



FIRST PERSON Dairy Drink Producer Helps Community

Health drink producer's profit lets her offer discounts to orphanages

Karine Ghukasyan's business in Vanadzor, northern Armenia, was growing fast, but not fast enough for her to use the profits to help her community — something she had always wanted to do.



Photo: Chemonics/Cate Norian

Karine Ghukasyan distributes the dairy drink her company makes to orphans in her hometown of Vanadzor, Armenia.

"I am confident that one day I will have a much larger factory and a diverse product line," says physician and businesswoman Karine Ghukasyan.

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Her company, Kara and Karen, began to grow after she applied modern packaging and branding techniques to her product, a yogurt-like beverage popular with children that is known as "narine." She had learned about these techniques during a USAID-sponsored study tour. Her background as a physician and her previous work with a narine producer in Yerevan helped her secure the special licensing needed to give Kara and Karen an edge in Lori province, a market her competitors had been unable to penetrate.

But after a strong start, Kara and Karen's expansion stalled. Since narine is a highly perishable product with a short shelf life, Karine was uncertain how to approach new markets. She asked USAID to help her devise a strategy to expand sales to neighboring regions. Talks with key buyers, including hospitals, municipalities, and retailers, revealed a need for consistent delivery schedules and careful product handling during transportation. To address this need, USAID advisors linked Karine with a local supplier who provided customized boxing with small compartments. USAID also helped Karine identify and organize key distribution channels in Shirak, Tavush, and Kotayk provinces.

To mitigate the risk posed to retailers by the product's short shelf life, advisors helped Karine create a consignment sales scheme with no financial commitment from the retailer. Karine would take unsold narine back at no cost.

This new strategy expanded her market share and tripled sales. "I have never experienced so much growth," Karine said. Business has grown to the point that she can now contribute to her community by offering her product at a discount to local orphanages and nursing homes. "This is only the beginning," said Karine. "I am confident that one day I will have a much larger factory and a diverse product line."