Marketing - Roll out plan:

Venus

Communication Strategy Paper
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Background

Venus International is a Dhaka-based company with expertise in developing and manufacturing Tier III certified Venus Stoves that was launched in Dec 2012. The company was incorporated in 2013 after conversion of the proprietorship firm of Mr. Raja, MD of Venus International. Mr. Raja has over two decades experience in selling electrical/electronic products and has been selling solar panels for the last 10 years in the local market. The Venus Stove is priced at USD 30 (*not confirmed yet) and has one year of replacement warranty. It is the only Tier III ICS (tested by Dhaka University and currently in the process of testing it form CRT, Nepal) available in Bangladesh that is locally designed and manufactured.

The main objective of this communication strategy is to aim that in the next Financial Year, Venus will reduce its cost of production by investing in an assembly line for producing the steel frame in-house. It is also planning to conduct market awareness programs to increase its market penetration. Their marketing activities were kind of like halt due to redesign of the new improved model though in the meantime the participated different fairs nationwide (no selling).

So some of the primary objectives are increase awareness about the pellet based improved cook stove among individual and community and it will start by leaking into the urban areas first and then eventually to the semi-rural areas. This will help to create long term sustainable demand in the community. Establish the product as a necessity opposed to luxury, so the consumer feels compelled to buy it and also to increase conversions to achieve the sales milestone of at least 250 units per month.
Geographical focus area

Urban areas are the first prioritized markets for Venus to penetrate. Eventually Venus will move on to Semi-rural areas.

**Mongla, Rampal & Bagerhat** are the suitable zones for market penetration by Venus International. The company possesses local consumer intelligence and thus is familiar with the market. As per their analysis the preferred segment with required purchase power is present in this region.

**Mongla** being a port area consists of a demographic with an improving economic condition. According to the 1991 Bangladesh census, Mongla had a population of 137,947. Mongla Upazila with an area of 1461.22 km², borders Rampal Upazila on the north, the Bay of Bengal on the south, Morrelganj and Sarankhola Upazilas on the east and Dacope Upazila on the west. The main rivers are Pasur and Mongla. This place has an average literacy rate of 49.8%, compared to the national average of 32.4% literate. This group of people is more likely to be interested in a quality-of-life improvement.

Google map link: https://www.google.com/maps/place/Mongla+Upazila,+Bangladesh/@22.1467074,89.3731585,10z/data=!3m1!4b1!4m5!3m4!1s0x3a0043a5eed8a61d:0x977ba8e65faa6153!8m2!3d22.0949839!4d89.6628111

**Bagerhat** being a municipality is the most suitable zone. Bagerhat district has a total area of 3959.11 square kilometres. It is bounded by Gopalganj District and Narail District on the north, The Bay of Bengal on the south, Gopalganj District, Pirojpur District and Barguna District on the east and Khulna District on the west. Main rivers of the district are Panguchi, Daratana, Madhumati River, Pasur River, Haringhata, Mongla River, Baleshwar, Bangra and Goshairkhali. The district today is the fourth largest district in Bangladesh at the basis of area. With proper convincing the consumers can be made to realize the importance of modern stoves. Social status will play a key role in motivating them towards the purchase. The financial state of most of the households here will enable this.

Google map link: https://www.google.com/maps/place/Bagerhat+District,+Bangladesh/@22.3472053,89.1865451,9z/data=!3m1!4b1!4m5!3m4!1s0x3a00167363dbacc7:0x4910c2a119f4d7d!8m2!3d22.6602436!4d89.7895478

**Rampal Upazila** has the lowest income rate of the three. As of the 1991 Bangladesh census, Rampal has a population of 167070. Rampal has an average literacy rate of 45.5%. But with recent industrialization there, it will have a rural middle class community with sudden influx of income, ideal for introducing an improvement to a regular activity of their everyday life.

Google Map link: https://www.google.com/maps/place/Rampal+Upazila,+Bangladesh/data=!4m2!3m1!1s0x3a00205e9b1839!4d89.6628111?sa=X&ved=0ahUKEwjWwOmSqYwjWwOmSqYwJWwOMigQFggigBAA
A secondary focus market would be **Sylhet**. The city has a population of more than 479,837 residents [Source: Bangladesh Bureau of Statistics]. Sylhet is one of Bangladesh’s most important spiritual and cultural centers. It is one of the most important city of Bangladesh just after Dhaka and Chittagong because of many reasons like economy, tourism etc. But Venus under this campaign Venus will only do Social Media marketing and Tele-marketing with partner organizations and direct selling via their retail store.

**Target customer segment**

The market size has been estimated as 22,000 household. Over a span of two years, the targeted market share that Venus Intl. wishes to acquire is **15,000 household**. Sales pitch with higher success rate in the more affluent areas will make sure the target is achieved.

The income level of the users should be moderate as Venus plans on penetrating urban arenas first and the price of the product relatively suits the middle income families better, hence the consumers will have better income level than that of the rural areas.

All the geographical location that Venus plans to run in has a population where men and women who will be interested in engaging are of age 20-45 and average family income ranging BDT 12,000 to 20,000.

**The Rationale**

- No Gas penetration
- Semi puccahouseholds using mud-stove currently and few used LPG
- Shortage of wood or alternatives as fuel for the traditional stoves (especially due to wood cutting & selling ban on woods collected from Sundarban, which is the main source of wood in the target areas)
- A large audience to cater
- Economically affluent to afford the stoves
- Aspire modern life
Marketing Plan

Market Segment

A consumer survey by GACC has identified four consumer segments. Considering the segment characteristics, two segments are suitable for Venus Intl.

Segment 3 – “Modern Kitchen Value”

The consumer characteristics are as below:

- Peri Urban Low Income group
- Have high price sensitivity
- Product needs discounting and credit option to be accessible
- Retail price - BDT. 1,500 – 2,500

Segment 4 – “Modern Kitchen Royal”

The consumer characteristics are as below:

- Rural Middle Class
- Have disposable Income
- Retail price - BDT. 4,000- 5,000

Venus Intl. will simultaneously target the two segments.

The Four P’s Model:

A) Product:

A new Tire 4 product will be launched with this campaign. And the product comes with a promise of smokeless cooking and hassle free cooking experience from the manufacturer. Key features associated with Venus products are:

- Tier-4 design is officially approved by Bangladesh University of Engineering and Technology and Center for Rural Technologies, Nepal.
- It has greater fuel efficiency
- The product bears an option of solar power integration
- Flame can be electrically controlled
- Almost no smoke
- Durable
B) Pricing:

Penetration pricing strategy is used. High quality product is offered at a reasonable price.

The actual product will bear a retail tag of BDT. 2500. Deducting the cost of production and promotion the gross profit realized from the product is estimated to be around BDT. 500. Another version of pricing will be BDT 3500, bundled with solar panel and IPS will be slightly higher as the target market here is the relatively more affluent demographic.

The factor dictating the pricing being low cost of alternative LPG based cooking methods and traditional cook stoves. However it needs to be established that the extra purchase cost for “Modern Chula” will be covered in less than 6 months.

On top of that partnership will be established with networks (i.e. NGOs) that are already having micro credit scheme to give installment purchase facility to the end consumer.

C) Place:

The stove will be distributed through their 34 showrooms in the targeted areas on top of local partnership with retailer which makes it available to all the customers.

There will be partnership with different NGO’s and via them Venus will reach their customers in need. Venus also has been a partner of the company called ‘Technology’ and every time they sell off a cookstove with this palette Venus received a portion of the revenue. So to get easy access, customers can also contact ‘technology’

D) Promotional Strategy

The promotions will be one that focuses on the key areas that are likely to have the most impact considering the demographic of the target consumer, rather than a 360 approach which will not have the same impact.

Hence, different promotional activities are run like Door to Door, TV advertisement, Partnership etc.

The introductory campaign will roll out for 3 months at Mongla. The data and consumer feedback gathered will be implemented in further campaigns which will be gradually initiated.

In alignment with the national branding strategy, the stove will be positioned as “Modern Chula.” The imagery and message will be designed to establish it as a symbol of status upgrade. It needs to be established that traditional cooking instruments are outdated and their replacement is the more efficient, cheaper in the long run, less time consuming and beneficial to health “Modern Chula”. The
publicity will be done in such a way that Venus becomes the representative of stoves of this kind so that even if competition from similar product emerges, Venus will have the upper hand by being more familiar.

**Message Targeting**

While developing the creative content the core focus should be on convince of cooking and long-term saving. For **Men** the key focus should be on Long-term saving and pride. This is also his way of saying he love his wife/mom! On the other hand for **Women** the key is to hassle free cooking and convenience in life and the time she will save and how it will directly benefits her family.

Health should always be the overall umbrella benefits for both.

As the context of selling and segment is different, messages and imageries to create brand perception will be heavily customized to match the local context.

**Communication Design**

As the context of selling and segment is different, messages and imageries to create brand perception will be heavily customized to match the local context.

Irrespective of the segment, the message will highlight

- Hassel free and convenience should be no. 01 priority
- Financial benefits (long run)
- Impact on life
- Warranty
- Customer care
- Certifications/Association/Partnership

**Objective**

The entire strategy will help us to achieve the following: -

**Promotional Objective 1**

Create product awareness. Establishing Venus as the forefront of modern cooking appliances will be the ideal target.

**Promotional Objective 2**

Influence purchase intent and lead sale to **250 units per month**.
Sales Target
Over the 3 months Venus Intl. is targeting total sales of 750 units. The monthly sales target that will be chased is 250 units per month. As Venus is the first of its kind to reach this market the sales forecast is high. Zero competition and being the better alternative will help to reach the target provided proper coverage and marketing has been done.
**Activity 1:**

**Door to Door Marketing**

**Description of the Activity:**
Each retail outlet has 2 employees and plans to hire 5 women executives for door to door marketing. They will visit selected household during the day light hours.

At each household, they will spend about 20 minutes to discuss the agenda with household.

They will try to reach either purchase decision makers or influencers.

After the pitch they will collect the contact details for further communication and fill up a Data sheet for monitoring and Evaluation purpose.

**Target Market:**
The whole activity will be carried in **Mongla, Rampal&Bagerhat**

**Key message for segment**
The product will be introduced as “Venus as Modern Chula”

Product benefits will be disclosed through a video on tab

Health, economic and other usage benefits will be highlighted

Product price will then be disclosed

Contact detail will be collected.

**Chanel of promotions**
- Leaflet with coupons (discount on instant purchase)
- Hotline Stickers
- Product video on tab

**Human Resource Requirement**
Around 15 brand promoters (woman) are required to successfully complete the promotion phase.
Monitoring and Evaluation plan:

SET TARGET:

Household Reach: 25 household per day by 15 women

No. of people getting aware: 25 hpd * 26day * 15 = 9,750 household monthly

Activation period: 3 months

No. of Expected sales in per months: 292 (03% Conversion)

Sample Evaluation Sheet:

<table>
<thead>
<tr>
<th>Performance Evaluation Sheet</th>
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<tr>
<td>Objective of Door to Door activity (or Goal or Purpose):</td>
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<td>Intermediate Result:</td>
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<td>No. of people actually getting aware:</td>
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<tr>
<th>Database Collection</th>
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<td>Data Collection Method:</td>
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<td>Data Source(s):</td>
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<th>DATA QUALITY ISSUES</th>
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<td>Date of Initial Data Quality Assessment:</td>
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<td>Known Data Limitations and Significance (if any):</td>
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<th>Basic Comments (If any)</th>
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<th>OTHER NOTES</th>
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<tr>
<td>Notes on Baselines/Targets:</td>
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<td>Other Notes:</td>
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Activity 2:

‘Hot Spot’ Activation

Description of the activity:

- Venus plans to recruit a street play team that would conduct 01 street drama every week in Khulna region for three months
- Convey the benefits with direct impact on their saving
- Stoves will be demonstrated
- Discount Coupons will be issued

Target Market:

The whole activity will be carried in Mongla, Rampal & Bagerhat. Hat-bazaar and popular areas will be focused.

Channel of promotions:

- Leaflet with coupons (discount on instant purchase)
- Hotline Stickers
- Putting up the product in different fairs, festoons
- Showing a live demo about how it works

Human Resource Requirement

- Apart from the professional Drama team, the Marketing Manager will supervise the entire event.

SET TARGET:

No. of event: 12 events in three months.
No. of people getting aware: 2,400 people (200 people per event)
**Activity 3:**

**Cable TV (Media) Advertising**

**Objective:** Increase visibility and therefore awareness of the brand.

**Medium:** Local TV network only

**Description of the activity**
- Product video ads will be aired from local cable network. The video would be played during breaks in movies screened through cable tv
- Duration 2-3 minutes
- During the movie, there would be a scroll on the screen promoting Venus’s hotline number

**Channel of promotion**
- Local TV network
- AV will contain:
  - Problems with Present Stoves in the Market
  - Disadvantage & Health Hazard by Stoves in the Market
  - A story of a “Woman’s family Life Changing with Venus”

**SET TARGET:**
- Advertisement frequency: 10 times a day for 03 months
- Total number of Ads: 900 spots during the three months campaign
- Reach of people: 50,000

**Activity 3:**

**Outdoor Advertising**

**Description of the activity:**
- The whole campaign will be run outside houses in open arenas making sure that it increase visibility and therefore awareness of the brand.
**Channels of Promotions**

- Festoons or banners and posters – will work as a reminder of Venus stoves
- Miking (announcement) will be continued – For awareness and inviting people for the weekly Drama

**SET TARGET (Festoons or banners and posters/Miking):** Print/Outdoor materials - 1500 Leaflets, 500 festoons and 5000 posters.

Reach of people: 20,000

**Activity 4:**

**Partnership**

Venus is partnering with a company called “Technologies” to do conduct targeted FB and Tele-marketing to users in Khulna and Sylhet region.

**Description of the activity**

Targeted online campaigns and later followed by a Tele-marketing team. This will create partnership with existing network to multiply the effect

**Channels of promotions**

- Facebook and popular websites
- Local Newspapers
- Mobile Telephone

For the creative of the campaign the partner will do all the activity (adopting from the mater creative developed by Venus)

**SET TARGET:**

Reach of people: 500,000

Sales: 500 monthly (expected by the vendor)
Customer Care Plan:

Description of the activity

The customers will be followed up about their decisions of buying the cook stove and they can also contact back if they want to buy more or if they are facing any problem.

Channels of promotions

A hotline number will be given and will always be attended by the Venus employees so that all the queries can be addressed.
Promotional Time Line

The promotional program will roll out for a period of **3 month initially**; rollout starting from March week 01 to May week 04.

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