

New softdrink launch in pakistan assignment

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



Semester “ Spring 2010” “ Principles of Marketing (MGT301)” Assignment No. 2 - Product Plan Introduction: The higher management of XYZ Limited while assigning the task of new soft drink to the marketing manager, elaborated company’s broader strategy in line with company’s vision. The vision/mission statement of the company reveals that primarily target market of new beverage would be rural population of Pakistan. Company wants to provide a healthy soft drink to rural population at their convenience and affordability.

Therefore, the contents of below plan are in line with XYZ vision/mission statement and its higher management guidelines. | Characteristics | Comments | Reasoning | | Brand Name | ‘Desi Kola’ name would be given to new beverage of | Since primary target market is rural population therefore, | | XYZ Limited using new brand strategy. this brand name would solve dual purpose, word ‘ Desi’ is | | This brand name would be complimented with rural | close to rural population heart, this word give a sense of | | flavored packaging and labeling. So that the new | purity & healthiness and word ‘ Kola’ gives advantage of | | beverage becomes a comprehensive & self-explanatory | familiarity that the product is a soft drink beverage. | | product attracting rural population. | This name is easy to pronounce, which will help in | | The name is uniquely distinctive. | adaptability for rural population. | | It is easy to translate in other languages. | This name will give a feeling to consumer that he/she is | | going to buy soft drink but a pure and healthy. | | In this brand name there is a built-in ownership & | | relatedness for rural population which will help winning | | their loyalty faster towards the new product. | | Target Market | Rural Population of Pakistan: would be the

target | Marketing research showed that there is huge demand of a | | | market. quality soft drink in villages. | | | This segment of market was targeted after the | Competitors' original products are not easily available at | | | analysis of data collected through marketing | affordable prices in rural areas. | | | research. The marketing research data was analyzed to| In rural areas duplicate and/or unhealthy products are being | | | know: | sold with label of the market leaders original products. | | The size of rural market, | Market leaders don't have focus on this segment of the | | | Potential growth rate | market. | | | Profitability | Potential of growth is high, as buying power of rural | | | Target market size & its fit with company objective | population is increasing. | | | and resources. XYZ' resources are not enough to cater urban areas by | | | It was concluded that market size of rural population| competing market leader products. | | | of Pakistan best fit in the XYZ's resources and is in| The bargaining power of rural population is less than urban | | | line with its mission statement & long run | because of limited choices of quality beverages. | | | objectives. | | Positioning Strategy | Healthy/Pure & Inexpensive: | Since the competitors are foreign franchisers therefore ' Desi| | | is the positioning intended for ' Desi Kola' to hold | Kola' being a homeland beverage using healthy local | | | in the target market. | ingredients in the soft drink could easily be used as | | | Whenever target market consumer think of buying a | positioning advantage. | | soft drink, ' Desi Kola' must comes to his/her mind | There are three differentiating factors which XYZ would | | | because it is a healthy, inexpensive and easily | promote to position its product: | | | available drink. | Local Company- stimuli patriotism. | | | | Local and pure ingredient use - stimuli healthiness | | |

Affordability - stimuli cost effectiveness. | | | These differentiating factors are distinctive, easy to | | | communicate, and can't be copied easily by competitors since | | | they are foreign companies. | | | These positioning factors are concrete and will deliver the | | | position to end users because they are backed-up by XYZ | | | mission and market mix strategy. | Price Strategy | Marketing Penetration Pricing Strategy: | Marketing penetration price strategy would help the company | | | Pricing is the only element of market mix which | to capture big market share faster. | | | generates revenue; and this is the main factor too in | Low price will help sale growth that would then help lowering | | | terms of competition, therefore selection of price | production and distribution costs which will trigger bringing | | | strategy has to be very careful. profit for the company. | | | Also, because one of the main elements of this | With marketing penetration price strategy after maximizing | | | product market positioning is inexpensiveness, | the sale, it would be easier to cut the prices bit more to be | | | therefore keeping the price at lowest possible level | in a further better competitive position. | | | is a must to maintain positioning. The rural population of Pakistan is a price sensitive market, | | | hence low pricing would be most suitable to enhance market | | | share and to keep the competitor away. | | Distribution Strategy | Hybrid Marketing Systems | The strategic objective of XYZ is to capture maximum market | | | Since rural population market range is huge, | share in minimum time frame.

Therefore, hybrid marketing | | | therefore more than one distribution channels need to | systems because of its multichannel ability best suits the | | | be used to reach out to maximum consumers. | need. | | | Hybrid

marketing systems through more than one | Through these systems, XYZ would activate all cost affective | | | channel offer the ability to cover big & complex | channels to make its soft drink available at consumer | | | consumer markets | convenience.

Following three would be the main channels of | | | | distribution: | | | | Direct to consumer | | | | Through etailer to consumer | | | | Through dealer to retailer to consumer | | | | Each of the above channels would be contributing to ' Desi | | | | Kola' market expansion. | *****