

# Free essay about beverage department project

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In today's foodstuff and beverage industry, the customers have posed new demands. The consumers will require that their products meet a certain standard before they can purchase the goods. The companies in this industry that have positively responded to what the clients wish for have held a competitive advantage. Our company has in this line, established nutritional products to compete against key rivals. What constituted winning formulas in the past, can longer work in modern times (Ionescu-Somers & Steger, 2008). Our company has thus faced bigger business pressure, than we did in the past. High commodity prices, retail price pressures, and very tight regulations have characterized the new environment. The company is considering entry into new markets to capture on the huge potential that exists. A plan that will take into detail the advantages that the company has will make the process effective.

The management will first involve a process that will be geared at determining the market condition of the proposed areas. The highlighted areas in this case are Abu Dhabi in United Arab Emirates, Vancouver in Canada, Los Angeles in United States, and London in United Kingdom. All these areas form a potential market for the company's beverages(Ionescu-Somers and Steger 2008). The analysis will involve checking on the market presence of competitors. The cities that have less presence and a high market potential will attract the possible investment. The government regulation in the selected cities will determine the businesses ability to work within the environment. They will check on the ability to comply with outlined policies and how they will favor their business initiatives. The company will further check on the health habits of the habitants. Those cities

with higher tendency to healthy habits will form a better market that this company can target.

Based on the above guidelines, Los Angeles has formed the best option for new entry. This is because it forms a local location that has a large population. The large numbers of people who have adopted healthy habits are likely to receive the new products. The government regulations within the city will not deter the sales of the company products. However, there is a significant presence of worthy competitors in the city. The strategies will thus be very strategic to overcome the giants who have taken a big portion of the market share.

There is, however, a lot of analysis that must be made to determine effectiveness of entry into any of the above selected locations. The entry will be divided into phases to help the company understand its market better, before making large investments. This will eliminate potential losses arising from miscalculated options. The cost will also be progressive with the revenue generation process so that the company is able to absorb any loss shocks that are a characteristic of new market entry.

The first phase will involve outsourcing manufacturing. The company will reallocate bottling services of its products to a local partner in the new location by this process. They have to make a prior study on the viability of this business venture, so that they will effectively benefit. Outsourcing helps reduce costs of establishing a new plant in the new market and thus gradual capture of the market will allow the company to form new plants (Infor. n. d.). Working with a partner who understands the local market will improve their entry tactics. The company resources will however be focused on

branding and other market ventures. Branding will involve making the local population understand what is really on offer from the company. When the people associate with these beverages, market penetration will significantly increase its effectiveness. The marketing strategy will involve creating a comprehensive website that outlines the products offered by the company. This website must be appealing to the viewers and will focus on capturing the attention of anyone who visits the site. It will make a provision for customer care where the consumers can ask questions and make complaints on services offered. The website will be the biggest form of advertisement that is cost effective. It will incorporate multiple language allowance to enable consumers from different geographical locations to access the information, through their preferred languages. The company will further offer promotional samples to the market. Business personnel will be selected to participate in initiatives that will take the products to the people (Infor. n. d.). The best strategy in promoting its beverage product will be through offering initial low prices. They will then participate in programs such as sporting events and in the process market the products. Further sponsorships of events will improve the company`s image and make the products more acceptable to the people.

An advertisement initiative will run through the cities that will ensure more people know about the products. The theme of the campaign will be educating the people on the advantage of shifting to new and healthy beverages, in preference to entertainment drinks (Norton and C-Level Enterprises (Firm) 2004). Active use of social media will target young adults who have tendency to healthier habits. The products will fit the description of

health expectation posed by mid age bracket consumers. The youth will also be attracted in the process.

The second phase will begin in year 2. The main operations in this phase will involve setting a new company plant in the new market. This process will begin by selecting an optimal location within the viable areas of the new market country. The new plant will allow for in-house manufacturing and bottling services for the company products(Small Business Administration n. d.). This shift will largely decrease the company costs in operations.

Revenues shared with the strategic partner will now shift. The company will maximize revenue generations and use the saved funds to further its penetration. It is an effective plan that complements the initiative to increase the market share in the country.

The company will begin operations through development of high quality and innovative beverages. The fundamental ingredients will have a health base and will thus focus on improving the lifestyle of the consumers (Small Business Administration n. d.). Present markets in this industry require that any company wishing to succeed must give consumers what they really want. This company has that broadened the portfolio of beverages that it offers to its consumers so that they can select those that fit their description. The products will come in different packages to allow for different prices, as a means of capturing consumers at different economic levels.

In the new markets, the company will initiate its “ New Age Beverages” line. This will focus on tangy, antioxidant rich pomegranate juice. Global competitors like Coca-Cola and Pepsi offer less healthy beverages and thus this strategy will impose a competitive advantage on the company. The

strategy that the business will adopt has to take into account the differences created in using its products in preference to those offered by beverage competitors.

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