

# FRESH ELECTRIC FOR HOME APPLIANCES TWIN TUB WASHING MACHINE

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Marketing Plan

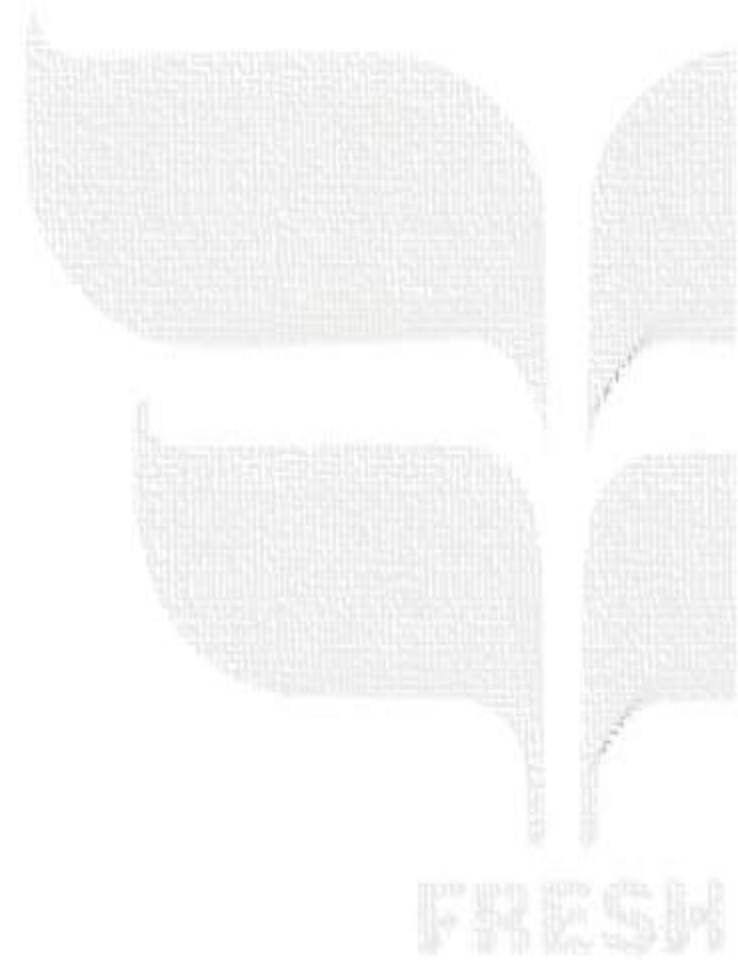
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# 1. Executive Summary

- FRESH Co. was established in **1987** as an Egyptian domestic brand has **12 factories** located at 10<sup>th</sup> of Ramadan city on area 250,000 m<sup>2</sup> with plenty of **feeding industries** (*EPS, Corrugated carton, thermostats, heaters, dies, molds, painting, coating, and coils*).
- FRESH Co. got **ISO9001/2015**, export to more than **50 countries** in Europe, Middle East, Africa, far east (South Korea) & Latin America.
- Assets value exceeds **5 Billion EGP** & Turn over of 2016 will exceed **3.12 Billion EGP**.
- We rank as No. 1 in exporting home appliance in Egypt with annual volume of **200 million USD**.
- We are 1<sup>st</sup> home appliances manufacturer open production facilities in both **Georgia** (CIS country) and **Ethiopia**.





## Twin Tub Washing Machine (TTWM):



- **Fresh Co.** is the 2<sup>nd</sup> market leader after **Toshiba**.
- 2016 turn over is **360 M EGP**.
- 38% of production exported to Algeria, Morocco, Saudi Arabia, Sudan, Nigeria, Jordan, and Ghana.
- Our production in 2016 is **700,000 WM** and our plan to reach **1,000,000 WM** in 2017.
- The range of WM family is from capacity of 5, 7 and 8 Kgs for **Twin tub WM**.
- We have both stainless steel and plastic spin tub WM.
- We have our own facility of injecting plastic with range varies from 250 - 2000 Ton capacity, so we are able to inject all plastic parts that we need.



## Advantages of TTWM:

You might think that having to move the clothes from the wash tub to the spin tub is a little bit of a hassle, but it has a range of advantages:

1. TTWM are actually one of the most water efficient options.
2. TTWM use less water than a front loader does.
3. In order to do a load of clothes, you can reuse the water for more than one load of washing, No other type of WM allows you to reuse the water.
4. The spin tub in the machine is remarkable, spinning the clothes much drier than any other WM can. Removing so much excess water means that your clothes will dry so much faster, whether you are hanging them on the line outdoors, indoors on clothes horses, or using the dryer.
5. TTWM can also wash your clothes much faster than standard machines – saving you time overall.
6. Use any kind of detergent .
7. Safe for children than front loading.
8. Low weight and you could easily change its place without any additional preparation.

## 2. Environmental Analysis (PEST):



### Political

- We have a good relationship with Arab countries, Africa, CIS countries, China and South Korea.
- Egypt is in a good stable situation.



### Economical

- The government increased the customs duties, which lead to increase the opportunity of local manufacturer.
- Many benefits (Tax refund & subsidizes) to encourage local manufacturing Co. for exportation.
- Egypt market now is suffering from slowness of economy, currency devaluation and floatation policy.



### Social

- The Population is over 92 Million, The median age in Egypt is 24.8 years.
- The high income people (A<sup>-</sup> & B<sup>+</sup>) use our products as secondary use in resorts or for children clothes.
- The middle and low classes (B & C) use TTWM for using cheap detergents, high performance and durability.



### Technology

- We already manufacturing 50 % of MW components.
- We are preparing & setting up the 1<sup>st</sup> factory for washing machine motor in MENA region, it is considered as 40% of the washing machine components.

### 3. Strengths and Weaknesses



#### Strengths

- **Fresh Co.** is ranking as No. 1 as exporter Home Appliances Co. in Egypt (Exportation resemble 30 % of production).
- Exportation give **Fresh Co.** competitive edge over the competitors, due to the availability of foreign currency.
- High caliber & professional team.
- Having our own feeding facilities (Carton boxes , Foam (EPS) & Thermostat), we depend on external supplier for 30% of our materials.
- Cost effective Products.
- Excellent customer services.
- Good quality.

#### Weaknesses

- **Fresh Co.** is a family business led by a **Visionary Leader** (i.e. Visionary leader NOT Visionary system).
- Inappropriate Advertising in media & social media.
- The packaging is not significant.
- Distribution chain is not well controlled & not diverse.
- Strategy looking for the backward integration only.
- Egyptian brand not a franchised brand as competitors, which might be seen of low prestigious in some social levels which tend to show off.



## 4. Opportunities and Threats



### Opportunities

1. Governmental encouraging for the local industries & exportation benefits.
2. Penetration new markets using the foreign facilities at Georgia & Ethiopia.
3. Lack of supply & high price of the imported & assembled products due to currency devaluation.



### Threats

1. Fierce Competition from other local players {*El Araby Group (47%), Universal Co. (7%) and Union air(3%)*}.
2. Lack of Foreign Currency in domestic sources (it resemble a problem for our local suppliers).
3. Economical situation instability.



## 5. Marketing Objectives:

We believe that we can increase the sales of the total rang of TTWM by 25% in the local market at 2017.



## 6. Marketing Strategies

### • Targeting:

#### □ Geographical:

- Upper Egypt , North Cost & Sinai.

#### □ Demographic:

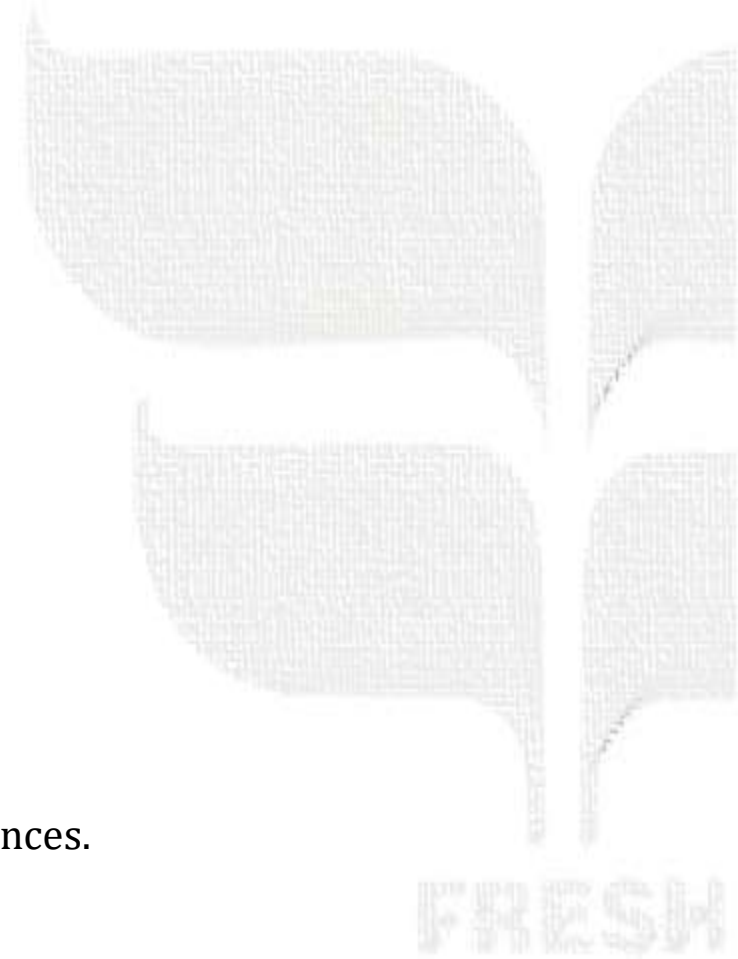
- 30 - 50 years Egyptian females & Males.
- Small to large size family.
- Interested in the design that matches the rest of the place.
- Low weight Washing machine, easily used & need cheap detergent.

#### □ Psychographic:

- Social classes (A<sup>-</sup>, B<sup>+</sup> & B): use the product as secondary use in resorts.
- Social Class (B<sup>-</sup> & C): Premarital, large families & those who upgrade their home appliances.

#### □ Behavioral

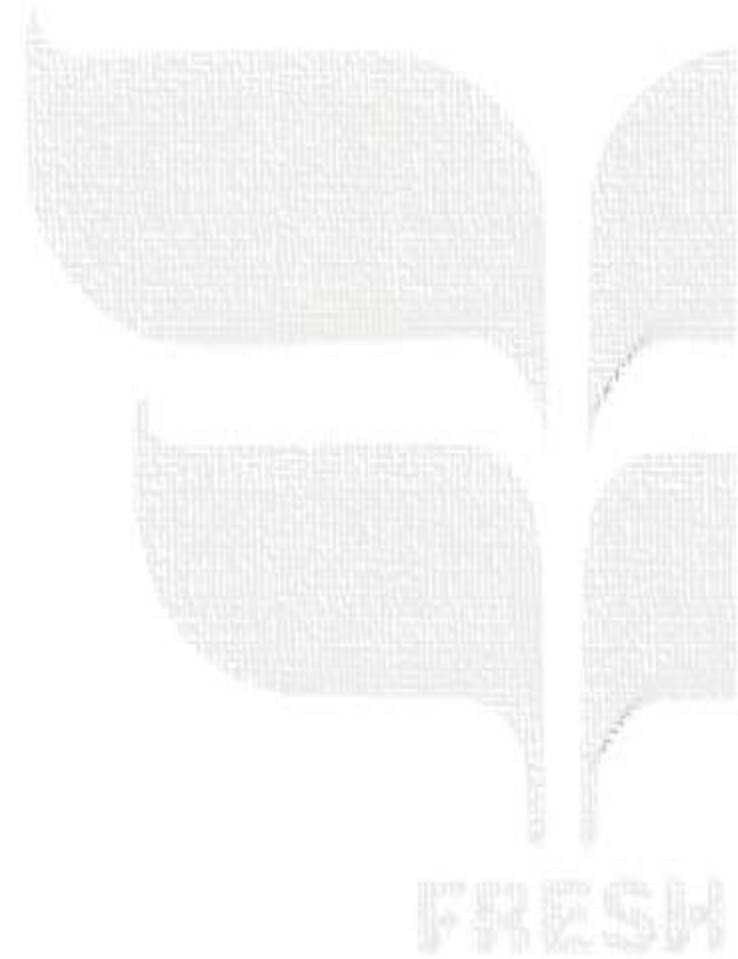
- Active, occasionally & heavily use cloth washing.



## 6. Marketing Strategies:

### • Positioning:

1. Cost effective & affordable product.
2. Safe water, energy & time.
3. Have several capacity according the family size 5, 6, 7, 8, 9, 10 and 12Kgs.
4. High Quality.
5. Practical & easy use of the WM.
6. Good & fast maintenance service.
7. Made with proud by Egyptian hand.



## 6. Marketing Strategies(4Ps):



### 1. Product: (Twin Tub Loading Washing machine):

- We will give the product brand name “El Duetto” «الدويتو» for the Egyptian market.
- Widening the range of “El Duetto” to include capacity of 6, 9, 10 and 12Kgs to fit more with the large family size.
- Produce another 3 colors of the products (Transparent Blue, Red & Gray) in addition to the white.
- Change the design to be more simple & elegant.
- Improve the type of printing material on the top of “El Duetto” to be more stable.
- Change the design of the outer carton.



## 6. Marketing Strategies (4Ps):



### 2. Price:

- a) **Fresh Co.** has been a brand that has earned the trust of the consumers through its policies and products. Amongst them is their pricing policy. A true pricing policy is supposed to be a gray area that hovers between the maximizing of profits and the costs undertaken without exceeding the market expectations.
- b) Our price is less than our main competitor (*El Araby Group*) by 15%, before currency devaluation.
- c) **After currency devaluation** our price less than Al Araby Group by 30 %.
  - “El Duetto” 5 Kgs – L.E 1145
  - “El Duetto” 7 Kgs – L.E 1270
  - “El Duetto” 8 Kgs – L.E 1350
- d) Discount can work within the limits of 10 – 15 %, when customer buy another product (*Heater or Fan*) from Fresh Co. and during high seasons.
- e) Make offer for the premarital, if they buy all their home appliance (Fridge, air conditioner, Cooker & “El Duetto” ), from Fresh by discount 25 %.

## 6. Marketing Strategies(4Ps):



### 3. Place:

Fresh is present through various channels in the market. It works on the channel marketing concept wherein there are two segments:

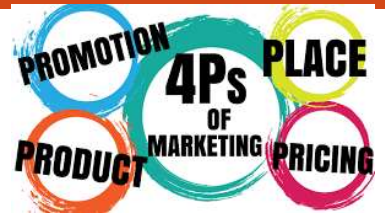
- a) Sales and service dealers, They handle key accounts for **Fresh** and are involved in corporate sales, some of them may also open exclusive Fresh showrooms.
- b) The Modern retail segment including large retailers as Carrefour, B – Tech, Mercato & Hyper 1. The retailers are bound to keep **Fresh** as an alternative for their customers.



We are planning to set up the following:

- a) Create our own store “**Fresh Stores**” at the weak distribution area as Upper Egypt, Sinai & North Coast.
- b) Rent an occasional booth at the Huge retails to show off our products by our own sellers.

# 6. Marketing Strategies(4Ps):



## 4. Promotion:

We plan to use multiple forms of promotions:

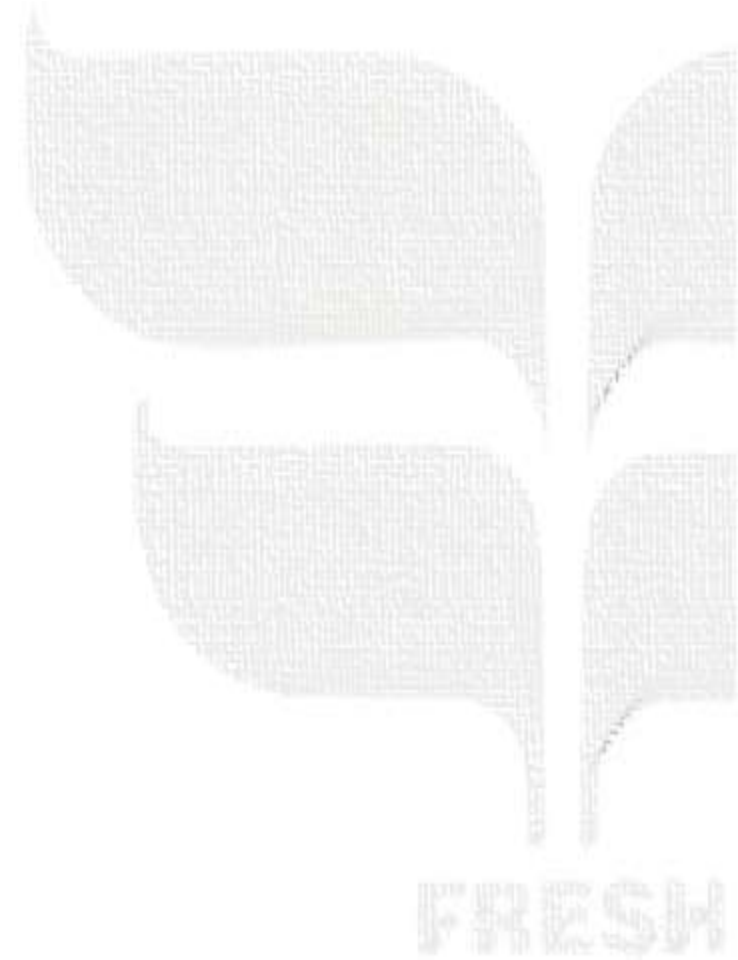
- a) TV, Radio & Press ads. is a very strong tactics to push the product to the customers, we will ask for celebrity who have the same strategy of the company as “Naglaa El-Shershaby” or “Elset Ghalia” , intense the ads during the high season.
- b) Share with company of ordinary detergent “Ariel, Persil, Tide, OMO or SAVO” at the TV ads.
- c) Using the Company’s vehicles across the year as a moving ads. all over the year.
- d) Sponsor & Share at some festival which concern about “Made in Egypt” & “Buy the Egyptian Products”
- e) Add some function for the existing call center as “making surveys, announce the campaign of free maintenance”
- f) Using mobile service to send messages to customers about our campaign, discounts, new stores.
- g) Create movies for the instruction and the data “El Duetto” catalogue & how could the customer maintain the product.
- h) Using the social media as Facebook for more contact with customers, doing survey & announcement.
- i) Make incentive for the best seller retailers “Trips or Bounces”.





## 7. Implementation

1. R&D search for more stable ink for the printing data.
2. Change the design of the carton box.
3. Arrange for new range of “El Duetto” of
4. Offers & discounts:
  - Mother’s day
  - Winter & Summer.
  - Premarital offers
5. Renting booth, setting up Fresh Stores
6. TV, Radio & Press Ads.
7. Vehicle's Boosters.
8. Mobile’s message service.
9. Sponsoring festivals.
10. Fillers for ads. or survey.
11. Movies on YouTube.



# 8. Budget

Yearly Marketing Budget	Q1			Q2			Q3			Q4			Totals
	January	February	March	April	May	June	July	August	September	October	November	December	
<b>Fresh Stores</b>	400,000			400,000			400,000			400,000			1,600,000
<b>TV, Radio &amp; Press ads</b>				1,000,000									1,000,000
<b>Pormotions</b>		200,000						200,000					400,000
<b>Upgarde website</b>	200,000												200,000
<b>Sponsoring festivals.</b>			300,000			500,000							800,000
<b>Wholesalers events &amp;Trips(bigest 20)</b>					500,000								500,000
<b>Free Customer Services campaign</b>		300,000				400,000			400,000				1,100,000
<b>Call center</b>	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,200,000
<b>Total marketing Budget</b>													<b>6,800,000</b>
<b>Company's Target sales</b>													<b>300,000,000</b>
<b>Company's Target Profit</b>													<b>75,000,000</b>
<b>Expressing marketing as a net profit</b>													<b>9.07%</b>
<b>Expressing marketing as a percentage of sales</b>													<b>2.27%</b>

## 9. Control

- **Customer Feedback:**

monitoring of customer feedback through polls and surveys.

- **Target Market Sales:**

Actual sales in the target market are compared to the marketing plan projections and last year comparison to see if any changes need to be made.

Thanks a Million 😊

