

Marketing plan segmentation assignment

[Art & Culture](#)



**ASSIGN
BUSTER**

Marketing plan Segmentation: Tortilla Aztec In a nutshell, segmentation is the process of dividing a broad market into specific target group. In marketing, segmentation is crucial in creating a successful marketing strategy, because marketers are then able to identify consumers who have common needs and applications for the relevant goods and services. For example demographics such as age, gender and ethnicity are one of the many criteria when segmenting a market. For our marketing plan, we have focus upon building a tortilla company.

Tortilla, which is a key component in many Mexican dishes, is favored not only by Latin American, but has also become a very popular ingredient in many western and Asian foods. The concept of tortilla is that it acts like a bread; people can apply almost any kinds of vegetables and meats, fold it or wrap it (depending on the style or preference) and bite it, it's as simple as eating a hamburger. The tortillas that many of us eat today however have lost its traditional value. Nowadays Tortillas are designed and manufactured for mass consumption, and as a result fresh organic ingredients are left behind.

As a tortilla expert we want to put an end to the blunt asset of 21 ' SST century tortilla and so our company has gone back to the basics; cooking tortillas the style a Mexican street vendor would do (read product part for more detail concerning tortilla-making). This idea of authentic Mexican tortilla is what our company will be trying to capitalize on; we depend on the idea that people are still concern about quality, not quantity. In marketing terms we are focusing on consumer preference, which is essential for us to

identify what market segment we are going to target. We start with measuring possibility.

First Step: Measuring Possibility All marketers know that the size of the market must be big enough to be worth targeting. According to Statistic Canada as of 2001 “ 244, 400 people of Latin American origin lived in Canada. That year, they represented almost 1% of the total population of Canada” (Statistic Canada). In Vancouver alone, there are approximately 28, 575 Hispanics, which is a surprisingly big number considering, the distance it takes to travel between the two continents. Conclusion: the sample size proves to be substantial for our Tortilla Company to continue.

Second Step: Segment growth It is very important for every business to analyze the prospect for growth. First we look at the number of tortilla producer in BC and identify who they are. The leading pioneer producer so far is a company called El Comma based in Burnable. Their tortillas are distributed in most of the major authentic Mexican restaurants such as La Tequila, Don Guacamole (closed for business), Salsa Agave etc. Another competitor is a smaller company called Donna Elastic based in Surrey. Their products are supplied mostly in specialty food stores across British Columbia, although its main business is focused upon delivery orders.

Other Tortilla manufacturers only river Log retails canals sun as save-on Ana gateway superman et K . From a Dustless point of view the segment growth prospect looks to be very bright. Assuming that there are only two major competitors in BC, we can still capture a market-share of approximately 25%, which is around 7500 of Mexican people. According to Statistic Canada,

<https://assignbuster.com/marketing-plan-segmentation-assignment/>

7500 of these people earn an average income of \$28000 (lower than the Canadian average income of \$30000) however still a relatively sufficient income.

Our findings illustrate that these Mexican people demand homemade corn tortillas compare to tortillas produce by big international brands. However the resources are not easily available with only two major companies providing the service. In conclusion: the Vancouver Hispanic market segment still has a very big room to grow. Third Step: Formulate narrower markets (Latino Community and Mexicans) “ McCarthy and Perpetual suggest forming sub-markets around what you would call your “ typical customer”, then aggregate similar people into this segment, on the condition to be able to satisfy their needs using the same Marketing mix. As previously discussed before, the central market we are targeting is the Latino community living in Vancouver, BC. Our main concern however is the Mexican community. This is where the 80/20% rule applies being that Tortilla is the staple food in major Mexican dish. In the distribution and supply-chain analysis we have discussed the possibility of supplying Tortilla to major retailers such as Save-on-Food and Safely. This pursuit is quite risky, especially for a starting company like ours, because not only does it require a big investment (e. G. UAPITA for machineries), but also the fact our company’s name has not been well established in the Tortilla business. It is a lactated risk however because of the following facts: For Mexicans to buy their Tortilla, they have to travel to specialty food markets, most of which are inconveniently located because of its walking distance to the nearest bus stop or Strain. Save-on and Safely on the other hand, are strategically located hence a more shopping friendly

environment. The problem however is that quality homemade tortilla are only available in these boutique supermarkets.

The tortillas sold in big retails are international brands such as Dittos where the product factory processed hence the poor plastic taste. This is where our tortilla company steps in; with our homemade authentic concept, we expect that there will be more incentive and attraction for more Mexicans to buy their Tortillas and along with their daily groceries. A win-win situation is at hand. Considering Other Markets (other possible area of growth) Previously we have also considered the possibility of aiming the Asian market, which is not surprisingly one of biggest market in Vancouver.

We were looking at a specific sub-market with huge potential growth and we were lead to the Indian community. In BC alone, there are over 230, 000 Indians, half of them residing in Surrey. Moreover with the Indian economy booming and IT outsourcing becoming the major part of the business, the continuity increase in the Indian population will surely double for the next coming years. This is backed by an analysis, which says “ India-based firms are starting to win larger-scale Canadian TIT contracts and growing six times faster than traditional Tier 1 providers in ‘ TO. Our analysis however results us in not entering ten market. Nine mall Drawler we race was culture. Nine Animal culture Known to De very strong are less likely to substitute their values to that of other cultures. This is shown from their preference of food. Curry the staple food for an Indian dish is not easily substitute and this is proven from our Tortilla survey; when sales, compare with what you usually have with your curry, would you say that this Tortilla is the best in terms of taste? 3 out of 30 Indians said no and 5 of them even gave the opinion of <https://assignbuster.com/marketing-plan-segmentation-assignment/>

sticking with the traditional ‘ Indian Root’ when eating the curry because the two dishes already complement very well with each other. Likewise, we also discovered the ‘ Red Mole’ which is the other dipping sauce we used for the marketing survey asset much more delicious on the tortilla compared to when we dipped it in the Curry. In conclusion the taste off food blends in harmony when it is applied with the original traditional ingredients. This finding has led us to the conclusion of canceling out the Indian Market.

Mainstream Market The mainstream market is a very broad market. It is the most dominant market and therefore has the biggest potential for growth. The people inside this market are usually not tied to buying one specific product; rather, they buy product that are in trend and replace it once it has gone out of trend. This is very apparent in markets such as technology and fashion where products come and go very quickly. The mainstream market for Tortilla can be found in big retails. As mentioned before, tortillas brands supplied in these big retails are well known international brands such as Dittos.

The market sadly are used to consuming these low quality processed products and as a result many of them are not aware of what home made Mexican tortillas taste like. This situation however is an advantage for our company because of one important fact: our tortilla is a newly introduced product line. A new product line meaner that there is big room for growth and for our company to fully establish our tortilla in an existing market it will most likely require some time. For example, we need to consider factors such as Canadian housewife.

These housewife play a vital role to our success in the mainstream market because they the ones who decide what goes inside the grocery; instead of the usual bread and butter for breakfast we can convince them to substitute to our low calorie home made tortilla. Once these housewife have gained more knowledge about our reduce and realized the benefit of it, we hypothetically have secured a very major part of the Canadian market Niche Market Another important contributing factor to the popular rise of Tortilla, is professional working segment.

With their limited time constraints, this specific group of people prefers foods that are on the go and Tortilla is the perfect complement to this kind of lifestyle. An analysis also shows that Tortilla can fill up to 52% of your daily fiber needs and contains low calorie: perfect from a marketing standpoint because these office working people are assume to have high disposable income and therefore emend more quality alternatives such as the home made Tortillas our company produces.

Another important trend we have realized is how much Vancouver people value healthy and active lifestyle. This is proven from little things such as the long lines in whole-food supermarket, the availability of vegetarian restaurants, the number of Luncheon stores across Vancouver and etc.

Conclusion: Vancouver people, especially the locals are willing to pay for healthier alternatives, and with the concept AT our Menominee tortilla we can capture tons Log part AT segment. Ten market