

# Marketing plan on fmcg product: acme choco – drink essay sample

[Business](#), [Branding](#)



Since 1954, The ACME Laboratories Ltd. has been doing their operation in Bangladesh and today, it is one of the most successful business conglomerates having sister concerns and investments in various sectors in lot other areas in Bangladesh.

This paper is written on a new product “ Choco-Drink ” , manufactured by the ACME Agrovet and Beverages Ltd., a sister concern of The ACME Laboratories Ltd. In addition to the overall analysis, this paper also provides us with a brief set of recommendations on marketing plan and promotion for positioning of the product . The ACME Agrovet and Beverages Ltd can launch this product to increase their product line, and with existing distribution network and sales force, they can come up with profitability. During the initial year on the market, we are aiming for unit sales volume 300, 000 units for 250 ml Choco-Drink.

### Current Market Situation

The Chocolate milk market in Bangladesh is not as huge as the other FMCG products' market. But figures show that it is still a handy one and is worth investing in order to increase product line. There are three main players in the market Starship, Aarong and RD etc. The market is not very big. The demand of the products fluctuates according to the economic and market conditions because these are not necessary products. The Chocolate Milk segment is characterized by the presence of players each having a number of offerings in terms of platform and/or benefit offered. Brand| Packaging| Quantity| MRP| Trade Price|

Starship| Tetra Pak| 125 ml| 15 Tk| 13 Tk/13. 5 Tk|

Aarong| Tetra Pak| 200 ml| 25Tk| 20 Tk to 23 Tk|

RD| SDP| 200 ml| 20 Tk| 11 Tk/11. 5 Tk|

### Benefit Propositions of the Major Players

The players play in the industry by price and coverage. The packaging is good for Starship and Aarong. For Milk Vita, the packaging is not the issue. The costs of packaging for Milk Vita are lower compared to the other two. That is why the pricing varies as such. We can see in the above pricing column that Aarong is targeting more premium segment and starship is just competing with it. Milk Vita is targeting popularized segment. This may be the reason as Milk Vita is a more non-profit making organization. Their main distribution relies on the distribution plan that they have for their other products like juice and milk. They use the same sales force to communicate with the retailers and distribute the products. The production facilities are the same. The choice remains that whether they use their production capacity to manufacture the other products which have demand, for example juice or they manufacture this product which have lower demand. The benefit propositions being offered by the major players in the market are as follows: Brand| Benefit|

Starship| Taste, Quality, Packaging and Price|

Aarong| Taste, Quality, Packaging|

RD| Quality and Price|

### Competitive Picture

In order to strengthen their distribution strategy, the players provide incentive for the retailers in order to shelve and promote their products to the consumers. These strategies help them to persuade the retailers so that they can offer and these products. The retailers even persuade the consumers to buy these products of companies whose offers satisfy those most. The benefit segment is dominated by major players and their respective value share in the market is as follows:

Brand| Trade Offer|

Starship| They offer a margin of 2 tk to the retailers with occasional gifts like wall clock, wrist watch or show pieces. |

Aarong| They offer the highest trade margin ranging from 4 tk to 2 tk. They too provide the same trade offers. |

RD| Their distribution and production is the highest among these 3, but they provide a margin on only 2 tk. |

But with proper marketing plan the market demand can be manipulated and demand can be increased.

### Product Profile

Our product, ACME Choco - Drink, is developed with following features:

#### 1) Packaging

- a. Attractive pack
- b. Modern pack
- c. Eye-catching pack

## 2) Other attributes

- d. Suitable for all seasons
- e. Suitable for all in the family
- f. Product of a reputed manufacturer
- g. Economic-in-use

3) Trade Price: 16 Tk.

4) Market Price: 20 Tk.

## Opportunities and Issue analysis

### Strengths| Weakness|

1. The existing goodwill of the Pharmaceutical business of ACME group and also the marketing channels and distribution resources are being used as far as possible. 2. The Quality of the product is better than most of the local FMCG companies. Comparing the quality, the prices of the products are within the range of the target segment. | 1. Lack of Brand awareness and image. 2. Lack of product variety as it has only one 250 ml packaging. |

### Threats| Opportunities|

1. Intense competition 2. Downward pricing pressure 3. Compressed product life cycle | 1. Increased demand for chocolate drink. 2. Cost efficient technology. |

## Objectives

We have set aggressive but achievable objectives for the first and second years of market entry. First Year Objective

During the initial year on the market, we are aiming for unit sales volume 300, 000 units for 250 ml Choco-Drink brand. Second Year Objective

Our second year objective are to sale a combine total of 10, 00, 000 units of our 250 ml Choco-Drink brand.

### Issues

In relation to the product launch, our major issue is ability to establish a well-regarded brand Choco-Drink to a meaning full positioning. We will have to invest heavily in marketing to create a memorable & distinctive brand image projecting innovation, quality and value. Marketing Strategy

Choco-Drink's marketing strategy is based on a positioning of product differentiation, our primary consumer target is as follows: -

### Target market & Consumer profile:

- 1) Socio-economic Class: SEC A and B (6+ old of urban and semi urban).
- 2) Life Style & Attitude: They are young, fun loving, love to be entertained, and health conscious, confident & aware about their lifestyle with present trend. Consumer should perceive the brand as an essential part of his everyday life as healthy, energetic and essential part of every meal.

### Market Communication Strategy

In order to market the product, we can use both ATL and BTL. TV, newspaper, radio, bill board, school branding, trade offer and other social campaign can prove to be very effective. The main strategy would be to

incorporate this product as part of everyday meal and make people believe that consuming this product is healthy and important. This is the way we can create demand for this product.

#### Billboard:

Billboard is one of the most useful promotional tools for any brand. The scope of its visibility is very much higher compare to other promotional tools. But due to extreme popularity of media mix, its value is getting down day by day Considering the budget constraints if it is possible then we should take few more billboards all over the country.

#### Merchandising:

A heavy thrust on merchandising will take place. Emphasis will be given to activities like window hiring, display competition, etc. A special effort will be made to create some obstacle on other antiseptic/antibacterial soaps.

#### Press:

Publications will be carefully selected keeping in mind the target customers. Regional newspapers will be used to increase usage and sales in the respective regions.

#### Radio:

Radio campaign will be developed and released in central station. A significant thrust will be on radio campaign as it is one of the most important media that reaches a large majority of semi-urban and rural dwellers.

### Television:

The television campaign will go during the launching month. Thereafter a shorter version of TVC will be followed in the next. Spots will be scheduled during the launch phase in a way that the spots are placed before programs with high viewer-ship, i. e. Bengali Package Dramas and Magazines etc. In addition, sponsorship of dramas, serials and events may also be considered. Strong brand equity can be developed through TVCs by sponsoring public health message related serials/dramas aimed at propagating hygienic practices in the daily life activities.

### Budgets

Total first year sales revenue for Choco-Drink is BDT. 6 Million With an average whole sale price of BDT. 20 per unit and a variable cost of BDT. 20 per unit for unit sales volume of 300, 000 units. Break even calculation indicate that the Choco-Drink of 250 ml will became profitable after the sales volume exceeds 500 000 units, early in products second year. Our break even analysis assumes per unit whole sale revenue of BDT 20 per unit, variable cost of BDT 16 per unit and estimated first year fixed cost BDT. 2 Million. Based on this assumption the break even calculation is

$$\text{Break even} = 2000000 / (\text{BDT. } 20 - \text{BDT. } 16) = 500, 000 \text{ units}$$

### Controls

We are planning tight control measures to closely monitor quality and customer service satisfaction. This will enable us to react very quickly



in correcting any problems that may occur. Other early warning signals that will be monitor for signs of deviation from plan include monthly sales and monthly expenses. Given the market volatility, we are developing a contingency plans to address first moving - environmental changes such as competition and new technology.