

# [Marketing problems affect campbells soup company](https://assignbuster.com/marketing-problems-affect-campbells-soup-company/)

The following pages will present a marketing research proposal intended to identify marketing related problems that affect or are likely to affect Campbell’s Soup Company, an organic food producer. The company’s operations are: U. S. Soup, Sauces, and Beverages, Baking and Snacking, International Soup, Sauces, and Beverages, and North America Foodservice. Each of these operational segments is consisted of several businesses developed continuously (Annual Report, 2009).

Although the company’s success is proved by its long tradition on the market and respect from customers and competitors, the company is currently confronting with some negative business aspects. In other words, the company’s sales income has decreased, and the company’s top management is linking this situation to certain marketing problems.

In order to counteract these problems, the company must identify the exact problems and the causes that led to this situation. Therefore, it is important to conduct a marketing research program designed to identify the factors that collaborated to generating such a situation.

A recent problem that the company had to face is represented by product recall. The company withdrew several items from the market because of under-processing (Klopsis, 2010). The recall had a great impact on consumers, and it may have resulted in a reduced appetite for the company’s products.

Problem Identification

The main problem that must be resolved through this marketing research refers to identifying the causes that determined the company’s sales to reduce. These causes can be represented by the crisis, given the fact that consumers’ incomes has significantly reduced and their buying behavior has modified, by the fact that the company’s products do not respond to consumers’ needs anymore, by the fact that the company’s products are not competitive enough, and others.

Scope of the Research

Given the above mentioned issues, the marketing research that the company will conduct is intended to evaluate the marketing environment in which the company activates, and to identify the modifications in the buying behavior of consumers and the reasons that determined these modifications.

Based on the findings and the results of the research, the company will develop and implement a new marketing strategy, or will adapt the existing strategy in accordance with the issues revealed by the marketing research.

Objectives of the Research

The marketing research that will be conducted for Campbell Soup Company intends to address the following objectives:

Objective #1 – determining the current level of the company’s sales. These figures must be further compared with the figures reported in the same period of the previous year.

Objective #2 – determining the sales volume of each of the company’s products. This is because the slowdown in the sales volume may be attributed to certain types of products, rather than to the image of the company in general. If this is the case, the company can take punctual measures in addressing these product categories that do not satisfy consumers.

Objective #3 – determining whether the reduced sales in the company’s products happens in all areas and all stores where the company’s products are present, or whether this only happens in certain stores. This is because the reason behind poor sales performance can be attributed to bad display in certain stores as a result of bad competition practices, or to certain malfunctions in the company’s supply chain.

Objective #4 – determining whether the purchasing power of consumers has modified as a result of the economic and financial crisis. In other words, the sales volume reduction can be independent to the company, since it varies in accordance with consumers’ purchasing power.

Objective #5 – determining the competitive advantage of the products commercialized by the company’s competitors.

Hypotheses of the Research

The hypotheses that will be taken into consideration by the marketing research include:

Hypothesis #1 – the company’s sales volume has decreased because consumers’ financial power has decreased as a result of the crisis.

Hypothesis #2 – the company’s products are too expensive for consumers’ purchasing power.

Hypothesis #3 – consumers’ buying behavior has changed.

Hypothesis #4 – competitors’ products are more competitive than Campbell company’s products.

Hypothesis #5 – consumers prefer products commercialized by other companies because their product range is more diversified.

Information Sources

Although marketing research programs usually address secondary sources of information, in this case it is recommended to use primary sources in a greater percentage in comparison with secondary ones.

The reason behind selecting primary information sources for reaching the objectives of this marketing research is represented by the fact that primary sources of information are much more relevant for the researched problem. In this case, secondary sources of information are unlikely to address specific issues that directly concern Campbell Soup Company.

Also, primary sources of information present new data that the company can actually rely on and take into consideration when analyzing the situation. In addition to this, primary sources of information provide objective data.

However, the information provided by these primary sources must be supported by information provided by secondary sources of information. In this case, there are several steps that must be followed in collecting data from secondary sources of information: identifying the need for information, searching for sources of information, collecting secondary data, identifying the need for supplementary information (Kress, 1988).

Secondary sources of information present several advantages in comparison with primary sources of information: they cost less to obtain, and they can be faster accessed.

Research Methodology

The information that refers strictly to the company will not include consumers. For example, area managers will be in charge of analyzing the display of the company’s products in the stores where they are commercialized, in order to ensure that product display is in accordance with what is established in the contract between the company and the store in case.

In order to gather the information that refers to consumers, it is recommended to include diverse data collection methods that can provide different types of information.

Important information can be obtained through a questionnaire. Such a questionnaire should be emailed. This is because it would be more comfortable for respondents. It would also be easier to analyze by the company and it would cost less than administering the questionnaire on the phone, on the street, or in stores.

The questionnaire must focus on determining whether consumers buy less of the company’s products because their budget has been reduced. Also, the results of the questionnaire must provide enough information in order to establish a current profile of the consumer and to provide the basis of a buying behavior analysis.

In addition to this, it is recommended that the marketing research also includes a focus group. Such a marketing research method is intended to provide some answers regarding consumers’ view on the company’s products. The focus group should include 18 people and it should be centered around whether consumers are satisfied or not with the company’s products.

Marketing Research Schedule

The duration of the company’s marketing research is 3 months.

The schedule of the marketing research is the following:

Establishing objectives, hypotheses, and problems to be analyzed by the research – 1 week

Establishing data collection methods and assigning of the required personnel – 2 weeks

In-store observation – 1 month

Administering questionnaire – 2 weeks

Developing the focus group – 1 week

Gathering information – 1 week

Analyzing the results – 1 week

In case the marketing research conducted by the company will not provide sufficient information, it is recommended to address a specialized marketing company in order to assess the situation.