

Marketing of absolut vodka

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



The phrase of acquisition allow Period Richard to enhance his portfolio and diversify risks, also to be compatible with Sunroof by increasing arrest share with a goal to move up from the rank of twentieth to the second largest vodka producer. The success is given that Period Richard had bought an established brand instead to develop a new brand with risk of failure, it saved sunk cost and increases good will, in the same time developed a new market segment for Period Richard. 2. Absolute Vodka in the US market has reached saturation point, the potential for a significant market share is minimized.

The exportation is dominated by US with 50 per cent, however a new trend of consumer behavior is identified as US has plopped for drinking 'less but better'. In order to maximize its sales in the US, The Absolute Company should focus on sales promotion with stronger advertisement and media campaign to bring along a message that Absolute Vodka is a clearer and better quality vodka in comparison to others. In addition, re-pricing can be considered to sell super-premium product at premium price, meanwhile increasing both brand awareness and reinforce brand image.

Moreover push and pull strategy in supply chain should be integrated, also negotiate with 'off-premise' retailers to stock product in an obvious place. Additionally, mass media promotion can use to target the general public, it is expected that word of mouth referral is an effective way to attract potential customers by will be referrals by friends to attract customers to buy Absolute vodka by loyal consumers. B) The Absolute Vodka sales by volume in Eastern Europe is 80.9 per cent and Western Europe is 4. Per cent, as so Europe account a total of 85.2 per cent of the world's is considered as high (5

liters). Although the sales is relatively high, however this does not imply an increase in exportation. It is reported that The Absolute Company only export 6 per cent of their total product to Eastern European and 18 per cent to Western Europe. The Masochist Treaty created a monetary union in 2002, in which the Euro is adapted therefore benchmarking strategies should be used to adjust price in different countries.

Introduction of The Absolute Vodka vending machine implies that small bottling vodka is acquired, this idea will be further discussed in varies in accordance to the consumption demand this is similarly adapted as the Version's product life cycle theory. In order to reflect one country culture and enforce the brand image as premium product compare to its local competitors such as Stochastically, The Absolute Company should involve global citizenship concept by working with local artists in order to create special bottling design.

C) Culture differences is an essential impact to any company, as such The Absolute Company should adapt a new marketing mix to be localized rather than standardization marketing strategies. For instance, Asia-Pacific, the advertising strategies should mainly emphasis on man's sexual prowess, also it is highlighted that Chinese believe that price equals to quality. Its main competitor Sunroof main in Asia-pacific, Australia, Africa and the Middle East.

In order to maximize market share, The Absolute Company should focus on brand awareness through the use of TV advertising which is a great tool to target general public and mature drinker. To convince with a visible and simple message, breaking complex idea into a simple and engaging one. 3.

As of 2011, The Absolute Company acquired a market share of 7.6 per cent in both Eastern and Western Europe, which 86 per cent of this was dominated by Western Europe.

It will be an objective to select a country within this region, since the brand is well acknowledged within area. The demand of talented hoteliers in the world implies an increase of interest towards the growth within the industry, as such Switzerland is recommended for an increase of allocation of marketing resources. Switzerland, a place which is well-known for its finest hospitality education, this suggests an opportunity to develop its image through beverage courses like many wine makers succeeded through wine tasting courses.

Furthermore, Switzerland has been a designated tourist and further education location for many nations in particular to Russians and Arabians, this is conveyed through the richness in banking industry for investment and the finest lifestyle. The excessive disposal income available in this country remains at high level, which allows The Absolute Company to establish a higher return on owner's equity. The company may attempt a change in its distribution strategies, for instance tobacco business had set-up a technology with the government in verifying consumer's age by swiping biometric identity card.

Therefore The Absolute Company may invest in implementing vending machines with cocktail function, this is influenced by the concept of coffee machine where nonusers may choose a range of Juices to be mixed with the finest Absolute Vodka. The suggestion is given with its strength to expose a

diverse product for young people and merge the technology pathway from the 21st century, although the negative aspect will be given to the timeshare needed to launch such technology. Absolute Cut is a RED (ready to drink) product entering the international FAA (flavored alcoholic beverages) market.

The Absolute Company exported Absolute Cut to Canada, Australia and the I-J in 2004 and draw out in year 2007 as it failed to deliver sufficient volume in these countries. Absolute Vodka had some right competences, however wrong marketing strategies which leads to failure. Canada, Australia and the I-J are aligned with three common factors. They are all commonwealth countries, in which English as a mother tongue language and they share similar culture values. Therefore, this declares that Absolute Vodka could use standardization as a marketing strategy.

Unfortunately, Absolute Cut failed in brand positioning, in which it had targeted mature drinker and took a much mature approach towards advertisement. It was moving away from the image-based campaigns, instead it was product oriented. Absolute Cut did not have the fashionable design to attract customers, while the FAA market is for image-conscious consumers between the age group of 18-30 years old. More importantly, The Absolute Company did not launch any product in Canada before 2004, it is perceived that it had a low brand awareness and a secondary brand association with Absolute Cut is not provided.

Since these three countries share similar culture, Absolute Cut did not have a chance to prove itself in a different culture environment. 5. It is feasible that

Absolute Vodka reliance a mixer product parallel to Absolute Cut to again possession in the global FAA market, since the Absolute Vodka is reaching its saturation point. In the last decade, FAA market has been growing rapidly, this projects that the demand of FAA has grown sharply in the I-J and currently the market is led by Backyard Breeze and Sunroof Ice.

A trend is presented among 18-30 age group, the industry had undergone a phase to divert under-age drinking to a positive premium imaged brand. Absolute Cut that was previously launched had failed due to the fact that the company intentionally approached a mature marketing treated aimed at middle-aged drinkers, which emphasis on the 'product' rather than the segment of the consumer are peer-led drinking, and it based on socially influential in terms of fashion appeals.

Both evidences showed that targeting mature drinker would not succeed, and advertising strategy should focus on 'image'. By designed information packaging could gain a competitive advantage like the legend liqueur, Absolute Vodka. The new mixer product should have a distinctive bottle design, an 'Absolute' design, and a dynamic, chic and fashioned bottle. Intensive rumination strategies, allying product with nightclubbing market increases brand exposure, giving out mini bottle of Absolute mixer to try, with feedback that which flavor they like the best.