

# International market intelligence



## Contents

- Bibliography

### **Introduction**

This is because it is claimed that the distillery has been in operation since the twelvemonth 1779. That gives it a history crossing at least two hundred old ages. But this history is non really clear, since it is non clearly stated from any signifier of certification when the first merchandise was distilled in these installations. But since the sellers claim that it is one of the oldest, the populace has no option but to travel with this logical thinking.

This distillery is famed for its individual malt score whisky. Rather than marketing a blended score whisky, Bowmore prides itself in marketing the best elderly and individual brandy whiskeies. Their trade name Bowmore Islay Single Malt Scotch is wildly celebrated non merely in the united land but besides in other parts of the universe like Japan and China.

The success of this trade name can be attributed to the selling schemes that had been adopted by the sellers of this distillery. One of them is making a trade name that is alone in quality. This means that the score is priced extremely and this sets it apart from other run-of-the-mine scores. The sellers have long realised that sophisticated consumers are looking for the expensive score and non needfully the best score. As such, when a trade name is able to unite expensive and good, it is bound to win. This is what Bowmore Distillery has done ; they have produced a really expensive and a really good score whisky.

### **Aims of This Report**

This study is a apogee of a market research that was carried on Bowmore Islay Single Malt Scotch. It was commissioned by Bowmore Distilleries and conducted by this research outsourcing company. The major purpose was to analyze the domestic and international markets of this trade name. The purpose of this research was to find how these tendencies in the domestic and international markets may impact gross revenues of the merchandise. The research besides focused on how Bowmore can use different types of market research to come in into a new market.

This study will hold the undermentioned constituents:

1. definition of the job of the survey
2. methodological analysis for the research
3. presentation of the findings of the research
  1. an analysis of the domestic market
  2. an analysis of the international market
  3. rival analysis at both international and domestic markets
  4. impacts of the domestic and international market kinetics on gross revenues of the merchandise
  5. Bowmore usage of different market research methods to come in the African market

### **Problem of the Study**

It has come to the realization of the selling section in Bowmore that the domestic gross revenues have dropped below those of the international market. In fact, when the gross revenues accrued from the international market addition at a high rate, those of the domestic market seem to

diminish at a really low rate or stagnate at times. The executives of the distillery needed to cognize where this disagreement was stemming from. Another drift for this research was the fact that the selling section wanted to establish the merchandise into the African market. Kenya, a state in the eastern portion of the continent, has been chosen as the entry point into the part. The executives needed to cognize the different types of selling research that they can utilize to do inroads into this market.

### **Methodology of the Research**

There are assorted methods that the research worker used to roll up information for this survey. Liang ( 2003 ) opines that the success of any market research lies on the methods that were used to put to death it. If the research design was hapless, this will be reflected in the findings of the research and vice versa. The truth of the research is of paramount importance given that the policy shapers rely on the findings and recommendations to do their determinations. As such, if they are presented with a deceptive research, which has been ill conducted, the quality of their policies will besides be hapless ( Diagero 2009 ) .

#### **1 ) Target Population**

The mark population was the current consumer group of Bowmore Islay individual malt score. The ground why the research workers focused on this group was the fact that they wanted to estimate their sentiments, since the current consumers are besides the 1s that becomes former consumers. The purpose was to estimate grounds why they would abandon ingestion of this score for another trade name.

## **2 ) Sample Population**

Due to logistical and other hinderances, it is non possible to carry on research on the whole of the mark population ( McNeil 2009 ) . This necessitates the research worker to come up with a sample population that is representative of the mark population. This sample population is manageable and easy controlled by the research worker given the fact that they are little in size. The sample population for this research were the clients that had been loyal to the trade name for at least a period of more than one twelvemonth. This sample was divided into two ; the local and the international consumers.

## **3 ) Sample Size**

The survey involved an analysis of a sample size of 200 respondents. This sample size was randomly determined by the research worker given the fact that there was demand to make a deep research and the clip was restricted to one month merely. As such, the research worker found this population size to be quiet manageable. It was composed of 100 domestic consumers and 100 international consumers.

## **4 ) Characteristics of the Sample Population**

The research worker strived to do the sample population to be as representative of the mark population as possible. It was with this in head that the research worker included within the sample, a 100 respondents from domestic market and another a hundred from international market. The sample population was made up of respondents from changing backgrounds who were aged 18 old ages and supra.

### **5 ) Sampling Technique**

This is the technique that was used by the research worker to come up with the sample size that was identified above ( Angell 2008 ) .

The research worker used graded sampling technique. The mark population was identified from the records of the assorted mercantile establishments of this score. The research worker stratified the clients into those from abroad and those from the local market. Each stratum produced a 100 respondents.

The possible respondents were farther stratified based on assorted class, running from age, matrimonial position and continuance of ingestion of Bowmore Islay individual malt score.

### **6 ) Tools for Data Collection**

To roll up informations from the respondents, a structured questionnaire was used which the respondents were required to make full out. The research worker came up with two different sets of questionnaires. The first set was to be administered to the domestic clients while the other 1 was to be administered to the international client. The clients were traced down to their places, or were accosted at their shopping topographic point. They were required to make full up the questionnaire in the presence of the research worker, since the latter was non allowed to go forth any questionnaire with any respondent.

### **7 ) Data Analysis**

The information was organised into tabular arraies, per centums and charts. It was analysed utilizing simple statistics and subsequently utilizing statistic systems such as SPSS.

## **FINDINGS AND DISCUSSION**

The findings and analysis of the respondents will be determined on whether the respondent was a domestic or international consumer.

### **1. Domestic Consumer**

There were assorted factors that were found to lend to the lack of popularity of the score in the local market.

The first is the hapless gustatory sensation of the score that was released around 1995 ( Espeto 2009 ) . The score had a awful aroma gustatory sensation that the consumers referred to as the “ French Whore Perfume” ( Lehman 2006 ) . The olfactory property of the score was merely like that of a inexpensive Gallic aroma.

It seems that the clients ne'er quiet recovered from this letdown. This is particularly so given the hapless manner that the distillery handled the questions from the concerned clients. The company denied any jobs with the gustatory sensation of the score and threatened to take legal action against any individual that was found “ slandering” the gustatory sensation of the score. The consumers were disillusioned and they felt like they had been cheated and their intelligence muddled with.

Bowmore besides seems to hold abandoned the local market every bit far as advertisement is concerned. The company seems to presume that given that they have such a long history, the consumers out at that place must cognize them already. Equally much as this true, there is demand to appeal to the trueness of the current consumer while at the same clip seeking to appeal to the possible 1s. Their rivals like Blackwood and Diageo, seems to hold

perfected this art. They invest to a great extent in promotion stuffs, unlike Bowmore.

A rival analysis of this market found that the local trade names of score that is either distilled locally in United Kingdom or imported have invested really much in promotion. They have a strong presence, despite the fact that their merchandises are of low quality than that of Bowmore ( Howard 2009 ) . But it seems that they are making a really good occupation of pulling the possible clients by appealing visually and orally to them.

The merchandises of the rivals are besides reasonably priced. They are low-cost to the multitudes, unlike Bowmore which is merely consumed by those who can afford the steep costs.

In order for a domestic trade name to win, there is a demand to maintain reconnecting on a regular footing with the clients so that they feel appreciated. This improves their trueness. But when they are abandoned, they are every bit to be lured by another trade name that, gaining their quality failing, will put in promotion runs to antagonize this.

An analysis of the consumers ' behavior in the United Kingdom market revealed a really funny tendency. Consumers here seem to prefer taking their score place and basking it from at that place. As such, they can be described as place based consumers. This is every bit opposed to other parts of the Earth where ingestion of intoxicant is a societal matter, the clients preferring to take their drinks in the local saloon with their friends. A place based consumer is more spotting than a societal consumer and that may



explicate the ground why these clients are easy offended by the stubbornness of Bowmore.

The effects of the above scenario on the sale of the merchandise can non be ignored. If the consumers are non satisfied, they will to respond by puting their truenesss where they are satisfied. The gross revenues will more likely than non worsen, since the figure of consumers will hold been reduced.

## **2. International Consumer**

The scenario in the international market is quiet different from what can be seen in the domestic market. The clients here seem to be more enthusiastic about the trade name and in fact, they exhibit a funny sense of trueness.

The directors of the franchises here report that they have recorded growings of between 20 and 25 % in gross revenues in the past two old ages.

The research worker concentrated their attempts in two states ; Japan and China. In Japan, the consumers seem to hold taken over the ingestion of individual malt and replaced it with ingestion of blended 1s. The company besides seems to be carry oning a significant sum of promotion stunts. There are adverts that are placed on the local media and on the cyberspace seeking to advance the trade name.

Nipponese and Chinese consumers seem to be seeking expensive and choice score. This is particularly so for the emerging rich in the economic system. They want to make a name for themselves as distinguished consumers who have had a gustatory sensation for the best ( Brownski 2008 ) . Given the fact they are cognizant of the long history of Bowmore Islay distillers, they seem to keep the sentiment that the company has one of the best trade

names about and as such, they are ready to pass money on what they regard as a quality merchandise.

An analysis of consumer behavior in this part besides proved to be significantly different from that of United Kingdom consumers. The consumers in Tokyo and Shanghai prefer to take their score in a societal scene. It is difficult to happen a individual taking intoxicant entirely at place. They invite friends over, or they congregate to the local saloon. This being the instance, there is demand to demo off to the remainder of the consumers on the sophisticated and refined gustatory sensations of one ' s roof of the mouth by devouring an expensive, high quality score. This is how Bowmore has made its grade in this part.

The international client seems to be satisfied. As such, they are likely to better the gross revenues of the merchandise both in the short and long term. The lone thing that Bowmore has to make here is concentrate their attempts in keeping the trueness of their current consumers, while go oning to cultivate the trade name as the ultimate pick for the spotting consumer in the society.

### **Entering the African Market**

As before stated, the company seeks to do an entryway into a new international market. They want to do their presence in Africa felt. The executives have identified East Africa as their entryway point into the part. They have specifically identified Kenya as their entry port.

The research worker conducted a regional analysis to find the suitability of Kenya as an entry point to the part. The following were the findings of the research worker:

### **1. Competition Analysis**

The Kenyan market seems to be dominated by one distiller, East Africa Breweries Limited. This is the largest brewery and distiller in the local market and in the east African part. Their core merchandises like Smirnoff, VAT69 and Moonwalker among others seem to hold reverberated good with the local consumers.

The selling scheme of this distiller can merely be described as aggressive. They seem to hold a uninterrupted presence in the local and regional media. They sponsor events such as rigger, world shows and such others both as trade names and as merchandises. The distiller is besides known for their sneaky trades that they manus to their rivals. They will utilize their economic system of graduated table, their connexions in the political circles and such other tactics to drive away their rivals. Their favorite maneuver in Kenya is the entreaty to the loyal spirit of Kenyan, by claiming that they are 100 % local. This is how they drove out their rival Castle Distillers, a South African company that had established itself here in the late 1990 ' s.

There other merchandises in the local market, like the United Distillers and London Distillers among others. This is an indicant that the Kenyan market and in extension the east African market, is mature for another entrant.

## **2. Other Factors**

The Kenyan revenue enhancement Torahs seem to favor international investors. They are lower than the remainder of the east African part. The state is besides proud to hold one of the best substructures in the east African part. Their roads are reasonably good and they have been connected to the international ocular fiber overseas telegram significance that communicating will be really easy and fast.

Kenya has one of the best airdromes in the part and is connected to the remainder of the east African part, and to the universe in extension, by the railroad and the port installations. This means that it will be really easy to set up a subdivision in Kenya and so organize distribution webs within the remainder of the part.

## **Decision**

Bowmore Islay Single Malt Scotch is the celebrated merchandise of Bowmore distillers in Islay Island in Scotland. This distiller claims to be one of the oldest, with the finest condensing history in the part and in the universe. But of late, there have been concerns around the topographic point as to the diminishing figure of gross revenues in the local market. This factor was vexing given that while the local ingestion was traveling down, the international 1 seemed to be top outing. This led to the realization that the job can non be the trade name but is likely the relationship between the distiller and the consumers.

This study found that the job was in fact the relationship that had broken down between the distiller and their clients. The distiller besides seeks to do inroads in a new market in Africa. Specifically, they want to do their presence <https://assignbuster.com/international-market-intelligence/>

felt in Kenya. With this in head, this study makes the undermentioned recommendations:

1. Change of selling schemes in the local market. The company should seek to reconnect with their consumers by increasing their presence through advertizements and other selling schemes.
2. Hiring of a public dealingsss adviser for the local market who will antagonize the effects that the “ French Whore Effect” had on the local consumers.
3. In the international sphere, the company should concentrate on schemes that purpose at keeping the truenesss of the bing consumer base.
4. The company should keep the trade name of their merchandise as an expensive and sophisticated drink. This scheme seems to be working for the international discerning consumer ; particularly, in the emerging markets of China and Japan.
5. The determination to do an entryway in Africa has occurred at the right clip. The Kenyan market is ready for a new entrant, particularly given the negative feelings that the Kenyans have on the manner their exclusive distributor, East African Breweries, seems to be prosecuting in unethical competition patterns.
6. The substructure of this state, coupled by the strategic geographic location and political stableness, makes it a logical entry point

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