

Marketing plan business plan

[Business](#), [Company](#)



Marketing Group 3

Executive Summary

This marketing plan is skewed on Reebok International Company which deals with clothes and shoes and what it has to do to have a foothold in the market hence have increased sales revenue. The paper analyses the company's strengths, weaknesses, opportunities and threats so as to be able to understand how to maneuver around the challenges that are inherent in the environment. A company must ensure it utilizes its strengths effectively so as to emerge firm and increase its customer base and offer opportunities to the customer so as to increase their loyalty to Reebok brands.

Reebok International Company takes heed of the fact that there are competitors present in the market who have better production and sell at the same price as Reebok. These competitors have their weaknesses which Reebok intends to utilize so as to ensure it competes effectively. It produces quality products and is able to do promotions and advertisements so as to increase its customer base. The prices set for their goods are affordable and considerable to their target groups as they analyze the economy and demography before adopting a pricing strategy. Demand for their goods depends on seasons due to customers' behavior and practices. However, they have identified regions that are all seasoned and marketing can be done without this consideration.

The Company is aware of the resource available with its competitors and partnerships they have been able to do hence they ensure they offer quality promotional services that will have a lasting effect on its consumers.

Different places and seasons mandate specific advertising strategies which

Reebok has been able to identify. The company has made itself flexible in accepting innovations especially those that ensure it has a competitive edge over its product rivals. Technology has been adopted in a manner increasing the product quality.

Strategic Focus

Mission and vision

Reebok Company targets to increase its foothold in the shoes and clothes in the sports industry and becoming the first option by athletes and the public in general. It envisions itself offering the preferred commodities that relate to different demographic groups. It targets the youths who are dynamic and best suited for their products by introducing new products that will suit them even better. Our aims do not circumvent around profits, but ensuring consumers obtain high quality goods that will be durable and effective in whatever they are purposed to do.

Our pricing strategy that is widely considered as affordable and reliable for our target group does not affect the quality of our production. We ensure that this quality standard will be maintained if not made better as we continue venturing into other products that will increase our consumers' efficiency.

Goals

Our Company's primary and optimal goal is to offer quality, durable and reliable products that are at affordable and reasonable prices without upsetting the quality of the products and ensuring it meets the needs of our target groups.

Other goals include having a foothold in the market in the sports shoes and attires industry as well as being the first choice of most, if not all, athletes, females and youths as they are our target group. Offering educative and true view of our products through our advertisements and promotional actions so as not to exaggerate features and attributes of our products and offering untrue information. This is expected to make our image good and outstanding from the rest.

The financial goals relate to returns and growth of our company. We target to increase our customer base and hence our sales revue to a reasonable amount that will make us able to fund out productions as well as the promotional activities. We anticipate a considerable growth in the company over our competitors despite their considerable control of the market. Our plan is to obtain reasonable returns on capital so as not to liquidate and close our business operations.

Situation Analysis

Strengths

The Company may be regarded as underdogs due to the resource capability of our competitors, but what we offer is beyond reproach. Reebok International offer products at reasonably affordable prices. We are considerate of our target group especially the youths who have meager or no earnings and hence depend on parents' support. This does not affect the quality of our products. We have been able to produce high quality products to our consumers which fit their needs and specifications. Our waterproof merchandise proves that our quality products are unquestionable as the competitors have not offered such products.

Our strategies acknowledge diversification as a way of reducing the risks that are inherent in the industry. This has equipped us by offering a variety of products depending on the specific target group that we are targeting. The products range from shoes to clothes. Our sporty minds have enabled us to explore other new fields in sports that our competitors have not like the production of waterproof sports headphones that will provide customers with ease and comfort as they pursue their errands. These products are unique and well researched on so as not ensure satisfaction of the products. The new innovation will enable the company gain a considerable share of the market. The features that our products offer is beyond doubt that they stand out of the rest. This makes our business be observed as brand awareness and gives us the dynamic perspective that youths appreciate.

Weaknesses

The company has weaknesses that are gradually being tackled so as to increase our efficiency and effectiveness. Our competitors offer improved quality due to the fact that they have been established earlier in the market hence they have been able to understand it and offer products that tackle problems that are seen in the market. They offer these products at the same price, thereby affecting our sales stream. Due to meagre resources and economies of scale by our competitors, we have lagged a little behind in technological advances and promotional services though we are gradually overcoming these by using other less expensive methods and strategies that have the same effects on our reputation and sales.

Opportunities

Our opportunities are found in the female sector as we dedicate our production and products in general to fit this sector. Most of the competitors have concentrated in the male sector thereby giving us a leeway in the target sector. This ensures we command the women's sector and specialize hence able to offer quality services to our customers. This sector has a broad market that has perpetuity. Women will always be in need of shoes and clothes as they are more Shopaholics than the males. They spend considerably in these products thereby offering our sector niche a cutting edge. We have dedicated our promotional services to the suburban regions whereas our competitor base theirs in the city and rural regions. This gives us the opportunity to explore these regions and increase our market foothold efficiencies.

Threats

Despite having a vast command in our targeted sectors and regions, we are faced with several threats that the management is keenly formulating strategies that will be able to tackle them. The competitor's economies of scale have enabled them to have continuous advertising and promotional activities. This has played a role in our small market ground and the competitors have been able to obtain the undecided and un-loyal customers, to a specific brand. The fact that our competitors offer better products at the same price acts as a major threat to our market.

Despite the weakness and threats the Reebok International Company faces, it has been able to use its strengths in a manner that erodes its weakness. Experts present in the management have come up with strategies that are

lined in dealing with the threats and ensure they have been tackled in a friendly but competitive way.

Marketing Analysis

Marketing and Product Objectives

Our company, as outlined, deals in sports industry's clothes and shoe. The company is well equipped and offers considerable expertise in the field. It has been able to produce quality products that have stood out from the rest. The company proposes to increase consumer satisfaction as it makes profits. It intends to bridge the gap in the sports industry that other companies have not identified like water proof headphones that the athletes can use as they train.

Target Market

The targeted customers are affected by certain factors that if not observed, they would not purchase the merchandise. They are affected by culture; evaluating the culture present in the customer's environment, psychological; beliefs, perceptions and attitudes of the customers affect their product preference and the company has to observe and learn this, social; third parties like the reference and affiliation groups play a role in customer behavior and personal attributes; this is the lifestyle, age, occupation personality or economic circumstances that affect the purchase trend of a consumer. These factors have to be keenly observed so as to ensure sales. The market size of the company's target is adequate and unexploited. They have been able to segment this market so as to ensure quality and reliable products are delivered with a specification that meets the customers' needs.

The main segment is the female sector which is further divided depending on age; 25-34 years and 35-54 years. These groups have distinct needs and specifications which the company keenly observes so as to ensure it obtains the preference and loyalty from the group.

Positioning

The company's products are positioned in a manner that the competitors don't stand a chance in recreating similar products. Our products are in the female sector which other competitors do not concentrate on and innovations that have come up ensure the company a firm stands in the market. The waterproof headphones are expected to have a vast impact in the market since no competitor has been able to create such a product. The company general products are of good quality and sold at an affordable price. This ensures they compete favorably in the market.

Feasibility

Technological advancements like social media have a great potential in creating a market for a product. These channels are free. The amounts set aside for billboards, TV broadcasts, bus ads, taxi tops and newspapers are considerable. The company should evaluate and calculate, after using these funds in these expenses, whether they have been able to generate revenue that surpasses the expenses. Less expensive promotional means should be used if they can offer the same market exposure and induce revenue and customers to purchase our products as the ones selected.

Marketing Strategy Recommendation

Product

Reebok International Company has been able to study and research the market thereby discovers the product requirements in its target market. The newly innovated water proof headphones are expected to have an appealing effect to the customers, this time not only in the female segment but also in the mall. It is known that as individuals approach the summer period, they are eager to do recreational activities for the winter makes them stay indoors. The water proof product will enable the customers enjoy their music as they engage in other activities like swimming. This is considered a good strategy and timing for the product since it is a new venture which, according to the research done, would be favorably purchased.

Distribution

The proposed product, water proof headphones, will be distributed under retail services first as we try to evaluate its progress in the market. When the sales increase and market base grows, wholesale services would be offered. Retailing will ensure revenues are generated fully as the prices are usually higher than if through wholesaling. Direct selling can be adopted in the regions where the target group is like in beaches and city pools. These have large numbers of our target group and direct selling will increase the customer interaction base as well as ensure that we get feedback regarding our product.

Promotion

Funds will be directed in advertisements, TV adverts during the end of the winter season so as to capture customers as summer sets in; this is expected to be allocated a considerably higher amount since we target the prime time TV so as to capture most people's attention, Taxi and bus ads would be used especially in city regions. Advertisements using billboards will be used more since it able to reach the customers as they engage in their outdoor activities. Places identified with favorable weather conditions like Florida and California will be given all rounded and intense promotional services since we expect the brands of our competitors to be present.

Price

The prices adopted for the proposed product is expected to be higher than the breakeven price. The break-even quantity identified is 835, 575 units therefore it is the target of the company to increase the sale units to surpass this amount.

Financial Data and Projections

Past Sales Revenue

The company, being new in this market, has had lower sales revenue than anticipated and its ultimate potential. In this regard, we anticipate that the strategies we have formulated will be able to increase the revenues past the past sales revenues. The new waterproof headphones are expected to contribute enormously in increasing the company's sales revenue this current financial period.

Projected Sales Revenue

We expect that the sales revenue, as stated earlier, will increase. This will be as a result of the following factors. The prices are expected to remain the same, at \$35 since our competitors have sold their products at the same price. A slight increase in the selling price of a product may result in reduced sales of the sports shoes and attires. The new waterproof headphones will be sold at a slightly lower price in an aim to promote the product as we test the market therefore \$32 will be adopted. We expect the variable costs in the firm to be increased due to the introduction of the new product as it requires sensitization and promotion though in the previous products, we will cut down the promotional variable costs since we have been able to establish ourselves better. This will be adequately covered with the sales revenue of the headphones. An expected analysis would be:

Sales of shoes and clothes per product \$35

Variable costs of the products \$ 26. 5

Sales revenue for the headphones \$32

Variable costs \$25

The total contribution of the two classes of products will be

$\$ (35-26. 5) + (32- 25)= \$ 15. 5$

The fixed costs will increase as a result of the new product to about \$ 7, 209, 125. 52

Breakeven Analysis

With the given financial projections, the breakeven will reduce to 7, 209,

$125. 52/15. 5 = 465, 105$ units.

The decline in break even units denotes an increase in efficiency and sales

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revenue especially if the production is maintained at the current state, higher than the previous break-even figure of 835, 575 units.

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