

CGC note for a new business. (primarily for SMEs).

Objective

To develop a comprehensive Business, Marketing strategy for entering the GCC markets with a portfolio of products/services.

Further, to develop Brand (s)/portfolio marketing mix that taps the needs of the customers/consumers in a distinctive manner, and grow the business sustainably.

Questions that need to be answered.

(Company name has been used as “JV”)

1. Business strategy development.

These questions will help to develop a comprehensive business strategy.

- **Situation analysis**

What is happening? Why? What does it mean to us?

This is where critical information is gathered, sorted, analyzed and linked up.

1. Which category/segments is JV planning to enter?
2. Which geographies? Will there be a phased approach? (eg. Saudi Arabia first)
3. What do we know about the consumer in the various categories and segments?
4. Which segment of consumers do we want to go for? How are we going to decide that?
5. What need of the consumers are there across each category/segment? Which are the big ones? Is competition already tapping this need? Which competitor? Which needs should JV go for? How will it be distinctive? Why will a customer/consumer shift to JV?
6. Are we going for Adult consumers? Baby? Feminine? Combination?
7. Who are the competitors in the various segments?
8. What kind of brands operate in this category / segments? Are there Master brands, sub-brands? What is the current thinking? What is the positioning of the various competitive brands? Is there a gap in the market? Is there a need that has not been tapped? Has this been identified?
9. What product attributes need to be in focus? What will be the product benefit? How will this translate into a benefit for the consumer that is distinctive?
10. What should be JV's frame of reference? What is the problem/opportunity

statement?

11. What are the different Trade channels across geographies? Key Accounts/ Wholesale/ Retail what are the splits? Where is the focus going to be? Does it need to be a phased approach?
12. What are the Trade margins across different channels?
13. What are JV's strengths ? Weaknesses?
14. What is its technical capability? Which categories/segments?
15. What are the manufacturing capabilities? Supply chain? Processing? R&D?
16. What levels of investment? And capacity? Is it 3rd party or self-manufacturing? How will Quality be monitored?
17. Have any resources been identified? Manpower? (Managerial/Staff).
18. How are Financial resources being planned?
19. Has a 3-5 year business financial projection (broad plan) been prepared?
20. What are the business constraints?
21. What are the key strengths (if any) that can be leveraged?
22. What are the competitive advantages that JV has that could be translated into a strategic advantage?
23. What are the glaring weaknesses that it needs to be protected from (some of the world's largest companies might be playing in this segment – as an example Unilever, P&G, L'oreal, Estee Lauder, Nivea, Kraft, Nestle, Mars etc.....).

- **Business Objective**

Snapshot of the future, what success should look like?

Business objective would be specific and have measurable outcomes.

1. What are the category/segment growth in the past? What is the expected growth in future? How does this play out by market?
2. What are the broad volume, value projections in each of the category/segment that JV wants to enter?
3. How do we define its Market share target? What will be the Revenue target?
4. What will be the KPIs (Key performance indicators) for Sales to be achieved – Distribution metrics, Visibility metrics .. etc..? What will be the targets for Lead time, cycle time and frequency of coverage?
5. What will be the KPIs for Cost efficiency? Reworks, Returns, Efficiency measures?
6. What will be the various cost elements – Raw/Pack material, Processing / conversion costs? Distributor, Trade margins/promotions etc...
7. How will Margin targets be defined? How will it work over the years?
8. What are the Quality indicators? Customer/Consumer feedback? Complaints, suggestions etc.. ?
9. Are the Financial projects ready for the next 3-5 years? Are all the assumptions clearly defined? Have they been based on information obtained from credible sources (Nielsen market size? Market study on channel structure, margins, Cost structures, sourcing, supply chain capability etc...)?

The objective will clearly address the problem/opportunity statement and the situation analysis, and set the stage for the strategy or strategies.

- **Business Strategy**

While the situation analysis describes where you are and the objective states where you would like to be, the Strategies will show **how** to get from where you are to where you would like to be.

1. Has a Business strategy been defined?
2. Does it provide a broad, planned, directed approach to addressing the problem/ opportunity, and achieving the objective.?
3. Does It take advantage of the key strengths and/or resources uncovered in the situation analysis?
4. Does it take into account any Competitive advantages?
5. What are the strategic growth pillars? What are the short term, medium term and long term strategies?
6. Does it scale up in phases?
7. Is it aligned with the Organization strategy? Is it in line with the Organization's vision?

The business strategy will need to be spread over time (3-5 years); short to long term.

2. Marketing strategy and Brand (s) portfolio development.

These questions will help to develop a Marketing strategy and Marketing mix.

- **Portfolio architecture**

1. Is there a need to develop Master brand architecture across some of the categories/segments?
2. Is there a good understanding of the Consumer Need states? Is this information available (Needscope studies) ? Has it been analyzed?
3. Is there an understanding of Consumer usage and attitude to the different categories, segments? Why consumers use certain things? When and why? Who does etc.. ? (Any U&A studies have been subscribed to?).
4. How are the competitive brands mapped? What are the key "Needs" that are to be addressed by JV?
5. Have the sub-brands needed been identified? What are they? What is the positioning? Is it sufficiently differentiated vs. competition?
6. What will be the source of volume gain – which brand, consumer? Why?

- **Marketing Strategy**

1. What is the Marketing strategy for the various categories?
2. Has the Product to Positioning statement been defined? What's the Master brand positioning? What are the sub-brands positioning? How are they linked up?
3. What's the target audience for each of the sub-brands? Demographic and Psychographic profiles? Are the Consumer and Shopper different?

4. What is the profile of the Shopper for each of the sub-brand?
5. Are they differentiated enough for incremental gains?
6. What tools have been used to arrive at a “Big idea” for developing communication thinking on the sub-brands and their variants? Has any work been done?

- **Brand(s) / portfolio mix development**

This should be developed only after the above key tasks – Portfolio architecture, Marketing strategy and Positioning work has been completed.

1. Have any elements of the Marketing mix been developed? for all sub-brands and their variants (in line with positioning and consumer benefit and product benefit defined)?
2. Marketing mix should include all elements like Package graphics? Pack sizes?
3. Are the Package graphics in line with segment codes? Yet differentiated vs. competition? And in line with benefits / positioning defined? Have artworks been developed?
4. Are the Pack sizes, skus? Defined? On what basis? Does it provide solution to the Strategy of the brand? Will it encourage penetration or consumption? Why?
5. What is the Pricing strategy for the sub-brands, Master brand? What are the benchmarks?
6. Has any Pricing analysis been done? What will be the portfolio pricing strategy? Are consumers incentivized adequately? What is the Price curve looking like?
7. What steps are being put in the plans for developing equity for the brand(s)?
8. Has the Communication goal been defined? What criterion has been used (if yes)?
9. What are the Key tasks for the brand?
10. What communication tools need to be developed? Has any work been done?
11. Has an Agency with good credentials been appointed? Have they been briefed on the Big Idea?
12. Has any Activation agency been appointed?
13. Has a Brief been developed? What communication tools need to be generated?
14. What will be the budget for listing? Trade? In-store activation? Media etc.. by brand(s)? Which/what will be supported? Why?
15. What will be the Media strategy? Has a firm been appointed? Who and Why?
16. What other tools will be required? For example Sales briefing document with product story? Has this been planned?
17. Has any Consumer research been done? Or planned? For developing the mix elements, positioning?
18. What will be the process for developing innovations in the future? What will be the criteria's for measuring success?

3. Marketing strategy implementation – launch and activation.

These questions will help to implement the Marketing strategy.

- **Supporting Sales.**

Get Marketing team to provide Sales with the right selling story and launch plans for brand(s) launch, innovations and set target/KPI for the markets in order to ensure launch is a success.

1. Activation plans for initiatives
What are the Activation objectives? What are the KPIs – have they been defined?
2. How will these be tracked and monitored?
3. What is the Promotion strategy? Will it build trial, penetration or consumption?
4. Has a Promotion calendar been put together?
5. What will be the supervisory mechanism for Sales ?
6. How will ROI be measured? Are there any guidelines?
7. What are the In-store activation plans? POP? Artworks?
8. What are the Visibility, shelving plans? Has listing costs been planned for? What are the priorities?
9. Has Value chain costings been done? (Consumer RSP .. down to net realized value).
How was this done? Has it been benchmarked? What is being leveraged during launch?
10. Have detailed launch plans been put together? How will ATL and BTL work together?
What is being planned? Which categories/segments will be launched into first?
Why?
11. Have targets been established for launch? (Distribution, visibility etc..)? How will Sales team be incentivized?

- **Other Functions**

How are other functions like – Supply chain, Manufacturing, R&D, Finance, HR etc.. gearing up?

1. Supply chain management - How can JV develop a culture for advance planning (12 month rolling) and execution for maximum effectiveness in-store?
2. What support is being provided for Manufacturing process? What kind of lines have been planned? What is the rate of production? Is it scale-able?
What is the planned capacity utilization? What efficiency measures have been planned? How will they be monitored?
3. Has adequate resources been built in?
4. How is Quality being measured and controlled?
5. How is product cost and efficiency being evaluated? Is there a good understanding of what is fixed and variable cost of manufacturing?

6. Line usage% ? and capabilities of manufacturing?
 7. What kind of Portfolio mix will be needed to maximize utilization? and reduce cost/kg, as a means of increasing gross margins?
 8. Is there an established and systemized process for order fulfillment, including a full IBP (integrated business plan) cycle of demand planning, baseline and building block calculations? Are these concepts fully understood?
 9. What are the supply planning, and other relevant lead timelines.
- **Other Support functions** (Finance, HR, IS, Legal/Corporate) capability assessment and support.
 1. What is the resource position in these functions? Have capability required been mapped?
 2. How has this been filled in? Have industry people as well as cross category (for diversity) been engaged?
 3. HR org structure for training, continuous engagement is essential during start-up phase, how is this being managed?
 4. Finance “margin” enhancement as a “way of working” is a good process requirement – is this something that is planned? How will this be activated?
 5. What are the legal set ups that have ben put in place already? Have any brands already been registered? How were the names thought of ? .. were they tested? Can they be changed?
 6. What are the legal constraints (if any)? Are there any potential copyright violations? FDA clearances?
 7. Is there adequate understanding of technical, regulatory environment across the various categories? Is there an understanding of Claim substantiation procedure? How to get clearances etc..?