

Marketing term report on shan

[Business](#), [Marketing](#)



MARKETING TERM REPORT BY KHAN AKHTER RUMMAN SHAN FOODS ABOUT

THE COMPANY: Shan Foods came into existence in 1981 when it began operations from a single room as it was Shan Masala back then, launched full range of spices to cater to local public, due to its popularity Shan started exporting after a few years due to increased international popularity. But after sometime, the need to reposition the brand was felt. It needed to be repositioned as a food brand rather than a spice brand.

Re-imaging the organization became necessary for re-positioning of the brand; it was a job well done and led to continued success of Shan on national and international fronts. The name of Shan Foods has become synonymous with highest quality and exquisite taste. . There are six broad categories of varieties Shan deals in including recipe mixes, plain spices, dessert mixes. Shan Food's vision is " to be a dominant global player in food products and socially responsible company that attains its quality standards so that Shan stands for tradition trust and good taste. **MARKETING STRATEGY: DIFFERENTIATION OF PRODUCT:** Shan is able to differentiate from its competitors through its added facilities of the V-look technology and the coal grinding technology is only an example to their dedication to provide nothing but the best to their consumers . It's the world class quality that brings the blind trust of the consumers on Shan products that it will not only be hygienically prepared but would be secure from any harmful ingredients that loose spices offer. **TARGETED MARKET:** Females aging from 18 to 45 years compose the main target market of Shan Foods.

This is because of the reason that in our part of the world, women are mostly related to the food and cooking. Hence, Shan Foods develops products that

are according to the needs and wants of these women no matter if they are stay-at-home or working, single or married ones. POSITIONING OF THE PRODUCT: Shan Foods position statement is “ To the confident and convenience seeking woman of today, our wide range of Shan spice mixes offer premium quality products, made with the finest ingredients like no other. It is just for the fact that the consumers should be provided with solution of having a tasty meal in no time with homemade mixes of recipes and spices. MARKETING MIX PRODUCT: The products of Shan can be broadly categorized into 6 categories, with multiple sub-categories. Looking at the product portfolio of Shan Foods, it is seen that Shan Foods has given consumers an offering for every occasion and every type of taste. Be it traditional cuisine mixes like Biryani or an offering in the Dessert category; Shan has an offering to complement all the good things in life associated with food.

The different product offerings of Shan Foods are: * -Biryani Mixes- * Stir Fried Foods- * Curry Spice Mixes * -Deep Fried Foods- * Barbeque-Vegetarian Foods- * Instant Foods * Khushbudaar Lehsan * Zaiqedaar Adrak * Khatta Khatai * Qasuri Methi * Karara Zeera * Taiz Laal Mirch * Taaza Dhaniya * Zaafrani Garam Masala. * Teekhi Kaali Mirch * Khaalis Haldee PRICE: The pricing of all Shan offerings varies and depends on each Stock Keeping Unit (SKU). However, the price ranges for five (out of six) categories of Shan product offerings are as follows: * Recipe Mix: The Recipe mixes range from Rs. 0 to 40 * Plain Spices: Pricing of Plain spices varies SKU wise. For example, 50 grams red chili powder is available at a price of Rs. 20 and 150 grams at Rs. 115 * Dessert Mixes: Desserts are all priced at Rs. 35 * Pickles

Pickle pricing is Rs. 170 for 1000 grams, pricing varies as per SKU PLACE: Shan is easily available at all general stores as well as departmental stores. Shan Foods is focusing on the indirect marketing channels where they sell Shan products through retailers. Shan Foods is also available in 60 foreign countries.

The brand is exported to UK, USA, and Middle East and now to Far East regions as well. Sales Force in Shan Foods is divided into three types: General Trade (general stores, Kiryana stores, Medical and Genaral stores), Local modern trade (super stores such as Aghaz, Naheed, Chase), and International Modern trade (Large houses such as Makro and Metro). PROMOTION: It has started to reach out to a wider audience keeping in mind the changing lifestyle to nuclear families and convenience seekers. The advertisements of Shan's offerings focus entirely in the females of thefamily.

The marketing strategy is very customer oriented i. e. Shan emphasizes on marketing its products keeping in mind its customers thus having a customer centric view. Shan has recently realized that a potential part of the population i. e. the teenagers are the ones that will become tomorrow's decision makers. More recently, the major marketing or promotional expenditure done by Shan Foods is on making deals with television channels for their commercial air time. MARKETINGENVIRONMENT: There is a lot of difficulty of this marketing environment are low prices and unbranded competitor's.

Due to high competition and low prices of competitors it gets difficult to attract customers to buy their product. It is very difficult to earn brandloyalty. Apart from this, some of the major driving forces in the

Pakistani spice industry are changes in societal concerns, lifestyles and attitudes, product innovation and changes in who buy the product and how they use it. There are many factors behind increased demand of spices in Pakistan; a major factor is the changing lifestyles of people who now prefer ready to use ingredients over traditional home made spices.

Also, spices have always been in demand due to the sub-continental style of cooking. As there are a number of competitors in the market, the consumers and buyers have substantial power to influence the marketing of Shan products. Major resellers and wholesalers like Metro and Makro are generally used for grocery shopping or bulk buying which is why Unilever also uses them as a forum to create awareness of their products. For example separate customized and decorated racks for display of all Shan recipes.

COMPETITORS:

Except for small unbranded products Shan has a large share of competition from National foods, Mehran foods, Ahmed Foods, Habib Foods, Zaiqa Foods and Kitchen Secrets. Only 40% use the branded product and 60% percent of consumers use the unbranded product, hence local spice manufacturers and grinders pose as major competitors. Shan Foods and National Foods are almost occupying the similar share in Volumes as well as in % but the growth of Shan Foods is Showing the steady increase while the National foods is Showing fluctuations in its market growth.

Strategic distribution of both Shaan and National products pose as a major competitive advantage because although Chef's Pride holds the third position in market share, it should be noted that it is not available in many retail outlets across Pakistan and especially Karachi.

COMPETITORS: Due to the unbranded products having 60 % of the market Shan only has to compete for the 40% of the share of the market. The major competitors of the 40% market are National foods, Mehran foods, Ahmed foods, Habib foods, Zaiqa foods and Kitchen secrets.

When it comes to food products, taste development and loyalty are major concerns which are well considered by Shan Foods in contrast to its competitors as they target taste values and customer satisfaction more than they target family values like marketing campaigns of National Foods. Due to having competitors making almost the same products as Shan there is rigid competition in the market on price and quality both of which they cannot give up on or else the other product takes the market. CHARACTERS AFFECTING CONSUMER BEHAVIOUR:

The major attractive characteristics of Shan include its persistent good taste, maintained high quality, healthfriendly and attractive packaging and availability. Moreover, it keeps the loyal customers satisfied with delicious taste. Moreover, the wide range of products and SKU's available consolidate Shan's presence in various niches and keep its customers loyal to the brand. In this regard, Shan's ' Oriental recipes' proved very beneficial in the retention of customers. With their introduction, many housewives are now able to make restaurant standard food at home.

And this attracted the modern youth to eat at home as they prefer continental food. Another attractive characteristic is that Shan foods is a leading exporter of food items from Pakistan providing it an opportunity to tap the large global market which helps it to expand at a rapid pace. At the same time, the consumers have been greatly inclined by the

brandcommunicationof Shan. Shan's strategy of showing mouthwatering dishes on their bill boards and in advertisements has been an immense success. This "Big Idea" has been running for more than 3 years and still has not lost its relevance.

Hence, the nature and intensity of these campaigns have been bolstered by Shan's external marketing through bill boards, television advertisements, high repetition and short duration messages on TV, cooking programs for housewives and sponsored events. BUYING DECISION BEHAVIOUR: As people live in metro cities they tend to go for branded products compared to unbranded ones. In our product's case, customers are most likely to have complex buying behavior. This is mainly because there is a high perceived difference among the brands of recipes. In Pakistan, people love their food.

And want it according to their traditional taste. This encourages a complex procedure of choosing between brands. However, the customers who are conformed to the taste of Shan will not go for the other competitors irrespective of their marketing strategy. Moreover, the purchase of Shan Masala involves a great amount of consumer involvement. This is because the purchase of Shan's products changes according to seasons. If on one occasion Fruitchart masala is in demand because of Holy Ramadan, BBQ mixes could be indemand on Eids or in summers when families invite friends over on BBQ parties.

The Haleem & BBQ mix are in greater demand during the winter season while Chana Chat mix is purchased more often in summer. This requires constant attention of customers in their purchases. Hence the high consumer involvement and significant perceived differences among brands

involves a complex buying behavior. **BUYING DECISION PROCESS:** Since Shan is a well known product with its own target market, customer's decision making process will not be very lengthy. However, several customers might undergo through the following steps: **Need recognition:** At this stage, the buyer recognizes the problem or need.

In Pakistan, the busy schedule of people and easy-living trend has made Shan Recipes an inevitable part of every household's grocery. Similarly in foreign countries, the feeling of home and desirability of traditional food encourages the move towards Shan Recipes. **Information search:** at this stage measures like internet blogs, TV advertisements and communication with peers, etc are taken by different customers to reach to a buying decision. In Shan's case, very few customers will undertake this step due to its strong brand position in Pakistan.

This is because of Shan's strong heritage in Pakistani households, it is passed on from mothers to daughters, like values and beliefs. Similarly in foreign countries the sources of information are the newly shifted relatives, online search engine and the availability in shopping marts. **Evaluation of alternative:** Different consumers have different evaluation process. This depends upon several factors including their affiliation and past experience with the product. In Shan's case, most of the Pakistani customers are old regular users and are unlikely to go through this stage.

However, in foreign countries, new customers may go for the alternative brands to get the best. This stage depends upon the availability of other competitors. **Purchase decision:** Generally this decision might be influenced by attitude of others or unexpected situational factors. However, in our

products case, external determinants are mainly economic factors and demeaning product quality. Post purchase behavior: Shan has established certain expectations with its brand which it aims to fulfill. Almost all of the consumers take certain actions after their consumption based on their satisfaction or dissatisfaction.

Moreover they undergo cognitive dissonance, which means that the satisfaction or dissatisfaction involves certain compromises. In Shan's case, the compromises made by new customers are the advantages of close competitive detergent. BIBILOGRAPHY <http://shanfoodspk.com/> <http://www.scribd.com/doc/37193856/Strategic-Management-Comparision-of-Shan-Foods-and-National-Foods> <http://www.nation.com.pk/pakistan-news-newspaper-daily-english-online/business/04-Jul-2010/Shan-Foods-promotes-healthy-environment> <http://www.importgenius.com/shipments/shan-foods-private-limited.html> <http://pakbiz.com/profile/Shan-Foods/>