

PROTEIN KISSÈE-LA

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Selling fortified infant flours via any possible retail channels in Côte d'Ivoire



KEY MARKETING, SALES AND COMPLIANCE INNOVATIONS

- **PKL is answering mothers' concerns about food diversity with a variety of flavors.** The Nutribon products, sold in 50g and 200g packaging, are available in 4 different tastes: spinach, potato, apple and strawberry.
- **The marketing strategy targets all actors of the distribution chain.** TV and mass media campaigns help convince wholesalers and retailers to take on the product, pharmacists receive merchandising support to better display the product, and below-the-line marketing (road shows, free tasting, etc.) targets final clients directly.
- **Distribution makes the product available everywhere in different forms to fit various purchasing power.** PKL makes the product available "around the corner" thanks to a multichannel distribution strategy (supermarkets, pharmacies, small shops), and in various formats to cater for various daily purchasing power.
- **PKL is strengthening all its organizational processes for its scaling up.** The company has created solid processes at headquarters level (quality control, standardized HR processes, ICT for stock and sales monitoring etc.) before scaling up.

PROJECT DESCRIPTION

History of organization

Established as a local Ivorian company in 1994 by Malian entrepreneur Marie Diongoye Konaté, PKL launched the fortified infant flour Farinor (the product that was to make its success) in 1998. The company then diversified into maize and soy flours for industrial use (50% of its revenues today), other fortified food for infants with various fruit and vegetable flavors and added micronutrients (under the Nutribon brand: potato, spinach, strawberry and apple, that together with Farinor make 32% of PKL revenues) and fortified flour for adults (18% of revenues). The company went through ups and downs as the history of the country unfolded; the recent political crisis in 2011 forced the company to retreat its distribution and marketing activities mainly back to the Abidjan area, but PKL is now on its way to re-enter the rural market, with a true commitment to providing nutritious infant food to families who do not have access to any such food today. In 2009, GAIN decided to support this goal with a 5-year, 2m\$ grant.³ PKL is ISO 9001 certified, and is fully code compliant in both labeling and marketing practices.

Product/service offering and value proposition

PKL has developed an entire range of products for children between 6 and 24 months old. The initial formats were 200, 250 and 400g boxes (50g of the product corresponds to a child's RNI for one day, when combined with breastfeeding) sold to the public for FCFA 950 to 1400 (\$1.9-2.8), made of different cereals, available "around the corner" (i.e., in every mom and pop shop, supermarket and pharmacy in Abidjan). With GAIN's support, the company developed 50g sachets (sold FCFA 200 or 0.4\$ a sachet, retail price) fulfilling a child's daily RNI (2 servings), at an affordable price for most families (5-6% of daily wage for a family with two basic jobs in Abidjan), and with 4 different flavors. Within 18 months of launch (including 6 months of military-politic crisis) these sachets represented 20% of the company's sales in the infant food segment.

⁴ GAIN supported PKL on its Nutribon brand to 1) improve product formulation according to GAIN guidelines, 2) increase production capacity, 3) ensure Code compliance of marketing and labeling, 4) improve food safety and Quality Assurance and Quality Control practices. GAIN also supported Helen Keller International (HKI) in the development and execution of an awareness raising campaign for improved infant feeding practices, including the option of using fortified porridges. HKI and PKL worked together to ensure adoption of a local Ivorian version of the International Code of Marketing of Breast Milk Substitutes.

Promotion and compliance strategy

PKL's marketing strategy is to kickstart demand with limited media ads (large billboards and TV ads for 2-4 weeks a year), crucial to convince new distributors (wholesalers, shops and pharmacies) that PKL is a serious and trusted company and the product is in demand. At the same time, PKL carries out "commando operations" (music and games entertainment, with free samples and trials, at market places) to raise awareness about the product and trigger first purchase from final consumers. PKL makes sure that its products are then easily available everywhere close to consumers, trains resellers (pharmacists, retailers) of its products and lets word of mouth do the rest of the job. This is reflected in PKL's clients awareness sources: 31% of people know PKL products through friends and neighbors, while 25% discovered it via health professionals such as pharmacists and pediatricians and only 14% heard of it via media.

Sales and distribution

PKL's sales force covers the various channels through which the brand is sold, from its manufacturing plant in Abidjan industrial zone:

- **Pharmacies (40% of infant food sales):** 5 "medical delegates" cover the 500 pharmacies of Abidjan and its surroundings by car or taxi to promote PKL products and make sure orders are passed when stock is needed (delivery is ensured by the centralized pharmacy wholesale system).
- **Small shops (30% of sales):** 11 sales agents share 6 small trucks and 5 motorbikes (for the smaller streets where cars cannot go) to replenish the stocks of 100-200 shops each in Abidjan.
- **Supermarkets:** 4 sales agents and 3 promoters ensure orders from wholesalers and verify the assortment and stocks in 50 supermarkets (only in Abidjan, 30% of sales).
- **Markets:** 7 promoters do product demonstrations in market or in front of small shops.

Results

- **Scale:** As of 2013, PKL holds an estimated 25-30% market share of the infant food market in the country, with 150-200 tons sold per year (corresponding to around 11k individual portions a day).
- **Social impact:** Random checks and satisfaction studies conducted every two years by PKL show evidence of parents happy and proud of their children's looks and health. PKL pricing for individual sachets at FCFA 200 led competing brands to lower their prices to match that of PKL, making the product category more widely affordable in the country.
- **Financial sustainability:** PKL should reach sales of over \$3m in 2013, a third of it in infant complementary food. The company is profitable thanks to the margins it earns on its other businesses. The infant food business itself is expected to break even in 2016 thanks to increased production capacity and product sales.

Future plans

In 2014, PKL will launch new facilities that should allow multiplying its existing production capacities by five. PKL plans to use this extra-capacity to go further inside the country with an extended sales force. PKL has also plans for new distribution systems such as "baby bars" where mothers could feed their babies with certified quality food and receive general advice on baby nutrition and health.

CASE STUDIES

Exchange rate for this case study: 1 USD = 500 FCFA

Nutritional information (provided by the manufacturer):

Nutribon

Ingredients:		
Corn flour, soy flour, groundnut, sugar, milk powder, vitamins and mineral salts, dehydrated potato powder		
Average composition for 100g:		
Energy and balance:		
Energy	387	kcal
Proteins	10.0	g
Lipids	2.0	g
Carbohydrates	82.0	g
Fibre	2.0	g
Vitamin B1	1.0	g
Vitamin B2	1.0	g
Vitamin B6	1.0	g
Pantothenic acid	4.0	µg
Potassium	610.0	mg
Sodium	200.0	mg
Growth:		
Vitamin A	2668.0	µg eq. retinol
Vitamin D	400.0	UI
Vitamin E	10.0	UI
Niacin	12.0	UI
Biotin	0.016	µg
Zinc	16.6	µg
Iodine	0.18	µg
Resistance and vitality:		
Vitamin C	60.0	mg
Vitamin B12	1.8	µg
Folic Acid	0.3	µg
Iron	23.2	mg
Calcium	266.0	mg
Manganese	2.4	µg
Copper	1.12	µg

Sources: Field visit in Abidjan, July 23-26, 2013. Interview with Marie Diongoye Konate, Founder and CEO, Simeon Koffi, Sales and Marketing Director; Frank Adingra, Sales Manager; Aminata Drogba, Quality Director, clients, retailers, pharmacists, medical delegates and sales people.

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