

Ginsters market and company analysis



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The Cornish pasty has existed for over three hundred years in the country . The pasty was initially eaten by fishermen, miners and farm workers as a snack. The pasty enabled the men to remain clean and have warmth throughout the day and also to retain the flavour. The popularity of Cornish pasty began in 1945-1950. The demand for the pasty grew outside Cornwall. Many manufacturers then started to produce ‘ pasties’ around the country. In 1960 a farmer called Geoffrey Ginsters who was having an egg packing station in Callington, came with an idea to diversify his egg packing station into a small bakery with 30 employees and started making delicious, authentic Cornish pastries and selling fresh pasties to local retailers. Ginsters sold his family owned pastry business to Tamworth Brothers , which turned into a big company and from 30 employees it has grown to more than 700 hundred employees today and considering about the pasty quality they have maintained the original recipe till today and the proof is that Ginsters is producing over three million tasty pastries every week .

Critical Success Factors

Taking Ginsters success, the concept of critical success factors (CSFs) was coined by D. Ronald Daniel in 1961. There are a few critical factors which if pursued and attained, drive a business’ success. The mission and vision of the business can be achieved by planning these factors properly. It is the critical success factor (CSF) which measures health and vitality of the underlying product. Most businesses have common CSFs while some hosts a few unique factors. Some of the key success factors are product design, customer satisfaction, customer loyalty, good distribution and quality. A

possible implication of CSF analysis is that to be a successful business, there are between four to eight key factors which need to be maintained. The secret behind success lies in identifying and accomplishing the right critical success factors (Justice and Jamieson, 2006).

Considering the variety of brands in the market, Ginsters has been a remarkable success. The 4Ps of the marketing mix concept (product, place, price and promotion) were implemented in establishing Ginsters products.

Ginsters most distinctive critical success factors are:

Healthy product

Reasonable price

Attractive branding / Brand Promotion

Brand identity

Hygienic packing

Accessible through all major supermarkets and hi-street shops

Direct distribution to retailers

Currently Ginsters have many products in market but previously Ginsters dedication was mainly for ‘men on the move’ which became one of the first food brands to expand into forecourt retailing and convenience, or ‘impulse’ sales channels. Ginsters soon extended into other savoury pastry snacks, producing slices, rolls and pies, however, pasties make up the lion’s share of Ginsters value sales today. Dominance of the impulse channels² elevated

the humble Ginsters pasty to iconic status. Ginsters took decisive action in order to restore its tradition of impressive growth. In the early 2000s Ginsters transformed their business, implementing key initiatives that put growth back on track.

Coming on to Ginsters Marketing Mix, Ginsters Products are easily available. They highly rely on satisfying customer needs and building customer relationship. Ginsters manufactures a wide range of products that include Cornish pasty, deep fill steak pie, steak slices, pepper steak slices, deep fill chicken and mushroom slices, sausage rolls, pasta salad double cheese and onion, chicken lattice etc. Ginsters have a competitive Pricing Strategy. Ginsters products are highly affordable, pricing of the product are not too high or too low that could mean a loss of sales for the organizations. Prices of the Ginsters product range from £1 and differ from products to products. Prices of the product differ in every distribution channel. Cheapest Ginsters products are available in Tesco. Place plays a vital role in Marketing strategy and Ginsters is well known for channel of distribution and intermediary between the manufacturers and consumers. Product of a Company should be made available at the right place, at the right time and in the right quantities. Ginsters sell their products in various supermarkets like Tesco, Sainsbury's, Asda and Ocado. At the end Promotional strategy, Ginsters primary media objective was maintaining top of mind awareness among people. This awareness helped spur impulse sales; when people found themselves hungry, Ginsters was the first option to spring on their mind. TV sponsorship, which is relatively low in cost and high in frequency,

supplemented awareness-driving television, using the established communications vehicle to drive saliency.

Ginsters have become the latest member of the Samworth Brothers group to purchase a Claricom Package Coding Management System (PCMS) to ensure packaging and coding accuracy. Accurate product and package coding are essential to ensure product quality and product safety. The Claricom system will provide Ginsters with the necessary high level control of coding information and packaging accuracy, enabling it to meet the demands of leading retailers and protect the Ginsters premium brand image. “ Claricom was recommended by TESCO to ensure that they use the right packaging and the correct on pack date and traceability coding for each product,” explains Jason Davis, Ginsters Engineering Manager.

Sponsorship have played a vital role in creating Brand awareness , the premium example for this is the Sponsorship given to Club “ Plymouth Argyle F. C. ” and Sponsorship are even given to local football clubs like Callington Town FC , Callington RFC .

Ginsters Success/Achievements:

The Elements which contribute to the Success of Ginsters as a Brand can be determined by the award received from Design Business Association, for packaging designs. Design and packaging changed the perception and purchasing decisions of the brand. Ginsters brand was initially under threat from all the sides , but Ginsters (Real Honest Food) , Managed to get a total market share of 10. 1% , it has been enjoying 24% growth share year after year , they have now successfully launched new products (multi packs) , and

also managed to attract 1 million new households . The market for pies and pasties had shown a steady growth in the past years. In the year 2008 the markets was estimated to be £901 million.

Ginsters took the Food Manufacture Excellence Award for Best Bakery Company, at the Marriott Grosvenor Square Hotel, London. Ginsters were praised by the judges for its innovations in marketing, and for the commitment to local sourcing. Ginsters also won an award for Best food Company for people, skills and productivity. Ginsters have received accreditation for the brand's innovation in advertising and marketing by industry publication The Grocer.

Environmental Factors:

Ginsters' environmental record was their choice to support a new Anaerobic Digestion plant at Holsworthy, North Devon, in 2003. The £7. 8m plant was initially conceived by a group of limited farmers as a cost-effective answer to their farmyard waste, and was one of the first of its brand in the UK. The plant takes a combination of farmyard slurry and local food waste and converts it into biogas which is then sold back to electrical energy generating companies as green energy. The left over by-product (or digestate) is increase back on the land as a nutrient-rich, accepted fertiliser.

Another recent expansion is that from June 2008 the plant has stopped taking farmyard slurry from neighbouring farmers, and only accepts food dissipate from local manufacturer and public food waste collection scheme. This type of waste contains higher energy levels and has the budding for greater biogas production. The new owners are hoping that this will enable

them to make a income for the first time since the place in the ground opened. Ginsters continue to send 20 tonnes of food waste to the plant every week, which would or else go to the landfill, and the green power twisted by the plant has the budding to power about 1000 homes.

Brand Development programme undertaken by Ginsters:

There were various challenges faced by Ginsters their products where known to many people but they were found rather unhealthy with high calorie content and old fashioned. They were facing tough competition from snacking market. The target consumers were primarily men, who were the core consumers. To overcome these challenges Ginsters had to broaden its appeal to face the growing competition, thus Ginsters took a decision to invest in major brand development program.

It was seen that packaging redesigns and advertising campaigns had confused the consumers. Thus, it was decided to Re-establish the brands Cornish values and strip away the decorations and old messaging. Due to this developmental strategy Ginsters achieved growth of £15m year on year, which accounted for an incredible 42% of the total market growth. Ginsters achieved an extra 1 million households purchasing Ginsters. (Source TNS). Ginsters continue to lead the sector in consideration, with 37% (Source TNS).

Strategy to maintain and enhance the Ginsters Brand

Recommendation for Ginsters growth strategy using Ansoff matrix. The Ansoff product/market growth matrix is a tool that helps business organisations decide their product and market growth strategy with existing and new product development.

1. 1 Market penetration:

Market penetration focuses on selling existing products to existing consumers more effectively. It focuses on effective promotions, public relations, advertising, and sampling strategies. Radio camping 'Real Honest Food' got an award for Best Radio campaign in May 2006. Radio is a effective marketing channel. Radio is very popular amongst teenagers, families, urban men. Targeting specific consumers will be easy with radio advertising. And also a radio add is less expensive than a television add. Ginsters can promote existing products and offers using radio as a mode of communication. This will be cost effective. Radios adds help in maintain brand awareness. Increase usage by customer loyalty schemes. Customers can be given loyalty cards that will entitle them to have a discount on every purchase made. Giving discounts on large quantities purchased. By, Introduction of gift cards and online promotions on social networking websites.

1. 2 Market Development:

In Market development business seeks to sell its existing products into new markets. Reduction in prices of the existing products by 15% can be announced. This strategy can give increasing sales outputs when the food prices are increasing day by day. Customers would thus prefer Ginsters products during lunch and dinner. Thus, different pricing policies will help to attract different consumers or create new market segments.

1. 3 Product Development:

Product is the tangible object that the company offers to consumers. It also includes packaging, post sale services and buyers value. Ginsters should aim

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to introduce new products launched recently into existing markets.

Introducing new products like Buns having sticky glazed fruits, saffron, and cinnamon. Buns are enjoyed by people in United Kingdom throughout the year and especially during Easter.

1. 4 Diversification:

In diversification company markets new products in new markets. Study of international markets can be undertaken by specialist marketing persons.

Ginsters can work on international export of products to European country.

Research can be conducted on potential markets in European countries.

The decline of formal lunchtime eating is creating new market segments and strong growth in the snack food market

It has been observed that more people eat lunch at their desks. The snack market is enjoying strapping growth due to a range of new commodities that are positioned to take advantage of this changing lifestyle. It has been evident for some years that rising time pressures on clients have been the main force after a shift away from established mealtimes. This is perfect chance where Ginsters can grab and the meal spending can be fragmented into:

- More frequently and smaller “ meals” (the term “ grazing” is repeatedly used to describe this actions)
- Taken in more various locations

“ Hand-held Snacks”, examine the UK hand-held pungent snacks sector. It

Reveals that “ on-the-go” eating and snacking are on the increase.

Ginster’s On-the-go use can be split into three key categories:

- On-the-move
- Multitasking (for example, eating while working), and
- Leisure time

Hand-held refreshments are well suited for consumption in all three situation and there is high buyer demand. As more consumers take to drinking while engaged in other activities, such as office work, playing computer games or commuting,

The UK cinema industry is a mature market that has enjoyed strong recent growth from the Opening of multiplexes:

UK cinema audience keep increasing, but as the market mature chains are access ramp, Ginsters can use alternative content and loyalty schemes to encourage customers to forsake their home hobby systems. The chain will be focussed its resources on improving the film-watching experience and on budding Ginsters market share.

Conclusion:

Lastly we would like to conclude saying that Ginsters is a popular savoury brand in UK. Creation of brand awareness and implementing and emphasizing on the strategies suggested will help to enhance and maintain Ginsters brand.

Appendix:-