

Banana boat swot

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Company Overview

Organization name: Banana Boat

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Banana Boat sunscreen in 2007 was the third largest sun lotion brand in the United States. In 2007, the original Banana Boat sunscreen made \$38.7 million with market share of 3.36 percent.

Also, in 2007 two flanker products made the industry's top list: Banana Boat Sport made \$30.3 million with a market share of 2.63 percent, and Banana Boat's ultra-mist made \$22.7 million with a market share of 1.97. Altogether they made \$91.7 million with a percent of 7.96-market share. The 7.96 percent market share of the combined products ranks the Banana Boat brand second behind Coppertone brand products. The market share of Banana Boat has been steadily decreasing. Trends in the sunscreen market are continuing to grow quickly.

In 2000, the market made \$438.6 million worldwide and in 2007 made \$1.15 billion. The increase in the market is an opportunity to increase the brand awareness. Banana Boat sun care products feature advanced technology that provides safe and effective broad-spectrum UVA and UVB protection that won't break down in the sun. Each product is tested in the sun, not just a lab, to ensure photostability and long-lasting, durable sun protection. Banana Boat products have carried The Skin Cancer Foundation's Seal of Recommendation for almost two decades.

Banana Boat has the whole family covered with a variety of sprays, lotions, stick and lip sunscreens in a range of SPF levels, as well as after sun products. Banana Boat offers tropical imagery. The brand image is energetic and lively to create a sense of carefree fun when sun protection is necessary. When consumers think of Banana Boat they think of the physical form of a Banana Boat that incorporates the fun, carefree memories of summer, therefore the brand triggers memories of carefree fun in the sun while providing protection for the skin.

Segmentation, Targeting, and Positioning Strategies

Banana Boat Segmentation Strategies

Banana Boat using a differentiated segmentation strategy target several market segments with a different offering for each. For example, Banana Boat successfully appeals to different target audiences, offering form innovations like convenient continuous spray technology, which shows increased market penetration, and products offering higher levels of SPF protection.

Banana Boat offers a broad array of sunscreen products designed for general protection, sport and babies/kids in sprays, lotions and sticks, plus tanning and after-sun products. Newly introduced products include Banana Boat SPF 100 ultra Defense, Sport, Kids and Baby lotions for the 2010 sun care season. Segmentation method and target market for a product/service

Geographic Segmentation – organizes customers into group on the basis of where they live. Demographic Segmentation – separated consumer into a group by their characteristics such as age, gender, income and education.

Psychological Segmentation - divides consumers on the basis of difference in lifestyle, attitude, interest, and opinions. Benefits Segmentation - requires Marketers to understand and find the main benefits customers look for in a product Geodemographic Segmentation – uses a combination of geographic, demographic and lifestyle characteristics to classify consumers. Loyalty Segmentation - those who buy one brand all or most of the time - are valuable customers. Banana Boat Segmentation Method. Banana boat can be both Demographic and Psychographic segmentations.

Men and women of this age group are concentrating on keep their appearance. They want to continue looking young. These groups of young adults are also more informed on the possibilities of skin cancer. They like to be apart of the trend to protect oneself against harm sunrays. The targeted market will be men and women of any race between the ages of 18-25. People in the age range of 18-25 are in their later years of high school or attending college. These people are earning an education and are more informed than past generations. They are active and motivated, hardworking students.

They like to unwind in the sun with sunbathing, swimming, and many of these people participate in sports outside whether they are working out.

Positioning Strategy

Value - the relationship of price to quality is among the most important considerations for consumers when they make a purchase decision. Salient Attributes - firm uses one or more product attributes or features as the basis for positioning its product. Symbol - symbols are so strong and well known

that they create a position for the brand that distinguishes it from its competition.

Competition – firm can choose to position their products against a specific competitor or an entire product/service classification. Banana Boat Positioning Strategy. If people were talking about the Banana boat sunscreen lotion first thing they mention is the product attributes that are most important to target market which is the most common positioning strategies for Banana Boat, the lotion aiming for taking care of the skin not just only protect the sun light, depends on type of skins such as Asian skin, European and sensitive skins.

The relationships of price to quality are also the most important considerations for consumers when they make a purchase decision. Banana boat found success on lower-priced value with the best quality of the product. For example, customers may looking for the cheaper price with the best quality of sunscreen protection which is banana boat price would be only between \$2 - \$10 and also they will get the benefit they derive from the product. Marketing mix of the Banana Boat Company.) Product – value creation, firms attempt to develop products and service that customer perceive as valuable enough to buy. Banana Boat Sunscreen is the original product, but the Banana Boat brand has both extensions and flankers.

All the flankers include different formulas for specific needs before or after being in the sun.

There are a variety of websites that feature coupons and codes of Banana Boat products such as they will ask you to sign up for the PlatexStore. com

Reward Points Program and take \$1 off your Banana Boat orders and we also can sign up for the Banana Boat e-newsletter to receive product updates and promotions in our inbox.

Product and Branding Strategies

Banana boats create new products such as pet sun cream and lotion. Picture on the left side is 'Pet sun-cream'. Sun skin care attention is turning to pets.

White animals and those that have a hair cut or naturally thin (or nonexistent) hair coats are particularly sensitive to the sun, and may suffer the same ills as humans: sunburn and skin cancers. That's why we made Pet sun cream products for protecting animals from strong sunlight. Another new product called 'Pet lotion' which used with a clear stainless, greaseless antiseptic made from all pure ingredients for dogs and cats and other animals. The purpose of making Banana boat pet lotion is for flea allergy dermatitis relief and other skin irritations caused by fleas, ticks, ire ants, mosquitoes and parasites. Packaging uses, we are concerned with greener concept that is why we decided to use paper bag instead of plastic bag. Paper bag is secondary package with showing our Banana boat logo. Primary package, we used tube that is easy for carrying and bottles for easy to use for consumer convenience.

Product categories can break into 5t ypes on sporting product line. For example, Spray, Lotion, Pump Spray, Pump Lotion, Lip & Stick are product categories of sport types.

Specialty Goods is product/service toward which the customer shows such as a strong preference that he/she will expend considerable effort to search for

the best suppliers. Convenience Goods is those product or service for which the consumer is not willing to spend any effort to evaluate prior to purchase. Type of Banana Boat product Banana Boat is shopping goods because it is gain derived from making price and quality comparisons are more than the costs of making such comparisons. They can compare products with other main competitors such as Coppertone, Neutrogena, and Hawaiian Tropic. Frequent changes in price, style, features or product technology causes the existing information to become obsolete.) Strategy for naming brands and product lines for the new product Corporate/Family brands – firm can use its own corporate name to brand its entire product lines and products. Corporate and product line brands – firm also can use combinations of the corporate and products line brands to distinguish its products. Individual Brands – firm can use individual brand names for each of its products.

Brand extension – a firm use of the same brand name for new products. Co-branding – Practice of marketing two or more brands together. Brand Licensing – Contractual arrangement between firms, whereby one firm allows another to use its brand name, logo, symbol and characters in exchange for a negotiated fee. Banana boat brand strategy. New banana boat products is branding extension because they use the same brands name for the new product (e. g. lip and face protection) and their brand name is already well established so the company can spend less in developing consumer brand awareness and brand association for the new product. Pricing Strategy.

Price skimming - a product that is the first to enter a new market or new technologies will often use price skimming. This method involves pricing the product at a high price at launch, doing so allows companies to cover their

research costs quickly. Penetration Pricing - is used typically used for products new to a well-established market. Such a method involves pricing the product very low in order to gain market share and attract customers. Banana Boat Price Strategy. Banana Boat is a leading sun protection company that offers multiple product lines to offer sun protection for everyone at a bargain price. With all the attention on sun safety, this brand continues to develop new products to meet consumer needs.

Banana Boat will use the market penetration pricing which the company would sets a low price for their product to increase sales and market share and once market share has been captured the firm may well then increase their price and the company believe that a lower price can help them attract more customers and may lead a group of customers to switch from the competitors.

Pricing Tactics for B2B

- Seasonal Discount - additional reduction offered as an incentive to retailer who order merchandise in advanced of normal buying season.
- Cash Discount - reduces the invoice costs if the buyer pays the invoice prior to the discount period.
- Allowances Advertising allowance - offers a price reduction to channel member if they agree to features the manufacturer's product in their advertising and promotional efforts.
- Quantity Discount - To reduced price according to the amount purchased.

- Specific to shipping – shipper will charge one rate no matter where the buyer is located and some firms set different prices depending on geographical area of delivery.

Banana Boat using Seasonal discount. For instance, Banana Boat may offer its sunscreen lotion dealers an additional seasonal discount if they place their orders and receive delivery before the summer season, previous to the warm months when a lotion sunscreen sales are highest.

Price Tactics for B2C

- Price Lining – marketer establish a price floor, price ceiling and price points between for similar products to represent distinct differences in quality.
- Price Bundling – selling more than one product for a single with a lower price to encourage customers to stock up so they won't purchase competitor brands.
- Leader Pricing – attempts to build store traffic by aggressively pricing and hope customer will pick up other item while shopping.
- Markdowns – reductions on the initial selling price of the products.
- Quantity Discounts for consumer – the more customer buy, the cheaper unit cost.
- Seasonal Discounts – Price reductions to stimulate demand during off-peak seasons.
- Coupons – to prompt consumers to try a product and encourages repurchases.
- Rebates – Consumer must first buy the items during a specified time period, then mail in the required documentation that usually included

the original sales receipt and finally wait 4-6 weeks for a check to arrive.

Banana boat using Lining-pricing tactics for their product. For example, the company prices its sunscreen lotion at three price: \$9. 79 \$19. 41 and \$25. 47 with a different quality. The lowest priced version is Banana boat Protective Spray SPF15: 6 oz. , Banana boat sunscreen with high SPF30: 6oz at \$19. 41 for a middle level of quality compared with their competitors and The highest level of quality, Banana boat sunscreen with highest SPF50: 6oz at \$25. 47 and they also use coupon promotion to offer a discount on the price of specific items when customer purchased. Manufacturers and retailers in magazine or over the Internet issue coupons. Distribution Strategy

Direct Channel - A direct distribution channel is where a company sells its products direct to consumers. While direct channels were not popular many years ago, the Internet has greatly increased the use of direct channels. Additionally, companies needing to cut costs may use direct channels to avoid middlemen markups on their products. Indirect Channel - used by companies who do not sell their goods directly to consumers. Suppliers and manufacturers typically use indirect channels because they exist early in the supply chain. Depending on the industry and product, direct distribution channels have become more prevalent because of the Internet.

Consumer Banana Boat Distribution Strategy

Banana Boat Company won't sell their product directly to consumer but they go through a retailer, which is Boots, Watsons, Supermarket or Pharmacy Shop. Companies choose the indirect channel best suited for their product to

obtain the best market share; it also allows them to focus on producing their goods and the supply chain becomes more efficient which adds value for customers by making it more convenient and less expensive to purchase merchandise.

Banana boat using Selective Distribution for their product. They are using a limited number of outlets in a geographical area to sell products such as Boots, Pharmacy or some supermarket. An advantage of this approach is that the producer can choose the most appropriate or best-performing outlets and focus effort on them and the consumers are willing to spend their time comparing alternatives. Identify types of retailer.

FoodRetailer: there are 3 categories of food retailers – Conventional supermarket, Big-box food retailer and convenience store General Merchandise Retailer is department stores, full-line discount stores, specialty store, category specialists, home improvement centers, off-price retailers and extreme value retailers. Types of retailer for Banana Boat Company. Banana Boat is one of the food retailers, which is in formed of Big-Box food retainer such as Boots and Lotus, they carry both food, nonfood and many different types and lots of items with each types. Banana boat products are also in the department stores and drug store that concentrate onhealthand personal grooming merchandise. Advertising

It is a paid form ofcommunicationfrom an identifiable source, delivered through a communication channel and designed to persuade the receiver to take some action, bow or in the future. This is the Banana BoatAdvertisementto promote a Banana boat Sport Performance lotion in 2008. Throughout its advertising history, Banana Boat has relied on a <https://assignbuster.com/banana-boat-swot/>

recognizable theme. In all of Banana Boat's advertisements a yellow umbrella is visible symbolizing the protection that Banana Boat gives its consumers. Banana Boat is currently using three different taglines: "Banana Boat has you covered" and "Unbeatable protection, now, later, and longer," and more commonly, "sun-tested, Sun-Proven. The consumers found out knowledge about the product by watching the advertisements on TV or magazine.

Advertising' Objective

- Information Advertising Objective is to tell customers about new product.
- Persuasive Advertising Objective is to encourage customers to switch to a different brand.
- Reminder Advertising Objective is to remind buyers where to find a product.

Banana boat using information Advertising objective to create and build brand awareness when new products are in introduction stage of product life cycle and also when consumers have little information about the specific product or types of product.

Advertising Appeal

- Informational Appeal: inform consumers of one or more key benefits about the advertised product and/or brand.
- Emotional Appeal: influences customers to buy the products emotionally. These are the people who are emotionally motivated to buy certain products.

Banana boat using informational appeal to help consumers make purchase decision by offering factual information and strong argument that encourages consumers to evaluate the brand favorably. Sales Promotion Coupon – certificate with a stated price reduction. Deal – “ Buy 1 get 1 free” or a “ featured price”. Premium – offers an item for free or at a bargain price. Contest – brand-sponsored competition that requires some form of skill.

Sweepstake – offers prize based on a chance drawing of entrant’s name.

Sample – offers potential customer the opportunity to try the product before they buy. Loyalty Program – Designed to retain customer. Point of purchase display – Display the product at checkout counter. Rebate – consumer mail in the rebate form to manufacturer and wait to receive their money. Product placement – include their product in nontraditional situation such as in a movie or TV program.

Sales Promotion for Banana boat. Premium – Purchase any Banana Boat Sunscreen products valued over HK\$ 99 and you can redeem the following by adding extra money:

- Beach tent for 4: Add HK\$99
- Banana Boat Inflatable Float – Add HK\$69

Coupon – Banana boat also offer a discount on the price of specific items when they’re purchased. Manufacturers and retailers in magazine or over the Internet issue coupons. Public Relations. To building and maintaining a positive image, handling off unfavorable event and maintaining positive relationship with the media. Public Relations for Banana Boat Company Banana boat and charity the Oncology Children's Foundation form a partnership and support various sport activities to market an image, product and service for their mutual benefit. Electronic Media. Web site – firms are

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increasing their emphasis on communicating with customers through their web site.

Corporate Blog – well-receive blog can create positive word of mouth, customer loyalty and valuable feedback. Online Game – successful way to reach younger consumer in through short online game. Social Shopping – a communication between people about a firm by using the Internet. Electronic Media for Banana Boat. Banana boat also use their web site to build their brand image and educate customers about their products or service and where they can be purchased. Whenever customer want to purchase banana boat product, customer prefer to find those information on social shopping before making a purchase decision because its could gives a deep details and prices.