

Marketing plan of lad's diary milk

[Business](#), [Marketing](#)



1. Executive Summary This marketing plan is based on Academy Cheapest Pl, it focuses on the company's Indian branch Academy India Lad's Diary Milk brand. It consists of an introduction of the company which highlights the history, vision, target market and the brands of Academy Cheapest Pl. The introduction is followed by the review of the marketing plan which shows the specific marketing objectives of the company, its marketing strategy and program, a program for implementing the marketing strategy and how it monitors and evaluates its performance.

The next segment of the report is an analysis of the promotional program situation analysis which consists of an internal and external analysis. This is followed by an analysis of the communication process which includes the communication goal and objective of the advertisements, analysis of receiver response process and analysis of the source, message and channel factors used by the company. The next segment highlights the marketing communication budget. This is followed by an interactive marketing communication program and strategies including advertising, internet marketing, sales promotion and public relations.

Finally, the last section of the report covers how to monitor, evaluate and control the interactive marketing communication program which is followed by a conclusion.

2. Introduction This section of the report gives a brief history of Academy Cheapest Pl, their brands, their vision and their target market for the Indian market segment.

2. 1. History Academy Ltd was originally a one man business founded by John Academy in 1824. In 1987, Academy manufactured their first milk chocolate and it gained the status of brand leader in UK in mid-80s.

In 1939 Academy opened a factory in New Zealand, and continued opening new factories in various overseas countries along time. Academy Cheapest - Our Heritage) Marketing Plan By kinkily Cheapest entered into a partnership in order to expand the business and opened a factory in Durum Lane, London. They manufactured a wide range of flavored soft drinks. Cheapest opened its first factory in Sydney, Australia in 1877 and continued expanding its business in overseas markets (Academy Cheapest - Our Heritage).

Academy Cheapest Pl was formed when Academy Group Ltd and Cheapest Ltd merged in 1969 (Academy Cheapest - Our Heritage). The company offers a wide variety of confectionery and beverages. Since then the company has been expanding heir business worldwide through organic growth and acquisitions till date. They entered into various global markets including the Indian market, which they entered in 1974 and became a confectionery leader in that segment (Academy India Targets the Adult Market with Caduceus Dairy Milk, 2005). 2. 2. Cotton According to the Chief Executive officer of Academy Pl Todd Zestier in a speech he made on June 2007 IR Seminar meeting, the governing objective of Academy Cheapest Pl is delivering Shareowner returns (Academy Cheapest - Transcript of IR Seminar Speech 2007, 2007). He also mentioned that the company's vision is to come the biggest and the best confectionery company in the world. They hope to achieve this vision by maintaining their marketleadershipposition and using their scale and position in order to maximize growth and returns.

Academy India Ltd states its vision to be participating in many spaces of consumers' lives through collective product offerings - be it chocolates or

snacks or gum, thus their vision statement " Life full of Academy and Academy full of life" (Academy - Purpose and Vision, 2007). 2. 3. Target Market Academy Dairy Milk was mainly targeted at kids in India till the mid-nineties (Academy India Targets the Adult Market with Caduceus Dairy Milk, 2005). They achieved this by developing advertisements with an emotional appeal that showed parents gifting their kids with Academy dairy milk products to show their love.

In 1994, Academy India Ltd changed their approach by targeting their " Real Taste of Life" campaign at the " kid in all of us" instead of " Just for kids" to make it more attractive to the child in every adult (Academy - Academy Dairy Milk, 2007). This was a strategy to expand their sales into the adult segment of the market as well (Academy India Targets the Adult Market with Caduceus Dairy Milk, 2005). Academy Cheapest PI provides their customers with two consumer goods, confectioneries and beverages.

Exhibit 1 shows the main brands of the company. Exhibit 1: Brands of Academy Cheapest PI Note that this report will be mainly focusing on the Academy Dairy Milk products manufactured and sold by Academy India Ltd, Academy Cheapest Ply's company based in India. 3. Review of Marketing Plan The marketing plan highlights the overall marketing strategies and programs developed for a company, a product line or a brand (Belch and Belch, 2007). The following section of the report will cover such aspects as the marketing objectives of

Academy Cheapest PI, Marketing Strategy and Plan for Academy Dairy Milk, and planned. 3. 1 . Marketing Objectives for the years 2004-2007 According

to Academy Cheapest Ply's Annual Report for the Year 2006, their goals for the years 2004-2007 are as follows: 1 . 3-5% revenue growth per annum, excluding acquisitions and currency changes 2. Growth in operating margins by 50-75 basis points per annum 3. Free cash flow by end of 2007 of EI . 5 billion Exhibit 2 shows the performance of the company up to the year 2006 against the goals set.

Exhibit 2: 2004-2006 Financial Performance against Goal Ranges Source: Academy Cheapest Annual Report 2006) From the above table, it can be seen that Academy Cheapest PI was able to achieve their goal for revenue growth from 2004 to 2006. Although so, they were unable to reach their goals for growth in operating margins and free cash flow generations.

Academy India Ltd is one of the biggest international players in the chocolate industry of the country according to the Indo-Italian Chamber of Commerce and Industry (2006). They hold 70% of the market share.

Also according to the Indo-Italian Chamber of Commerce and Industry, Academy India Ltd reported net sales of IIS\$1 . 0 million in the year 2003 and were planning to grow their business through expansion by having more retail outlets. 3. 2. Marketing Strategy and Program This segment highlights the marketing mix of Academy Cheapest for its Academy Dairy Milk brand. 3. 2. 1. Product Academy Dairy Milk was introduced in India on 1948 and became an instant hit among Indians; they craved for the taste of Academy Dairy Milk chocolate bars (Academy - Dairy Milk, 2007).

Classic Academy Dairy Milk products such as Fruit & Nut, Crackle and Roast Almond were favorites among teens and adults. Academy recently enjoy

after meals as a dessert. Academy Dairy Milk is the largest chocolate brand for Academy India Ltd, every third chocolate bar consumed from Academy is accounts for by that brand (Academy - Mediacase study, 2007). 3. 2. 2.

Pence Academy Dairy Milk products are priced at a relatively low price.

The company aims to increase their sales revenue through quantity sold rather than selling at a high price as it believes that increased revenue from increased price is only temporary while increased volume can help the company have a wide consumer base (Kara Research Desk). 3. 2. 3. Place of Distribution Academy Dairy Milk is distributed using intensive distribution.

This means that the product is made available in as many outlets as possible (Farrell et al. , 2006). Since chocolates are a convenience product and people usually buy it as an impulse, it is important that it is available for the consumers at their convenience (Farrell et al. 2006), hence it is sold at as

many outlets as possible. 3. 2. 4. Promotion The company uses a lot of promotional tools in order to promote Academy Dairy Milk. Some of these tools include television advertisements, internet advertising, radio advertising and outdoors promotions (Academy - Media Case Study, 2007).

The " face" of Academy Dairy Milk or the main endorser for the brand is Imitate Backchat, one of the most famous celebrities in India. Pictures of him are used in the official Academy website of India for promotional purpose.

Exhibit 3 is taken from the official Academy India Ltd website.

It shows Imitate Backchat tempting the viewers of the site with a Academy Dairy Milk Chocolate. Exhibit 3: Imitate Backchat Academy India Ltd has carried out many successful promotional campaigns for promoting Academy

Dairy Milk. Some of these include " Real Taste of Life" campaign, " Chameleon OK Khan Aka Banana Chaise" (roughly translated meaning 'eaters [of chocolate] need an excuse for eating [chocolate]') campaign and " Such Meta Ho Jay" (roughly translated meaning 'lets have something sweet') campaign ([http:// www. Quadrennial. Com/brands/school . Asp](http://www.Quadrennial.Com/brands/school . Asp)).

Academy India Ltd uses various promotional tools to create awareness and to promote their products. These promotional tools include televisions advertisements, sales promotions, internet marketing and sponsorships for public relations and publicity. 3. 4. Monitoring and Evaluating Performance It is very important to find out how effective the marketing strategies used by the company were in helping achieve the company's marketing objectives (Belch and Belch, 2007). The company can compare past performance with present performance in order to see the effectiveness of the promotional programs.

If the sales and revenue of the company improved after the implementation of the promotional programs then that means that they were successful, if there were no changes in the performance or a negative result, then that means that the marketing manager will have to find out why the program had no effect or a negative effect on the company reference and come up with new promotional strategies. 4. Analysis of Promotional Program

Situation Analysis This section of the report consists of an internal and external analysis that focuses on factors influencing the development of the promotional strategies. . 1. Internal Analysis execution of its past promotional campaigns are very important in order to know how strong the

company's promotional department is. It can also help decide whether its best if the company does its promotions itself or should it use outsourcing for promoting its product (Belch and Belch, 2007) 4. 1. 1 . Promotional Department Organization Academy India Ltd uses outsourcing to promote its Academy diary milk product line. Googol & Matter (O&M) India is the ad agency that handles the Academy dairy milk product line for Academy India Ltd (Venerate, 2007).

O&M worldwide was ranked number 5 from the top 25 ad agencies by US Core Advertising revenue in the year 2004 (Belch and Belch, 2007). The company has come up with a lot of successful advertisements and campaigns that help promote and increase sales of the products. An example of a successful interactive campaign they carried out is the " Pappy Pass Ho Gay" (roughly translated meaning 'Pappy passed his exam! ') campaign which turned out to be very successful (Academy - Academy Dairy Milk, 2007).

According to the Academy India Ltd official website, this campaign was awarded Bronze Lion at the prestigious Cannes Advertising Festival 2006 for 'Best use of internet and new media' and also won Silver for The Best Integrated Marketing Campaign and Gold in the Consumer Products category at the FIFES 2006 (global benchmark for effective advertising campaigns) awards. The concept of the campaign was to let students check their exam results using their mobile service and encouraged those who passed to celebrate by treating with Academy Dairy Milk chocolate.

This campaign was carried out in collaboration with Reliance India Mobile service. O&M uses two ad execution techniques for advertising Academy Dairy Milk; animated advertising ad execution technique and determination ad execution technique (Belch and Belch, 2007). The animated ad is the " Kitty ma Gaza aye re" (roughly translated meaning 'how much fun was that! ') campaign targeted at kids while the determination ad is the " Such meta Hayes" (roughly translated meaning 'lets have something wet') campaign with Imitate Backchat which is targeted at the adults (Venerate, 2007). 4. 1. 2.

Assessment of Firm or Brand Image and Implication for Promotion Academy India Ltd has a very strong marketing mix, in that they have many strong brand names such as Academy diary milk, Five star, crunchy and ©claims (Kara Research Desk). Academy Dairy Milk is one of the most successful brands of Academy India Ltd. It alone held a market share of 30% in the chocolate industry of India in the year 2003 (Ivies, 2004). The image Academy Dairy Milk chocolate portrays is that the chocolate is suitable for remote their product as it gives the consumers the perception that the product is the perfect gift for any occasion. 4. 1. . Assessment of Relative Strengths and Weaknesses of Product One of the main Strengths for Academy diary Milk product is its strong brand image (Kara Research Desk) which has helped the company gain a lot of brand loyal customers. Another strength of the company is its well executed promotion campaigns which helps in increasing sales and market share for the company. Academy dairy milk has won many awards for their advertisements (Academy - Media case study, 2007). Having an overexposed endorser to represent a company's

product can be a weakness as this decreases the credibility of the endorser (Belch and Belch, 2007).

The endorser for Academy dairy Milk, Imitate Backchat, is one of the most famous actors in India and so is demanded by many companies to endorse their product, hence he is a bit over exposed. Some brands he endorses on national television include Reid ; Taylor, Parker Pens, Marti Versa and Layman Perfume. Another weakness for the company is its lack of new product launches into the chocolate segment (EducationWorld Online). . 2.

External Analysis The external analysis highlights the consumer buying behavior, competitive analysis and environment analysis.

It is very important for companies to know the consumer buying behavior towards their product and their perceptions towards the products so that they can serve them better and it is also very important that the company keeps track of their competitors strengths and weaknesses so that they can compete better (Belch and Belch, 2007) 4. 2. 1 . Consumer Behavior Analysis Consumer behavior can be defined as the process and the activities an individual goes through when purchasing, using, and disposing a product (Belch and Belch, 2007). There are five stages every consumer goes through before making their buying decision.

Namely these stages are the problem recognition stage, the information search stage, the comparing of alternatives stage, the actual buying stage and the post-purchase evaluation stage (Solomon, 2004). Since chocolates are a impulse purchase product, the consumers may not go through all these stages when making their decision. Academy Dairy Milk is a low involvement,

low cost product so the consumers do not think much before they make the purchase. Therefore, it is very important that the company promote their product well and persuade the consumers to buy Academy Dairy Milk chocolates.

The two main competitors for Academy India Ltd are Nestle India and Maul. Nestle is a well known international brand like Academy while Maul is a local brand. Both these companies try to compete with Academy in the chocolate market. Academy Dairy Milk is the most liked chocolate brand in the country (Indentations. Com, 2006). Nestle Munch is the second most liked and Maul Choose is number 10 (Indentations. Com, 2006). So when compared to its competitors, Academy India Ltd mess to be ahead in its game. 4. 2. 3.

Environmental Analysis The Food and Drug Administration (FDA) plays a big role in the food and beverage industry.

Academy has to make their chocolates in accordance with the FDA approved standards or else the FDA has the power to seize the distribution of the product. In 2003, Academy India Ltd faced such a situation where the FDA put a seizure on Academy Dairy Milk chocolates after they found some worms in the chocolate (Begonia, 2003). This news was spread all over the country and this negative publicity made their net profit 37% (Ivies, 2004). It took Academy India Ltd a year to amend this problem by changing their package and other attributes that may have caused it and make a comeback to regain their customers (Ivies, 2004).

Another factor that may influence the sale of Academy Dairy Milk products is that now people are more health conscious and they do not like to consume

fattening products. Chocolates are considered to have a lot of calories; this might discourage these health conscious customers to purchase the product.

5. Analysis of Communication Process advertisements used for Academy Dairy Milk, the receiver response analysis and the resource, message and channel factor analysis. 5. 1 .

Communication Goals and Objectives The communication goal of most Academy Dairy Milk advertisements is to stimulate repeat purchase by using persuasive advertisements and to increase sales through the promotional tools used by them in order to achieve the marketing objectives. 5. 2.

Receiver Response Analysis According to Belch and Belch (2007), the marketing communication process actually starts from the identification of their target audience. Academy Dairy Milk is basically targeted at both children and Adults and they make their advertisements as appealing to both these audiences as possible.

As mentioned before, they use animation adverts to appeal to children and drama adverts to appeal the adults. In order to make an effective communication program, it is important to know the response process of the receiver (Belch and Belch, 2007). The hierarchy of effect model shows the process the consumer goes through to purchase a product in response to an advertisement (Belch and Belch, 2007). First there is the cognitive stage where the customer becomes aware of the product when they see the advertisement, and then they go to the affective stage where they either like the reduce or do not like it after seeing the advert.

After this stage, if the customer forms a positive opinion about the product and likes it, then they go to the next stage which is behavioral stage where they actually buy the product. 5. 3. Source, Message and Channel Factors Analysis The source refers to the person used to communicate the message, either directly or indirectly, in an advertisement (Belch and Belch, 2007). Source credibility is very important since that is the determinant factor the consumer will be looking for in order to trust the message being given by the source.

Hence credibility can be defined as the extent to which the recipient perceives the source as being trustworthy to give unbiased information (Byrne et al. , 2003) Academy Dairy Milk uses Imitate Backchat as their source or endorser to represent the brand since he is a respectable icon in India and has a huge fan base as he is one of the most famous actors in the country. Message refers to what a company wants to convey to the audience using the advertisement in order to make them form a positive attitude towards the product to persuade them to buy it (Belch and Belch, 2007). Academy Dairy Milk sends the