



- PN-ABR-903 FSN=88794

A private sector Agro-Enterprises advice and assistance service
to stimulate the successful development of agro-products, enterprises
and export markets in Sri Lanka.

Issue No. 10 from AgEnt's business,
production processing and
Marketing Information Center

WOMEN "AGRO-ENTERPRISE"
DOMESTIC AND EXPORT MARKETING
WORKSHOP

DOMESTIC MARKETING PRESENTATION
(SELECTED SLIDES)

Prepared by AgEnt's
Marketing/Agro-Processing
Advisor
Anton Wijeratne

NOVEMBER 1993

INTRODUCTION

AgEnt's Business Information Center has freely available a wide range of information pertaining to export markets/prospects etc; and the project's Agro-Business Advisor (Mr. Gamini Kumara) and domestic Marketing/Agro Processing Advisor (Mr. Anton Wijeratne) can help women entrepreneurs in the agro-enterprise sector to determine whether an opportunity exists for their concept/product; and whether AgEnt is in a position to offer appropriate advice/assistance..

INDEX

<u>ITEM</u>	<u>PAGE</u>
1. Key domestic marketing evaluation components	1
2. Distribution	8
3. Advertising	12
4. A Survey of the Market for chutney, Pickles & Jams	14
5. Product Perceptions	15
6. Strengths	15
7. Weaknesses	17
8. Perceptions on Packaging	18
9. Perceptions on Labels	19
10. Processed/fresh fruit/Vegetable movement	20
11. Fresh fruits/Vegetable movement structure (Table 1)	22
12. Processed fruits/vegetable movement structure (Table 2)	23

KEY DOMESTIC MARKETING
EVALUATION COMPONENTS

- 1. IS THERE A MARKET
AND HOW LARGE IS
IT?**

**2. HOW INNOVATIVE IS
THE PRODUCT CONCEPT
i.e. DO YOU HAVE A
MARKETING EDGE?
SUPERIOR PRODUCT IN
ANYWAY?**

**3. IS THE PRODUCT
CORRECTLY
POSITIONED
i.e. PRODUCT
CLAIMS,
INGREDIENTS,
SELECTION OF
BRAND NAME?**

**4. IS THE INTERNAL
PRODUCT QUALITY
ACCEPTABLE TO
THE CONSUMER**

5. PRODUCT PACKAGING -

**a. IS IT THE MOST
PREFERRED/
ACCEPTABLE
PACK SIZE?**

**b. IS THE PACK/
CARTON EASY
TO HANDLE?**

**6. PRICING. HOW
COMPETITIVE/
ATTRACTIVE IS YOUR
PRODUCT TO EACH
HANDLER IN THE
MARKETING CHAIN?**

**7. HOW DO YOU PLAN TO
ACHIEVE EFFECTIVE
MARKET DISTRIBUTION?**

1 .

DISTRIBUTION

2.

COMPANY

AGENT

WHOLESALER

RETAILER

3.

CALLAGE

- . **PRINCIPAL TOWNS**

- . **VILLAGE BAZAARS**

- . **WAYSIDE TOWNS**

- . **INTERIOR BAZAARS**

- . **INSTITUTIONS**

4. HOW EFFECTIVE IS YOUR PROPOSED DISTRIBUTION ?

- . **COMPANY VAN**

- . **AGENTS VAN**

- . **SEMI-WHOLESALE VAN**

- . **MOTOR CYCLE SALESMAN**

- . **CYCLE SALESMAN**

5. **ADVERTISING - HOW EFFECTIVE
IS IT LIKELY TO BE ?**

. **TO WHOM ARE YOU SELLING ?**

. **WHAT ARE YOU SELLING ?**

. **WHERE ARE YOU SELLING ?**

. **HOW ARE YOU SELLING ?**

**6. HOW DOES A MEDIUM SIZE
COMPANY HANDLE A COST
EFFECTIVE ADVERTISING AND
PROMOTIONAL CAMPAIGN ?**

VIA POINT OF SALE -

- . MOBILES**

- . SHELF STRIPS**

- . POSTERS**

- . SANDWICH BOARDS**

- . OUTDOORS SIGNS**

A Survey of the Market for
Chutney, Pickles & Jams
in the Greater Colombo Area

Product Perceptions

that Jam is purchased by many, especially the ones with children and Chutney is purchased less frequently than jam. Pickles are rarely purchased and is perceived as an adult food.

Strengths

that Building up of trust and confidence in the minds of consumers as a safe, hygienic product is the best strength a brand can possess which will ensure repeat purchases.

that Another very important factor which keeps the consumers loyal to a particular brand of Jams, chutney or pickles is its taste. When a brand is established as a tasty product the customers tend to overlook some of the other short comings of the brand.

Strengths

that For a new brand an attractive modern looking label and a package gives an opportunity to attract consumers who are loyal to existing brands.

that When introducing new brands opinion leaders may be used to canvass the product.

that Products free from artificial colouring, flavours and preservatives have a better appeal among the consumers.

that for a product like pickles a glass jar with a plastic lid is preferred since the consumers believe metal can react with such acidic products.

Weaknesses

that Jams which are too sour and with more liquid content has a lesser appeal among the consumers.

that On glass jars the 'Omnia' type thin lid is considered an inconvenient and improper closing device mainly after opening a pack for the first time.

that Labels and packs which are poorly designed and printed do not give confidence to the consumers to purchase since they do not feel confident about such products as safe and hygienic.

Perceptions on Packaging

that Metal cans are unacceptable to many housewives as a pack even for jam.

that For Chutney and Pickles a jar with a wider mouth in comparison to that of normal jam jars is preferred.

that Flexible polythene packs are considered as cheap but unsafe, unhygienic and unsuitable for consumption by family members.

that Small glass jars are more suitable when introducing new products or when it is consumed by only one person in the household.

Perceptions on Labels

that Expiry date is the information that is always checked by the consumers and it should be printed clearly and in a manner that the retailers cannot alter.

that Consumers prefer the labels to be changed from time to time giving a new look to the brands.

that Label and the pack should be designed in a manner that it creates the required image in the minds of the targeted consumers. If the product is positioned as an up market food product the pack should depict that image in an inconspicuous manner.

PROCESSED/FRESH FRUIT/VEGETABLE MOVEMENT

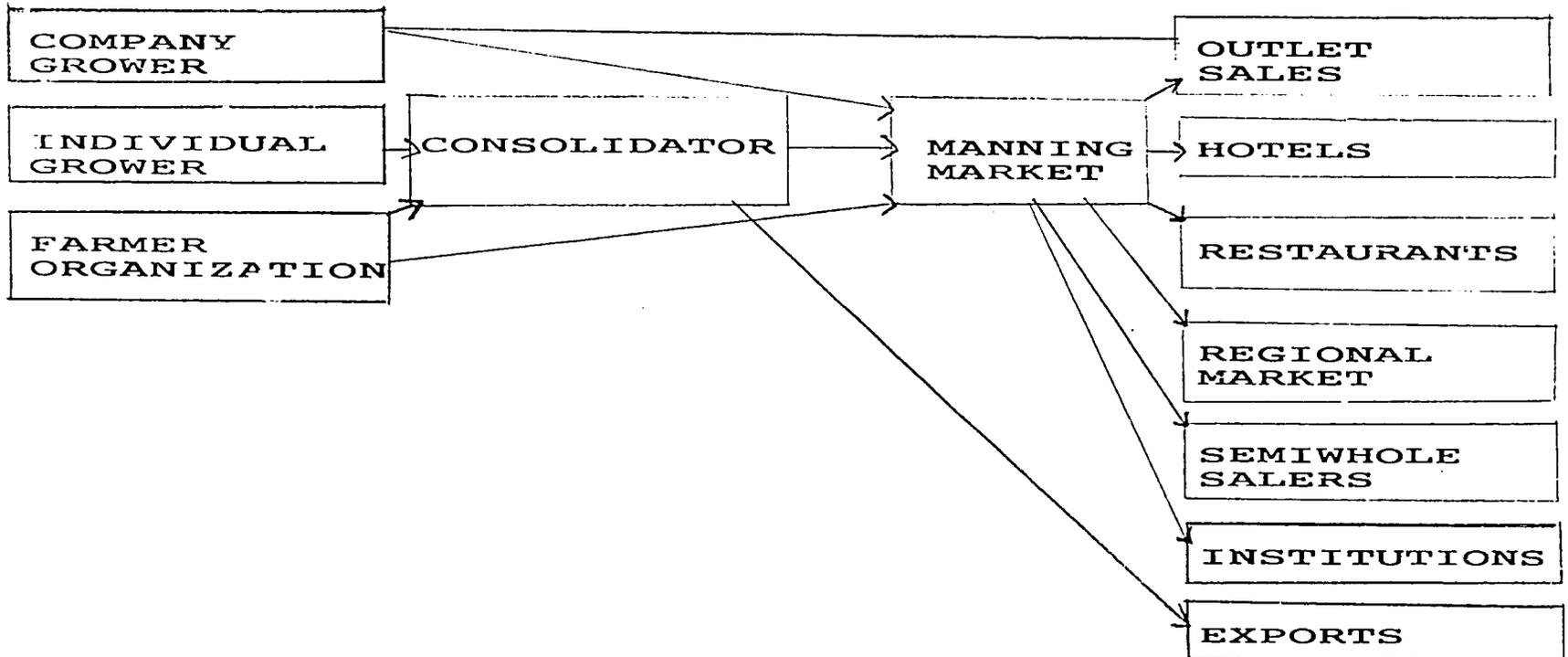
The operation of the food line in any country is an established time tested process. Using modern terminology, we call it distribution today.

With the passage of time, most countries developed their lines of food distribution from farmgate to consumer using modern packaging technique and storage facilities, which enabled the product to maintain its freshness. Sri Lanka still lacks the technical inputs and infrastructure and are using mainly traditional methods of transporting fruits and vegetables from farmgate. Whilst the farmer losses on poor post-harvest handling is high, the product on an average loses approximately 30% on spoilage at the point of delivery in Colombo.

Nevertheless, against this backdrop the system continues to work with entrepreneurs introducing their little innovations to upgrade production quality as they use the system.

In the area of processed fruits and vegetables, the situation is very much better organised and more Companies/individuals are involved in the fruit and vegetable trade. However, one has to look at the programme of backward integration which would primarily increase the number of growers and thereby volume. Although, the structure of farmer organisations are there, they lack the technical and financial support to make the growing programme successful. More importantly, it is necessary to establish confidence among farmer organisations you work with as many have been the instances when grower contracts have not been honoured. With all the necessary infrastructure in place, we are sure many entrepreneur's would succeed in building a business.

FRESH FRUITS/VEGETABLE MOVEMENT STRUCTURE



PROCESSED / VEGETABLE MOVEMENT STRUCTURE

