

# Old el paso mexican food



**ASSIGN  
BUSTER**

What: Kurt, the associate marketing manager of Old El Paso, needs to develop a new marketing plan to increase its brand awareness and educate the public about the convenience of preparing Mexican meals. Why: Old El Paso has been the market leader in the Mexican food industry for many years. Now, General Mills wants Old El Paso to increase its sales by 5% while maintaining the same level of profitability.

However, Mexican food industry is growing at a relatively slow growth rate of 3% per year, because Mexican food is not always on customers shopping list as there is a strong perception that Mexican food is inconvenient and difficult to prepare. That is why Kurt needs to develop a new marketing plan to raise brand awareness and educate the public in order to achieve the 5% goal. There is a misunderstanding in the communication process between Old El Paso and its customers.

Old El Paso has been positioning itself as a “ Family Fun Experience” product. Meanwhile, the customers are more concerned about the process of preparing Mexican food, i.e. , while many factors, including time needed for preparation and simplicity of preparation contributed to consumer perception of convenience/ease of preparation, ingredient availability was found to be the most significant barrier to making Mexican meals more often. They also need to educate their customers about the benefits of cooking Mexican food.

For example, according to their consumer research, 70% of decisions to purchase Mexican meal products are made before consumers ever arrive at the grocery store. Apply the fact to the AIDA model, it is important to raise its brand awareness and get consumers interested in its products in order to

increase sales, because most of the purchase decisions are made before the customers see the actual product. With the fact that Old El Paso is the market leader and its brand equity, as soon as the brand awareness and interest is established, the sales will increase.

The biggest competitor in the Mexican food industry is private labels. Old El Paso has most of the market share in Mexican dinner kits (91.2%) and Mexican components (70.4%) category, while ranks number 3 in the Mexican salsa (15.6%) category. Although both private labels and Old El Paso products are in high standards, Old El Paso is the only brand that offers a full product line in the Mexican food industry and is distributed in 98% of all grocery stores (with an average of 7. Old El Paso items on shelf). This means that Old El Paso is reachable to most of consumers while certain private label's products are only available in certain grocery chains. How: Targeted results: Increase brand awareness while convince the public that it is easy to prepare Mexican food. 1) General public: Using kiosks to demonstrate the process of how to cook a Mexican meal with in-store ingredients. Reason: 80% of the population still do majority of their shopping at grocery stores.

By using in-store ingredients, the general public will know that everything they need for cooking a Mexican meal is in the store, so it is easy to prepare a Mexican meal. 2) Regular Mexican food shoppers: Place Old El Paso products at cashier counters. Reason: Placing products at the check-out counters to remain regular Mexican food shoppers that they could use Mexican food as an option for tonight's dinner. Although this tactic implies impulsive shopping behaviour of some consumers, it also constantly remains consumers that Mexican food is available in the market.