

Competitors promotion and advertising methods marketing essay



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The Coconut Products broadly used for cooking in different forms like coconut milk, powder, coconut biscuits, coconut oils, coconut pickle, coconut sweets etc. it is also used to add taste in various cuisines. The manufacture these coconut products using quality coconuts, the team of professionals use high-end technology to process this coconut in order to maintain nutritional value and freshness. This is expansively used in various culinary and non-culinary purposes due to its high quality and medicinal value.

Little variations in local buying habits Sri Lankan shoppers buy the same sort of items and brands irrespective of whether they shop in a plus super market or the neighborhood corner store. Sri Lankan shoppers buy the same sort of items and brands irrespective of whether they shop in a plus super market or the neighborhood corner store.

Market research firm AC Nielson however says supermarkets that account for 13 percent of trade in consumer goods should be able to attract more people since shopper habits are uniform.

The number of supermarkets has grown in the last five years despite the large Sathosa chain closing down a 140 outlets some of which could be considered supermarkets.

More people also shop at these outlets. The number of outlets grew by around 10 percent this year compared to last year. Modern trade, the sale of consumer goods is slowly moving to supermarkets from corner stores.

Fast Moving Consumer Goods like milk powder, biscuits, malted food and toilet soaps are the most popular things that are brought at super markets.

Items demanded at traditional stores are also the same according to AC Nielsen a consumer research organization.

Brand preference is also not much different whether people buy at a traditional store or a super market. Anchor branded products top the shopping lists at both super markets and traditional corner stores.

But the number of Sri Lankans shopping at supermarkets is much smaller compared to even the region. “ To be honest modern trade in Sri Lanka very under developed,” says Dwight Watson, MD, ACNielsen, Sri Lanka.

“ We have 13 per cent share. Income from Hong Kong is 90 percent; share in Thailand is very close to 40 or 60 percent share. So all these countries average is close 80 or 90 percent share. Very, very large,” he says.

Experts say the potential for supermarkets to attract shoppers from traditional stores is greater since people buy the same things irrespective of where they shop.

Super markets are perhaps more attractive because of the larger variety to choose from, competitive pricing and better atmosphere.

But supermarkets are still an urban phenomenon.

“ Here why this is smaller. Two reasons- one is there is not many supper markets if you go outside Colombo. Still large portions of consumers shop in small traditional stores. There is not much in urbanization you would see in certain countries,” says Watson.

Super markets are also sometimes not ideally placed to attract a wide range of customers. Many target car owning customers. But industry watchers say citing supermarkets near large bus and train stations is a good way to attract commuters. Unlike in more developed markets pricing in local supermarkets and traditional stores is uniform.

So fear that super markets are expensive is something that can be overcome provided they are positioned in areas where a lot of people pass through.

Since People prefer the same products and brands it is only a matter of changing their shopping habits.

3. Distribution of the Product:

One of Sri Lanka's oldest firms and a company with a rich history and traditions, Shaw Wallace Ceylon Ltd is in the forefront of distributing and marketing of Fast Moving Consumer Goods (Food & Beverage, Personal Care & Household), Foodservices and Automotive Products. Shaw Wallace Ceylon Ltd is under the umbrella of Renuka Holdings PLC, a listed conglomerate with an asset base of over US\$ 50 million, 800 employees and exporting to over 52 countries worldwide.

Shaw Wallace Ceylon Ltd delivers through its nominated and direct dealer network to 56, 000 outlets and indirectly to over 100, 000 outlets across Sri Lanka assisted and monitored by over 100 company salesmen. Our sales force automation system enables swift response and rapid delivery. Plus our integrated Management Information System also ensures access to

immediate and real time data enabling effective sales tracking. In it is

portfolio of products and agencies Shaw Wallace Ceylon Ltd owns some of Sri
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Lanka's premier brands which are market leaders in their respective categories.

Shaw Wallace operates in its 70, 000 sq. ft. corporate office- Shaw Wallace Building and also owns an 80, 000 sq. ft. warehouse complex 10km North of Colombo.

The coconut has spread across much of the tropics, probably aided in many cases by seafaring people. Coconut fruit in the wild are light, buoyant and highly water resistant, and evolved to disperse significant distances via marine currents. Specimens have been collected from the sea as far north as Norway. In the Hawaiian Islands, the coconut is regarded as a Polynesian introduction, first brought to the islands by early Polynesian voyagers from their homelands in Oceania. They have been found in the Caribbean and the Atlantic coasts of Africa and South America for less than 500 years, but evidence of their presence on the Pacific coast of South America predates Christopher Columbus's arrival in the Americas.

PART B

Compare & contracts your product & competitor product

1. Competitors product

Brand Name

Features

Packages

Creamed Coconut

Product Description:

Creamed Coconut is made using the finest coconut. It is basically a vegetable product of 100% purity having no additives, artificial flavors and preservatives, and available in conventional as well as in organic form.

Uses

In all products which require Coconut Cream or Desiccated Coconut, such as gourmet dishes, confectionery products, ice creams and dessert mixes etc.

Product Characteristics

Color – creamy color free from any other discoloration.

Odour / flavor – the product should have a characteristic

Coconutflavor and pleasant odour.

Appearance – should be of a uniform consistency.

Fat – 68. 0% (Minimum)

Moisture – 3. 0% (Maximum)

Acidity (as lauric acid) – 0. 3% (Maximum)

Sulphate residue (So2) – nil

Shelf life:

Kept under refrigeration. Known to last upto two years.

Coconut Water

Product description:

Coconut juice is sometimes referred to as Coconut Water. It is the juice that is present in the coconut, in the innermost hollow that is lined with the kernel, within the shell, in coconut growing countries.

Uses

It is drunk very much straight from the fruit. Apart from being a thirst quencher, it is a palatable, mild tasting and an invigorating drink. It is known for medicinal properties and chemically has a host of minerals. coconut juice is carefully prepared to retain these properties to a very great extent.

Product characteristics:

Appearance, odour, color and taste are characteristics to real coconut water.

Shelf life:

02 years in ambient condition.

Coconut Water with Banana

Product description:

Coconut Water with Banana is a blend of Coconut Water and clarified Banana Juice. It doesn't contain any artificial flavors, colors, preservatives and sweeteners. The product is available in conventional as well as organic form.

Uses

Coconut Water with Banana can be used as a beverage and thirst quencher and this product consists of a considerable amount of Potassium. Therefore the product is specifically helpful for sportsmen/women.

Chemical Characteristics

PH Value – 4.5 – 4.6

Brix Value – 7.0 – 8.0

Shelf life:

02 years in ambient condition.

Sweetened Creamed Coconut

Product Description:

Sweetened Creamed Coconut is a thick viscous product obtained from coconut milk blending with refined sugar and stabilizers

Uses

Can be used for Fruit Salad Dressing, Confectionary, mixed with Fruit Juices and can be prepared Beverages etc.

Product Characteristics

Color – Colorless glassy appearance.

Odour – Pleasid coconut odour

Texture – Thick viscous having glassy effect

Ph. – 5.9 – 6.5

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Brix – 650% – 70%

Shelf life:

Two and half years.

Virgin Coconut Oil

Product description:

Virgin Coconut Oil obtained from the fresh matured kernel of coconut by cold process method by maintaining room temperature without application head throughout the process from raw material to the finished product available in the conventional and organic form as well.

Health Promote Characteristics

It has anti-microbial properties.

Uses:

As a ready to serve beverage as thirst quencher.

Product characteristics:

Appearance, odour, color and taste are characteristics to real coconut water.

PH Value – 4. 0 – 5. 0

Brix Value – 4. 5% – 5%

Shelf Life

02 years in ambient condition.

Coco Juice and Mango

Product description:

Coco Juice and mango made from 100% pure coconut and mango juice. It has the delicate taste of coconut and the sharp mango taste.

Uses

As a ready to serve beverage as thirst quencher

Product characteristics:

Appearance, odour, color and taste are characteristics to real coconut water.

PH Value – 4.0 – 5.0

Brix Value – 4.5% – 5%

Shelf life:

02 years in ambient condition.

Coco Juice and Pineapple

Product Description

Coco Juice and pineapple made from 100% pure natural coconut and fresh pineapple juice.

It has the delicate taste of coconut and pineapple.

Uses

As a ready to serve beverage as thirst quencher

Shelf life:

02 years in ambient condition.

Coconut Milk**Product description:**

The product shall be emulsion extract from endosperm (kernel) of the matured coconut. Then the extracted clear coconut milk homogenized with food grade additives and pack in hermetically sealed in suitable food grade metal containers and having food grade non-reactive inner licker and finally sterilized and cooled. Coconut Milk is available in varying fat percentages between 6% to 22% and available in conventional and organic form as well.

Uses

Coconut Milk finds a special place in many tropical cuisines. Sri Lankan coconut milk is reputed to be one of the most flavorsome milks and is ideally suited as a culinary base and known for its health benefits. Product should be diluted consistently and can be used in all gourmet foods, fruit, cocktails, pinecolada and where Coconut Milk or Cream is required.

Product characteristics:

Color – shall have a characteristic to coconut color.

Odour – shall have a pleasant coconut odour.

Taste – pure coconut taste, free from any foreign flavors.

Appearance – should be a uniform consistency without lumpy nature.

PH – 5.0 – 5.5

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Fat 6% -22%

Shelf Life

03 years.

Desiccated Coconut

Desiccated Coconut is manufactured in a very hygienic and state-of-art-modern central processing plant at Wariyapola, North Western Province in Sri Lanka.

Product Description:

Desiccated Coconut (DC) – sometimes referred to as Coconut Powder, is a dehydrated form of granulated white coconut meat from freshly selected mature coconut kernels (the white flesh inside coconuts). It is white in color, free flowing and available in the standard granular forms of Fine, Macaroon Medium and also available in conventional and organic form.

Uses

Desiccated Coconut is perfect for use by various industries that require the natural exotic taste of coconut. It is widely used in the Confectionery and Bakery trades as topping for cakes and pastries, fillers for candy bars, chocolates etc. Many households popularly use DC in the preparation of numerous dishes as well.

Compare & contracts your product & competitor product

1. Competitors product

Brand Name

India

Sri lanka

Virgin coconut oil

Organic coconut oil

Oganic life

Marinar

Vitality

Aromatic

Premium extra

Cold pressed

Parachute Hair Oil

Parachute advance hair oil

Advanced ayurvedic hair oil

Pre-shampoo intensive care

Advance hot oil

Jasmine

Tender coconut hair oil

Flora

Sanpoorna

Scalp therapies

Cooling oil

Amla

Champi pack

Features

Parachute hair oil having the different feature like pleasant Jasmine fragrance, Fortify and strengthen hair, gentle nourishment, get relief from headaches, long lasting stress relief, sound sleep, nourishing hair, healthy and beautiful, moisturizer.

Virgin coconut oil retains all the scent and taste of coconuts. Unprocessed coconut oil is an excellent hair conditioner as it softens the hair and conditions the scalp. Using coconut oil as a pre-wash conditioner can remove dandruff and soothes & conditions dry flaky scalps, especially when associated with psoriasis.

Packages

The oil comes in a transparent plastic packaging with a blue flip flop cap. It comes in 100 ml, 150ml, 200 ml, 300, 500ml and 1 liter packaging. There is no leakage of oil when the bottle is turned upside down. It has special pack for winter and there is masaj pack is also available.

Virgin coconut oil packed in 200ml, 400ml, 500ml Wide Mouth Glass Jar 750ml Glass Bottle 10Ltr, 18Ltr, 20Ltr Jerry Can 200Ltr New steel Drum Other packing types also available on buyer's request.

Competitor's Promotion & Advertising Methods :

In India: The coconut tree popularly called a " kalpavriksha" (tree of life) belongs to the family cocoa nucifera. In the Indian context, it accounts for about six per cent of the vegetable oil production and provides direct and indirect livelihood to over 10 million people. Some of the leading global producers of coconut happen to be in the Asia-pacific region (India, Indonesia, Philippines and Sri Lanka). the major coconut producing nations formed the Asia and pacific coconut community in '76, a body which aims to " promote, coordinate and harmonize all activities of the coconut industry with a view to achieving maximum economic development of the industry." Turning organic also helps to reduce input cost thus boosting the profit margin. Organic cultivation has become an important system to promote sustainable food production.

The driving force to promote organic cultivation in India will be the national programmer for organic production which will issue policies for development and certification of organic products. The programmed will also look at the

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accreditation of programmers to be operated by the inspection and certification agencies. To help increase the income levels among organic farmers, the programmer also suggests that farmers take up either bee-keeping or even diversify into the dairy industry.

The kochi-based coconut development board, which is the nodal agency to promote the coconut industry in India, has drawn up extensive guidelines on organic coconut cultivation. It does appear that the board's decision to issue guidelines were partly influenced by the findings of the study team under Dr. K U knampoothri, former director of the central plantation crops research institute which had concluded that organic cultivation of coconut could be viable as: farmers are aware of the benefits of organic farming. There is enough waste bio-mass available in coconut farms to facilitate organic cultivation. Yield management was also possible in coconut farms through organic farming. CDB'S guidelines were in fact released during the 38th apcc session which was held in Bangalore recently. Broadly, the guidelines aim at the following: help in conservation of soil and water. To promote the proper use and care of various resources like water. to help maintain and improve the long-term fertility of soil to reduce the level of pollution. to move towards an organic system of cultivation, the guidelines suggest that the farm unit must be converted into an organic farm over a period of time, with the conversion plan being provided by the farmer to the certification body.

In Sri Lanka: Coconut is the largest plantation crop in Sri Lanka and the second largest after rice. Coconut is a versatile tree, which can be used to produce value added products from many parts of the tree. Several decades ago the processing sector was mostly confined to a few traditional products
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such as copra, coconut oil, desiccated coconut and coir. Today coconut sector in Sri Lanka has gradually progressed into a vast range of new products Such as Coconut Kernel Products: Desiccated Coconut , Coconut Oil , Copra, Poonac / Oil Cake, Coconut Milk Powder , Coconut Milk and Coconut Cream and Partially Defatted Granulated Coconut (PDGC) , Coconut Fiber Products : Mattress Fibers, Bristle Fibers , Twisted Fiber , Coconut Shell Products : Coconut Shell Charcoal , Coconut Shell and Shell Flour , Coconut Shell Activated Carbon and Value Added Activated Carbon , Coconut Fiber Finished Products: Coir Twine , Coir Yarn , Tawashi Brushes , Coir Brooms , Coir Fiber Pith , Rubberized Coir , Rubberized Coir Pads , Coir Mats , Coir Matting , Coir-Geo Textiles , Brush Mats , Coir Basket Liners , Coir Fiber Logs , Coco Poles , Moulded Coir Pots and Flower Pots , Weed Killer Mats and also Ornamental / Handicraft Products.

A wide array of ornamental products and handicrafts can be fashioned out of the versatile coconut tree and her fruit. A few samples are presented below. Sri Lanka was in fact the birth-place of the desiccated coconut industry, when nearly a century ago, a Colombo based European firm established the first ever desiccated coconut factory in the world, in Sri Lanka – then known as Ceylon. Ever since then, “ Ceylon Desiccated Coconut” as it was then known, has remained a popular and affectionate name in the confectionery trade the world over. Sri Lanka DC is famous for its unique taste and as a result it is enjoying a premium price in certain market segments. Sri Lanka DC is available in various grades such as Super Fine, Fine, Medium, Coarse, and Fancy.

3. Competitor's Distribution Channel(Both India and Sri Lanka have same distribution channel.)

Coconut industry

Farmers

Government

Distributors

Wholesaler

Firms & Business

Retailers

Customers

PART C

1. Agencies that can help you

Related Institutions

Ministry of Coconut Development & Janatha Estate Development

Ministry of Plantation Industries

Coconut Research Institute

Coconut Cultivation Board

Asian and Pacific Coconut Community

Advertising & Promotion

Maintenance, promotion and creation of demand for coconut products, both within and outside Sri Lanka, by advertising, by initiating, financing,

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supporting and supervising promotional work, by establishing, managing, supervising and supporting sales rooms and agencies , by organizing, assisting and participating in, exhibitions and fairs, and by any other means necessary for the purpose.

- a. Advertising media usually used to reach your target market
- b. Sales promotions customarily used (sampling, coupons, etc.)

Marketing of coconut like that of any other horticultural commodities, notionally has two aspects i. e. the ' marketing activity', in which sellers and buyers have mutual coordination in each other's activities, where goods and services from producers move through certain channels by conscious application of marketing tools. The other aspect is the ' marketing promotional activity', which comprises of gathering information, data, compilation, analysis, interpretation of the data and passing the resulted valid information to farmers, traders, business organizations and other concerned agencies to facilitate marketing functions. The tools used for market promotional activities are marketing research, advertising and effective coordination between producers and consumers. While marketing promotional activities play supporting and strengthening role to the marketing activity, however, the later requires professional and commercial skill.

Marketing of coconuts differs from that of other fresh fruits due to natural durability of coconuts, which are sold as fresh tender nuts as well as matured water nuts and dry nuts. The Marketing practices followed are more or less similar in nature. It has been observed that they do not differ much except <https://assignbuster.com/competitors-promotion-and-advertising-methods-marketing-essay/>

where the post-harvest practices change on account of the form of the coconut and coconut products consumed in that area. Indirect mode of disposal of coconuts as a strategy is more popular and widely adopted by coconut farmers.

This indicates that channels, intermediaries play a major role in both assembling and equalization functions in marketing of coconuts. Coconut farmers who depend on direct channel are those who have comparatively better financial base than other categories of farmers, provided with infrastructure facilities and nearness to marketing centers. This further shows that coconut farmers with their own constraints are forced to depend on marketing intermediaries for disposal of coconuts. If they are to be encouraged to exert influence on the functions of equalization, organized marketing bodies should come forward to tackle the problems of farmers holistically through integrated measures. Coconut farmers have two channels for disposal of their coconuts.

2. Pricing Strategy

- a. Types of discounts
- b. Customary markups

In Sri Lanka the objective of the programmed is to enhance the production and supply of good quality planting materials through following component programmed. Establishment of 7 Demonstration cum Seed Production (DSP) Farms in different parts of the country in a total area of 240 ha with the aim to produce quality sedums. These farms are the demonstration centers for scientific coconut cultivation and processing. Setting up of coconut nurseries

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attached to the DSP farms to produce quality seedlings of desired cultivars/varieties suitable for each locality. Raised seedlings are distributed to farmers at reasonable price.

Aid to registered/ private/ approved coconut nurseries. The financial assistance is limited to 25% of the cost of production or Rs. 2 lakhs whichever less is. The minimum financial assistance of Rs. 50000 is allotted for producing 6250 seedlings annually from 25 cents and maximum financial assistance of Rs. 2 lakhs for producing 25000 seedlings from one acre.

Establishment of Regional coconut nursery for supplementing the nursery programmed of the state government. The maximum financial assistance for setting up of regional coconut nursery in non-traditional areas is 50% of cost of production. Aid to establish nuclear seed garden in private sector / registered / cooperative societies/ farmers' associations.

Maximum financial assistance is limited to Rs. 6 lakhs to establish seed garden phased over a period of 3 years @ Rs. 3 lakhs during the 1st year and Rs. 1. 50 lakhs each in second and third year respectively. The quantum of financial assistance is based on the total area of seed garden (maximum 4 ha) or limited to 25% of the cost of establishment of nuclear seed garden.

Distribution of the Product

A. Typical retail outlets

The Asia and Pacific Coconut Community (APCC) is an intergovernmental organization of 15 full member countries namely

Federated States of Micronesia

Fiji

India

Indonesia

Kiribati

Malaysia

Marshall Islands

Papua New Guinea

The Philippines

Samoa

Solomon Islands

Sri Lanka

Thailand

Vanuatu and

Vietnam

Established in 1969 as the first commodity based organization in the region the APCC is tasked to promote, coordinate and harmonies all activities in the coconut industry which sustains the lives of millions of coconut farmers as

well as those engaged in the processing, marketing and other sectors of the industry.

B. Product sales by other middlemen

Coconuts were introduced into West Africa and during the 16th Century by European explorers. Coconut is native to coastal areas (the littoral zone) of Southeast Asia (Malaysia, Indonesia, Philippines) and Melanesia. In prehistoric times wild forms are believed to have been carried eastward on ocean currents to the tropical Pacific islands (Melanesia, Polynesia, and Micronesia) and westward to coastal India, Sri Lanka, East Africa, and tropical islands (e. g., Seychelles, Andaman, Mauritius) in the Indian Ocean. In these regions the palms were able to establish themselves on sandy and coralline coasts. Coconut is either an introduction or possibly native to the Pacific coast of Central America.

The coconut palm has wide pan tropical distribution. It is a ubiquitous sight in all tropical and subtropical regions 23° north and south of the equator. It is also found outside these latitudes where it will flower but fruits fail to develop normally.

Regulations to be followed

To assist the Minister in the formulation of policy and in the determination of development priorities in respect of the coconut industry and economic utilization in and for coconut plantations.

To formulate or assist in the formulation of projects and schemes in accordance with the development priorities so determined.

To implement or assist in the implementation of the projects and schemes so formulated.

To coordinate the activities of the Board established by the Minister under the Coconut Development Act.

The goals of the CDA as defined in section 20 of the Coconut Development Act, have been assigned to the Authority, by order published in the Gazette, vesting responsibility for supervision and development of all activities connected with industrial processing, domestic and export marketing of coconut and coconut products.

The manufacture and assistance in and promotion and regulation of the manufacture of coconut products.

The promotion of new techniques in the processing of coconut products.

The promotion and direction of the modernization and assistance in increasing the efficiency of establishments which engage in manufacturing coconut products.

The prescription and maintenance of standards of quality of coconut products manufactures in or exported from Sri Lanka.

The purchase and sale and the regulation of the purchase and sale of coconut products and the formulation or implementation of minimum and maximum price schemes and price stabilization schemes for coconut products in general and for small holders of coconut products, in general.

The export and import and the regulation of the export and import and of the export price and import price of coconut products.

The maintenance, promotion, and creation of demand for coconut products, both within and outside Sri Lanka, by advertising, initiating, financing, supporting, and supervising, promotional work, by establishing, managing, supervising, and supporting sales rooms and agencies, by organizing, assisting, and participating in exhibitions and fairs and by other means necessary for this purpose.

The conducting of market research into all aspects of the transport and marketing of coconut products within and outside of Sri Lanka.

The promotion of cooperation and collective forms of management and ownership of coconut plantations and establishments manufacturing or trading in coconut products.

Since the liberalization of the Coconut trade in late 1980s the main activities of the Authority are focused on the formulation and implementation of policies and programmers for the promotion and development of processing and marketing sectors, with special emphasis on the export sector

The CDA is intimately linked in assisting the Ministry of Coconut Development to resolve the policy matters that are relating to the development of coconut industry such as:

Identifying development priorities of the coconut industry. That is regarding to coconut research, coconut cultivation and processing and marketing of coconuts and coconut products.

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Allocating the Cess Fund for all development projects in the industry on a priority based model.

Introducing Import Tariffs on coconut based products and substitutes such as vegetable oil.

Managing supply, demand and prices of coconuts and coconut based products for domestic consumptions and for industrial processing.