

Analyzing and Recommending Marketing Strategies for Palmyra Based Productions in Sri Lanka

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Abstract

This review aimed at understanding the proper strategies for production and selling of Palmyra products and also actions needed to implement those strategies. Palmyra which is referred to as tree of life with lots of benefits including food, fiber, beverage, medicinal and timber is a blessing to mankind. Since the beneficial aspects expand from the top (leaves) to bottom (root), it is called as “Katpahatharu” in Tamil culture. The needs of this review showed that how to enhance the Palmyra based production in Sri Lanka as the products are underutilized by the people. Integrated development of Palmyra products for local and export markets, as well as management measures, are needed to maximize the economic value of the products and to assure sustained yield from native stands. From this review, we can conclude that marketing mix such as pricing, promotion and product placement, promotional mix such as advertising, branding, sales promotion, direct marketing and publicity are the key marketing plans which will help to enrich the Palmyra based productions in Sri Lanka.

Keywords: Palmyra products, action, marketing, strategy, economic value.

Introduction

Sri Lanka has the second largest Palmyra population in the world with about 11 million palms of which higher percentage of it spreads in northern and eastern provinces of the country covering over 60000 acres of land. Palmyra palm is a natural tree but yield several products of economic importance. It has been proved that every part of the tree has an economic value and can be used for human consumption. At least one third of the population in these areas depends directly or indirectly on the Palmyra palm to make their living. Nevertheless, underutilization of the palm is a continuing problem contributing the low level of development of Palmyra industries (Gummadi *et al.*, 2016). Palmyra has the vast capacity to become a great national treasure as each and every part of palm is very useful for mankind in various ways (Arulraj and Augustine, 2008). In Sri Lanka, millions of palms scatter all over the island and if, all of them are properly utilized, the industries will contribute significant amount for the Gross Domestic Product of Sri Lanka. However the tree is still underutilized and Palmyra industries are traditional industries (Davis *et al.*, 1987). The products are made by the methods practiced from the time immemorial without modern scientific applications. Palmyra Development Boards are helping the government to regularize and supporting the Palmyra related activities to promote as a sub sector of the national industrial sector in the north and east provinces.

Table 1. Useful products and its amount per Palmyra tree.

Neera (juice)	150 litres
Karuppatti (jaggery)	20-25 kgs
Panankarkandu (palm candy)	16 kgs
Matured leaves	10 kgs
Thumbu (coir)	11 kgs
Eeark	2.25 kgs
Naar (fibre)	16-20 kgs
Viragu (firewood)	10 kgs

And formal, methodical and scientific approaches can be followed to promote the Palmyra industries as an organized agro based industry. There were some limitations to grow up Palmyra based industry until 2009. Now it is strongly felt that conducive environment has developed to re accelerate the activities and programs related to production and marketing of Palmyra based products. Also, there is a rapid increase in the tourist from southern part of Sri Lanka after 2009 which creates a greater demand for the Palmyra based products (Table 1). If all put together, the total income from a Palmyra will be Rs. 2500 to Rs. 3500. About 400 to 500 Palmyra trees can be grown in one acre of land. The total earning from an acre of Palmyra will then be Rs. 1 million to Rs. 1.75 million per year.

In this demand and high yield situation, it is appropriate to focus attention on the development of Palmyra industries in new direction which in turn shed light on promoting the trade. The complexity in the market place has increased many folds in recent years and related decision making has got complex by the day. Marketing strategy is considered very important in view of reducing the constraints prevailed at present and increase the quality and competitiveness of the products to attract the customers from local and foreign to ensure the profitability and market expansion in the long run. There can be some targets that can be achieved through implementing a proper marketing strategy.

- Promoting and expanding the market for Palmyra based product specifically, jaggery, fiber, pulp, odiyal flour, fruit drink and handicraft items etc.
- Achieve a production chain with scientific background
- Obtain maximum profit in Palmyra industries and maintain a stable market.
- Increase number of customers for Palmyra products by creating specific products designs for each market segment.
- Make the market mix with the maximum competitiveness in the market.
- Initiate monitoring mechanism to encourage continuous changes in the market mix and to get the feedback in time.
- Increase the contribution in Gross National Domestic Production.

Strategies and Required Actions

Strategy 1: Increase the competition of the Palmyra products with other substitute products that are available in the modern urban marketing outlets. It can be achieved by promoting the quality of the products.

Action:

- Maintain standard processing procedures to maintain the uniform product quality.
- Standardize the packaging to increase the shelf life. Example, Jaggery-moist proof packages (Chaurasiya *et al.*, 2014).
- Develop a loyal brand for Palmyra products to attract the customers.

Strategy 2: Formulate a monitoring system to find the feedback of customers and production personnel, thereby, recover the malfunction.

Action:

- Undergo a research at least once in a year to collect the data among traditional producers, family members involved in production cum marketing, formal

organizations involved in marketing and customers of the products about challenges faced by the producers of Palmyra based products and customer satisfaction about the products.

- Recruit more field officers to have a good communication with the customers and producers to get their feedbacks (frequent observation).

Strategy 3: Increase positive customer perception by promoting special characteristics and introducing innovative design in the Palmyra products.

Action:

- Undergo some research activities on product development and product diversification. Also identify the customer problems in across other industries and formulate a solution using Palmyra products to capture new segments.
- Formulate the products which can have medicinal value and quality with the insufficient products. Commercial Palmyra/ tuber flour could be a substitute for wheat flour at least among a section of the population.
- Conduct some awareness program about health and nutritional benefits of Palmyra products.
- Conduct advertising campaigns by targeting uncovered customer segments of Palmyra products.
- Some products are unique to some areas: people seek particular products from those particular areas. Encourages the producers in these areas to produce more products and it will create a high demand in the market.

Strategy 4: Ensure the sufficient supply to meet the existing demand.

Action:

- Low volume of production caused shortage of the items. Increase the production volume by incorporating the small scale producers into the strategy. Assign field officers to each society to have a good coordination among producers and encourage them to produce according to the existing demand.
- Conduct some awareness programs to encourage the producers to do the production without gender limitation, also to adapt to new technology which can increase the production.
- Facilitate access to finance in order to adapt to the sophisticated technology (Srivastava *et al.*, 2017).
- The seasonal fluctuations in the supply of raw material and product should be reduced by proper storage conditions and packing in order to promote marketing throughout the year.

Strategy 5: Increasing the sales and upgrading the sales outlets.

Action for infrastructure:

- Develop the infrastructures to store a large number of high demand products and ensure the continuous supply
- Rearrange the outlet arrangements to modern marketing style (super market-self-service pattern) which can influence the customer purchase. It is better to hang or place that classified name boards along with the product in there allocated places for easy identification by customers. Also maintain the place with the cleanliness, ventilation, space for the customers and the good light conditions.

Action for products:

- Identify the higher demand products and ensure the enough quantity in sales centers. Eg. there is a reasonable demand for Palmyra alcohol products such as Palmyra toddy, Palmyra wine, vinegar, palm lager and Palmyra arrack.
- Ensure the availability of innovative products which are formulated in research works.
- Increasing the sales volume of an existing product through strategies such as bundling, advertising, lower prices or volume discounts.
- Amplify the business by conducting sales promotion activities.
- Participation in exhibitions and trade fairs are very useful
- Give advertisements through mass media such as newspapers, radio and television.
- Some posters about the product to be placed across the selected retailers.

Action for personals in sales centers: Increase the efficiency of the sales by assigning correct marketing personal in sales centers.

- Proper training should be provided to marketing personals on product characteristics and pricing. Addition to the above, proper incentive package should be provided to marketing personal to boost the sales.

Strategy 6: Change the pricing strategy from cost plus pricing to competitive pricing.

Action:

- Find the market price of other substitute products and assign the price according to it and frequent update is necessary to maintain the market.
- Conduct training programs for producers to educate suitable pricing strategies.
- Training cum production centers need to calculate costs and returns.

Strategy 7: Enter into the niche customer segments (tourism) to increase the sales volume of Palmyra products.

Action:

- Introducing the Palmyra articles to main tourists' centers.
- Publish articles in foreign languages (according to the tourist proportion) about the medicinal value and health benefits of Palmyra based food products.
- Obtaining the assistance of embassies and high commissions abroad may be desirable propositions to capture foreign people.

Strategy 8: Target the foreign market to export.

Action:

- Establish business linkage with some exporting companies and distributors to export the Palmyra products to potential countries. There is a market potential for handicraft items in Japan. There is a good demand for Palmyra trays and purses from Japanese tourists. Markets could be developed in Malaysia, Thailand and Indonesia like countries. Fresh fruit juice based "natural health drinks" have a big export market, in Western Europe and especially in Germany, Switzerland etc. Therefore, Palmyra based drinks like panampanam could be exported to these countries. And confirm the smooth and continuous production.
- And there are some established foreign companies looking for continuous supply year around. Therefore, have an agreement with them and ensure the continuous supply.
- Conduct awareness programs for all stakeholders (growers, processors, marketers, policy makers and other government stakeholders) on the potential of Palmyra fiber and its products.
- Establish a certain export market for Palmyra products with the help of major importing countries. Fiber is mainly imported by Japan, USA, UK, Germany, Belgium and Poland, while Japan is the principal importer of handicraft items.

Strategy 9: Construct more sales centers in potential areas.

Action:

- Identify the prominent places where most people are coming and also construct the sales center in districts where single sales center is not available (Kandy, Nuwara Eliya, Matara and Galle).
- Construct at least single sales and exhibition Centre in tourist liable hotels, airports, beach sides and other prominent places.
- Change the location of the sales outlets if not appropriate, to get regular and adequate supply.

Strategy 10: Create a good relationship among producers and customers.

Action:

- Ensure the benefit sharing network among producers to encroach the market.
- Introduce innovative products which are formulated through researches to producers and encourage them to do it.

Strategy 11: New market development (Axaroglou, 2004).

Action:

- Encourage the sale centers to sell many products in addition to the Palmyra products. By doing so, the number of customers can be increased. Certainly selling non Palmyra based products with traditional Palmyra based products will lead to earn more revenue by changing the product mix. Hence this particular practice can be considered as a tactic to attract more and new customers; and to retain the old ones.

Strategy 12: Deal with different type of stakeholders to increase the marketing level.

Action:

- Have a closer relationship with other trading agencies like LAKSALA, ARPICO and CARGILS etc. for marketing arrangements for handicrafts, Heyleys for fibre; Palmyra research institutes for research work and the Export Development Board for exports.

Conclusion

Implementation is the final stage of marketing strategy process, which turns plans into actions. The proposed strategies and actions to deal with the problems in Palmyra industries; cover a wide range, falling within the categories of improving the quality and strengthening the production, upgrade the sales units, monitoring marketing, marketing research and implementing strategies. Attention has to be paid on implementation or actualization of strategies to see its success or failure. Executing a strategy requires infrastructure and skills. Finally it can be concluded that evaluation indicators can be used to measure the progress towards the strategy.

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