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Product	Pretzo	
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## 1. Executive Summary:

### Company's vision

Since 1998, Pretzo snacks have been a staple of millions of Egyptian and international households as a nutritious, enjoyable, and tasty snack for the whole family. Every day, tear open any bag of Pretzo nibbles in various shapes and sizes to have a unique looking, tasting, and satisfying Pretzel. Pretzo, no matter which flavor you choose, is guaranteed to be devoid of preservatives and artificial flavors and it's always baked rather than fried. ***At home or on the go, savor the natural taste of your perfect daily snack!***

### Information about product and company

- Our top-notch approved design office is located in Cairo's fifth industrial zone, in the sixth of October city. We use 100% natural ingredients. Our products are always baked not fried, which brings a combination of healthy and tasty pretzels with different flavors that are free of cholesterol, additives, and artificial coloring.
- Kemet's portfolio takes into account each taste bud out there, with new flavor mixes across our product offerings in both neighborhood and abroad business sectors. Our customers' fulfillment is forever our first concern.

### Problems or issues we are facing

- Only one campaign is made about pretzo in 2018, and every campaign or advertisement aims to increase product awareness, as well as its benefits and downsides, in order to help items, reach the proper individuals. So when there's few, it leads to lack of awareness of the product, specially that pretzo is a low involvement product which needs its ads to always be repeated multiple times in different communication channels.
- Our product has four kinds which are slightly different.
- No social media account for the company, nor for all of its products, just for pretzo.

Social media networks enable you to engage with your customers, raise brand awareness, and improve leads and sales. So the lack of it prevents them to communicate directly with their customers. They only have social media for one product, which is Pretzo.

### IMC role in solving those problems and issues

We looked at ways to improve the promotion's current and future status, as well as how to best place it in the targeted segments, using the IMC plan.

### What to expect after the campaign?

- Increase sales by 20% by the end of the year, achieving turnover of 2,500,000 EGP, profit of 750,000 EGP.
- Increases the market share of Pretzo in the snacks market by the end of the year by 40%.

- To increase the distribution of our product to be available for more consumer by 60% in the markets by the end of the year.
- Increase product awareness by 70% at the end of the year.
- We are aiming also to increase interest for the product by 50% among our target audience by the end of the year.
- Develop positive feelings about our product by 30% by the end of the year.

## **2. Overview (General background and history):**

At Kemet, we have been spearheading Pretzels and snacks since 1998, and have developed to turn into the biggest powerful nibble producer in Egypt and Africa with an imaginative item offering that is fun, delectable and sound.

Our top notch affirmed creation office is situated in the fifth Mechanical Zone of sixth of October city in Cairo. We utilize hands down the best fixings with 100% common flavors. Our prepared not seared interaction brings the ideal equilibrium of scrumptious, sound items that are liberated from cholesterol, additives, and fake shading

Our Innovative work group is a critical factor to our advancement - with their all-encompassing perspective on the business - staying up with the latest on the most recent patterns and improvements in the worldwide bite market.

Kemet's portfolio takes into account each taste bud out there, with new flavor mixes across our product offerings in both neighborhood and abroad business sectors.

Our customers' fulfillment is forever our first concern. We work routinely with neighborhood and worldwide seasoning organizations to make, create and make items that meet their particular market needs.

Our obligation to quality is at the center of our qualities, which brought about Halal and FDA endorsements just as quality confirmations from ISO 22000:2005 and OHSAS 18001:2007.

## **3. The market our product operates in:**

Pretzo, one of KemetFood's products, operates in the food industry. As mentioned before, KemetFood has been in the food industry since 1998. KemetFood introduces three products, and one is coming soon. All KemetFood's products including Pretzo, happened to operate in the "Healthy snacks" section in Egypt and Africa. Pretzo pretzels is a baked snack, 100% preservative free and artificial flavor free. It is important for the KemetFood company to study where it operates in both the broad and narrow terms, as it helps the company to point itself in the right direction. For instance; determining its target audience and segments, determining its direct and indirect competitors, and accordingly, develops its marketing and advertising plans.

## **4. Product related Opportunity Analysis (External Analysis):**

### **A) PEST analysis:**

### **Political analysis:**

In the political analysis, it's all have to do with how and to what extent the government intervenes in the economy or in our business. Basically, here is where a government's effect on our product is classified. Government policy, political stability and instability, corruption, foreign trade policy, tax policy, labor legislation, environmental law, and trade restrictions are all examples of this. In addition, the government can have a significant impact on a country's educational system, infrastructure, and health legislation. All of these considerations must be examined when we are determining the desirability of our healthy snack.

### **Economic analysis:**

The Egyptian economics has slowdown due to the corona virus crisis compared to 2019 as the real GDP in 2019 was 5.6% and in 2020 it became 3.6% yet this is considered a positive growth rate compared to other countries. Unfortunately, the GDP growth rate is supposed to fell even more in 2021 to 2.5% but it is expected to recover up to 5.7% in 2022. The unemployment rate was 0.096 in 2020 but it decreased to 0.072 by 2021 yet it is still considered a relatively high percentage. As for the inflation rate it has been increasing by monthly rate of 0.6%, the fruit prices have increased by 0.071 meat products increased by 0.037, cereals and bread increased by 0.005.

*Opportunity:* due to the decrease in real GDP and as a result of the increase in prices of essential products, people won't be able to spend much money on low involvement products and they will search for low involvement products with high quality and reasonable prices and these qualities are applied on pretzo as it is a high quality product with a very reasonable price.

### **Social analysis:**

As a result of corona virus pandemic which stroke in 2020, it is assumed that people started to care more about their health and they started to look for more healthy and nutritive products , also there is a rising trend in Egypt which is “ being vegan and buying vegan products “ as a huge mass of consumers are turning vegans in order to seek for a healthier lifestyle and according to market amcham.org.eg the market size of vegan products has been witnessing growth at a promising rate, unfortunately, most of the vegan products are very expensive and not affordable for everyone. Also you can hardly find any vegan products in local supermarkets.

*Opportunity:* Pretzo is healthy as it baked not fried, 96%fat free, and suitable for vegetarians and most importantly is that it has a very good price. Also it is available in local supermarkets so consumers can easily find it.

### **Technology analysis:**

The information and Communication technology sector (ICT) has higher growth rate than the GDP. The Ministry of Communication and Information Technology (MCIT) declared that Egypt future is digital “so consequently they are aiming to train 100,000 young Egyptians and develop their ICT skills in fields which contain high technological demand including website design, data analysis, and digital marketing. Also, the government has been planning to move towards digital economy and accelerating the country's digital transformation , furthermore after coronavirus crisis , Egypt has witnessed a development in its technological plan , according to [www.trade.org](http://www.trade.org). The number of hours wasted on the internet has

increased from seven hours to more than fifteen hours per day and the cellphone data usage has increased by 35% . The usage of Some applications like zoom and telegram has highly increased Zoom App 3465%, Telegram 1100%,

## B) Competitors analysis:

A: Pretzo has many competitors. We can divide its competitors into direct and indirect competitors.

- ... **Direct competitors:** They are the competitors which produce similar product to pretzo (pretzels) and the most distinguishable competitor is Abu Auf pretzels.
- ... **Indirect competitors:** they are competitors which doesn't produce similar product to pretzo but they produce products which serves the same need for consumers (salty snacks) and in our cause there are various brands which compete pretzo.

Ex: Bake rolls, Chipsy, Pringles, Cheetos, .... etc.

B: Our direct competitor is Abu Auf pretzels.

- .... **Their strength:** Abu Auf pretzels have uncountable strength points that can't be easily ignored. First of all, Abu Auf is a well-known brand which actually speaks for itself, the brand gained many loyal customers in a short period of time because of their unique products. Also Abu auf pretzels have very high quality and very good taste.
- .... **Their weakness:** As much as Abu Auf pretzels have many strengths, it also has its weak points.

The product packaging is so old fashioned and lack creativity as the colors of the package are dull and the full design lack brightness. Furthermore, the company marketing strategy is so weak, for example; you can rarely find any advertisements for Abu Auf and even their few existing ads are so lame and boring.

Also, the product distribution strategy has many cons because you can rarely find Abu Auf pretzels in local or small supermarkets. Also, if the customers want to buy it online from websites like souq.com, they will also find it out of stock most of time. so most of time if they customers want to buy Abu Auf pretzels, they will need to buy it from Abu Auf store itself which only exists in certain places in Egypt which might not be close to the customer, so most likely customers will search for an easily reached product as pretzels are a low involvement product so the customers won't bother themselves much in searching for the product.

- .... **Segments:** Abu auf pretzels uses differentiated marketing strategy as they target different segments.

- **Geographic segmentation:** Abu auf targets regions which has customers who can appreciate and understand their product as Heliopolis, Nasr city, Maadi, ELzamalek, ELshrouk, ELobur.... etc.
  - **Demographic segmentation:** Abu Auf targets A class people who can afford their products.
  - **Benefits/needs segmentation:** Abu Auf pretzels and its other products are very healthy and have high quality.
  - **Behavioral segmentation:** customers who buy Abu Auf products are very loyal to the brand as it has high quality and the service in the store is so good and respectful.
  - **Psychographic segmentation:** Abu Auf target customers who have a healthy lifestyle and care about their health.
  - **Socioeconomic:** Abu Auf targets customers who have relatively high income.
- .... **Positioning strategy and current image:** Abu Auf has a very remarkable image in the mind of its consumers, they see the brand as a trustworthy brand with very high quality.

#### **Positioning strategy:**

- **Attributes and benefits:** Abu Auf pretzels is a healthy product and have low calories so it is really beneficial for preserving consumers' health.
- **Product users:** product users are consumers who are sportive and healthy.

#### **C: Competitive advantage:**

Abu auf pretzels competitive advantage is the Brand identity, Abu Auf brand is trustworthy brand with very good reputation. Their reputation is gained through the positive word of mouth as the brand has amazing reviews all over the social media and word of mouth is the most trustful sort of promotion so it is a competitive advantage that must be taken into consideration.

#### **C) Consumer analysis:**

**A:** According to the product category which is pretzels chips we can divide the market into 2 segments:

- **Psychographic segment:** consumers who buy pretzels chips most likely have a sportive lifestyle as pretzels chips are a low fat product (96% fat free) with very good taste, also people who have healthy lifestyle aim to buy pretzels chips as it is nutritive and tasty snack. Also vegan/vegetarian people are interested buying pretzel chips as it is animal-product free.
- **Benefits/needs:** Pretzel chips has a lot of good features, for example; it is very healthy and nutritive as it isn't fried but baked and all its Ingredients are healthy. Also, they are a light and low fat snack for people who want to lose weight yet they like salty snacks.

They make decisions by applying behavioral decision making process as they buy the product then they start to feel and think about it because pretzel chips are a low involvement product

Also it can be an emotional decision making as they might see the product packaging and like it then decide to buy it

**B: (I):** Pretzo is targeting consumers in 4 segments which are:

- **Geographic segmentation:** as pretzo targets consumers in various places all over Egypt as you can easily find pretzo product in big supermarkets as gourmet or carefour as well as in small and local supermarkets.
- **Socioeconomic:** pretzo targets middle class people as the product is so affordable and has a very reasonable price starting from 7 LE.
- **Psychographic:** pretzo targets consumers who have healthy lifestyle as all of its ingredients are natural and has no preservatives. Also, it targets people with sportive lifestyle because it is 96% fat free. Finally, they target vegans because all of pretzo 's ingredients are suitable for vegans.
- **Benefits/needs:** Pretzo targets consumers who care about buying snacks which are nutritive as well as delicious.

**C:** Pretzo is a low involvement product so as a result there won't be many people engaged in the decision making.

- **Influencer:** It might be the eldest kid in the family who is following many celebrities and influencers on the Instagram who keep telling their followers the importance and benefits of turning vegan so he will start to influence the whole family into buying vegan products.
- **Gatekeeper:** It might for example be the mother who cares about her family's health and wants her whole family especially her children to eat healthy snacks.
- **Purchaser/user:** They are most likely the same person, because the person who will purchase the product will most likely be the user of the product.

## 5. Product related Internal Analysis

### Pretzo Internal Analysis

#### Strengths

- Pretzo is an Egyptian product that has been produced since 1998 and can be trusted.
- Pretzo is a healthy snack option for everyone whatever his/age.
- The product's package is appealing and attractive.
- Pretzo has an Instagram and Facebook accounts where it can communicate directly with its target audience.
- We have a quick responsive social media team that answers all our customers' concerns.
- Pretzo comes in two sizes, the small and family sizes.
- Also it comes with different flavors.
- We are selling our product online through souq, breakfast, and noon.

#### Weaknesses

- We have a weak product awareness, only one TV ad, people only get to know it from the markets.
- Also, People do not memorize our packaging.

### Internal Analysis of KemetFood company:

#### Strengths

- KemetFood has been in the food industry since 1998.
- It is one of the the largest dynamic snack manufacturer in Egypt and Africa.
- It only offers healthy baked snacks.
- It offers 4 healthy products, Pretzo, Mixy, bulk, and Munchos.
- Products Distribution: KemetFood's products can be found in different places; Alfa Marker, Seoudi, Panda, Quick 24, Royal House, On the run, Circle K, and different Hyper markets, in addition to online shops, souq and noon.
- Being concerned with the products' quality they offer resulted in getting many certificates; such as ISO and OHSA, in addition to getting the HALAL and FDA approvals.

#### Weaknesses

- No Campaigns or TV ads about the company, resulting in weak awareness.
- Its four products are slightly different.
- No social media account for the company, nor for all of its products, which prevents them to communicate directly with their customers. They only have social media accounts for one product, which is Pretzo.



## 6. SWOT Analysis:



## 7. Marketing Objectives:

Smart goals must be specific, measurable and time-related. The future goal is to be reached within a detailed and broader period and can be reached at the end of the year.

- Increase sales by 20% by the end of the year, achieving turnover of 2,500,000 EGP, profit of 750,000 EGP.
- Increases the market share of Pretzo in the snacks market by the end of the year by 40%.
- To increase the distribution of our product to be available for more consumer by 60% in the markets by the end of the year.
- As we are collaborating with the Egyptian Food Bank, we are aiming to send them 10% of our sales.

## 8. IMC plan development:

### A: Analysis of Promotional Program Situation:

In 2018 we have made an ad that was based on the usage generated content, which was about asking people to share their stories with Pretzo by uploading photos they took of the product and mention @PretzoEgypt to have a chance to win a polaroid camera or another delicious Pretzo, the responds from this ad was great, then we decided to continue our promotional programs on social media platforms and the Current promotional programs is that Pretzo now is concentrating on the direct response ads and has always been active on social media and listening to people's opinion and replying to their comments as Pretzo have thousands followers on Facebook page and Instagram, So we use those platforms to announce our new products, as we are going to announce our campaign with بنك الطعام المصري in our upcoming ads to tell people that part of our sales profit is going to be donated to this charity that helps in hunger elimination.

### B: Decide on your product's positioning in the different segments:

Our positioning strategies are:

- **Attributes/benefits:** as we guarantee it is 100% preservative free, artificial flavor free, and always baked not fried, low calories, no added colors.
- **Product users:** we target all people but especially healthy and vegan people.
- **Price/quality:** Pretzo has a very special price when it comes to its high quality which is affordable to all classes.
- We aim to do our best to maintain the same positioning strategies.

### C: Decide on the marketing mix decisions aligned with your chosen positioning:

#### a) Product Decisions:

**A. Features and attributes:** Pretzo is famous for its amazing original taste of freshly baked pretzels and that's what makes it different as it has variety of tasty flavors (cheese, tomato, chilly and lemon, sweet chill, jalapeno cheese, butter and herbs and finally the original taste salt).

**C. Design and packaging:** The package of Pretzo is different from each flavor, each flavor has its own design color which is unique besides that it has two sized packages, family size and the regular size.



**C. Brand identity elements (logo/colors) and required associations:** The colors of Pretzo is very cheerful and eye catching as each flavor has its own unique color that attracts the consumer to buy it and the logo is the name of the product in two colors which are navy blue and white, blue stands for peace, calm, trust and the white color stands for safety, purity, and cleanliness.

#### B) Pricing Decisions:

**A. Price:** The price provides opportunities for everyone to enjoy Pretzo at an affordable price which starts from seven pounds up to 15 pounds.

**B. Credit terms:** It is suitable for the product and perfect for its quality.

#### c) Place Decisions:

**A. Direct or indirect channels:** We are using the indirect channels which are retailers as Saudi Market, Alfa Market, Panda Market, On the Run, Royal House, Circle K, Carrefour and many other famous hyper market and you can find us online on application and website Souq as they have strong distribution network.

**B. Intensity of distribution:** Pretzo is using the intensive distribution strategy to achieve the highest market coverage possible so it is mainly available in all hypermarkets.

#### **D: Analyze communications state:**

##### A) Source Identification:

- *Current sources:* There is no current source for pretzo except for the company.
- *Current Models:* Most of pretzo's ads are stop-motion type of ads so there were no models used.
- *Current spokesperson:* is Dina Hosni who is currently responsible for exports department.
- *Sources who are proposed to be used:* We would use models as our source but we won't focus on them as we will only show their hands in the ad because we want pretzo to be the main focus of the ad. Also, if we used a well-known celebrity as our source, our ad might fail in delivering our message as this celebrity might be too attractive that he might

overshadow our product or he might be overexposed as he would most likely have appeared before in other competitors' ads so people won't take his words about the product seriously.

**B) Available and effective channels of communications:**

Pretzo is mainly targeting people according to psychographic segmentation (healthy people and vegans), so the most effective communication channel will be ads through the internet especially if they were Instagram and Facebook ads as people who are healthy, and vegans like being active on apps like Instagram and Facebook in order to follow every new trend that might help them to preserve their health. Also, vegans like searching for affordable vegan products.

So, the internet will be the most effective communication channel.

Also pretzo is targeting people according to geographic segmentation and socioeconomic segmentation so TV ads and billboards will also be effective channel of communication for such segments.

**C) The response model:**

The response model of our product is *Low involvement* hierarchy.

As our product is a low involvement and a low differentiated product so as a result of this, we must use *Repetition* if we want our ad to be effective, as people who watch low involvement products' ads are passive learners as they just want to catch any random information about the product.

**E: SMART communication objectives:**

We are using hierarchy of effects model, as we want to increase awareness among our target audience then to increase knowledge (cognitive stage), then we will come to affective stage where our consumers will start liking our product. Finally, they will reach the behavioral stage by purchasing our product.

*Communication objectives:*

- We are aiming to increase product awareness among all our target audience by 70% by the end of the year, *how?* By the repetition of our ads among different communication channels we are utilizing.
- We are aiming also to increase interest for the product by 50% among our target audience by the end of the year. *How?* As in all of our ads we are communicating that our product is healthy and suitable for all ages.
- Also, we are aiming to develop positive feelings about our product by 30% by the end of the year. *How?* As we are also communicating with our target audience that we are collaborating with The Egyptian Food Bank.

## **F: Setting our budget:**

As we have weak product awareness, we are using *bottom-up* budgeting.

- As we are aiming to increase our awareness by 70%, we are using different activities in order to achieve such an objective.

We are developing TV ads, Billboards, digital ad (YouTube), and social media; Facebook and Instagram.

TV ads will cost us around EGP 650,000, Billboards around EGP 160,000, YouTube around EGP 95,000, and lastly sponsoring on social media will cost us around EGP 95,000.

So now the total budget we are communicating with the top management to be set is EGP 1,000,000.

## **G: Push/Pull Promotional Strategy:**

We are using Pull promotional strategy in our ads. We are sending our message directly to our end consumers as we want to increase our brand awareness and attract our target audience. Also, we want them to know more about what our product offers and who we are collaborating with. We are aiming to encourage them to go and ask for our product in the supermarkets.

## **H: Our Campaign Theme:**

Our central aim and focus that we want to communicate with our target consumers in all of our promotional activities is that to position ourselves in the minds of our consumers by using attributes and benefits strategy. We are aiming to make them think of our product as a healthy vegan snack, so it is suitable for all ages, other than other different snacks that are unhealthy through our slogan, "بريترو

هيسلايك... هيغذليك"

## I: Creative Brief:



## **J: Promotional Mix:**

- **Advertising:** to reach mass audience and to deliver the message to our target audience, we will use *different TV Channels* to show our TV ad, We will also use *billboard* ads.
- **Public Relations:** We will use *CSR Activities*. As we are collaborating with Egypt Food Bank with “10%” from the sales to develop positive image of the company among its various publics and target audience.
- **Digital Marketing:** We are using internet to share our campaigns on our social media accounts, Facebook and Instagram to get direct response and feedback. Also, we are using video ads (YouTube) to share our ad.

## **K: Appeal and Execution Technique:**

- **Appeal:** We are using a mix of rational and emotional appeals in our ad, as we are informing our audience that our product is a healthy low-calorie snack that is suitable for all ages. Also, we are showing in the ad that we are collaborating with the Egyptian Food Bank in a scene that raises emotions. So, as we are focusing on both appeals, but mainly on the informative part, so we are using low transformation/high information category.
- **Execution Technique:** We are using the straight sell technique, as our main message related to the product is presented in an informative way. We are informing our audience that our product is beneficial as it is healthy, low in calories, baked and suitable for all ages. Also, we are informing our audience that we are collaborating with The Egyptian Food Bank in an emotional way through two scenes.

## **L: Media plan and schedule:**

### Channels used:

- TV channels.
- OOH (Billboards).
- Internet (YouTube) and social media.

### Media objectives:

- **Coverage:** We are utilizing different media vehicles aiming to provide coverage of 85% in the first six months after implementing our IMC plan.
- **Reach:** We are aiming to increase our reach by 55%, at least 12 times each month for each person through different vehicles we are using during the first six months.
- **Frequency:** Our target is to make each consumer among our target audience to get exposed to our different media vehicles at least three times a week in the first six months.

### Media Strategy:

In order to achieve our objectives, we are using different media classes. We are showing our ad through different TV channels, through video ads (YouTube), also using our social media accounts.

As our product category needs repetition of ads in order to help it get effectively positioned in the minds of consumers, we are using a continuous pattern of advertising (*Continuity*).

Medium	Media Vehicle
Broadcast (TV channels)	MBC masr, MBC masr 2, ON TV, PNC Food
OOH	Billboards
Internet (video ads, social media)	YouTube ads, Facebook, Instagram

*Media Vehicle:*

- MBC masr: we are showing our ad on El Hekaya TV show by Amr Adib from Friday to Monday twice a day.
- MBC masr 2: We are also showing it on Khalsana Beshyaka series from Sunday to Thursday twice a day.
- ON TV: Also, on Helwa el donya Sokar series from Saturday to Wednesday three times a day.
- PNC Food: Also, on Sofret Sally show everyday twice a day.
- Billboards: We are presenting our ad on billboards in different places in Cairo; October Bridge, 90street Fifth-settlement, Suiz street, Gesr el suiz street, ring road, and el Ahram street.
- Internet (Video ads): We are presenting our ad on YouTube.
- Internet (Social media): We are sharing different posts regularly on our accounts, Facebook and Instagram.

Media schedule:

[illegible]



## M: Implementation:

### Pretzo Storyboard:-



Sound: up beating joyful music  
Customer searching for a healthy snack



The customer found pretzo with its variety of flavors



Checking its ingredients which is all natural



Decides the flavors and the shape he wants and add it to the basket



Sound: the music starts to slow down  
The customer is buying Pretzo  
Here the hand changes to different people's hands of all ages quickly



He's told that each time he buys pretzo someone else get to eat



Now he gets to feed someone else who is hungry



Go to Settings to activate Windows.  
Sound: voiceover telling that part of Pretzo's sales goes to Egyptian foodbank

## Billboard

هيسليك... هيغذيك  
صحي لكل الاعمار

KEAET

بنك الطعام  
المصري  
معاً.. ضد الجوع

كل كيس من بريتزو هيساعد في اطعام حد محتاج