

Principle of marketing conclusion flashcard



**ASSIGN
BUSTER**

Nestle produces a wide range product including milk based products. Nestle is a popular company with subsidiaries across the world in 104 countries . It also is the world largest food and Beverage Company with 71 billion in annual sales. It makes some 800 brand that include instant coffee . Milo is a one of the brand marketing mix of Nestle Milo can be found in almost all the offices and households. Milo is a milk beverage with chocolate and malt produced by Nestle and originating from Australia. It was developed by Thomas Mayne in 1939 Milo.

Milo was developed in the 1939 year during the depression when many children were not receiving enough nutrients form their daily diet. Milo created by the Thomas Mayne who is a Nestle Industrial Chemist and he created the nutritious beverage using local milk knowledge and Swiss Cocoa expertise. Milo is also manufactured in other countries such as Singapore, Malaysia, China and so many countries in the world. Nestle business objectivities is to manufacture and market its product in a way that creates value that can be sustained over long term for shareholder, employees, consumer , business partner in which Nestle operates.

The aim of the creating values for the company include with improve business condition for the firm. The mission and vision statement of Milo is to obtain more reliable and high qualify source of raw material , improved government functioning and regulatory , employed skill and loyal workforce and superior quality products which successfully complete. Furthermore, Milo is a very well-known product and also has variety of product items under the same brand which is Milo. These are some type of Milo that Nestle have been produce.

Example like the original Milo, Milo Fuze, Milo 3 in 1 and so on which are very suitable children and adult to fulfill their energy. The most popular is Milo 3 in 1, it offers the complete creamy mix of Milo, milk and sugar plus energy releasing Actigen-E and contained 520mg of calcium covering 2/3 of the recommended daily allowance on adult daily calcium need for bone strength. In addition, most consumers chose Milo since it is a brilliant example of the superior quality and also basically selling directly to consumer and made the business is growing rapidly.

Besides that, Milo has been around for decades and becomes one of Malaysian favorite chocolate malt drink to everyone and Malaysia also is the world largest consumer of Milo. Malaysian were said to be world largest consumer of Milo. This because Milo was once used as a nutrient supplement when it was first introduced in the country and has gained a reputation as a 'must have' drink for the old and younger generations. Milo is served in kopitiam and mamak stalls offering version such as Milo Dinosaur, Milo GodZilla and Neslo in Malaysia. So by time to time, Milo is become one of the drink beverage in daily life.

Product

Classifying Goods and Services For Consumer And Business Markets From our product, Milo, can be listed as consumer product and business product also. Consumer products are those products which the people bought and used by the ultimate consumers while business products which are also known as industrial or organizational products are contribute directly or indirectly to the output of other products for resale. (Kurtz & Boone 14th e,

2008) Firstly, for the consumer product, Milo can be listed as convenience products.

Convenience products refer to the goods which the customers can be purchased immediate, purchased frequently and low in price. (Kurtz & Boone 14th e, 2008) There are three types of convenience goods which are impulse goods and services, staples, and emergency goods and services. Milo is considered as staples. Staples are those convenience goods which consumers will constantly purchase along the days to maintain the ready inventory in their house.

The examples of staples are shampoo, detergent, biscuits, and include with Milo also. Consumers will purchase Milo as a drink which they can take it when they are hungry. Other than consumer product, Milo also can be considered as business product. Business products can be defined as the products which bought by the customer to process and modify the products and resell it again. (Kurtz & Boone 14th e, 2008) In another words, business products are bought for the business purpose.

There are six types of business products such as Installations, Business Service, MRO Supplies, Raw Materials, Accessory Equipment, and Component. For our product, Milo, is listed as the raw materials. Raw materials refers to those product resemble component parts and materials in that they become part of the buyer's final products. There are also the sellers or the owner of the restaurant buy milo as a raw material for them to produce the Milo ice or hot and sell to their customer.

Product Life Cycle

<https://assignbuster.com/principle-of-marketingconclusion-flashcard/>

There are four stages in the product life cycle which are Introduction Stage, Growth Stage, Maturity Stage and Decline Stage. (Kurtz & Boone 14th e, 2008) For our product, Milo, it is still maintain in the maturity stage. Maturity stage states that the product in the market is existed for a period of time. The competitors are coming into the market as well. Then, the profits of the product are going to decline as competition intensifies. In this stage, the competitors' products are very alike with your company's product.

In order to increase their sales and market shares only at the expense of competitors, so the competitive environment becomes increasingly important. In order to maintain their status in the maturity stage, Milo tried to come out many other flavors of Milo products. For example, instead of Milo original, Milo Cereal, Milo Hi-Fibre, Milo Less Sweet, and Milo Sejuk. Milo is trying to differentiate their products from being selling the similarity products with their competitors in order to maintain their leadership status and market shares in the market.

Hence, they success to maintain their market shares in the market and their products are still available in the market since they launched their products for the first time in 1950. Nowadays, other than differentiate their products from the competitors' products, they also do many advertisements on their products with the purpose to remind their customers that Milo products are still available in the market and they can get the products in the available distribution places.

Other than maintain the market shares in the market, Milo also have to extend their product life cycle. In order to extend the product life cycle, Milo

can extend it by increasing the number of their users. Milo does come out with the new products to increase their users such as Milo Cereal, Milo Hi-Fibre, Milo Less Sweet, and Milo Sejuk. These new products were come out to attract the customers to buy their products in different flavors or benefits after they drink the Milo products.

Thus, those new Milo products can help them to increase their number of users in the market. For example, Milo Hi-Fibre and Milo Cereal are for those who are on diet and stay healthy. Then, Milo Less Sweet is for those who are caring for their healthy and especially for the old people. Milo Sejuk can be prepared by using the cold water and the children or teenagers would like it. Hence, Milo came out the new products and it may increase the users in the market and maintain their market share in the market as well.