

# PROBLEM STATEMENT Background on the Organization

TEXMO is a leading electric pump manufacturer in India and has been selling a wide range of water pump models under the TARO brand, catering to both Agriculture and Domestic requirements of customers for over 60 years.

TARO Pumps have a reputation of being high quality and low maintenance, with the company being the only pump manufacturer providing a 02 year warranty on all models.



### PROBLEM STATEMENT

Issues and Challenges



Despite the reputation, TEXMO was facing the following issues in Odisha:

- Slow & restricted penetration of TEXMO products
- Low awareness and Low Demand
- Slow sales growth through existing marketing channels
- Low transparency and efforts by existing dealers
- Limited convergence with Government schemes
- No alternate channels of distribution explored



## DISTRIBUTION NETWORK

#### **Existing Model**





#### TEXMO INDUSTRIES

One State Level Office Located in Bhubaneswar – Supplier



#### DEALERS

Exclusive Dealers at the District Level – 01 in each district of Odisha



#### BUYERS

Farmers (Agri-users), Domestic Users

#### Observed Issues with this Model

- The existing distribution network relied primarily on district level exclusive dealers.
- Not enough visibility for TARO Pumps, as low sales forced dealers to contest exclusivity.
- No sub-dealers, retailers or agents to push demand.
- → No discounts or price point advantages over competition given by TEXMO.

# **CONCEPT SUGGESTED**

MART's Alternate Model



#### **TEXMO - Roles**

Training to KS

Stipend to KS

Sales Commission

Service Commission

Monitoring of KS

Promotion Campaigns & Advertisements



Demand for Pumps / Service & Feedback



**Develop Awareness** 

**Demonstrations** 

Consumer Education

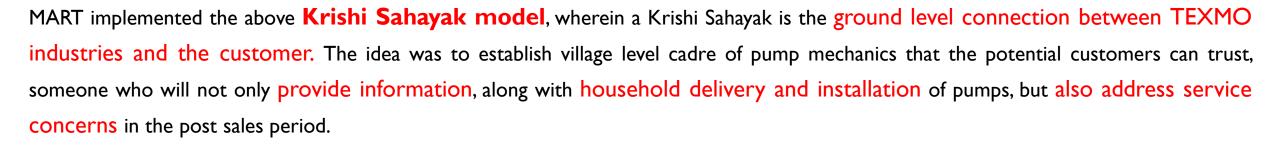
Local Government Liaising

**Demand Generation** 

Sales & Service Facilitation

Consumer Feedback





The Process

# The Process followed by MART comprised of 4 broad steps.



**MARKET STUDY** 

**APPOINTMENT & TRAINING** 

**PROMOTION** 

**IMPLEMENTATION** 







#### THE STUDY

MART carried out a Rapid Market Assessment to identify demand for pumps, the competition, and the factors affecting consumer purchase decision. The study also provided a base for identifying potential Krishi Sahayaks.







The Process

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**MARKET STUDY** 

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#### APPOINTMENT & TRAINING OF KRISHI SAHAYAKS

MART in association with TEXMO Industries conducted Training Workshops on all aspects of TARO pumps for the identified and appointed Krishi Sahayaks.

MART also trained the Krishi Sahayaks on Marketing and Sales.







The Process

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**MARKET STUDY** 

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#### THE PROMOTION CAMPAIGN

Promotion Channels included – Word-of-mouth, Demonstration Pieces at Local Level, Auto-rickshaw Stickers, Posters, Banners, Flute Boards, Van Promotion, Radio Jingles / Audio Advertisements.







#### The Process

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**MARKET STUDY** 

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#### THE IMPLEMENTATION

The trained Krishi Sahayaks engaged in Awareness and Demand Generation, Sales Promotion, Installation and Service.







### WHAT WE LEARNT

#### In conclusion





Last Mile Distribution model is based on the concept of bringing the product to the customer, instead of having the customer seek out the product. In case of products like electric water pumps, potential customers rely on recommendations from individuals they know to have some expertise in the particular product they are interested in. Involving some of such 'experts', which in this case were popular local mechanics, to work as Krishi Sahayaks was key to the success of this model.