

Blackmores chinese health food marketing essay



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Along with the rapid development of health food industry all over the world, BLACKMORES Company developed a new kind of health care products—Chinese health food. In order to achieve success for the company and its shareholders, this report will provide a brief business plan for BLACKMORES Company to develop Chinese health food in Perth, Australia market. This marketing plan contains the objectives that BLACKMORES set, its target market segments, marketing strategies, and 4Ps marketing mix.

1. 0 Introduction

As one of the leading natural health brand medicine company in Australia, BLACKMORES mainly deals with health care products. The core aim of BLACKMORES is the enhance people's life quality while making profits. All the products in the company are made of high quality raw materials under strict controls to ensure the high quality of the products and market. Besides, it provides health information, training and education as well. Nowadays, facing people's increasing psychological pressure from modern life, interpersonal relationships, job prospects, salary levels, etc. which cause changes in people's health, showing weakness, dizziness, memory loss, insomnia, etc. in Perth, Australia, BLACKMORES developed a new kind of health care products—Chinese health food. It comes from traditional Chinese medicine which is thousands of years and is based on Chinese workers in the long-term medical practice. Compared with other health care products, Chinese medicine has ecological character and no side effects. It improves the body's immune and metabolic power, increases the nutritional in taking, and helps the natural absorption of food nutrients. Thus, to some extent, choose Chinese health food is to choose health.

2. 0 Objectives

To select Perth as an ideal city in Australia as the sample target marketing research for the new Chinese health food.

To carry out detailed marketing analysis for the products in the sample target market.

To figure out proper marketing strategies and implement the marketing strategy through 4Ps marketing mix.

3. 0 Market segments

3. 1 Geographic segmentation

State: Perth is located in the biggest state of Australia-western Australia, whose population is less than 10% of the nation. Most of the population is concentrated in Perth. It seems to be a proper market sample place for the company's new Chinese health food.

City size: The Perth metropolitan area has an estimated population of 1. 66 million. As the capital of Western Australia and the fourth largest city in Australia, Perth is a megalopolis according to the criteria of United Nations. In megalopolis, population is concentrated. It means that the market size is relatively larger;

Density: The density of Perth is relatively low-310/km². In marketing, the density of a city usually affects the distribution channels, distribution services and distribution costs. Generally speaking, the market capacity is larger in region with high population density, while the one with low density has smaller market capacity;

Climate: Perth is Mediterranean climate which is sunny and relatively hot.

Summers are generally hot and dry with average temperature 30°, f.

Winters are relatively cool and wet with average temperature about 18°, f.

In this climate, therefore consumer tends to enhance their body health situation regularly in order to adjust to the extreme climate.

3. 2 Demographic Segmentation

Age: According to the statistics of Australia for 2008, the biggest age groups of Perth are 26 to 34. This age group faces the biggest pressure from various aspects. In order to conquer those pressures, to stay in a healthy situation is essential for them, which will be the biggest segment in consumer market.

Gender: In 2009, the ratio of female to male is about: 1: 1. 02. Most of the Chinese health food product is not specific targeted for female or male consumers. In addition, the ratio of female consumers is higher than male in purchasing health food products.

Income level: The income is relatively high. The average annual income of full time worker is over 58729 dollar in 2010. People with higher income are less sensitive to the price, but more concentrate on the quality, design and after-sale service of the product. (ABS, 2011)

Nationality: In Perth, over 80% its population is European and Americans, 2% are Asian and 14% are of other nationality.

3. 3 Psychographic Segmentation

People aged from 26 to 34 are the main pillar of the society. Most of them have a full time job and stable financial sources, but also great pressure from

work. The social and economic status is relatively high. They have strong feelings and tend to follow the trend of staying healthy. Therefore, they are more easily to have emotional purchasing incentive and behaviours when it concerns to health (Williams, Ridges, et al. 2008). They have better taste of life and higher material requirements. All these offer BLACKMORES a great opportunity to expand the markets for its Chinese health food products.

3. 4 Behavioral Segmentation

If the consumers get recognition of certain type of product, most of them could insist on those products because they believe in brand and its quality as well as service that BLACKMORES offers. It is that obvious in consumers that if they have reached recognition of the product, they always have a psychological tendency to seek stability that they will continue use these products for a long, which also is a large potential market.

4. 0 Marketing strategy

Chinese health food market position is that after the target market is determined, BLACKMORES aim to enhance its image and core competence through reasonable products, services, appropriate marketing model. Four methods can be taken as follows. Firstly, functional-oriented positioning. Such positioning is to fully exploit the effectiveness of product characteristics, including as an extension of the related concepts. Secondly, the symbol-oriented positioning. This type of product to advertise is put more emphasis on the combination product in the media as a whole strike effect. Thirdly, the endorsement driven orientation. Class positioning method is able to quickly mobilize intangible assets, so the company can benefit quickly. Finally, Channel-oriented positioning, through product sales model

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different from the majority of enterprises, the publicity generated special effects in order to gain public awareness (Gruca and Klemz, 2003).

5. 0 Marketing mix

5. 1 Product

(Starr, 2009)The product is completely new both to the consumers and competitors. So the product should be designed according to the consumers' demand and preference. Based on market segments, the company designs special products, personal service. Through the market and products, it could result better relationship between company and consumer, that the company will get an extra reward. In addition, it has a good overseas market. From the following figure, we can see there is a stable market although economic depression. It can be predicted that Chinese health food have a bright overseas market.

5. 2 Price

Price is an important factor to the consumers' decisions (Farmer and Joshi, 2002). Chinese health food has a priority on price. Because the raw material is convenient and handful that it has low cost. It will meet most of the consumers. The price of Chinese health food can be seen in the following table (table 1). It can be drawn that it has a great price priority among other health care products. Moreover, the health is also packed with volume, such as 50 ml/bottle, 100 ml/bottle, that it may meet different consumers.

Decription

quality/tablets

price/\$

Plus Essential health for Women

60

25. 99

Meno Eze Forte

30

24. 99

Promensil

30

26. 99

Meno Eze Forte

90

49. 99

Promensil

90

55. 99

Remifemin Menopause symtom Relief

100

21. 99

Chinese health food

200

20. 99

Table 1. The price comparison with other health care food

5. 3 Place

As a new product, Chinese health food can be sold in big super medicine market because there are numerous customers everyday, that Woolworths is the best choice. Other super markets like Wal-Mart, Carrefour are also the potential POS. Chinese health food could be placed in conspicuous counters that it can kill two birds with one stone. That is helpful both to sell the product and advertise.

5. 4 Promotion

A small gift will have huge function. In the supermarket, in order to have profound impression, a small gift will be present to the consumers after they buy the product. A lot of purchasing on-site or otherwise does not meet the general impression of a salesman deep, it is necessary to deepen the impression. It can be carefully and purposefully choose the less expensive, but pregnant with meaning a small gift, but also implicitly told of its contact to look forward to impress. The more profound impression on potential business opportunities and bring higher probability. In addition, advertisement is also needed. To save the operation cost, it can select local <https://assignbuster.com/blackmoress-chinese-health-food-marketing-essay/>

television. With the consumers increase, advertisement can broadcast in central television. Moreover, leaflet is also essential. The company can employ some staffs to deliver the leaflet in the busy streets.