

Marketing mix strategies essay examples

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



\n[[toc title="Table of Contents"](#)]\n

\n \t

1. [Introduction](#) \n \t

2. [Conclusion](#) \n \t

3. [References](#) \n

\n[/toc]\n \n

Introduction

Hubbards Foods Ltd is a New Zealand company, which specializes in manufacturing breakfast cereals. The company sells cereals, using its Hubbards brand and several private labels. The company was founded in 1990s by Dick and Diana Hubbard. According to the data, posted at Hubbards official website (2013), its history dates back to one windy afternoon in New York, when Mr. Hubbard told Diana about his plan to start creating cereals, which will make New Zealand both proud and healthy. Nowadays Hubbards produces several successful ranges of cereals, which are muesli, light&right breakfasts, gluten free cereals, kids range, outward bound etc. Hubbards positions its foods as being natural, healthy, nutritious and sustainable. These features of Hubbards products conform to basic packaged goods-related requirements, posed by consumers (taste, convenience, health and wellness and variety) as researched by Euro Monitor in New Zealand (2012).

For the purposes of this assignment I would like to focus on one of the products of Hubbards muesli range, namely the amazing range products. Amazing range includes different kinds of cereals tastes. To be more precise,

I would analyze Hubbards Natural Muesli 5 Fruits and Honey. According to basic data about the product (2013), the package includes eleven servings (serving size is 50g). The servings contain wholegrains (68%), fruits (24%), honey (3, 9%), seeds and flavor. Average price per package is \$6. 49. The product is sold through retail stores and via the Internet.

- Target market

Applying psychographic and behavioural segmentation, we can state that cereals are likely to be consumed by active people, who live in cities (towns) and spend most significant part of the day studying or working, and put value on their time. Cereals' popularity growth is partially called forth by such factor as mass ardour for well-shaped figures, healthy lifestyle and sports. A person, who buys Hubbards Natural Muesli 5 Fruits and Honey is likely to be characterized by adhering to healthy lifestyle principles and not missing fitness classes. Vast majority of target representatives consider cereals to be convenient, healthy and time-saving breakfast item. Such a view is based on product's ingredients and data, obtained from media sources, promoting healthy lifestyle.

- Current marketing strategies

- According to Philip J. Kotler, Gary M. Armstrong (2010), core product is represented by problem-solving benefits the customer seeks, when buying the product; actual product refers to turning the benefit into tangible product, whereas an augmented product is created by offering some extra benefits(164). The benefit the consumer seeks to get, while buying the product under study, is getting a healthy breakfast item, which does not require time-consuming preparing. Actual product is Hubbards Natural Muesli

5 Fruits and Honey, which consists of natural elements (such as wholegrain, fruits and honey). Augmented product is created via introducing an item, which is characterized by a balanced composition of ingredients. As I have already mentioned, the customer associates cereals with such basic requirements as taste, convenience, health and wellness and variety. So, Hubbards aims at achieving these requirements at all levels of product design.

At the core product level Hubbards focuses on creating a good product. At the level of actual product it creates a product, which is characterized by an amazing composition of totally different tastes of several wholegrains (oats, triticale, barley etc.), fruits (sultana, apricot, papaya, pineapple and cranberries), honey and seeds. This composition also applies to satisfying customers' seeking for variety (diversity). Moreover, actual product is composed of healthy ingredients. The convenience requirement is also taken into account due to the fact that the product is presented in the form of separate servings, which are easy to open and use.

At the level of augmented product Hubbards presents the product, which has a balanced composition of ingredients and does not contain oversupply of any elements, necessary for functioning of the human. Furthermore, the product is designed to provide a person with a considerable supply of energy, which is necessary for the start of new day. It is worth mentioning that particularly meeting all the requirements of potential consumer and balancing all ingredients helps the company to satisfy the target better than competitors at different product levels as competitors tend either not to meet all requirements (expectations) of the target or create products with

formula, characterized by oversupply of particular substances (the most wide-spread case is creating formulas with oversupply of sugars.

- Average price per package of Hubbards Natural Muesli 5 Fruits and Honey is \$6. 49. The package contains 11 servings (50 g each). So, total amount of product is 550 g. The price for the same amount of the same mix of muesli ordered from Muesli&Co, New Zealand muesli service (Muesli Co Ltd, 2013) will undoubtedly exceed \$12. 400g of Tropical muesli, produced by Cec's family, will cost \$13. 50 (Cec's Muesli Ltd, 2013). 675 g-package of Sanitarium Muesli Toasted Golden Oats& Fruit will also account for \$6. 49 (Sanitarium Health and Wellbeing Company Ltd, 2013). So, two of three products are far more expensive than the product under study, whereas one competitor product is a bit cheaper (however, its composition is simpler). Such a pricing is likely to have a positive impact on target market's choice and, therefore, product's sales.

- The term " marketing intermediaries" is used to refer to people or legal entities, which help the product to reach its end users. The product under study is distributed through retail stores, which themselves tend to buy items either from a manufacturer or other intermediaries. Retail stores provide sales, marketing and customer service functions on behalf of a manufacturer (or supplier)

- Promotion is one of most important elements of marketing mix. Promotional mix includes such elements as advertising (according to the study by Cereal f. a. c. t. s. (2012), cereals are usually advertised with the help of traditional media, Internet marketing and advertising to peculiar target groups), personal selling, sales promotion (coupons, rebates, product samples etc.),

public relations (newspapers and magazines articles, presentations, charitable events) and direct marketing. The company uses advertising with the focus on the Internet marketing. The website of the company is both attractive and informative. Both the website and design of company's social nets' groups aims at conveying a simple message, which stresses products being healthy and convenient along with emphasizing a variety of products and product ranges on offer. Habbards often uses sales promotion, introducing discounts and free distribution of product samples in order to entice the target to try a product. Furthermore, Habbards uses public relations means (e. g., by putting posts about its products at the websites, which tend to attract people, who seek to adhere to principles of healthy lifestyle and eating, websites dedicated to fitness and counting calories methods etc.)

- New marketing strategy recommendations
- Target market

I would recommend concentrating on narrower target group as targeting proves itself to be more effective in case an emphasis on particular target with well-known demographics, lifestyle, habits and behavior concerning particular products types. To narrow the target, it is worth focusing on women, who live in the city (town), adhere to active lifestyle, which includes combining full-time or freelance work, care about the family, including children, and dedicating time to taking care about both their health and health of their families.

- The following product strategy is aimed at positioning the same core and actual product. The core product is still connected with customers' seeking

to get convenient and healthy breakfast item, while an actual product is represented by Hubbards Natural Muesli 5 Fruits and Honey. However, extra product positioning efforts should be planned and implemented to create more advanced augmented product. Positioning should be connected with emphasizing healthiness and naturalness of product's composition, proportions of dietary fibres, proteins and other elements along with a product's being able to provide a woman, who manages to combine different dimensions of life and activities every day with necessary energy supply. To achieve necessary emphasis, a range of measures are to be worked out to apply to such elements of marketing mix as product itself and promotional strategies. Here let us address product-related changes. First of all, some changes may be introduced into product's formula to make it healthier. Introducing some new product formula will both contribute to its quality and become a ground to give rise to large-scale promotional campaign. Secondly, new combination of branding, packaging and labeling is a good means to attract attention of target groups. Thirdly, renewed branding, packaging and labeling combination should concentrate on promoting values, important for the target. They are convenience, time savings, healthiness, balanced combination of ingredients and being provided with necessary energy supply for active (or even hectic) lifestyle. Another value to be promoted is flexibility. An important element of new product strategy is to be connected with introducing new options, which will differ from the standard package by the number of servings included and, therefore, the price. To sum up, it is necessary to mention that the product strategy, along with promotion-related one, should aim at making consumers willing to spend more money

on the product under study than on similar product in the category ().

- According to the theory of marketing, a way to differentiate products is most usually associated with either pricing or non-pricing factors. However, combinations can exist. To my mind, the product's differentiation strategy should be based not only on introducing new non-pricing benefits (e. g., healthier formula), but also on pricing. Current pricing strategy of Hubbards allows it to sell the product at accessible prices. However, efforts might be applied to introduce a rebranded item at lower price. Such a pricing strategy might be considered to be temporary and being applied in terms of promotion of rebranded product.

- According to T. A. Shimp (2010), integrated marketing communications strategy includes a combination of variety of tools which may include such tools as different types of advertising (media, direct response and interactive, place advertising, store-signage and point of purchase advertising), trade and consumer orientated promotions, event marketing, personal selling etc (7). A variety of tools' combinations can be used to convey a promotional message, which should aim at encouraging the target buying renewed product due to its convenience, flexibility, time-saving, taste, health- and energy-related benefits. I would like to offer to combine such elements of promotional mix as store-signage and point of purchase advertising, a range of trade and consumer orientated promotions (e. g., price-off deals and samples) and public relations (publishing articles about renewed product (especially in case a formula is changed in family-, health- and sports-related newspaper and magazines). It is also necessary not to forget online advertising and promotion of the product with the help of social

media on forums, dedicated to health and sports. Particularly these promotional tools are likely to attract target's attention towards the product independently on whether they were acquainted with it before. The rationale for aforementioned recommendations is also connected with creating a combination of mutually complementary product and promotion strategies.

- The distribution strategy, aimed at making the product available to proposed target, is not going to be subjected to changes. Taking into account the fact that the target prefers to do shopping in retail stores, the product should be still distributed through retail stores' networks. It is also worth trying to engage smaller local stores, so that the product is closer to the target, and not forgetting about e-shopping. Proposed strategy is advantageous due to being characterized by a clear emphasis and complementary elements, allowing to set certain priorities.

Conclusion

The assignment contains marketing mix analysis of one of Hubbards products. Recommendations, presented at the second subsection of the assignment, concentrate on offering changes to the target market concept, product and promotion strategies, aiming at making customers more willing to prefer the product under study to similar products on offer.

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