Brand Extension Launch

“SHAN READY TO EAT MEAL”

Presented To
Mr. Samin Ahmad (sec - B)

Presented By:
Adeel A. Siddiqui – 11262
Sara Khan – 10156
Noor-un-Nahar Hasan – 9055
Anum Hanif – 7796
Isra Abdul Razzak – 9275

Brand Extension

Shan Foods (Private) Ltd. was founded in 1981 in a single room as Shan Masala. Later, due to its popularity, it went on to become Shan Foods. It has presence in 60 countries today and deals in six broad categories of offerings. Shan Foods has capitalized on the changing market trends and consumer tastes and through product trials, it has made sure to churn out offerings that are best in line with consumer tastes.

• We are launching a Brand Extension, Shan “Ready to Eat Meals”, a new product category, with two Variants, initially, which can later extended to a full range Line Extension of 10 variants.

• The Product Life Cycle of Recipe mix “Branded Ground Spices” is at a Maturity level, which is expected to decline after 2015, in urban areas, due to the reducing trend of women involvement in culinary activities. This is due to the increasing trend of Women involvement in career development activities, due to the overall socio-economic factors.

• A consumer research survey shows that Women are seeking more convenience in culinary activities. “Ready to Eat Meal” is the future.

• This is a Pre – Mature Market right now.

Executive Summary

Shan Foods (Private) Ltd. was founded in 1981 in a single room as Shan Masala. Later, due to its popularity, it went on to become Shan Foods. It has presence in 60 countries today and deals in six broad categories of offerings. Shan Foods has capitalized on the changing market trends and consumer tastes and through product trials, it has made sure to churn out offerings that are best in line with consumer tastes.

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- A consumer research survey shows that Women are seeking more convenience in culinary activities. “Ready to Eat Meal” is the future.

- This is a Pre – Mature Market right now.
Ready to Eat Meal Launch

GOALS
- Market Leadership in Food Industry
- Category Leadership in RTEK “Ready to Eat Meals”
- Extending Brand Portfolio
- First in the Category, First in Awareness

OBJECTIVES
- Top level Brand Awareness in Category
- Annual 3% Business Growth through Extension
- Annual 10% increase in Brand Equity

Brand Vision

Shan’s vision is to attain leadership position & increase its market share while penetrating further in the untapped market by leveraging Shan’s brand equity & through their strong distribution network & by exploring into new product category. Shan provides, ultimate satisfaction to consumers, by enhancing the food experience to consumer delight.

Brand Portfolio

- Shan
  - Recipe Mix (64 Variants)
  - Main Spices (15 Variants)
  - Oriental Recipe (10 Variants)
  - Sal (2 Variants)
  - Pickle (7 Variants)
  - Paste (5 Variants)
  - Sauce (5 Variants)
  - Rice (7 Variants)
  - Vermicelli

- Delfi Dessert
  - Jelly (4 Variants)
  - Custard (6 Variants)
  - Pudding (3 Variants)

Brand Scope (Shan)

- Core
  - Recipe Mix
  - Main Spices
  - Oriental Recipe

- Extended
  - Pickle
  - Paste
  - Rice
  - Vermicelli

- Stretch
  - Ready To Eat Meal
- Brand Positioning (Traditional Taste, High Quality, and Convenience)
**Market Share**

- **Shan**: 45%
- **National**: 45%
- **Others**: 10%

**Competitive Environment**

*Others contain all alternatives, retailer brands, small brands, unbranded products, restaurants, fast foods, etc.

**SWOT**

**Strengths**
- High Brand Recall
- Association with quality, taste
- Shan has developed strong export distribution in the international market.
- Leading exporters of food items from Pakistan.
- High customer loyalty.

**Weakness**
- Products are concentrated in the spices category
- Low market share in Punjab side
- Shan currently lags behind in advertising activities, relative to NFL.

**Opportunities**
- Backward integration for Shan.
- Brand activations and other innovative campaigns to attract a larger customer base.
- Foreign Markets like India and China

**Threats**
- Inflation is shrinking company's profits and sales.
- Price differences among the branded and unbranded.
- Strong competition from Multinational brands like Maggi and Knorr.
- Frozen foods can curtail the sales.

**Market Research**

**THEORETICAL FRAMEWORK**

- **Independent Variable (s)**
- **Product Features**
- **Cooking Convenience**

- **Intervening Variable**
- Consumer’s Preference, Convenient Culinary Products

- **Dependent Variable**
- RTEm Demand

- **Moderating Variable**
- Role of Women
Today, in this fast moving world, everyone is looking for saving time and convenience. People have got so busy in the worldly chores that they need something that can further ease the hectic life today. Housewives want to cook food as early as possible so they could concentrate on other achievements of life and at the same time earn appreciation from their husbands.

How would it be if you get to have great taste with quality in no time?

Ready to Eat Meal is here to make your life EASIER!

In our survey/interviews conducted at some famous grocery stores, retail outlets and malls, we discovered that our housewives want quick food at home, especially the working women of Pakistan. But at the same time they want to ensure Taste and Quality with no compromise at all. Ready To Eat Meal will do it all for everyone.

- Also we identified that our bachelors with nobody special to cook for them need convenience of food along with something healthy. Ready to Eat meal serves the very purpose with ensured health, taste and quality.

- How can children be left behind? This is completely a Family deal. You now can enjoy quality food with your loved ones instantly.

**RTEM - “Ready to Eat Meal”**

- RTEM is a pre-cooked food product category, which are packaged to maintain the freshness with increased shelf life.
- They only require to be heated either in a Microwave or in a pan on stove, before consumption.
- The emerging trend of women practicing careers limits their involvement in culinary activities, this provokes the need of this category.
- Occasions of the consumption may include unexpected guests, picnics, traveling, and even office lunches.
“Shan Ready To Eat Meal”

**Vision**
To attain Leadership in providing wide variety of RTEM convenient products; with consistent quality and traditional taste, satisfy consumers’ convenience needs and to delight the consumer with unforgettable food experience.

**Buyer Segmentation**

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<tr>
<td>Occasions</td>
<td>Regular Meals</td>
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</tbody>
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*Regular Consumptions of Shan RTEM is not expected from SEC C, but Communications will target SEC C as well.

**National Foods Positioning**

- **Root Strength**
  - National foods developed its strength by providing long standing economical and convenience products to the consumer.

- **Competitive Environment**
  - National foods competitive environment includes all alternatives, food providers, including fast foods, restaurant, etc.
**National Foods Positioning**

- **Target Market**
  - The target market of National Foods, all consumers who prefer economical and convenient food products
  - Females/males, 18–55 years age, belonging to SEC A–D

- **Consumer Insight**
  - Appreciation of home maker via food
  - Time Consuming and lengthy Specialty Cooking is a hassle
  - Eager to provide food experience to loved ones
  - Eating Out is considered non healthy

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**National Foods Positioning**

- **Benefits to the consumers**
  - Functional Benefits include
    - Convenience
    - Satisfying Taste
    - Economical Product

- **Emotional Benefits includes**
  - Self Satisfaction
  - Appreciation

- **Values, Believes and Personality**
  - Believes in delivering healthy and fresh products.
  - Vitality, Love, Friendship, Family

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**National Foods Positioning**

- **Essence**
  - Its essence is based on traditional food and cultural values. "Hamarey Khaney, Hamari riwayat"

- **Discriminator**
  - Traditional taste of masala which gives the food home made flavors.
**“Shan Ready To Eat Meal” Positioning**

**Root Strength**
- Shan Foods attained leadership in Recipe Mix category

**Competitive Environment**
- Shan Foods competitive environment includes all alternatives to food products, food providers, including fast foods, restaurant, etc.

**Target Market**
- The target market of Shan Foods, all consumers who prefer economical and convenient food products
- Females/males, 18-55 years age, belonging to SEC A-C
- Regular Consumptions of Shan RTEM is not expected from SEC C, but Communications will target SEC C, as well.

**Consumer Insight**
- Convenience
- Appreciation of home maker via food
- Time Consuming and lengthy Specialty Cooking is a hassle
- Eager to provide quality food experience to loved ones
- Eating Out is considered non healthy

**Benefits**
- **Functional benefits include**
  - Time saving
  - Hassle free cooking
  - Perfect food each time
  - Best quality food
- **Emotional benefits include**
  - No stress
  - Life just got easier
  - Self satisfaction
  - Quality food / Taste

**Values, Believes and Personality**
- Shan Foods believes in delivering best quality, healthy and fresh food
- Believes in maintaining the traditional taste
- Strong association with High Quality, Reliability, Traditional Taste and Ultimate Convenience
“Shan Ready To Eat Meal” Positioning

- **Reason to Believe**
  - Shan’s knowledge of spices
  - Consistent quality
  - Modern technology
  - Heritage of trust

- **Discriminator**
  - Shan Foods Traditional Taste
  - Higher Perceived Quality than Competitors
  - Culinary Convenience

- **Essence**
  - Ultimate Food Experience

“Shan Ready To Eat Meal” Product

- Ready To Eat Meal are complete prepared meal, cooked through a controlled process, called “Retorting”, and uses special packaging to maintain freshness and taste, without any application of chemical preservatives

- RTEM require to be heated, by either Microwave with the pouch unopened, or by heating the meal in a pan on stove, before consumption.

- Shan RTEM is developed by very careful R&D, to maintain the product’s shelf life of 6 Months

“Shan Ready To Eat Meal” Product

- Shan Ready To Eat Meal will be initially launched in two variants.
  - **Bombay Biryani**
  - **Chicken Kabsa**

- This product will maintain traditional Shan Foods taste from Recipe Mix for the Variants.
  - The best quality, aged basmati rice, Yogurt, and other vegetables are used in the respective variants
  - Chicken meat from the chicken of approx weight 1.75 kgs is used, to provide good and slimy meat.

“Shan Ready To Eat Meal” Price

- It’s a new category launch, with no direct competition and due to the premature level of the market, its target market is niche. The Pricing strategy for this product is Creaming and Skimming

- It will be attracting Early Adopter, and will help in uplifting overall Brand Perceived Value. The consequences may be low sales volumes.

- The prices are almost twice with its indirect competition, e.g. Student Biryani, Premier Biryani, etc.
Initially, the product distribution will be done in two major cities, Karachi and Lahore.

The product will be placed in:
- Super Markets (Macro, Metro, Aghas, EBCO, etc)
- Kiryana Stores (Groceries)
- Canteens and Cafeterias of Schools/Colleges/Offices/Hospitals

Shan RTEM is packaged in a Retortable/Microwaveable pouch and then in a Box.

SKU (One Serving)
- Weight: approximately 300 g

Promotions are done through all communication channels.

First Stage (Introductory) “No Time? No Worries, Shan Ready To Eat Meal has ya” – Focusing Convenience

Second Stage (Reinforcement/Persuasive) “Wohi Zaia, Wohi Kimusha, Wohi Mayar” – Leveraging Brand Positioning

ATL Promotions
- TVC: TVC will be aired on those TV Channels which hold strong Working Women Viewership, during Primetime (18:00 hrs ~ 23:00 hrs), NOT morning shows or cooking shows. Infotainment and Entertainment Channels like Geo entertainment, ARY Digital, etc. This will increase targeting precision and control massive advertising costs.

- Print: All major News Papers (Dawn, Jang, etc.) as well as Business and lifestyle Magazines.
“Shan Ready To Eat Meal” Promotion

- **RBC**: Radio Commercials will be broadcasted on major Radio Stations during 15.00 hrs ~ 20.00 hrs, weekdays only. It has been observed that, on the way home from work, target audience listen to Radio.

- **OOH**: In Karachi and Lahore

“Shan Ready To Eat Meal” Promotion

- **BTL PROMOTIONS**
  - POS: Shelf Branding, Terminal Branding.
  - KIOSKS: Shopping Malls, Exhibitions, etc.
  - Product Trails and Sampling, Shopping Malls, etc. Specifically during Lunch or Dinner time.

- **Sales Promotions**
  - Incentives: Distributor, Dealers, Retailers etc.

Trade Marketing Plan

- Provide higher Margins than competitors, to the retailer, in order to get more Shelf Space and strong Visibility.

- Product trails and sampling at retail outlets.

- Promotional materials like branded Shelf Banners, & Posters will be given to the retailers.

- Special incentives for Asian Foods Distribution Services for Karachi South

Trade Chain

**Inside Cities**

- Producer
- Wholesaler
- Retailers End user/Consumer

**Outside Cities**

- Producer
- Agents
- Wholesaler
- Retailers End user/Consumer

*ITEM will NOT use Outside Cities Trade Chain*
The Objective of this Brand Valuation Model is to evaluate the effect of Shan RTEM launch on overall Brand Equity

- Annual Sales %age – Shan RTEM only
  - 45% Weight-age
- Trial Rate
  - 15% Weight-age
- Adoption Rate
  - 15% Weight-age
- %age Category Growth (of Previous Qtr Category Growth)
  - 25% Weight-age