Fyne piece of marketing case study

Business, Marketing



CASE STUDY1. 1 A ' FYNE' PIECE OF MARKETING As the strode purposefully into the board room to make his presentation to the firm's monthly director's meeting, Fred Fahr, General Manager of Fyna Foods Ltd, felt just great. His confidence was that of someone who knows he has faced a problem and come up with the right answers. ' Ladies and gentlemen,' he began, ' as you are aware, two months ago we were given the opportunity to supply the Beefies Hamburger Chain with their new Supa-Long French fries.

At the time, we all agreed this was great potential business for Fyna Foods, but that it also posed a major problem for us – what to do with the excess potato left over after we supply Beefies with the extra-length fries. Unfortunately, we still haven't been able to come up with a perfectly square potato! To dump this excess material would mean almost certainly making a loss on the Supa-Long Fires business. I am very pleased to be able to report to you today; however, that my team has come up with what we feel is a pretty fine solution. Fred deliberately paused as he sensed the increased air of anticipation around the table. Even old Thomas Fynaski, the firm's octogenarian founder, seemed to rouse himself from his doze. ' We found the answer by combining the excess potato material with other vegetables to create a breakfast burger,' Fred went on. ' I have to say the lab boys have done a really good job and created a product that Fyna Foods can be proud of. Myfamilydoesn't usually eat hot breakfasts, but we all tried some the other morning and agreed they were really quite nice.

Once we had the product developed I gave it to our marketing people and they've decided to call it "Bubble and Squeak" – it's what we used to call leftovers back in the 1960s. I am sure we all remember when we were kids,'

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he joked, ' how good leftovers used to taste the next morning. We've decided to advertise it as " The delicious breakfast alternative to bacon and eggs". ' ' What about the factor? ' one of the director asked. ' This product doesn't look like anything we produce at moment. ' Well, you know how our Production Department's managers are,' replied Fred. ' If the factory had its way, we'd never produce anything that wasn't quick and cheap to run through the machines. Anyway, we have agreed to pack the new line in boxes of 24 burgers, which nicely fits our packaging machinery. The factory were pleased with that. ' ' How do the numbers stack up, Fred? ' asked Daphne Green, the Finance Director. ' Pretty good, actually,' Fred replied as he flicked up a chart. See, we start with the excess potato tonnage from the Supa-Long contract. That's equivalent to sales about 400, 000 packs of Bubble and Squeak in the first year. We think the Supa-Long contract is going to grow at about 10 percent per annum, so we also need to budget to increase Bubble and Squeak's sales by that amount each year. We do have a bit of problem with price, which I'm still working on. The Sales Department is concerned it won't be able to move these volumes of product at the price the

accountants have given us.

I'm not too worried about that, though, because the product development people, in their normal way, have produced a super premium quality product in the test kitchen – a bit too good, really, for the market we're aiming at. I'm confident that we can play around with some of the ingredients and quantities and get the product costs down to a level that Sales can live with. ' We've got a few rough edges to smooth off,' concluded Fred. ' But, overall I think we've come up with an excellent solution that lets us take on the Supa-

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Long contract and gives us a great new product for Fyna Foods. There was a general murmur of approval around the table. As it subsided, however, Fred noticed that Bill Wyse, the recently retired Marketing Director of a large transnationalfoodbusiness had his hand raised waiting to catch the chairman's eye. As silence returned to the room he spoke for the first time during the meeting. 'Well, Fred,' he said quietly. 'You've obviously put a lot of work into this. I can tell you feel you've done a great job. But in my humble opinion, you don't seem to appreciate what marketing is all about.' Questions 1.

Collect three descriptions of marketing, one from a text, one from a marketing practitioner, and one form someone who does not work in the marketing fied. Which perception seems the closes to Fyna Foods team's activities on the Bubble and Squeak project? Justify your choice. 2. From the perspective of Bill Wyse, what differences are there between the production stage, the selling stage and the marketing stage of marketing management evolution? 3. In what areas might a food manufacturing company such as Fyna Foods be subject to societal criticisms?