

Good marketing case study example

Business, Company



1. What Segmentation Bases Could Be Used By An International Milk Brand To Segment And Target The Chinese Market?

The Chinese population provides a mass market to any international organization especially the milk producing companies (Rodgers, 2001). The term mass market is used to refer to the Chinese market due to its nature. The market is undifferentiated with the consumers found to have wide but varied backgrounds. This provides an opportunity to any multinational organization with the intention of penetrating the Chinese. For the milk producing companies, there are a number of strategies they can employ in segmenting the Chinese market as their target market. The most notable segmentation bases that an international milk producing company can use in the Chinese market are behavioral, psychographic and demographic.

When the international milk producing companies focus on the demographic aspect of the Chinese market they have to subdivide the consumers into various groups (Ryan & Jones, 2012). This must be done on the basis of their ages, family sizes, gender and their life cycle. Based on age as the demographic factor, the international milk producing companies must realize that the consumers' needs and wants do change significantly based on their age. They have to divide the Chinese consumers based on their age and focus on the younger section of the consumer population as they use the milk products more than the older members of the Chinese population.

Based on gender, there is no much difference but women tend to use the milk products more than their male counterparts. Therefore the multinational organizations must also focus more on the women.

The life style cycles also affects the demands for products and the

multinational companies must pay keen attention to the changing life style in China (Zhang & Alon, 2010). On the psychographic basis of segmentation, the multinational companies must look at the various activities, interests, attitudes, opinions and values that the Chinese consumers have which will affect their consumption. The Chinese buyers must be categorized on the basis of their personal and psychological traits, their lifestyles and values so that the effects of these factors can be factored in whenever the multinational milk producing companies what to segment the Chinese market. This is closely related to the third basis upon which the multinational companies have to segment the Chinese markets so as to capture it. The multinational companies must also segment the Chinese market based on the consumers' behaviors (Pan et al. 2012). The actual consumer behavior on the milk products must be factored in with the multinational companies seeking to found out the various benefits that the consumers want in the products. This will enable them redesign their products to meet the beneficial needs of the Chinese consumers. Either, the rate at which the consumers in china use the milk products must also be factored in the enable the multinational companies decide on the market's viability. If there are different brands of milk products within the market, the multinational have to check how loyal the Chinese consumers are to various brands. They must also evaluate the user status in the sense that the multinational companies have to determine a large population of the Chinese consumers is first time users or are regular users of the milk products. If there are any occasions like holidays or events that make the usage of milk products go up then the multinational milk producing companies have to factor them in to

enable them plan appropriately the moment they have captured the market.

2. What Role Would The Country Of Origin Effect Play In The Promotion And Distribution Of Foreign Produced Milk Products In China?

The country of origin has a big effect on the ability of the multinational companies to capture the Chinese market. Most Chinese consumers behave normally like any other consumer of foreign products (O. T. C & W. A. P. E. L. L, 2002). The normal and most common behavior by consumers is that most of them will tend to use products of renowned international producers. The Chinese consumers also tend to use milk products from renowned countries within the milk producing industries. Countries like Australia and New Zealand are well known for milk production and multinational companies from these countries are likely to penetrate the Chinese market as opposed to multinational companies from countries not well known within this industry. Therefore, the country of origin effect will play a vital role in determining the various outcomes of the milk products promotions that the multinational companies engage in within the Chinese market. They will definitely influence the choices and judgments of the Chinese consumers who will tend to consume the milk products from the companies within the renowned milk producing countries. This results from the cognitive biases of the consumers which affects their buying and consumption behavior.

3. Describe the Advertising Appeals That Could Be Used By the Australian or New Zealand Milk Producers to Arouse the Interest of the Chinese Consumers

There are a number of advertising appeals that the multinational milk producing companies can employ so as to arouse interest of the Chinese

consumers on their products (Webber, 2012). This calls for various strategies to be employed by these companies in order for their appeal strategies to be successful. The companies must pay keen attention on the image of their products as well as the brand personality that their products already have. Either, the advertisement images and messages that the companies send out are also vital with the selling proposition also having an effect on the consumption of the Chinese consumers. Through the usage of brand image strategy, the multinational companies can design their products in various ways that are appealing to the Chinese consumers. The choices of colors they use on the cover packages of their products are very vital. Warm colors tend to blend well with consumers as they are conspicuous thus can be noted by many people. The usage of images on the packages will boost the attitude of the Chinese consumers for the products.

Most Chinese consumers tend to attach significance on images than writings.

The multinational milk producing companies must also use various unique selling propositions to appeal to the Chinese consumers (Rodgers, 2001).

The messages that they send in their advertisements must go beyond informing the customers about the products alone. The multinational companies must bring out the beneficial elements of consuming their products to the consumers through highlighting them in their messages.

Most Chinese consumers tend to be very conscious about their health. Such a trait makes them become selective when it comes to the products they consume. Therefore, the milk producing companies must stipulate core benefits that their milk products will bring to the Chinese consumers especially on the health. Another strategy that the multinational milk

producing companies can use to create an appeal in the minds of the Chinese consumers is through the usage of correct advertisement media. They must choose the right medium upon which they will pass their message to the consumers. The most used medium to pass such information to the consumers is the visual media which includes televisions and the internet. Internet and television advertisements must be accompanied with pictures for which the consumers will have an opportunity to see the products being promoted. The companies can also use bill boards and road shows. The bill boards must have the pictures too of the products while the road should be accompanied with some fun to create excitement on the consumers

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