

Mkt plan-popcorn store in hk

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



We are preparing to open a popcorn specialty shop in Hong Kong, the Pop Popcorn Shop. Hong Kong is a famous international tourism city and it successfully received more than 42 million tourists in the past year. Hong Kong has its unique culture and the Hong Kong film culture is one of the most remarkable ones. Therefore, our Pop Popcorn Shop will be closely integrated with the Hong Kong film culture, and create a well-known local brand image, which is attractive to local residents who like to eat popcorn or like to see movies, and the tourists who are interested in the Hong Kong culture or movies.

We can effectively compete with other popcorn stores because we offer a high quality, various tasty flavors, as well as healthy popcorn with value price to consumers. More importantly, we provide a customized service, which allows customers to make their own flavor popcorn and even the packages according to their preferences. The particular customized service as well as the film culture brand image are our two brightest spots, which can make us distinguish ourselves from other competitors and become our distinct competencies.

The marketing objective in the first year is to build up our brand awareness through our various marketing communication methods and we will continue to focus on increasing our brand equity in the next two years. The primary financial objectives are to achieve first-year sales revenue of HKD1,580,000 (USD 203,820) and reach profitability. The revenue will be expected to increase by 12% in the second year and 15% in the third year.

2.0 Service Description

Popcorn is a popular snack food at sporting events and in cinemas, where it has been served since 1914.

Hong Kong, a dynamic Asian metropolis that attracts numerous tourists and businessmen, global or Asian, every year, has been deeply influenced by the

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western movie culture and gradually developed its very own local movie culture, which is a robust branch of Hong Kong local culture, leading Hong Kong to be such a huge market for film industry. Benefiting from this significantly growing movie market and the saying that popcorn is always the best company in theaters, Hong Kong would be our ideal place that gives us incentive to locate our Pop Popcorn Shop in this prosperous city.

Specifically, our popcorn shop will be opened at Langham Place, one of the most popular shopping malls located in the very heart of Hong Kong, which has a magical gravitation that attracts numerous local residents and tourists. Moreover, with its world-class equipment, fascinating settings, and consensus images of fashion, the UA cinema at the 8th floor in Langham Place is the nearly the most popular movie theater that has not only the highest attendance rate but also the best box office in Hong Kong.

Thus, the needs from the people who are going to a movie in UA cinema would be so huge that can be a large target market, waiting our popcorn specialty store to satisfy. In addition, our specialty store, Pop Popcorn, not only aims to offer high-quality, various tasty flavors, as well as healthy popcorn with value price to consumers, but also provides customized service that customers can make their own flavors popcorn and even design their own popcorn packages, as well as customize their distinctive popcorn tins.

Moreover, nine regular flavors popcorn will be provided in Pop Popcorn -- sugar, buttery, caramel, cheese, chocolate, barbecue, rainbow, spicy, and mustard -- which is a wide range from classic flavor to popular special flavors. Additionally, two different packages, bags or tins, with five different sizes -- small, medium, large, 1 gallon, or 2 gallon -- would be offered to our

customers to select. Essentially, the most distinctive feature of Pop Popcorn will be the combination of popcorn and Hong Kong local movie culture.

In our shop, everything is about film. From the in-store decoration, display of popcorn, our staff costume, to the packing of our popcorn are all designed based on the characteristics of Hong Kong local movies. Above all, customers can also design the packing of their popcorn with one of their favorite movies, which can be a wonderful souvenir from themselves, as well as a distinctive gift for their friends.

It has attracted numerous local residents and tourists. Specifically, the UA cinema at the 8th floor in Langham Place is the one of the most popular movie theater that has not only the highest attendance rate but also the best box office in Hong Kong. ⁵ This exclusive location will provide an intense collection with our target customers. Distinctive decorations and packaging design of our shop – In Pop Popcorn Shop, everything is relative to films. The film elements in our store will generate one the most significant points-of-difference compare to other popcorn stores.

Various tasty and even customized flavors of popcorn – Pop popcorn store will regularly provide nine flavors of popcorn to the customers. More important, we will be the first popcorn shop to provide customized flavors service. Brand awareness. As a new popcorn shop, we would not have much brand awareness and brand equity at the very beginning. Customer accession -- Regarding to those customers who are going to a movie, our shop location will not be the most convenient place for them to buy popcorn compared to the snack store located inside the theater.

It's one of the disadvantages when we compete with the snack stores inside the theaters. Film culture is one of the most prominent characteristics of Hong Kong culture. There is a large amount of movie fans in Hong Kong. Popcorn is known as the best partner for movies, the constantly flourishing of film industry in Hong Kong will lead to an explosion of needs of popcorn. Hong Kong is an international prosperous city, many local residents has a relatively high disposable income. . The continue growth of tourists in Hong Kong, especially the tourists from Mainland China, as well as the their strong consumption power. Threats Competition is a dynamic process that our competitors would also switch their strategies that may lead to some turnover marketing circumstances. Based on the analysis of our target market, there may be three potential situations, which can be threats to our popcorn shop. Other brand-famous popcorn stores may expand their locations.

Since one of our essential strengths is our location in Langham Place, if other brand-famous popcorn shops also have inclination about expanding to the location near our shop, it would be a threat for us. With the growing popularity of popcorn, the snack stores locate inside the theaters may provide more flavors popcorn to the customers. There is other more tasty and healthier alternative snacks for customers when they have a movie.

Specifically, based on geographic segmentation, local residents and tourists of Hong Kong would be our target market that deserve our fully concentration on developing our own customer bases, as well as establishing our very brand awareness. Local residents who like popcorn or movies. Typical users Geographically, those Hong Kong people who live in the urban

area--New Territories and Kowloon--would be our major typical users. In 2011, around 45% of the Hong Kong population is living in New Territories and around 30% of them lives in Kowloon.

Demographically, those local residents, female or male, who are about 15-44 years old with average monthly income more than HKD10, 000 or monthly spending more than HKD200 on snack food can be identified as our typical users. Additionally, people who will go to theater for movies more than four times a month will be defined as our heavy users. Size and growth of this target market In 2011, the population in HK was about 7, 067, 800, and the average population growth rate had increased by 0. 72% compare to 2005.

In terms of population of our target market, the amount of population of 15-44 years old is around 3, 135, 300, which accounts for 44. 4% of the total population. 3 In the recent years, the film industry in Hong Kong is booming. Regarding to the film industry in Hong Kong, in 2010, the box office gross was HKD1, 339 billion, and, in 2011, this number grew to HKD1. 379 billion. The total number of films that released in 2011 was 276, which included 56 Hong Kong local films and 220 foreign films. In addition, the number of attendance was 87, 517 and the attendance rate was 75. % in 2011. Moreover, according to a survey co-conducted by the University of Hong Kong and Hong Kong Picture Industry Association in 2008, 58. 3% of those people who went to a movie would buy various amount of popcorn as their “companies” for the next 120 minutes at the theater.

The real “ buyer” in this target market The real “ buyer” of our product is mainly the same as our typical users. However, the male customers may account for a larger amount of them. Because when a couple goes to see a

movie, the male will usually be the one who spends his money on the popcorn and share it with the female, given in the Hong Kong culture. Main characteristics of this target market Our typical customers' main characteristics can be described on two fronts. First, these people are deeply influenced and attracted by the film culture in Hong Kong, which is one of the most fundamental branches of the Hong Kong local culture. Second, according to the data from Census and Statistics Department Hong Kong, among the people who is 18-44 years old, the average monthly income of them is HKD13, 600. 5. Reasons why this target market is attractive

Evidently, there are two main reasons why these typical users of us, who are the 15-to-44-year-old local residents with over-average incomes, will be substantially attractive to our popcorn specialty store. Firstly, these typical users have been living in Hong Kong for some years that they may be fundamentally influenced by Hong Kong local culture, especially by the film culture in Hong Kong. Loving movies can be a major incentive for them to be willing to spend money to have movie in theaters. And popcorn, as one of the most ideal companions in theaters, can be one the last things our target market want to miss.

Secondly, these young residents have relatively open-minded customer awareness, easier to accept new brands that have distinctive brand images. Moreover, they are relatively high-income citizens living at a fashion lifestyle city and willing to spend more on snacks or recreations. 4. 2 Tourists 1. Typical users in this target market Geographically, tourists from Mainland China will be our target customers, especially who are from 4 main cities in China - Shenzhen, Guangzhou, Beijing and Shanghai. Demographically, the

tourists between 15-44 years old, male or female will be defined as our target customers.

Size and growth of this target market In 2011, Hong Kong received record-high visitors from around the world, which was totally 41, 921, 310, a remarkable increased by 16. 4% over 2010. Tourism generated value added of HKD 74. 6 billion in 2010 and the inbound tourism accounted for the largest share of the value added of tourism, which was HKD 59. 2 billion. Compared with 2005, this value added increased by an average annual rate of 12. 5%. Among various incomes generated from the inbound tourism, food and beverage services had HKD 6, 300 millions value added in 2011. The real “ buyer” in this target market

The real “ buyers” are tourists, who may buy our popcorn as a souvenir or a gift for themselves, as well as for their friends. It indicates that the buyer may not be the actual user in this target market. However, we will put more attention to advertise our shop among the female tourists, since the female tourists are usually more interested in shopping and buying souvenirs. Main characteristics of this target market Firstly, most of them are from Asia, especially from Mainland China. In 2011, Mainland China continued to be the largest visitor source market of Hong Kong, contributed 28. million arrivals, accounting for 67. 0% of total arrivals in Hong Kong. 7 Secondly, mid July to end August are always the most intense period for tourists to visit Hong Kong. Also, regarding to the life-cycle stage segment of overnight vacation visitors in Hong Kong, approximately 36% of the visitors are families with children, 20% of them are young single male or female, 12% of them are young couples, and 7% of them are young students. Moreover, these visitors,

15-44 years old, which will be our target customers, account for 75% of our total visitors of Hong Kong in 2011.

Reasons why this target market is attractive Firstly, the number of tourists is remarkably substantial and this number is increasing every year. The appreciation of most major currencies against Hong Kong dollar and the improving travel sentiment have fueled the impressive performance. 7 For the short-haul market, benefiting for the Individual Visit Scheme, which the Central Government has announced that residents from certain cities are allowed to visit Hong Kong as tourists in their personal capacity, tourism in Hong Kong is developing significantly every year.

In 2011, the coverage of the Scheme has expanded to 49 cities in China since the first introduced on in 2003. 9 That means the tourists from Mainland China will continue to increase substantially. For the long-haul markets, arrivals recorded a 1. 7% increase. In particular, the United States remained the largest long-haul market with 1. 2 million arrivals in 2011, representing a 3. 5% increase. 7 Secondly, the tourists, especially those who are from Mainland China, have such a robust consumption capacity. From the source of Hong Kong Tourism Board, in 2011, the total tourism expenditure associated to inbound tourism is HKD 253. billion, which had a significant 20. 5%, increase by 2010. 8 Specifically, the average spending of the visitors from Mainland China was HKD 8, 220 in 2011, which has a 10. 3% increase by 2010. Direct Competitor Our direct competitor will be the Garrett Popcorn Shop Hong Kong, which is a famous popcorn store overseas. Garrett is located at the International Financial Center Mall Hong Kong,

where is in the central business district in Hong Kong. The IFC Mall has lots of luxury shops inside and it focus on targeting to the high-income customers.

The strengths and weaknesses of Garrett First, Garrett has a high reputation overseas due to its long history and consistent high quality of fresh popcorn. That is, the global brand famousness of Garrett Popcorn would be so pervasive that would attract large amount of foreign customers who is working currently at Hong Kong. Second, after concentrating on popcorn industry for more than 60 years, Garrett has already developed its very own secret recipes to mix into popcorn, like The Chicago Mix, Caramel Crisp, and CheeseCorn. These famous flavors popcorn are another stunning strength of Garrett.

However, some weaknesses of Garrett Popcorn Hong Kong have been exposed to the public, which may turn to be our opportunities. According to the OpenRice, which is a popular users review and local cuisine recommendation website, based on 5 aspects include taste, environment, service, hygiene, and value for money, Garrett Hong Kong scores only 3.8 of 5.0 based on the customers' ratings. The negative reviews are mainly about the service and the value of money. Many customers complained about the unfriendly staff and the too expensive popcorn.

Almost all of these stores just provide the sugar flavor popcorn to the customers. The very limit flavor choice and relatively low quality of popcorn are their biggest disadvantages. Additionally, these stores are usually put little effort on marketing communication with customers. 2. Our strategies to complete with the snack stores inside the theaters Evidently, our strategies to compete with these indirect competitors can be, firstly, providing

discounts or advocating promotions to the customers who have a movie ticket.

For example, the customers can get 10% off in our store when they present us the movie ticket on the same day. Secondly, we will implement various campaigns that strongly advertise our fascinating tasty popcorn with multiple flavors and high quality, framing an image that our target customers can have a box of satisfying popcorn with a reasonable price. The potential competitors of our popcorn shop can be defined as those snack grocery stores that can offer alternatives snacks to popcorn. Although there are various kinds of snack food with even cheaper prices in those grocery stores, however, if a customer is looking something fresh or special rather than something bland when he/she is going to a movie, these grocery stores would soon to become the very last place to satisfy him/her. Thus, regarding to our target customers, we can pay efforts in marketing communication that utilizes mass medias to frame that fresh popcorn is the best choice for movies, especially the fresh popcorn with customized flavors we exclusively provided.

Consistent with our store' s marketing strategy and brand positions, the message that we seek to communicate is that we offer high quality, various tasty flavors, as well as healthy popcorn with value price. Unit cost and margins -- The total cost of our product will include fixed cost and variable cost. Since the various cost of raw materials are relatively low, while the cost of rent and salary is relatively high in Hong Kong. The cost of per popcorn will be lower when more popcorn has been made per day. Thus, in our price structure, the raw materials per unit cost is estimated approximately 15% of

the total cost. Competitors' price structure comparison Garrett Popcorn Hong Kong provides 5 flavors and 6 sizes of popcorn to the consumer.

Pricing methods -- Base on the company cost, competitors cost, and customer demand, we will use the perceived-value pricing method to select our product price. In addition, based on our product-quality pricing object, we will seek to create an image that emphasizes our high-quality product with value price brand to consumer. Due to our location rent and less brand awareness, our average price will be about 20% lower than Garrett popcorn price. While our average price will be 25% higher than snack stores in theater since our store is excel in making arious tasty flavors popcorn. Special offers In order to encourage sales we will provide access for certain customers to special prices. Such as special customer price--customers can get 10% off in our store when they present us the movie ticket on the same day. Also, we will have a frequency reward program--membership cards which can collect points and use the points as cash to purchase popcorn in our store. Meanwhile, we will provide coupon in the special festival to our customers.

Initially, Pop Popcorn will use a direct-to-consumer distribution model - our own specialty store and website, to determine our channels of distribution. Specialty store in Langham Place Pop Popcorn Specialty Store will locate in the first floor at Langham Place. The reasons why we choose this location can be evidenced on two fronts. Firstly, Langham Place Mall, located in the very heart of Hong Kong, is a quintessential 15-storey fashionable landmark and one of the most popular shopping malls for both local residents and tourists.

Secondly, the UA cinema at the 8th floor in Langham Place is the nearly the most popular movie theater that has not only the highest attendance rate but also the best box office in Hong Kong. Thus, being located first floor in Langham Place, we can have an exclusive advantage to build up an intense connection with a large amount of our target customers. Not only the people who are shopping in the Langham Place can easily purchase our popcorn, but also the people who will go to see movies. As we mention about, everything is about film in Pop Popcorn Shop.

The decoration style in our shop will be full of the film elements. As well as our staffs' uniform. Buoyed by researches, which suggest that as much as 70 percent to 80 percent of purchase decisions are made inside the retail store, firms are increasingly recognizing the importance of influencing consumers at the point of purchase. Regarding to our popcorn shop, especially because of our low brand awareness at the very beginning, not only the display of our popcorn is important, but also our salespeople is essential for leading customers' purchase decisions.

On the other hand, when the consumers know our brand and come to purchase popcorn, salespeople may also play an important role to provide a very best purchase experience to these customers. Thus, lots of attention will be paid to manage our sales force through the selection, recruitment, training, motivation, compensation and evaluation sections in order to provide our customers the very best salespeople, who are sophisticated in customer service and fascinated by Pop Popcorn's brand culture.

The very own attractive and interesting website of Pop Popcorn will provide a substantially rich source of our store and product information, including our <https://assignbuster.com/mkt-plan-popcorn-store-in-hk/>

featured popcorn, distinctive customized service about the flavor popcorn and packages, etc. Moreover, various of promotions, membership activities, and latest movies news, trials, especially those information about local Hong Kong movies can be found on Pop Popcorn's website, in order to establish its very own brand awareness that combines fresh tasty popcorn with Hong Kong film culture.

In addition, our user-friendly and security purchase system in the website provides a convenient way for consumers to purchase our popcorn no matter for themselves or for their friends as a gift. Popcorn's marketing communication strategy will, initially, endeavor to establish our very own brand awareness among our target customers in order to develop our customer base. Essentially, the message that Pop Popcorn aims to communicate is that it offers high quality, various tasty flavors, as well as healthy popcorn with value price.

In addition, there are various efficient approaches for us to convey this message to our target customers, which includes the own website of Pop Popcorn, online and offline advertising, sales promotions, interactive marketing and event and experience campaigns. Web site focus on providing a rich source of product information with a fascinating website typography and design. Specifically, various information about our popcorn flavors, customized tin services, or promotions would be easily accessed to our customers in the website.

In addition, the Pop Popcorn website will also provide a user-friendly purchase system for customers to order their popcorn online, so that they easily purchase our popular flavors popcorn or their customize flavor

popcorn for themselves and their friends. Online advertising Since one segmentation of our target customers is the local residents who likes to eat popcorn or likes to see movie, we will focus on put our onlineadvertisementon the film websites, where the movie lovers usually browse and access to film information.

Also, advertising Pop Popcorn in the local popular video websites, like Youtube and Tudou, which has huge traffics would be an extraordinary way to establish our brand awareness, creating customers' craving for our popcorns. Meanwhile, in order to cover another group of our target customers-tourists, websites about travel guides, travellers' reviews, and travelling recommendations about Hong Kong will also be our prior choices to place our online advertisements.