

# [Segmentation targeting and positioning of nestle marketing essay](https://assignbuster.com/segmentation-targeting-and-positioning-of-nestle-marketing-essay/)

Nestles promising to providing quality products to Singapore people. dates back more than 90 years ago trading MILKMAID condensed milk by Anglo-Swiss Condensed Milk Company. After the some years it has been provided in Singapore for Singaporeans, Nestlé has won the trust of Singaporeans for being a food maker with the maximum safety and quality measurement with this products.

Nestlé started its business and operation in Singapore in 1912 and has become successful in this country, largely as a net result of its operating principles. These seek primarily to:-

Offer Singaporeans the mostly safety and quality measurement in our food and beverage products in Singapore.

Nestle Utilized the most new and up-to-date advance technology and its accounted science-based experienced in the manufacture of milk food products.

Nestle takes its broad responsible partner as a corporate citizen member by availability in community and social projects that contribute to the speedy development of the country.

Nestlé brands are household names in Singapore and very well-known company. These include MILO, NESCAFÉ, MAGGI, NESTLÉ NESVITA OMEGA PLUS ACTICOL, KIT KAT, PURINA, FRISKIES and many of other market competitors’ in their product categories.

To develop your own knowledge of marketing theories, models and external marketing analysis, take a look at these freemarketing guides.

## Executive Summary

Nestle is global company of milk products and nutrition, chocolates’, beverage, catering and many type of confectionary goods. It has its millions of customers worldwide. Today Nestlé Singapore Limited is on good positioned to grow through its business policy of constant innovation and renovation, concentrating on its core competencies and commitment to better and high quality, with the aim of availability to the best quality food to the people of Singapore. In the report we have brought a discussion about the marketing segmentation of Nestle, their target market and positioning strategy in Singapore. The way Nestle chooses its different core customers different needs with a better way and how it fulfilled satisfaction its consumers by making greater facilities by the aggregate of different products or marketing mixes is shown in market segmentation of Nestlé. In the area of market viewing we have talking how Nestle have made many segments and decided to expand their whole business in whole Singapore. In the end of this we have talking how Nestle available to the customers point more Efficiently and effectively comparing with their other manufacture competitors in the highly challenging food& beverage market of Singapore by making differentiation of target Users and customers.

Nestle is the biggest nutrition and foods company in the globe, established his headquarter in Vevey, Switzerland. The journey of Nestle begins with Henri Nestlé developed the first milk food for early in 1867, and saved the life of a neighbor’s child. This man makes a food for the needy babies who are not able to take mothers feed can use food as an alternative food. Henri Nestle left his job in 1875 but the Nestle was going on a top speed. In the coming year the Nestlé company introduced condensed milk, so that the company became direct and strong rivals. After that the company was joined in 1905 with the a firm named Anglo-Swiss Milk company which was established by two brothers named George Page and Charles Page. The firm reenter significantly during the First World War though it fall in debt, a banker provide facility and help it to less its debt. After the 2nd World War , the company eventually increased its providing beyond its firsty condensed milk and infant formula products. The 1920s saw Nestlé’s first enter into new products, with chocolate the Nestlé’s second big important activity. Nestlé felt the effects of World War II immediately. Profits decreased from US$200 lakhs 1938 to US$60 lakhs in 1939. But after the World War II was the starting of a dynamic phase for Nestlé. Growth speeder and companies were taken. At this time the company operates in 86 countries around the world and hired manpower around 283, 000.

## Theoretical Consideration

Marketing Strategies:

The Strategic plan provides the company’s overall mission and objective and new hpopes to achieve company’s views. Through market segmentation, targeting and positioning the company takes decisions which customers it will provide and how. The company also makes designs a marketing mix made up of factors under its control product, price, place, promotion.

## Strategy of Nestle in Singapore:

Nestlé’s required strategy is to cover only the developed area of Singapore.

That’s why they are doing their activities in main and metropolitan cities of Singapore. They want to put babies and children healthy and ensure their sufficient nutrition. That’s why main and large range of their products are baby milk food products. They also target new age generation to build a strong relationship by providing various eatable products. In the information, we are going to point outs of Nestle is to segment, target the potential customers and to positioning of their profitable products. Their segmentations, targeting, positioning process are given below. Nestle want to change customers toward their products.

That’s why they are offering new products regularly. They also provide many social competitions for babies to go their mindset. In this report we are looking to focus of Nestle Singapore is to segment, target the major customers and to position of their profitable products. The relevant information is given below:-

## Market Segmentation:

The marketing concept asks for understanding customers’ requirements and satisfying their requirements and needs better than the others do. But many customers have different requirements and it hardly chance to satisfy all customers by treating them same just like. Market segmentation is the searching of part of the market that are not similar from other. Segmentation provides the firm to good satisfy the needs of its major customers.

1. Clearer understanding of the requirements and needs of selected customer groups.

2. More effective positioning in this place.

3. Greater precision in selecting promotional Transportation vehicles and techniques.

## Bases for Segmentation:

Users markets can be divided on the basis of these customer characteristics.

1. Geographic area

2. Demographic area

3. Psychographic area

4. Behavioral area

## Geographic:

Nature: Nestlé Singapore segmented its market for Nescafe Ice depends on the geographic weather: warm hot and cold.

Nescafe Ice: A coffee which may be consume with ice. During warm season consumers making this coffee with normal, chilled or cold water mixing ice cube to bring freshness in their body.

## Demographic Age:

Nestlé segmented market area for its main products based on the genration. For the products Cerelac, Lectogen, Koko Krunch, Nido, Nestle divided the market area segment for new born baby and children of different ages.

## Nido

It is nutritious milk specially makes for children 2 years onwards. It includes 25 minerals and vitamin D which helps child’s growth.

## Cerelac

: Nestle also provide cerelac for new aged baby. It contains milk and rice mixture for less than one year’s baby. It fulfills baby’s proper nutrition in foods.

## Nesquick, Koko Krunch

: above are chocolate milk for babies. Nesquick and Koko krunch contain child’s required growth. It’s very sweet and delicious and also includes vitamin protein, mineral.

## Lactogen

: Nestle Singapore brings full cream milk powder in the country. It gives baby required nutrition. Lactogen one is for childs whose age not more than 6months and lectogen 3 is for babies whose age is below 1 year.

## Income

: Nestle segmented their market based on customer’s earnings in an effective way.

## Occupation

: Nestle segmented the market based on their user’s occupation.

## Nescafe classic

: This product is for that type of persons those who work busy and hard and requireds more freshness. Both the male and female who need more caffeine and this type of needs Nescafe classic is for them.

## Psychographic:

Life style and personality: Nestle Singapore provides KIT KAT these people who really want to taste and enjoy chocolate. Nestle Nescafe 3 in 1 is for specially those users and customers who are really ingaged in activity and do not have more time. They can use by taking Nescafe 3 in 1. All the things are mixed sugar, milk and coffee.

## Behavioral

## Benefits

Based on benefits Nestle Singapore segmented their market in an efficient way. So they make available Cerelac for those customers who want more profit from the product. Cerelac includes a high nutrition for baby’s whose age is less than 1 year. Two very important things rice and milk remain added in cerelac. On the other part, cerelac includes vitamin, more mineral and all major useful nutritious elements for babies.

## Target Marketing:

Market segmentation reveals the firm’s market opportunities. Then the firmsort market targeting by evaluating the many types market segments and deciding which and in which quantity segments it will target.

Nestle examined the different type of market segments on the basis of segment size and growth, segments, structural attractiveness, and Nestle objectives and resources and decided to introduced their operation whole of Singapore country. Nestle distributes their target market because of having unique requirements and wants. Nestle Singapore selected their target market into two market coverage policy:

## Differentiated

: Nestle also choose the differentiated marketing. He provides different product for many segments based on different ages, occupation, season and climate of Singapore.

## Nescafe 3 in 1

: Coffee for customers who are busy in life.

## Koko Krunch, Nesquick

: Chocolate milk who want to get taste of real chocolate.

## Nescafe Ice

: Cold coffee for the customer in hot and warm weather.

## Concentrated:

Through concentrated marketing, Nestlé earned a strong market position because of its very good knowledge of consumer requirement.

In theniches it serves and special reputation it acquires. Nestlé specializes in producing baby foods. It offers nutritious milk powder Lectogen 1 for babies whose age is less than 7 months and lectogen 3 for babies whose age is not more than 12month. It also make available baby nutrition cerelac for baby more than 12 months.

## Positioning Strategy:

By creating product, service, channel, people and image differentiation Nestle arrives the consumer touch point more easily, effectively & efficiently in comparing with other competitors in the highly competitive food processing market.

## Product Differentiation

: Nestle brings a many of product for target customers.

They make available 25 types of minerals in Nido for children.

It also arranged Cereals’ and Lactogen 1 &3 for newly born baby exclusively.

Now the doctors says these products for child’s to their parents for great & maximum nutrition Nescafe is a product which contains 4 types of categories. They offer  Nescafe ice for hot and warm weather, They provide Maggi including Maggi instant; Maggi 2 minutes which Includes and contain various minerals, vitamins and nutrition’s.

## Channel Differentiation

: Nestle reach their products to the customersthrough their experienced market salesman and transportation. So that their  products.

are much easy to their customers.

## Image differentiation

Nestlé’s logo is totally different from others competitors that are greatly choices by its users.

For that way customer easily choose them in the market which is another effective benifits for Nestle products.

## People differentiation

The company has a large number of manpower’s that are highly educated and trained. In Singapore, 400 employees are employed in market Company chairman; They are running this business successfully for a long time.

## Service differentiation

Another advantage for this company is better service for its respective users from its competitors. They provide 24×7 hot line service. High quality checking is providing for its customers. Its marketing dept. and public relation dept. are working for finding out customer’s new needs and response toward their nestle products.

## Positioning Statement Baby Products

To babies who are deprived of proper nutrition, Nido, Cerelac, Lactogen are the very nutritious milk Product that provide you more use full nutrition different from any other brand because these includes different types of vitamin, mineral etc.

## GOOD FOOD for GOOD LIFE

## Conclusion

The advent of consumer food products has brought an immense change in the field in the consumer’s food habit. Nestle has done well to adding its customers loyalty operating as a market competitor’s in its industry. Nestle is one of the largest food processing company. Their products and quality mainly includes on their experience and efficiency. Nestle provides quality that leads to good business growth and good development. It has segmented the market based on certain clustered preferencesdeploying multi-stage segmentation approach to meet individual requirements of the customers. Offering brand new products would also close its old products gaps to a great extend promise satisfaction and loyalty. In our report, we contribute to make available the segmentation, target marketing and positioning strategy of Nestle and suggest some recommendations based on the marketing procedure.

## IMC Stratgies

## PROMOTION

Promotion activities perform a major role in re-launching any product. Addition in target market is make sure by personal selling. It adds persons in small stores describe the benefits to important customers about importance of milk in standard packed form. Awareness performs the most important role. They should taste housewives on many places. Because they are the main servers of such kind of nutritional diets to their members of family.

There are many promotional methods like personal sales, advertisement’s, sales promotions, public relations etc. but the method accepted by Nestlé for introducing Nestlé UHT Milk was advertising, outside printed media for advertising like, hording board, newspaper, posters outdoor etc. Nestlé seeing the old customer of the imported brands and potentials customers via its advertising promotions. In their advertisement, Nestlé mostly focus the small kids who are the major  portion of our population and milk and such kinds of Products are main requirement of enhancing ability in children that the reason Nestle launched Nesvita Milk product especially designed for younger children because addition of calcium diets in routine diet chart is main requirement. To remind the consumers about the nestle, Nestlé also made some special platform for retailers and hold them on their shops and as make difference to other milk providing companies running in the country Nestle shows always attracting messages to feels customers that always drink milk but only I real form .

## RE – LAUNCHING

large number of competitors Nestle takes decisions to re-launch it product with different new packing. It was an opportunity for Nestle to control the market in that a way that it will introduce. it’s all the discrepancies such as shortage, inflation based pricings which given opportunity to the competitors to control the market.

BELOW THE LINE

Below the line includes following mediums of advertisement.

- Direct mail to users

- Outdoor advertising

-Through Transit

DIRECT MAIL ADVERTISING

It is any form of advertising present directly to the new comers, this can be through the mail, fax, online computer services, sales personnel’s, retailers or other means rather than through traditional mass media.

Leaflets/ flyers

Nestle has distributes many types of leaflets, which inform information about

Nestle Milk products, at different outlets.

Folders / brochures

Nestle distributes brochures of their product to their users through internet to make them inform of new research and innovations and products. This helps nestle in adding more customers.

OUTDOOR

Nestle expenses a big share of their advertisement budget on the outdoor advertisement in Singapore, which includes

-Painted Billboards at different places

-MMT in various locations

-Vinyl Sheets located in public places

- They have put on different themes of them, which are presenting different situations in which people are using real water. According to the NESTLE they perform heavy outdoor advertisement to aware people about the presence of their product due to it is a product for which consumer never pre-determined plan to purchase it so to encourage them for the purchase of Nestle Milk Products they have to place billboards. Beside this they rotate the posters of their billboards after some months the reason for this is that users not interest in those themes when they see it for a longer time so when they exchange them and place the new different one that create the interest among the people.

TRANSIT ADVERTISING

Transit advertising is a type of public places out of private media that adding bus and taxicab advertising as well as posters on transit places, Bus terminals, and Display at airports

. Types of transit advertising

-Inside cards in public transports

-Outside posters on Vehicles

-Terminal posters at various locations

-Taxi / bus walls.

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