



**REPORT
ON
NINETEENTH
ENTERPRISE
DEVELOPMENT NETWORK
FORUM**

August 3, 2007

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1. ACKNOWLEDGEMENT

On behalf of Enterprise Development Network (EDN) we would like to thank the presenters of the nineteenth EDN Forum Mr. Suman Shakya, CEO, Print Process for presenting on “New Marketing Mantras” and Mr. Ajay Nanda Bajracharya, Marketing Team Leader, Nepal Simi for sharing his experience on product marketing and what sells in the market.

We would also like to show our gratitude to Women Entrepreneurship Development Forum/FNCCI and Tips/WINNER for hosting the nineteenth EDN forum. Our thank goes to all the participants who attended the nineteenth forum on Enterprise Development Network, who took time to participate, discuss and share their ideas.



2. PROCEEDINGS OF THE MEETING

2.1 Program Overview

The Nineteenth Enterprise Development took place at FNCCI building, Teku on 3rd, August 2007. The theme of the forum was **“What sells in the market” - Adapting to new market trends**” (see annexure 1 for the program schedule).

Mr. Suman Shkaya, CEO, Print Process presented on the topic New Marketing Mantras and Mr. Ajay Nanda Bajracharya shared his experience on the product marketing and what sells in the market.

2.2 Mr. Suman Shakya, CEO, Print Process presentation on “New Marketing Mantras”.

Mr. Suman Shakya was the first presenter of the forum and his presentation topic was "New Marketing Mantras". Before starting his presentation, he asked all the participants about their expectation from the forum. He wanted all the participants to share their issues with each other and hope to learn from them. The participants put forth the different expectations and issues that they wanted to know more about such as what actually sell in the market, how to localize the product and cope with the market changes, marketing tools and techniques for income generating activities, how to market the product domestically and internationally, access to market for their products, etc.

Mr. Shakya started his presentation with the mantra for marketing, which he said was “LUCK”. According to him, when the preparation meets opportunity, you become successful and that is luck. He gave an interesting equation for the participants to solve. How the sum of $5+5+5$ becomes 550 with only one change in the equation? All the participants tried their best. One of the participants Mr. Sudhir Malla from United Mission of Nepal solved the equation by making one of the + sign into 4 which becomes $545+5$ equals to 550. Mr. Shakya explained that traditional thinking is not enough and people have to think outside the box in order to be successful.



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He explained that people want others to understand but it is not always possible. People like others to buy their every products/services/concepts. But our objectives regarding the product that we are going to sell in the market should be from customer's point of view, which is the second mantra of marketing. We need to think from buying process of the consumers not from selling concepts of producers. It is important to know the psychological understanding of the consumers on the quality, price, quantity, design etc and how they buy goods from the market. If we know and understand how the consumers buy the products, then we will know how to sell our products. The buying habit of every consumer is different from others. We need to identify the factors that the consumers think as important while buying. For this, the sellers or producers have to do a lot of research while launching their products in any target market. He explained that the generation gap brings a lot of changes in consumers taste and preference, which affect the demand for any goods and services. These changes have been happening very rapidly like the mobile set 5 years back were considering as a luxury now it has become a necessity. People have to adapt with the change if they want to sustain and compete in the market. Marketing is the entire process and the starting point that need to focus is the "consumers need identification" otherwise marketing will not be successful. He gave an example of Nepalese honey, compared it with the Dabur Honey of India. The Dabur honey is adopting with every need of the consumers and making it easy for the buyer to use like bringing new squeeze packed honey. The marketing activities need to be understandable and communicable to the target group.

He gave examples of advertising that we regularly see in our life through print, TV or any kind of media. As consumer we see hundreds of advertisement but while recalling it is difficult to recall just 20 advertisements also. This is one of the challenges of the marketing. An entrepreneur is always successful at level 1 and 2 but as the business expand it is difficult as one have to management the business and management of business is third mantra of the marketing. The management of any company greatly affects to boost the sell.

Discussion

One of the participants observed that the lady while naming the advertisements she remembered the most were the products totally different like instead of talking about beauty products, which is related to her she talked about other products.



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Mr. Shakya said that all communications have to say the same things. For example, if you say something it should reflect in your management. Holistic approach is required. He gave the example of Pulsar bike popularity now days. Pulsar has been able to develop the product according to the need of market. It's positioning is good focusing in the masculine part of the man. They have developed the connection between the product and the target consumers.

Meanwhile another participant inquired that handicraft products need creativity and innovation to sell the products rather than focusing on the need of the consumers.

On this Mr. Shakya replied that the handicraft producers have trigger to the certain need of the market. Inspiration comes from ideas, experience etc. The supply of the handicraft market is limited. The information age has shortened the timeline to become successful. We need to respond to the changes of the market rapidly if one wants to expand and be successful.

2.3 Mr. Ajaya Nanda Bajracharya, Marketing Team Leader, Nepal Simi, sharing his experience on product marketing and what sells in the market.

Mr. Ajaya Nanda Bajracharya presented different marketing concepts. He said that a Production concept says that the consumer will favor low in cost and widely available products. But this concept has also limitation and it is applicable only where demand exceeds supply and price is high and has to be decreased to expand the market. Product concept holds that consumers will favor the most quality, performance or innovative features. The limitation of this concept is that the manager develops their products focusing on quality rather than consumers input. The selling/sales concept holds that consumers will not buy unless and until the aggressive selling and promotion efforts are applied. But this concept has the limitation of selling what they make rather than what market wants. Then comes the marketing concept, which defines marketing as the process whereby the suppliers of a product or services find out what the consumers want and supplies at a profit. It focuses on the need of the buyer.

He said that a proper marketing research should be done for any product to sale. People just don't buy the products. He further explained that we need to identify the consumers to sell the product and consumer's satisfaction is very important for any product to sustain.

He explained that Philip Kotler in broad term defines market as a whole of any region in which buyers and sellers are brought into contact with one another and by means the prices of



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goods tend to be equalized easily and quickly and demand concept explains the market consist of all the potential customers sharing a particular need or want who might be willing and able to engage in exchange to satisfy need for want. He said that the consumers are the kings. Everyone is a consumer and marketing should be done to provide satisfaction to consumers, at the time, to the place, at the reasonable price and in the form that the consumers want.

He focused on the marketing scenario in a globalize world and explains the Darwin's Theory of Survival of the fittest. The major issues that the Nepalese market is facing is inadequate marketable surplus due to small scale of production or operation, inadequate commercialization, huge import, weak marketing institutions, inadequate linkage, inadequate focus on sustainable business linkage.

He gave an example of potato seed that was a huge failure in Satbriya, Dang. This potato seed selling price was Rs. 12 per kg but the other potato seeds available in the same market cost Rs. 2 per kg. The demand for Rs. 2 per kg potato seed was higher due to which the 12/kg potato seed could not be sold in the market. But the consumers who bought Rs. 2 /kg potato seed had to face problems as the seed did not grow as expected. Both the consumers and the producers had to face a huge loss due to price, which is an important factor for competition.

Supply and demand are affected by the factors like price, taste and preference, numbers of consumers, price of related products etc. A Processor/Entrepreneur should identify as precisely as possible who the main consumers will be, where they are located and how they buy their goods. They should use information from 4's that is product, price, place and promotion and develop the marketing strategy accordingly.

He explained the value chain for achieving a more rewarding position in the market. Value chain is important to improve the quality, increase systems efficiency, developing the differentiated products etc.

He further explained the rules for success as prescribed by P. Getty. "There are no absolutely safe or sure-fire formulas for achieving success in business." The man who wants to go into business for him should choose a field, which he knows and understands.



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Discussion

One of the participants asked about the organic products sales volume. Mr. Bajracharya explained that the sales are not so high. Nepalese organic products are not certified and the target customers are becoming so much health conscious. Nepalese are importing the same organic products but are hesitant to buy from local producers because of lack of certification. The “PRA test” is not developed yet in Nepal. Our products are not meeting the quality as demanded by the international market.

The other participant asked about the market access for their product in the international market. He replied that there is a need for import substitution. The competitive advantage has to be created. Nepalese producers need to focus on 4p’s, price, product, place, and promotion. They should concentrate on “give more at less” concept. He said that the critical hindrance for Nepalese products to sell in the market is the lack of proper linkage between the agriculture and the agro processor.

3. WRAP UP

Ms. Reema Shrestha wrapped up the forum saying that in both the presentation the common issues that were discussed was market research is important, one have to know their consumers and good management of the company is needed in order to get success in the business. She also cited the marketing mantra, which Mr. Shakya said that “LUCK” is the mantra for marketing which is when preparation meet the opportunity then it is the luck. She also added that there should be a proper linkages between agriculture product producers and agro processor.

Towards the end Ms. Reema Shrestha thanked TIPS/Winnner and WEDF/FNCCI for sponsoring the nineteenth forum. Also, she thanked the resource person and all the participants for giving their time to attend the forum and announced the twentieth EDN forum to be held on 5th October 2007.



4. ANNEXES

Annex 1: Program Schedule

‘What sells in the market’? - Adapting to new market trends’

Nineteenth Enterprise Development Network Forum
August 3, 2007

Kindly hosted by Tips/Winner and Women Entrepreneurship Development Forum/ FNCCI

Venue: FNCCI, Meeting Hall, Teku, 4262061 / 4262218

Program Schedule

TIME	SESSION
2:15 – 2:30	Registration
2:30 – 2:40	Welcome and Overview of the discussion Ms. Reema Shrestha, EDN Coordinator
2:40 – 3:05	Presentation on “New Marketing Mantras” Mr. Suman Shakya, CEO, Print Process
3:05 – 3:30	Question & Answer/Discussion
3:30 – 3:55	Experience sharing on International Trade Mr. Ajay Nanda Bajracharya, Marketing Team Leader, Nepal Simi
3:55 – 4:20	Question & Answer/Discussion
4:20 – 4:30	Moderation and Wrap up

Annex 2: List of Participants

SN	I	F. Name	L. Name	Designation	Organization
1	Ms.	Radha	Shakya		HB Craft
2	Mr.	Sudhir	Malla		UMN
3	Ms.	Mallika	Shrestha		Craft Palace
4	Ms.	Raisha	Dongol		Raisha Craft
5	Ms.	Namrata	Sthapit		Kyatuki Enterprise
6	Ms.	Nameeta	Sthapit		Kyatuki Enterprise
7	Mr.	Neeraj	Nepali	Executive Director	Lotus Opportunities
8	Mr.	Shisam	Mishra		Kunj Artistic Bead Craft
9	Ms.	Punnam	Pokherel		Kunj Artistic Bead Craft
10	Ms.	Meeta	Shrestha	Asst. Marketing Manager	Nepal Knot Craft
11	Mr.	Pramod	Khakurel	Project Manager	Planet Finance Nepal
12	Mr.	Suman	Shakya	CEO	Print Process
13	Mr.	Ajay Nanda	Bajracharya	Marketing Team Leader	Nepal Simi
14	Ms.	Silu	Shrestha		Direction Nepal P. Ltd
15	Mr.	Trilokeshwor	Malla	Managind Director	Direction Nepal P. Ltd
16	Ms.	Nivedita	Shrestha	Director	TIPS/WINNER
17	Mr.	Mahendra	Chudal	Engineer	CRTIN
18	Ms.	Sabina	Singh		Air Trade Group Nepal
19	Mr.	Prachanda Man	Shrestha		Helvetas Nepal
20	Ms.	Pramila	Rai		Ninan Ridum
21	Ms.	Sobna	Lokoul		Bishnu Candle
22	Mr.	A.N	Shukla		ICIMOD
23	Ms.	Mahalaxmi	Shrestha	Secretary	APINET
24	Ms.	Nivedita	Shrestha	Director	TIPS/WINNER

