

The marketing mix of kitkat essay sample

[Business](#), [Branding](#)



No matter how effective the promotion and packaging, a firm will find it very difficult to market a product which fails to satisfy a consumer need. Kit Kat owes much of its success to a unique dual appeal – as a four-finger chocolate bar, (known in the confectionery trade as a countline), sold at corner shops and newsagents, but also as a two-finger biscuit sold in supermarkets. It is a product that has endured because of its wide appeal across the age ranges and to both sexes. Altering the actual product is potentially a very hazardous act for an established brand name as it risks altering the consumer perceptions of quality built up over decades. Tampering with the recognised core qualities could well damage the integrity of the brand. For Kit Kat, these intrinsic elements of the brand, or unique selling points include the: • chocolate fingers • foil and band wrapping, unique in the countlines market and seen as an important feature which encourages involvement and sharing by consumers • well-known strapline – Have a Break, Have a Kit Kat.

In spite of the risks of altering the product, the two finger bar and multipacks were introduced in the 1960s to meet the increased needs of supermarket shopping and more recently, Orange, Mint and Dark Chocolate Kit Kats have been available for limited periods. In the third week that Kit Kat Mint was available, it more than doubled total Kit Kat Sales. The Orange Kit Kat proved particularly popular with sales of 38 million bars in just three weeks. It provided very positive market research results. While they are seen as novelties, they can also be used to provide reassurance and reinforcement of the core attributes of the original established brand name.

Special editions are used primarily as promotional tools. Market research has shown that consumers prefer special editions to be available for limited periods only and that consumers are likely to purchase the original Kit Kat at the same time or shortly after. (They are, therefore, a good way of injecting new life into the Kit Kat product life cycle). Depending on their popularity, some special editions are introduced more than once. The Orange Kit Kat has proved so popular that the two-finger multipacks are now permanently available. Apart from these variants, the intrinsic characteristics of the Kit Kat product and packaging have changed very little during the last sixty years. Although some minor, subtle changes have been made in packaging, merchandising and sales promotions, a Kit Kat from the 1930s would be instantly recognisable to modern consumers today.

Pricing strategy

A key advantage of maintaining a strong brand image in a competitive market is a degree of flexibility in the pricing strategy. It is a common characteristic of imperfectly competitive markets for producers to concentrate on non-price competition. When looking at the pricing strategy for Kit Kat, it can be seen from the figures that the real price has remained remarkably stable over the last sixty years. Promotional strategy

Nestlé has used a wide range of promotional tactics with Kit Kat. Promotion offers have included free bars in the multi-bar family packs and an instant win deal with Burger King in 1996. This promotion, where over 75 million free burgers were on offer, increased sales of Kit Kat by an estimated 30%. In 1998, an on-pack promotion featuring 'The Simpsons,' with the chance to win £20,

000 cash and hundreds of other prizes, increased sales of Kit Kat by a staggering 41%. Advertising plays an extremely important part in the confectionery industry, with spend approaching £114 million in 1996. The 'Have a Break, Have a Kit Kat' theme appeared briefly in 1939, but has been the on-going Kit Kat slogan, or strapline, since the mid-1950s. Kit Kat's advertising is concentrated in two media: •television commercials - which follow the well-known 'Have a Break' tradition •posters - where the powerful colours of the pack and product are used to dramatise the message. A particular challenge for the advertisers is to appeal to both the consumers and the purchasers. Women account for two thirds of all confectionery sales, but a large proportion of these purchases are subsequently consumed by children. Men eat as much as they purchase suggesting they are less generous! Distribution strategy

Nestlé has developed distribution channels which ensure the availability of Kit Kat to buy wherever and whenever the consumer wishes to purchase it. Sales of confectionery depend heavily on its availability, with market research showing that well over 60% of all purchases are made on impulse. Consequently, Nestlé tries to supply as many outlets as possible - both wholesaler and retailer channels.

Point of sale merchandising is also important when consumers are making instant, snap decisions from a wide range of products on view. Instantly recognisable packaging also helps to tempt customers. Shoe shops, for example, have recently been identified as having potential for confectionery sales owing to the large number of families that visit them. It is also predicted

that confectionery, along with all foodstuffs, will become available through cable and interactive television, videophones and the Internet.

Internationally, Kit Kat is now also manufactured in Canada, Germany, India, Malaysia, China, Japan, Australia, South Africa and the United States. It is available in more than 100 countries throughout the World.