

Campbell soup company



**ASSIGN
BUSTER**

Campbell Soup Company (“ Campbell” or the “ company”), together with its consolidated subsidiaries, is a global manufacturer and marketer of high-quality, branded convenience food products. Campbell was incorporated as a business corporation under the laws of New Jersey on November 23, 1922; however, through predecessor organizations, it traces its heritage in the food business back to 1869. The company’s principal executive offices are in Camden, New Jersey 08103-1799. Kimball is a brand or a product line of sauces that was established in Malaysia in the year 1970s under Campbell’s company, Kimball is a well-known brand in Malaysian homes. Unprecedented inflation and difficult economic climate world wide have created the most challenging cost environment since Kimball established. All Kimball sauces are specially prepared with a smooth, thick richness that is naturally tasty – not too sweet, sour or vinegary. Kimball Sauces are available in Chili Sauce, Tomato Ketchup, Oyster Sauce and Thai Chili Sauce.

Current Marketing Situation:

In fiscal 2008, inflation, on average has been significantly higher than previous years. Therefore Kimball is facing a decline in terms on production, this was due to the decreasing demand for Kimball brand sauces, the main company does not stimulate awareness towards existing and new customers by doing advertisements like commercials and etc. Some changes in commodity prices, interest rates and foreign currency exchange rates also affect the decline of the demand for Kimball sauces. Therefore our main objective is to make our products more broadly available in existing and new markets by targeting to boost our sales up to 20% in 3 years time.

Situation Analysis:**INTERNAL ENVIRONMENT****MISSION STATEMENT**

To win in both the marketplace and the workplace with integrity as the country most extraordinary food company. In order to win the marketplace, we should boost our Kimball product sales, here our company will stress on re-packaging the product, that is Kimball chilli sauce.

OBJECTIVE

Make our products more broadly available in existing markets, and to boost our sales of Kimball sauce by 20% in 3 years time. We also determine to create awareness of customers about Kimball in Malaysia.

EXISTING CUSTOMER

In most of the Kimball markets, sales activities are conducted by the company's own sales force distributor arrangements. In Malaysia, the company's products are generally resold to consumers in retail food chains, discounters, merchandisers, supermarket, convenience stores, hypermarket and others similar retail stores. Households, Teenagers also loves to eat food with dipping in Kimball sauce.

ORGANIZATIONAL STRUCTURE

HARVEY GOLUB – Chairman of Campbell Soup Company, Retired Chairman and Chief Executive Officer of American Express Company (BOARD OF DIRECTORS)

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DOUGLAS R. CONANT – President and Chief Executive Officer
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JERRY S. BUCKLEY – Senior Vice President – Public Affairs

GEORGE DOWDIE Senior Vice President – Global Research & Development and Quality

EXTERNAL ENVIRONMENT

COMPETATIVE ENVIRONMENT

Kimball brands experience various competence from others sauces brand such as Maggie, Life, Nyoya, Yeo's. These competitors account a higher market share compare to Kimball, Maggies own 41% market share, Life sauces owned 24%, Nyoya owned 9% whereas Kimball owns 22% market share . These potential competitors would be a threat to Kimball, they are ahead of Kimball interms of promotional strategies and creating awareness for their products.

FESTIVE SEASONALITY

Demand for the company's products is somewhat festive seasonal, with Chinese New Year, Hari Raya, Gawai festive, X-mas' usually accounting for the highest sales volume due primarily to demand for the sauce products. The production of the sauces is rising within this seasons.

POLITICAL AND LEGAL ENVIRONMENT

All products of Kimball must be Halal, hence the products must be approved by the JAKIM. The labelling must include ingredient and nutrition information of the product. As long as the business procedure of Kimball products are subjected to the Malaysian government laws it will not effect the production of Kimball sauces.

SOCIOCULTURAL ENVIRONMENT

Our research shown that more than 80% of Malaysians likes to eat their food with sauce, and so sauces are favourable among Malaysians. Mostly the consumers would experience great food tasting and satisfied by eating food such as fried chicken, hotdogs and etc with chilli sauce.

SWOT ANALYSIS:

STRENGTH

Kimball brands consistantly produces high quality, great tasting sauces, the ingridients use is choose based on quality, e. g they choose the best quality of chilli to produce the Kimball chilli sauce. Kimball brands also uses strict production guidelines to ensure fine quality for the sauces products. Kimball achieve International standards(ISO 9000) which is approved world wide n trusted to produce standard sauce that follows the strict guidelines of ISO. Kimball sauce is mainly cheaper than other brands, tastier than other brands, This will be an advantage for Kimball to boost their sales in the recent market as the price of Kimball sauce is affordable and cheap compare to the other brands such as “ maggjie”, “ nyonya”, “ life” etc.

WEAKNESSES

Kimball loses credit compared to other sauce brands is due to lack of advertisements to create awareness among customers in the recent market which other competitors are always creating new advertisements to instill awareness of their product. Kimball also has slow growth and low market share compared to the competitors, this was concluded from the questionnaire data. Another factor that is too many product lines produced by its main company " Campbell's ", such as Chunky meatballs, supper bakes meal kits, tomato juice etc that makes the company of its own emphasis less to Kimball sauce. Recently Kimball sauce is also facing a decline stage whereby the profit from sales is less than previous years.

OPPORTUNITIES

A growing interest among teenagers to eat most of their food with sauce and trends that over 95% of people like to eat food with sauce. Continuing consumer interest in low price but at the same time has the quality taste that meets the satisfaction of customers.

THREATS

The potential for the large financial resources competitors who can invest more in promotion and advertising will have a threat towards Kimball sauce. Economic downturn or inflation that might affect sales, poor economic condition might affect the demand for Kimball sauce. Constant increase of crude oil price, rising production cost may affect the production of sauces. Main competitor like " Maggie", " Life", " Nyoya" offers great range of sauce products with a competitive price and promotional strategies.

Marketing Objectives

- To increase 20% of Kimball market share, from current 22% to 42% in 3 year times.
- To create awareness among public toward Kimball Sauce Product.
- Current Market Share of Kimball Sauce

Marketing Strategies**Target Market and Positioning the Product**

Target Market:

Consumer Marketing: Kimball will continue to target its existing consumer market. The primary consumer target market for Kimball can described as follows:

Demographics:

- Male and female in all ages
- Especially housewife
- Media Habit:

The target market usually get their news from television, newspaper, billboards, and radio.

Organizational Markets:

In the past, Kimball has targeted the market in supermarket and pasar raya. To increase its distribution and sales of its products, Kimball will target the following in the future:

1. Hypermarket in Malaysia
2. Supermarket in Malaysia

3. Cold storage in Malaysia
4. Restaurant
5. Fast-food outlet

The hypermarket within Malaysia such as Boulevard, Ta Kiong, and Tesco. These hypermarkets contribution a lot to market share of Kimball sauce

The fast food outlet in Malaysia such as KFC, Mc. Donald, Sugarbun, and Marrybrown use to be a very important target market to increase our sales. These fast food outlet sell burger, fried chicken, and French fried, these food will taste better when eat with sauce. The fast food outlet will tend to use Kimball sauce as the sauce that provide to the consumers.

Positioning the Product:

Kimball offers the highest quality sauce with good taste and variety of choices to satisfying all type characteristics of consumer. Its make from fresh chili and no preservative added. Kimball has developed its product, packaging, pricing and promotion to communicate an excellent and convenience ways to have delicious of chili sauce. This positioning is thus supported by all its marketing strategies.

Product Strategies

Product Strategies for Kimball sauce existing product.

Currently, Kimball has 7 lines of existing products, emphasis on chili sauce. Those type of packaging still quite complicated and not so convenience for consumer to use. Kimball also got other type of product beside chili sauce.

Product Strategy of Kimball New Product

To broaden its coverage in the market and to meet its sales objectives, Kimball has to introduce an additional new product packaging. A new product packaging will be introduced:

Kimball Gorgeous/Dignity: This product will be different from existing products in terms of packaging differences. This new sauce bottle packaging design is to look gorgeous and dignified, which is different from all of the existing sauce bottles. Besides that, we also create another packaging: New Kimball Squeeze Convenience, which enables consumers to use it easily. The New Kimball Squeeze Convenience consists of both top and bottom flat surfaces.

The Kimball Gorgeous/Dignity is used to attract consumers in a modern lifestyle. Consumers today prefer something that looks gorgeous and high class rather than something that looks normal to them. The New Kimball Squeeze Convenience is easy to squeeze and both flat surfaces enable consumers to use it easily.

Pricing strategy

Pricing is the moment of truth—all of marketing comes to focus in the pricing decision from Raymond Corey.

Pricing strategy is very important in all markets. This is because pricing strategy determines the future of the business and also to attain the objective of the company, whether the price we set will attract customers or not. Besides that, the price we set should be affordable and acceptable to the customer so the customer can afford to buy our brand product. For example, the company sauce Maggie set the price around RM2.40 for their sauce so to encourage people to buy the Kimball product, the price we should set must be affordable and acceptable to the customer, for example RM2.30 for our

Kimball sauce. Before we set a price for product, we have to know what customers' reaction to our product's price. Is it worth to pay this sum to purchase this product or not? Beside that, customer value perception such as business to customer which is mention that the product value should low price, high quality however, business to business mention that value should increase revenues, decrease costs and decrease risks.

Due to our research to Kimball sauce, so many people think that Kimball sauce is a same taste with another sauce such as life, nyoya, Maggie and another brand so nowadays probably people prefer buy the sauce without choosing the brand it is because in they mind all sauce is same so no need to think too much to make a decision beside that, some consumer also think that Kimball sauce offer high price to their product. From the research have we done. The statistic of Kimball sauce and another brand sauce mention that, the price of value packs of one bottle sauce almost the same price compare to another brand sauce this is a type of pricing strategy which will give customer impression error when they choose the sauce.

Kimball sauce should come out with a series of value packs, Which is the price should reasonable and attractive for example the price we should set is around Rm 2. 10 to Rm 2. 30 in all market so the people will feel more likely to consume it, It is because the price are not too higher so that everyone can buy it so Kimball sauce can increase their sales and gain reasonable profit.

Promotion Strategies

Kimball will use mainly advertising and sales promotion to promote its products to the public. Billboards will be created and put at the roadside to create awareness among public towards Kimball sauces product. A television <https://assignbuster.com/campbell-soup-company/>

program “ Cook With Top Chef ” will be taken. In this program, Kimball sauce will be use to cook and as a seasoning. Therefore, in order to help our new and existing product to success in the marketing objectives, additional promotional activities are introduced. These include the following:

- Television and Radio
- Television as a media is also a main role in helping businesses to grow. Everyday we see hundreds of advertisements shown on television. This is because advertising there is really helpful in getting the customer to be aware of new or existing products in the market. Radio advertisements is also proven to be effective where they use local celebrities to promote their product via voice. That is why we kept on hearing repetitive jingles and slogans on air. Plus, advertising on radio is far more cost saving rather than to advertise on television. Kimball advertisements will be shown on air in one year time.
- Sponsorship.
- Kimball will attempt to sponsor in several activities which are being held in cities. The advantage of sponsorships is that they provide visibility for the product while at the same time showing that the company supports activities of interest to the target market. Gift certificates and hampers are given to winners and participants of the activities. Sponsorship can also create brand awareness among the public while getting free publicity in the newspaper.
- Billboards
- Billboards are also one of the common method used by marketers to market their product. Normally billboards are found at bridges or near

the roadsides so that consumers can easily spot it and aware of what are the message that is trying to be sent from those billboards.

Nowadays marketers use a lot of funny ads to add more commercial value to their advertisement. This is to make sure that potential buyers can remember the product that is being advertised.

- Bus advertisements
- This method of advertising is one of the oldest method used to promote products. Since buses go round and round the city every day, with a catchy slogan or pictures, potential buyers can easily be attracted to it and buy the advertised product.
- Contest and voucher coupons
- Contest and voucher coupons are normally used by marketers to attract customers to participate and get to the product better. Normally, questions asked in the contests are mainly about the advertised products. Voucher coupons is another powerful mean of advertising whereby the act of giving out discount coupons is actually encouraging customer to buy the product because it is likely to be cheaper than other rival products.
- Sampling.
- By giving samples of Kimball products at selected venues, it will provide an opportunity for prospective customers to become aware of the product and taste the product. Fried Nugget and eat with Kimball chili sauce or tomato sauce is given to consumer to taste on it.

Example of venues:

- Supermarket/ Hypermarket.
- Activities held in “ pasar raya”.
- Activities held in education institutions.
- Premium.
- Free gifts such as containers. With every purchase of 2 bottle of Kimball Gorgeous/Dignity will free one container. With every purchase of 2 bottles Kimball Squeeze will free one luxury container.
- Promotion pack.
- With every purchase of Kimball Gorgeous/Dignity will be free one small bottle 30gram of Kimball sauce.

Supply Chain Strategy

Beside, increasing market share through promotional strategies, distribution also play an important role in develop marketing strategies, which is supply chain strategies. Kimball would distribute their sauces through distribution channels. Distribution channels perform a number of functions that make possible the flow of Kimball sauces from the producer to the customer.

Kimball will still remain its distribution channel strategy. Distribution channels include distributor (who sells to retailers), retailers (who sells to end consumer), advertisement used for consumption goods.

The flow of Kimball sauces is from their producer or manufacturer to four or five distributors or wholesalers. These distributors then sell to many retailers such as hypermarket, supermarket, grocery store, and fast-food restaurant. The retailers in turn each sell the sauces to up to thousands of customers.