

Marketing plan assignment

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



Table of Contents Introduction Company G, an established and well respected wine company, has developed an exciting new electronic wine cork remover. The new device uses a battery driven cork screw to remove a cork from a bottle of wine. The opener also has flashing LED's and plays music or personal messages during removal of the cork. As the Marketing Manager at Company G, the President has directed me to develop a three year marketing plan for the new electronic cork screw.

Company G's has tested the new electronic cork screw and has proven the concept for reliability and cost to produce. The electronic cork screw can be produced to position it as the reliable electronic device compared to traditional mechanical cork screws. Mission Statement " We help the wine enthusiast find great bottles of wine and fun and exciting accessories that complement their wine experience. " The Product The new product is the BBC electronic cork screw for removing a cork in a bottle of wine. It is available in black and an upgraded model in stainless steel.

It is the only electronic cork screw on the market that removes corks, has LED lights and plays music or a pre-recorded messages, while removing a cork. The electronic cork screw is powered by a rechargeable battery and can remove 100 corks on a single charge. The electronic cork screw eliminates the use of a traditional cork screw to remove a cork from a bottle of wine. To operate place the opener on a bottle of wine and press go. The bottle of wine's cork screw is removed and discharged from the unit. The Marketing Plan By hardboiled customer can load music or recorded messages.

The electronic cork screw has a USB access point that can be attached to a computer to program the Lead's. The USB can also be used to load music or pre-recorded messages. Our cork screw also has APS that can be downloaded to enhance the user's experience. The BBC electronic cork screw uses the latest technology to remove a cork from a bottle of wine easily, while having fun. The environment around opening a bottle of wine is fun and easy which helps to support the company's mission statement. .

Consumer Product Classification The BBC electronic cork screw product class is shopping as illustrated in Chart 1-1.

Potential Customers will use the internet to conduct research about our new device. The likely hood of referrals from friends and families will be high, because of the fun in using the cork screw. Consumers will likely purchase this product once and invest a small amount of their disposable income. This small investment will insure that consumers are not willing to travel long distances to buy the electronic cork screw. Price and quality will be a factors for the customer. It is not important to be in every retail outlet, but our device should be carried in wine retail centers and some high end grocery stores.

Advertising will be done primarily through our retailers partners. Company G will use print and television advertising. The most critical advertising will be done with in store demonstrations and wine tasting events. Product Classification Chart Characteristic Class(convenience, shopping, or specialty)

Consumer Factors Planning Time in purchase Infrequent Convenience
Purchase frequency Specialty Importance of convenient locale Shopping

Comparison of price and quality Considerable Marketing Mix Factors Price Average Important Distribution channel length Relatively Short Number of sales outlets Promotion Demonstration in retail location.

Co-pop with wine Chart 1-1 Target Market Female wine drinkers between the ages of 40 to 65, with a 4 year degree. A business professional, married and income range of 55, 000 to 75, 000. Women often complain that opening a bottle of wine, can be difficult. The BBC electronic cork screw, opens a bottle of wine as easily as turning on a light. Competitive Situation Analysis

Analysis of Competition using Porter's 6 Forces Model Competitive Rivalry There are many different devices on the market to remove a cork from a bottle of wine, both mechanical and electronic.

However the BBC electronic cork screw is the only device on the market that plays music, opens with a touch of a Dutton and has flashing Lead's. Since there are multiple choices on the market to remove a cork from a bottle of wine. Company's G brand recognition and reputation as a producer of wine and wine accessories, should help differentiate our cork screw. We will face competition from cheap mechanical cork screws. The traditional cork screw can be found in homes across the country.

We will also have competition from other electronic cork screw companies. Our advantage over the traditional mechanical cork screw, is the ease of operation of our product vs. the difficulty and skills required to uses mechanical cork screw. Our target market needs the assistance of our product, to remove a cork from a bottle of wine. The electronic cork screw products on the market will represent competition. Our advantage over the

other electronic cork screws is our ability to play music, flash Lead's or record a personal message.

Threat from New Entrants. Entering the electronic cork screw market does require a lot of capital, but the high profit margins of an electronic cork screw will attract new entrants. Smaller companies may find it difficult to raise the capital to create and sell a profitable product. Larger companies with considerable capital may find our utility patent a deterrent to entering into the market. Threat from Buyers. The wine drinker is an individual buyer and will not represent a collective group that could organize to negotiate discounts.

Our company's biggest threats will come from larger retailers that buy in large quantities and demand discounts. However, our company will use the buyer's network established through buyers are local retail chains and cannot collectively bargain for quantity discounts. It will be beneficial for the larger chains to carry our electronic cork screw, once the local chains have started the demand for the product. Threat from Suppliers. Our company is a large and well respected wine manufacturer and distributor of wines and wine accessories.

We have automated the process of bottling wines and use the latest technologies to package and distribute our wines and wine accessories. Suppliers will aggressively pursue our company to form new business relationships. The majority of the components to build the electronic cork screw can be sourced from an endless list of suppliers. The cost to source a new supplier will always be low. Therefore the minimal cost associated with

finding new suppliers, will make our present suppliers loyal and pose little threat to our material sourcing. Threat of Substitutes.

The options to remove a cork from a bottle of wine is endless. This endless number of options will create an environment that will foster substitutes. However, the BBC electronic cork screw is the only cork screw to offer an option to play music or a personal message while the cork is being removed. Since Company G can produce an electronic cork screw at the lowest price point in the market, combined with our brand recognition will decrease the threats of substitutes. As consumers conduct research on the internet, they will discover that our electronic cork screw is priced competitively and offers additional benefits.

This research will also help eliminate substitutes, when our product is compared against potential substitutes

SOOT Analysts STRENGTHS *
 indicates core competency **WEAKNESSES** Well respected reputation in the industry * Company G brand and logo * Efficient Distribution Network

Acceptance of new technology vs. trusted mechanical cork screws New entry into cork screw market Human Resources and lack of talent Poor locations of warehouse

OPPORTUNITIES THREATS Gain the market share as quickly as possible Look at other suppliers to help reduce manufacturing cost

Expand into European markets with an expanded online website Traditional mechanical cork screw companies lowering price to gain market share Cork screw manufactures could attempt to add a music option and LED lights to gain a technological advantage Disruption of quality material from current suppliers Company G is a major player and well respected manufacture of

wine and wine accessories in the industry. Consumers will feel very comfortable buying from Company G, because our products are in many kitchens across the United States. This high regard and trust from consumers is a core competences and will be emphasized in all marketing campaigns.

Wine drinkers recognition of our brands and logo in the wine accessory market is a core competence of Company G. When a wine drinker shops for accessories on line or a retail location the product will be easily recognized because of our retailer logo and branding. Wine drinkers will associate the logo with a reputation of quality and reliability all at a great price. This will help gravitate consumers to our electronic cork screw. Marketing will emphasize the logo and stress the reliability of our product. Consumers will realized that buying the BBC electronic cork screw was the eight choice.

Company G made a business decision during start up over 30 years ago to maintain control over distribution of their products. This distribution network has stood the test of time and continues to delivery products to retail locations on time and the most cost efficient way. This was critical for distribution of our bottles of wine. This trusted distribution network will be utilized to distribute our new electronic cork screw to our retailer locations. Our retail partners that have grown to trust the reliability of our distribution will discover the same commitment to the striation of our electronic cork screw.

Weaknesses A firm's weaknesses might include lack of awareness of its products in the marketplace, a lack of human resources talent, and a poor location. The electronic cork screw is a new technology in the market and

may have some issues overcoming the traditional cork screw. A traditional wine drinker may want the experience of uncorking a bottle of wine. To help overcome this obstacle the BBC cork screw still honors the process of uncorking a cork, by using a traditional quality cork screw but making it a fun process as well. This process will slowly convert the traditional enthusiast to a loyal consumer.

Although Company G is well respected in the wine and wine accessory market it is new to the cork screw market. New entrants may find our new success attractive and attempt to enter into the electronic cork screw business. Any new entrant will face a difficult process to gain a market share because of the competitive market that exist. Company G has a long and successful history in the wine and wine accessory market. Our staff is very talented and does a great job at our present business model. With the projected growth from the electronic cork screw market, the many will find it difficult to find quality personal to help support this growth.

To help in the short term the company will need to find temporary qualified help from third party staffing companies. We will also need to cross train our present staff to help during the growth phase of this new product launch. Opportunities As a new player in the cork screw market our new electronic upgrade to a traditional cork screw is a great opportunity for Company G. With our existing relationships with wine retailers and our competitive price structure we should be able to capture market share quickly. We will market to our target market and emphasize our fun quickly.

Acquiring new suppliers can be costly, but can be helpful in reducing manufacturing cost. The market has several suppliers of the components needed to manufacture our electronic cork screws. As we grow our business and continue to expand our supplier network, we will look for quantity discounts from several suppliers. The expansion of our network will help decrease the threat from price fluctuations from our supplier network because of our great relationships. The European market is a huge opportunity for the BBC electronic cork screw. The opportunity to use the internet to gain market share in Europe will be a relationship with Amazon.

Eventually, we will launch a European specific website. We will continue to expand our online presence in Europe to gain market share in the market.

Threats Competitors already established in the cork screw market are a threat to our entry into the market. To prevent our entry into the market and prevent us from gaining any market share. The completion can lower their prices and try to force us to lower our profit margins, which could force us out of the cork screw market. When we introduce our electronic cork screw to the market, manufacturers will likely try to add an electronic option to their cork screws.

They may also add another new technology to the process, which could position them as the innovator in the industry. Our present supplier network will do a great job of supplying our needs. If one of those suppliers has a disruption, this disruption could impact our ability to fill future orders and damage our reputation in the industry. Market Objectives Product Objective Launch our new BBC electronic cork screw and have 100, 000 units on retail

wine tortes and in warehouse stock for online orders by October 1st with future goal of doubling production in year 3 and 5.

Strategy 1 Procure new suppliers for electronic and cork screw components

Action/Tactic Research and evaluate possible new suppliers Date June 1

Responsibility Purchasing Department cost \$20, 000 Due Strategy 2 Produce

retail packaging for new BBC electronic cork screw Action/ Tactic Design and

layout retail package design emphasizing LED lights and built in speaker to

play music. Due Date June 1 Responsibility Marketing Manager cost \$10, 000

Strategy 3 Schedule production run of 60, 000 units.

Action/Tactic Create a training schedule for employees to be ready for first

Due Date July 1 Responsibility Production Manager cost \$1, 000 Monitoring

Measures Weekly meetings with each department head and have them

update our online project management software. Price Objective Set the

retail price of the BBC cork screw in a range from \$8. 99 to \$10. 99 with discounts for retailers to achieve a 25% ROI by the end of the 4th quarter.

Strategy 1 Forecast sales and profits for 4 quarters. Action/Tactic Analyze

current cork screw sales and trends. Responsibility Sales Manager cost \$2, 500

Strategy 2 Set pricing and volume discounts to retailers. Action/Tactic

Analyze costs to wine retailers and discount schedule calculate appropriate

price. Responsibility Accounting Department cost \$5, 000 Strategy 3 Offer

rebate for 1 year and extend warranty by 1 year to encourage purchase of

our machine and increase sales eliminating rebate through 2nd and 3rd year.

Action/Tactic Analyze rebate redemption rates to set rebate amount.

Responsibility Marketing and Accounting Departments cost \$2, 000

Monitoring Measure Assign the UP of Sales as lead to help facilitate and ensure ales, accounting and marketing are progressing correctly.

Place Objective Use our wine distribution network to place products on selves in wine retail stores within cities with 100, 000 people or more. The product will also need to arrive within 5 business days from order if order placed by October 1st Strategy 1 Use are present distribution network for delivery of product to shelves in retailer locations Action/Tactic Coordinate with shipping department Due Date July 15 Responsibility Transportation Department cost \$25, 000 Strategy 2 Find other distribution companies to deliver product Action/Tactic Research UPS, Fed-X freight

Strategy 3 Determine most cost effective process to deliver our electronic cork Action/Tactic Research pricing and delivery times for multiple shippers. Responsibility Logistics Manager Monitoring Measures Visit different transportation companies and require logistics manager to report findings of shipping costs research month to assure final selection by August 1 .

Promotion Objective Increase awareness of electronic cork screw technology, fun of usage, quality and cost effectiveness by 30% of target market by the end of the 20th quarter, 40% by the end of year 1 and 50% by the end of year four.

Strategy 1 Place print ads in food magazines that target wine enthusiasts Action/ Tactic Research magazine demographics to determine which magazine targets our target demographic cost \$3, 000 Strategy 2 Conduct in-store demonstrations of electronic cork screw during wine demonstration

or wine tasting Action/Tactic Train employees on how to use the electronic cork screw and how to combine them with a wine tasting event Due Date septet 15 Responsibility Training Manager cost \$30, 000 Strategy 3 Run 3 minute television ads showcasing the ease of use, quality and fun of using the new electronic cork screw.

Action/Tactic Contact different marketing companies to determine cost to run 3 minute ads. Monitoring Measures Use customer surveys to determine which marketing campaign was the most effective. We would encourage customers to complete surveys by offering manufacturing discounts for our other products. We will also follow up with emails Marketing Mix The product, price, place (distribution), and promotion marketing mix is an effective combination that support our objectives. The BBC electronic cork screw is needed my wine enthusiasts to help assist by removing a cork from a bottle of wine, tit the help of technology.

The established price of \$8. 99 to \$10. 99 has been shown to be a great price point in the cork screw industry and a comfortable price point for a consumer to spend on such devices. By using our wine distribution network, we will be able to deliver our new cork screws to the largest population groups in the United States. We will also look at using other forms of distribution to satisfy increased growth or see if we could cut cost.

Promotions are critical to the success of any new device. The most critical promotion will be linked with our wines to help drive sales to our BBC electronic cork screw.

By launching our product and having them on store shelves and available online by October 1st we will be well positioned for the holiday and reputation of a great product in the industry. Our target market of female wine drinkers is reaching a large majority of the wine consumers in the United States. As we continue to develop the US market we will expand into the European market using the internet. The BBC electronic cork screw has proven it will fill a need for wine enthusiasts and quickly gain market share over the next three years.