

# [Marketing action plan for vogels bread company marketing essay](https://assignbuster.com/marketing-action-plan-for-vogels-bread-company-marketing-essay/)

This report shall present a marketing action plan for Vogel’s Bread company.

The marketing action plan shall detail four promotional activities to be carried out, responsibilities/accountabilities of each member of the team implementing the marketing action plan, interdepartmental support required from other departments within the organisation for the marketing action plan to work, time lines for the promotional activities in the marketing action plan, realistic budget for the marketing action plan, possible reasons why it would be difficult to implement the marketing action plan and a description brief to an external agency that is going to implement aspects of the marketing action plan.

A monitoring and control system shall be detailed as part of the marketing action plan. This shall identify and describe key performance indicators which are to be used to monitor the progress of the marketing action plan and also describe contingency actions that shall be used in case the business’s staff see adverse events developing.

The marketing action plan shall be based on the project specification in parts one and two and also be referenced with a literature within the areas of putting a marketing action plan to work.

## Discussion – Marketing Action Plan

## 1. Describe four promotional activities which will be carried out in this marketing action plan.

## 1. 1 Promotional Activity 1 – Local area advertising

To ensure the freshness of the bread, it is better to base the target market in the local area for the convenience of delivery. Since bread goes off quickly in a warm environment, it is important to ensure product freshness and this product feature can be a key tool of this promotional activity.

Local shops and supermarkets shall be targeted with the Vogel’s Bread company products. By delivering the product to many local places, the supply and demand for the product can be easily monitored and stock can be quickly adapted to suit the local market.

## 1. 2 Promotional Activity 2 – Promote healthy eating

Since part of the mission of the company is to encourage a well balanced diet of natural foods, this marketing campaign shall concentrate on the importance of healthy eating.. Vogel’s bread uses the very best ingredients that nature provides. The campaign shall encourage the importance of health and nutrition in daily life by eating natural and health. It shall promote the traditional bread making process using only the best natural ingredients.

This is also a way to justify the higher price of the bread compared to many other breads. Thus the cost of production is higher than other brands since high quality ingredients are sourced. Healthy eating can be marketed towards all demographic and age groups. The organisation should also consider local area activities within the local community. They should build up the image of a company that cares about the local community by sponsoring local events which are related to healthy activities like sporting clubs.

## 1. 3 Promotional Activity 3 – Help a New Zealand company that has been around for more than thirty years.

This marketing campaign shall try and get the consumers behind a stable company in the market that has been around for a very long time within New Zealand. By buying this bread, the message conveyed should be that the consumer are helping an Historic New Zealand company that has been employing New Zealand people for more than thirty years. Cheaper loaves of bread on the market which are similar may not have been around for thirty years. Hence since if you buy our bread that will mean more jobs for our local company that helps your community.

Building brand loyalty from the facts about the company history can improve customers feeling they have a relationship with the company and increase the resale of the product for repeat customers. The relationship with the customer is paramount and a local community is perfect for showing this fact.

## 1. 4 Promotional Activity 4 – Concentrate on fresh daily delivered product

This activity shall extend upon the local advertising campaign outlined in 1. 1. The consumer wants to have fresh delivered bread daily to the store. This campaign shall concentrate on the local and most importantly daily delivery of the bread products. If the bread can be delivered quicker than the other breads, especially to smaller stores in the local area, there may be benefits over the competition where the larger brands may not have a comparable distribution system for their products. In addition since the company is local there may be further stores which do not normally sell bread which may be interested. Since the distribution cost is low, the product may be placed in many more businesses and shops.

## 2. The responsibilities and accountabilities of each member of the team implementing the marketing action plan.

Brand Manager.

There must be a branding manager that ensures the product is seen as a healthy, locally baked bread which is delivered locally and has supported the local community for over thirty years. According to Aaker (1991), brand equity are the outcomes that result from a product brand name when compared to the same product if it did not have the brand name. In terms of product level, the difference in price, assuming the exact same product, is due to the branding of the product. By having a very dedicated and simple message to consumers, their brand name delivers a clear message.

Customer relationship Manager.

According to Galbraith (2005), many customers want a relationship with their supplier. In addition some customers want close relationships so that they can have customised products. This also benefits the company in that they learn what consumers want and require. From this information they can design products to cater for these requests. This makes the customer more dedicated to the product which often results in the customer talking more to the supplier and hence being a better future customer. Hence by being a local company they can listen to what their stores ask them for and then concentrate on strategies that enable the consumer to more strongly identify with its products and its message of healthy eating.

The Advertising Manager must implement strategies discussed below which develop strong customer relationship while building strong brand equity.

## 3. The interdepartmental support required from other departments within the organisation in order for the action plan to work.

According to Emerald Insight (2006), it is most important to clearly define marketing activities in order to drive the organisation forward and also to maintain a competitive advantage over the competition. This must include all departments working together in order to present a unified company slogan and image to the consumer.

Organisations must have clear and uniform leadership about what the marketing action plan is and how it is being implemented. A clear organisation and plan on how they intend to implement such policies should also be clear. The organisation should integrate the marketing action plan into all of their business decisions. Rainey (2006) shows that executives need to devote time and effort towards the whole of the organisation and not just its individual parts. They must also articulate the vision for the future in terms of their sustainable business model. They must motivate but also inspire people to improve their performance (Rainey, 2006).

## 4. Timeline specification for the promotional activities

The timetable is determined by the task deadlines and how long each activity shall take to carry out. Marketing on the company history should commence first to establish consumer trust and product confidence. After this the health and freshness of the product may be highlighted in further marketing activities. The marketing campaigns shall be adjusted depending on the key performance indicators and the needs of the consumer will also influence the timeline for the marketing action plan.

Building long term consumer attitudes will take time in building up the awareness to the consumer that the company has been around for a long time and can be subsequently trusted for quality.

The general timeline will be in the following order. Marketing action plan commissioning meeting (one week), focus group recruitment and implementation (3 weeks) and product branding design (3 weeks),. The marketing plan shall present the brand features in stages rather than all at once. This way the consumer will be able to remember the key features of the product more easily. Each campaign shall run for two weeks (in various magazines, in stores and to the shops) and cover the key areas such as health benefits, local company benefit factors and its fresh distribution facts.

## 5. Budget for the marketing action plan

When determining appropriate media spending levels, Danaher and Rust (1994), indicate that it is important to consider how advertising is viewed in general. If advertising is viewed as a cost then inevitably it will be cut down like so many other areas of business in this modern age. If advertising is viewed as an investment then the main objective is to find the right level of advertising budget which will maximise the return on the business. Danaher and Rust (1994), encourage business to think of advertising as an investment rather than a cost associated with the business.

The budget for the marketing should focus on cheaper but consistent marketing campaigns which last longest in the consumer memory. In evaluating the effectiveness of advertising executions, the company must continually provide fresh, original and imaginative advertising that brings brands and consumers together. According to Sissors and Baron (2002), the two major print advertising approaches are newspapers and magazines. When compared to television advertising they are typically a little cheaper.

## 6. Barriers of implementation for the marketing action plan

## 6. 1 Barrier 1 – Advertising space limited due to existing competitors

Advertising space may be limited or dominated by other big competitors in the market. They may also have existing deals in place to place their products in key areas with in store branding materials.

Kelly and Jugenheimer (2005), discuss ways to get the best coverage out of printed media. If there are four or five magazines with similar audiences then one must decide which magazines to advertise in so that duplication is reduced and a wider total audience is reached. This is also the case with newspapers. National magazines provide allow campaigns in specific areas and states of the country. Newspaper control the sections more and have different sections relating to different audiences. For Vogel’s Bread company it is highly recommended to look for food and cooking special sections of newspapers especially within the health and healthy living sections of newspapers.

## 6. 2 Barrier 2 – Competitors also providing comparable health benefits

Other bread manufacturers may be able to produce a healthy product at a cheaper cost by either branding the product with cheaper health ingredients or misleading the consumer with hyped claims on their packaging.

Schierholz, Kolbe and Brenner (2007) suggest that a well structured and consistent procedure for customer relationship management (CRM) initiatives is essential in reducing the risk and uncertainty of the initiative.

## 6. 3 Barrier 3 – Product image

Improving the product image is very important in building customer awareness and image for the product. In this internet age, the use of the internet is is an invaluable marketing tool which can be used for very effective product image branding. Gurau (2008) details that transparency, interactivity and memory of the internet force a marketing campaign in this domain to have a proactive-reactive attitude in online communication. One must also combine consistency and continuity with customisation and flexibility. In addition the online medium allow the company to collect, register, analyse and use customer data and feed-back for better targeting online audiences. With this information customer information may be tailored and customised to each customer. Specific products may be directed to customers who have shown an interest in specific products that they have elected to hear about.

## 7. A description brief for an external agency which is going to implement aspects of the marketing action.

Vogel’s Bread company is proud to be a local area business which has supported the local community for over thirty years. We believe in the promotion of healthy eating and delivering a superior fresh product which is fresher and healthier than our competition. We source the highest ingredients and do not cut costs with cheaper ingredients. We believe that the consumer deserves the very best in ingredients and wants a product that is delivered fresh every morning from our local factories. We want the consumer to understand the history of our local company and to know that we are very proud of our company vision of producing high quality fresh bread. Every action within our marketing action plan must be consistent with these company values.

## Discussion – A Monitoring and control system for the marketing plan.

## 8. Describe and identify three key performance indicators which shall be used to monitor the progress of the marketing action plan

## 8. 1 Key performance indicator 1 – Product supply and demand in local stores

Stock levels of all bread products shall be closely monitored in order to record buying behaviours of the consumer for all of its products. Competitors stock levels shall also be recorded in order to analyse which kinds of bread products are most popular with consumers.

The marketing action plan must convince consumers to switch brands. A unique advertising proposition does just this. The term “ Unique Selling Proposition” was invented by Rosser Reeves, (Reeves, 1961) and is defined in three statements. Firstly each advertisement must provide a clear proposition to the customer. If you buy this product you will obtain this benefit. Secondly the proposition must be different from the competition. Finally the proposition must be strong enough to convince many people to move to the advertised product.

## 8. 2 Key performance indicator 2 – Survey analysis of product image

Product surveys shall be completed in order to ask people what they know about the company and what kind of image they have of the company. Is the company known for its healthy bread? Do people know it is a local company? Do they know the bread is delivered fresh every day? This shall measure the effectiveness of the media and advertising campaigns product branding.

Given the experience and sophistication of the modern consumer, Christopher (1996) indicates that the marketing strategy must be focused on superior customer and consumer value for money. He suggests that businesses need to fundamentally alter the way they manage and movie towards a management style that recognises that processes are responsible for delivering consumer value. It is only companies that realise and change their management style accordingly that will be able to become leaders in their given market for the long term (Christopher, 1996).

## 8. 3 Key performance indicator 3 – Employees awareness of product image

There must be a unified marketing approach to the products and this must be reflected in having a unified team across all departments. Company awareness of the company objectives should be measured to ensure all employees are aware of the goals trying to be achieved. This may be achieved by staff surveys and also by in house training.

## 9. Two contingency actions to be used in the plan in case the business staff see adverse events occurring

## 9. 1 Contingency action 1 – To counter competitor actions with a similar product

In the event that another company tries to compete with a similar product in a similar or cheaper price range, Vogel’s Bread company should capitalise on the long standing history of the company to develop a closer relationship with the consumer.

As investigated by Gronroos (2004), there must be a framework for effective relationship marketing in place that captures key central processes. Organisation of the firm, the planning marketing system, methods for measuring success and the philosophy of how market segmentation is viewed needs to be challenged in order to adopt a relationship marketing approach. The interaction and planned processes of communication must be successfully integrated towards the value processes of the customer. From this a relationship dialogue may merge. If Vogel’s Bread company has been employing New Zealand people for over thirty years then this fact should be used against the competition.

## 9. 2 Contingency action 2 – Price Wars

If the other Bread companies commence a price war, Vogel’s Bread company may investigate adding to their product without lowering the price of the product. This may include adding extra nutritional ingredients at nominal cost or slightly increasing the bread loaf size while keeping the higher price the same. If consumers are able to justify the higher cost with a clear benefit that the other bread companies do not offer, they may be able to beat a possible price war. Larger brands are able to succeed by a slower but more profitable volume growth (Jones, 1980). Jones (1980) indicates that usually their products are generally priced higher than their competitors; they typically enjoy greater purchase figures and hence can afford smaller advertising to sales ratios.

## Conclusion

Local area advertising, promotion of healthy eating, helping an historic New Zealand company that has been around for thirty years and concentrating on a fresh daily delivered product are the four marketing plan detailed in this marketing action plan.

Vogel’s Bread company must take advantage of its key strengths and key areas where it can differentiate itself from the competition. They must have a unified marketing action plan that presents a clear and consistent product image to the consumer which is simple and demonstrates a superior product for the cost. By providing clear benefits to the consumer about the added value of vitamins within the baked breads, consumers will be more likely to switch their choice for bread.