

# [Competitive analysis](https://assignbuster.com/competitive-analysis/)

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Competitive analysis \* Market analysis Market overview In 2011 the market of baked goods was evaluated in $1. 8 billion. \* As a result of the increase in cereal prices the total sales of baked goods rose only 1% in value. \* Packaged industrial bread was the only subsector to increase during this period. Unpackaged/artisanal products still dominate this sector. After losing significative ground to hyper/supermarkets, three years ago, traditional bakeries reacted by capitalizing on their image of quality and authenticity, with premium ingredients. Auchan and Carrefour increased their in-store bakery offers and promoted their products through advertising campaigns focusing in traditional values. CompetitionInsee, Démographie des enterprises -2010- The market, without counting retail stores, is divided in: \* Boulangers(licensed bakers that make the bread from the beginning until the end), \* And Terminaux de cuisson( buy the formed dough and just cook it, or buy the bread how it is, they are not licensed bakers). The competitive landscape is extremely fragmented with the top 5 manufacturers having only 8% of market share. Competitor Analysis | Boulangeries | Retail Stores | Product Profile | Big | Medium/Big | Price | 0. 90€ Baguette | 0. 75€ Baguette | Strengths | Product and service quality | Price | Weaknesses | Price | Service quality | Strategies | Differentiation by quality. Product made on the spot. | Differentiation by price. Product not entirely made on the spot. | Blue Ocean MARKETING MIX \* Product Brand We chose for brand name the name “ Boulangerie Chez Vous" which means “ Bakery at your house"; we believe that it is an easy recognizable name. We designed this logo trying to make it easily imply the company’s trade and objectives. How it works \* This system works by monthly orders. The orders are delivered every day (Except Sundays). \* It’s a service devised for condos of 20 people or more. \* The orders are chosen/altered through the website or through phone and can even be canceled for some periods of time, in case of vacations for example. \* The clients have until 24h before the delivery to alter their requests. \* Although the requests are fully customizable, for the sake of easiness and accounting, it is offered standardized daily packs. \* Half is paid on the beginning of the month the rest paid at the end. If the orders didn’t fulfill the expected amount, or even half, the extra money will be discounted on the next month. The user as total access to his account and his balance sheet, either by phone or internet. \* The bread is then delivered between 4: 00 am and 7: 00 am. Product Packs We decided to offer three base packs, which are at any time customizable; (Meaning, the user will have the ability to add different products or quantities at any time): s \* Price The price is our weakest link, for it will need to be higher than the competition in order for us to maintain a good margin. According to a study by - BoulangrieNet © 2011 — The average cost of a baguette divides in: 19% - Materials 53% - Wages 11%- Packaging 6% - Revenue Which means that if the average price of a baguette is 0. 90€ then the revenue will be 0. 06 € which is not enough to sustain the service. There are two possibilities; 1. Increase price on all the products. 2. Impose a service cost of 0. 50 cents for each delivery. We chose option 2, because: \* If the consumer wants big quantities of bread the cost would still be similar as if it was bought in a bakery, \* Also, in the mind of the consumer the price would be the same as the one in his usual bakery, \* And it would permit promotions like “ if 3/4 of the building use the service, the delivery will be free. " The point against this choice is that our margin would not alter, but we believe that the amount of clients this option can provide is sufficient to cover that loss. Price of products Baguette — 0. 90 Petite Pain Blanc — 0. 5 We are just considering the 2 products offered in the packs. The objective is to maintain the average boulangerie price for every product. \* Place The place isn’t the most important point in our plan, mainly because the clients only enter in contact with the company, by phone, website and through the products. Distribution Channel Home delivery — This is our main advantage against our competitors. Distribution strategy. Selective Strategy — our business is aimed at a selective set of clients, it is impossible to serve everyone, as such we chose to only offer the product in apartments with more than 30 people. \* Promotion We divided the publicity and promotion in two: 1. Landlords 2. Clients We did it because we believe a good relation with the landlords will have advantages to us, not only in allowing to take measures for security of the deliveries, but to also help in publicize the service, informing new people living in the house that they can have this service if they wish it. 1 — Landlords Objective; Marking an interview with them and show them a presentation on the advantages of having the service. \* It would be a differentiating thing, when new clients look for houses, \* It would make current clients happier offering new products to take advantage of, \* It would be free for the landlord. We also did in our website, a small application form for landlords to ask for the service. 2 - Clients Since we’ll only be available on some places, intensive marketing techniques won’t work. So we will work on direct marketing, mail, e-mail, and door to door. This part is also not hard; we chose to use direct marketing, as well as going house to house to try and sell our service. If the people don’t instantly accept the proposal, we offer 3 days free and return on the 4th so the client feels the advantage it brings. We would offer giftwares, like pens and chopping tables. Pens to everyone and chopping tables to people that accept the monthly contract. Another promotion we want to do is, if 3/4s of the building are our monthly clients then the delivery to the building is free. The last promotion we want to maintain is the happy birthday promotion, where every time that it is the client’s birth day, we offer 6 muffins for him. The objective is to allow people to connect with the brand. \* Processes As it was said on the product mix the service works on monthly packs. The client chooses a pack and edits it to their tastes. Then it is delivered between 4: 00 am and 7: 00 am. The change is recorded until 24 hours before through the website or by phone, then it’s recorded on the company’s clients records, after the baking of the requests they are labeled(as seen in the exemple) and are then put into the according van and sent to deliver. The payment then can be made at the end of the month byR. Dupond Massena nº13 bank transfer or letter. In the case a client does not pay in time, he will be contacted by us, depending on the answer, he will continue with the reception or not. If he does not answer he will still have the service for more 2 days with a warning, after that date not answering the service is cut. \* Physical Evidence As it was said, there is little physical contact with the client. So there is a real necessity to focus on the parts that are in contact with the person, so that they are not only pleasant for the sight but also memorable. These parts are: Packaging; R. Dupond Massena nº13 Delivery van: Website: And all the publicity involved in the plan.