

Juice of different brands and containers marketing essay



Introduction

Now a day with the increasing intensive competition in order to marketing a product marketing plan is considered as a sole of this,

2. 1 Current Marketing Situation

In our country there are many types of fruit juice available in the market. Generally mango juice is popular. Beside this, orange, apple, strawberry, grape juices are also accepted by the consumers. At present, many existing soft drink producing companies like Pran, Shezan, Achme are more or less successful in the country because of the rate of selling of their product in the market. Considering this situation, to enter into the market and to compete with other brands, our new soft drinks producing company “ Anron” is preparing to launch the juice of water melon which will enter as a new product in the market. Generally our target is to focus on all class people of all ages particularly kids and teenagers. For doing this we have tried to distribute our product in such areas so that it is available to them.

2. 1. 1 Market Description

Generally, in current market different types of juices are sold in tetra packets or bottles. Tetra packet is not returnable. It is very light and easy to carry. On the other hand, some bottles are returnable and some are not. Few images of these types of containers of some particular brands are shown below:

Fig1. Juice of different brands and containers

Fruit juice is very good for health because it provides vitamin and nutrition that build body. Since the present market is generally covered by orange, <https://assignbuster.com/juice-of-different-brands-and-containers-marketing-essay/>

apple, strawberry, grape juice and our new product water melon juice is full of nutrition we want to present it with nice flavors, nice containers and with a real taste at reasonable price.

Watermelons are grown throughout the tropics and subtropics region, but do best in the hot drier areas with the abundance of sunshine. They are killed by frost. They grow best on fertile sandy soil, particularly on sandy river banks. They are fairly drought-resistant and will not stand water logging. Kuakata, Khepupara, Alipur, Mohipur, etc. are main production areas of water melon in Patuakhali district in our country. It is also produced in Natore and other districts in Bangladesh. Our target is to collect water melon from the cultivators of different areas and make a deal with them to ensure proper supply of the water melon in order to produce “ Juicy Melon” in a large volume.

2. 1. 2 Product Review

An overall idea about our product is presented here.

- i. The brand name of the product will be “ Juicy Melon”.
- ii. The slogan of the product is “ A taste of reality”.
- iii. At first, it will be available in the market in cane, plastic or glass bottles and in tetra packets.
- iv. The containers will be of different sizes so that people can buy according to their need.

- v. The juice will be produced from fresh and pure water melon which is grown in our country.
- vi. It will be produced by highly improved automated machine.
- vii. It will be fully free from harmful chemicals, colors and preservatives.
- viii. It can be stored in refrigerator but it is not must to store it.
- ix. The overall making procedure of the juice will be monitored by experienced employees and chemists.
- x. The product will be available in almost all shops in the market. At first, in grocery shop then, in super markets.
- xi. The product quality will be of high and price will be reasonable.

2. 1. 2 Competitive Review

Pran, Shezan, Achme, Frutika juices have already created a standard position in the market. So, just launch a product in a market is not an easy task. To make a good impression to consumer about the product and also to make profit it is must to know details about other competitors. Analyzing the competitor can create augment chances of launching to be the most successful one.

Pran: PRAN is the leading food processing company in Bangladesh and is believed to be processing about half of the horticulture produce that goes to the processed channel in the country. The company produces and distributes fruits juices, snacks, confectionery, culinary products, dairy and soft drinks. It

enjoys a strong brand reputation in the country and exports its products to 70 countries. The company has requested IFC for assistance to finance its corporate plan to expand capacity and improve operating efficiencies, aimed at satisfying growing domestic demand and capitalizing on export opportunities.

Shezan: The company was incorporated in 1964 as a Private Limited Company, with the main objective to set up an industrial undertaking for manufacturing of juices, squashes, sherbets, jams, pickles and preserves from fruits and vegetables. In 1971, Shahnawaz group purchased all the shares of Alliance Industrial Development Corporation. Sajeeb Corporation - the company is a well reputed and leading manufacturer, exporter, importer & marketing organisation of consumer products (Shezan Juice, TANG, Nocilla, Kolson Lascha Semai, Kolson Macaroni, Kolson Vermicelli, Kolson Noodles, Sajeeb Biscuits & other food item) in Bangladesh.

Acme: ACME Group is one of the leading and diversified global conglomerates in Bangladesh, with offices in all major cities, employing over 3000+ employees. The images of some acme juice products are given below:

Fig2. ACME juice products

Frutika: Akij Food and Beverage Limited (AFBL) is one of the main concerns of Akij Group, which is a Bangladeshi industrial conglomerate. Frutika Juice is the juice brand of AFBL, recently introduced juice in the prevalent Bangladesh market. From the launching of the product Frutika Juice has come up with novelty promotional campaign in order to grab the market share. It

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also tried to make available the product in the market through their effective distribution channel. However, the price charged by it is relatively higher compared to the competitors.

2. 1. 2 Distribution Review

This is an important part of marketing. After producing “ Juicy Melon” in the company it is required to distribute it in the market. At first, we will distribute it almost all shops of divisional cities.

Grocery Store is a store established primarily for the retailing of food. Our assigned team member will distribute the product in grocery shops. People of our country are largely dependent on this type of shops. They can buy necessary things from their nearest shop. So, to reach our product to every people, “ Juicy Melon” will be distributed to grocery store.

Supermarket A supermarket, a form of grocery store, is a self-service store offering a wide variety of food and household merchandise, organized into departments. It is larger in size and has a wider selection than a traditional grocery store and it is smaller than a hypermarket or superstore. We'll distribute our product at this type of market.

Schools, colleges and universities We'll distribute the “ Juicy Melon” in the shops nearby schools and colleges. We also supply it in the university café.

SWOT analysis:

Our company – is serving in the market as a leading competitor. Most of the products of our company are consumer oriented and holding superior market value except the existing juice brands. That's why our company is willing to

inaugurate a juicy brand in a different manner, with a different taste in the juicy drinks - JUICY MELON- a pure natural drink with no added sugar, a minus fat with no calorie observation.

Though our new product is expected to lead the juice market, we have a swat analysis for the betterment in market serving in an efficient way.

Strength: strength are internal capabilities that can help the company reach its objectives . our company has the strengths-

Innovative feature- the juicy melon is containing a minus fat characteristic, which is a new observation in case of any juicy brands. Along with our companies existing brands, no other brand is containing this rare feature.

Lower price- in comparison to other competitive products in the market, juicy melon is charged a lower price. The lower price is possible due to our competitive advantage in technological and ingredient observation.

Ingredient availability- the main ingredient used in the Juicy Melon is water melon. Water melon is largely produced in all over the country. The price is also seems to be very low which is very positive indication for the company.

Full of nutrition-our main ingredient , watermelon is a indigenous fruit which have to believed to have originated in our India Subcontinent is a good source of vitamin A, high in vitamin C, beta-carotene, lycopene, iron, zinc, potassium and other nutritive minerals and very low in sodium; free of fat, saturated fat and cholesterol.

Weakness: weakness is internal elements that may interfere with company's ability to achieve its objectives. The major weaknesses are ___

1. Lack of market information previously no other product is made up of water melon the juicy melon can serve the market or not, may be a questionable factor.

Higher preservation cost _ the preservation cost is higher than others. The product, ingredient liquid is a season fruit so the company has to store a huge amount due to demand construction.

Opportunity:

Opportunities are external elements that the company may be able to its advantage.

Increasing demand: Due to people's health consciousness and other environmental factors people are demanding natural food. The Juicy Melon will be available in the market with this unique characteristic. So there is a possibility that demand will increase in a hear future.

Low technology cost: Juicy Melon is available at lower cost due to its lower technology cost. Due to govt. policy, the technological assistance is available from different companies outside the country.

The nutrition content: The high water and nutrients contents of our main ingredient keep our bodies hydrated and refreshed, protect from dehydration, toxification; helps in " cleaning" our kidneys; Vitamin A and beta-carotene improve the accuracy of our vision, preventing, at the same

time, eyes-related diseases such as cataracts or macular degeneration, help heart to function accurately, strengthen the immune system, prevent against cancer and is an anti-aging and anti-wrinkling agent for the skin; lycopene - a naturally occurring red pigment is the most active carotenoid that is a very potent antioxidant against free radicals and anti-anticancer agent, helps improving short and long term memory, protects and prevents from heart disorders, beneficial against the prostate and testicles and prevents skin, cervical, breast and prostate cancer, also acts as a detoxifier of the waste in the body and inhibits cholesterol formation; Iron plays a decisive role in the growth and physical development of children and teenagers, as it helps their bodies grow in a healthy and harmonious way, strengthens and protects all the organs within our body and is crucial for menstruating, pregnant or lactating women, makes us active and provides us with stamina, links to the hemoglobin, which transports oxygen from the lungs to all body cells and is also part of key enzyme systems for energy production and metabolism; and so on. These all valuable nutritious functions of our ingredient give our product a high quality diet or food value and will help us in our promotion strategies.

Our tropical climate: The succulent, thirst-quench fruit watermelon containing 90% water is available for maximum three months on the other hand in our tropical country, now a days, summer exists more than about seven months. As a result, the demand of this refreshing and thirst-quench fruits exists beyond the period of watermelon's availability.

Demand for all the year round: Besides delicious and watery mouth taste, the high nutritious value will support its demand for the whole year.

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Threats: Threats are current or emerging external elements that may possibly challenge company's performance.

Increased composition: A number of compositions are entering into market with fruit juice orientation . Along with our company's existing fruit juice, grappyfizz, appyfizz etc. again no water melon juice is available in the market.

Variety in customer preference: Bangladesh is a country of about 14 crore people. The market size seems to be very large. Again the market is differentiated in terms of demand as the people are differentiated in case of income, age, occupation, literacy, etc.

4. 0 Objectives and Issues

4. 1 Objectives

4. 2 Issues

5. Marketing Strategy

Anron's marketing strategy is based on positioning of product differentiation in terms of new taste and flavor and relatively lower price than other competitors.

Our primary consumer target is children and our secondary consumer targets are young and adult people who enjoy fruit juice and other types of soft drinks.

Our primary business targets are wholesalers and retailers of busy places like bus terminals, railway stations, and local markets. Our secondary

business targets are cafeteria of college and university, fast food shops and shopping mall.

5. 1. Positioning

Though our product Juicy Melon is undifferentiated type, we want to differentiate it by providing real taste of watermelon which is one of the most flavored and nutritious fruit. The flavored taste of watermelon, the brand new type of juice, the nutritious value, the colorful attractive packaging, and relatively lower price are our major positioning tool.

5. 2. Product Strategy

The Juicy Melon, including all the features described in the earlier Product review section, will be sold in different colorful packaging styles like cane, plastic and glass bottle, tetra pack of different amount like 150 ml of tetra pack; 250 ml of cane, plastic and glass bottle, tetra pack; 500 ml of plastic and glass bottle, 1 L of plastic and glass bottle. The different types of packaging are shown below in the table:

Packaging

Amount per unit packaging

Cane

250 ml

Cane

500 ml

Tetra pack

150 ml

Tetra pack

250 ml

Tetra pack

500 ml

Tetra pack

1 L

Plastic bottle

250 ml

Plastic bottle

500 ml

Plastic bottle

1 L

Glass bottle

250 ml

Glass bottle

500 ml

Glass bottle

1 L

The delicious taste and flavour of product's main ingredient, water melon and colorful attractive packaging; purity and asepty of Juicy melon and comparatively lower price are all favorable features of our product to attract our target customers and to take competitive advantage.

We will introduce another new taste and flavor of pineapple (the Juicy pineapple) in the next year thereby expanding product line.

Building brand equity with new taste and purity is an integral part of our product strategy. The brand name (ABC), slogan (BRINGS TASTE IN LIFE) will be displayed on the pack, cane and bottle that means on overall packaging and in our primary introductory marketing campaign these will be reinforced.

5. 3. Price Strategy

The Juicy Melon will follow market penetration pricing strategy with target of large market sharing by attracting large number of buyers.

The Juicy melon will be introduced at the wholesale and retail price per unit which are shown in the following table

Packaging

Price Per Unit

Cane, 250 ml

13

Cane, 500 ml

25

Tetra pack, 150 ml

10

Tetra pack, 250 ml

13

Tetra pack, 500 ml

25

Tetra pack, 1L

48

Plastic bottle, 250 ml

13

Plastic bottle, 500 ml

25

Plastic bottle, 1L

48

Glass bottle, 250 ml

13

Glass bottle, 500 ml

25

Glass bottle, 1L

48

5. 4. Distribution Strategy

Our distribution strategy is intensive distribution to make the product available to the consumer by stocking as many outlets as possible. Indirect consumer marketing channel (Producer Wholesaler Retailer Consumer) is our major distribution channel. In various occasion like ' Pahela Baishakh', International Mother Language Day, Independent Day, Victory Day, Eid Ul Azha, Eid Ul Fitar, Durga Puja, fair and so on, we will follow mobile marketing using direct consumer marketing channel by direct selling to consumer at half of the price per unit in the college and university campus and other gathering and fair place.

5. 5. Marketing Communication Strategy

By using all media like TV channels, printing media, radio, bill board, we will integrate all messages to reinforce the brand name, the main points of positioning of new and unique taste and flavor and lower price. We will follow both a combination of pull and push strategy.

Our persuasive and comparative advertising objectives will be achieved through selecting appropriate timing, media and advertising strategy by

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advertising agency based on media consumption research to reach prospect buyers for pull strategy before and during product introduction. Consumer sales promotion tools like premium, contests which will be communicated through advertising will be used for pull strategy.

For push strategy we will use trade sales promotions like discount, premium, display allowance to attract motivate, retain and persuade wholesaler and retailer to give self space, promote in advertising, and push our product to consumers.

For our new product we need large advertising budget as we want to gain large marketing share.

5. 6. Marketing Research

Our exploratory and descriptive research objectives are-

- measuring brand awareness during and after marketing campaigns which will help us determines the effectiveness and efficiency of our messages and media,
- studying customer satisfaction to gauge market reaction,
- identifying opportunities for our future product development effort,
- measuring and analyzing customer attitudes toward competing brands and products.

5. 7. Marketing Organization

The structure of our marketing organization is organized by function which is shown in the following figure. The Chief marketing officer holds overall authorization for marketing strategy and direction

Chief Marketing Officer

Sales Manager

Public Relation Manager

Promotion Manager

Research Manager

Promotion Analyst

Advertising Analyst

Figure: Arnone's Marketing Organization

6. 0 Action Programs

We will launch our product ' Juicy Melon' in first January 2011. The summary of our next four months action programs to our objectives are given below.

December, 2010

We will introduce our ' Juicy Melon' formally by arranging concert inviting most popular celebrity and nutritionists who will give some speech about our product's nutritious value. We will start trade sales promotion strategies by communicating selected wholesaler.

January, 2011

We will start integrated campaign targeting our prospected customer using multimedia like TV channels, printing media, radio, bill board. We will start consumer sales promotion.

February, 2011

We will continue multimedia advertising campaign to reinforce our positioning strategies and will also continue trade sales promotion tactics.

March, 2011

We will use new type of advertising, and will continue consumer sales promotion and will use mobile marketing.

7. 0 Budget:

This marketing plan includes a detailed budget, schedule, and managerial assignment for every action program. After implementing the marketing plan, up-to-date data has to be collected about the product position regularly and then for control purposes the plan will be allowed for month-by-month comparison of actual versus projected sales and expenses.

Budgets as managerial tools

How much will the activities defined above cost? Can you provide a revenue forecast? Explain the assumptions on which the forecast is based and consider various (best case, worst case) scenarios. Since many Information Centers now operate as cost centers, if not profit centers, this component of the plan is extremely important.

The classic quantification of a marketing plan appears in the form of budgets. Because these are so rigorously quantified, they are particularly important. They should, thus, represent an unequivocal projection of actions and expected results. What is more, they should be capable of being monitored accurately; and, indeed, performance against budget is the main (regular) management review process.

The purpose of a marketing budget is, thus, to pull together all the revenues and costs involved in marketing into one comprehensive document. It is a managerial tool that balances what is needed to be spent against what can be afforded, and helps make choices about priorities. It is then used in monitoring performance in practice.

The marketing budget is usually the most powerful tool by which you think through the relationship between desired results and available means. Its starting point should be the marketing strategies and plans, which have already been formulated in the marketing plan itself; although, in practice, the two will run in parallel and will interact. At the very least, the rigorous, highly quantified, budgets may cause a rethink of some of the more optimistic elements of the plans.

Objectives of Budget

Budget serves two main purposes

To protect profitability

To help managers plan for expenditures, scheduling, and operations related to each action program.

Determining costs

There are different types of costs like fixed costs and variable costs. Fixed costs (also known as overhead) are costs that do not vary with production or sales levels and include costs such as rent, interest, depreciation and clerical and management salaries. Regardless of the level of output company must pay these costs. The total fixed costs remain constant as output increases, the fixed costs per unit will decrease as output increase because the total fixed costs are spread across more unit of output. On the other hand variable costs vary directly with the level of production and include costs related to the direct production of the product and many of the marketing costs associated with selling it. Although these costs tend to be uniform for each unit produced, they are called variable costs because their total varies with the number of units produced.

Total first year sales revenue for the Juicy melon is projected at tk2000000 million, with an average wholesale price tk 13. 00 per bottle and variable cost per bottle 3. 00 tk for per bottle sales volumes 400000. We anticipate a first year loss up to 10 million on the juicy melon. Break even calculation indicates that the juicy melon will become profitable after the sales volume exceeds 40000 early in the product's second year. Our breakeven analysis of juicy melon's first product assumes per bottle whole sale revenue of amount per bottle. Variable cost of tk 3 per bottle, and estimated first year fixed cost of 400000. Based on the assumption the breakeven calculation is:

Beak even volume = = Fixed costs / price - variable costs = $400000/13-3 = 40000$

Where as fixed costs = 4, 00, 000

Variable cost = 3

Expected unit sales= 50, 000

Unit costs = variable costs + fixed cost/expected unit sales = 3+
400000/50000 = 11

Mark up price = unit costs / 1- desired return on sales 16 percent = 11/ 1- 0.
16 = 13

Determining price is one of the most important marketing decisions and marketers have to considerable leeway when setting prices. The limiting factors are demand and costs. Demand factors such as buyer perceived value, set the price ceiling. The company's cost set the price floor. In between these two factors, we as a marketer must consider competitors' price and other factors such as reseller requirements, government regulations, and company objectives as well.

Since we started as a new product we would like to sell at wholesale prices tk 13. 00. In order to expand the market and to gain market share rapidly we launch the product at a lower price. Accordingly we first consider pricing decision s from a cost perspective. The n we consider consumer value, the competitive environment and the reseller requirements.

8. 0 Controls

Controls help management assess results after the plan is implemented, identify any problems or performance variations, and initiate corrective action.

We would like to plan tight control measures to closely monitor quality and customer satisfaction. This will enable us to react quickly in correcting any problems that may occur. Other early warning signals that will be monitored for signs of deviation from the plan include monthly sales (by segment and channels) and monthly expenses. Giving the emphasis on the market volatility, contingency plans are developed to address fast moving environmental changes such as new technology and new competition.

Now a day the executive drinks market is steadily increasing with passing time. With keeping this in mind, our marketing programs will expand accordingly. The addition of an internally index will allow juicy melon to the market with the expanding number of potential customers. Sales will increase accordingly, providing working capital for internal product development, marketing department growth, and Internet development. A presence on the Internet will be a key milestone to expanding sales and marketing potentials through the utilization of new channels. Ultimately everything is carried out to monitor the project success.

Break-even analysis

Based on understanding of the costs, consumer value and the competitive environment and reseller requirement we have decided to set its price to wholesalers at tk 13. 00. At that price what sales level will be needed to break even or make profit is determined. Breakeven analysis determines the

unit volume 40, 000 and taka sales needed to be profitable given a particular price and cost structure. At the breakeven point, total revenue equals total costs and profit is zero. Above this point the company will make profit; below it, the company will lose money.

The break even analysis shows that to reach the break even point, the company is required to have sold 4000 units of the juice. As per the sales forecast, it will happen by the end of 4th year (2014) of launching product into the market.

Table: Break Even analysis

Quantity of bottles(thousands)

(1)

FC (Tk)

(thousand)

(2)

VC (Tk)

(thousand)

(3) = (1) – Tk. 3

TC (Tk)

(thousand)

$$(4) = (2) + (3)$$

TR (Tk)

(thousand)

$$(5) = (1) \text{ \AA} - \text{Tk}$$

13

Profit (Tk) (thousand)

0

400

0

400

0

-400

10

400

30

430

130

-300

20

400

60

460

260

-200

30

400

90

490

390

-100

40

400

120

520

520

0

50

400

150

550

650

100

Figure : Break Even analysis

Conclusion

In order to the effective