Ghana G-Lab Team Final Presentation

January 23, 2006

Rachel Lawson - Kenichi Honna - Brendan Monaghan - Casey Gordon

Marketing Strategy – the 4Ps

Promotion - Brendan

- "Market Days"
- Signage and Display of Products
- Setting targets

Place - Casey

- Retailer options, training/education,
- Expansion (Shops, Stalls, Markets, Filling Stations)
- GPS/Database

Price - Ken

- Sourcing options
- Competitive pricing
- Incentives

Product - Rachel

- Focus on product mix
- Better design based on user feedback (flow rate, capacity, cost)
- Packaging and testing

Strategic Focus



Activity (Promotion, Place)

Sustainability (Product, Price)

Priorities - Place

- > Plan of action for retailer communication and acquisition
- > Training Day schedule and Work Plan

4 Ps - Place

Training & Education

- Information flow from Hamdiyah and Wahabu to retailers
- Product use, maintenance, demonstration, display
- Flow back of customer feedback
- Follow-on customer issues

Expansion

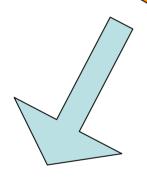
- Adding new retail outlets for products in Tamale metro area
- Shops, Stalls, Markets,
 Filling Stations,
 Pharmacies
- Direct Marketing campaigns
- Salesperson training days

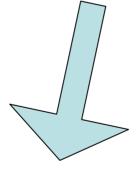
GPS & Database

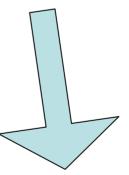
- Quantitative metrics of progress
- Monthly monitoring tool for Susan
- Benchmarking tool for Hamdiyah and Wahabu to track sales/meeting targets

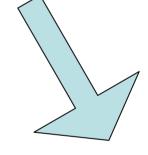
Expansion











Direct
Marketing commissioned
agents (Avon
model)

Pharmacies, Super Markets and Filling Stations New Retail Outlets in Tamale Market Local Institutions, Organizations (Banks, Schools, Churches, etc.)

Retailer Communication

Existing

- Sales information
- Customer responses and concerns
- Education on maintenance and use
- Product updates
- Retailer input/ideas for improvement

New

- Selection process issues and target number for each week
- Identify decision makers for discussion
- Products pitch
- Terms of payment and commission
- Retailer input/ideas for improvement

Training

Retailers

- Recruitment in Tamale and Savelugu
- In shop training of products and maintenance before sales
- Brochure of product description
- Retailer responsibilties in customer relationship
- Product display and signage

Salespeople

- Recruitment with fliers and at Market Days
- Setting up Training Days every month
- Describe value propostion: social need for product, financial savings from reduced illness
- Contract terms, collection responsibilities, commission details

Priorities - Promotion

- Establish weekly goals and action steps for <u>activity</u>
- Develop cost-effective methods for spreading the word about Pure Home Water

4 Ps – Promotion

Preparation

- Review existing sales presentation
- Develop <u>detailed</u>
 schedule for each upcoming quarter
 - OrganizationPresentations (4)
 - Identify desirable market days (1)
 - Communities to visit (1)

Activity

- Identify key organizations and schedule presentations
- Prepare for upcoming <u>market days</u>:
 - Contact partners to assist with presentations
 - ■Put up posters, other promotional materials
 - Contact local retailers (especially existing ones)
- For <u>community</u> meetings, contact local chiefs, coordinate meeting place, send invitations, etc.

On-going Promotion

- Promotional materials for use by retailers
- Radio & Television Advertisements
- Other creative ideas:
 - -T-shirts
 - -Packaged SODIS bottles

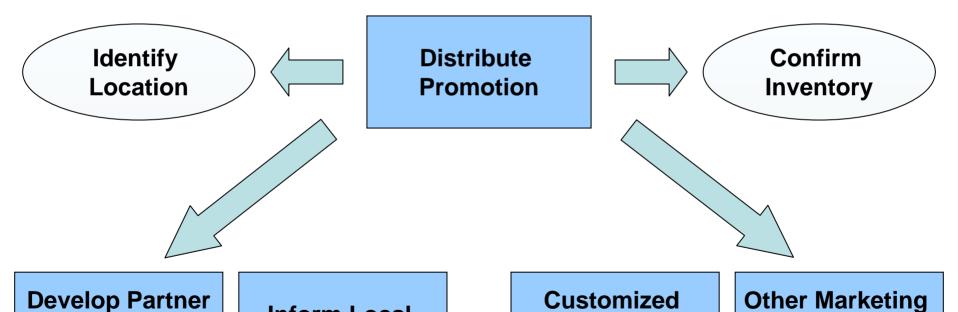
Promotion – Sales Presentation

Key Take-Aways

- Delineate Water Purification Products from Storage Containers
- > Educate customers on water-borne sicknesses:
 - Water Source
 - > Transportation
 - Storage
- Provide Value Proposition: Filter Cost vs. Sickness Costs (e.g. hospital bills, lost wages, etc.)
- Price and Payment Terms
- Ask for the Sale!!!

Priorities - Promotion

Preparation for Market Day



Marketing

(fliers, radio, etc.)

(World Vision,

Churches, etc.)

Inform Local

Retailers

Relationships

(Sch. of Hygiene)

Pricing – Margin Analysis

- Margin Analysis
 - Identified breakeven price and breakeven production level
 - Raised price in Market day
 - One of the deciding factor to go local manufacturing
 - Sales commission 5,000 cedis for filters
 - Identified need for negotiation with Tamakloe (Details shown in 'Product' part)

Pricing - Accounting

- Accounting is basis of pricing
 - P/L is the
- Accounting system
 - P/L based on accrual accounting
 - FIFO Inventory control
 - Depreciation (Computer/furniture)
 - Budget based on accrual accounting
 - Sales ledger
 - Easily track sales by product/by retailer/by payment method (installment/upfront)
- Accounting Manual

Budget and Reporting

- Establish template for monthly report
 - Monthly P/L
 - Monthly Sales report
 - Sales by product /by retailer/by payment method/by region?
 - Monthly Indicator report
 - Promotion metrics
 - Sales metrics
- Reviewing budget

Product – Action Summary

- Reduction of product list, based on
 - User feedback
 - Bacterial tests results

CT Filter: Negotiation with P.Tamakloe

Product – Assessment

Water Purification Products

			Decision	Comments
Produts Offered by PHWP	CT Filter		/	Negotiation on conditions with current supplier
	Nnsupa Filter		še	Lower bacteria removal (98% bacteria removal versus 100% for CT Filter) User feedback
	Biosand Filter	Tarana Tarana Tarana	1	Not yet ready for sale
Other Products	Chlorination		še	User acceptance issues Supply issues
	SODIS		it	Uncertain business model

Product – CT Filter Negotiation

Purchase price

- 37% price reduction on ceramic filter verbally mentioned
- Final agreement still in progress
- Increase volume per order to 500 units

Transportation

- Improvement of packaging at no additional cost
- Transportation of ceramic filters in P.Tamakloe's truck

Product

- > Enlargement the lip of the filter
- Reduction of irregularities

Product – Next Steps

Nnsupa Filter

- Reach out to owners of Nnsupa Filters to offer exchange
- Get reimbursement from M.Commeh for returned items

CT Filter

- Finalize agreement with P.Tamakloe
- Assess opportunity to produce filters locally

Biosand

- Get filter ready for sale

Product – Key Recommendations

Provide sufficient explanations to customers for an appropriate use of filters

- Regularly get feedback from clients
 - Talk to retailers
 - Monitor number of returned items

Check quality upon reception from suppliers

Group Priorities

Promotion

Place

Price

Product

- Weekly activity goals
- Cost effective methods
- Retailer communication and acquisition
- Training activity

- Margin analysis and target sales
- Template for monthly reporting
- Negotiations with Tamakloe
- Focus product mix / feedback