

Marketing plan for skittles

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



Skittles is a well-known, long-standing brand that has pleased consumers for generations. However, it is our contention that the name's growth is stagnating, and needs to be revalidated based upon a core marketing goal: bring Skittles from simply a candy - something one consumes on a whim and forgets about - to a brand that engenders both value and feeling for consumers. With such a focus, the objective is to influence the seemingly minor consumer choice between confections in vending machines and on store shelves by linking a positive and pleasing emotion to the image of the brand.

The intention is to achieve realistic, long-term financial goals, which will be controlled through measuring actual results against initial projections. The overall target for the marketing return on investment (ROI) is a minimum of 1.2% within two years. Furthermore, plans to expand the Skittles product line through seasonality and a joint venture with Absolute Vodka will pull in a wider variety of our target market. This addition will attract various ages and personalities from the target segment to the Skittles brand, and will ultimately grow the distribution and sales of Skittles.

Product:

The marketing plan will affect the entire marketing mix, beginning with product. For consumers, the core value of Skittles is in its physical characteristics; they are colorful, relatively cheap, assist in improving focus, and help to control cravings for higher caloric options, like chocolate cake. Skittles is a non-chocolate confectionery usually sold to retailers in large boxes already containing individually-wrapped packages of Skittles weighing

gig, averaging 42 in every package. In 1979, the first Skittles were created in Britain; in 1982, the product was being manufactured in America.

Seven years later, Tropical and Wild Berry Skittles were introduced with banana, kiwi and mango, as well as raspberry, wild cherry, and strawberry, respectively. The millennium brought the dawn of sour Skittles, and 2004 ushered in Skittles bubble gum. A smoothie mix - incorporating two flavors in one candy - was released in 2005, and 2006 saw the first limited edition product: X-termed Fruit Skittles. L Going forward, the basic template for the product and branding - the candies themselves, lettering, and basic packaging of the product - will adhere to and be customized for further products.

The proposed brand extensions, aiming to increase the target market of "Smackers" through exposure and familiarity, consist of seasonal Skittles promotional products; Christmas would see red and green Skittles sold in specific packaging, SST. Valentine's Day would see bags of red candies, and so on. This trend can be extrapolated to take advantage of other external consumer interests; for example, a Skittles product that is composed completely of green candies, with a portion of the proceeds supporting a "green" effort.

Since product and the majority of printing requirements are already available, the costs to produce Hess additions are negligible. This expansion adds exclusivity to these specific incarnations, taking advantage of seasonal novelty to boost sales. Furthermore, the opportunity to capitalize on an already-established trend that influences the targeted segment manifests

itself in the form of a joint product venture with Absolute Vodka. Skittles vodka will appeal through its novelty and sweet taste, the former towards Skittles Marketing Plan By jazzes boot genders, while the latter mostly to women.

The planned name, pending partner approval, is "Absolute Rainbow". Since university students and young professionals make up a large percentage of alcohol consumers, as well as much of our chosen "Snacked" segment, this product release will increase exposure and link Skittles with memories of cheerful, fun-filled times. Price: The pricing strategy for Skittles, given the elastic nature of the candy industry, will always be constrained by competitors and retail decisions. Being priced competitively, the researched average price floor per bag of Skittles sits at roughly \$0.00, based off of research from three different wholesalers who sell directly to consumers.

2 This price is then marked up based on the decision of retailers guarding their specific regions. Further research on candy sales has yielded an adjusted 50-70% industry average range for retail profit margins, suggesting a manufacturer-to-distributor price of \$0.18 to \$0.30 per bag. 3 The secret to profit is to make use of an intensive distribution, wherein Skittles are available in every store and vending machine possible.

Since this is already the case, the only new distribution concerns that enter the marketing plan consist of seasonal products and Skittles vodka. Seasonal Skittles will be circulated through stores, as interchanging products in vending machines is significantly more difficult. However, "Absolute

Rainbow' will rely on Absolute Vodka's distribution network after product development.

Distribution

Distribution of the brand is already exceptional; it is rare to see a vending machine or candy display without at least one variety of Skittles.

The current method of distributing the product is a mixture of pull and push strategies. Retailers of candy demand Skittles because they know that consumers will purchase them often enough to move product and produce profit, while Wrigley actively offers the product to said retailers, using their already-present pull force to facilitate even wider distribution. The above analysis leads to the belief that changing the basic distribution strategy is unwise, yet in-store and on-site presentation will be improved.

Covering vending machines with the Skittles brand, as well as erecting specialized stands in stores, similar to other eye-catching displays, will influence impulse purchases. Stands of such nature are low-cost when made of corrugated board, and the strength of the Skittles brand could be used to encourage this increase in retail space. Seasonal products are best suited for such pageantry, as the promotions are temporary, instilling a special feeling to the items. On the other hand, Skittles vodka would be available for purchase wherever the original vodka is sold.

The partner company, being more knowledgeable and capable in regards to the distribution of alcohol, would be consulted and would bear the responsibility, though not financially. Both Absolute and Skittles would

gain value from this partnership due to an increase in sales from the short-term buzz and the long-term increase in market size. As for the brand's international presence, implementing an entirely new marketing campaign focusing on youth and nostalgia while also expanding into new regions is unwise, as the campaign may conflict with local culture and would be an extra drain on finances.

Promotion

Promotion is an area where the Skittles brand has had the majority of its problems, and therefore possesses the greatest number of opportunities for improvement. The status quo of Skittles advertisements has been, in the mid to recent past, limited to reminding the consumer that the brand exists. Aiming to influence impulse buys simply by recognition and familiarity, Skittles has created eye-catching, odd, and sometimes plain shocking ads for television and print. However, they have yet to go beyond this mission of recognition and expand into the realm of consumer emotion, feeling, and values.

The marketing proposition for promotion revolves around creating a joint image of nostalgia and youth; one that will give psychological energy to the tired worker, memories of the "good old days" for the aged consumer, and a feeling of being part of a young and vibrant world for those just starting their lives outside the nest (Exhibit 1). An accompanying slogan change, associated with the unchanged visual packaging, will best associate this new emotional value with Skittles in consumer's minds.