

OBJECTIVES OF STUDYING THE ORGANIZATION

1. To check the role of 4Ps in achieving Nestle marketing goals.
2. History of nestle in Pakistan
3. To know the share of nestle in Pakistan market

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INTRODUCTION OF NESTLE

Nestlé is an international corporation that produces a variety of products including food, beverages, and pharmaceuticals that amount to over 8,000 in all (Tomlinson 2000). The company was founded in 1867 in Vevey, Switzerland and has facilities worldwide.

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- **OVERVIEW OF NESTLE**

Nestle's Brief History in Retrospective

Origin:

The key factor, which drove the early history of the enterprise that would become The Nestlé Company, was Henri Nestlé's search for a healthy, economical alternative to breastfeeding for mothers who could not feed their infants at the breast.

(Henri Nestlé, Scientist and businessman, Founded Nestlé over)

NESTLÉ IN PAKISTAN

Nestlé came to Pakistan in 1989, before 1989 there was a whole seller of Nestlé in Karachi named "Sultan Chawala". In 1992 Nestlé made a Joint Venture with "MilkPak Ltd." And named as "**Nestlé MilkPak Ltd.**"

Current Overview of Nestlé Milk Pak Ltd's

Now a day's company is running in profit. According to Nestlé they never face slump in normal days, because food products are the demand of every time either it is slump or boom. 11th September Company faces some problems for 20-25 days. As at that time there was slump on all industries of Pakistan. But now it is working as previous.

PROFILE OF THE EMPLOYEES

No of Employees -----Nestle Pakistan LTD	
Designation	No. of Employees
Chief Manager	02
Manager	06
Accounts Officer	05
Marketing Officer	04
Customer Service Officer.	25
Cashier(s)	15
Tea Boy	16
Qasid(s)/Guard(s)	10

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PRODUCT LINES

I- Milk Products

- i) **Nestlé MilkPak UHT Milk:** This product was launched in 1981. Backed by a very strong brand name, aggressive marketing and distribution plan, consistent quality, and availability throughout the year, it has become quality milk. In September 1999, MilkPak UHT milk was launched as Nestlé MilkPak UHT milk. It is available in 1000, 500 and 250 ml sizes.
- ii) **MilkPak Butter:** This product was launched in 1985 under the MilkPak brand name. It has been recently repackaged in a crisp white laminate, the design of which bears closed resemblance to that of Milkpak UHT milk. This new package design allows gaining strength from Nestlé MilkPak UHT milk. It is available in 200 and 100 gm sizes.
- iii) **MilkPak UHT Cream:** This product was launched in 1986 under MilkPak brand name. It is available in 200 ml size.
- iv) **MilkPak Desi Ghee:** This product was launched in 1986. It is available in 1000ml size & is leading branded ghee in country. Nestlé Everyday: To meet the requirements of the tea-whitening segment, this product was launched in 1992. On account of aggressive marketing, focused distribution, excellent consumer acceptance and product Quality, this brand has shown strong growth and holds good promise for the future.

i) Nestlé Products

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Organizational Structure

Main Offices

Head Office

308, Upper Mall, Lahore, 54000, Pakistan

Phone - 042 - 5757082 – 95, Fax - 042-5711820

Sub Offices

1. Islamabad
2. Karachi
3. Peshawar
4. Sheikhpura

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Functions Of The Marketing Department

- 1. Marketing Strategy**
- 2. SEGMENT MARKETING**
- 3. BASES FOR SEGMENTING MARKETS**
- 4. USING MULTIPLE SEGMENTATION BASESD**

Nestlé does not rely only on one segment variable. While segmented the market Nestlé takes into account all the three segment variables.

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GEOGRAPHIC

Region	Middle East, China, India, Canada, Mexico, Western Europe, North America
Density	Urban, Suburban, Rural
Metro Size	Under 5,000; 5,000-20,000; 20,000-50,000; 50,000-100,000; 100,000-500,000; 500,000-1,000,000; 1,000,000-4,000,000; Over 4,000,000;

DEMOGRAPHICAL

Age	Under 6; 6-11; 12-19; 20,34; 34-49; 49-64; Over 64
Family Size	1-2; 3-4; 5-6; 7 and Over
Income Annual	Under 12,000; 12,000-20,000; 20,000-35,000; 35,000-60,000; 60,000-100,000; 100,000-400,000; 400,000-800,000; Over 800,000;
Occupation	Professional and Technical, Managers, Officials and Proprietors, Clerical staff, Crafts People, Foremen, Farmers and Students
Education	Uneducated, School Going, College Going, University Students and Doctors.
Religion	Muslim, Hindu, Jewish, Catholic and others

MARKET TARGETING

After making the segments of the market Nestlé decides to target some of the selected markets.

EVALUATING MARKET SEGMENTS

PRODUCT PLANNING, DEVELOPMENT & MANAGEMENT

PRODUCT ATTRIBUTES

1: PRODUCT QUALITY

2: BRANDING

3: PACKAGING

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PRODUCT LIFE CYCLE STAGES

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NEW PRODUCT DEVELOPMENT

PRICING STRATEGY

1: Cost of the product: - First of all company wants to cover its cost so company set a price which covers the cost and also give them some profit.

DISTRIBUTION STRATEGY

In Pakistan the ready stock from the company is distributed to the main distributors in each big district of Pakistan. From the premises of the distributors the distributor distributes the products to the retailers and leading whole sellers through the sales force hired by him. Company unloads the stock at the premises of the distributor after receiving an advance bank draft of the order along with the order sheet. For each category of the product the sales force is divided in different groups.

PROMOTIONAL STRATEGY

1. Promotion refers to influencing people.
2. Does the promotion support the marketing objectives?

What is the reason of its success or failure?

CRITICAL ANALYSIS

We can analyze the company performance in terms of its environments as follows;

MICRO ENVIRONMENT

Company's major global environment consists of six forces; The Company, Suppliers, Marketing Intermediaries, Customers, Competitors, Public

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SUCCESS & FAILURE OF DIFFERENT PRODUCTS VS CONSUMER BUYING BEHAVIOR

In buying Nestlé products no “Complex or Dissonance buying behavior” is under taken as Nestlé products are not very expensive, risky, infrequent purchased, less difference in brands and highly self-expressive; but products are of daily use less in price and purchased frequently.

_FUTURE PROSPECTS AND CHALLENGES FOR THE COMPANY

Nestlé is manufacturing many products. The logo of the company is based on quality and customer satisfaction. Many people said that the Nestlé’s marketing management philosophy is based on quality, so Nestlé is at product concept but it is not the reality.

CRITICAL ANALYSIS OF MARKETRING MANAGEMENT

SWOT ANALYSIS OF NESTLE' PURE LIFE

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Conclusions

- Nestlé should consider decreasing costs that are incurred due to intensive distribution that it takes up for the most of its products. For example, Nestlé Pure Life is found even in outlets such as the “local khokhas” in Pakistan. Placing it here is not quite beneficial as the poor localities can hardly afford to buy it. Therefore, the firm is incurring cost without the sales being increased at this certain distribution channel.

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RECOMMENDATIONS

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