

Product concept
target market market
size marketing essay



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Dayou Fine Puer Tea is located in the largest Aeon Jusco Shopping Mall in Malaysia where it has highest average number of customers in Malacca. As far as the health benefits that concerned, the green tea is one of most popular beverages in the world. There is no age limitation for tea drinking. Young generation will be an important target market in the future. The selling price that offered is reasonable with quality products. Teas have the advantage of storing duration over other similar products as it has no expired date. The longer it is been kept the higher value it has.

Tea and its health benefits have been enjoyed by Asians for thousands years. Hundreds of scientific research studies have linked regular consumption of teas with increased health benefits. The studies have attracted attention of the health-conscious consumers around the globe who are looking towards natural solutions to promote healthy lifestyle. Studies into the effects of tea at recent years have confirmed that tea is a key element in achieving and preserving a good health. The society nowadays is alarmed with the effects of artificial ingredients, chemicals and etc. that included in our daily consumptions. Tea drinking has regarded as an aid to good health in ancient tradition.

Tea's consumption is equal to the other manufactured drinks in the world which is including coffee, chocolate, soft drinks, and alcohol. Research date from Tea Association at year 2007 shows that 87% of all tea consuming is black tea while 12. 5% is green tea. However, of all the variety, Puer Tea is unfermented compared to other teas where the antioxidant properties are fully intact. The antioxidants which founded in teas are possible in preventing a variety of cancer.

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With healthy lifestyle campaigns blooming all over the country and the established of Health Promotion Center in every state which is declared under the Ninth Malaysia Plan (2006-2010) by our former Prime Minister, Tun Datuk Sri Abdullah Ahmad Badawi, it is undeniable that the concept of healthy lifestyle is thriving here in Malaysia. The rapid development in the areas of science and nutrition gives rise in supporting wellness and address a plethora of health-related concerns in our society. There are over Dayou Fine Puer Tea has foreseen the market of green tea in Malaysia and confident in penetrating into whole nation's market in year 2015 and moving towards Asean market in 10 years time.

Competitors:

Dayou Fine Puer Tea has identified many players (companies) in the tea industry, major ones include:

Unilever Private Limited Company (Lipton Teas) :

The World Leader of teas where it is presented in more than 150 countries all over the world. They not only buy the teas on the open market, but they also own their own plantations. They have source teas from 35 countries to ensure a consistent taste and an uninterrupted supply.

BOH Plantations Sdn. Bhd. :

The largest producer of premium black teas of Malaysia where they are from Boh, Sungei Palas and Fairlie which are situated in Cameron Highlands and Bukit Cheeding in Selangor. The company produces 4 million kilograms of tea annually which is around 70% tea produced in Malaysia.

Sabah Tea Sdn. Bhd. :

It owns the largest single commercial tea plantation in Borneo and it is one of very few tea plantations in the world that certified to produce organic tea. The tea leaves are free from unknown substances or chemicals

Market Share:

It is important to estimate how much of the market can be occupied by Dayou Fine Puer Tea. Research on the teas market has been made and the market size is quoted in percentage terms.

Dayou Fine Puer Tea is located in the largest Aeon Jusco Shopping Mall in Malacca. The targeted market for its business is the young professions are the main patrons as well as other the other customers at different age who are concern towards healthy lifestyle. The tea business estimates that the market size for green tea to be 1000 pieces of teas in a month or estimated RM 160, 000. The price is based on the standard price of range RM 100 to 200 per packet of tea. There are three main competitors - Unilever Private Limited Company (Lipton Teas), BOH Plantations Sdn. Bhd. and Sabah Tea Sdn. Bhd. Survey has done and the percentages of each particular company quoted are shown.

Market Share Before Entry of Dayou Fine Puer Tea :

Company

Percentage Controlled

Monthly Income

Lipton Teas

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40%

RM320, 000

BOH Plantations

35%

RM280, 000

Sabah Tea

25%

RM200, 00

100%

RM800, 000

Market Share After Entry of Dayou Fine Puer Tea :

Company

Percentage Controlled

Monthly Income

Lipton Teas

35%

RM280, 000

BOH Plantations

27%

RM216, 000

Sabah Tea

18%

RM144, 000

Dayou Fine Puer Tea

20%

RM160, 000

100%

RM800, 000

It is estimated that Dayou Fine Puer Tea will be quoted for 20 percent of the teas market which is RM160, 000 per month. Dayou Fine Puer Tea has its highlight in teas market due to its quality and type of green teas that it sells.

SWOT Analysis:

Strengths

Quality ensured by Consolidated Laboratory (M) Sdn. Bhd.

Dayou Puer Fine Tea has been undergone for experiments by CONSOLAB Group of Laboratories. CONSOLAB has its own policy to operate in compliance with MS ISO/IEC 17025 standards, as well as to ILAC-MRA accreditation to ILAC, at all times to ensure quality testing services. The

analytical data has shown that Dayou Puer Fine Tea is safe in terms of consumption.

Offer traditional handmade quality products

The process of picking, rolling, drying, heating until packing are all handled by man force and no extra artificial ingredients added and no machines are involved in finishing the products. The tea trees are origin from China where they grew up naturally in the forest since ancient years.

Skilled and committed team

Dayou Fine Puer Tea has a team of committed people and complimentary strength, supported by advisors of high knowledge in tea industry from China. Most of the employees are the natives at China where they are familiar with the environment of teas plantation. Moreover, guidance in tea serving will be provided for customers who are interested in the art of tea.

Economies scale of promotion

The competitors are difficult to match the cost-efficiency of the promotion campaigns. DaYou Puer Tea promotes the products through Exhibitions, seminars, conferences, etc. They are within the economies scale of budget and these methods ensure that the target of market is reached.

Weaknesses

Only supplier from China.

Dayou Fine Puer Tea sells the teas which are originated from China. Hence, there is the only source for the tea products. Dayou Fine Puer Tea are seeing other plantation of teas from other countries in the future time to ensure there is other solution for raw materials supply when meeting obstacles.

Opportunities

Fewer competitors in green teas market.

In the current tea market, the rate of black teas selling is higher than green tea market. Thus, it provides significant competitive advantage to Dayou Fine Puer Tea in the market.

Trading business - teas and teapots.

In order to be the leader in teas market, Dayou Fine Puer Tea offers trading business to the customers. Dayou Fine Puer Tea collects ancient teapots, teas and etc. from the customers as well.

Threats

The following competitors are the main threat for Dayou Fine Puer Tea in teas market:

BOH Plantation Sdn. Bhd.

Sabah Tea Sdn. Bhd.

The Coffee Bean & Tea Leaf Malaysia.

To gain acceptance and recognition by target customers, marketing and promotional strategies for a drinking product is essential. Dayou Fine Puer

Tea will be seen as the established and preferred fine Puer Tea provider in Malaysia in five years time. In order to ensure continuous growth, the result of sales is the key performance indicator in achieving the target and marketing will be an important element in boosting it.

Promotion Strategies:

Various channels of promoting the products of Dayou will involve the following:

Information Sites :

Nowadays, Internet is crucial in one's life. Majority of adults are signed to the network actively. With the advantages of current technology, DaYou can deliver the related information through E-newsletters, advertising in magazines and our own website. Customers can have instant updates from the website. By having a website can also prevent the latest promotion being overshadowed.

Student Publications :

As students are one of the targeted markets, a new approach should be introduced to the schools, colleges, polytechnics and universities. By undertaking classic advertising, distribute brochures, promotions coupons and etc. to the students. DaYou can propose to the Chinese Society to offer talks about tea and professions will be sent to deliver the right information. It is to ensure that everyone who involved has the chance to experience the art of tea.

On-line Social Network (Facebook) :

Facebook is now the most popular social network in worldwide. It reaches nearly almost the entire residents of the world. It is low cost compared to the other media outlets and it saves time.

Festivals Exhibitions :

To be involved in exhibitions at the public or schools during Chinese festivals like Mid-Autumn (also known as Lantern Festival), Chinese New Year and etc is able to gain awareness from the society about the cultures of Chinese as well as the knowledge about tea. It also helps in showing community support to the society by participating in them. Tea ceremony shows, tea serving procedures and so on can be demonstrated at the outlets during the exhibitions.

Distribution Strategies:

To speed up the sales and delivery, the two main strategies has been figured out as below:

Selling Direct to Customer

The products are sold directly in the outlets or through the website. Delivery will be done by post within three days.

Selling Through Agents

In order to speed up the delivery process and to increase the sales, the products will be distributed nationally by agents. Awards and commissions

over sales will be given. By using this strategy, it can give rise to the presence rate of the company in local market.

Pricing Strategies:

The price for Dayou Fine Puer Tea products is set according to Value-based Pricing. As the Dayou Fine Puer Tea has its excellent reputation since it started the business, the customers' perception is the key indicator to the price of the product. The prices that set are reasonable with its quality and after-sales services. Plus, the health benefits that return is the perceived value that customers are willing to pay at.

Customer Relationship Strategies:

The company aims for loyalty of the customers. Feedbacks cards are available in every purchased product. The young generation group will be focused to measure the customer satisfaction upon the products. Customer Service number will be served by trained and customer friendly operator of the company.