

Produce an  
appropriate marketing  
strategy for your  
corporate profile



A marketing strategy is a carefully evaluated plan for future marketing activity that balances company objectives, available resources and market opportunities. A marketing strategy sets out the objectives of the marketing department, together with details of how they will be achieved. Established markets generate intense competition during which new and innovative marketing strategies are required and new and existing products are developed. As a market develops, consumers become more experienced and discerning and look for more benefits from the products they choose.

Although some organisations' products may appear unchanged at this developed stage of a market, the more successful businesses re-work existing brands and continue to develop new ones to meet changing consumer needs. SWOT Analysis A SWOT analysis is a general and quick examination of a company so they can get accurate information on their strengths, weaknesses, opportunities and threats. It analyses the internal strengths and weaknesses, and the external opportunities and threats.

Internal Strengths Cadbury's has a world known brand name that is associated with quality. Cadbury's also have a large distribution and its bars can be found all over the world.

Cadbury's has a very good customer service center and has a large variety of chocolate bars to suit everyone's taste. Cadbury's is the biggest name in the chocolate market and is the market leader. Cadbury's has very effective promotions on their products. Cadbury's has a very good research and development department leading to new products.

Cadbury's has built its name around a high quality almost faultless product quality. Weaknesses Cadbury's has its products priced higher than most of its other competitors. A large range of the Cadbury's products has reached the maturity stage of its life cycle. The costs of the company are too high. Cadbury's are making a low profit per bar due to the high costs.

External Opportunities Cadbury's has still got a lot large room for expansion into South Africa, Asia and South American regions. Cadbury's could look to develop new products in new markets. Due to the growing product range Cadbury's could launch new products. Cadbury's could diversify into new markets e. g. Breakfast Cereal.

Threats Cadbury's have got a lot of competitors in the market and must be wary of their position as market leader. The pricing on their products is too high Cadbury's could lose sales if a competitor was to launch a new product to rival Cadbury's best sellers. The most appropriate marketing strategies based on product life-cycle knowledge are those which correctly anticipate products reaching market maturity and release new products or modify existing ones as sales of others decline. Cash flows and profit are related to the product life-cycle. This is the product lifecycle for the Cadbury dairy milk bar: Cadburys dairy milk bar is an established product which is regularly injected with new life.

The Cadbury Dairy milk bar is advertised regularly, mainly through TV advertising but also on billboards and papers and magazines.;

Product Manufacturers have to respond to changing consumer tastes by introducing a wide variety of new products to tempt the consumer. This

means that a company can not afford to stand still, it must grow to survive in the highly competitive market of confectionary. New product development is one way of trying to keep ahead of the market and its competition. New product development is an on-going, process and Cadbury will have a large number of products at different stages of development. The Dairy Milk Fruit and Nut Bar is an example of product development, as it was a variation a development of the original Dairy Milk.

I feel that the Dairy Milk product needs to be developed but not developed into a new product like the fruit and nut range. The Boost bar has to be changed and enhanced maybe by adding new ingredients to appeal to a wider range of consumers, a whole new range of boost bars can be developed. PromotionThe main aims of promotion are to persuade, inform and make people more aware of a brand, as well as improving sales figures. Advertising is the most widely used form of promotion, and can be through the media of TV, radio, magazines, newspapers, internet, cinema or outdoors (billboards, posters).

The specific market segments being targeted will affect the types of media chosen. The Dairy Milk bar is already known to customers and so not as much promotion is needed as demand is present and it is selling. However the Dairy Milk Fruit and Nut is quite new and a development upon the Dairy Milk bar, therefore people need to be made aware of it through advertising. There are two targets for new products - trade customers who stock the product, and consumers who buy it. Before consumers can try a product, however, it is important for the company to gain the support of its trade customers.

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Retailers had to view it as helpful in encouraging customers to visit their shops. If the product had failed to interest retailers and distributors, the costs of investment would not have been met and they would not have stocked the product. Having a catchy slogan for a new product helps to make consumers notice the product. During the growth of the product in its life cycle, continued advertising around the brand name will help to sustain sales.

The advertising would probably be mostly through television, magazines and newspapers. This is because the target audience, all probably watch television and read magazines and newspapers. Posters and billboards would also be useful as they may tempt the consumer to go into a shop and buy one if they see them whilst they are out. I would advise that Cadbury main promotion for the Dairy Milk Fruit and Nut product and the Boost should be TV advertising.

This is because TV advertising enables you to reach a large, widely distributed audience at a relatively low price. I also think that sales promotion would be effective because free samples of the new product would make people aware and if they liked it they would buy it in the future. Place Distribution channels are the key to this area. A firm has to find the most cost-effective way to get the product to the consumer. If the company spends large amounts of money on the distribution, but does not sell many bars, the company may face little profits or even losses.

Most people buy their chocolate from supermarkets and newsagents. The position of the product in the shops is also very important and is a large

factor towards the number of sales. The best position is at eye line and it can be seen easily. For the Boost bar a point of sales may be effective to attract new customers and make customers aware of the product. This is the distribution channel that I would advise Cadbury to use: This is the distribution channel that Cadbury already uses, so I think they should also use it for the all the products.

I think this because it is already set up and working well for their products and is already in a good area, with experienced staff and known by their existing suppliers. PriceThe pricing of a product is very important. No matter how good the product is, it is unlikely to succeed unless the price is right. This does not just mean being cheaper than competitors. Most people associate a higher price with quality.

For consumable goods like chocolate, penetration pricing is usually used. The firm will want a large share of the market, so will settle for a small profit on each item. In the long term, they hope that the turnover, and therefore their profits, will be high. This may suite the Boost bar as it is in decline a new variation of it may be introduced and the pricing strategy should be penetration. Also a low price may attract customers into buying the product. Also they can offer discounts such as for quantity purchased.

For Cadbury's Dairy Milk bar as it is established and has a stable demand the pricing strategy can be price leader as they have a strong brand and so prices can be put above the market. The Dairy Milk Fruit and Nut is a relatively new product and so the pricing strategy should be competitive pricing matching rivals prices.