

Marketing analysis assignment

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At the end, a conclusion which resume all the most important point of the report and a recommendations. Introduction Nestle : At the beginning, Nestle was a familial company created in 1867 in Switzerland by Henry Nestle. Their main activity was food products. Then, in 1868, Nestle enter the French market with culinary products with the brand B?? Magi B??. His first coffee's brand was B?? Nesses B??. created in 1939. Newspapers born in 1991 in France Nowadays, the company in some keys figures : Turnover in 2013 : 92.158 millions CHEF (95, 274 MS) 2000 brands 447 factories in 86 countries

Whether international or local marketing, they are based on the same concepts. But, at an international level, the marketing approach is more difficult and we have to consider more important points. At an international level, we must learn more about culture and differences between each cultures to avoid cross-cultural risk for example. We can summarized that the international marketing differs from domestic marketing in that we have to take care about more facts like socio-cultural particularities or figures. Then, international marketing is more difficult to understand than marketing at a local level.

To fix more at the expectations of customers, companies can do a global marketing strategy which is a marketing concepts of a global strategy with local adaptations. In this cases, Newspapers do a global marketing.

Marketing concepts & approaches A marketing strategy firm is a step of reflection and study with the goal of being as close to matching demand and supply. This approach is in the heart of the strategy of the firm. The goal for the company is to focus on increasing revenues, market share and

customers by constantly differentiation, adjustment of supply solvent and increasing economies of scale.

This process takes place in three steps : the segmentation, targeting and positioning which is corresponding to the three phases S. T. P (Segmenting, Targeting, Positioning) of the Framework of Dawn Iaconic. Here, the B?? UP B?? present correspond at the conceptions approaches of the Newspapers to its market. Price : For the France market, Newspapers have large range of price. Count 179 to 1800B?? for a machine. For the pod, they cost approximately 0, 35B?? per pod which is less than a coffee in a traditional coffee shop but more expensive than a coffee in filter.

The do differentiation by premium but often, they put promotional offers on machine, in Christmas time for example. Product : They have a large range of product. Each range count 3 – 6 machine per range, all design, refine and modern. Newspapers apply a luxury policy for each product. For the pod, Newspapers do a color code, to facilitate for the client to recognize their favorite coffee. Also Nestle sell B?? must-have B??, all print B?? Newspapers B?? like cups, sugars, gift boxes... Promotion : For their communication policy they inspired by luxury brand.

Newspapers do also a large communication and a restricted distribution which reduce the price sensibility of customers. Newspapers are innovative also because they create event and they were first at launch with mobile marketing (SMS, ms, app). Newspapers have a strong advertising policy. They spend MMБ?? per year and MMБ?? just for France which represent 20% of their turnover. In 2006 they launch the B?? saga Clooney B?? with the

famous slogan B?? What Else B??. With this strategy of personalization, they improve their brand's image, conquer synonymous of coffee excellence.

In internet : MM link about Newspapers in Google, KICK visit on the official website and early MM faceable fans. Place : Newspapers select precisely their resellers. They sell in Newspapers shop, on the internet. Moreover, in France Newspapers have choose larges specialized store like Fans or Ballooner, large B?? premium B?? store like Galleria Lafayette, Culinary. They also do mail order selling with La Reroute or Less 3 cuisses. Segmentations, Targeting & Positioning Segmenting a market is a marketing technique that involves subdividing a market according to various criteria.

The next step is to create a representation of a group of consumers sharing some common criteria that can be geographical, psychological, ethnic, cultural, demographic .. The goal is to then define a product so to make it attractive to a consumer group. Subgroups must be defined and identified to be measurable, homogeneous, substantial, relevant and attainable.

Targeting is to choose the segment or segments of a population (see segmentation) likely to buy a product. This phase allows for an assessment of the relative attractiveness of each segment for the product or service.

Ultimately, this allows the company to choose what(s) segment(s) can be targeted based on its products, and pending on the expected profitability. At first, the positioning it is to identify the specificity of a company, a brand, a product or service that allow differentiation with the competition. In a second step, the positioning is to define the nature and specific features that you want to provide the product, brand or company to differentiate themselves in

the market. The positioning differentiation allows a product to be perceived as one by a group of consumers (see segmentation).

For Newspapers, they apply the same segmentations, targeting and positioning at a local level and at an international level. They are working on the coffee market especially in the coffee in pods. Then, they are concentrated on the segment of coffee in capsule specifically in a premium segment. This is a niche positioning. For this, Newspapers target their customer about : socio-economic criteria, about their income, specifically on middle to upper class (SSP +). And Newspapers target also by cryptographic criteria, people who are attract by new technologies.

Often this kind of customers are concerned about quality and design seduction. About the age, Newspapers focus on the segment 30 to 50 years old. At the beginning they start on BIB market but it was a fail then they repositioning on a BBC market. Customer acquisition Thanks to their particular knowledge on marketing, they try to make the coffee, which is at the beginning, a current product a luxury product. For this, they convince the potential customer to invest in a Newspapers machine to be an active member of B?? club Newspapers B??.

Newspapers want also to offer at customer's an professional espresso at home without the big traditional and expansive machine. Thanks to their innovation, Newspapers can propose a real espresso at a small price. They attract their customer to with a large and famous promotion on media like TV advert or sponsoring. Customer retention Indeed, the brand managed to create a combined product offering, which involves the initial and only

purchase of equipment , followed by its regular purchase refills for it to continue to operate.

Strategy & futures trends About the strategy, Newspapers is a very good example of a strong understanding of the market and future trends. In spite of many competitors (Taoism, Senses, etc) They are leader of pods coffee market, in machine innovation and customer's fidelity. Thanks to the steady increase of the segment in portion's coffee market, they can apply a differentiation and an innovation policy. To difference themselves about competitors they made for example B?? grand crush B?? which are an exceptional coffee, they created ingenious machine with sweet design and developed an unique client service.

Moreover, they work on an exclusive distribution (in closed circuit). The distribution of sales are made 50% on internet, 25% by phone and 25% in shops. They have their own network for the distribution implying that reduce of cost, fast of munch but it restraint the market and demanded heavy investments. But to avoid problems, Newspapers have signed a co-branding contract (Usurps/Magic) which involve a selective distribution in France for example. For their BIB, they created NBC (Newspapers Business Coffee Solutions) to help and customize at best Bib's services.

PESTLE Politic : Newspapers wish to fight against all pollution's form and they try to develop echo- responsibility in customer's behavior. Economic : Coffee sell are decreasing but segment valor of this market still increase (+3, 6 in 2009) Increase of market valor in pod segment (+30, 5%). Newspapers have a lot of competitors like Taoism or Sense. The price of raw materials

still increasing. They have also a strong B?? concurrence B?? of substitutes in hot drink like the thee or milk which, for example, is a strong danger in Asian country because they prefer thee as coffee.

Increase also of price consumption which involve lower coffee consumption because of the increasing of coffee price. Social : Coffee is the most consume drink with a high social valor symbol of social integrity. For several years, we can see an emergence of the monadic market, with the implantation's of many Struck for example. Mode of consumption are also changing : people take more and more care about gustatory pleasure. Nowadays time of meal is reduce and more and more people are force to adopt a fast lifestyle. A tendency for individualism which is link the 1 pod systems of Newspapers.

The traffic coffee is the leader in the market and its also the customer's preference. There is also a growing awareness of the customers for production methods and processes. Technological : Newspapers make constant innovation (at pods level or machine level) which is a strong advantage between the competitors. Nowadays, Internet service providers are still increasing and an increase of the access internet involve the increase of the segment of online shopping. Ecologic : Customers are more and more sensible about sustainable development and about protection of the environment.

We can see also an exponential wave of consumption of organic products and ethically produced product. Legal : Nowadays more and more patent are submitted. The patent which protected the pods fell in the public domain in 2012 which open the market at the competition. In France for example, rules

about quality of coffee ensure are voted like in October 2001, the French minister for a decree about sells of coffee, the packaging and the composition of the coffee. To check if companies respect this decree, they have put in place controls quality.

To conclude, the key to the success of Newspapers : ; A true value sent to customers (product quality, service) with a consequent market which continues to grow ; A target that can pay the price and still buying. ; A micro-segment of the coffee market but growing and highly valued with a niche positioning ; Very good knowledge of business and marketing But a new marketing choice is it possible ? ; Is it not interesting folds to increase the amounts consumed per user (capsules, must-have, substitutes products) that focus only on attracting new customers?