



Marketing - Roll out plan:

Eco-Fuel

Communication Strategy Paper

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Background

Pellets & Briquettes offer a lot of benefits to users as compared to wood fuel and are more energy efficient, easily combustible and easy to store. On the basis of such advantages “Eco-Fuel Industry Ltd.” is a pellet & briquette manufacturer in Dhaka, Bangladesh founded by MD. Nurul Huda and M.A. Bashir Chowdhury. It was incorporated as a private limited company in July 2014. The objective of the company is to promote the usage of eco-friendly bio-fuel such as pellets & briquettes. The company has sold over 650 tonnes of pellets and briquettes since the launch of its operations in January 2015 and is the only player manufacturing clean cooking fuel in Bangladesh and produces 4 variations of its fuel: pellets in 6 mm, 8 mm & 10 mm size and briquettes in 90 mm size cakes, which are all exclusively made out of sawdust.

The company is the only player that has introduced such a product and is a pioneer in the biofuel segment in Bangladesh.

Eco-Fuel has recently experimented with developing a pellet based cookstove targeting commercial users and has supplied it to tea stall vendors. With this, the company aims to create awareness about the advantages of pellet based cookstoves within the community.

Founders are competent in both technical & operational aspects and have invested significantly (over USD 85k) in establishing a production facility. Additionally, the company has already developed key relationships with top pellet cookstove manufacturers that can facilitate rapid scaling in target markets in the medium term.

However, due to relatively low market demand for pellets, the company has been able to utilize less than 10% of capacity thus far. It is evident that the company will have to intensify its Business Development activities to improve sales and hence it requires a very strong marketing plan. Presently, a majority of the customer base is cookstove manufacturers, so the company needs to connect directly with “end-users” and create awareness about alternative fuels like pellets as well as remove negative notions related to pellet based cooking.

Geographical focus area:

Feni, Khulna (Mongla) & Laxmipur is the suitable zone for first operation for Ecofuel , Luxur & Greehini Chula will run sales campaign in the zone. Other than this the other markets where there have been sales of stoves but pellet is unavailable will be identified and addressed.

Feni is a district located in the South-Eastern part of Bangladesh Administrative division of Chittagong. As of 2015, the district's estimated population stood at 1,437,371, making it the ninth-most populous district in Chittagong Division. The administrative hub of the district is in Feni Sadar, in the central section of the district.

Google map link:

<https://www.google.com/maps/place/Chapainawabganj+District,+Bangladesh/data=!4m2!3m1!1s0x39fbaf7578390b7f:0xde4d28e6a17c8b2f?sa=X&ved=0ahUKEwj0kpfKhZTSAhVJQo8KHRq7CskQ8gEIGDAA>

Mongla is situated in Kulna division. According to the 2011 Bangladesh census, Mongla had a population of 137,947. Males constituted 54.73% of the population, and females 45.27%. The population aged 18 or over was 77,995. Mongla had an average literacy rate of 42.8% (7+ years), compared to the national average of 32.4% literate.

Google map link:

<https://www.google.com/maps/place/Mongla,+Bangladesh/@22.4931068,89.5670264,13z/data=!3m1!4b1!4m5!3m4!1s0x3a002443c92698d1:0xcc234547f8c6ff9a!8m2!3d22.4942196!4d89.6016171>

Lakshmipur or Laxmipur District with an area of 1455.96 km², is a district of Bangladesh. It is bordered by Chandpur District to the north, Bhola and Noakhali districts to the south, Noakhali District to the east, and Barisal and Bhola districts to the west.

Google map link:

<https://www.google.com/maps/place/Lakshmipur,+Bangladesh/data=!4m2!3m1!1s0x3754c164d7252c0f:0x2ff6bb814b6f2a69?sa=X&ved=0ahUKEwjMk6jXh5TSAhUFSY8KHTyNAb4Q8gEIGDAA>

Target Market Segment:

And existing estimated base of 30,000 households who are currently using pellet based stoves, encourage them to use the pellet stoves regularly

The Rationale

- Highest penetration of pellet based stoves
- Available distribution network (built 3 distribution hug already)
- A large audience to cater
- Economically affluent to afford the pellet regularly

Marketing Plan

Marketing Objective

The marketing plan has been designed keeping two objectives in mind.

Objective -1

Creating a distribution channel around the pellet based Modern Stove market

Objective -2

Increase conversions to achieve the sales milestone of at least 60 tons from 3 centers. This will help to make the business financially viable.

Market Segment

Users of pellet based ICS.

The Four P's Model:

Product:

The company has sold over 650 tons of pellets and briquettes since the launch of its operations in January 2015 and is the only player manufacturing clean cooking fuel in Bangladesh and produces 4 variations of its fuel: pellets in 6 mm, 8 mm & 10 mm size and briquettes in 90 mm size cakes, which are all exclusively made out of sawdust. Packaging can also be done and currently it is packaged as a commodity. There are many benefits of using the commodity offered by Eco fuel, some of them are:

The company is the only major biofuel manufacturer in Bangladesh and as the first comer has the huge potential so the product is still very unique.

Along with pellets it also manufactures clean cook stoves.

Ensures cost and quality advantage.

Imported machinery and an efficient operational set-up ensures quality and energy efficient pellets & briquettes

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. 13 per kg**. Deducting the cost of production and promotion the gross profit realized from the product is estimated to be around **BDT. 4 per kg**.

Since the market for ICS is new, to give it more acceptance and credibility price reduction will be on par with pellet based stoves. And as there are no competitions it gives the company more leverage for product affordability.

Place:

To make products available Ecofuel opened new three distribution hubs to distribute the pellet to most penetrated pellet based stoves areas in Bangladesh. It will also reduce the end consumer cost of purchasing pellet from retail.

The hubs are at laxmipur, Feni and Mongla. The pellets can be purchased from these hubs or also can be contacted as the distributors.

Promotion

To increase the popularity and awareness of the palette based stoves below there are mentioned few strategies that will be implemented. Alongside, different activities are also taken like door to door, outdoor, social media, partnership etc. The idea is to increase the demand for these palette based cookstove to not only get a hike in sales but also to achieve the aforementioned benefits.

Promotional Strategy

Promotional campaigns will be paired with the promotion for pellet based stoves as they are co-dependent. Public demonstrations will be arranged as well as door-to-door marketing and will be used as the core value proposition of the brand. The focus will be on the benefits of using pellets over traditional fuels. Smoke free, efficient and faster burning are three points that will be highlighted. The product being eco-friendly will also be mentioned.

Objective

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

Promotional Objective 1

Create product awareness.

Promotional Objective 2

Influence purchase intent and lead sale **to 60 tons per month.**

Sales Target

Over the 3 months Eco Fuel is targeting total sales of 180 tons. The monthly sales target that will be chased is 60 tons per month.

Activity 1:

Co-campaign with Pellet based stove manufacturer

Details of the activity:

- ▮ Convey the benefits of using pellet based stoves along with manufactures
- ▮ Stoves will be demonstrated (Virtually)
- ▮ Discount Coupons

Target Segment:

The whole of this activity will be done in Feni , Khulna (Mongla) & Laxmipur

Channels of promotion:

Leaflets sticker and household visit will be the medium here.

SET TARGET:

Household Reach: 25 household per day in three locations

No. of people getting aware: 25 hpd * 26day * 6 teams = 3,900 household monthly

Duration: 01 Month

Sample Evaluation Sheet:

| |
|--|
| Performance Evaluation Sheet |
| Objective of Door to Door activity (or Goal or Purpose): |
| Intermediate Result: |
| No. of people actually getting aware: |
| |
| Database Collection |
| Data Collection Method: |
| Data Source(s): |
| DATA QUALITY ISSUES |
| Date of Initial Data Quality Assessment: |
| Known Data Limitations and Significance (if any): |
| Basic Comments (If any) |
| |
| OTHER NOTES |
| Notes on Baselines/Targets: |
| Other Notes: |
| THIS SHEET LAST UPDATED ON: / / |

Activity 2:

Door to Door marketing (for current user only)

Details of the activity

- Volume sale to current users
- This is done to increase the sales and supply of pellet to pellet based stove uses
- Making sure they continue use the stoves and showing the direct impact on their saving in long run.
- At each household, they will spend about 10 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

Key messaging

- ▮ The value of continuing the use of pellet in saving
- ▮ Health, economic and other usage benefits will be highlighted
- ▮ Discount on bulk order
- ▮ Also work as customer care agent for their stove complain (if any)
- ▮ Contact detail will be collected.

HR Requirement:

- ▮ 12 locally recruited brand promoters will visit selected household (from stove selling database) during the day light hours.

Channels of promotions

- Leaflet with coupons (discount on instant purchase)
- Hotline Stickers

SET TARGET:

Household Reach: 25 household per day in three locations

No. of people getting aware: 25 hpd * 26day * 6 teams * 2 months = 7,800 households

Duration: 02 Month

Activity 3:

Promote Local Vendors (Shops)

Details of the activity

- ▮ Two folds effect, first establishing Business to Business retail partnership with local shops and then encouraging the shops to become an advocate of pellet to local customer
- ▮ Inform and convince local vendors about the pellet
- ▮ Encourage the vendors to sell the product from their shops.

- Provide special incentive and ask them to promote pellet to their customers

Channels of promotions (from shop to local customer):

Promotions will be done by spreading out Leaflets, banners, Stickers etc through which they will be informed about the advantages of using our product. Additionally discount offers will be given to grab more attention.

Target Segment:

This whole activity will be focused on the local grocery shops and the target audience will be the ones who visit the grocery shops.

SET TARGET:

Reach 50 shops in every location ($50 \times 3 = 150$)

Activity 4:

Social Media (Facebook Only) Approach

Details of the activity

- Mainly visual based AD to grab the attention of people of every gender/age/class and the target audience will be semi-urban people.
- A video will be made just to promote through Facebook. It will circulate among the target group.
- Announce huge sales discount on pallets showing comparison between previous and discounted price
- Broadcast live video showing how pallets works
- Post video of a satisfied user of the pallet users
- Convey the health benefits and cost effectiveness through graphical information

Target Segment:

The entire activity will be carried in Facebook.

Channel of promotions:

The promotions will be taken via facebook posts and video.

SET TARGET:

Reach of people: 100,000

Sales: 50 monthly (expected by the vendor)

Activity 5:

Outdoor Marketing

Details 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

Target segment

The whole activity will be carried out in the aforementioned space but the focus will be more into the crowded places since it will be run outside the houses.

SET TARGET (Festoons or banners and posters): Print/Outdoor materials - 30000 Leaflets, 1000 festoons and 1000 posters.

Reach of people: 20,000

Business to Business (B2B) Communications:

Ecofuel will invest time and money to build the rapport in B2B communications. The idea is to ensure bulk selling.

The entire communications will take place through mapping the potential customers first. Then the individuals will be recruited and trained to go up to the customers and convey the message clearly. To make sure this activity runs properly, Eco fuel can offer target oriented discounts, give special delivery etc.

SET TARGET: Achieving the target of selling in bulk.

Customer Care Plan:

The customers will be followed up about re offer and availability of Pallets 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 Eco-fuel representative so that all the queries can be addressed. And customer also able to place is pallet order here.

Promotional Time Line

The promotional program rolled out for a period of **3 month initially** from March week 01 to May week 04.

The plan of rolling out creative development production will start by the second week of May.

| | Sl. | Activity | W1 | W2 | W3 | W4 | W5 | W6 | W7 | W8 | W9 | W10 | W11 | W12 |
|-------------------|-----|--|-------------------------|----|----|----|----|----|----|----|----|-----|-----|-----|
| PREPARATION PHASE | 1 | Field Execution Planning | ✓ | | | | | | | | | | | |
| | 2 | Mapping the Resources & Household | ✓ | | | | | | | | | | | |
| | 4 | Mapping the Ambassadors / Activation points | ✓ | | | | | | | | | | | |
| | 5 | Retail Decoration | ✓ | | | | | | | | | | | |
| | 6 | Supply Chain Creation | ✓ | | | | | | | | | | | |
| | 9 | Brand Promoter Recruitment | ✓ | | | | | | | | | | | |
| | 10 | Promotional Material Development | By 25 th May | | | | | | | | | | | |
| | 11 | Launch | | | | | | | | | | | | |
| EXECUTION PHASE | 12 | Co-campaign with Pellet based stove manufacturer | | | | | | | | | | | | |
| | 13 | Door to Door Marketing (for current user only) | | | | | | | | | | | | |
| | 15 | Outdoor Advertising | | | | | | | | | | | | |
| | 16 | Promote Local Vendors (Shops) | | | | | | | | | | | | |
| | 17 | Customer Care | | | | | | | | | | | | |