

Marketing plan "bombay sweets ring chips"

Business



Masters of Business Administration Subject: Marketing Management A

Marketing Plan on “ Ring Chips” A product of Bombay Sweets & Co. , Ltd.

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RING CHIPS” Introduction Bangladesh not only has a rapidly growing economy, but is also one of the most densely populated countries in the world. The economic focus is turning from agriculture to industrial sectors, even though current economic conditions are not so good.

Nevertheless, the snacks industries have great potential and opportunities for a bright future in the Bangladeshi market. All types of snacks and chips are great favorites with people of all ages, but especially with children, teenagers, and the 18 to 26-years-old generation.

Snacks and chips are a kind of appetizer which people like to eat at break-time or between meals, wherever and whenever the opportunity arises.

There are many international and local brands of chips all competing for this growing business market in Bangladesh.

Consumers are therefore looking for a brand to purchase, whose products satisfy their tastes and preferences. The aim of this marketing plan is to develop the marketing strategies for the production of quality and healthy chips which will meet the demands of local consumers. 2 Bombay Sweets Ring Chips Background of the company Ring Chips is a product of Bombay Sweets and Company Limited (BSCL). The company is a name which has been associated by consumers for more than 5 decades with snack foods in Bangladesh and abroad.

It made its modest start in 1948, gradually increasing its popularity amongst consumers by meeting their demands.

Initially, BSCL served its customers through its own outlets, and within 20 years the company had established 28 such outlets throughout the country. BSCL is historically and currently one of the most successful snacks companies in Bangladesh, with many kinds of snacks and chips. One of the company's most successful products has been RING CHIPS, the first chip introduced by Bombay Sweets in Bangladesh. Decades after its introduction, it continues its popularity, but at a decreased volume, due to rising competition in the chips market and changes in consumer tastes.

In 2008, BSCL re-launched Ring Chips with slightly updated packaging design, but this has not been enough to reverse the decline in popularity. Therefore, BSCL needs to regain the lost popularity of Ring Chips with re-branding and new commercial strategies. Current Market Situation Ring Chips is a known and liked product which has gradually faded from public memory, as it loses popularity and market share, due to the many competitors in the market. The Ring Chips brand was already re-launched in 2008, but the re-launch was on a minor and insignificant scale.

BSCL needs to renew public awareness through advertisement. Increased advertising through TV, radio, internet and newspaper are the primary channels for raising public awareness.

Very few commercial advertisements for Ring Chips have appeared on television, and many people do not know that they are available at the market. As a result, Ring Chips are currently struggling to catch the

consumers' attention. BSCL has created a page on Facebook, but even this has not been fully developed and is under-utilized. The distribution of the product is very poor, with the result that many shops do not sell the product.

Many retailers do not want to stock the product because of its price being too low compared to competitors' products. BSCL sells Ring Chips at Tk. 6, while other companies sell their chips at Tk. 8-14. Therefore, improved distribution of the product should be sufficient to begin competing with other companies, and keeping the low price would add to their competitive advantage.

3 Bombay Sweets Ring Chips Market Description The potential market for a product like Ring Chips has no boundaries within Bangladesh's population.

Chips can appeal to every level of social, cultural and economic background, whether openly admitted to, or not. The market-appeal extends also into every age-group, though with a stronger appeal among the younger section of the population. With regard to urban and rural demographics, the market-appeal will be stronger in urban and suburban areas, where the faster pace of life is more receptive to the quick convenience of products such as chips. There are those who will question the healthful/harmful qualities of the product, and those who will label the product as "junk food".

These detractors can be found within every sector of society. Competitive review Aside from the internal competition between Ring Chips and other BSCL products, there is strong external competition from other chips manufacturers. Following is a list of external competitors in the chips market:

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Manufacturer Different Brands No. of Price(Tk.) Quantity(g) Flavors O' Potato
 Chips 1 8 20 Haque Brothers Pillow Chocolate Chips 1 10 30 Ispahani Food
 Ltd.

Puresnax Potato 3 10 30 Akij Food & Beverage Ltd. Crackers Meridian Food
 Ltd. Meridian Chips 3 12 20 (Foreign) Pogo 3 13 13 (Foreign) Lays 14 13
 (Foreign) Kurkure 3 14 20 The Chips industry in Bangladesh is not a small
 business. There are many chips producers, including national and
 international brands. Consumers demand a change from low quality to high
 quality chips, as their taste and preferences mature. BSCL has to meet the
 competition from other brands by developing new marketing strategies.

The claim that they taste better can be 4 Bombay Sweets Ring Chips offset
 by the advantage of lower price. More importantly, it needs to identify the
 best avenue of promotion to the target market. 5 Bombay Sweets Ring Chips

SWOT Analysis The overall evaluation of a company's strengths,
 weaknesses, opportunities and threats is called SWOT analysis. SWOT
 analysis helps us to explore the areas of possible changes in marketing
 activities. BSCL needs to develop/utilize the strengths, strengthen/improve
 the weaknesses, seize the opportunities, and eliminate the threats.

The notable examples are as follows: Strengths: -History of experienced and
 knowledgeable management. -Company has strong staff/manpower. -High
 quality product that undercuts the competitors' prices. -Strong financial
 support. -Availability of capital.

Bombay Sweets Bangladesh Ltd has a great company reputation. -Customer loyalty to the company. -Use of modern technology. -Use of local/domestic ingredients. -Product has " brand personality".

Weaknesses: -It's an old product, even though re-launched. -No advertising. -Lack of public awareness for the re-launched product. -Distribution of the product is poor. -People don't know that Ring Chips are available at the market.

-Some shops don't stock/sell Ring Chips. -Re-design and re-packaging of the re-launched product were poor. 6 Bombay Sweets Ring Chips Opportunities: There is a demand for this kind of product. -Company has plenty of vehicles to distribute the product. -Develop advertising in TV, radio, newspapers and billboards.

-Develop, expand and utilize the Facebook page. -Company has known image in the market. -Develop/promote the healthy/nutritious aspects of the product. -Convince detractors that cheaper doesn't mean inferior. Threats: -Strong competition from other manufacturers. -As a " new" product (old product with new face), the public may not accept it.

-The old/loyal customers may be disappointed with the re-launched product. Very cheap compared with competitors' chips. (Reverse consumer psychology about value). -Challenge from people who describe product as " junk food". Marketing Strategies Positioning: BSCL has many opportunities to develop a strong presence within the chips marketplace in Bangladesh. The company has several product brands.

They can distribute throughout the country and expand company branches in the major cities. The company can use local ingredients in their production of healthier and more nutritious chips, the way their old-time consumers will recall.

Product Strategy: BSCL needs to improve the quality of the products, with a view to increase the health benefits for the people. They should be sensitive in their advertising to avoid consumers arguing that ring chips are junk food.

Pricing: BSCL already has the advantage of lower prices of chips, but they need to overcome the perception among consumers that cheaper means inferior.

The company can justify the lower price through mention of local ingredients and local production, thus eliminating import costs.

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Distribution Strategy: BSCL has a large fleet of vehicles, enabling them to distribute Ring Chips to every store in every corner of the country. They must convince the retailers who currently do not stock Ring Chips to do so.

Marketing Communication Strategy: Many companies adhere to mass communication strategies to introduce their products. BSCL can create a stand-out identity by organizing local charity activities, children's fairs, trade fairs, etc.

to build a positive image for their product. Media or advertisement strategies

Without advertising, the company cannot make the consumers aware of the product. They can broadcast their advertisements during children's television programming. They can install billboard advertisements in areas

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where children go most often; for example children's parks, zoos, schools, shopping complex, etc. 8 Bombay Sweets Ring Chips Facebook: There are now more than 50, 000 fans on the Ring Chips Facebook page. The people who like Ring Chips share their love of the product, tag pictures wearing Ring Chips, add comments through the wall post.

The company needs to maintain and develop the Facebook page by daily/frequent interaction with the fans, so as to understand and be aware of their demands. It is the easiest, and cheapest, way to update their fans with product details and to respond to fans' questions. 9 Bombay Sweets Ring Chips Action Plan: Because of its long-time existence, BSCL has lapsed into a passive, complacent pattern of continuing business. This has allowed the newer companies to make inroads into the marketplace. BSCL needs to recreate itself with a new modern image and a more aggressive approach to doing business.

The key considerations are the target market and the retailers. The target market should be the younger generation, who are more likely to buy chips. Since they spend more time with the internet and television than other activities, this should be the focus of advertising. But any/all advertising will be wasted if the product is not available everywhere. This is why the retailers are equally important in the marketing equation. BSCL has to provide both "supply" and "demand".

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