RIAVIK-11I-

Business Studies

PROJECT on Olive Oil

Title of the Project: Project on Olive Oil

Name of the Student: Yellasiri Jahnavi

Class: XII J

Roll Number: 28616882

School: DELHI PUBLIC SCHOOL, HYDERABAD

Batch: 2024-2025

Subject Teacher: Ms Hema S

CERTIFICATE

This is to certify that Yellasiri Jahnavi of class XII Commerce, Delhi Public School, Hyderabad, has done this project under my guidance and supervision for the academic year 2024-2025.

He/ She has shown sincerity and utmost care in the completion of this project. I certify that this project is up to my expectations and as per the guidelines issued by the CBSE.

Shilpi·D
Internal Examiner

DELHI PUBLIC SCHOOL HYDERABAD
School Stamp

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ACKNOWLEDGEMENT

I, Yellasiri Jahnavi do hereby declare that this project is my original work and Iwould like to thank my Business Studies Teacher Ms.Rajyalakshmi Gabbita /Ms. Shilpi Dubey/Ms. Hema S for her wholehearted support and guidance for making it possible to complete this project on time.

I would also like to thank all those who have given me required inputs, my friends and family for their kind support and guidance without which this projectwould not have been completed.

Name: Yellasiri Jahnavi

Signature: Y. Jahnavi

Project Work Evaluation Proforma

Student's Name: Yellasiri Jahnavi

Roll No.: 28616882

Class: XII

Section: J

Academic Year: 2024-25

Assessment Criteria:

	Basis	Max. Marks	Marks Obtained
1.	Initiative, cooperativeness and participation	2	
2.	Creativity in presentation	2	
3.	Content, observation and research work	4	
4.	Analysis of situations	4	
5.	Viva	8	

Shilpi D

Internal Examiner's signature

External Examiner's signature

Date.....

Date 06/1/25

DELHI PUBLIC SCHOOL HYDERABAD

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Introduction

Ralph Waldo Emerson said "The first wealth is health". A good balanced diet is an essential part of good health. A balanced diet offers the nutrients that help our body to function properly. Our body gets the right nutrition when we consume a wide variety of food rich in calories such as fresh fruits & vegetables, grains etc. Oil comes in at this point, we use oil for cooking vegetables, meat & basically almost everything we eat.

So, using a good & healthy oil is important because some oils are highly refined and are high in polyunsaturated fatty acids (PUFA) which is unhealthy.

Why Olive Oil

As said earlier, an improper diet includes intake of highly processed foods, too much sugar etc. Olive Oil however isn't associated with weight gain and obesity, in fact moderate intake of olive oil may even aid weight loss. This is one of the reasons I have selected Olive Oil as my product. Olive Oil has many benefits like - it can help treat rheumatoid arthritis, It contains antioxidants which have anti-cancer properties, it can help fight Alzheimer's Disease & is also protective against heart diseases.

With endless benefits, olive oil is one of the best cooking oils that we can use. As we go further, we will see features of olive oil, how its produced, packed & brought to stores and how other brands are pricing their products in comparison to my product. All these may help change our mind on incorporating olive oil into daily lives.

PRODUCT

Product Profile

Name - Olive Oil

Brand - Peace

Logo -

All you need to add
is a little bit
of Peace!!!

Tagline - All you need to add is a little bit of Peace.

Range - Extra Virgin Olive Oil, Virgin Olive Oil, Olive Pomace Oil
etc

USP - Physical - Chemical - Sensory Analysis based product

Social Message - Environmental Management System

Brand Name

The name I have chosen for my line of olive oil is as 'Peace'. The reason behind choosing Peace as the name of my brand is because the Olive tree, more specifically the olive branch is a symbol of peace & friendship dating back to ancient greek mythology. It is a well known that olive oil is more expensive than other cooking oils but we, at 'Peace' aim to provide olive oil at a lesser price making it more affordable.

India is not a major consumer of Olive Oil largely due to high prices compared to other cooking oils & the widely mixed income groups in which not all will be able to afford it. The richest 1% hold more than 4 times the wealth than 70% of country's population. So, we at Peace want to bridge the gap between the affordability of both 1% and remaining 70% of the population use in their daily lives.

Back Label

Front Label

Premium

RE AWAY
FROM HEAT
AND LIGHT

INGR

(extra virgin olive oil)

HARVEST DATE
June'2021
BEST BY
September 1st, 2021

12345 1005 5006

Back Label

Virgin Olive Oil

Peace

All you need to add is a little bit of Peace!!!

Sugar, Vitamin A, Vitamin C, Calcium/Iron
*% daily values are based on a 2000 Calorie diet

INGREDIENTS: 100% Natural & un refined EVOO (extra virgin olive oil)

HARVEST DATE
June '2021
BEST BY
September 1st, 2021

STORE
FROM
AND

12345 1005 5068

Back Label

Premium Extra
Virgin olive oil (EVOO)

Nutrition Facts	
Serving Size 1TSP (15ml)	
Serving per Container 33	
Amount per Serving	
Calories 120 Calories from Fat 120	
	% Daily Value
Total Fat 14g	21%
Saturated Fat 2g	9%
Trans Fat 0g	
Polyunsaturated Fat 1.5g	
Monosaturated Fat 10g	
Chalesterol 0mg	0%
Sodium 0mg	0%
Total carbohydrate 0g	0%
Protien 0g	
Not a significant source of dietary fiber, sugar, Vitamin A, Vitamin C, Calcium/Iron	
*% daily values are based on a 2000 Calorie diet	

Visit us at:
Peacefull.com

MRP (INCL OF ALL Taxes)
₹ 350

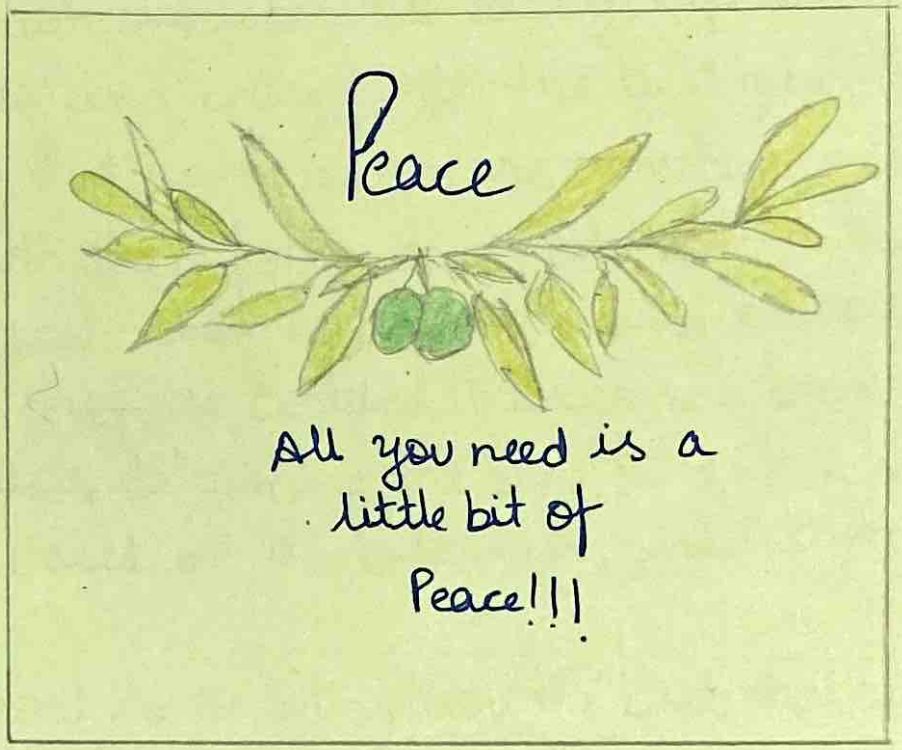
INGREDIENTS: 100% Natural & un refined EVOO (extra virgin olive oil)

STORE AWAY FROM HEAT AND LIGHT

HARVEST DATE
June'2021
BEST BY
September 1st, 2021

12345 | 1005 | 50687 6

Logo & Tagline



USP

At Peace, we are committed to bring the most extra-ordinary olive oil to our customers. Quality is something Peace never overlooks. We always keep working to better ourselves and bring forth the best quality of Olive oil, so that our customers can have memorable time with their food. Each Olive Oil is tested through a physical - chemical analysis and sensory analysis before they are certified to become a product at Peace. These tests determine the Olive oil extracted from the fruit based on its bitterness, smell & the fruity flavour.

Our goal is to bring you the best that each olive tree gives, so through analyses, more than providing our authenticity, we want you to to know the Olive Oil.

Labelling

Labelling is also an important part of the brand, of the product & the company. It helps the product stand out in the market and identifies it as a part of a particular brand.

This is important in the era of high and intense competition. The label may vary from a simple tag and complex graphics. Olive oil which comes under the pre-packaged foods category is regulated by the Food Safety and Standards (Packaging) and (Labelling) Regulations, 2011. The general guidelines to be followed while labelling the product are -

① The Name of Food : The name of food shall include trade name or description of food contained in the package.

② List of Ingredients : Except for single ingredient foods, a list of ingredients shall be declared on the label in the following manner -:

(a) The list of ingredients shall contain an appropriate title such as the term 'Ingredients'.

(b) The name of ingredients used in the product shall be listed in descending order of their composition by weight / Volume.

(c) A specific name shall be used for ingredients in the list of ingredients.

③ Nutritional Information : Nutritional information / Nutritional facts per 100 gms / 100 ml / per serving of the product shall be given on the label.

④ Declaration Regarding Veg or Non-Veg : A brown dot enclosed in a brown box for non-veg products. Where any article of food contains egg only as a non-vegetarian ingredient, there might be a declaration to the effect of the said symbol. A green dot enclosed in a green box for veg products.

⑤ Size of the Logo : The symbol shall be prominently on the package having contrast background on principal display panel. Just in proximity to the name / brand name of the product. On the Labels, Containers, Pamphlets, Leaflets, Advertisments in any media.

Social Message

We have developed an environmental management system as we are aware of the environmental impact of our business and we make a clear commitment to improving the environmental performance of our activities. Enviromental responsibility and sustainable development are expressions commonly used in our company's work environment. We have also set forth requirements for effectively managing the environmental aspects and impacts of business activities, taking into account environmental protection, pollution prevention, legal compliance and socio-economic needs. This standard allows ensuring the rational use of resources by improving the efficiency of processes & reducing the likelihood of environmental risks, taking responsibility towards the surronding environment.

Key Features

The key features of our products are -:

1. Our Olive Oil is rich in monounsaturated oleic acid. This fatty acid has many beneficial effects & is a healthy choice for cooking.
2. Extra Virgin Olive Oil (EVOO), one of our products is loaded with antioxidants, some of which have powerful biological effects.
3. Peace's Olive Oil has nutrients that fight inflammation.
4. Our extra virgin olive oil has numerous benefits for heart health. It lowers blood pressure, protects bad cholestrol particles from oxidation & improves the function of blood vessels.
5. It can also help reduce joint pain & swelling from rheumatoid arthritis. The beneficial effects are greatly combined with fish oil.
6. The extra virgin olive oil has antibacterial properties & has been found to be particulary effective against bacteria that can cause stomach ulcers.
7. Our products come in handy bottles for all varities & quantities.

(6) Declaration of any food additives used should be made

(7) Name and Complete address of the Manufacturer: The name and complete address of the manufacturer and manufacturing unit, if there are located at different places and in case the manufacturer is not the packer / bottler, the name and address of the packaging / bottling unit, as the case shall be declared on every package of food.

(8) Lot / Code / Batch Identification

(9) Date of manufacture or packaging: The date, month & year in which the commodity is manufactured, packed or pre-packed shall be given on the label.

(10) Best before or Use by date should be given on the label.

Standardization & Grading

Standardisation refers to producing goods of predetermined specifications, which help in achieving uniformity & consistency in the output. At peace, stringent measures are taken during production to ensure proper standards & product output, these include -

1. A perfectly constructed 6-step production process is followed right from handpicking the olives till the oil is packaged for selling.
2. A quality inspection is carried out at the end of each step to ensure that the final product's quality is not compromised.
3. Employee suggestion is done as a whole but they will be assigned tasks in different stages of production based on their strengths.
4. The oil produced is graded into 3 categories and then further production is carried out according to the neccessary requirement for the different sub-categories.
5. Packaging of the oil is done according to their grade and are warehoused and transported to retail stores based on their demand.

Grading is the process of classification of products into different groups, on the basis of some of its important characteristics.

Products of different qualities should be seperated into groups or lots and similar quality products are put into a grade.

At Peare, Grading is done in terms of various sizes offered for the product.

Product Range

① Extra Virgin Olive Oil : This is the most expensive type of olive oil and is also of the highest quality. Extra virgin olive oil is completely unrefined and has the lowest acidity level compared to other types of olive oil. Its also very rich in antioxidants and has the highest amount of minerals and vitamins found in olives. It has a very low smoking point, this means even if it is cooked at very low temperatures, it could burn. So, Extra Virgin Olive Oil is essential for salad dressing, dips & tossing vegetables. It makes recipes which don't require much of a stovetop cooking extremely flavourful.

Extra Virgin Olive Oil is usually golden-green in colour and adds a distinct flavor to your food.

② Virgin Olive Oil : It is also an unrefined type of olive oil, which means no chemicals / heat is used while extracting oil. The only difference between extra virgin and virgin oil is that extra virgin olive oil has higher oleic acidity level. However, unlike extra virgin olive oil, virgin olive oil can be used for cooking / frying

food and also for baking, but it isn't suitable for deep frying as it has a low smoking point.

③ Refined / Light / Extra Light Olive Oil : Its comparatively cheaper than extra virgin and virgin olive oil, because as its name suggests, it is refined. However as compared to extra virgin / virgin olive oil, its inferior in terms of vitamins, nutrients & even taste and flavour.

④ Classic / Pure Olive Oil : Although the name says pure olive oil, this type of olive oil, usually extra virgin/virgin olive oil. The blending method is often used when the extraction quality isn't as good as expected. In order to improve the quality, the refined oil has to mixed with a better quality one. This blend gives more flavour and vitamin E. This is one of the cheapest types of olive oil as the base oil is of the poorest quality.

⑤ Olive Pomace Oil : Olive pomace oil is the olive oil that is extracted from olive pulp after the first press. Once the mechanical oil extraction is complete, approximately 5%. 8% of the oil remains in the pulp

which then needs to be extracted with the help of solvents, an industrial technique used in the production of most other edible oils.
Although, the oil extracted in this manner is still Olive oil at retail it may not be simply called Olive Oil.

Permissions and Licenses

It's essential for Olive oil manufacturers to take FSSAI (Food Safety & Standards Authority of India) - Food Safety License Registration. Startup businesses expected to have an annual turnover of between 12 Lakh to 20 crore rupees can apply for a FSSAI State License. For applying a state license any one of - Trade License, Shop & Establishment Registration, Panchayat License, Corporation License, Municipality License are compulsory and other licenses which have to be taken up by every business.

① Trade License : Its a document / certificate that gives the permission to the applicant (person seeking to open a business) to commence a particular trade / business in a particular area / location.

② Shop & Establishment Registration : Shop & establishment registration certificate is a proof of the existence of the business.

③ Panchayat License : Its a license issued by the local authority to run the listed business by the trader within the jurisdiction of the local body of the concerned Gram Panchayat.

④ Tax Payer Identification Number (TIN): A TIN is a number issued to individuals & organisations to track tax obligations and payments they make to the Internal Revenue Service (IRS). Every business in India has a unique TIN that allows them to purchase & sell their products and services to other entities across the country. Its mandatory to include the TIN on all the documents you submit to the IRS when claiming several tax benefits & paying taxes.

⑤ GST Registration: In the GST Regime, businesses whose turnover exceeds Rs 40 lakhs is required to register as a normal taxable person. This process of registration is called GST Registration. The documents required for such a registration include -

PAN Card, Aadhaar Card, Certificate of Incorporation, Identity & Address proof of promoters, Address proof of the place of business, Bank Account Statement, Signature & Letter of Authorization.

⑥ Trademark Registration: A trademark is an easily recognizable symbol, phrase / word that denotes a specific

product. It legally differentiates a product / service from all others of its kind and recognizes the source company's ownership of the brand.

(1) Business License : Business Licenses are permits issued by government agencies that allow individuals / companies to conduct business within the government's geographical jurisdiction. Its the authorization to start a business issued by the local government. Brands / Companies are required to obtain few other licenses based on the type of business they are into.

The documents required to file for the FSSAI license for olive oil manufacturing include -

(a) Identity proof documents such as Ration Card, Department issued ID, PAN Card, Passport, Senior Citizen Card, Aadhar Card, Driving License, Voter ID Card etc.

(b) Blueprint / Layout plan of the processing unit showing the dimensions in metres / square metres and operation - wise area allocation (mandatory for manufacturing and processing units only.

(c) List of directors with full address & contact details (mandatory for company)

(d) Name and list of equipments and machinery along with the number, installed capacity and horse power used (mandatory for manufacturing & processing units only).
(e) List of food category desired to be manufactured (in case of manufacturers)
(f) Analysis reports (Chemical & Bacteriological) of Water to be used as ingredient in food from a recognized/public health laboratory to confirm the potable (mandatory only for manufacturing & processing units)
(g) Food Safety Management plan/ certificate (if any)
(h) Declaration Form
(i) Production unit photograph to be uploaded
(j) Photo ID and address proof issued by Government authority of proprieter/ partner / directors/ authorised signature.
(k) Proof of possesion of premises (Sale Deed, Rent Agreement etc)
(l) Partnership deed / Self declaration for proprietorship / Memorandum and Articles of association towards constitution of firm.
(m) Form IX: Nomination of Persons by a company along with the Board Resolution.
(n) Additional Documents (if any)

Manufacturing Process

In the late spring, small flowers appear on the olive trees. Wind pollination results in the blossming of the olive and they reach their peak oil content approximately 6 months later. Thus, the olives are harvested from November to March, after they have progressed in from a green color to reddish violet and then to black. About 1 litre of extra virgin olive oil (which is the highest quality of olive oil) requires approximately 2000 olives. The only added ingredient in extra virgin olive oil, is the warm water used to flush away the bitterness of the olives.

The Production Process —

① Collecting & Grading: After the ripe olives have been combed (it involves beating the olive tree in a particular manner such that the tree isn't harmed but the olives fall into the blanket placed below the tree) from the trees, they are handpicked and divided into categories according to their plumpness, state of ripeness and quality. The olives are then taken to the press and stored for a short period of time,

from a few hours to several days. The period is short enough to prevent fermentation but long enough to allow the olives to get warm so that they release their oil easily.

② Washing & Milling: The olives are rinsed in cold water and then passed along a conveyer belt between rollers/ continuous hammers. This machinery, often called the olive crusher, breaks down the cells and de-stones the olives. Depending on the resilliency of the olive's skin and the stage of maturation, it may be neccesary to pass the fruit through the mill a second time.

③ Creating an olive paste through Malaxtion: Malaxation is the churning and mixing of olives. The churning allows smaller droplets of oil released by the olives to aggregate.
Basically, the milled olives travel from the mill into vats in which slowly turning blades mash the olives into a homogeneous paste.

(4) Cold Pressing : The term cold-pressing refers to the fact that oil is extracted without the heating paste, further insuring the purity of oil. During cold pressing the oil is extracted by loading the paste into a hydraulic press. The olive paste is evenly spread over disks covered with synthetic filters/ pressing bags. About 25 to 50 bags are stacked onto a press plate. Plate guides are inserted at intervals of 5-6 bags. The plates serve to maintain the balance of stack and to distribute the pressure evenly. A piston pushes up against the sack and the oil seeps slowly through the pressing bags attached tubes. The solid material remains inside pressing bags.

(5) Separation : Separation is accomplished swiftly by pumping the mixture into a centrifuge comprises of a rotating drum and an auger that are spun on the same axis at great speed because the oil and the vegetable water are of different densities, the centrifuge forces them apart & into seperate receptacles.

COLLECTING & GRADING

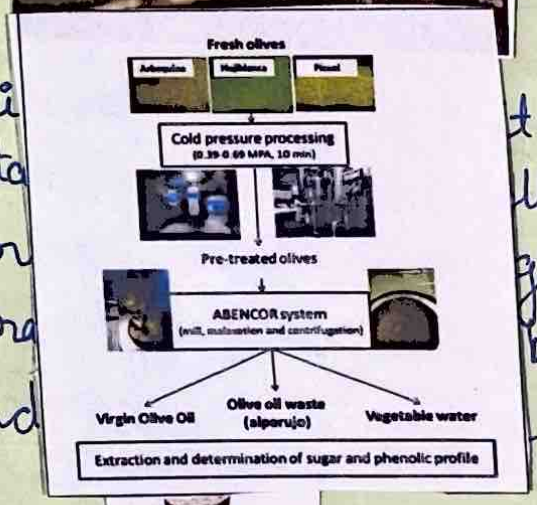
↓

WASHING & MILLING

↓

CREATING AN OLIVE PASTE THROUGH MALAXATION

↓



COLD PRESSING, SEPARATION, STORING & PACKAGING

↓

THE OLIVE OIL IS READY FOR USE

Packaging

Packaging is chosen depending on several criteria such as product stability, environmental conditions to which the oil will be exposed during storage & distribution. The basic factors that may alter the quality of packaged oils are -

1. Dissolved oxygen in the oil ie the oxygen that remains in the free space of the container after it is sealed and the oxygen diffused through the walls.
2. Light which passes through containers and activates the oxidation process.
3. Trace metals, in particular copper & iron.
4. Autocatylic oxidation
5. Temperature during storage
6. Humidity during storage

- Primary Packaging : It refers to the product's immediate container. We use the following for our primary packaging -:

(i) Glass : Dark coloured glass bottles are exclusively used for extra virgin & virgin oil because they keep sunlight away and limit the oil's exposure to oxygen. This is

because oxygen can degrade the quality of oil eventually making the oil rancid. We don't use glass bottles for other oils because they are fragile & increase cost of transporation which increases overall cost of production.

(ii) Tinplate Cans: Our refined oil comes in tinplate cans. We recommended the tinplate can variety even though they are a little bit expensive than the general plastic bottles. These tinplate cans are lightweight, eco-friendly, keep light & oxygen away from the oil & also show good resistance to mechnical damage.

→ Secondary Packaging: It refers to the additional layers of protection that are kept till the product is ready for use. Peace olive oil uses rectangular cardboard boxes which contains its logo & brand name. The secondary package is just to safeguard the glass bottles & tinplate cans.

→ Transport Packaging: This level of packaging is necessary for storage, identification & transporation. The individual cardboard boxes are placed into a large sealed carton barring the logo, product details & quality.

(5) Storing & Packaging : The oil is stored in underground vats until its ready to be warehoused. Then the oil is canned or bottled on an assembly line. Cans/ Dark-tinted bottles will keep the deep green color of the olive oil intact. Oil placed in clear-glass bottles will fade to a yellowish green color. However, the flavour isn't affected.

Cost Effective Techniques

Peace follows the following techniques to reduce cost right from procuring raw materials till the finished product reaches retailers:

1) Establish a long term contract with suppliers of the raw materials & also recieve bulk discounts.
2) Regular maintenance of machinery is carried out to maximise their efficiency as toned down machinery cause downtime.
3) Excess packaging (i.e) multiple layers of boxes & other such unwanted packaging is omitted as they add to the overall cost of production & weight of the product, which in turn increase the transportation and handling charges.
4) Most of the documentation is done using paperless applications & paper is used only when it is mandatory. This is done to reduce the costs incurred on the purchase of printers, copy machines etc and the maintenance of such products.
5) This is probably the one technique where we save the most we produce only how much we need. Producing

more than required in all departments like manufacturing, transportation, storage etc.

9) We also invent a part of our terms returns in new & developing technology, which really pays off.

10) Upgrading tools and raw materials regularly apart from carrying out their maintenance as newer technology reduces the time of production & smoothens out the production process.

Competitory

① Del Monte : Del Monte Foods, Inc is a north american food production and distribution company headquartered in Walnut Creek, California. Del Monte Foods is one of the country's largest producers, distributors & marketer of branded processed food for the US retail market, generating approximately $ 1.8 billion of annual sales.

USP : Cold Pressed

CEO : Greg Longstreet

Product Range : Extra Virgin Olive Oil, Extra Light Olive Oil, Classic Olive Oil and Olive Pomace Oil

Price Range : EVOO - Rs 849, ELOO - Rs 1250, Olive Pomace - Rs 500
Classic - 1350

② Di Sano : Created in 2013, Di Sano is a subsidary of Universal Corporation Ltd & is on a mission to bring out the best of international flavours & cooking choices. Di Sano believes that health and taste must go hand in hand and that forms the essence of their Brand philosophy.

be it, traditional or contemporary dishes, Di Sano's healthy cooking accompainments will help improve the flavour, richness & texture of good.

USP : Good for Heart, Zero cholesterol, Made in Spain

CEO : Nitin Agarwal

Product Range : Extra Virgin Olive Oil, Extra Light Olive Oil, Classic Olive Oil, Pomace Oil

Price Range : EVOO - Rs 1250, ELOO - Rs 1250, Classic - Rs 1250 Olive Pomace - Rs 855

3) Borges : Established in 1896, Borges products are available in more than 100 countries in 5 continents. On purchasing olive oil from Borges, you are purchasing an olive oil that is extra light in taste, cholestrol free & in fact may even help in lowering bad cholestrol.

USP : Maintains the original flavour of dishes

CEO : Rajneesh Bhasin

Product Range : Extra Virgin Olive Oil, Extra Light Olive Oil,

lassic Olive Oil, Cesar Olive pomace oil
rice Range: EVOO - Rs 1400, ELOO - Rs 1350, Classic - R
Bertolli: Originated in Tuscany (Italy), Bertolli Oli
is the world's no. 1 olive oil brand, known worldw
for its taste and premium quality. Established in 1
it has a complete range of non-GMO & chemical f
olive oil extracted from real & fine olives.
USP: Can be reused 6 times (i.e) you only require
the amount of Bertolli olive oil compared to other e
oils.
CEO: Pierluigi Tosato (Bertolli is a subsidary of Dole
a spanish multinational olive oil processing company
Product Range: Extra Virgin Olive Oil, Extra Light O
Oil, Classic Olive Oil, Cooking Olive Oil
Price Range: EVOO - Rs 1299, ELOO - Rs 1225, Classic - Rs 1
5) Oleev: Oleev's multi-source oil provides the benefit
2 oils in one. They are low in saturated fats & high i
unsaturated fats which helps keep people fit. Oleev's o

Classic Olive Oil, Cesar Olive pomace oil
Price Range: EVOO - Rs 1400, ELOO - Rs 1350, Classic - Rs 1350

Bertolli: Originated in Tuscany (Italy), Bertolli Olive Oil is the world's no. 1 olive oil brand, known worldwide for its ~~a~~taste and premium quality. Established in 1865, it has a complete range of non-GMO & chemical free olive oil extracted from real & fine olives.
USP: Can be reused 6 times (i.e) you only require $\frac{1}{3}$rd the amount of Bertolli olive oil compared to other edible oils.
CEO: Pierluigi Tosato (Bertolli is a subsidary of Deoleo, S.A a spanish multinational olive oil processing company
Product Range: Extra Virgin Olive Oil, Extra Light Olive Oil, Classic Olive Oil, Cooking Olive Oil
Price Range: EVOO - Rs 1299, ELOO - Rs 1225, Classic - Rs 1225

Oleev: Oleev's multi-source oil provides the benefits of 2 oils in one. They are low in saturated fats & high in unsaturated fats which helps keep people fit. Oleev's oil

guarantees upto 20% less oil absorption due to low absorption and sci-fry technology making food healthier and less sticky.

USP: The VitaFit formula in Oleev Smart is rich in vitamins A, D, E & K, which are vital for smooth functioning of the body.

CEO: Anil Modi (Oleev is a subsidary of Modi Naturals, an oil processing company.

Product Range: Extra Virgin Olive Oil, Extra Light Olive Oil, Olive Pomace Oil, Olive Smart Oil, Olive Health Oil, Olive Active Oil

Price Range: EVOO - Rs 1499, ELOO - Rs 1499, Olive Pomace - Rs 899

Del Monte
Quality

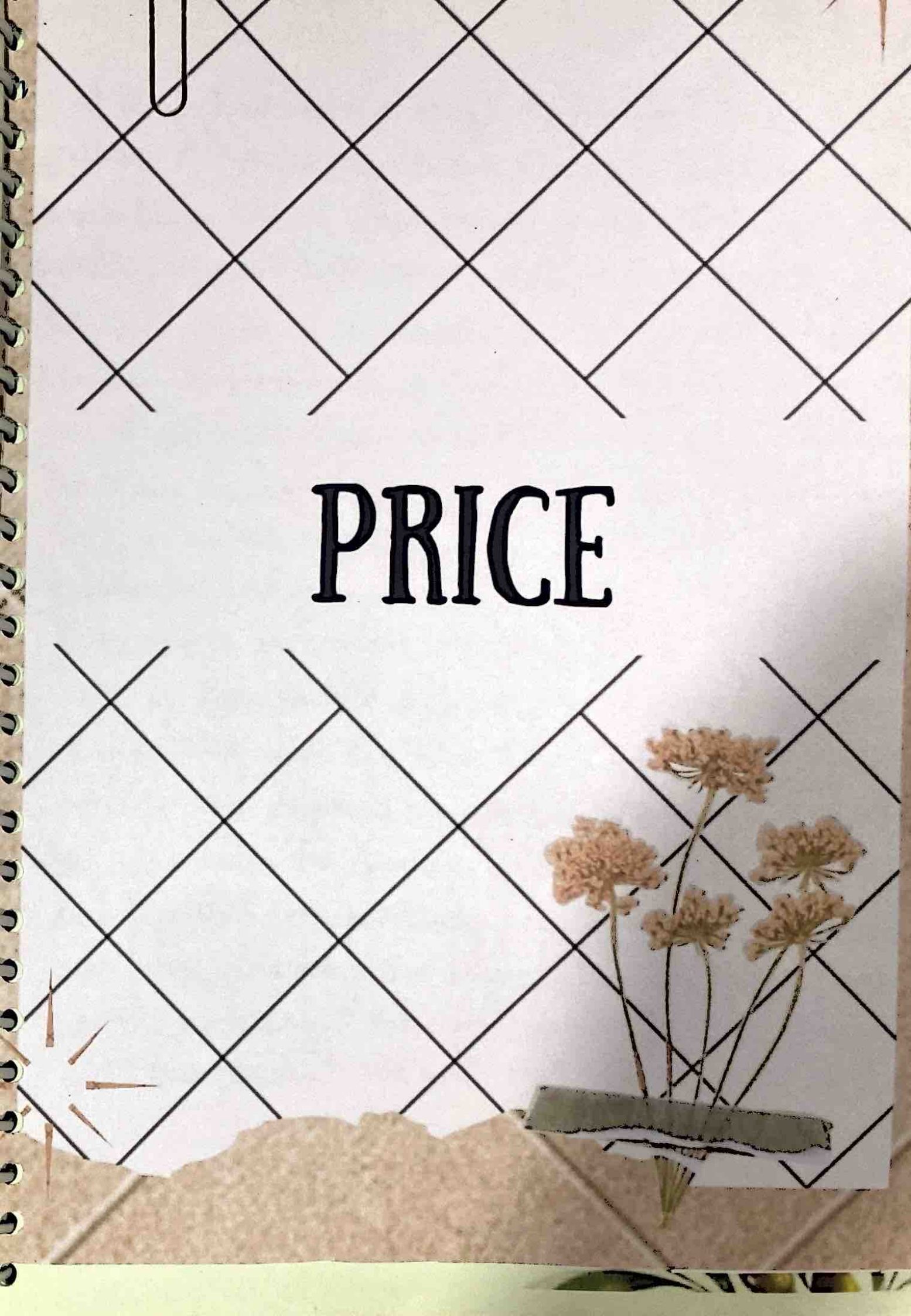
DiSano

BERTOLLI
DAL 1865

BORGES

Oleev
Go beyond

PRICE



Our Pricing Strategy

We at Peace have decided to opt 'Competition - Based Pricing' strategy. A competition based pricing is also known as Competitive pricing. This pricing strategy focuses on the existing market rate for a company's product/service. It doesn't take into account the cost of their product/ consumer demand, instead a competition-based pricing strategy uses the competitor's prices as a benchmark. The main reason for choosing this strategy is our products (ie) Olive Oil of different types, come under the food products category & this category competitors tend to price their products extremely closely or same price. This is completely different from other kinds of products especially like clothing & electronics under which there are different ranges & prices & lines of products. So, in order to survive in the market we have to price our product competetively & we have to get recognised. So we first examine the highest & lowest priced products in the category & then find the ideal price at which we can sell our product. We will make sure that we won't be

be selling our product neither at lowest nor at highest price, we will place our product in between both of them. We will price our product in between so that they are likely to purchase our product and not the competitor's product & Also It does not violate the pricing strategy.

Factors influencing Price Determination

Price is the amount of money consumers have to pay to obtain the product. Pricing occupies an important place in the marketing of goods & services. No product can be launched without a price tag or atleast some guidelines for pricing. Pricing is often used as a regulator of the demand of the product.

There are several factors which influence the pricing of the product, these include -

1. Product Cost : One of the most important factor affecting the price of a product / service is its cost. This includes the cost of production, distribution and sale of the product. It sets the flour price at which the product can be sold.
2. Utility & Demand: Demand Creation is the prime task of marketing management. So, the product's price is set at a level at which there's the desired impact on the product demand. The price of a product is affected by the elasticity of demand of the product. If the demand is elastic then, a relatively small change in price results

in a large change in the quantity demanded & incase of inelastic demand, the total revenue increases when the price increases & goes down when the price is reduced. So, if the demand is inelastic, the firm is in a better position to fix higher prices.

3) Extent of Competition in the Market: Competitor's prices & their anticipated reactions must be considered before fixing the price of a product. Not only the price, but the quality & features of the competitive products must be examined before fixing the price.

4) Government & Legal Regulations: The price of the product must be fixed in mind any regulations made by the govt regarding price of such commodities.

5) Pricing Objectives: Pricing objectives are other important factors affecting the price of product/service. They may be:-

(a) Profit Maximisation
(b) Obtaining Market Share Leadership
(c) Surviving Competitive Market
(d) Attaining product quality leadership

Selling Price of Peace

CATEGORY	COST OF PRODUCTION	MANUFACTURERS	WHOLE SALERS	RETAILERS
Extra virgin olive oil (EVOO)	580	610	650	720
Virgin olive oil	500	520	550	600
Light/Extra Light/Refined olive oil	450	480	530	600
olive Pomace oil	300	320	350	390
Classic/pure olive oil	390	420	460	520

Note: The prices mentioned above are in INR (₹) and are for 1 lt bottles.

Profit margin by peace for Intermediaries

PRODUCT RANGE	Cost of Production	MANUFACTURERS		WHOLESALERS		RETAILERS	
		SP	Profit margin	SP	Profit margin	SP	profit margin
extra virgin olive oil	540	565	$\frac{25}{565} \times 100 = 4.42\%$	620	$\frac{55}{620} \times 100 = 8.87\%$	720	$\frac{100}{720} \times 100 = 13.88\%$
Virgin olive oil	440	460	$\frac{20}{460} \times 100 = 4.34\%$	520	$\frac{60}{520} \times 100 = 11.53\%$	600	$\frac{80}{600} \times 100 = 13.33\%$
Light/Extra Light/Refined olive oil	430	450	$\frac{20}{450} \times 100 = 4.44\%$	500	$\frac{50}{500} \times 100 = 10\%$	600	$\frac{100}{600} \times 100 = 16.66\%$
olive pomance oil	305	315	$\frac{10}{315} \times 100 = 3.11\%$	345	$\frac{30}{345} \times 100 = 8.69\%$	390	$\frac{45}{390} \times 100 = 11.53\%$
classic/ pure/ olive oil	400	415	$\frac{15}{415} \times 100 = 3.61\%$	465	$\frac{40}{465} \times 100 = 8.79\%$	520	$\frac{65}{520} \times 100 = 12.5\%$

$$\% \text{ of profit} = \frac{\text{Profit}}{\text{Selling price}} \times 100$$

Selling Price of our Competitors

CATEGORY	EXTRA Virgin	Virgin	Light/Extra Light/Refined	OLIVE POMACE	Classic/pure
Delmonte	849	–	1250	500	1350
Disano	1250	–	1250	855	1250
Bourges	1400	–	1350	–	1350
Bertalli	1299	–	1225	–	1225
Oleev	1499	–	1499	899	–

Note: The prices mentioned above are in INR(₹) and are for 1lt bottles.

① Extra Virgin olive oil

BRANDS	Cost of production	MANUFACTURERS		WHOLESALERS		RETAILERS	
		SP	Profit Margin	SP	Profit margin	SP	Profit Margin
Delmonte	680	719	$\frac{39}{719} \times 100 = 5.42\%$	769	$\frac{50}{769} \times 100 = 6.50\%$	849	$\frac{80}{849} \times 100 = 9.42\%$
Disano	980	1040	$\frac{60}{1040} \times 100 = 5.76\%$	1125	$\frac{85}{1125} \times 100 = 7.55\%$	1250	$\frac{125}{1250} \times 100 = 10\%$
Borrges	1085	1150	$\frac{65}{1150} \times 100 = 5.65\%$	1250	$\frac{100}{1250} \times 100 = 8\%$	1400	$\frac{150}{1400} \times 100 = 10.71\%$
Bertalli	1000	1060	$\frac{60}{1000} \times 100 = 5.66\%$	1150	$\frac{90}{1150} \times 100 = 7.82\%$	1299	$\frac{149}{1299} \times 100 = 11.47\%$
aleev	1170	1240	$\frac{70}{1240} \times 100 = 5.64\%$	1340	$\frac{100}{1340} \times 100 = 7.46\%$	1499	$\frac{159}{1499} \times 100 = 10.60\%$

Profit Margin of our competitors to Intermediaries

5

③ Refined/Light/Extra Light olive oil -

BRANDS	Cost of Production	MANUFACTURERS		WHOLESALERS		RETAILERS	
		SP	Profit margin	SP	Profit margin	SP	Profit margin
Delmonte	940	1000	$\frac{60}{1000} \times 100 = 6\%$	1100	$\frac{100}{1100} \times 100 = 9.09\%$	1250	$\frac{150}{1250} \times 100 = 12\%$
Disano	900	975	$\frac{75}{975} \times 100 = 7.69\%$	1075	$\frac{100}{1075} \times 100 = 9.30\%$	1250	$\frac{175}{1250} \times 100 = 14\%$
Bourges	1000	1080	$\frac{80}{1080} \times 100 = 7.40\%$	1200	$\frac{120}{1200} \times 100 = 10\%$	1350	$\frac{125}{1350} \times 100 = 11.11\%$
Bertolli	950	1000	$\frac{50}{1000} \times 100 = 5\%$	1100	$\frac{100}{1100} \times 100 = 9.09\%$	1225	$\frac{125}{1225} \times 100 = 10.20\%$
aleev	1100	1180	$\frac{80}{1180} \times 100 = 6.77\%$	1300	$\frac{120}{1300} \times 100 = 9.23\%$	1499	$\frac{199}{1499} \times 100 = 13.27\%$

④ olive Pomance oil

BRANDS	Cost of production	MANFACTURERS		WHOLESALERS		RETAILERS	
		SP	Profit margin	SP	profit margin	SP	profit margin
Delmonte	390	410	$\frac{20}{410} \times 100 = 4.87\%$	445	$\frac{35}{445} \times 100 = 7.86\%$	500	$\frac{55}{500} \times 100 = 11\%$
Disano	665	700	$\frac{35}{700} \times 100 = 5\%$	760	$\frac{60}{760} \times 100 = 7.89\%$	855	$\frac{95}{855} \times 100 = 11.11\%$
Bourges	–	–	–	–	–		–
Bertolli	–	–	–	–	–		–
aleev	700	735	$\frac{35}{735} \times 100 = 4.76\%$	800	$\frac{65}{800} \times 100 = 8.125\%$	899	$\frac{99}{899} \times 100 = 11.01\%$

⑤ Pure/classic olive oil

BRANDS	Cost of Production	MANUFACTURERS		WHOLESALERS		RETAILERS	
		SP	profit margin	SP	profit margin	SP	profit margin
Delmonte	1055	1100	$\frac{45}{1100} \times 100 = 4.09\%$	1200	$\frac{100}{1200} \times 100 = 8.33\%$	1350	$\frac{150}{1350} \times 100 = 11.11\%$
Disano	995	1040	$\frac{45}{1040} \times 100 = 4.32\%$	1125	$\frac{85}{1125} \times 100 = 7.55\%$	1250	$\frac{125}{1250} \times 100 = 10\%$
Bourges	1070	1120	$\frac{50}{1120} \times 100 = 4.64\%$	1215	$\frac{95}{1215} \times 100 = 7.81\%$	1350	$\frac{135}{1350} \times 100 = 10\%$
Bertolli	955	1000	$\frac{45}{1000} \times 100 = 4.5\%$	1085	$\frac{85}{1085} \times 100 = 7.83\%$	1225	$\frac{140}{1225} \times 100 = 11.42\%$
aleev	–	–	–	–	–	–	–

PLACE

Channels of Distribution

Distribution channels are the methods by which companies deliver products & services to customers & end users. We plan to use the following channels of distribution -

) Intensive Distribution (Two Level Channel): This is a form of retact distribution where products are sold through as many outlets as possible. This kind of distribution is best suited for products that rarely command brand loyalty. Intensive distribution gives brands the largest presence possible, making them reach potenial customers across markets. Here, the wholesaler & retailer function as connecting links between the manufacturer & consumer & 2 middlemen are involved.

→ Reason for Selection - We decided to use this channel as first & foremost Olive oil is a product which doesn't demand any brand loyalty in fact as of 2017, olive oil has a miniscule share of overall edible oil market, which is only 0.1% in India. So, to increase consumption, we

have to make the product available to everyone in multiple outlets. As its required in multiple outlets the channel of distribution which makes products reach as many outlets as possible in the easiest manner.

(2) E-Commerce: We also intend to make our products available on all E-Commerce platforms. There's a chance that products ordered on E-Commerce are sold by other retailers.

→ Reason for Selection: One of the main reasons for our venture into E-Commerce sale is global reach. Apart from that 24x7 services is also something which we can utilise through E-Commerce. Expenses incurred on advertising can also be saved. With so many benefits, we have decided to opt E-Commerce along with intensive distribution.

Transportation

The primary modes of transportation are shipments by Trucks, Ships, Trains & Airplanes aka Road, Maritime, Rail & Air.

The factors we kept in mind before choosing the mode of transportation are -

1. Shipping Origin: The place from which we ship the goods
2. National Border: Will shipping involve crossing the country?
3. Destination: The place to which the goods are to be shipped.
4. Time / Season: The time of the year during which shipment is taking place.
5. Budget: How much we can spend on transportation?

After running through all the factors, Peace chose the roads rail transport for shipping its products. Considering that Peace is a startup, air transport is not affordable. Coming to maritime transport, ships carry massive amount of

goods & are the safest & inexpensive mode but they have limited reach due to lack of costal borders in states & also takes a lot of time. This leaves us with 2 options road & rail, both of which we have opted. We have decided to use road transport for local shipments & rail transport for shiptments for rest of the country

Warehousing

Warehousing is an important part of every company's supply chain. Warehousing is the process of storing physical goods before they are sold / further distributed. Warehouses safely & securely store products in an organised way to track where items are located, when they arrived, how long they've been three & quantity on hand. Choosing the right warehouse can help save money, meet customer demand & drive efficiences. At Peace we have decided to use Private Warehouses, though they are expensive. Through inspection of the products is done before they are stored & the Warehouses are always kept clean & cater to the requirements for storing olive oil, which include -

1. The oil should be stored at a temperature of 14-15 degrees.
2. It shouldn't be exposed to direct sunlight for a long time, reason being the oil starts to loose its antioxidant properties.

3) Exposure to Oxygen should be almost minimum to none during storage, as the oil may turn rancid on its expense to oxygen.

With a requirement of constant care towards the product, private warehouses are the best choice as, public warehouses aren't technologically advanced, smart warehouses are expensive & consolidated warehouses take only small shipments.

PR

PROMOTION

Promotional Techniques

Promotion is imp for a business, it is what sets a business apart from its competitors. There'll always be companies that will sell similar products, this is when one needs to promote his/her product and inform the public how your product is best/is the one which stands apart/why exactly the public has to buy your product. There are various methods of promoting a product, infact promotion doesn't have a particular process, one can promote a product in his/her own manner, it depends on how creatively the product is displayed. At peace, we've planned to use the following ways to promote our products -

① Advertising: We've decided to advertise our product on different social media platforms like Youtube, Twitter etc & have also decided to use Google Ads for a wider reach.
Billboards are also going to be placed in the prime of various cities.

② Celebrity Endorsement: We plan on signing up a popular person. For promoting our product where he/she talks about the USP & key features of the product.

- Discounts : To increase our sales off-season, we offer discounts.

- Samples : Samples of a dish cooked with our oil will be given away in different supermarkets & a specially designed 250 ml bottle at a 10% discount price will be available.

- Sponsorships : We will sponsor prestigious cooking shows & our products will be used for cooking the dishes on the show.

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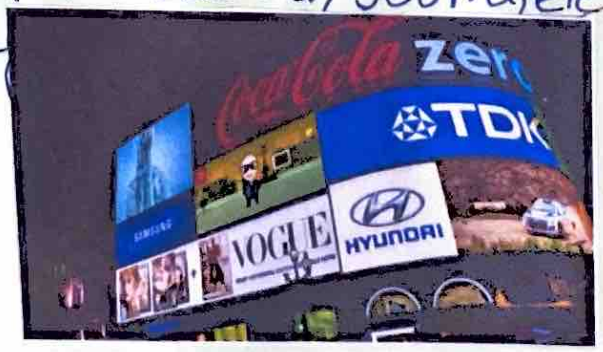
To Retailers : ① 5% Discount will be offered to people who make regular

② A provision ... for all the purchases at the end of th ... In case the payments aren't made, then ... ture purchases won't be given until

To Customers ... facility, where a plan of Customer's choice can be made, and they can choose -:

* Quantity (like 250 ml, 500 ml, etc)
* Type (Vir



Offers

The offers put forth by Peace to wholesalers, retailers & customers include -

To wholesalers: ① A discount of 5% on bulk purchase will be offered on the first deal & if the contract goes well & the T&C are agreed, the contracts will be availed at 6% Discount & reccomendation on good terms about them will be made.

② If a monthly purchase of minimum value (amount to be decided by wholesaler) is made, then the transportation will be free.

To Retailers: ① 5% Discount will be offered to people who make regular purchases.

② A provision to make payment for all the purchases at the end of the year will be given. In case the payments aren't made, then discount for the future purchases won't be given until dues are paid.

To Customers: Free subscription facility, where a plan of customer's choice can be made, and they can choose -:

* Quantity (like 250 ml, 500 ml, etc)
* Type (Virgin Olive Oil etc)

After making their choice, the products will be home delivered to them as per the plan & the delivery will be free of cost. If the customer renews the plan, they will be given a 10% discount on the first month / quarter / year / week etc.
Perks will be added to their account, provided they have registered, if any purchase other than contract are made & for every 100 perks various offers will be available.

Cost Effective Techniques

① Blogging : Blogging is something which is gaining a lot of attention these days, since its one of simplest & most effective ways to voice your opinion. It doesn't require a lot of money, all you need for a blog is high quality, relevant content for the readers. More high quality content means more people visit your webpage which means more exposure for the brand.

② Website Reviews : Reviewing websities like Yelp etc can also startup businesses a lot. They increase the no of people who know about various businesses. People who've been to a particular restaurant / used a product etc can share their opinions about them, good or bad. This helps us to get to know what our strengths are & where we need to improve, along with this more & more people can get to know about our business. So, without actually spending any money we are getting promotion.

③ Social Media : Making a video about our product & uploading it on social media platforms is also another

effective techniques. Giving away free T-shirts & caps with our company's logo & tagline on them, giving away coupons, holding stalls etc are some other cost effective methods we are going to use.

(4) Email Marketing: This is another cost-effective way to promote our product. Its one of the least expensive & most effective digital marketing method of promoting a product.

Conclusion

Olives symbolise peace & friendship. Peace is the name of my brand & friendship is realtionship between me & my customers. We at Peace always keep in mind customer satisfaction & product quality. We put our best efforts to procure the best quality olives & use environment friendly packaging materials to ensure the well-being of the society. We treat our employees with utmost respect & ensure that they are always safe & sound as their contribution is crucial. Peace always tries to make its products affordable for everyone, making its target population larger. Good marketing doesn't require spending lots of money, it requires unique & creative ideas to appeal the target audience. We are determined towards making people have a delicious meal by bringing our product to the people.

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