

A case study on its strategies marketing essay



**ASSIGN
BUSTER**

Changing lifestyles, in the form of the rise in nuclear families and double income households has encouraged the growth of pet ownership specially dogs in urban areas of India. The pet humanisation trend, whereby owners treat pets like family members and are willing to spend money on goods and services to keep them healthy and happy, continued to underpin the development of India's pet food and pet care products market in 2009. Growth in the number of single-person households and the ageing of the Indian population also contributed to the positive development of the market, with many single and older people adopting pets for companionship. Pet owners have started taking interest in their pet's diet, health and grooming. A gradual shift from home cooked food towards prepared pet food has been observed. Pet owners are more than willing to spend on pet food and pet care products than ever before. Mars Inc. is an enigma, a mystery tied up inside in a bright candy wrapper. Its pet food business segment, the biggest in the world at about \$30 billion in annual sales, has been bleeding money in the U. S. and had has a slow-down in Europe, even in strongholds such as Germany, where Mars has had an incredible 80% market share. The company's new-product-development record is dismal, and the lack of new hit products is inhibiting growth. Mars has long been fanatical about its quality control and manufacturing efficiency -such as the human's taste-the test for the pet food – but there are no miracles left in process technology. Mars is the worst, most feared company in the business — totally unpredictable, capable of anything.

Keywords: Pet-food, Mars Inc., Pets companionship, Lifestyle

Introduction

Mars, Incorporated is a worldwide manufacturer of confectionery, pet food and other food products with US\$ 30 billion in annual sales for 2008, and it was ranked as the 6th largest privately-held company by John Mars and Forrest Mars Jr. in the United States by Forbes. Its Headquarters are in McLean, unincorporated Fairfax County, Virginia, USA.

Mars operates in six business segments in the U. S. – Chocolate, Petcare, Wm. Wrigley Jr. Company, Food, and Drinks & Symbioscience. In India, the company operates in two business segments mainly, Petcare and Chocolates

Mars is guided by its Five Principles namely, Quality, Responsibility, Mutuality, Efficiency and Freedom.

Mars is the world's third largest food manufacturer, after Nestle.

Mars is the world's leading confectionery company, following its acquisition of the Wm. Wrigley Jr. Company in 2008, with billion-dollar brands M&M'S®, SNICKERS®, DOVE®, MARS®, EXTRA® and ORBIT®.

Mars has more than 70, 000 associates working at over 230 sites, including 135 factories, in approximately 68 countries worldwide.

Iconic global brands of MARS over the world are:

- Mars Chocolate: M&M'S®, SNICKERS®, DOVE®, GALAXY®, MARS®, MILKY WAY® and TWI

- Mars Petcare: PEDIGREE®, WHISKAS®, SHEBA®, CESAR® and ROYAL CANIN®

- Wrigley Gum and Confections: EXTRA®, ORBIT®, DOUBLEMINT®, SKITTLES®, STARBURST® and ALTOIDS®

- Mars Food: UNCLE BEN'S®, DOLMIO®, SEEDS OF CHANGE®, EBLY® and MASTERFOODS®

- Mars Drinks: KLIX® and FLAVIA®

- Mars Symbioscience: WISDOM PANEL™ MX, SERAMIS®, and COCOAPRO™

Three of the brands are more than 100 years old: ALTOIDS®, JUICY FRUIT® and SPEARMINT®.

Seven of the brands are more than 50 years old: MILKY WAY®, SNICKERS®, MARS®, M&M'S®, DOUBLEMINT®, UNCLE BEN'S®, and WHISKAS®.

Pedigree®, the world No. 1 dog food, with more than 70 years experience behind them, PEDIGREE helps make sure that the man's best friend stays fit, healthy and happy. There's a Pedigree meal for every size and shape of dog.

Historical Background

In 1935, Mars Limited was renamed as Mars Confectionery and it acquired Chappel Brothers Ltd, (CHAPPIE ®) UK – based canned dog Food Company beginning its long association with top quality pet foods by marketing Chappie dog food.

In 1939, Cat food, KITEKAT ® was first advertised in UK.

In 1951, Chappie Ltd. manufacturing was shifted to Melton Mowbray, UK.

In 1954, PAL ® food for dogs entered the UK market under the name of MEET ®.

In 1957, Chappie Ltd. was renamed to Pedigree Petfoods Ltd.

In 1958, WHISKAS ® food for cats was launched in UK.

In 1959, MEET ® was renamed as PAL ®.

In 1960, CHUM ® dog food was launched in UK.

In 1964, CHUM ® dog food is rebranded to PEDIGREE CHUM ® and it was a beginning to its long standing association with Crufts Dog Show in UK.

Silbury Soames is the first dog to be fed on PEDIGREE CHUM ® to win the Best in the Show Award.

In 1965, Waltham Centre for Pet Nutrition was established in United Kingdom to identify the dietary needs, preferences and behaviour of pet animals. This knowledge was then applied to the products to better satisfy the needs of the pet animals.

In 1967, The Uncle Ben's of Australia pet food business was established in Wodonga, Australia.

In 1968, Kal Kan Petfoods was acquired in USA, and Mars started its association with the American dog and cat owners and their pets.

In 1977, all senior / general managers worldwide met in Easton, Maryland and formulized the Five Principles.

In 1982, SHEBA ® cat food was launched in Hamburg, Germany, in exclusive aluminium tray format, delivering exquisite food to cats. Small dogs were offered their opportunity for dining two years later with the launch of CESAR ® dog food.

In 1983, the first “ Five Principles of Mars” booklet was published and distributed globally across the Corporation.

In 1987, FROLIC ® dog food was launched in Brazil. Two years later followed by PEDIGREE ® dog food and then WHISKAS ® cat food.

In 1991, PEDIGREE SELECT DINNERS ® dog food was launched and later renamed as CESAR ® dog food for small dogs.

In 2001, Royal Canin Petfoods was purchased by Mars and this leading French brand of nutritious pet-food was introduced globally.

In 2007, NUTRO ® Pet-foods was welcomed into Mars stable of leading pet-food brands.

Waltham Centre for Pet Nutrition

The WALTHAM® Centre for Pet Nutrition is the major hub of the global research activities for Mars, where they work with the dogs, cats, fish, birds and horses.

In collaboration with the global scientific institutes, the unique team of carers, scientists and research staff have supported the leading Mars brands such as Whiskas®, Pedigree®, Trill®, Cesar®, Sheba®, Kitekat®, Aquarian®, Winergy® and Royal Canin®.

The team in these years has pioneered some of the most important breakthroughs in pet nutrition, and has shared the results of the Centre's research in more than 1, 500 publications, and regular communication with scientific and pet care communities.

By developing products that have been constantly improving nutrition and care, they have helped the world's pets to live healthier and happier lives.

Waltham® Centre for Pet Nutrition, today, is the world's leading authority on pet care and nutrition because their science cares...

- the investment of the centre into pet-care and well-being, provides better and more relevant science
- because their way of working, they have stimulated innovative solutions to research problems
- because their research has been published in high impact journals

They are having a lasting positive impact on the health and care of pets across the world.

Strategic Management of PEDIGREE, MARS Inc.

Mars has expanded through acquisitions. Through the years, Mars has acquired the most successful brands of pet food across the globe. Their strategy of global expansion has been finding the converts to its brands in new country after country globally. The company with aggressive marketing, along with acquisitions, has increased both its market share as well as its profits in a flat market.

The acquisition of Doane by Mars has been an important part of their strategy to strengthen and grow their Pet care business in North America and the addition of Doane's U. S. operation, they will provide production capacity to accelerate their innovation pipeline and operating flexibility to better respond to their customers' needs, said Bob Gamgort, North American President for Mars.

The combination of Mars' brands, science and innovation with the supply chain excellence of the acquired brands has significantly improved Mars' business performance and competitive position. This has created a more efficient, geographically distributed network which has enabled Mars to respond more rapidly to shifts in the consumer demand and customer needs.

In 1964, Forrester's primary act was to destroy the fancy corporate surroundings, and since then, Mars has been practicing an open-office policy for everyone.

“ Mars has built a culture that can only be described as every man for himself.”

Indeed, there are no private offices. The desks are arrayed from the centre of the floor in the descending order of ranks through their “ zones” of management – the lower- ranking zone fives are typically the brand managers, while the zones one and two are accorded to the senior executives. The company does not have special parking spaces or executive dining rooms, or washrooms at any of their locations.

Competitors are afraid of Mars as they are witnessing a work of a strategic genius or the mad-scientist owners that have let the business slide as they chase their dreams of global conquest, which really is the way of how they capitalize on opportunities.