

Marketing planning and responsible marketing in new zealand essay sample

[Business](#), [Company](#)



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Introduction

Hubbards Foods Ltd is a New Zealand company, which specializes in manufacturing breakfast cereals. The company specializes in selling cereals, using its Hubbards brand and several others. It offers several types of cereals, which include muesli, light&right breakfasts, gluten free cereals, kids range etc. The company adheres to the principles of healthiness, natural components and sustainability of its products. These features help the company both to stay in line with requirements, posed by consumers, and survive the competition.

For the purposes of this assignment I would focus on three basic issues related to marketing strategies of the company, namely marketing planning, monitoring and controlling; social responsibility of marketing and international marketing. Recommendations will be made for improving activities of the company in each of above-mentioned spheres.

- Marketing planning, monitoring and controlling

- Marketing planning is an approach, adopted by world's most successful market-oriented organizations. Despite being quite a new tool, it has already proved its effectiveness. According to Dibb&Simkin (2008), marketing

planning can be defined as a systematic process, which involves continuous assessing of marketing opportunities and capabilities, considering marketing objectives, elaborating on defining the target market and brand positioning strategies, looking forward to competitive advantage, creating marketing programmes and developing plans of implementation and control (4).

Marketing planning is crucial for Hubbards due to a range of reasons. First of all, continuous evaluation and reframing of performance is a way to enhancing existing marketing mix and gaining competitive advantage.

Secondly, lots of organizations operate at the market of packaged foods in Indonesia, so considering new opportunities becomes a need, which can ensure survival of the organization. Furthermore, modern society tends to be subjected to some trends, e. g. current trend concerning healthy lifestyle and food. Therefore, it is important for the company to be able to find chances to meet most current trends. Planning can be also important in terms of elaborating on growth strategies, which can involve introducing new products, entering new markets or both.

- As is stated in the textbook by M. B. Wood (2007), the purpose of forecasting is to be able to project future sales and costs, so that marketing decisions can be made more reasonably (194).

In fact, forecasting is a basis for whatever planning activities, independently on their level and application as no business can be run without knowing projected correlations of demand and supply at the market(Chary, 2004, p.

8) Forecasting is really important due to its influence on manufacturing decisions. For instance, depending on forecasts, an organization may need either to expand or reduce its manufacturing capacity. So, marketing

planning is highly imaginable without being based on forecasts.

- Goal setting is one of most important tools of both management and marketing. According to M Pride and O. Ferrell (2011), marketing objective defines what is to be accomplished with the help of marketing activities (35).

Marketing objectives can relate to any elements of marketing mix. So, the objective we choose will relate to the introduction of a new product in terms of kid's range. The new product should combine features of kids range and gluten-free products as some kids, who cannot use gluten, find gluten-free products unattractive and refuse from buying them.

Measuring performance process refers to the process of collecting, analyzing and reporting data, which refers to performance of a group. To measure the performance it is necessary to collect data about the results, reached during a particular term of time, related costs and product's readiness to being introduced to the target. According to Stankovic&Djukic (2004), success of the new product depends on a range of product-, organization and environment-related factors (107). All of them should be considered both before introduction and in the process of initiative's evaluation, especially in terms of working out evaluative criteria, which tend to be highly different, dependently on the product itself, inputs, outputs, external and internal environments' factors. Corrective actions should address those elements of marketing mix, which tend not to meet requirements, set at the stage of establishing marketing objective.

- Responsible marketing in New Zealand

- Current trend of social and business development is connected with the

fact that business goes away from just generating profit and starts to play more important social functions. According to K. Paetzold (2010), the general idea of corporate social responsibility is that modern businesses should have more obligations for society as a whole, not just their shareholders (3). An important element of corporate social responsibility is the concept called “corporate sustainability”. It refers to company’s obligation to take care of the environment, while manufacturing goods and creating services. In case of Hubbards it is important to consider environmental concerns in terms of manufacturing. Secondly, the company needs to understand that social responsibility extends to the quality of products, manufactured and sold by the company as they exert an inevitable influence on health and wellbeing of people including children. Overall the company should be socially responsible for all the statements it makes with respect to its products as one of its most important duties is to ensure customers’ ability to rely on the company’s products.

- Despite the fact that Hubbards already adheres to the principle of social responsibility in terms of being responsible for the quality of its products, there are still several ways it can improve its performance with respect to social responsibility. First of all, it is worth conducting re-examination of manufacturing techniques of the company, so that environmental concerns become emphasized. Thereafter the company can use such improvements in its products’ promotional campaigns. Another way to introduce social responsibility may lie in re-examination of components of the products and introducing healthier options. Such an activity can also exert positive influence on company’s image and sales. Furthermore, Hubbards can

consider opportunities to participate in some social projects, so that

- In fact, marketing decisions of Hubbards have never been adopted in a way that could anyway harm its consumers, so it is hard to distinguish particular kind of Fair Trading Act and Consumer Guarantees Act influence on company's marketing decisions and practices. The Fair Trading Act prohibits misleading or deceptive conduct, false or misleading representations and unfair trading practices. Consumer Guarantees Act provided for an important improvement of the protection of consumers' rights in New Zealand as it extended existing protection to services, which were not covered by Sales of Goods Act. Main provisions of the act concerning products concern the definition of acceptable quality, guarantee as to acceptable quality, fitness for a particular purpose, guarantees of goods' complying with descriptions and samples and guarantees concerning prices. Both acts improved consumer protection in New Zealand, but did not exert significant influence on marketing decisions and practice of social responsible businesses, which adhere to protecting interests of their customers.

- Modern business is much more concerned with ethical issues than the business of the 20th century. According to B. Schlegelmilch (1998), marketing managers often come up against ethical issues due to the fact that they deal with many groups of different people (22). Ethical issues concern all elements of marketing mix and, therefore, influence the whole marketing decision-making process. For instance, as target groups of the business may involve people from low-income groups, it is important to have ethical prices, so that products are affordable for the target. Moreover, the company should not tolerate rapid changes in prices. Promotion is the

element of marketing mix, which is most concerned with ethics. It is critical to observe ethical issues while advertising products, so that customers are not misled. Furthermore, it is unacceptable to use comparative advertising practices, even if comparison is inexplicit or does not refer to particular competitor. Deceptive advertising is one of things, which is most likely to spoil company's reputation for ever, so marketers should pay specific attention to compliance of information, provided in advertisements, to reality.

According to SAGE Brief guide to marketing ethics (2011), special ethical concerns relate to marketing for children (Hubbards should pay special attention to this issues as its products include special children's range), cross-cultural marketing (this issue may become topical for Hubbards if it chooses to enter some international market), electronic commerce (including Internet-based sales) and intellectual property (163-212).

- International marketing

- International marketing is known as a set of activities, which create an exchange that satisfies individual customers across national borders (Kleidl, 2006, p. 4). Different ways can be used to get engaged in international marketing. They can vary from engaging in exporting and importing products to issuing relevant licensing agreements with foreign companies.

In terms of international marketing, marketing process looks similar to the one in domestic marketing; however, special attention must be paid to external and internal environment of a new market. In this part of the assignment we would like to refer to three elements of external environment (cultural, legal and political, and economic) and market conditions.

Complications and challenges can exist in all above-mentioned environmental dimensions of business. For the purposes of this research, we would concentrate on Australian market as Australia is quite close to New Zealand, and active economic and trading relations between these states have a long history.

- Australian culture does not seem to have lots of differences from the one of New Zealand. As it was stated in the previous assignment about Hubbards, 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). The requirements, posed by Australian consumers are not likely to be different from those, set by consumers from New Zealand as Australians are also concerned with such issues as healthy lifestyle and food. Health is a particular concern of Australians, so an emphasis should be put on using wholegrains, reduction of sugar and increased usage of fruits.

Furthermore, the target market for breakfast cereals is quite developed in Australia as the majority of population adheres to active lifestyle, is employed and obviously lacks time to cook breakfasts. Kids in Australia are as used to packaged foods as the kids in every developed country, so they can also become active consumers of Hubbards breakfast cereals.

Concluding we can emphasize that no cultural restrictions exist in Australia with regard to introduction of new brand of packaged breakfast cereals.

- Along with the UK and the USA, Australia is considered to be one of most developed markets of breakfast cereals. Lots of both Australian and foreign brands operate in this market. The highest competition rates can be traced

in such segments of market as highly functional cereals for adults with a hectic lifestyle and children's cereals. Hubbards can experience significant difficulties, while entering the market and operating within it due to the fact that it is not well-known in Australia and will have to spend lots of money on launching promotional campaigns.

Moreover, it is very hard to elaborate on effective differentiation campaign within Australian market as at first sight it seems that there is nothing to emphasize. Healthiness, usage of wholegrains, non-usage of sugar and freedom from gluten are products' features, which are stressed by major players at the market, so, it is hard for me to find any features Hubbards can stress. Some competitive advantage may be connected with introducing low prices, however, it may not be possible due to a strong need to invest in promotion of products.

- Political and legal environment is stable in Australia. Some concerns may be connected with meeting all normative requirements for cereals, provided for in Australian law, and getting all necessary permissions.

- Economic and financial environment are stable. A well-developed infrastructure supports effective conduct of business

Conclusion

The first section of the assignment contains analysis of marketing planning function with respect to Hubbards Foods Ltd with a special emphasis on relevance of forecasting to marketing planning, control processes in the company. Importance of marketing planning with the application of forecasting for Hubbards cannot be overestimated. The second section

provides an insight into importance of social responsibility for Hubabrds and they way to introduce it into its marketing decision-making process and practices. The last section studies the opportunity of Hubabrds to enter Australian market. Despite lack of challenges in terms of external environment, the company may face critical complications, connected with internal environment due to extreme competitiveness of cereals market in Australia. Some advantage can be reached with the usage of pricing strategies; however, such a chance seems slight if we take into consideration inputs, necessary to enter the new market.

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