

Marketing mix strategies assignment

[Art & Culture](#)



**ASSIGN
BUSTER**

Marketing Mix Strategies for Camborne Ices Contents

1. Executive Summary
2. Introduction
3. Main Findings
 3. 1. Evaluation Context
 3. 1. 1. Product Life Cycle
 3. 1. 2. BCG Growth Share Matrix
 3. 2. Promotional Tool Evaluation
 3. 3. The Creative Marketing Mix
 3. 3. 1. Product Branding, USP and Consumer Psychology
 3. 3. 2. Price
 3. 3. 3. Place (Channels, Coverage, Locations, Inventory, Transport).
 3. 3. 4. Promotion
 3. 3. 5. Schedule and Timescale
 3. 4. 1. First: Build Excitement
 3. 4. 2. Then: Create Awareness
 3. 4. 3. Finally: Build Product Knowledge
 4. Conclusion and Recommendation
 4. 1. Customer Retention
 4. 2. Social Awareness
 4. 3. Indulgence
5. Bibliography
6. Appendix
 6. 1. Price Analysis
 6. 1. 1. Price Analysis Commentary
 6. 2. Target Market Profile

Executive Summary “ We are living in a century of idea diffusion. The people who know how to spread ideas, regardless of what those ideas are, win” (Godin, 2003). Camborne Ices are looking to spread the idea of their new luxury flavour, chili-red, through an understanding of the target market and competition.

This report provides a comprehensive promotional tool evaluation, considers the marketing mix, and outlines a schedule of activities for the product launch.

Introduction This report illustrates how our strategic approach to marketing communications helps strengthen our brand. We are well positioned to build social and ethical considerations into our marketing practices.

Main Findings

Evaluation Context

Product Life Cycle We have considered the lifecycle since McDonald and Morris (2004) state, “ key characteristics of the marketing mix have to be modified as the product moves through the lifecycle”.

In this introduction stage we emphasize product uniqueness. Baourakis (2004) says: “ successful products are characterized by more personal selling in the early stage of the product lifecycle”. BCG Growth Share Matrix Chili-red is in the question mark quadrant. We are discovering how strong the market is, and are considering whether to continue investing based on the results of the launch. We have a build strategy as defined by Kotler (2010 p. 43), aiming to “ increase market share, even forgoing short-term earnings if necessary”. “ Question marks generate costs in terms of promotion while returning little” (The Times).

We hope to turn the new flavour into a cash cow. When selecting the promotional tools we have considered both above the line and below-the-line mediums, the reach of the media, frequency of transmission, and potential impact on the customer. Criteria for evaluation are estimated cost, benefit and effectiveness We use a mix of online and offline mediums because “ together they can outperform single use by 124%” (Lees, 2010). Promotional

Tool Evaluation	Tool	Cost	Benefit	Effectiveness	Commentary
Advertising Mediums:	(Promote, Remind, Support, Compete, Persuade)	TV Advertising	Builds brand, but costly.	Internet	Cost effective
Industry Magazines	Focused	Wraparounds on cars and buses	Wide reach	Newspaper	Radio
Telephone	Direct Marketing (Post, Email)	Creates individual customer relationship	Article Submissions	Public Relations	build awareness by generating stories in the media
Persons / Celebrity	Product placement	Very expensive.	Collateral material	Cheap, but effective.	Internet banner ads
					Will bring people to the website, but might not encourage a sale. Better for non-perishables.

Launch events| | Will create a big splash in the market and get people talking about our brand| | Search engine optimization| | Might not encourage sales| | Personal selling| | High number of potential buyers, so personal selling will not be cost effective due to the high cost of oral selling. Also, customers do not need the level of customization that personal selling provides. | | Sales promotioncoupons, trial packages, an incentive tool used to generate short term sales. targeted at fence sitters and brand switchers. | | Highly effective when consumers do not need a lot of information about a product.

Can be very measurable. | | Viral marketing| | ??? | Potentially very effective, but hard to measure| The Creative Marketing Mix Product Our organic ice cream is unique and high quality. We compete with established brands like Haagen-Dazs as a niche organic brand for the discerning customer. We understand that customers want to eat healthily without compromising on taste and are careful to only include organic ingredients. We are able to protect quality through our whole supply chain as all ingredients are grown on the farm. Branding, USP and Consumer Psychology

When a customer looks at an ice-cream neither their rational or irrational concept is that of an ice-cream. They are of the imagined benefits the ice cream will bring (McDonald 2004). By hooking into this perceived benefit Camborne can establish a psychological benefit over the competitors. We will emphasise sheer organic indulgence, and use the word pleasure extensively in our messaging. * Price Given the strong price competition (see Appendix 6. 1), we will need to price intelligently, considering costs,

competitors and the target market. Research from Market Focus (2006) shows that ice cream has elastic demand.

Changes in price significantly affect consumer demand. Harper et al. (2007) adds: “ up to 80% of all purchase decisions are made at the point of sale”.

We aim to follow the price leadership set by Green and Blacks, and compete by setting a more competitive price. Fernandez (2011) contributes that “ consumers are looking for a brand, which offers all of the excitement and indulgence of a premium brand but at a more accessible price point”. We will offer chili-red at a promotional price to encourage trial, and implement psychological point pricing, (i. e. 9. 99 not 10) (Ford 2009).

Place (Channels, Coverage, Locations, Inventory, Transport). We will “ build selective distribution” (Kotler 2011) and stock our ice cream in the retailers where will have most access to our target customers. We will also make a national push to get more high-end restaurants to serve Camborne ice cream as a dessert option. While the most noticeable thing about our marketing strategy will be advertising, this marketing campaign is also about distribution. How the customer accesses our ice cream is important. “ Relationship marketing builds strong economic, technical and social ties” (Ibid).

We will build relationships with key parties in order to earn and retain their long-term business. Considering sales channels as partners in delivering value will help avoid decline in our market channels or what Levitt (1975) calls “ premature senescence”. * Promotion Our organic indulgence ethos will be echoed in our ethical stance on promotion. Our retail labeling will

carry clear information on ingredients in line with the FSA so consumers are aware of the quality. Our above the line promotion tools will carry our messaging to a large audience, although it will be challenging to measure the impact of these channels.

We will balance this with below-the-line promotions so we can have an idea on what promotions are having the best impact. The need to for indulgence already exists in our target customer base. Our promotional strategy has the objective of changing that need for indulgence into the want for our ice cream. Our integrated marketing communications will aim to: “ send consistent persuasive messages” (Lecture Notes 2011) to raise awareness.

Schedule and Timescale First: Build Excitement Our first strategy will be to build excitement through pre-launch teasing activities that we will start three months before the product launch. Suspense is created by providing very few details of what the product actually is” (The Times). Then: Create Awareness During the launch month, we will drive to create awareness via cover articles and press releases. Finally: Build Product Knowledge Post-launch we will aim to increase product knowledge in order to drive sales. We can expect unplanned surprises and changes, and will need to maintain “ feedback and control” (Kotler 2010).

Conclusion and Recommendation Three key areas: Customer Retention Attracting a new customer costs five times as much as pleasing an existing one.

We will leverage social networking to engage with customers and improve retention. Social Awareness Demand for social products is demonstrated by Burrell (2006) when he states, “ 11% of consumers look for Fair Trade”. In addition to rational and emotional benefits, we differentiate through cause-

<https://assignbuster.com/marketing-mix-strategies-assignment/>

related marketing. Customers can fulfilled their altruistic duties to the environment through our ethical and organic ice cream. Indulgence The fine natural ingredients in chili-red are a great fit for high-end restaurants since discerning customers want organic products.

Organic indulgence is a message that is embedded in our marketing mix. Produced from first-class ingredients, designed to look and taste great; chili-red resonates with customers concerned with health and ethics. When they decide to treat themselves, our excellent brand equity will ensure they choose Camborne Ices' chili-red. * Appendix Price Analysis

|||||
|||||
||||| Price Analysis Commentary

Some stores are running half price promotions, Haagen-Dazs at Tesco retails at half price, and rocky road is 2-for-1. This highlights that pricing is competitive when there are many substitutes. This reflects Kotler's (2010) statement: " in modern industrial economies, productive capacity has been built up to a point where most markets are buyer markets and sellers have to scramble for customers". Target Market Profile The customer we are targeting has the following characteristics: A or B social group, high disposable income, likes eating at restaurants, appreciates social initiatives, keen on organic food.