

Marketing and iced tea

[Business](#), [Marketing](#)



Ready-to-drink Iced tea market in 1992 grew by 50% compared with 1.5% grew in the cola market. Industry Environment Analysis. Acceptance of the Iced tea in the market is due to the increasing health consciousness of the consumers. Snapped has capitalized on this increasing trend that's why it easily gains 33% of the market by 1993. Aside from small sized competitors (like Cadavers, Cheapest and Peppier), giant competitors have also entered the market like Pepsi for Lipton Brand and Coca-cola for Nested Brand.

These giant competitors have the distribution and marketing powers. These giant competitors also have close ties with vending machine providers making their product more visible and accessible. With this, Coca-cola and Pepsi have become more popular while Snapped is lacking in national recognition Company Analysis. Snapped is an innovator company offering ready-to-drink iced tea in the market. In 1988, the company holds 33% market share by offering 11 different flavors for under \$ 1 per 16 ounce bottle.

The company, capitalized on the growing health conscious market. Snapped is relatively of small size compared with the other players in the market- only 87 employees- and has no production facilities. Their product is in only 51 of the 278 major supermarket chains. III. Problem Statement What will be the company's strategies to remain competitive in the growing ready-to-drink iced tea market? IV.

Formulation and Evaluation of Alternative Solutions to the Problem S-O-T ANALYSIS I OPPORTUNITIES F-I-F-O THREATS giant competitors like I-untapped target market (health conscious Coca-cola and Pepsi in the ready-to-drinks I I

market and Class A and B in the society) | iced tea market | preference of the market too healthier | existence of small companies | products | - Competitor's offer cheaper products | | -Favorable response of customers on | presence of Coca-cola and Pepsi product big of giant | STRENGTH | ready-to-drink iced tea | STRATEGIES | in vending machines.

| Large distribution system and | promotional activities | competitors. | | First to offer ready-to-drink iced tea | Tapped growing health conscious market | - Tapped the as'. N. Y and sports/fitness | line the market A and B of the Society by | minded consumers. Land Class | | capitalize on the growing health advertisement offering Delight | Needs lifelong a healthier Iced Tea. | | conscious market | social networking | create Brand Loyalty by | product line renovation | | offers 11 different flavors of | | ready-to-drink iced tea | UNEASINESS finances, competitors/ | Tie-up with institutions offering | | limited resources,

| Merging with other | | distribution, marketing and facilities | sport/fitness related activities like | companies to support their production uncial | insufficient national recognition due totalitarianism, marathon to promote/ increase Distribution facilities. | | lack/less promotion. | awareness of the product in purchasing production | facilities system present in 51 out of 278 | supermarket chains | | The company has no production lines and | Investment | | lack of the distribution | | The product is | | major The only size of bottle of Snapped is 161 | lounge which is not possible for vending | | machines

Alternative Solutions ; Capitalized on Branding strategy through product renovation, hiring providers, creating value proposition. | PROS | Attract new customers by creating brand noise | CONS | Additional marketing expenses | Creates awareness about the product ; Improve product through Research and Development to better cater consumers needs. The company should capitalized on a specific market (Savvy and Health Conscious market) and perform Marketing concept to provide value and satisfaction in this specific consumers. | PROS | CONS | | Market size will increase because of the current trend lances in marketing

| owlsh is health conscious consumers | | Getting ahead of the competition to new and improved | Long term return of investment | | products | | Needs and wants of the market will be addressed | Creates brand loyalty ; Form Joint alliances or emergence with other company to support their production, marketing and distribution facilities. Snapped is only a small company and to support their growing needs it is favorable for them to form such alliances that would them financially support different activities concerning to buying or forming production equipment/system and distribution facilities and increase rumination activities.

V. Decision Recommendation To maximize the as'. N. Y and health conscious market, the company should unearth the real needs and wants of this specific group through Research and Development. The company should base the development of the product in the result of this process. VI. Implementation Plan Marketing Department will use the Marketing Concept to provide value and satisfaction for the specified target market. The

company first identified who the market is which is the health conscious and savvy consumers. Then, they will conduct survey to determine the real needs of the specific market.

Survey is done not only externally but also internally. Output of every personnel is important since it is an integrated effort to achieve the common goal. Propose a plan based on the result/ survey. They could perform product phase out for those flavors who are least appealing to their target market and gradually introduce new products suitable to the market like less calories or sugar free iced tea. The company should also agree on the new price range of the products. Since we are catering to the savvy market, Snapped could increase the price to bring impression of prestige in buying the product.

After creation of new and improved products that would cater the taste and preferences of the market, promotion follows. This could be done through tie-up with different institutions offering sports/fitness related activities like gymnasium, noise and awareness directly to health conscious consumers and those belongs to Class A and B. Tie up could be in the form of free samples during a specific activities or to include the Snapper's iced tea in their package. Promotion through social network is also advisable since most of the people who have access in this media have the buying capacity for the product.