

Importance of the food marketing function flashcard



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Importance of the food marketing function to food firms in competitive markets. What trends will influence new products developed by food firms in the future? The Importance of the Food Marketing Function: The food marketing function refers to the process of identifying consumer food needs and producing products and services to satisfy these needs. The food marketing function is the connecting link between food producers and consumers. Food is a basic human need therefore making the global food markets incredibly competitive.

Food markets are saturated with millions of firms producing thousands of different products, each of these competing for a market share. This type of highly saturated and extremely competitive market makes it very difficult for many food firms to be hugely successful. The Food Marketing Function therefore plays a huge role in the food industry. In a recent study conducted at University College Cork it was discovered that 53% of television advertisements were for food and beverage products. Therefore it is essential for food firms to market their products effectively.

Successful marketing in this sector has a direct influence on business reparability. Why is the food marketing function so important to food firms in today's competitive market? 1 . It creates product recognition and brand awareness: In a highly competitive market place, product recognition is essential for food firms to survive. Food firms must make consumers aware of their products to generate sales. It's important that food firms advertise and market their product through mediums such as television, internet and newspapers to enforce brand awareness among consumers e. . Coca Colas Christmas advertising campaign " Holidays are coming, Always Coca Cola" 2. <https://assignbuster.com/importance-of-the-food-marketing-function-flashcard/>

It is essential to compete against rival food firms marketing campaigns:

Every food firm In today's market dedicates a lot of time to devising unique and creative marketing strategies. Along with this many major food firms with huge marketing budgets such as Nestle and Kraft Invest heavily In marketing campaigns. The majority of consumers are aware of these firms' food products.

For other food firms to compete and gain a market share they must utilities the food marketing function by marketing and branding their product as unique, of better value and of higher quality. 3. It allows firms to Identify niches and gaps in the DOD sector: Market Research Is an integral part of the food marketing function. It Involves going out Into the market place and conducting surveys on consumers to gain knowledge on consumer" s tastes and needs. After gaining this essential knowledge firms can produce food products that satisfy consumer's tastes and preferences directly.

Conducting market research as part of the food marketing function also helps firms to keep costs down. By analyzing consumers needs and producing a product based on these needs they avoid the costly process of trying a product they devised on their own assumptions of consumer needs out on the Successful marketing reduces the risk of a product or business failing. When a food firm markets their product successfully they create brand awareness among consumers. This will in turn generate sales. This generally ensures business profitability as long as the food product satisfies consumer's tastes and preferences. 5.

It influences consumer's perception of the product: The food marketing function is very important to food firms as it shapes the way consumers view their product. Different food firms market their products towards different market segments e. G. Health conscious, elderly, female consumers etc... This influences consumer's perception of the food product. For example Yorker chocolate bars are predominantly aimed at men with the slogan " It's not for girls". This type of food marketing allows Yorker to gain a large share of the male chocolate eating sector but also creates a perception among female consumers as being somewhat sexist. . It creates brand loyalty among consumers: Through sponsoring certain events such as sports games, television programs and concerts food firms can create loyalty among consumers. This can greatly increase business profitability and allow food firms to maintain their market share. A good example of this was Domino's Pizzas sponsorship of The Simpson on Sky One Television. This was intelligent food marketing as The Simpson was shown on Sky One at 6 p. M. In the evening just when consumers would be thinking of what to have for dinner.

They presented consumers with an easy and quick option for dinner without having to miss a second of the television program. On top of this they offered loyalty coupons and discounts creating a huge amount of loyalty among consumers. What Trends will influence new products developed by food firms in the future??? 1: Pleasure Pleasure is the main motivation to consume. People will only buy food they find tasty and flameproof. This has always been and will remain the main reason consumers will buy food

products. Consumers want food products they will enjoy and that taste better than competitors products.

Therefore food firms must not forget that taste is the most important element when creating and selling food products. 2: Convenience (Easy Preparation and User Friendliness) In the last decade or so quick preparation and instant consumption have become more and more important. This is due to the fact that people seem to be constantly busy in today's hectic society. Therefore consumers want food that is easy to prepare or can be instantly consumed. Food products that can be prepared in the microwave have become increasingly more popular e. G. Readmes meals or Mere's (meals ready to eat).

For example Marks and Spence's offer a wide range of Readmes meals. Also food products that can make preparing food a lot easier and quicker are becoming very popular among today's consumers e. G. Uncle Been Sauces and Lloyd Grossman Spice Kits. Society is more likely to speed up rather than slow down so quickly prepared food products are going to become increasingly popular among Consumers have become a lot more health conscious and educated about food safety in recent years. This is due to the endless amounts of health claims food products make e. G.

Benevolent claims to reduce cholesterol. However they have also become more aware of food safety after certain food scares such as BSE in Britain and the damaging effects of certain food additives such as MS. Therefore food firms will have to ensure that their health claims are accurate along with ensuring that their products are 100% safe to consume. 4. Ethical

Marketing: Consumers have become more aware of firms ethical behavior. This is due to overall scandals being revealed such as Shell dumping an oil rig in the North Sea. If firms market themselves as ethical e. G. Tot exploiting workers and suppliers along with buying produce directly from farmers. This is why fair trade food products have become so successful. Therefore food firms should market themselves as ethical to increase future sales of their products.

5: Obesity: Obesity has become a serious problem in modern society, mainly in first world countries such as America and the U. K. This has mainly been caused by the huge number of fast food outlets such as McDonald's offering extremely fatty food products. Along with this they also offer supervise options to increase the portion of a customer's meal.

The movie " Supervise Me" released in 2004 starring Morgan Spurious raised global awareness to the problem of obesity and exploitive tactics such as supervise meal used by fast food chains. These tactics used by fast food firms have become socially unacceptable in society. Therefore food firms should become aware of this and ensure that they don't use such exploitive tactics Along with keeping the fat content in their food products as low as possible to satisfy our modern health conscious society.

6: Functional Foods (Cosmetic Foods): Functional foods are foods that provide an extra function e. . Reducing cholesterol, boosting ones immune system or increasing ones beauty. They have become increasingly popular in recent years especially products such as Actively and Benevolent. For example Coca Cola has released its Diet Coke Plus product which is a tasty drink that provides consumers with anti-oxidants and vitamins. In essence it's marketed as a tasty drink with health benefits. Many major food firms are also trying to

enter the cosmetic functional food market. Coca Cola have also teamed up with L'Oreal to produce a cosmetic drink product.

This is a product that both tastes good and is marketed to increase beauty.

Nestle have also tried to enter this market with their product Glowed which studies have shown that it may reduce Cancer risk and enhance health.

However this product has been a failure as it does not state these health

benefits in adverts or on the bottle. This is a growing food sector that is in

early stages. Such products add value to food by offering extra

health/beauty elements. There is potential for high profits in this new sector,

therefore food firms should try should try and develop products to gain

advantage of this market sector.