

Estimated market share and sales expected



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However, Tootsie Roll will face intense competition from Cadbury, Nestle, Candyland and Hilal which might create barriers to entry such as product diversity, lower prices, established distribution channels and brand loyalty among the consumers. Also, these brands are well known and the brand awareness is there.

The marketing done by these companies may become aggressive and they might start offering promotions to increase their sales. Therefore, Tootsie Roll needs to recognize the market niche and concentrate on producing newer products that are not offered by its competitors. For instance, its cotton candy might be a good idea because it is not available easily even in the supermarkets. I am of the view that the market share and the sales will rise gradually. The market share may be 5-6% in the first year. But it is expected to rise with the brand awareness and brand loyalty.

Customer satisfaction and creating advocates is a must right from the start to encourage repeat purchase. I recommend that Tootsie should first create market for its products in Pakistan, and then it should setup a manufacturing plant to increase its sales and fully exploit the market potential. The company could set up either production and marketing or only the marketing division in the country. However, this will call for heavy investment into the capital, machinery and in establishing the distribution channels. Also, it is expected that this expected entry might invoke a reaction from the existing local competitors. Apart from setting up the company operations in Pakistan, the company may also offer to open a franchise in Pakistan.

The franchisee must be chosen with care to determine whether it has enough funds for investing into the company operations and whether it imbibes the value system of the parent organisation. Also, to create a strong demand for the brands before creating a company presence, the company can also find local importers from Pakistan who are willing to import considerable amount of the Tootsie Roll brands. This would help establish brand loyalty and brand awareness in the upper and middle class because physically creating a presence in the country. Moreover, this would benefit the company because the company will not have to make any hefty investments into the country and the distribution channel would be established prior to making an entrance into the country.

Marketing alternatives The marketing practices that are followed by the parent company should be adopted. For instance, there should be jingles, comics, cartoons, and recipes for using these brands in newer ways so that the children are enchanted by the brands and become loyal to them. Also, there should be bubble-blowing contests and 'How many licks?' contests for the children that are held by the parent company. Moreover, these will help increase interaction between the company and the consumer and help gain feedback.

However, considering the literacy rate in Pakistan, the jingles, cartoons and comics may have to be translated to Urdu so that the population understands what is being said about the brand and retains the name of the brands for consumption. Using English might also convey a wrong message to the lower middle and lower income group that the brand might be for the rich only. **Human resources alternatives** Initially, during the start of the

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marketing operations, there should be an expatriate manager sent to Pakistan to work with the locals to train them so that they incorporate the parent company's principles, mission, vision and most importantly, marketing techniques such as the comics, cartoons and the 'How many licks?' contest. Once, the locals have been trained and the company has been established, an in-depth market research should be conducted under the auspices of the parent company or the expatriate manager to determine the feasibility of the setting up a factory for manufacturing the products using local products.

Extensive training should be provided to the local nationals who will be hired. They should be trained in the marketing techniques, handling finances, distribution, IT so that they send the company to new heights in the new country. Organizational structure, control mechanisms, etc. that would be useful. The company should be structured in the same way as the parent company so that uniformity in everything is prevailed.

The parent company Tootsie is organized according to the function. Then a small team in each function should be responsible for each brand so that they are dedicated to growth that brand and make it successful.

REFERENCE Tootsie Annual Report for the year 2006, Retrieved 20 June, 2007 from <http://www.tootsie.com/history.html>