

# Boost global marketing assignment

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



This report aims to analyse the market in India for the international expansion of Boost Juice. The research sources are mainly conducted by Secondary data of document and relevant articles and other internet sources. Macro-environment analysis will be conducted including the political where it was found that India has a multi party political system, and runs under common law. In the Economical analysis it was found that India GDP growth is booming and they were one of the only countries to experience growth during the GFC, Geographical where it was found that India's climate is perfect for producing the fruit required for Boost Juice. India's rich cultural heritage was analysed under the lifestyle environment where all the factors that effect Indians in day to day life were analysed such as health issues, the caste system and religions (predominantly Hindu).

The entry strategy that Boost Juice should operate when opening in India is to operate as a Franchise. In terms of target audience, the primary target market will focus on the main cities-- New Delhi and Mumbai aiming towards male and female 18-30 year olds. The secondary target market will be of an older generation 30+ that are health conscious. The location of stores will be placed in major shopping centres, inside and near Uni campuses and near jogging parks and health care places such as gyms.

The marketing mix which includes product, place, and promotion and prices it was found that changes need to be made to suit the market in India. As an example, the product in secondary target market and price may changes slightly in order to adopt the cultural environment in India. By promotion, advertisements will be focus on magazines, newspapers, billboards etc. Also,

it will use viral marketing campaigns in order to bring more amount of ROI in business success.

**Company Overview** Boost Juice offers a healthy alternative to fast food, that offers a variety of delicious juices, smoothies and crushes which were all developed with the assistance of a nutritionist, and are all at least 98% fat free and free from artificial flavouring or colouring. The first Boost Juice bar opened in South Australia in 2000 by Janine Allis, who recognised a 'hole in the Australian market for a healthy fast food alternative'.

The brand commenced franchising in 2001 in Australia and international expansion plan in 2004 since it has 124 stores in Australia. It has become a well known brand in the world, and there are 200 stores in over 10 countries throughout the world which include South America, the Middle East, Asia, Europe and South Africa today. The Boost Juice aims to provide healthier, fresh fruit juice and low-fat 'smoothies'. Moreover, the mission of Boost is 'to become one of the world's most famous & loved brands' (Bit about Boost, 2010, p. 3). It gives passion to be creative and innovative for the value of the brand.

**India's Macro Environment Political** India is run under the common law system due to the fact that they were colonised by the British and have adapted to some of the British infrastructure. India's court is a judicial system; it is run under a hierarchy of 3 levels. India is the world's largest democracy, it is run under a multi party system that consists of the Indian National Congress (INC), Bharatiya Janata Party (BJP) and regional parties also exist, the Indian national congress is currently in power. It is important

for Boost Juice and any international entity to know the basics about the political state of the country they wish to enter, Boost Juice would be happy to find that Indian politics is reasonably civil.

In the event of a dispute with an Indian business partner the courts in India are not very helpful in making a resolution, thus it is extremely important when choosing an Indian business partner that strong relationships are built. Boost Juice must take this into strong consideration when choosing business partners. India have also adopted common law from the British however there are also various unwritten laws that also exist in India, different laws will apply to different castes and religions throughout India ( for example, a person from a political caste in India would get away with much more than a person from an untouchable caste). The reserve bank of India has a significant amount of control in who does and does not do business in India; this is to protect domestic production. Boost Juice must understand Indian law as they will need to abide by it.

India is a member of the world trade organization, they currently have free trade agreements with china and free trade agreements are also under consideration between India and Australia. India has a multi tier tax system, the income tax is approx 30%, and India also has double taxation I avoidance agreements. This is useful information for Boost Juice when looking into logistics and trading partners.

Economical Though global financial crisis has slowed down India's GDP to 6.5% for 2009, GDP for 2010 is looking to a positive 7.2%. Foreign investment and marketing reforms can be deemed responsible for the market growth.

For instance, India is the largest producer of milk, cashew nuts, coconuts, tea, ginger, turmeric and black pepper. Holds 10% of the world fruit production, holding first rank in production of banana and sapota. This can influence the direction in which Boost Juice may take to appeal to their target market, with a more local taste as well as importing Boost Juice current available flavours.

In terms of fulfilling the need of machinery and energy, India is still developing a developed economy. Dominate imports for India would be crude oil and machines along with gold & silver, machinery other than electrical, organic and inorganic chemicals, transport equipment, iron and steel, and coal. Due to still developing the economy to fulfil these needs, it may be difficult to first have Boost Juice original machinery adapt to the energy source currently provided within India.

The consumer goods sector appears to be performing well with a growth of 14.4%, April 2010. (FICCI, pg. 2, 2010) due to the increase and growth of consumer durables; Boost can be considered as a consumer good, and with this growth, it can be predicted that its introduction to India may prove promising, with an impending interest from the target market. In regards to inflation, the rise in price index averaged in April 2010 at 9.6% in comparison to the 1.3% seen in April 2009. The rise in the price index is the result of more expensive food articles and fuel products. (FICCI, pg. 2, 2010) Inflation is due to rise due to the back of demand for commodities (VMW, 2010).

Merchandise trade has grown since 2009, (FICCI, pg. 15, 2010) with imports such as oil, non-oil and exports rising every month."... the possibility of high interest rates, large fiscal deficit, high inflation, we still believes that the Indian economy would grow by 8.5 per cent in 2010-11 and nearly 10 per cent in 2011-12 by taking higher agricultural productivity, industrial output and demand for higher exports followed by the revival of global economy in to account." (VMW, 2010)