

Essay on launching krispy natural: cracking the product management code

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



Question 1: The problem in this case

This case presents a challenge to Fredrick in that he is supposed to give his boss, Marne, a summary analysis of test results and a recommendation for taking Krispy Natural to the market. However, Fredrick is unsure of whether his company should commence on launching Krispy Natural on a national basis, given the statistics he has, and the high expectations of his boss. The boss feels that the initial forecast of \$ 500 million can be doubled. In this situation, there is a problem in that the boss - Marne and Fredrick have opposing approaches to the launch of Krispy Natural. In addition, the other sales managers hold the same opinion as Marne. According to Fitzgerald, the DSD, promotional campaign and consumer advertising had established the Krispy Natural brand. Contrastingly, an expert consulted by Fredrick is of the opinion that the positive market results could not be sustained nationally. This is due to the fact that they were based on price discounts, couponing and sampling. This puts Fredrick at a crossroads since his boss is reliant on his recommendations, yet he is not sure whether the launch of Krispy Natural would succeed.

Question 2: Pemberton priorities and Krispy Natural's fit with them

Pemberton has a number of changes in its strategy. The first of these is that Pemberton wishes to have attractive and durable brands. I think that this is an informed and sound move for success in this industry. This strategy is necessary for Pemberton to maintain its 14% revenue growth over the past five years. A collection of brands will allow the company to increase its brand

recognition among its customers. The second strategy is leveraging on sales, marketing and DSD systems. The management feels that this will increase revenues and profits. I am of the opinion that Pemberton stands to gain from this strategy. This is because the company has some benefits already. The DSD has already maximized its profits by increasing control over shelf space and reduction of stock outs. The third is acquiring capabilities in the salty snack category. This is a crucial strategy since this industry is expected to grow at 10% to 14% per year. I feel that Krispy Natural is in line with these strategies. This is because it will have several options, including flat cracker flavors and cracker with filling options. This would increase the number of attractive brands for Pemberton. In addition, it would be distributed under the DSD system - which agrees with the second strategy. Finally, Krispy Natural would increase Pemberton capabilities in the salty snack category. This is evidenced by the doubling of the Columbus share to 18%.

Question 3: what I get from test market data

Question 4: recommendation for Pemberton

I feel that Pemberton should go national. This is based on the high chances of success; as indicated by the test results. By going natural, it would add onto the profitability of Pemberton. However, this should be done cautiously since the test results have are different, based on region. Pemberton should understand the national market by analyzing the results of each region carefully. It should adjust its supplies in accordance with these results.