

Market and company overview of heinz



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By the development of people's living standard, many people would like to have a high quality, healthier and more balanced breakfast. For this market, Heinz Baked Beans was released by H. J. Heinz Company. It has many flavors and not expensive, thus every people can buy it and make a better breakfast.

In 1886, Heinz Baked Beans was first sold in UK with a high price. Also, Heinz Baked Beans is famous for the unique design of label and the delicious taste.

H. J. Heinz Company is an American company which established by Henry John Heinz in 1869. The main products of Heinz are ketchup, condiments, Frozen food, soups, infant food, beans and pasta meals. Furthermore, there are 32, 500 employees in H. J. Company in 2008. Also, H. J. Company is a public company in NYSE.

The 4P's Analysis is ¼ Product, Price, Place and Promotion

Product

Heinz Baked Beans is a kind of food which is produced by H. J. Heinz Company and people can buy it in almost every supermarket. It is packed in a can to keep food fresh and the label is very striking. Beside the label, there is a bar code and ' Health Benefits' to tell people the benefits of eating beans. For instance, 99% fat free, good source of Dietary Fibre, high in protein, source of iron and rich in Folate. At the back of the can, as can be seen that Heinz Baked Beans is made in New Zealand and there is a recipe of Cheesy Bean Fajitas, and below the recipe, there is a nutrition information and ingredients list. According to the ingredients list, it is can be seen that

Heinz Baked Beans is made by 50% Navy Beans and 50% sauce.

Furthermore, the kind of sauce is depends on the flavor of Beans. To open the can, as can be seen that the bean looks very fresh and delicious because of the sauce and make people cannot help having a taste.

Heinz Baked Beans also have many flavors for sale such as tomato sauce, ham sauce, cheesy tomato, sweet chili, extra cheese sauce, salt reduced, no added salt and BBQ sauce. In Australia, Heinz Baked Beans is very popular and many people like to eat it with bread as breakfast. However, people can be suffered from if they eat too much. Moreover, now Heinz Baked Beans should has entered the late stage of maturity, even could be the stage of decline of Product Life Cycle (PLC). The sales volume should be linear decrease and the profits should begin to fall. However, that is not the fact; Heinz Baked Beans stay in the peak of selling and trying to increase the profit. In order to do this, the marketers should find a way to maintain the market situation and increase their customers.

To compare with Heinz Baked Beans, other competitors' products are not as many flavors as Heinz. However, they have their own advantages such as lower price, lower cost of product, and lower cost of development.

It is obvious that the price of Heinz Baked Beans is higher than other competitors. In the Coles (Wynyard station), Heinz Baked Beans 420g is \$1. 63 per one, the bean of competitor which name is Coles id \$1. 20 per one (420g), the price of competitor which name is Watties is 1. 36 per one (420g) and the price of Coles smart buy is \$0. 69 per one. Thus it can be seen that

Heinz Baked Beans does not join in the price competition because it is always the most expensive one of all the baked beans.

The price of Heinz Baked Beans is not for price competition. Even though Heinz Baked Beans is obviously more expensive than other competitors, the number of customers is their solid foundation because Heinz Baked Beans has much more flavors than competitors. Moreover, the higher price also means a higher quality, thus the price can make customers trust the product and do not care about price too much.

The price concerns life of company, profit and the quality of product. As can be known, the Product Life Cycle (PLC) contains new product development, introduction of product, growth, maturity and decline. Thus in the first stage of PLC, company should consider the fundamental aim of pricing concerns the life of product or company, also called survive. The need to know how much capital is enough to pay the salaries of staffs and the total cost. Next, they may adjust the price to gain a higher profit or attract more customers when the company has enough customers. To maximum the profit is the aim of marketers set the price. Because the company enters the maturity stage of life cycle and may going to decline stage, the price might be set according to the quality of product, it means that the higher quality, the higher price, nevertheless, customers may be would like to pay more for a higher quality product. When they set the price, maybe they also use some psychological knowledge. For example, \$1. 69 is equal to \$1. 70, but customers often think that \$1. 69 is cheaper than \$1. 70, although they are the same.

Place

There are four kinds of marketing channels for products. The first way is customer buy products from the producer directly. The second way is producer sell products to retailers, and customer buy products from retailers. The third way is producer transport products to wholesalers and transport to retailers, and then retailers sell products to customers. The last way is add agents or brokers based on the third way. Heinz Baked Beans belongs to the third way.

As can be seen, Heinz Baked Bean is put in the second and third shelf, and the place is not very conspicuous. This might be because that the performance price ratio of Heinz Baked Bean is not as high as other competitors. However, the advantage of Heinz Baked Beans is that it occupies almost every supermarket; customers can buy it very easily. In the Coles, Heinz Baked Beans is put into the food section and the Baked Beans shelf, and occupies side of shelf which is near the aisle, thus it is very easy to see. Although the Heinz Baked Beans is only occupy a small place, but it is the only way which must be passed to look around the supermarket. The channel of Heinz Baked Beans is not intensive, almost can only buy it in supermarket, but it is not very important, because Heinz Baked Beans is produced for home more than for business.

Promotion

According to the advertisement of Heinz Baked Beans, as can be seen that the company is trying to emphasize the advantages of Heinz Baked Beans: can be eaten in lots of ways, outstanding taste and high popularity. Also, because the advertisement is related to people's family life, thus people

would feel the advertisement is very approachable, especially when the similar scene happens.

The purpose of promotion is to create and maintain communication with target market. One of the promotion methods of Heinz Baked Beans is advertisement. Advertisement can be defined as to promote the products through media. For example, advertisement can be put in the television, radio, Internet, newspaper, magazine and so on, even the brochure of supermarkets. In people's daily life, the advertisements of Heinz Baked Beans can be seen almost everywhere such as television, newspaper and brochure of supermarkets. There all are the advertisement of product. Product advertisement can be divided into two parts which are Pioneer Advertising and Competitive Advertising. The purpose of Pioneer Advertising is about customer education and usually the advertising campaign is expensive and sustained. Competitive Advertising is to promote the advantages of their product and compare with the competitor's product. H. J. Company is obviously focused on Competitive Advertising. To emphasize the higher quality and the unique flavor to supply the demand of a growing number of customers who purchase Heinz Baked Beans because of the specific brand.

As what has been listed above, Heinz Baked Beans released a promotion pack which is Big Value 3 Pack and the price is \$4. 30 each to supply the demand of the market and customers because now Heinz Baked Beans should has entered the late stage of decline of Product Life Cycle (PLC), H. J. Company should find a way to maintain or increase the sales volume of Heinz Baked Beans, otherwise Heinz Baked Beans may quit the market and <https://assignbuster.com/market-and-company-overview-of-heinz/>

H. J. Company may be affected by this situation. Also, the advertisement can help to stimulate the demand and the sales volume of Heinz Baked Beans.

Conclusion

To sum up, although Heinz Baked Beans is not cheaper than other competitors in Australia, yet many customers still treat it as their favorite products in this kind of products. This is not only because people can buy Heinz Baked Beans in every supermarkets in Australia, but also because the outstanding quality of Heinz Baked Beans. Thus Heinz Baked Beans would become more and more popular because of the long history and various flavors.