

Marketing plan of new nutritional supplement



A marketing plan can be defined as a written document that summarizes what the marketer has learned about the market place and indicates how the firm plans to reach its marketing objectives. It contains tactical guidelines for the marketing programs and financial allocations over the planning period. It is one of the most important outputs of the marketing process.

Bio foods (Pvt) Ltd. are a local company in Sri Lanka which introduces fast moving consumer goods to the Sri Lankan community. It is a local company which is focusing on the health of Sri Lanka.

This marketing plan is based on an introduction of a new nutritional supplement powder to the community of Sri Lanka. This supplement is called “ Power Malt” and it has mainly targeted two segments of the community of Sri Lanka. Two segments are consumers who are malnourished in the community of Sri Lanka and the consumers who do not consume a proper meal due to their heavy workloads.

Company has identified that there is a need for a good nutritional supplement powder in the country and has done a marketing research of the community as well. A SWOT analysis has helped the company to identify its position in the market place and whether the company can succeed in the market place.

Also this marketing plan consist of the key positioning areas of the product in the market place, marketing mix of the new milk powder and the projected financials for the product.

This section presents relevant back ground data on sales, costs, the market competitors and the various forces in the macro environment. How are the markets defined, how big it is, and how fast it is growing? Etc. Bio foods (Pvt) Ltd. have been in the market for about fifteen years. Also the products marketed by the company are of high quality the brand name of the company is in the minds of the consumers in Sri Lanka.

Market Analysis

Company found out that there is a need for a proper quality nutritional product in Sri Lanka, which no other company in Sri Lanka has been able to produce. Therefore company has identified two market segments which they can successfully introduce the product to.

Malnourished citizens from the population of Sri Lanka.

Busy consumers who does not have the time to consume a nutritious meal.

Both of the above categories in Sri Lanka according to the company research are suffering from malnutrition.

The children in the rural areas as well as in urban are suffering from this mainly due to the lack of education of the parents of what to feed to the child during the most important growing ages. Also the ever increasing senior citizen population falls into the malnourished segment as well. Busy people who spend most of their time at office do not have time to go home and prepare a meal. Therefore for them this supplement powder will act as a meal replacement.

Therefore there are needs within the market for a quality nutritional supplement which should have the following characteristics.

Nutrients which are essential for the growth and maintenance of the human body.

It should be sold at a price where even a lower income family can afford.

Product should be at the finger tips of the consumer.

The company is forming its own market. There are indirect market competitors who have introduced various nutritional powders. But they have not been able to capitalize on it. Therefore the company will be able to earn super profits during the introduction, growth and maturity stages of the product life cycle.

Product will be offered in various sizes of packages. Since the supplement will be a bit expensive and even the rural people of Sri Lanka are targeted for the marketing of the product milk powder sachets will be a big hit amongst them.

Key to success of this product is to meet the market demand and total customer satisfaction. If these two are achieved then the company will become a more sustainable company.

2. 1 SWOT Analysis

Below analysis shows the key strengths, weaknesses, opportunities and threats facing the company.

Strengths

Brand name of the company is already in the mind of the consumer.

The supplement has been approved by the government as a milk powder which includes all the nutritional supplements.

Distribution channels are already intact therefore the product can reach the consumer effectively.

It is available in two different flavors therefore consumer can choose whatever they like.

Weaknesses

Company has not marketed milk powder before. Therefore the consumers might be reluctant to buy the product.

Since the supplement milk powder is imported and packed by the company large amount of startup capital is needed.

Opportunities

Costs can be decreased through economies of scale.

The market for nutritional supplements will grow.

Threats

Competitors will identify the opportunities and try to participate in the market.

Milk powder price in the global market will rise due to the increase in demand.

Target Market

Market targeting involves deciding how many and on which market segments to focus the marketing efforts of a firm.

In the above explanation company has identified two segments from the population of Sri Lanka. From that the target markets are as follows.

Malnourished children below the age of five.

Senior citizens of Sri Lanka who are above 60 years of age who are also malnourished.

Busy individuals who are holding top executive positions

Athletes who are in need of a proper meal who are too busy to prepare it.

Sales Objectives

Sales of the milk powder will be done by the existing sales team of the company who are conducting the other available products in the company.

Sales team will approach the existing distribution channels and perform direct selling. For that the company will offer them an incentive of 1% if the particular target is covered by the sales person.

To the general public, selling will be done through extensive advertising in schools, recreational facilities; elder's homes, exhibitions, presentations within local companies and athletic meets.

Positioning

Market positioning is the act of designing the company offer and image to occupy a distinctive place in the mind of the target market so that the target understands and appreciates what the company stands for in relation to its competition. The company's positioning must be rooted in an understanding of how the target defines value and makes choices among vendors.

Bio Foods will position the new nutritional supplement as one of its premier brands and the most needed nutrition supplement for the consumers of Sri Lanka.

Marketing Mix

Marketer's task is to devise marketing activities and assemble fully integrated marketing programs to create, communicate and deliver value for consumers. Therefore four Ps helps marketers in making their task successful. Four Ps represent the seller's view of the marketing tools available for influencing buyers. From a buyer's point of view each marketing tool is designed to deliver a customer benefit.

Product

Quality of the nutritional supplement cannot be matched by any other similar product in the market.

Company's brand name is highly accepted within the Sri Lankan consumers.

Packaging of the product comes in various sizes easy to use methods.

Design of the product packaging is very attractive to the customers

Price

Price will be on a per product retail price basis

Discounts will be given during the first month of the introduction of the product

Promotion

Direct marketing will be done to the distribution channels by the sales teams

Advertising will be done using various methods

Existing sales force will be educated on the benefits of the new product by conducting seminars.

Place

Product will be available in the existing channels of the company

The channels will be covering the whole country

Inventory is kept within the regional warehouses

Transport to the warehouses and the retailers will be done by the internal transport department.

Projected Financials

This section will show the revenue and the costs incurred per product sold and ultimately the profit per product sold.

(Rs.)

Estimated selling price per product 600. 00

Less: Import costs (250. 00)

Packaging costs (125. 00)

Transport costs (50. 00)

Discounts given (15. 00)

Other costs (65. 00)

Estimated profit 95. 00

Sachets will be introduced later in the product life cycle according to the demand. Therefore the selling price of the sachets will be decided once the demand has been identified.

Conclusion

The product which is going to be offered to the market is a high quality product. Company has identified the market's needs and wants and then has decided to introduce this nutritional supplement. This will indeed make a breakthrough in the market. If the company implements this marketing plan company will surely succeed in the market place with the nutritional supplement.