

24 2 0. 16 4 0. 32 0. 08 0. 1 0.

06 0. 06 0. 05 0. 08 0. 09 0.

08 0. 05 0. 06 0. 06 0. 04 0. 5 0.

06 1 4 4 4 4 4 4 3 4 3 4 2 2 3 3 0. 32 0. 4 0. 24 0. 24 0. 2 0.

32 0. 27 0. 32 0. 15 0. 24 0. 12 0.

08 0. 15 0. 18 3. 47 3 3 3 3 3 2 2 3 2 2 1 2 2 2 0. 24 0.

3 0. 18 0. 18 0. 15 0. 16 0. 18 0.

24 0. 1 0. 12 0. 06 0. 08 0. 1 0.

12 2. 45 2 3 2 2 2 1 1 2 2 1 1 2 2 2 0. 16 0. 3 0. 12 0.

12 0. 1 0. 08 0. 09 0. 16 0.

1 0. 06 0. 06 0. 08 0. 1 0.

12 1. 81 3 4 3 3 4 1 1 2 2 1 1 2 2 2 0. 24 0. 4 0. 18 0.

18 0. 2 0. 08 0. 09 0. 16 0.

1 0. 06 0. 06 0. 08 0. 1 0. 12 2.

37 The results of CPM indicate the position of super crisp which is below average in the competition. 24 4. 9 Marketing mix analysis of competitors  
Competitors products and Activities

Following competitors products are being sold in the market. The reason for their presence is the credit facility and the high margins. ? ? ? ? ? ? ? Lays  
Kolson Golden Smith Bunny Pringles Pak Food Market Shares ? ? ? ? ? ?  
Tripple Em Lays Kolson Golden Smith Others 15% 45% 15% 8% 5% 12% 25  
4.

9. 1 Positioning International brands including lays and Pringles are positioned very well in the minds of customers. Kolson is also positioned very high due to promotions and availability of their products. However golden and other local brands are far behind from Tripple Em. 4. 9.

2 Product assortment Lays ? ? ? ? ? Barbeque Salted French cheese Masala  
Kurkure Cheetos Kolson snacks ? ? ? ? ?

Slanty Twinkle cheese balls Snackers Potato chips Chatpata rings 26 4. 9. 3  
Distributer channel analysis All the competitors including Lays and kolson hire their distributors as of tripple em. They don? t have their own distributions channel they are using two tier distribution. 4. 9.

4 Pricing analysis Pricing of all the competitors are almost same as super crisp. Imported brands like Pringles, are much expensive than others. This is not the price war but this is the war for quality and to gain the maximum market share 4. 9. 5 Marcom analysis Lays and kolson have strong marketing communications. They pursue the pull strategy for communication.

They use 27 ? ? ? ? ? ?

TVC Radio ads Print media Sales promotions Trade promotions Shop signs 4.  
10 BCG matrix BCG growth share matrix helps to make decision by  
examining the cash flow of the SBUs. 28 Stars Potato chips range of super  
crisps has the highest growth rate and moderate market share so it is ranked  
stars. Cash cows Super crisp Nimko is the market pioneer in nimko products  
and its growth rate is still moderate after 30 years. Nimko gives highest cash  
flow to Tripple Em and ranked in cash cows. Question marks The dry fruits of  
super crisps are growing but they have seasonal effect.

Their market share is below 15% and remains in question marks category.

Dogs

Extrusions products of super crisp tripple em are unknown in the market and  
corn based products were introduced for the competition of kolson slanty but  
their market share and growth are very low. That is why they are categorized  
dogs. 29 4. 11 Twos Internal strengths Tows Analysis Internal weakness 1.  
Depth in Product Range 1.

No prizes for Retailers and Distributers 2. Distribution network is strong  
across Pakistan 2. Strict Discount Policies 3. Good Quality 3. Poor placement  
4.

Differentiating Features 4. Low emphasis on promotions 5. Latest Automatic  
Plant 5. Low Trade Margin 6. Major Market Share after lays.

Tripple Em External opportunities SO Strategies WO Strategies 1. New Horizons are opening for the Company 2. Attractive Market Size 3. export opportunity for their Products 4. Diversification into Related Product Line 1.

As their distribution is 1. By exploring new market size good they can export it in they have to give prizes to the neighboring countries. Retailers and distributors. 2. As they have major market 2. For exporting they have to re share they can launch new look their discount strategies.

tastes in their product line. 3. As new horizons are opening 3. With their market share they have better option for they can capture different placing product. market size.

ST Strategies WT Strategies External Threats 1. Imported Brands 2. Changing Buying Behavior 3. Different kinds of Taxes Levied by the Government 4. High cost of production. 1.

Improving the quality and 1.

If they have low trade margin adding new flavors to and tough competition they reduce the threat of brands. can use synergy or liquidate themselves. 2. By the threat of government and high cost 2. They can move according to of production they can the buying behavior of export their product to customers if their product Pakistan from china which demand is decreasing.

will be cheap. 30 4. 12 Ansoff product market expansion grid Existing products New products Existing market Market penetration Product development New market Market development Diversification Super crisp

products are already in the marketing so we will be focusing on market penetration.

The aim of the strategy is to increase the share of the current market with current products. It involves an increase in the sales of existing products in existing market which is possible by grabbing the market share of rivals.

31 4. 13 IE Matrix IFE Score 4 3 2 1 4 1 2 3 3 4 5 6 2 7 8 9 1 EFE Score IFE score of super crisp was calculated as 2. 44 and EFE score was calculated 2. 51. Both scores intersect each other in 5th quadrant. As the line intersects in 5th quadrant which suggest that Tripple-M should focus on hold and maintain strategy.

It includes ? ? ? ? Market penetration New product development Modification of existing product Development of new markets 2 4. 14 Grand strategy

Tripple em lies in 2nd quadrant of grand strategy matrix due to weak competitive position and rapid market growth therefore this matrix suggests to implement following strategies ? ? ? Market development This is to move to the new market with existing products. Market penetration To be in the same market with same products but grab the market share of rivals.

Horizontal and vertical integration Company can acquire same sort of business or the suppliers and distributer 33 4. 15 Space matrix SPACE matrix is used to determine what type of a strategy a company should undertake.

There are four strategies which could be used.

Internal strategy position XCompetitive (-6worst , -1best) axis -2 Product quality -2 -3 Market share Brand Image External strategy position Industry (+6 best, +1 worst) +4 Barrier to entry +4 Growth Potential +3 Access to

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financing +2 Consolidation Average +3. 25 -5 Product life Average -3. 0 Total  
 X-axis Score YFinancial (+6 best, +1 worst) axis +4 Cash Cycle +2 Leverage  
 +3 Liquidity +3 ROI Average +3. 0 0. 25 Environmental (-6worst , -1best) -4  
 Inflation -3 Demand Elasticity -5 Taxation -2 Technology Average -3.

5 Total Y-Axis score -0. 5 34 Suggested strategy for Tripple em Y-axis  
 Conservative Aggressive 0. 25 X-axis -0. 5 Defensive Competitive

Competitive strategies suggest the company to focus on external threats, i.  
 e.

? ? ? ? ? Horizontal ; Vertical Integration Market development Product  
 development Market penetration Joint venture 35 4. 16 Porter's business  
 strategy The Porter framework enables an organization to check the logic of  
 its current competitive strategy and if necessary being a search for new  
 strategy. COST DIFFERENTIATION BROAD COST LEADER DIFFERENTIAION  
 STRATEGY DIFFERENTIATION FOCUS STRATEGY NARROW COST FOCUS

Tripple Em should use differentiation strategy in which company  
 concentrates the broad segment of market through product differentiation  
 instead of price. 36 37 Strategy Document 5 Objectives 5. Marketing  
 objectives ? The primary objective of this study for Tripple Em is to penetrate  
 into the current market through promotions till the end of CY 12. ? To run the  
 promotional activities for Tripple Em to penetrate and grab rivals market  
 share up to 25% till the end of CY12.

? Make sure the availability of the Tripple Em products into the market place  
 within one month. 5. 2 Financial objectives To allocate 10% budget to

promotions for the next year, this will increase the company sales up to 20%.

38 6 Alternative Strategies I. II. III.

IV. Market penetration Market development Product Development

Horizontal ; Vertical Integration 7 Choice Criteria

Strategic choice results in selection of corporate, business and functional level strategy. ? Mutually exclusive: Strategic option should be mutually exclusive. It must stand on its own. ? Success: The strategic option should have a good probability of success. It should be implementable.

It should have sustainable strategic advantage. ? Completeness: The strategic option should take into account all the strategic issues. It should be complete. ? Internal consistency: The strategic option should not contradict vision, mission and objectives of the organization. ? Strategic gap: It is the gap between current and future desired performance. The strategic option should help fulfil this gap.

39 8 Decision

By examining the guide lines of criteria, we came to conclusion that company should chose Market penetration strategy with advertisement tactics first to penetrate in market as advertisement fulfil all points of above mentioned guide lines. Advertisement is implementable and has a good probability of success. Through advertisement company will grab the market share of rivals. By doing so revenue will increase as the awareness will increase about brand and company will meet its objectives. If the company

wants to be in the market as competitor it has to do promotional tactics frequently using advertisement.

It will remove the strategic gap. 9 Tactics Pull Strategy Company can emphasize pull strategy in selecting its promotional mix tools especially advertising and public relations.

Pull strategy makes sense to be prioritized because of strong brand equity and low brand awareness, brand loyalty and brand preference as well as the brand should be well differentiated. Most of the promotional tools are generally directed towards consumers to create a tremendous demand among them thus persuading the intermediaries to purchase the product. 40  
9. 1 Advertisement Tripple-em does not use this promotional tool to communicate information about the product.

Marketing Department does not have its own advertisement department. For creation and execution of advertisement company have to hire independent advertisement agencies. 9. 1. 1 Media Tripple-em has to use all the media types for advertising and promotion of their products. The main advertising Media which can be used by the Tripple em are as

Type of Media Television Cable English Newspaper Urdu Newspaper English Magazine Urdu Magazine PTV, Geo, ARY Digital, World Call, Nbc, local cable TV providers Daily dawn, Daily News Daily Jang, Nawa e Waqat, Khabrain, waqat fashion Collection, Women? s own, and Young Nation Akhbar e Jahan, Family, Phool, Suspense Digest, Jasoosi Digest and Herald Sponsorship Funfairs, Institutions Prize distribution, Industrial Exhibitions In the

sponsorship, they should sponsor the television programs, industrial exhibitions, annual exhibitions and institutions? sports weeks.

For advertisement of their products Tripple Em should also use the followings. ? sign boards 41 ? ? ? ? ? posters stickers notebook stickers lunch box for kids and brochures 9. 1. 2 Television Commercials To communicate its message to the all the segments of markets, T. V. s considered best media of advertisement for company.

Company should concentrate more on T. V. than other Medias. T. V.

C can be especially useful at the time of launching the new product (potato stumps recently launched) and when consumer promotion scheme is launched. Perhaps it is the best strategy that can be pursued by company to use T. V. for advertising the consumer promotion resulting in increased sales and a new push to Brand equity. 9. 1.

3 Radio Tripple em can use radio for advertising, the second major category of electronic media using F. M. radio channels, which covers the major urban areas, a potential segment of market 9. 1. 4 Magazine, Print Media After T.

V, Magazines, with national publication should be the preferred media for advertising by Tripple-em.

Because these are kept with the readers for long time, hence, getting more exposures. 42 Currently, Prints ads of various brands are being published in English Newspaper Daily dawn, Daily News Urdu Newspaper Daily Jang, Nawa e Waqat, Khabrain English Magazine Instep, fashion Collection, Bride ; You, Women? s own, and Young Nation Urdu Magazine Akhbar e Jahan,

Family, Phool etc. 10 Financial Analysis 10. 1 Options Triple em has following options regarding advertisement; ? Triple em can adopt all the promotional plans including TVC, radio commercials, newspapers, billboards which will cost them 8 million rupees approx. a month ?

They can select some parts of promotional plan like only TVC which will cost them 3.9 million rupees a month.

? Both of these options can have a significant impact on the sales of the company which is currently 70 million rupees per month. ? Finally they have the easiest option to do nothing and remain in the bluer Cost Benefit

Analysis The cost for making the promotional plan happen is as follow 43

Advertisement Cost TVC: PTV (network) Category B sponsorship prime time 100,000/60 sec. Category A spot rate commercials 15140/60 sec. Cable TV spot rate 2000/60 sec. B category sponsorships A Category spot rate Cable TV 10 channels Total TVC Cost 4 per month 5 per day 2 per day 30 days 100,000 x 4 15140x5x30 10x2x2000x30 00,000 2,311,500 1,200,000 3,911,500 Radio Ad FM 100, 103, 106. 2, 107.

4,93 2000x5x25 Total radio ad cost per month 250,000 Newspaper Jang, Nawa e waqat, express, Dawn Front page, 4 day per month 25000x4x4 44 Total newspaper ad cost 400,000 Billboards One bill board 666000/month 5 billboards 666000x5 Total 3330000 TVC cost Radio Advertisement cost Newspaper advertisement cost Billboards Total cost 3,911,500 250,000 400,000 3330000 7,891,500 By spending approx. 8 million rupees which is almost 11% of total revenue, company can gain its position back and it can

recover all the marketing expenditure with in a fiscal year. 45 11

### Implementation plan

First we have to hire an advertisement agency to prepare an advertisement which can be used for all the purposes including TVC, radio and its snapshots can be used as print media ads. If it takes the first month to prepare some ads then in the next month we will only spent on TVC. The return on advertisement will be measured in the end of the month and in the next month we will start to advertise on radio as well. Radio and TV covers the 70% of target population across Pakistan.

Next we start print media advertisement. 11. 1 Gantt chart 6/28 7/18 8/7 8/27 9/16 Ad prepration TVC Radio Print Media ; billboards 46 12

### Contingency Plan PROMOTIONAL STRATEGIES

The marketing tools which tripple em can use are as follows. Type of Product As the company? s products are consumer goods it should priorities the promotional tools in following ways ? ? Public Relations Sales Promotion 12.

1. 1 Outdoor Poster, banners, buntings Although it is Informal media but company should also uses posters, banners and buntings for advertising.

These small print ads are used specially at the time of launching new products. Posters, banners and buntings should be placed in all the retail shops, all promoting the product... 12.

2 Sales Promotion It includes short-term incentives to stimulate quick and greater purchase of product by consumers or the trade.

Marketing Department of Tripple Em should pursue following sales promotional activities 47 ? ? ? Trade Promotion Consumer Promotion Sales Force Promotion 12. 2. 1 Trade Promotion Objective of company for trade promotions have to be is to persuade the distributors and retailers to carry more and more units. And to encourage distributors and retailers to promote the brand, especially retailers can be persuaded by these efforts to promote the product by proper display and featuring means the enhanced probability of product selection by consumer at the time of purchase etc.

Methods of Trade Promotion Company can undertake following methods for trade promotion. Trade offer/discounts Trade discount offers on list price.

Special Schemes Special schemes can be introduced for retailers in specific areas such as motorway and hill stations by offering the retailers allowances, gifts to promote the product. 48 Incentives Incentives offer to distributors for achieving the monthly sales target or to push the product to the shelf place. Such incentives include: Free Goods 12+1 offers for intermediaries i. e.

on purchasing the one dozed packets of products one or two packets are given free and launch on different products at different times. Special Discounts Special discounts should be given on large purchases, institution, and special orders. Point of Sales (POS) Material

POS materials such as Baskets, Racks bearing the corporate brand and hanger product brand, which facilitate retailer in carrying product, have to be provided to retailers as an incentive for proper display. Shop Signs Counter signs and non-signs can be provided to retailers bearing company brand and retailers name. 12. 2.

2 Consumer Promotion For consumers, sales promotional activities such as prizes, Gifts and offerings should be launched with the objective of achieving sales target. Main strategy has to be that consumer 49 promotion should be launched with heavy advertisement on Electronic Media i. e. Television and F. M.

channel of Radio. It will serve both purposes of short term sales target achievement as well as building brand equity (Brand awareness, preference, etc. ) 12. 2. 3 Business and Sales Force Promotion

In order to get business leads and motivate sales force to further sales of company in an efficient way, marketing department should launch Business and Sales Force Promotion. Methods of Sales Promotions Sales Contests In order to motivate and encourage the sales people to improve their sales performance, such incentives should offered to Salesmen who become successful in achieving monthly targets, and to Salesmen who show extraordinary performance in retail store product displays and market coverage, etc.

Speciality Advertisement Company can also use Speciality Advertisement, Speciality advertisement includes small lowcost useful items bearing company name, address, brands or advertisement message etc. hese are quite helpful in creating goodwill among customers (primary, secondary and final) triple em can use it in the following ways ? Wall Calendars and Table Calendars, bearing the umbrella brand and company name and address. 50 ? Small religious books in Ramadan can also bearing company name at the end, these speciality items are distributed to distributors, retailers and



consumers by sales force. 12. 3 Public Relations Company should include this element in its promotional mix by sponsoring the various cultural and sports events such as Independence Day celebrations, sports market.

Company should also publish news about the company? s image in various business journals, and various daily publications, to improve